

CITY OF BRIDGEPORT, CONNECTICUT
COMPREHENSIVE
ANNUAL FINANCIAL
REPORT



FOR THE FISCAL YEAR ENDED
JUNE 30, 2020

CITY OF BRIDGEPORT, CONNECTICUT



COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Fiscal Year
July 1, 2019 to June 30, 2020**

Prepared By:
DEPARTMENT OF FINANCE

Kenneth A. Flatto
Director of Finance/CFO

**CITY OF BRIDGEPORT, CONNECTICUT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 TABLE OF CONTENTS
 JUNE 30, 2020**

| Introductory Section | | Page |
|------------------------------------|---|-------------|
| | Letter of Transmittal | i-vii |
| | GFOA Certificate of Achievement | viii |
| | Table of Organization | ix |
| | List of Principal Officers | x |
| Financial Section | | |
| | Independent Auditors' Report | 1-3 |
| | Management's Discussion and Analysis | 4-16 |
| Basic Financial Statements | | |
| Exhibit | Government-Wide Financial Statements: | |
| I | Statement of Net Position | 17 |
| II | Statement of Activities | 18 |
| | Fund Financial Statements: | |
| III | Balance Sheet - Governmental Funds | 19-20 |
| IV | Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | 21-22 |
| V | Statement of Net Position - Proprietary Funds | 23 |
| VI | Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds | 24 |
| VII | Statement of Cash Flows - Proprietary Funds | 25 |
| VIII | Statement of Net Position - Fiduciary Funds | 26 |
| IX | Statement of Changes in Net Position - Fiduciary Funds | 27 |
| | Notes to the Financial Statements | 28-84 |
| Required Supplementary Information | | |
| | General Fund: | |
| RSI-1 | Schedule of Revenues and Other Financing Sources - Budget and Actual | 85-87 |
| RSI-2 | Schedule of Expenditures and Other Financing Uses - Budget and Actual | 88-89 |
| | Pension Plans: | |
| RSI-3 | Schedule of Changes in Net Pension Liability and Related Ratios - Public Safety Plan A | 90 |
| RSI-4 | Schedule of Changes in Net Pension Liability and Related Ratios - Police Retirement Plan B | 91 |
| RSI-5 | Schedule of Changes in Net Pension Liability and Related Ratios - Firefighters' Retirement Plan B | 92 |
| RSI-6 | Schedule of Changes in Net Pension Liability and Related Ratios - Janitors' and Engineers' Retirement Plan | 93 |
| RSI-7 | Schedule of Employer Contributions - Public Safety Plan A | 94 |
| RSI-8 | Schedule of Employer Contributions - Police Retirement Plan B | 95 |
| RSI-9 | Schedule of Employer Contributions - Firefighters' Retirement Plan B | 96 |
| RSI-10 | Schedule of Employer Contributions - Janitors' and Engineers' Retirement Plan | 97 |
| RSI-11 | Schedule of Investment Returns - Pension Plans | 98 |

| <u>Exhibit</u> | | <u>Page</u> |
|----------------|---|-------------|
| RSI-12 | Schedule of the City's Proportionate Share of the Net Pension Liability - Teachers Retirement Plan | 99 |
| RSI-13 | Schedule of the City's Proportionate Share of the Net Pension Liability - Municipal Employees Retirement Fund | 100 |
| RSI-14 | Schedule of Employer Contributions - Municipal Employees Retirement System | 101 |
| | OPEB Plans: | |
| RSI-15 | Schedule of Changes in Net OPEB Liability and Related Ratios - OPEB Plan | 102 |
| RSI-16 | Schedule of Employer Contributions - OPEB Plan | 103 |
| RSI-17 | Schedule of Investment Returns - OPEB Plan | 104 |
| RSI-18 | Schedule of the City's Proportionate Share of the Net Pension Liability - Teachers Retirement OPEB Plan | 105 |

Supplemental, Combining and Individual Fund Statements and Schedules

| | | |
|-----|--|---------|
| | General Fund: | |
| A-1 | Comparative Balance Sheet | 106 |
| A-2 | Schedule of Property Taxes Levied, Collected and Outstanding | 107 |
| | Nonmajor Governmental Funds: | |
| B-1 | Combining Balance Sheet | 108-109 |
| B-2 | Combining Statement of Revenues, Expenditures and Changes in Fund Balances | 110-111 |
| | Agency Funds: | |
| C | Statement of Changes in Assets and Liabilities - Agency Fund | 112 |

Statistical Section

Table

| | | |
|----|--|---------|
| | Financial Trends: | |
| 1 | Net Position by Component | 113 |
| 2 | Changes in Net Position | 114-115 |
| 3 | Program Revenues by Function/Program | 116 |
| 4 | Fund Balances, Governmental Funds | 117 |
| 5 | Changes in Fund Balances, Governmental Funds | 118 |
| | Revenue Capacity: | |
| 6 | Tax Revenues by Source, Governmental Funds | 119 |
| 7 | Assessed Value and Estimated Actual Value of Taxable Property | 120 |
| 8 | Principal Property Taxpayers | 121 |
| 9 | Property Tax Levies and Collections | 122 |
| | Debt Capacity: | |
| 10 | Ratio of Outstanding Debt by Type | 123 |
| 11 | Ratios of Net General Bonded Debt Outstanding by Type | 124 |
| 12 | Direct Governmental Activities Debt | 125 |
| 13 | Legal Debt Margin Information | 126 |
| 14 | Computation of Legal Debt Limitation | 127 |
| | Demographic and Economic Statistics: | |
| 15 | Demographic and Economic Statistics | 128 |
| 16 | Principal Employers | 129 |
| | Operating Information: | |
| 17 | Full-Time Equivalent City Government Employees by Function/Program | 130-131 |
| 18 | Operating Indicators by Function/Program | 132 |
| 19 | Capital Asset Statistics by Function/Program | 133 |



Introductory Section



CITY OF BRIDGEPORT
DEPARTMENT OF FINANCE
MARGARET E. MORTON GOVERNMENT CENTER
999 Broad Street
Bridgeport, Connecticut 06604
Telephone 203-576-7251 Fax 203-576-7067

JOSEPH P. GANIM
Mayor

KENNETH A. FLATTO
Finance Director/CFO

December 23, 2020

Honorable Joseph Ganim, Mayor

Members of the City Council

Citizens of Bridgeport

State law requires that every general-purpose local government publicly 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, 2020.

Blum Shapiro has issued an unmodified (“clean”) opinion on the City of Bridgeport, Connecticut’s financial statements for the year ended June 30, 2020. The independent auditors’ report is located at the front of the financial section of this report.

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 controls 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. There were no material or significant findings issued this year.

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. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Bridgeport was incorporated in 1836 and annexed portions of the neighboring towns of Stratford and Fairfield in the late 1800’s. The City of Bridgeport is located on the northern shore of the Long Island Sound, approximately 60 miles northeast of New York City and 60 miles southwest of Hartford. The City is the crossroads of one of the best land, sea, rail and air transportation systems in the Northeast. Bridgeport Harbor is one of the three deep-water ports in Connecticut. Amtrak and Metro-North provide passenger service to the City from the downtown Transportation Center. With a 2010 U.S. Census population of 144,229 residents, Bridgeport is the largest city in the State of Connecticut, averaging almost 7,500 people per square mile. Encompassing an area of 19.38 square miles (approximately 16.0 square miles of land and 3.38 square miles of water), Bridgeport’s 57,000 housing units are the most of any municipality in the State of Connecticut.

Bridgeport operates under and is governed by the laws of the State of Connecticut and its own City charter, which was originally adopted in 1907. The last major revision to the City's charter was adopted in 1992 and 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 serves as the City's legislative body, consists of 20 council members elected to two-year terms. The Charter provides for four-year terms for the Mayor, City Clerk and Town Clerk.

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

Budget, Finances and Long-Term Planning

The annual budget serves as the foundation for the City of Bridgeport's financial planning and control. Budget-to-actual comparisons for FY2020 are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on RSI-1 and RSI-2 as part of the required supplementary information for the General Fund.

The City ended the June 30, 2020 fiscal year with a positive \$3.9 million budgetary surplus, consistent with commitments made to rating agencies. This was attained in large measure by various Administration actions taken last year, along with a healthy rate of tax collections. The City continues to strengthen general fund balances, as recommended by rating agencies, so that the City nears its goal of attaining its long-term fund balance policy. The City has also taken steps to ensure that it has ample contingencies to meet fiscal challenges and any possible emergency needs. The City receives significant state aid for education program purposes, some state aid for city operating purposes, and state bonded aid for large school capital project needs. The City is fully funding all required pension obligations, as recommended by actuaries or required by statute. In fiscal year 2020, the City contributed an additional \$100,000 investment into the Other Post-Employment Benefits (OPEB) Trust, while paying current annual expenditures for OPEB benefits on a pay as you go basis. Information presented in the financial statements is perhaps best understood from the broader perspective of the specific environment within which the City operates.

The City maintains budgetary controls and Charter and Code regulations that prohibit the City from overspending the annual adopted budget. In addition, the City Code does not allow management to make intra departmental or interdepartmental budget line transfers within the annual budget, except for small transfers within specific department budget functional categories, unless such transfers are approved by the City Council. The City has put into place certain long term planning measures, including the adoption of an annual five-year capital plan. In addition, the City uses multi-year planning for internal purposes for forecasting future budget needs. The City enters into multi-year contracts for various services when beneficial with utility providers, certain health care providers, non-profit organizations, and with developers seeking to revitalize City owned sites. The City implements multi-year collective bargaining contracts on a regular basis.

Reassessment and Mill Rates

The City's fiscal year property tax mill rate for FY2021 was adopted in May 2020 at 53.99 mills, the same level of property tax mill rate as the FY2020 year. This was the fifth consecutive budget year that the mill rate either remained the same or was reduced. The mill rate for motor vehicles was set at 45 mills for FY 2021 as well as the prior FY2020, based upon the State legislative mandated cap for car tax mill

rates. The City receives state reimbursement for much of the lost revenues from this reduced vehicle mill rate. The last citywide revaluation was implemented for the October 1, 2015 Grand List Year, and a new revaluation is underway for the October 2020 Grand List to be effective for the 2021-2022 Fiscal Year. The Net Taxable Grand List as of October 1, 2019 was adopted at a full value of approximately \$6.45 billion. While real property values have increased, the Grand List is still based upon 2015 values as required by state statute, and the slight improvements the past few years are due to new grand list growth development realized. The new Revaluation process for the October 2020 Grand List was fifty per cent complete as of June 30, 2020 and shall be fully completed and this new 2020 Grand List shall be certified by January 31, 2021.

Local Economy

The City is a major medical, legal, industrial, financial and entertainment center. Two medical centers, the Hartford Healthcare St. Vincent's Medical Center and the Bridgeport Hospital of the Yale-New Haven hospital system, provide for many of the health care needs of the Greater Bridgeport area. Federal and State courthouses are located within the central business district. Corporate and regional business offices are located downtown, including the national headquarters office of People's United Bank. Other major employers residing within the City's boundaries include PSE&G, Goodwin University-Bridgeport University, Housatonic College, Jewish Senior Services, Bridgeport Health Care Center, Bass Pro Shop, Sikorsky Industries, Pullman & Comley, Wades Dairy, and several major service industry firms. The City remains the home to more than 200 manufacturing companies and thousands of local retail and commercial businesses.

The Greater Bridgeport area hosts four institutions of higher learning: Housatonic Community College, Goodwin University-University of Bridgeport, Fairfield University, and Sacred Heart University. These educational institutions provide the City's corporate and business communities with skilled personnel and enhance the area's cultural and community activities. The Workplace Inc. is a major multi-state job training and enterprise non-profit center.

Bridgeport is the home of numerous attractions that enhance the City's economic fortunes. The Webster Bank Arena and other downtown venues usually bring hundreds of thousands of visitors annually to Bridgeport's Downtown to watch minor league hockey, college basketball, college hockey, concerts and other entertainment. The Beardsley Zoo, Connecticut's only zoo, is one of the most visited tourist attractions in the State. The Barnum Museum showcases the life and times of the City Mayor and renowned showman, P.T. Barnum. A new LiveNation concert amphitheater has been completed at the former Harbor Yard and is scheduled to open as soon as public health conditions allow. Some of these venues have been impacted by the covid crisis, however they remain a key part of the City's vibrant future.

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. New light manufacturing is looking at Bridgeport as a favored destination. The City's strategy of identifying growth industries such as medical, financial services, construction, and technology is proving successful. To enhance the infrastructure that serves the industrial and commercial base of the City, the City has assembled land and facilities necessary to provide for the expansion of existing corporations and to accommodate new business, redevelopment and private investment. Over 500,000 square feet of new development have been developed the past four years, including a major new natural gas power plant and properties at Steel Point district, and more are underway and in developmental and marketing stages,

Waterfront Development/Steel Point

Investment in Steel Point has come to fruition and continues expanding. Approximately 200,000 square foot of retail, including Bass Pro Shops, Starbucks, Chipotle, T-Mobile and Boca Oyster seafood restaurant and Dolphin marina. Phase Two was completed in FY2020, with a new commercial building above the restaurants. New housing expected to be complete and opened within another year.

Other plans include robust public improvements such as an approximately 70-foot-wide greenway along the South End waterfront. Property tax-based Tax Increment Financing will be used to fund some of these improvements. The Steel Point Infrastructure Improvement District (the “District”) and BDL are expanding development efforts nearby which included BDL’s purchase of the former Derecktor shipyard site from the City.

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. Bridgeport is increasingly an option for residents and businesses seeking a cost effective and convenient location to live and work. Census data also shows that Bridgeport has the second highest percentage of millennial aged population in southwestern Connecticut.

The City has received a State grant of \$6 million and bonded funds to design and complete a new Congress Street bridge, and the city is remediating the Seaview Avenue corridor, and considering downtown parking improvements, alongside other Bridgeport downtown improvements. \$25 million in state and federal funding is being spent over the next two years including a major upgrade to Lafayette Circle and Boulevard and Main Street traffic light upgrades. The City’s Intermodal Transportation Center and a 1,400-car commuter parking facility help link the various modes of transportation (such as Amtrak, Metro North, water ferries, city buses and taxis). Downtown Bridgeport and the South End is receiving a \$40 million grant to upgrade flood protection and resilience efforts. A plan for a high-speed ferry dock along Water Street is also planned by the Port Authority for the future.

Housatonic Community College has doubled the size of its downtown facilities over the past decade. The college’s enrollment has increased to over 6,000 students. Significant private investment is occurring along Main Street and Main Street North, including a joint venture of the *Spinnaker Group* and *Forstone Capital* along sections of downtown real estate from People’s United Bank to Main Street North. Forstone’s renovation of the former Mechanics & Farmers Bank Complex on State Street into 32 housing units, professional offices, the Stress Factory comedy club and adjoining restaurant opened. A \$12 million project 333 State Street development created 65 rental apartments and 15,000 square feet of street-level commercial space. The Kuchma Corporation (developer of Bijou Square) has built nearly 30 residential units, a restaurant, and built a new City public senior center for city residents.

A major historic multi \$ million plan to revitalize the Majestic and Poli Theaters and to build two landmark eighteen story apartment towers has been agreed with the City and design and remediation started. Mixed-use buildings have been refurbished into new office and retail space and inter-connected buildings and adding to the downtown residential housing stock *along* the Securities block. Just north of those buildings, the city has helped to start redevelopment of five city blocks, including both historic buildings and vacant land, with joint developers Spinnaker, POKO, Urban Green Builders, and Navarino. These projects include 105 housing units and retail space, have commenced remediation and reconstruction.

Industrial Development and Housing Projects

In the City's West End Redevelopment area, significant industrial investment has occurred. The \$70 million Bridgeport Fuel Cell Energy Park produces enough electricity for 15,000 homes. An Eco-Technology Park is located in the West End and South End neighborhoods. Adjacent to the Eco-Technology Park, a block of vacant industrial buildings is being repurposed as a mixed-use neighborhood. The block attracted \$1.2 million in state brownfield assistance.

The Cherry Street Associate redevelopment has renovated several former dilapidated industrial buildings and plans to create approximately 325 units of mixed-income housing, space for a charter school, and approximately 20,000 square feet of retail space. The first phase underway includes 157 units of housing, the charter school, and open space.

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 part of the Yale New Haven Center, employs over 2,500 people and is constantly innovating. St. Vincent's Medical Center, acquired by Hartford Healthcare last year, employs more than 2,600, after construction of a \$140 million expansion project.

Jewish Senior Services (JSS) thrives in a \$95 million building on Park Avenue, a combination of a 367,000 square foot skilled nursing and an assisted living facility. Nearly 300 jobs were moved to Bridgeport.

Public Education

The City and Bridgeport Public Schools are completing the most comprehensive school upgrade program in decades. New high schools, middle schools and elementary schools are now complete, with the new Harding High School and renovated Central High School reopened this autumn. Design for a completely new Bassick High School complex adjacent to Bridgeport University is underway. The city public school system is striving to improve student outcomes while simultaneously taking steps to conserve budget resources. The City and State support Bridgeport Public Schools in many ways, both fiscally and with supportive services.

Bridgeport's Major Financial Initiatives

The City has instituted annual significant cost-saving initiatives through financial system upgrades, improvement of revenue collection, restructuring of employee benefits, and interim budget freezes on hiring. The City added new Purchasing controls over the past several years. The City has completed technology and software upgrades to improve public customer services including online payment systems, web-based operations and cybersecurity safeguards and is adding fiber optic connectivity.

The major historic economic development initiatives described above will provide a significant boost to the tax base and to budgetary revenues over the next decade. The City revenue enhancements including improved tax collections, and new federal grants, have attained millions of new revenues. A Mayoral anti-blight program is successfully cleaning up the city.

Revenue Collection Initiatives

The City implements innovative strategies for enhancing its tax revenues, accelerating its receipt of delinquent taxes, non-tax revenues and controlling costs. The City increased collection of real estate taxes, through heightened enforcement and the sale of tax liens. Tax lien sales have proven to be an effective management tool for collecting current and arrears taxes, interest and penalties. The City conducted its last tax lien sales in May 2020 netting over \$3 million.

Internal Service Fund & OPEB Fund

The City, by Ordinance, established an Internal Service Fund (ISF) and an Other Post Employment Benefits Fund (OPEB) 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 ISF is a proprietary type fund which utilizes the accrual basis of accounting. The use of an Internal Service Fund, for self-insured benefit activities can help smooth the impact of claims fluctuations. Funding of the Internal Service Fund is provided through the annual Board of Education budget, the City General Budget, the Library, WPCA Budget, and by employee contributions. As of June 30, 2019, the fund continues to have a deficit which considered in the calculation of contributions to be made to the Fund in future years. The long-term liability increased \$3 million from the previous year, solely due to one-time workmen's compensation claims. It is expected that deficits will be reduced over a reasonable period of years. The OPEB Trust Fund was established with an annual deposit from the General Fund as the City plans to deal with this long-term challenge. The City has reined in and restructured health costs by joining the CT Partnership Health Plan in FY2020.

City Investment Policies

Eligible investments for Connecticut municipalities are governed by the Connecticut General Statutes. It is the policy of the City to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all statutes governing the investment of funds. The City's investment of cash and cash equivalents consist primarily of FDIC insured money market investments and funds invested in the State Short-Term Investment Fund ("STIF").

Because the Connecticut General Statutes do not specify permitted investments for municipal pension funds, the investment of pension funds is generally controlled by the laws applicable to fiduciaries (i.e., prudent person rule) and the provisions of the applicable plan. In accordance with its policy for pension fund investments, the City seeks a long-term, above-average total return consisting of capital appreciation and income, while placing an emphasis on preservation of the principal.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded another 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, 2019, and is applying for fiscal year 2020. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

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. The City of Bridgeport has received a Certificate of

Achievement in each of the last 16 years. We believe our current report continues to conform to the Certificate of Achievement program requirements.

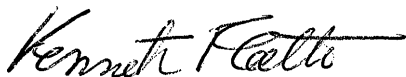
In addition to the award for the Financial Reporting, the Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Bridgeport, Connecticut for the FY2020 Annual Budget.

The preparation of the Comprehensive Annual Financial Report was made possible by the tremendous dedication and hard work of the entire staff of the Finance Department, particularly the Comptroller's and Finance Offices, the City Treasurer's Office, Tax Collectors Office and In-Plant Print Shop. We want to express our appreciation for the cooperation, assistance and support of all other City departments and to the City Council Budget and Appropriations Committee. Thanks to all the Finance department employees who helped to ensure that this audit report is complete and accurate.

For more information on the City of Bridgeport, as well as financial documents, economic development updates, and other matters, please visit the City's redesigned web site at: www.bridgeportct.gov.

We would like to acknowledge the thorough and professional nature of our independent auditors, Blum Shapiro, who conducted this annual audit and assisted with the CAFR. The leadership and support of the Mayor and City Council has helped to ensure that our professional and dedicated Finance department continues to perform at its best.

Respectfully submitted,

A handwritten signature in black ink that reads "Kenneth A. Flatto". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Kenneth A. Flatto
Director of Finance/CFO



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Bridgeport
Connecticut**

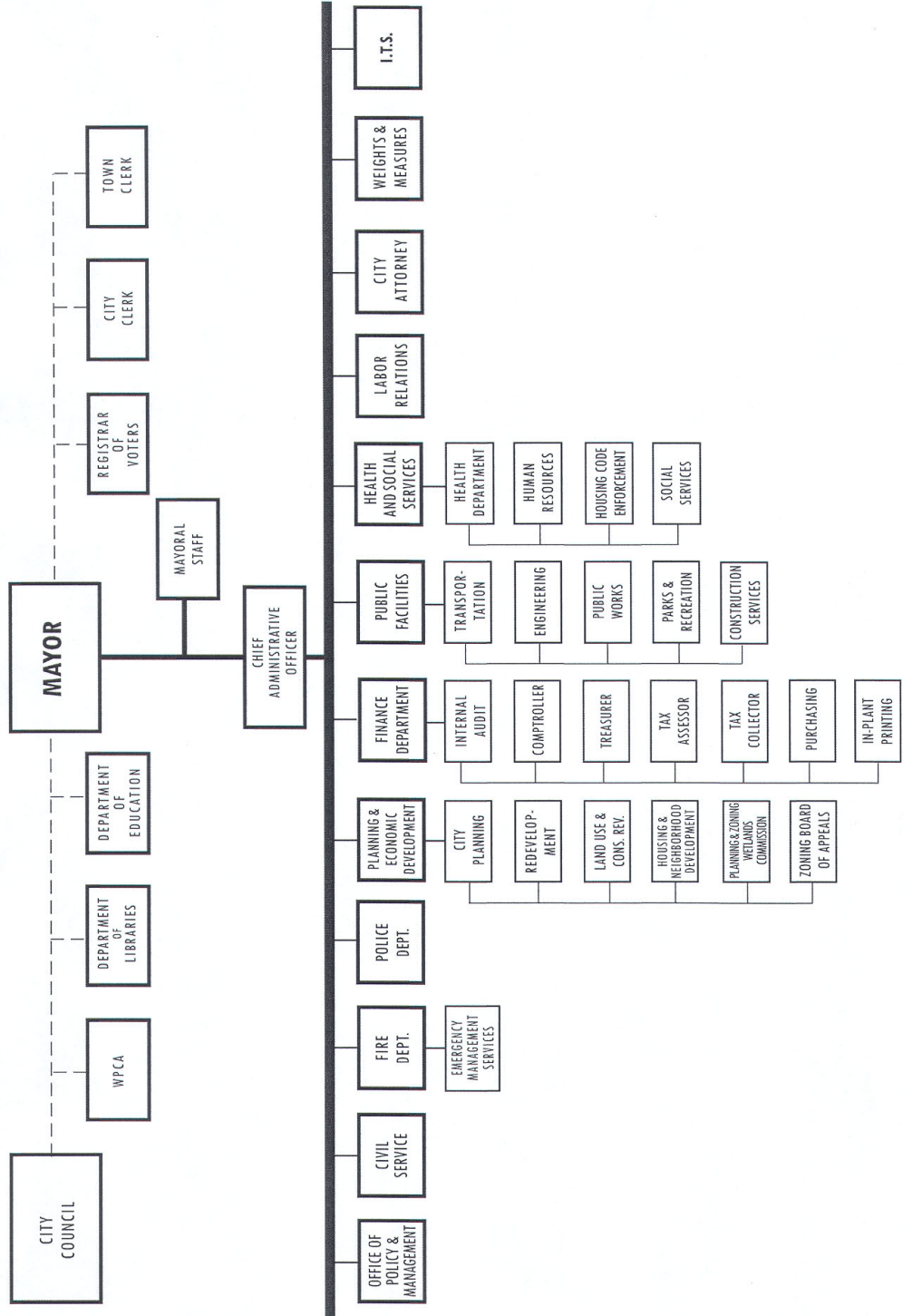
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

CITY OF BRIDGEPORT TABLE OF ORGANIZATION



CITY OF BRIDGEPORT, CONNECTICUT

LIST OF PRINCIPAL OFFICERS

| <u>Office</u> | <u>Name</u> | <u>Manner of Selection and Term</u> |
|--|----------------------|---|
| Mayor | Joseph P. Ganim | Elected - 4 Year Term |
| City Clerk | Lydia Martinez | Elected - 4 Year Term |
| Town Clerk | Charles Clemons | Elected - 4 Year Term |
| Chief Administrative Officer | Janene Hawkins | Appointed by Mayor |
| Deputy CAO | John Gomes | Appointed by Mayor |
| Director of Finance/CFO | Kenneth Flatto | Appointed by Mayor |
| Director of Office of Policy & Management | Nestor Nkwo | Appointed by Mayor |
| City Treasurer | Terri Coward | Appointed by Mayor |
| City Attorney | R. Christopher Meyer | Appointed by Mayor |
| Superintendent of Schools | Michael Testani | Appointed Bd. of Education |



Financial Section

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bridgeport, Connecticut, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Bridgeport, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bridgeport, Connecticut, as of June 30, 2020 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City of Bridgeport, Connecticut, as of and for the year ended June 30, 2019 (not presented herein), and have issued our report thereon dated December 26, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The accompanying General Fund balance sheet as of June 30, 2019 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2019 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2019 basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund balance sheet is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2019.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2020 on our consideration of the City of Bridgeport, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City of Bridgeport, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Bridgeport, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 23, 2020

City of Bridgeport, Connecticut
Management's Discussion and Analysis
June 30, 2020

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, 2020. 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 and deferred outflows of resources of the City were less than its liabilities and deferred inflows of resources, resulting in total net position at the close of the fiscal year of \$(741.1) million. Total net position for Governmental Activities at fiscal year-end was \$(831.2) million and total net position for Business-Type Activities was \$90.2 million. The change from prior year is primarily due to increases in long term outflows relating to the City's Other Post Employment Benefits (OPEB) liabilities and the Municipal Employee Retirement System (MERS) pension liabilities. These outflow adjustments related primarily to a lowering of the actuarial discount rate, due to historic lower investment interest rates prevailing during the year ended June 30, 2020. The primary reason for a slight \$4.6 million decrease in net position for Business Activities is due to capital related depreciation expenses for the ongoing operation of the Water Pollution Control Authority and its assets.
- ◆ On a government-wide basis, during the year, the City's net position decreased by \$61.7 million from \$(679.4) million to \$(741.1) million. The change from prior year is primarily due to an increase in the OPEB liability due to a lowering of actuarial discount rate due to historic lower investment interest rates prevailing during the year ended June 30, 2020, as well as changes to the MERS pension system liability due to a drop in the assumed discount rate fiscal year for 2020. Net position decreased by \$57.1 million for Governmental Activities and decreased by \$4.6 million for Business-Type Activities. Government-wide expenses for governmental activities were \$776.8 million, while revenues were \$719.7 million, while business activities reduced by \$4.6 million. The total unrestricted net deficit at June 30, 2020 was \$(1.77) billion primarily due to the ongoing costs of long term OPEB and pension obligations. The decrease in net position for Government-wide Activities is due to the increase in net pension liabilities described above as well as steps taken by management to strengthen the financial condition and other long-term liabilities of the city.
- ◆ At the close of the year, the City's governmental funds reported, on a current financial resource basis, combined ending total fund balances of \$208.5 million, an increase of \$28.5 from the prior fiscal year. This improvement in total fund balances is due to a combination of surplus generated from general fund operations of \$3.9 million, an increase in other governmental funds operations of \$2.2 million, and an increase in capital fund surplus from bonding of \$22.3 million. Of the total fund balance as of June 30, 2020, \$32.4 million represents the restricted fund balance, \$148.5 million committed or assigned, and \$27.6 million is unassigned in the general fund, special revenue funds, capital projects fund and permanent trust fund. The unassigned \$27.6 million fund balance represents the positive fund balance that is available for spending at the City's discretion. This unassigned fund balance represents 4.9% of the City's General Fund budgeted expenditures, excluding other financing sources.
- ◆ At the end of the current fiscal year, the total fund balance for the General Fund alone was \$27.6 unassigned. This improvement of \$3.9 million from the prior year is due to the favorable results from general operations. The available unassigned general fund balance at year-end represents 3.61% of total general fund expenditures and other financing sources of \$766.2 million. The City pledged to continue improving fund balances with the goal of attaining city policies for a high level of fund balance as a per cent of annual budget.
- ◆ The City's total long-term debt increased by \$35.3 million during fiscal year 2020 due to the net issuance of additional capital project bonds for city wide and school infrastructure improvements.

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 2010.

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 resources the City has at its disposal are shown, including major assets such as buildings and infrastructure. A thorough accounting of the cost of government is rendered because the statements present all costs, not just how much was collected and disbursed. They provide both long-term and short-term information about the City's overall financial status.

The statement of net position presents information on all the City's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the City is improving or deteriorating. It speaks to the question of whether the City is better or worse off because of this year's activities. Other non-financial factors will need to be considered, however, such as changes in the City's property tax base and the condition of the City's infrastructure, to assess the overall health of the City.

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

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

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

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

Fund Financial Statements

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

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

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

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

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

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

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

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

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-84 of this report.

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

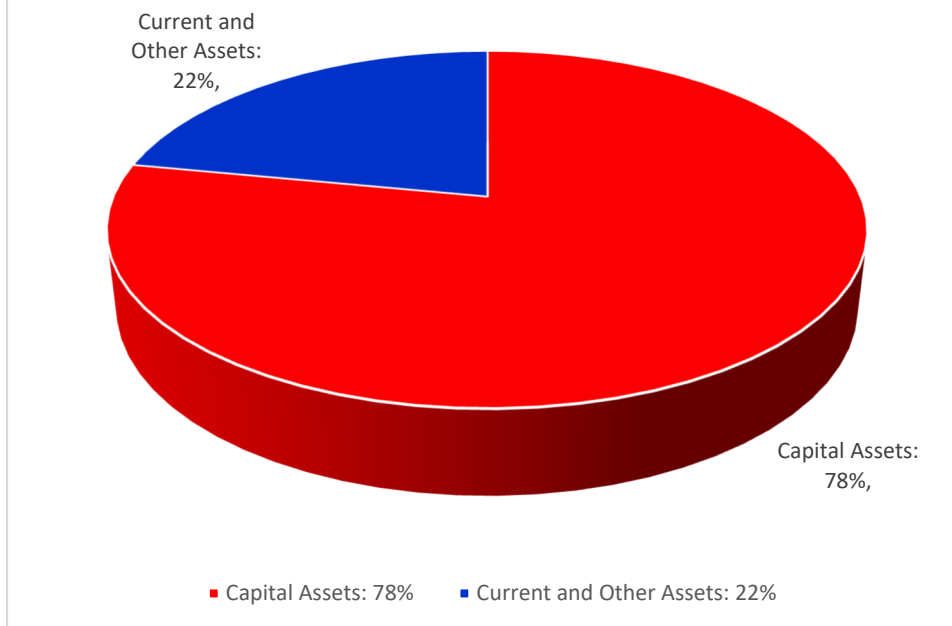
Government-Wide Financial Analysis

As noted earlier, net position may serve over the long term 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 and deferred inflows of resources were less than its liabilities and deferred outflows of resources by (\$741.1) million at June 30, 2020. This is a decrease of \$61.7 million from last year's net position of \$(679.4) million. The change from prior year is primarily due to an increase in the OPEB liability due to a lowering of actuarial discount rate due to historic lower investment interest rates prevailing during the year ended June 30, 2020, as well as changes to the MERS pension system liability due to a drop in the assumed discount rate fiscal year for 2020.

CITY OF BRIDGEPORT, CONNECTICUT NET POSITION (In Thousands)

| | Governmental Activities | | Business-Type Activities | | Total | |
|----------------------------------|----------------------------|---------------------|-----------------------------|------------------|---------------------|---------------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Current and other assets | \$ 364,926 | \$ 324,788 | \$ 13,355 | \$ 16,266 | \$ 378,281 | \$ 341,054 |
| Capital assets | 1,297,340 | 1,287,518 | 115,937 | 120,501 | 1,413,277 | 1,408,019 |
| Total assets | <u>1,662,266</u> | <u>1,612,306</u> | <u>129,292</u> | <u>136,767</u> | <u>1,791,558</u> | <u>1,749,073</u> |
| Deferred outflows of resources | <u>331,970</u> | <u>184,161</u> | | | <u>331,970</u> | <u>184,161</u> |
| Other liabilities | 129,975 | 123,875 | 3,431 | 3,686 | 133,406 | 127,561 |
| Long-term debt outstanding | <u>2,572,113</u> | <u>2,289,755</u> | <u>35,695</u> | <u>38,220</u> | <u>2,607,808</u> | <u>2,327,975</u> |
| Total liabilities | <u>2,702,088</u> | <u>2,413,630</u> | <u>39,126</u> | <u>41,906</u> | <u>2,741,214</u> | <u>2,455,536</u> |
| Deferred inflows of resources | <u>123,375</u> | <u>156,976</u> | <u>-</u> | <u>107</u> | <u>123,375</u> | <u>157,083</u> |
| Net position: | | | | | | |
| Net investment in capital assets | 914,383 | 921,978 | 82,354 | 84,166 | 996,737 | 1,006,144 |
| Restricted | 29,258 | 27,684 | | | 29,258 | 27,684 |
| Unrestricted | <u>(1,774,868)</u> | <u>(1,723,801)</u> | <u>7,812</u> | <u>10,588</u> | <u>(1,767,056)</u> | <u>(1,713,213)</u> |
| Total Net Position | <u>\$ (831,227)</u> | <u>\$ (774,139)</u> | <u>\$ 90,166</u> | <u>\$ 94,754</u> | <u>\$ (741,061)</u> | <u>\$ (679,385)</u> |

City of Bridgeport Asset Composition June 30, 2020

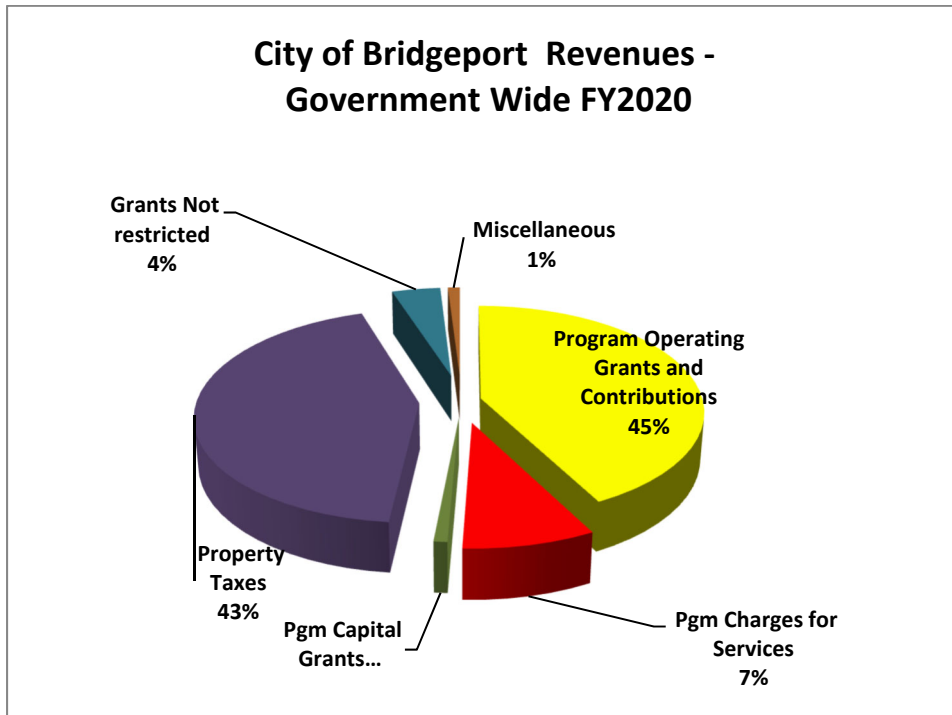


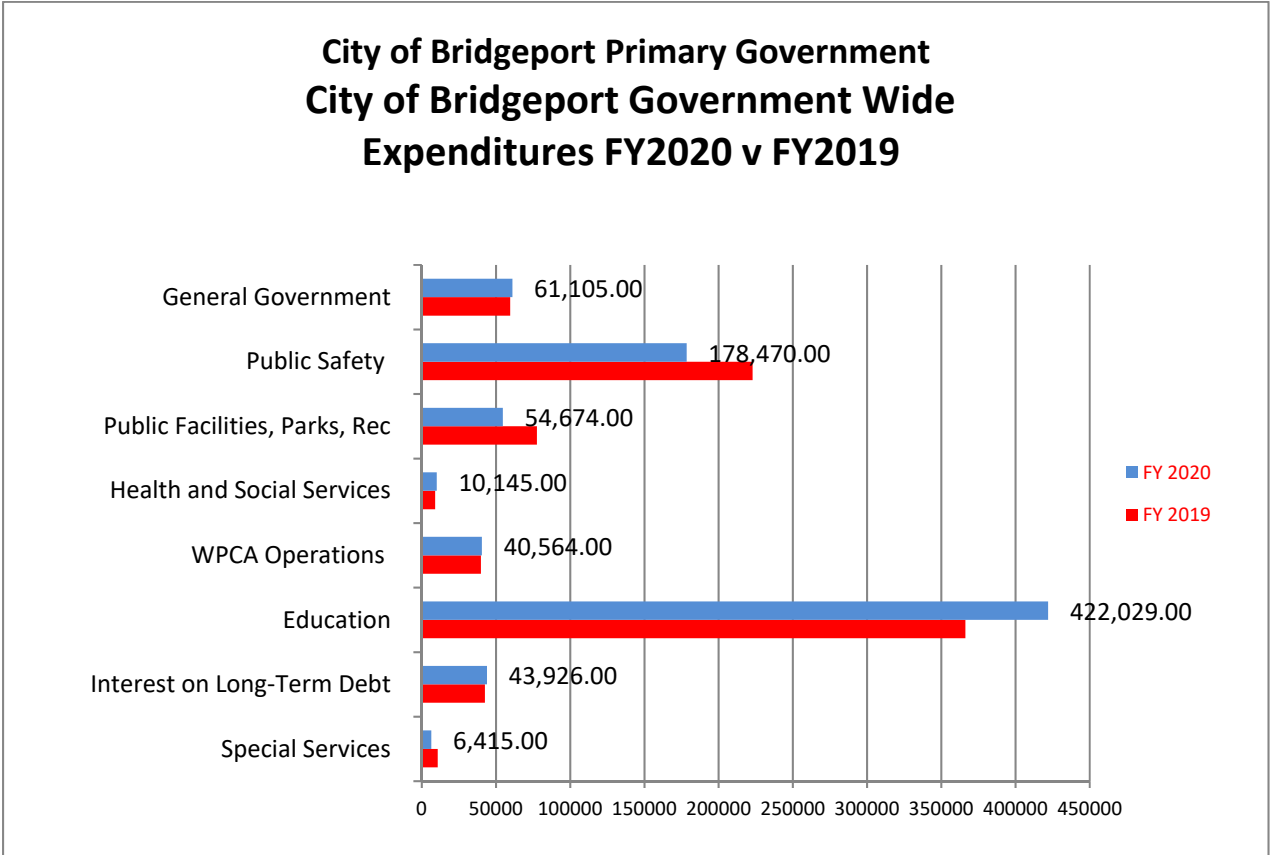
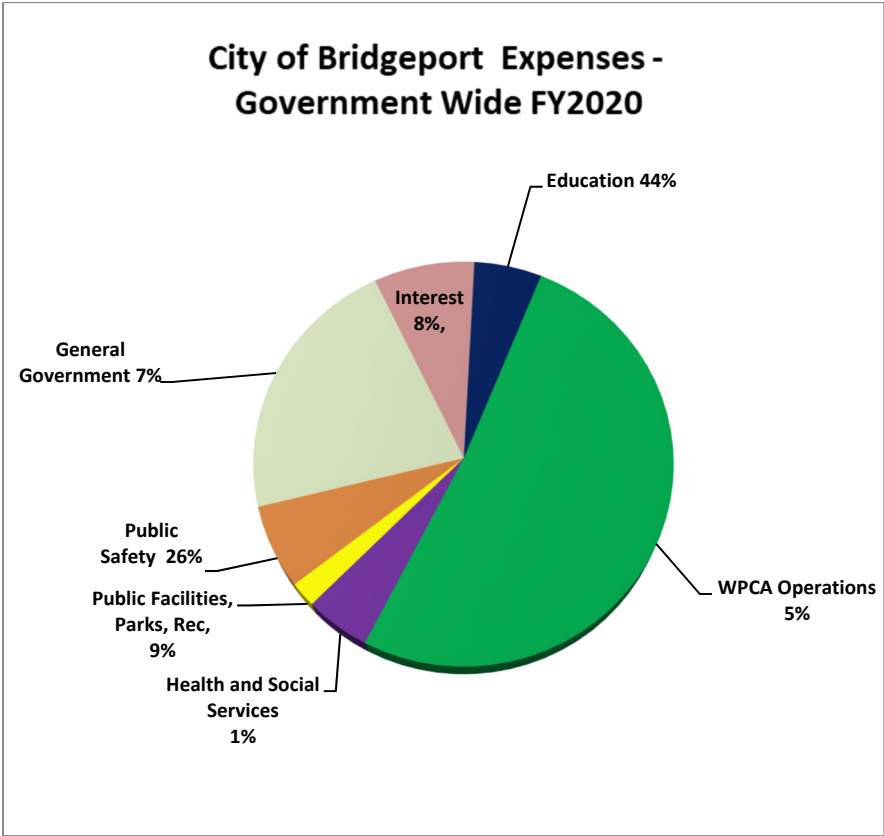
The portion of the City's net position in capital assets, \$996.7 million, reflects its investment in such capital assets (e.g., land, buildings, infrastructure, machinery and equipment), net of any outstanding debt related to these assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

- ◆ The portion of the City's net position that is restricted, \$29.3 million, represents resources that are subject to external restrictions on how they may be used. Unrestricted net deficit of \$(1.77) billion 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 level of long-term pension liabilities, pursuant to GASB 68, and OPEB liabilities, and the remaining balance in outstanding debt from the August 2000 issuance of General Obligation Taxable Pension Bonds which were issued to properly fund pension plans previously funded on a "pay-as-you-go" basis.
- ◆ The increase in net position in capital assets can primarily be explained by an increase in long term assets due to improvements to capital infrastructure, primarily to school buildings.

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

| | Governmental Activities | | Business-Type Activities | | Total Government-Wide | |
|---|----------------------------|----------------|-----------------------------|---------------|--------------------------|----------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 20,163 | \$ 24,888 | \$ 35,819 | \$ 35,864 | \$ 55,982 | \$ 60,752 |
| Operating grants and contributions | 335,535 | 304,862 | | | 335,535 | 304,862 |
| Capital grants and contributions | 5,721 | 8,291 | 145 | 464 | 5,866 | 8,755 |
| General revenues: | | | | | | |
| Property taxes | 325,476 | 316,184 | | | 325,476 | 316,184 |
| Grants not restricted to specific programs | 27,989 | 29,238 | | | 27,989 | 29,238 |
| Unrestricted investment earnings | 3,506 | 3,876 | 12 | 17 | 3,518 | 3,893 |
| Miscellaneous | 1,285 | 831 | | | 1,285 | 831 |
| Total revenues | 719,675 | 688,170 | 35,976 | 36,345 | 755,651 | 724,515 |
| Expenses: | | | | | | |
| General government | 61,105 | 76,337 | | | 61,105 | 76,337 |
| Public safety | 178,470 | 205,509 | | | 178,470 | 205,509 |
| Public facilities, parks and recreation, planning and development | 54,674 | 57,102 | | | 54,674 | 57,102 |
| Health and social services | 10,144 | 9,029 | | | 10,144 | 9,029 |
| Operations | | | 40,564 | 39,924 | 40,564 | 39,924 |
| Education | 422,029 | 387,403 | | | 422,029 | 387,403 |
| Interest on long-term debt | 43,926 | 42,576 | | | 43,926 | 42,576 |
| Special services | 6,415 | 10,764 | | | 6,415 | 10,764 |
| Total expenses | 776,763 | 788,720 | 40,564 | 39,924 | 817,327 | 828,644 |
| Change in net position | (57,088) | (100,550) | (4,588) | (3,579) | (61,676) | (104,129) |
| Net Position, beginning | (774,139) | (673,589) | 94,754 | 98,333 | (679,385) | (575,256) |
| Net Position, Ending | \$ (831,227) | \$ (774,139) | \$ 90,166 | \$ 94,754 | \$ (741,061) | \$ (679,385) |





Governmental Activities

Program operating and capital revenues represented 45% of total revenues, followed by property taxes at 43%, other unrestricted grants at 4%, program charges for service at 7%, and other miscellaneous revenues at 1%.

Major revenue factors included:

- ◆ Property tax revenues recorded for fiscal year 2020 of \$325.5 million represents an increase of \$9.3 million from the prior fiscal year ended June 30, 2019, with a property tax mill rate of 53.99 mills adopted for FY2020, a reduction of 0.38 mills from the prior fiscal year. Program operating revenues of \$335.5 million increased \$30.7 million for fiscal year 2020 from the prior fiscal year to \$304.9 million. The increase was primarily due to more federal and state aid to schools and other general and capital fund revenues.

For Government-Wide Activities, 44% of the City's expenses relate to education; 26% relate to public safety; 1% relate to special services; 5% relate to interest payments on long-term debt; 10% relate to public facilities, libraries and parks and recreation; 5% related to Water Pollution Control Authority operations; 7% relate to general government; 1% relates to policy and development; and 1% relate to health and welfare.

Major expense factors include:

- ◆ During the 2019-2020 budget process, discretionary expenses slightly decreased as general government spending was kept minimal. In addition, savings was achieved by staff vacancy efforts.
- ◆ Police, fire and other public safety staffing and operations slightly increased however other expenses slightly decreased due to efficiencies in safety community programming during the year.

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. Unassigned fund balance may serve as a useful measure of a City's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$208.5 million, an increase of \$28.5 million from the prior year. Total General Fund balance increased from \$23.7 million to \$27.6 million, a significant increase of \$3.9 million. The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned and assigned fund balance of the General Fund was \$27.6 million. This \$27.6 million general fund balance constitutes unassigned fund balance that is available for spending at the City's discretion. As a measure of the General Fund's liquidity, it may be useful to compare the total fund balance to total fund expenditures. Total General Fund balance represents 3.61% of total General Fund expenditures and represents 4.9% of the General Fund adopted expenditures, excluding other financing sources.

The Capital Bond Issue Fund has a total fund balance at June 20, 2020 of \$172.6 million up \$22.4 million from \$150.2 million in the prior year. This change in fund balance can be explained primarily by the issuance of new capital bonds for infrastructure projects and the timing of resources in and out of this fund for ongoing projects.

The Other Governmental Funds have a total fund balance at June 30, 2020 of \$8.3 million, up \$2.2 million in the prior year, due to fewer committed funds and additional special services expenses for the 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 position of the proprietary fund consisting of the Water Pollution Control Authority at June 30, 2020 was \$90.2 million, as compared to \$94.8 million in the prior year.

The unrestricted net position of the Water Pollution Control Authority as of June 30, 2020 was \$7.8million. The Water Pollution Control Authority experienced operating revenues of \$35.8 million from user fees. There was a total operating income for the WPCA of (\$3.9) million before interest expenditures of \$(0.7) million and capital contributions of \$0.1million. The net position for the fiscal year ended June 30, 2020 decreased \$(4.6) million for fiscal year ended June 30, 2020, due primarily to capital maintenance needs.

Net position of the Internal Service Fund was \$(54.9) million, as compared to \$(65.7) million in the prior year. This decrease was due to increased estimates in the workmen's compensation program, offset by negotiated lower benefit costs to the city.

General Fund Budgetary Highlights

The City's fiscal 2020 budget was a balanced budget, with fiscal year results producing a healthy annual surplus of \$3.9 million. The FY2020 budget lowered the mill rate at 53.99, a 0.38 mill reduction from the prior year. The tax levy includes a 1 mill budget set aside for the library funding per a voter-approved millage requirement.

The total expenditures and other financing use budget was \$557.4 million versus actual expenditures of \$556.1 million showing total expenditures and other financing uses lower than budget by \$1.3 million. Both the City and the Bridgeport Board of Education managed finances to ensure annual results were in balance with a healthy annual surplus and contributions to the Internal Service Fund to meet future obligations. The Board of Education School Nutrition fund realized an approximately \$1.8 million decrease in both revenues collected and expenditures incurred versus budget due to the COVID pandemic causing a curtailment of in person school student food operations during spring 2020 for nearly three months (these school food program budget variances are reflected in RSI schedules).

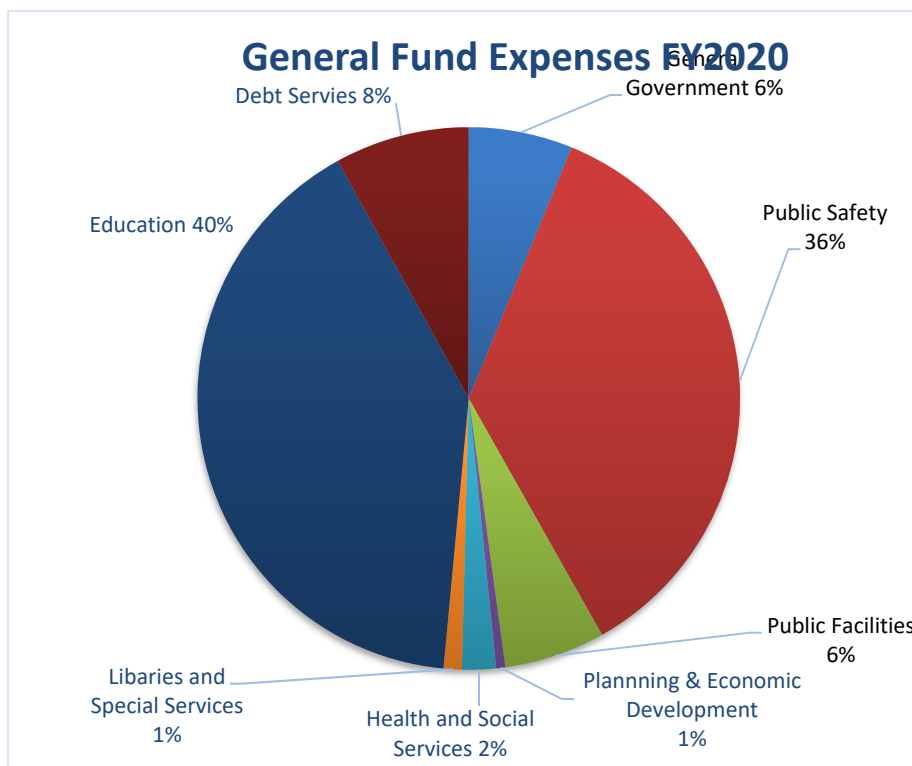
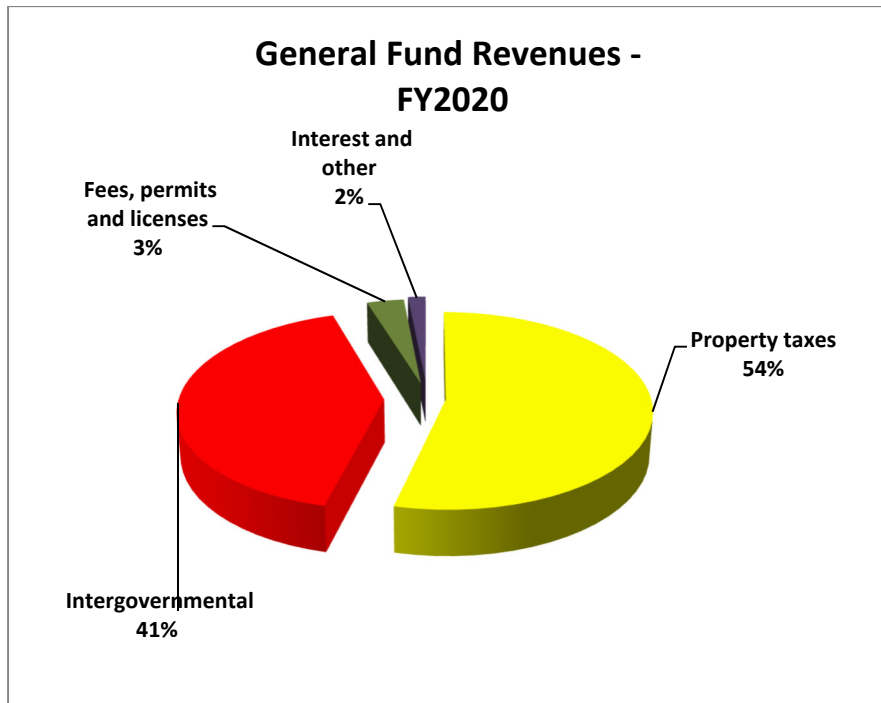
The COVID pandemic created some challenges for the city, as was the case throughout the nation. The City managed finances in a fiscally responsible fashion during fiscal year 2020 to limit spending during this pandemic period, while successfully managing all risks to revenue collections. This is reflected in the improvement to fund balance at the end of this fiscal year, in addition to setting aside some reserve funds for covid-19 expense related needs to protect the public.

Total revenues and other financing sources had a budgetary basis of \$563.8 million versus an actual result of \$560.5 resulting in total actual revenues slightly below budgetary revenues by \$3.3 million. Overall total property taxes were slightly higher than the budgetary results for fiscal year 2020 by \$4.3 million, due to stronger tax collections from grand list growth and additional tax lien sales, which reduced city exposure. Current year tax collection rates were quite strong at a 99.2% rate including lien sales. Other revenues decreased \$7.6 million due to one-time impact of school nutrition fund revenues and expenditure lower and less program fees collected primarily due to the 2020 COVID pandemic.

Total expenditures and other financing sources had a budgetary basis of \$563.8 million versus an actual result of \$556.6 resulting in total actual expenditures below budgetary revenues of \$7.2 million. This expenditure decrease below budget was due primarily to management efforts to reduce expenditures during the COVID pandemic as well as unexpended contingency funds returned to fund balance.

The City of Bridgeport’s General Fund ended the fiscal year 2020 with a positive general fund surplus of \$3.9 million and a total unassigned fund balance of \$27.6 million.

The fiscal year 2021 annual budget in the amount \$571.9 was adopted by the City in May 2020, with the adopted mill rate remaining at 53.99 mills.



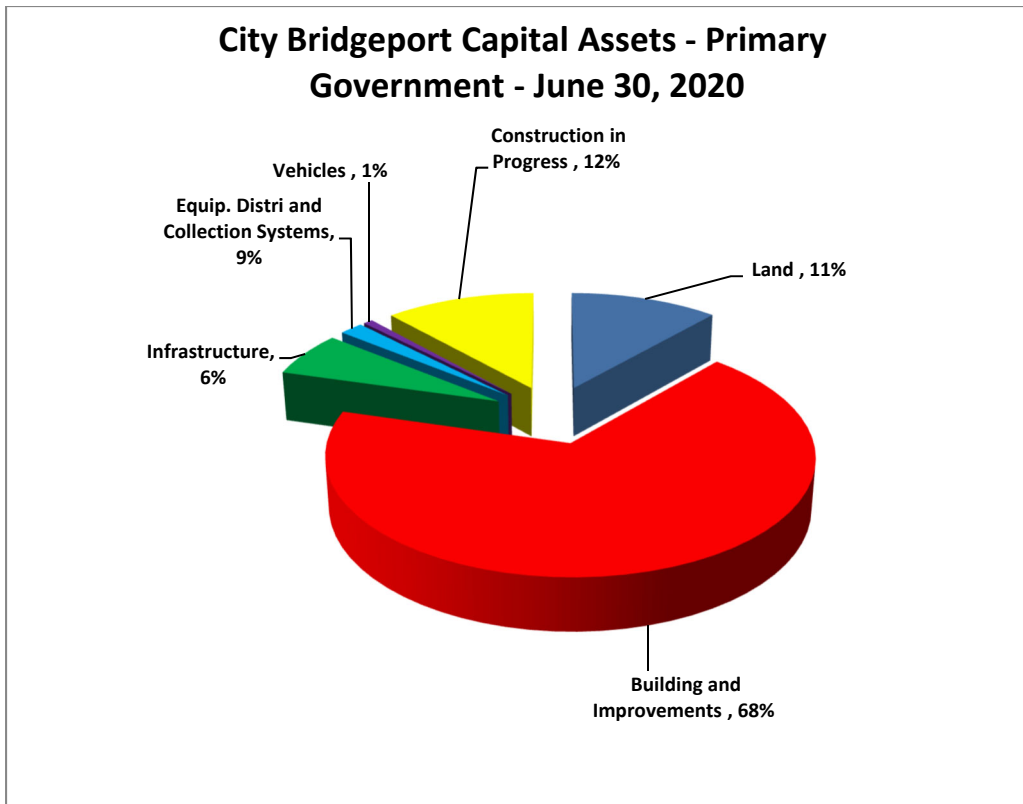
Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities, as of June 30, 2020, amounted to \$1.41 billion, 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 \$5.3 million.

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

| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | | <u>Total Primary Government</u> | |
|--|--------------------------------|---------------------|---------------------------------|-------------------|---------------------------------|---------------------|
| | <u>2020</u> | <u>2019</u> | <u>2020</u> | <u>2019</u> | <u>2020</u> | <u>2019</u> |
| Land | \$ 149,133 | \$ 146,543 | \$ | \$ | \$ 149,133 | \$ 146,543 |
| Buildings and improvements | 881,464 | 658,454 | 30,887 | 34,812 | 912,351 | 693,266 |
| Infrastructure | 82,403 | 88,966 | | | 82,403 | 88,966 |
| Equipment, distribution and collection systems | 23,960 | 27,628 | 78,313 | 81,035 | 102,273 | 108,663 |
| Vehicles | 9,580 | 11,454 | 604 | 596 | 10,184 | 12,050 |
| Construction in progress | 150,800 | 354,473 | 6,133 | 4,058 | 156,933 | 358,531 |
| Total | \$ 1,297,340 | \$ 1,287,518 | \$ 115,937 | \$ 120,501 | \$ 1,413,277 | \$ 1,408,019 |



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 and remediation efforts for ongoing city development projects.

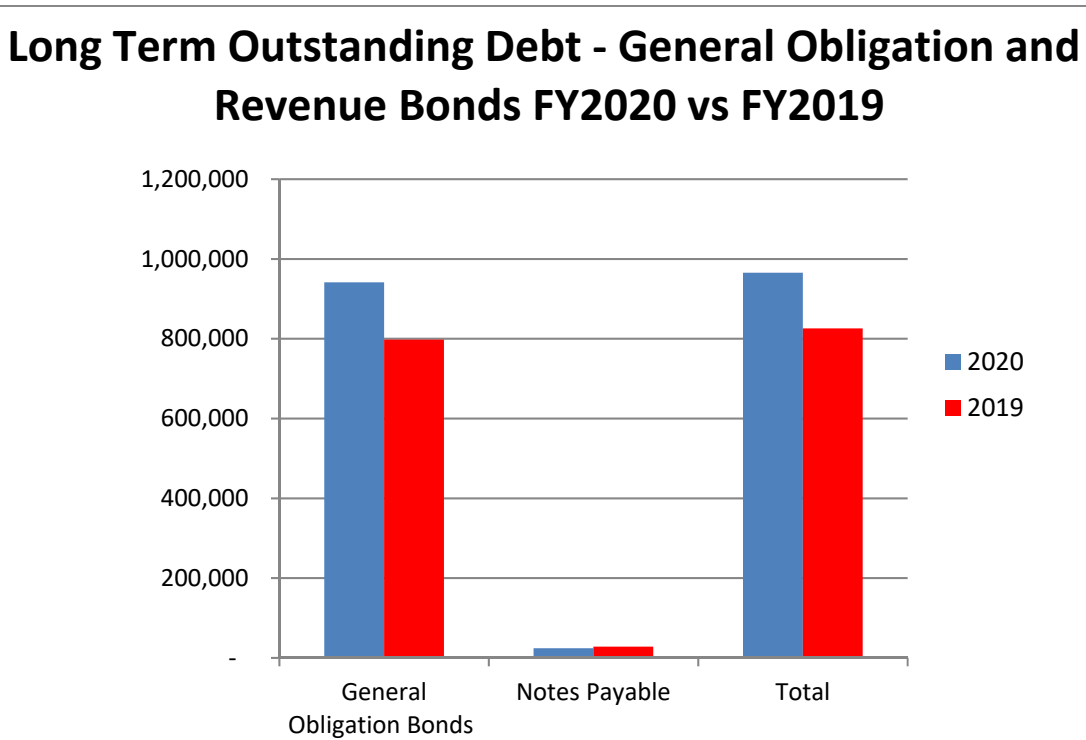
Additional information on the City's capital assets can be found in Note 7 of this report.

Long-term debt

At the end of the 2020 fiscal year, the City had total bonded debt outstanding of \$933.9 million. 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 \$31.4 million of this long-term debt through ongoing user fee charges.

**CITY OF BRIDGEPORT, CONNECTICUT
OUTSTANDING DEBT**

| | Governmental Activities | | Business-Type Activities | | Total | |
|-----------------------------|----------------------------|-----------------------|-----------------------------|----------------------|-----------------------|-----------------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| General obligation bonds \$ | 933,930,033 | \$ 791,386,420 | \$ 7,299,967 | \$ 6,358,578 | \$ 941,230,000 | \$ 797,744,998 |
| Notes payable | | | 24,075,940 | 27,906,866 | 24,075,940 | 27,906,866 |
| Totals | \$ 933,930,033 | \$ 791,386,420 | \$ 31,375,907 | \$ 34,265,444 | \$ 965,305,940 | \$ 825,651,864 |



The City's total long-term debt increased by \$139.7 million during fiscal 2020 due to issuance of annual capital project improvement bonds and the issuance of \$120 million in pension obligations bonds used to replenish the City's Pension Plan A fund assets, thus significantly increasing the funded status of this pension plan.

Standard & Poor's Rating Group (Standard & Poor's), Fitch Ratings, Inc. (Fitch), and Moody's Investors Service, Inc. (Moody's), have each assigned their underlying municipal bond rating of "A-", "A", and Baa1, 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 "A2" and "AA-", respectively, with the understanding that there is an insurance policy insuring the payment when due of the principal and interest on the bonds. Fitch does not currently rate Assured Guaranty Corp. or Assured Guaranty Municipal Corp.

The overall statutory debt limit for the City is equal to seven times the annual receipts from taxation or \$2.17 billion. As of June 30, 2020, the City recorded long-term debt of \$791.4 million related to Governmental Activities and \$34.3 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 8 of this report.

Economic Factors and Next Year's Budgets and Rates

The City, surrounding towns, and the State are still recuperating from the effects of the national economic downturn, but all are starting to show a small improvement in their unemployment rate. As of June 30, 2020, the unemployment rate for the City of Bridgeport was 7.4%, up from 5.3% from the prior year due to the covid-19 health pandemic. Connecticut's overall unemployment rate increased to 6.3% from 4.0% in the previous year.

Requests for Information

The financial report is designed to provide a general overview of the City's finances for all those with an interest in government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Kenneth Flatto, Director of Finance/CFO, 999 Broad Street, Bridgeport, CT 06604 or emailed to kenneth.flatto@bridgeportct.gov.

Kenneth A. Flatto

Director of Finance/CFO



Basic Financial Statements

CITY OF BRIDGEPORT, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2020

| | Governmental Activities | Business-Type Activities | Total |
|---|------------------------------------|-------------------------------------|-------------------------|
| Assets: | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 233,767,502 | \$ 4,488,595 | \$ 238,256,097 |
| Restricted cash and cash equivalents | 28,724,143 | | 28,724,143 |
| Investments | 1,571,944 | | 1,571,944 |
| Receivables, net of allowances for collection losses: | | | |
| Property taxes | 34,914,764 | | 34,914,764 |
| Sewer user fees and liens | | 8,275,076 | 8,275,076 |
| Federal and state governments | 56,763,751 | 239,419 | 57,003,170 |
| Other | 3,103,104 | 2,861,700 | 5,964,804 |
| Internal balances | 2,720,429 | (2,720,429) | - |
| Prepaid and other assets | 534,152 | 210,940 | 745,092 |
| Total current assets | <u>362,099,789</u> | <u>13,355,301</u> | <u>375,455,090</u> |
| Noncurrent: | | | |
| Net pension asset | 2,826,373 | | 2,826,373 |
| Capital assets not being depreciated | 299,933,129 | 6,133,384 | 306,066,513 |
| Capital assets being depreciated, net of depreciation | 997,406,697 | 109,803,999 | 1,107,210,696 |
| Total noncurrent assets | <u>1,300,166,199</u> | <u>115,937,383</u> | <u>1,416,103,582</u> |
| Total assets | <u>1,662,265,988</u> | <u>129,292,684</u> | <u>1,791,558,672</u> |
| Deferred Outflows of Resources: | | | |
| Deferred charge on refunding | 9,906,512 | | 9,906,512 |
| Deferred outflows related to PERS | 6,315,656 | | 6,315,656 |
| Deferred outflows related to MERS | 137,128,886 | | 137,128,886 |
| Deferred outflows related to OPEB | 178,618,767 | | 178,618,767 |
| Total deferred outflows of resources | <u>331,969,821</u> | <u>-</u> | <u>331,969,821</u> |
| Liabilities: | | | |
| Current liabilities: | | | |
| Accounts payable and accrued expenses | 79,470,696 | 3,430,777 | 82,901,473 |
| Unearned revenue | 8,619,194 | | 8,619,194 |
| Note payable | 21,000,000 | 2,108,471 | 23,108,471 |
| Accrued interest payable | 20,885,243 | | 20,885,243 |
| Current maturities of long-term obligations | 73,302,397 | 2,527,940 | 75,830,337 |
| Total current liabilities | <u>203,277,530</u> | <u>8,067,188</u> | <u>211,344,718</u> |
| Noncurrent liabilities: | | | |
| Due in more than one year | <u>2,498,810,653</u> | <u>31,058,891</u> | <u>2,529,869,544</u> |
| Total liabilities | <u>2,702,088,183</u> | <u>39,126,079</u> | <u>2,741,214,262</u> |
| Deferred Inflows of Resources: | | | |
| Deferred inflows related to PERS | 908,676 | | 908,676 |
| Deferred inflows related to MERS | 9,124,901 | | 9,124,901 |
| Deferred inflows related to OPEB | 113,340,929 | | 113,340,929 |
| Total deferred inflows of resources | <u>123,374,506</u> | <u>-</u> | <u>123,374,506</u> |
| Net Position: | | | |
| Net investment in capital assets | 914,383,241 | 82,354,330 | 996,737,571 |
| Restricted for: | | | |
| Self-insured claims | 534,152 | | 534,152 |
| Future debt payments | 28,724,143 | | 28,724,143 |
| Unrestricted | <u>(1,774,868,416)</u> | <u>7,812,275</u> | <u>(1,767,056,141)</u> |
| Total Net Position | <u>\$ (831,226,880)</u> | <u>\$ 90,166,605</u> | <u>\$ (741,060,275)</u> |

The accompanying notes are an integral part of the financial statements

**CITY OF BRIDGEPORT, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|--|-------------------------|-------------------------|--|--|--|-----------------------------|-------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| Governmental activities: | | | | | | | |
| General government | \$ (61,105,004) | \$ 6,582,507 | \$ 15,000 | \$ | \$ (54,507,497) | \$ | \$ (54,507,497) |
| Public safety | (178,469,959) | 5,167,166 | 619,624 | | (172,683,169) | | (172,683,169) |
| Public facilities, parks and recreation | (49,584,075) | 4,446,556 | 1,512,123 | 4,943,033 | (38,682,363) | | (38,682,363) |
| Planning and economic development | (5,089,882) | 2,804,783 | | | (2,285,099) | | (2,285,099) |
| Health and social services | (10,144,594) | 728,715 | 1,778,617 | | (7,637,262) | | (7,637,262) |
| Education | (422,029,223) | 218,941 | 322,559,551 | 777,797 | (98,472,934) | | (98,472,934) |
| Special services | (6,414,953) | 214,306 | 8,596,113 | | 2,395,466 | | 2,395,466 |
| Interest on long-term debt | (43,925,903) | | 454,442 | | (43,471,461) | | (43,471,461) |
| Total governmental activities | (776,763,593) | 20,162,974 | 335,535,470 | 5,720,830 | (415,344,319) | - | (415,344,319) |
| Business-type activities: | | | | | | | |
| Water Pollution Control Authority | (40,563,833) | 35,819,246 | | 145,393 | | (4,599,194) | (4,599,194) |
| Total | \$ (817,327,426) | \$ 55,982,220 | \$ 335,535,470 | \$ 5,866,223 | (415,344,319) | (4,599,194) | (419,943,513) |
| General revenues: | | | | | | | |
| Property taxes | | | | | 325,475,989 | | 325,475,989 |
| Grants and contributions not restricted to specific programs | | | | | 27,988,915 | | 27,988,915 |
| Unrestricted investment earnings | | | | | 3,506,496 | 12,216 | 3,518,712 |
| Miscellaneous | | | | | 1,285,424 | | 1,285,424 |
| Total general revenues | | | | | <u>358,256,824</u> | <u>12,216</u> | <u>358,269,040</u> |
| Change in Net Position | | | | | (57,087,495) | (4,586,978) | (61,674,473) |
| Net Position at Beginning of Year | | | | | (774,139,385) | 94,753,583 | (679,385,802) |
| Net Position at End of Year | | | | | <u>\$ (831,226,880)</u> | <u>\$ 90,166,605</u> | <u>\$ (741,060,275)</u> |

The accompanying notes are an integral part of the financial statements

**CITY OF BRIDGEPORT, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2020**

| | <u>General Fund</u> | <u>Education Grants</u> | <u>Capital Bond Issue</u> | <u>Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---|-----------------------|-----------------------------|-------------------------------|--|---|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 54,522,274 | \$ 269,065 | \$ 167,549,548 | \$ 9,191,582 | \$ 231,532,469 |
| Restricted cash | | | 28,724,143 | | 28,724,143 |
| Investments | | | | 1,571,944 | 1,571,944 |
| Receivables, net: | | | | | |
| Property taxes | 34,914,764 | | | | 34,914,764 |
| Intergovernmental | 23,420,330 | 2,667,079 | 22,933,524 | 7,742,818 | 56,763,751 |
| Other | 2,312,831 | | 212,751 | 577,522 | 3,103,104 |
| Due from other funds | <u>35,492,820</u> | <u>3,493,901</u> | <u>2,632,935</u> | <u>3,192,905</u> | <u>44,812,561</u> |
| Total Assets | <u>\$ 150,663,019</u> | <u>\$ 6,430,045</u> | <u>\$ 222,052,901</u> | <u>\$ 22,276,771</u> | <u>\$ 401,422,736</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ 48,430,579 | \$ 3,300,861 | \$ 6,054,684 | \$ 1,293,947 | \$ 59,080,071 |
| Accrued payroll liabilities | 19,535,564 | 333,551 | | 45,793 | 19,914,908 |
| Due to other funds | 18,805,634 | 756,867 | 22,437,875 | 8,074,000 | 50,074,376 |
| Unearned revenues | 2,012,501 | 2,038,766 | | 4,567,927 | 8,619,194 |
| Notes payable | | | 21,000,000 | | 21,000,000 |
| Total liabilities | <u>88,784,278</u> | <u>6,430,045</u> | <u>49,492,559</u> | <u>13,981,667</u> | <u>158,688,549</u> |
| Deferred Inflows of Resources: | | | | | |
| Unavailable revenue - property taxes | <u>34,235,547</u> | | | | <u>34,235,547</u> |
| Fund Balances: | | | | | |
| Restricted | | | 28,724,143 | 3,669,001 | 32,393,144 |
| Committed | | | 143,836,199 | 4,626,103 | 148,462,302 |
| Unassigned | 27,643,194 | | | | 27,643,194 |
| Total fund balances | <u>27,643,194</u> | <u>-</u> | <u>172,560,342</u> | <u>8,295,104</u> | <u>208,498,640</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 150,663,019</u> | <u>\$ 6,430,045</u> | <u>\$ 222,052,901</u> | <u>\$ 22,276,771</u> | <u>\$ 401,422,736</u> |

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2020

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

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

| | |
|--|----------------|
| Fund balances - total governmental funds | \$ 208,498,640 |
|--|----------------|

Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds:

| | | |
|-------------------------------|----------------------|---------------|
| Governmental capital assets | \$ 1,817,762,508 | |
| Less accumulated depreciation | <u>(520,422,682)</u> | |
| Net capital assets | | 1,297,339,826 |

Other long-term assets and deferred outflows are not available to
pay for current-period expenditures and, therefore,
are not recorded in the funds:

| | |
|---|-------------|
| Property tax receivables greater than 60 days | 17,632,262 |
| Interest receivable on property taxes | 16,603,285 |
| Deferred outflows related to PERS | 6,315,656 |
| Deferred outflows related to MERS | 137,128,886 |
| Deferred outflows related to OPEB | 178,618,767 |
| Net pension assets - PERS | 2,826,373 |

Internal service funds are used by management to charge the costs of
risk management to individual funds. The assets and liabilities of
the internal service funds are reported with governmental activities
in the statement of net position.

(54,925,792)

Long-term liabilities and deferred inflows, are not due and payable
in the current period and, therefore, are not reported in the funds:

| | |
|-------------------------------------|----------------------|
| Bonds and notes payable | (933,930,033) |
| Bond issuance premiums | (50,209,263) |
| Deferred amounts for refunding | 9,906,512 |
| Compensated absences | (30,313,994) |
| Interest payable on bonds and notes | (20,885,243) |
| Net OPEB liability | (1,073,445,768) |
| Net pension liability - PERS | (140,158,930) |
| Net pension liability - MERS | (278,853,558) |
| Deferred inflows related to PERS | (908,676) |
| Deferred inflows related to MERS | (9,124,901) |
| Deferred inflows related to OPEB | <u>(113,340,929)</u> |

| | |
|---|--------------------------------|
| Net Position of Governmental Activities (Exhibit I) | \$ <u><u>(831,226,880)</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, 2020

| | <u>General Fund</u> | <u>Education Grants</u> | <u>Capital Bond Issue</u> | <u>Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---|----------------------|-----------------------------|-------------------------------|--|---|
| Revenues: | | | | | |
| Property taxes | \$ 326,796,475 | \$ | \$ | \$ | \$ 326,796,475 |
| Intergovernmental | 259,752,739 | 75,904,323 | 6,174,770 | 10,175,185 | 352,007,017 |
| Fees, permits and licenses | 19,925,131 | | | | 19,925,131 |
| Interest | 625,221 | | 2,163,572 | 717,703 | 3,506,496 |
| Other | 649,703 | | 207,432 | 998,637 | 1,855,772 |
| Total revenues | <u>607,749,269</u> | <u>75,904,323</u> | <u>8,545,774</u> | <u>11,891,525</u> | <u>704,090,891</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | 44,947,524 | | | 1,440 | 44,948,964 |
| Public safety | 258,447,899 | | | | 258,447,899 |
| Public facilities | 39,680,916 | | | | 39,680,916 |
| Planning and economic development | 4,031,922 | | | | 4,031,922 |
| Health and social services | 7,112,056 | | | 1,912,278 | 9,024,334 |
| Libraries | 7,280,607 | | | 169,071 | 7,449,678 |
| Education | 293,763,867 | 75,904,323 | | | 369,668,190 |
| Special services | 558,582 | | | 7,566,674 | 8,125,256 |
| Debt service: | | | | | |
| Principal retirements | 32,171,390 | | | | 32,171,390 |
| Interest and other charges | 39,263,957 | | 5,040,337 | | 44,304,294 |
| Capital outlay | | | 38,738,804 | | 38,738,804 |
| Total expenditures | <u>727,258,720</u> | <u>75,904,323</u> | <u>43,779,141</u> | <u>9,649,463</u> | <u>856,591,647</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>(119,509,451)</u> | <u>-</u> | <u>(35,233,367)</u> | <u>2,242,062</u> | <u>(152,500,756)</u> |
| Other Financing Sources (Uses): | | | | | |
| Transfers in | 300,000 | | | | 300,000 |
| Transfers out | | | (300,000) | | (300,000) |
| Bonds issued | 122,505,000 | | 52,470,000 | | 174,975,000 |
| Bond refunding issue | 35,980,000 | | | | 35,980,000 |
| Premium on refunding bonds issued | 3,604,954 | | | | 3,604,954 |
| Premium on bonds issued | | | 5,427,403 | | 5,427,403 |
| Payment to escrow agent | (38,960,495) | | | | (38,960,495) |
| Total other financing sources (uses) | <u>123,429,459</u> | <u>-</u> | <u>57,597,403</u> | <u>-</u> | <u>181,026,862</u> |
| Net Change in Fund Balances | 3,920,008 | - | 22,364,036 | 2,242,062 | 28,526,106 |
| Fund Balances at Beginning of Year | <u>23,723,186</u> | <u>-</u> | <u>150,196,306</u> | <u>6,053,042</u> | <u>179,972,534</u> |
| Fund Balances at End of Year | <u>\$ 27,643,194</u> | <u>\$ -</u> | <u>\$ 172,560,342</u> | <u>\$ 8,295,104</u> | <u>\$ 208,498,640</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 (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

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) | \$ 28,526,106 |
|---|---------------|

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 | 41,728,353 |
| Depreciation expense | (31,906,298) |

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

| | |
|---|--------------|
| Property tax receivable - accrual basis change | 2,799,515 |
| Property tax interest and lien revenue - accrual basis change | (4,120,001) |
| Net pension asset | 240,282 |
| Deferred outflows related to PERS | 6,315,656 |
| Deferred outflows related to MERS | (15,364,214) |
| Deferred outflows related to OPEB | 157,837,216 |

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

| | |
|------------------------------------|---------------|
| General obligation bonds issued | (174,975,000) |
| Refunding bonds issued | (35,980,000) |
| Payment to escrow agent | 38,960,495 |
| Bond and note principal payments | 29,450,892 |
| Premiums on refunding bonds issued | (3,604,954) |
| Premiums on bonds issued | (5,427,403) |

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

| | |
|---|---------------|
| Change in unamortized issuance premiums | 6,356,464 |
| Change in deferred amounts on refunding | (979,631) |
| Compensated absences | (1,361,447) |
| Accrued interest | (2,277,944) |
| Net OPEB liability | (212,343,438) |
| Net pension liability - PERS | 112,707,633 |
| Net pension liability - MERS | (38,039,376) |
| Deferred inflows related to PERS | 2,450,582 |
| Deferred inflows related to MERS | 3,307,137 |
| Deferred inflows related to OPEB | 27,843,343 |

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.

| |
|-------------------|
| <u>10,768,537</u> |
|-------------------|

| | |
|--|-------------------------------|
| Change in Net Position of Governmental Activities (Exhibit II) | \$ <u><u>(57,087,495)</u></u> |
|--|-------------------------------|

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2020

| | Business-Type Activities | Governmental Activities |
|---|-------------------------------------|------------------------------------|
| | Enterprise Fund - WPCA | Internal Service Fund |
| Assets: | | |
| Current: | | |
| Cash and cash equivalents | \$ 4,488,595 | \$ 2,235,033 |
| Receivables, net: | | |
| Unbilled usage charges | 8,275,076 | |
| Intergovernmental | 239,419 | |
| Other receivables | 2,861,700 | |
| Due from other funds | | 7,982,244 |
| Prepaid asset | 210,940 | 534,152 |
| Total current assets | <u>16,075,730</u> | <u>10,751,429</u> |
| Noncurrent: | | |
| Capital assets not being depreciated | 6,133,384 | |
| Capital assets being depreciated, net of accumulated depreciation | 109,803,999 | |
| Total noncurrent assets | <u>115,937,383</u> | <u>-</u> |
| Total assets | <u>132,013,113</u> | <u>10,751,429</u> |
| Liabilities: | | |
| Current: | | |
| Accounts payable and accrued expenses | 3,019,554 | 475,717 |
| Accrued interest payable | 175,472 | |
| Construction contracts payable | 235,751 | |
| Note payable | 2,108,471 | |
| Due to other funds | 2,720,429 | |
| Claims payable - current portion | | 10,532,754 |
| Current portion of bonds payable, bond premiums and notes payable | 2,527,940 | |
| Total current liabilities | <u>10,787,617</u> | <u>11,008,471</u> |
| Noncurrent: | | |
| Claims payable - noncurrent portion | | 54,668,750 |
| Bonds payable, bond premiums and notes payable noncurrent portion | 28,946,642 | |
| Net OPEB liability | 2,112,249 | |
| Total noncurrent liabilities | <u>31,058,891</u> | <u>54,668,750</u> |
| Total liabilities | <u>41,846,508</u> | <u>65,677,221</u> |
| Net Position: | | |
| Net invested in capital assets | 82,354,330 | |
| Restricted for self-insured claims | | 534,152 |
| Unrestricted | 7,812,275 | (55,459,944) |
| Total Net Position | <u>\$ 90,166,605</u> | <u>\$ (54,925,792)</u> |

The accompanying notes are an integral part of the financial statements

**CITY OF BRIDGEPORT, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

| | Business-Type Activities | Governmental Activities |
|--|-------------------------------------|------------------------------------|
| | Enterprise Fund - WPCA | Internal Service Fund |
| Operating Revenues: | | |
| Sewer user fees | \$ 34,942,966 | \$ |
| Miscellaneous income | 876,280 | |
| Charges for services | | 129,254,722 |
| Total operating revenues | <u>35,819,246</u> | <u>129,254,722</u> |
| Operating Expenses: | | |
| Operation and maintenance | 30,993,136 | |
| Depreciation | 8,819,131 | |
| Claims | | 118,486,185 |
| Total operating expenses | <u>39,812,267</u> | <u>118,486,185</u> |
| Operating Income (Loss) | <u>(3,993,021)</u> | <u>10,768,537</u> |
| Nonoperating Revenue (Expense): | | |
| Interest income | 12,216 | |
| Interest expense | (751,566) | |
| Total nonoperating expense | <u>(739,350)</u> | <u>-</u> |
| Income (Loss) Before Capital Contributions | (4,732,371) | 10,768,537 |
| Capital Contributions | <u>145,393</u> | |
| Change in Net Position | (4,586,978) | 10,768,537 |
| Net Position at Beginning of Year | <u>94,753,583</u> | <u>(65,694,329)</u> |
| Net Position at End of Year | <u>\$ 90,166,605</u> | <u>\$ (54,925,792)</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, 2020**

| | <u>Business-Type Activities</u> <u>Enterprise Fund - WPCA</u> | <u>Governmental Activities</u> <u>Internal Service Fund</u> |
|---|--|--|
| Cash Flows from Operating Activities: | | |
| Receipts from customers and users | \$ 34,652,231 | \$ |
| Payments to suppliers | (30,447,944) | |
| Payments to employees | (992,784) | |
| Cash received for interfund services used | 2,535,912 | |
| Cash paid for interfund services used | | (10,869,370) |
| Cash received from charges for services | | 129,254,722 |
| Cash paid to vendors and beneficiaries | | (118,026,081) |
| Net cash provided by (used in) operating activities | <u>5,747,415</u> | <u>359,271</u> |
| Cash Flows from Capital and Related Financing Activities: | | |
| Principal payments on debt | (4,029,537) | |
| Interest paid on debt | (678,210) | |
| Proceeds from bonds issued | 1,140,000 | |
| Proceeds from notes payable | 145,393 | |
| Proceeds received on capital grants | 145,393 | |
| Purchase of capital assets | (4,023,837) | |
| Net cash provided by (used in) capital and related financing activities | <u>(7,300,798)</u> | <u>-</u> |
| Cash Flows from Investing Activities: | | |
| Interest received on investments | 12,216 | |
| Net increase (decrease) in cash and cash equivalents | (1,541,167) | 359,271 |
| Cash and Cash Equivalents at Beginning of Year | <u>6,029,762</u> | <u>1,875,762</u> |
| Cash and Cash Equivalents at End of Year | <u>\$ 4,488,595</u> | <u>\$ 2,235,033</u> |
| Reconciliation to Statement of Net Position: | | |
| Cash and cash equivalents | <u>\$ 4,488,595</u> | <u>\$ 2,235,033</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities: | | |
| Operating income (loss) | \$ (3,993,021) | \$ 10,768,537 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | |
| Depreciation | 8,819,131 | |
| (Increase) decrease in accounts receivable and unbilled usage charges | (858,974) | |
| (Increase) decrease in other receivables | (308,041) | |
| (Increase) decrease in prepaids | 408 | 1,927,388 |
| (Increase) decrease in due to (from) other funds | 2,535,912 | (10,869,370) |
| Increase (decrease) in accounts payable and accrued expenses | (568,157) | 430,366 |
| Increase (decrease) in claims payable | | (1,897,650) |
| Increase (decrease) in deferred inflows of resources | (107,177) | |
| Increase (decrease) in net OPEB liability | <u>227,334</u> | |
| Net Cash Provided by (Used in) Operating Activities | <u>\$ 5,747,415</u> | <u>\$ 359,271</u> |

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2020

| | Pension and Other Post Employment Benefits Trust Funds | Agency Fund |
|----------------------------------|---|-----------------------------|
| | <u> </u> | <u> </u> |
| Assets: | | |
| Cash and cash equivalents | \$ 13,465,646 | <u>771,162</u> |
| Investments: | | |
| U.S. government agencies | 824,400 | |
| U.S. government securities | 13,765,455 | |
| Corporate bonds | 18,920,955 | |
| Common stocks | 93,818,245 | |
| Mutual funds | 111,248,305 | |
| Alternative investments | 5,572,248 | |
| Total investments | <u>244,149,608</u> | <u>-</u> |
| Contributions receivable | <u>65,450</u> | |
| Total assets | <u>257,680,704</u> | <u>\$ 771,162</u> |
| Liabilities: | | |
| Due to student groups | | <u>\$ 771,162</u> |
| Total liabilities | <u>-</u> | <u>\$ 771,162</u> |
| Net Position: | | |
| Restricted for Pensions Benefits | 257,375,669 | |
| Restricted for OPEB Benefits | <u>305,035</u> | |
| Total net position | <u>\$ 257,680,704</u> | |

The accompanying notes are an integral part of the financial statements

**CITY OF BRIDGEPORT, CONNECTICUT
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>Pension and Other Post Employment Benefits Trust Funds</u> |
|---|--|
| Additions: | |
| Contributions: | |
| Employer | \$ 168,309,746 |
| Annuity proceeds | 546,398 |
| Total contributions | <u>168,856,144</u> |
| Investment income: | |
| Net change in fair value of investments | 447,404 |
| Interest and dividends | 3,929,391 |
| | <u>4,376,795</u> |
| Less investment expenses: | |
| Investment management fees | <u>1,111,545</u> |
| Net investment income | <u>3,265,250</u> |
| Total additions | 172,121,394 |
| Deductions: | |
| Benefits | <u>71,958,807</u> |
| Change in Net Position | 100,162,587 |
| Net Position at Beginning of Year | <u>157,518,117</u> |
| Net Position at End of Year | <u>\$ 257,680,704</u> |

The accompanying notes are an integral part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, except for Agency Funds, which have no measurement focus. 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.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, except for debt service expenditures and expenditures related to compensated absences, which are recorded only when payment is due (matured).

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

The City reports the following major governmental funds.

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

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

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

The City reports the following major proprietary fund:

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

Additionally, the City reports the following fund types:

The 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.

The Pension and Other Post Employment Trust Funds account for the activities of the City's four defined benefit pension plans and the Other Post Employment Benefit (OPEB) Trust Fund, which accumulate resources for pension and health benefit payments to qualified employees.

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

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.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

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

D. 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.

E. Restricted Cash and Cash Equivalents

Certain assets are classified as restricted because their use is limited. Restricted cash and cash equivalents in the Capital Bond Issue Fund is to be used for debt service purposes.

F. Investments

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

G. 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.

H. 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 estimated acquisition 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 \$751,566. Of this amount, \$44,261 was included as part of the cost of capital assets under construction in connection with wastewater treatment facilities' construction projects.

**CITY OF BRIDGEPORT, CONNECTICUT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2020**

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.

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports a deferred charge on refunding and deferred outflows related to pensions and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs and difference between projected and actual earnings on plan investments. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position and deferred inflows related to OPEB in the statement of net position for the enterprise fund. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). For governmental funds, the City reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

J. Claims and Judgments

This liability relates to the City's self-insurance programs. The obligation consists of claims incurred and incurred but not reported for medical self-insurance, the estimated loss for probable general liability matters and an actuarial estimate for claims incurred and incurred but not reported for workers compensation claims. This liability is paid out of the Internal Service Fund.

K. 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.

L. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts 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, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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.

M. Net Pension Liability (Asset)

The net pension liability/asset is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability (is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

N. Net OPEB Liability

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

O. Fund Equity and Net Position

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

Net Investment in Capital Assets

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

Restricted Net Position

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

Unrestricted Net Position

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

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

Nonspendable Fund Balance

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

Restricted Fund Balance

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

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (City Council). Amounts remain committed until action is taken by the City Council (resolution) to remove or revise the limitations.

Assigned Fund Balance

This represents amounts constrained for the intent to be used for a specific purpose by City Council, which has been delegated authority to assign amounts by the City Charter.

Unassigned Fund Balance

This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

P. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as either restricted, committed or assigned fund balance depending on the level of restriction, as they do not constitute expenditures or liabilities.

Q. 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.

R. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is December 23, 2020.

2. BUDGETS AND BUDGETARY ACCOUNTING

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

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.

In the General Fund, encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order or other commitment is issued, and, accordingly, encumbrances outstanding at year-end are recognized in budgetary reports as expenditures of the current year. Generally, all unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the next year.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

General governmental revenues and expenditures accounted for in the General Fund are controlled by formal integrated budgetary accounting systems in accordance with various legal requirements which govern the City’s operations. The City is required to adopt a budget for its General Fund. The City is not required to prepare budgets for special revenue, capital project, proprietary and trust funds. Accordingly, the budget and actual comparisons are only presented for the General Fund.

For financial statement comparisons, budgetary results have been reconciled to GAAP. The differences between the budgetary and GAAP basis of accounting are as follows:

- State of Connecticut payments on behalf of City of Bridgeport teachers for the State Teachers’ Retirement System and OPEB Plan are reported for GAAP purposes only.
- The Board of Education does not budget for the excess cost, magnet schools and vocational agriculture grants payments. For budgetary reporting those payments are recorded against expenditures. For GAAP reporting those payments are recorded as revenues and expenditures.

Budgeted amounts are as originally adopted or as amended by the City Council. During the year ended June 30, 2020, there were no supplemental budget amendments made to the adopted fiscal year 2020 General Fund budget.

During the year ended June 30, 2020, the following line items had overexpended appropriations:

| | <u>Final Appropriation</u> | <u>Expenditures, Encumbrances and Other Financing Uses</u> | <u>Balance Overexpended</u> |
|---|--------------------------------|--|---------------------------------|
| Registrar of voters | \$ 783,660 | \$ 824,532 | \$ 40,872 |
| City attorney | 5,295,248 | 6,245,723 | 950,475 |
| Labor relations/benefits/pensions | 21,242,345 | 21,547,775 | 305,430 |
| Information technology service | 4,354,391 | 4,429,469 | 75,078 |
| Fire Department | 64,643,408 | 65,192,105 | 548,697 |
| Weights and measures | 173,613 | 176,178 | 2,565 |
| Roadway | 5,004,937 | 5,019,219 | 14,282 |
| Sanitation | 6,244,834 | 6,457,723 | 212,889 |
| Parks administration | 325,811 | 327,804 | 1,993 |
| Health and social services administration | 387,059 | 502,245 | 115,186 |
| Vital statistics | 423,883 | 451,967 | 28,084 |
| COVID-19 | | 1,154,645 | 1,154,645 |
| Board of education debt service | 15,618,392 | 15,763,085 | 144,693 |

Special Revenue Funds

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

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

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.

Deficit Fund Equity

For the year ending June 30, 2020, the City reported a negative net position for the Internal Service Fund of \$55,229,048. The City anticipates eliminating the deficit through future revenues.

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). The investment pool is 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.

**CITY OF BRIDGEPORT, CONNECTICUT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2020**

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$162,120,631 of the City’s bank balance of \$163,672,208 was exposed to custodial credit risk as follows:

| | |
|---|-----------------------|
| Uninsured and uncollateralized | \$ 145,758,552 |
| Uninsured and collateral held by the pledging bank’s trust department, not in the City’s name | <u>16,362,079</u> |
| Total Amount Subject to Custodial Credit Risk | <u>\$ 162,120,631</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, 2020, the City’s cash equivalents amounted to \$124,218,846. The following table provides a summary of the City’s cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

| | <u>Standard & Poor’s</u> |
|---|----------------------------------|
| State Short-Term Investment Fund (STIF) | AAAm |
| People’s Securities* | |
| UBS* | |
| Raymond James* | |
| Merrill Lynch* | |
| Morgan Stanley* | |
| US Bank* | |
| Fidelity* | |
| People’s United Bank* | |

* Not rated

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

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

repurchase agreements, bankers' acceptances, and commercial paper; 7) SEC registered mutual funds and bank and insurance company commingled funds that invest in stocks and bonds; 8) closed end SEC registered mutual funds that invest within the overall policy of allowable investments; 9) real estate properties determined to be appropriate for investment, including appropriate limited partnerships and real estate investment trusts; 10) futures contracts only when used by the fund as a hedge against portfolio loss, or if used by an equity index fund as a temporary substitute for investment in equity securities, or if used by a debt index fund as a temporary substitute for investment in debt securities; and 11) notwithstanding other limitations included herein, assets may be invested in certain hedge fund investments subject to the guidelines set forth in the Supplemental Investment Policy Statement for Hedge Fund Investments that may be adopted by the Trustees. The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the Connecticut Short Term Investment Fund.

The pension fund asset allocation parameters are explained in more detail in Note 11.

Concentrations

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

Custodial Credit Risk

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

Investments of the City consist of the following at June 30, 2020:

Investments:

Special Revenue Fund:

| | |
|----------------------------|-----------------------|
| U.S. Government Securities | \$ <u>1,571,944</u> * |
|----------------------------|-----------------------|

Pension Trust Funds:

| | |
|----------------------------|--------------------|
| U.S. Government Agencies | 824,400 * |
| U.S. Government Securities | 13,765,455 * |
| Corporate Bonds | 18,920,955 * |
| Common Stocks | 93,818,245 * |
| Mutual Funds | 111,248,305 * |
| Alternative Investments | <u>5,572,248</u> * |
| Total Pension Trust Funds | <u>244,149,608</u> |

| | |
|-------------------|------------------------------|
| Total Investments | \$ <u><u>245,721,552</u></u> |
|-------------------|------------------------------|

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

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

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

| | |
|--|---------------------------|
| Statement of net position: | |
| Cash and cash equivalents | \$ 238,256,097 |
| Restricted cash and cash equivalents | 28,724,143 |
| Investments | 1,571,944 |
| | <u>268,552,184</u> |
| Fiduciary funds: | |
| Cash and cash equivalents | 14,236,808 |
| Investments | 244,149,608 |
| | <u>258,386,416</u> |
| Total Cash, Cash Equivalents and Investments | \$ <u>526,938,600</u> |

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.

This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does not have a formal investment policy that limits investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Information about the exposure of the City's debt type investments to this risk using the segmented time distribution model is as follows:

| | <u>Fair Value</u> | <u>Less Than 1 Year</u> | <u>1-10 Years</u> | <u>Over 10 Years</u> |
|-------------------------------|--------------------------|-------------------------|--------------------------|-------------------------|
| Interest-bearing investments: | | | | |
| U.S. Government Securities | \$ 15,337,399 | \$ 1,393,481 | \$ 11,719,211 | \$ 2,224,707 |
| U.S. Government Agencies | 824,400 | 2,346 | 528,543 | 293,511 |
| Corporate Bonds | <u>18,920,955</u> | <u>1,223,025</u> | <u>11,599,041</u> | <u>6,098,889</u> |
| Total | \$ <u>35,082,754</u> | \$ <u>2,618,852</u> | \$ <u>23,846,795</u> | \$ <u>8,617,107</u> |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

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. As indicated above, the City investment policies conform to the policies set forth by the State of Connecticut. The City has no investment policy that would further limit investment choices as a means of managing its exposure to fair value losses arising from increasing interest rates, however exposure is limited when compared to total assets. Presented below is the rating of investments for each debt type investment.

| <u>Average Rating</u> | <u>Corporate Bonds</u> | <u>U.S. Government Securities</u> | <u>U.S. Government Agencies</u> |
|---------------------------|----------------------------|---------------------------------------|---|
| Aaa | \$ 338,759 | \$ 15,337,399 | \$ 824,400 |
| Aa1 | 477,013 | | |
| Aa2 | 216,092 | | |
| Aa3 | 474,520 | | |
| A1 | 1,483,466 | | |
| A2 | 3,130,932 | | |
| A3 | 3,248,491 | | |
| Baa1 | 2,334,129 | | |
| Baa2 | 2,550,120 | | |
| Baa3 | 1,540,487 | | |
| Ba1 | 273,611 | | |
| Ba3 | 405,665 | | |
| B1 | 269,000 | | |
| Caa2 | 6,062 | | |
| Caa3 | 95,613 | | |
| Ca | 88,745 | | |
| C | 3,615 | | |
| Unrated | 1,984,635 | | |
| | <u>\$ 18,920,955</u> | <u>\$ 15,337,399</u> | <u>\$ 824,400</u> |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The City has the following recurring fair value measurements as of June 30, 2020:

| | <u>Fair Value</u> | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
|--|-----------------------|-----------------------|----------------|----------------|
| Investments by fair value level: | | | | |
| U.S. Government Securities | \$ 15,337,399 | \$ 15,337,399 | \$ | \$ |
| U.S. Government Agencies | 824,400 | 824,400 | | |
| Corporate Bonds | 18,920,955 | 18,920,955 | | |
| Common Stock | 93,818,245 | 93,818,245 | | |
| Mutual Funds | <u>111,248,305</u> | <u>111,248,305</u> | | |
| Total investments by fair value level | 240,149,304 | <u>\$ 240,149,304</u> | <u>\$ -</u> | <u>\$ -</u> |
| (NAV) | | | | |
| Other - Alternative Investments | <u>5,572,248</u> | | | |
| Total Investments Measured at Fair Value | <u>\$ 245,721,552</u> | | | |

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. The valuation process for alternative investments takes into consideration factors such as interest rate changes, movement in credit spreads, default rate assumptions, prepayment assumptions, type and quality of collateral and market dislocation.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table:

| | <u>Fair Value</u> | <u>Unfunded Commitments</u> | <u>Redemption Frequency (If Currently Eligible)</u> | <u>Redemption Notice Period</u> |
|-------------------------|------------------------|-----------------------------|---|---------------------------------|
| Alternative Investments | \$ <u>5,572,248</u> \$ | - | Quarterly | 30-60 days |

The above includes investments in alternative investments which invest in various types of investments. The fair value of the investments in this type have been determined using the NAV per share of the investments.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

4. RECEIVABLES - FUND BASIS

Receivables at June 30, 2020 for the City’s individual major funds and nonmajor and fiduciary funds in aggregate, including the applicable allowances for collection losses, are as follows:

| | <u>General</u> | <u>Education Grants</u> | <u>Capital Bond Issue</u> | <u>Enterprise</u> | <u>Nonmajor and Other Funds</u> | <u>Totals</u> |
|--|----------------------|-----------------------------|-------------------------------|----------------------|---|-----------------------|
| Property taxes | \$ 39,034,864 | \$ | \$ | \$ | \$ | \$ 39,034,864 |
| Interest on property taxes | 16,603,285 | | | | | 16,603,285 |
| Contributions | | | | | 65,450 | 65,450 |
| Sewer user fees | | | | 13,442,619 | | 13,442,619 |
| Intergovernmental | 23,420,330 | 2,667,079 | 22,933,524 | 239,419 | 7,742,818 | 57,003,170 |
| Other | 2,312,831 | | 212,751 | 2,861,700 | 577,522 | 5,964,804 |
| Gross receivables | <u>81,371,310</u> | <u>2,667,079</u> | <u>23,146,275</u> | <u>16,543,738</u> | <u>8,385,790</u> | <u>132,114,192</u> |
| Less allowance for uncollectable amounts | <u>20,723,385</u> | | | <u>5,167,543</u> | | <u>25,890,928</u> |
| Net Receivables | <u>\$ 60,647,925</u> | <u>\$ 2,667,079</u> | <u>\$ 23,146,275</u> | <u>\$ 11,376,195</u> | <u>\$ 8,385,790</u> | <u>\$ 106,223,264</u> |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

5. INTERFUND ACCOUNTS

As of June 30, 2020, amounts due from and to other funds were as follows:

| | <u>Due From Other Funds</u> | <u>Due To Other Funds</u> |
|--|---------------------------------|-------------------------------|
| General Fund | \$ 35,492,820 | \$ 18,805,634 |
| Education Grants | <u>3,493,901</u> | <u>756,867</u> |
| Capital Bond Issue Fund | <u>2,632,935</u> | <u>22,437,875</u> |
| Special Revenue Funds: | | |
| Health and sanitation | 471,317 | |
| Public safety | | 1,830,373 |
| Facility and miscellaneous | | 2,281,370 |
| Social services | 461,108 | |
| Community Development Block Grant | | 212,721 |
| Housing Opportunities AIDS | | 1,323,642 |
| HOME Program | | 640,441 |
| Section 108 Loan Guarantee | | 470,998 |
| Development administration state grant | 4,130 | 1,314,455 |
| Library | 6,662 | |
| Library operations | 1,873,664 | |
| Miscellaneous grants | 49,390 | |
| General government | 325,866 | |
| Education Scholarships | 768 | |
| Total special revenue funds | <u>3,192,905</u> | <u>8,074,000</u> |
| Enterprise Funds: | | |
| WPCA | | <u>2,720,429</u> |
| Internal Service Fund: | | |
| City health insurance | <u>7,982,244</u> | <u>-</u> |
| Nonmajor Governmental Fund elimination | <u>-</u> | <u>-</u> |
| Total | <u>\$ 52,794,805</u> | <u>\$ 52,794,805</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.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Interfund transfers during the year ended June 30, 2020 were as follows:

| <u>Transfer In</u> | <u>Transfer Out</u> | <u>Amount</u> |
|--------------------|---------------------|--------------------------|
| General Fund | Capital Bond Issue | \$ <u><u>300,000</u></u> |

Transfers are used for regularly recurring operation transfers. Interfund transfers are used to supplement revenues to other funds such as the General Fund, Capital Bond Issue Fund and Nonmajor Governmental Funds in accordance with budget authorizations.

6. BULK LIEN SALES

During the year ended June 30, 2020, the City executed bulk sales of property tax liens and collected proceeds totaling \$5,879,778. 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, 2020 was as follows:

| | <u>Beginning Balance</u> | <u>Additions/ Transfers</u> | <u>Disposal/ Transfers</u> | <u>Ending Balance</u> |
|---|------------------------------|---------------------------------|--------------------------------|---------------------------|
| Governmental activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 146,542,763 | \$ 2,589,989 | \$ - | \$ 149,132,752 |
| Construction in progress | <u>354,473,230</u> | <u>38,680,588</u> | <u>(242,353,441)</u> | <u>150,800,377</u> |
| Total capital assets not being depreciated | <u>501,015,993</u> | <u>41,270,577</u> | <u>(242,353,441)</u> | <u>299,933,129</u> |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 927,737,810 | 241,981,952 | - | 1,169,719,762 |
| Machinery and equipment | 79,392,586 | 480,818 | (43,200) | 79,830,204 |
| Infrastructure | 212,304,550 | - | - | 212,304,550 |
| Vehicles | <u>55,938,473</u> | <u>348,447</u> | <u>(312,057)</u> | <u>55,974,863</u> |
| Total capital assets being depreciated | <u>1,275,373,419</u> | <u>242,811,217</u> | <u>(355,257)</u> | <u>1,517,829,379</u> |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 269,284,413 | 18,971,524 | - | 288,255,937 |
| Machinery and equipment | 51,764,118 | 4,149,599 | (43,200) | 55,870,517 |
| Infrastructure | 123,338,846 | 6,562,567 | - | 129,901,413 |
| Vehicles | <u>44,484,264</u> | <u>2,222,608</u> | <u>(312,057)</u> | <u>46,394,815</u> |
| Total accumulated depreciation | <u>488,871,641</u> | <u>31,906,298</u> | <u>(355,257)</u> | <u>520,422,682</u> |
| Total capital assets being depreciated, net | <u>786,501,778</u> | <u>210,904,919</u> | <u>-</u> | <u>997,406,697</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 1,287,517,771</u> | <u>\$ 252,175,496</u> | <u>\$ (242,353,441)</u> | <u>\$ 1,297,339,826</u> |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

| | <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 | \$ 4,058,123 | \$ 2,075,261 | \$ - | \$ 6,133,384 |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 120,328,215 | 961,476 | | 121,289,691 |
| Machinery and equipment | 14,902,195 | 497,825 | | 15,400,020 |
| Distribution and collection systems | 109,253,358 | 519,127 | | 109,772,485 |
| Vehicles | 3,486,615 | 201,426 | | 3,688,041 |
| Total capital assets being depreciated | <u>247,970,383</u> | <u>2,179,854</u> | <u>-</u> | <u>250,150,237</u> |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 85,516,617 | 4,886,339 | | 90,402,956 |
| Machinery and equipment | 12,699,198 | 867,358 | | 13,566,556 |
| Distribution and collection systems | 30,420,715 | 2,872,114 | | 33,292,829 |
| Vehicles | 2,890,577 | 193,320 | | 3,083,897 |
| Total accumulated depreciation | <u>131,527,107</u> | <u>8,819,131</u> | <u>-</u> | <u>140,346,238</u> |
| Total capital assets being depreciated, net | <u>116,443,276</u> | <u>(6,639,277)</u> | <u>-</u> | <u>109,803,999</u> |
| Business-Type Activities Capital Assets, Net | <u>\$ 120,501,399</u> | <u>\$ (4,564,016)</u> | <u>\$ -</u> | <u>\$ 115,937,383</u> |

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

Governmental Activities:

| | |
|---|-------------------|
| General government | \$ 5,365,358 |
| Public safety | 3,047,406 |
| Public facilities, parks and recreation | 7,701,819 |
| Health and social services | 2,559 |
| Libraries | 276,378 |
| Education | <u>15,512,778</u> |

Total Depreciation Expense - Governmental Activities \$ 31,906,298

Business-Type Activities:

| | |
|------|---------------------|
| WPCA | <u>\$ 8,819,131</u> |
|------|---------------------|

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

8. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2020 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 payable: | | | | | |
| General obligation bonds | \$ 791,386,420 | \$ 210,955,000 | \$ 68,411,387 | \$ 933,930,033 | \$ 51,561,139 |
| Premium | <u>47,533,370</u> | <u>9,032,357</u> | <u>6,356,464</u> | <u>50,209,263</u> | <u>3,630,005</u> |
| Total bonds payable | 838,919,790 | 219,987,357 | 74,767,851 | 984,139,296 | 55,191,144 |
| Claims and judgments | 67,099,154 | 116,128,431 | 118,026,081 | 65,201,504 | 10,532,754 |
| Compensated absences | 28,952,547 | 8,599,584 | 7,238,137 | 30,313,994 | 7,578,499 |
| Net OPEB liability | 861,102,330 | 212,343,438 | | 1,073,445,768 | |
| Net pension liability - MERS | 240,814,182 | 38,039,376 | | 278,853,558 | |
| Net pension liability - PERS | <u>252,866,563</u> | | <u>112,707,633</u> | <u>140,158,930</u> | |
| Governmental Activity Long-Term Liabilities | <u>\$ 2,289,754,566</u> | <u>\$ 595,098,186</u> | <u>\$ 312,739,702</u> | <u>\$ 2,572,113,050</u> | <u>\$ 73,302,397</u> |
| Business-type activities: | | | | | |
| Bonds payable: | | | | | |
| General obligation bonds | \$ 6,358,578 | \$ 1,140,000 | \$ 198,611 | \$ 7,299,967 | \$ 233,861 |
| Premiums | <u>106,497</u> | | <u>7,822</u> | <u>98,675</u> | |
| Total bonds payable | 6,465,075 | 1,140,000 | 206,433 | 7,398,642 | 233,861 |
| Clean water notes | 27,906,866 | | 3,830,926 | 24,075,940 | 2,294,079 |
| Net OPEB liability | <u>1,884,915</u> | <u>227,334</u> | | <u>2,112,249</u> | |
| Business-Type Activity Long-Term Liabilities | <u>\$ 36,256,856</u> | <u>\$ 1,367,334</u> | <u>\$ 4,037,359</u> | <u>\$ 33,586,831</u> | <u>\$ 2,527,940</u> |

Governmental activities liabilities for bonds, claims and judgements, compensated absences, net OPEB liability and net pension liability are generally liquidated by the General Fund.

General Obligation Bonds

As of June 30, 2020, the City had the following general obligation bonds outstanding:

| | |
|----------------------------------|-----------------------|
| Governmental Activities: | |
| Pension, 2.5% to 7.6% | \$ 429,325,000 |
| General Purpose, 2.5% to 6.6% | 342,715,931 |
| School, 4.0% to 6.8% | 135,274,690 |
| Sewer, 4.0% to 6.8% | 26,184,412 |
| Urban Renewal, 5% | <u>430,000</u> |
| | <u>\$ 933,930,033</u> |
| Business-Type Activities: | |
| General Purpose, 1.68% to 6.388% | <u>\$ 7,299,967</u> |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

A schedule of bonds at June 30, 2020 is presented below:

| <u>Date</u> | <u>Type</u> | <u>Rate %</u> | <u>Original Issue</u> | <u>Outstanding at June 30, 2020</u> | <u>Fiscal Year Maturity</u> |
|-------------|---|---------------|-----------------------|---|---------------------------------|
| 08/29/00 | Pension Obligation Bonds | 6.92 - 7.64% | \$ 350,000,000 | \$ 206,440,000 | 2030 |
| 08/12/04 | General Obligation Bonds | 3.0 - 5.50% | 58,580,000 | 6,270,000 | 2022 |
| 12/15/09 | General Obligation Bonds | 3.98 - 6.571% | 29,135,000 | 20,105,000 | 2029 |
| 06/14/12 | General Obligation Bonds | 3.0 - 5.0% | 67,930,000 | 23,945,000 | 2027 |
| 07/12/12 | General Obligation Refunding Bonds | 2.0 - 5.0% | 55,225,000 | 70,000 | 2021 |
| 08/28/14 | General Obligation Bonds | 3.525% | 66,580,000 | 50,450,000 | 2035 |
| 11/18/14 | General Obligation Refunding Bonds | 4.0-4.5% | 32,435,000 | 21,555,000 | 2026 |
| 03/04/16 | General Obligation Bonds | 2.125 - 5.0% | 23,195,000 | 15,915,000 | 2036 |
| 03/04/16 | General Obligation Refunding Bonds | 4.0 - 5.0% | 36,600,000 | 28,535,000 | 2026 |
| 03/04/16 | General Obligation Refunding Bonds | 4.0 - 5.0% | 23,070,000 | 17,585,000 | 2025 |
| 10/26/16 | General Obligation Bonds | 4.0 - 5.0% | 57,510,000 | 50,045,000 | 2047 |
| 10/26/16 | General Obligation Bonds | 1.82 - 3.08% | 4,260,000 | 3,055,000 | 2027 |
| 11/14/17 | General Obligation Bonds | 5.00% | 34,785,000 | 30,500,000 | 2038 |
| 11/14/17 | General Obligation Refunding Bonds | 5.00% | 41,415,000 | 39,015,000 | 2030 |
| 11/14/17 | Crossover Refunding Bonds | 5.00% | 17,410,000 | 17,410,000 | 2029 |
| 01/14/18 | Pension Obligation Bonds (MERS) | 2.84 - 4.32% | 99,500,000 | 97,480,000 | 2046 |
| 06/08/18 | General Obligation Refunding Bonds | 4.03 - 4.13% | 34,315,000 | 34,315,000 | 2031 |
| 06/08/18 | General Obligation Refunding Bonds | 5.00% | 4,245,000 | 4,245,000 | 2031 |
| 07/18/18 | General Obligation Bonds | 5.00% | 24,250,000 | 24,250,000 | 2049 |
| 02/11/19 | General Obligation Bonds | 5.00% | 33,950,000 | 33,950,000 | 2049 |
| 02/11/19 | General Obligation Bonds | 5.00% | 4,000,000 | 4,000,000 | 2039 |
| 10/29/19 | Pension Obligation Bonds | 2.96 - 3.8% | 125,405,000 | 125,405,000 | 2045 |
| 10/29/19 | General Obligation Refunding Bonds | 2.91 - 3.16% | 22,965,000 | 22,965,000 | 2032 |
| 10/29/19 | General Obligation Refunding Bonds | 5.00% | 13,015,000 | 13,015,000 | 2031 |
| 05/29/20 | General Obligation Bonds | 4.0 - 5.0% | 37,615,000 | 37,615,000 | 2040 |
| 05/29/20 | General Obligation Bonds | 1.90 - 4.20% | 13,095,000 | 13,095,000 | 2040 |
| | Total | | \$ 1,310,485,000 | 941,230,000 | |
| | Less amount representing business-type activities | | | <u>(7,299,967)</u> | |
| | Total Outstanding, Governmental Activities | | | <u>\$ 933,930,033</u> | |

Clean Water Notes Payable

Clean Water Notes payable as of June 30, 2020 includes the following:

Business-Type Activities:

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

\$ 24,075,940

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Designation of 2010 Series B Bonds as Build America Bonds

The federal American Recovery and Reinvestment Act of 2009, Pub. L No. 111-5, 123 Stat. 115 (2009), enacted February 17, 2009 (the Recovery Act) permits the City to issue taxable bonds referred to as "Build America Bonds" to finance capital expenditures for which it could otherwise issue tax-exempt bonds, and to elect to receive payments from the federal government equal to 35% of the corresponding interest payable on such taxable bonds (the BAB Subsidy Payments). The City elected to designate the 2010 Series B Bonds as "Build America Bonds" for purposes of the Recovery Act and to receive BAB Subsidy Payments from the United States Treasury in connection therewith. BAB Subsidy Payments for the 2010 Series B Bonds will be paid to the City on or about each interest payment date; the holders of the 2010 Series B Bonds are not entitled to a tax credit. Such BAB Subsidy Payments are not pledged to pay the 2010 Series B Bonds, nor is their receipt by the City a condition of payment of any portion of the principal and interest on the 2010 Series B Bonds. For the fiscal year ended June 30, 2020, the City received \$454,442 in interest subsidy.

General Obligation Bonds Refunding

On October 19, 2019, the City issued \$22,965,000 (2019, Series D) of general obligation refunding bonds with interest rates ranging from 2.91 to 3.16%. The bonds were issued to refund portions of the outstanding principal amounts of the 2012 Series A general obligation bonds, 2012 Series B general obligation refunding bonds, 2014 Series B general obligation bonds, 2016 Series B general obligation refunding bonds, 2016 Series D general obligation bonds and 2017 Series B general obligation refunding bonds. The net proceeds of \$22,576,571 (after payments of \$388,429 in underwriter's fees and other issuance costs) were deposited in an irrevocable trust fund under an escrow agreement dated October 10, 2019 between the Escrow Agent and the City. The Escrow Agent will use such proceeds to purchase portfolio of the 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 into escrow for payment of the refunded bonds. The City refunded the above bonds to reduce total debt service payments over the next 8 years by \$13,644,024. The City total debt service has increased by \$4,523,869 for the life of the bonds ending in 2032. The City obtained an economic loss (difference between the present value of the debt service payments on the old and new debt) of \$452,580. As of June 30, 2020 the amount of defeased debt outstanding from this refunding was \$20,590,000 and the escrow balance is \$22,199,409. This amount is removed from the governmental activities column of the statement of net position.

On October 19, 2019, the City issued \$13,015,000 (2019, Series E) of general obligation refunding bonds with an interest rate of 5.0%. The bonds were issued to refund portions of the outstanding principal amounts of the 2009 RZEDB's and 2010 Series B Build America Bonds. The net proceeds of \$16,383,924 (after an original issue premium of \$3,604,954 and payment of \$236,030 in underwriter's fees and other issuance costs) were deposited in an irrevocable trust fund under an escrow agreement dated October 10, 2019 between the Escrow Agent and the City. The Escrow Agent will use such proceeds to purchase portfolio of the 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 into escrow for payment of the refunded bonds. The City total debt service has decreased by \$256,074 for the life of the bonds ending in 2031. The City obtained an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$1,076,835. As of June 30, 2020, the amount of defeased debt outstanding from this refunding was \$15,650,000 and the escrow balance is \$15,908,832. This amount is removed from the governmental activities column of the statement of net position.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Prior Year Defeasance of Debt

In prior years, the City defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At June 30, 2020, \$52,105,000 of prior bonds outstanding is considered defeased and the escrow balance is \$526,948,662.

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

| Year Ending June 30 | General Obligations Bonds | | | | | |
|------------------------|---------------------------|----------------|------------------|--------------------------|--------------|---------------|
| | Governmental Activities | | | Business-Type Activities | | |
| | Principal | Interest | Total | Principal | Interest | Total |
| 2021 * | \$ 51,561,139 | \$ 48,871,625 | \$ 100,432,764 | \$ 233,861 | \$ 364,616 | \$ 598,477 |
| 2022 | 35,227,761 | 44,766,395 | 79,994,156 | 317,239 | 351,635 | 668,874 |
| 2023 | 41,538,928 | 42,598,553 | 84,137,481 | 371,073 | 334,814 | 705,887 |
| 2024 | 48,263,552 | 40,040,342 | 88,303,894 | 391,448 | 314,802 | 706,250 |
| 2025 | 53,614,382 | 37,203,460 | 90,817,842 | 420,617 | 293,356 | 713,973 |
| 2026-2030 | 322,705,329 | 134,614,725 | 457,320,054 | 2,399,672 | 1,123,835 | 3,523,507 |
| 2031-2035 | 171,868,688 | 61,877,037 | 233,745,725 | 1,681,311 | 570,082 | 2,251,393 |
| 2036-2040 | 114,620,287 | 31,940,636 | 146,560,923 | 1,374,712 | 177,946 | 1,552,658 |
| 2041-2045 | 83,651,405 | 11,626,048 | 95,277,453 | 78,595 | 17,684 | 96,279 |
| 2046-2049 | 10,878,562 | 565,198 | 11,443,760 | 31,439 | 1,572 | 33,011 |
| Total | \$ 933,930,033 | \$ 454,104,019 | \$ 1,388,034,052 | \$ 7,299,967 | \$ 3,550,342 | \$ 10,850,309 |

*Includes payments on a crossover refunding in the amount of \$18,115,000 for Governmental Activities.

The City's WPCA issues State of Connecticut Clean Water Fund serial notes. These notes were issued to finance improvements to the sewer plant, pump stations and the water distribution infrastructure in the business-type activities. The annual debt service requirements relative to the outstanding clean water notes payable are as follows:

| Year Ending June 30 | Notes Payable | | |
|------------------------|--------------------------|--------------|---------------|
| | Business-Type Activities | | |
| | Principal | Interest | Total |
| 2021 | \$ 2,294,079 | \$ 460,705 | \$ 2,754,784 |
| 2022 | 2,229,273 | 415,897 | 2,645,170 |
| 2023 | 2,219,197 | 370,345 | 2,589,542 |
| 2024 | 2,042,643 | 329,736 | 2,372,379 |
| 2025 | 2,027,799 | 287,454 | 2,315,253 |
| 2026-2030 | 8,673,789 | 873,681 | 9,547,470 |
| 2031-2035 | 3,644,093 | 260,389 | 3,904,482 |
| 2036-2040 | 945,067 | 21,776 | 966,843 |
| Total | \$ 24,075,940 | \$ 3,019,983 | \$ 27,095,923 |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

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 | \$ 716,257,652 | \$ 371,765,931 | \$ 344,491,721 |
| Schools | 1,432,515,303 | 135,274,690 | 1,297,240,613 |
| Sewers | 1,193,762,753 | 179,514,334 | 1,014,248,419 |
| Urban renewal | 1,034,594,386 | 430,000 | 1,034,164,386 |
| Unfunded pension benefit obligation | 955,010,202 | 429,325,000 | 525,685,202 |

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$2,228,357,138. 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 | \$ 29,050,000 |
| Sewer | <u>119,845,544</u> |
| | <u>\$ 148,895,544</u> |

Notes Payable

The City issued grant and tax anticipation notes payable to fund cash flows for operating expenses. The activity related to the notes payable and balance at June 30, 2020 is summarized in the table below:

| <u>Description</u> | <u>Date Issued</u> | <u>Maturity Date</u> | <u>Interest Rate (%)</u> | <u>Balance July 1, 2019</u> | <u>Issued</u> | <u>Retired</u> | <u>Balance June 30, 2020</u> |
|--------------------------|------------------------|--------------------------|------------------------------|---------------------------------|----------------------|----------------------|----------------------------------|
| Grant Anticipation Notes | 12/12/2018 | 12/11/2019 | 2.45 | \$ 22,500,000 | \$ | \$ 22,500,000 | \$ - |
| Tax Anticipation Note | 12/11/2019 | 2/3/2020 | 2.30 | | 10,000,000 | 10,000,000 | - |
| Grant Anticipation Notes | 12/11/2019 | 12/10/2020 | 2.00 | | <u>21,000,000</u> | | <u>21,000,000</u> |
| Total | | | | <u>\$ 22,500,000</u> | <u>\$ 31,000,000</u> | <u>\$ 32,500,000</u> | <u>\$ 21,000,000</u> |

In addition, the City has a note payable of \$2,108,471 reported in the business-type activities, which was issued for sewer construction projects. The note carries a 2% interest rate and the principal becomes payable upon the permanent refinancing of the note payable.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

9. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2020 are as follows:

| | <u>General Fund</u> | <u>Education Grants Fund</u> | <u>Capital Bond Issue Fund</u> | <u>Nonmajor Governmental Funds</u> | <u>Total</u> |
|-----------------------------|-------------------------|--------------------------------------|--|--|-----------------------|
| Fund balances: | | | | | |
| Restricted for: | | | | | |
| Future debt payments | \$ | \$ | \$ 28,724,143 | \$ | \$ 28,724,143 |
| Grants | | | | 3,029,449 | 3,029,449 |
| Library trust fund | | | | 530,822 | 530,822 |
| Education scholarship fund | | | | 108,730 | 108,730 |
| Committed to: | | | | | |
| General government projects | | | 7,489,860 | | 7,489,860 |
| Public safety projects | | | 8,710,705 | | 8,710,705 |
| Public facilities projects | | | 63,386,450 | | 63,386,450 |
| OPED and other projects | | | 59,284,320 | | 59,284,320 |
| Library | | | 4,964,864 | 4,070,863 | 9,035,727 |
| General special revenue | | | | 324,426 | 324,426 |
| Education | | | | 230,814 | 230,814 |
| Unassigned | <u>27,643,194</u> | | | | <u>27,643,194</u> |
| Total Fund Balances | <u>\$ 27,643,194</u> | <u>\$ -</u> | <u>\$ 172,560,342</u> | <u>\$ 8,295,104</u> | <u>\$ 208,498,640</u> |

10. COMMITMENTS AND CONTINGENCIES

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

Personal Injury and Other Actions

There are presently pending certain major personal injury and other claims and lawsuits that the City is actively defending for which, in the event the City is held liable, the amount of recovery could, under certain circumstances, total between \$5 and \$15 million dollars in the aggregate. Any recovery under such actions would be paid by the City over a number of years through operations or bonding or through using legal reserve accruals set for certain large cases. The City is self-insured for such risks.

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

Wheelabrator Bridgeport L.P. (Wheelabrator), operator of the solid waste to energy facility which is currently one of the City's largest taxpayers. The City and Wheelabrator reached a full and final legal settlement tax valuation appeals relating to the 2007 through 2015 Tax Grand Lists, stipulated into a Judgment in Superior Court in spring 2017. The City stipulated to issue certain future tax credits against future tax bills, in lieu of any prior period tax refunds, for a period of years commencing in Fiscal Year 2017 to 2022. In addition, the City and Wheelabrator agreed to final assessed valuations for the grand list 2015 and Wheelabrator stipulated to eliminate all rights to any future tax appeals against the city until after the next citywide revaluation in October 2020. Any tax credits due to Wheelabrator per annum are applied annually against normal taxpayer annual bills and have been budgeted and expensed in annual fiscal year results. Such tax credit amounts are not material to the City's tax levy or to the City's financial condition.

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 \$1.5 million during the year ended June 30, 2020, before the subsidy referred to below. These levels can be adjusted up or down depending on changes to the Zoo such as expansion. In return, the City receives all State aid subsidy payments eligible to the Zoo and received from the State annually. A subsidy of \$203,000 was projected for the year ended June 30, 2020, but the Zoological Society is currently keeping such funds due to the COVID-19 crisis and it is unclear when the City may be reimbursed for such funds. The Society retains any revenues from admissions, vending, concessions, other grants or bequests.

WPCA Privatization Agreement

On October 8, 2013 the WPCA entered into a ten-year agreement (the Agreement) with a new independent contractor Severn Trent (the Contactor) to provide operations, maintenance and management services to its two wastewater treatment facilities and collection system. This agreement took effect on January 1, 2014 and expires on December 31, 2023. The Agreement was amended in 2017 to include a two-year early termination clause should the city seek any regionalization or other restructuring of the wastewater plant and treatment system. The City has an agreement with the Town of Trumbull, whereby all Trumbull located sewers are allowed to connect into the Bridgeport WPCA sewer system. Trumbull pays a portion of user fees collected from Trumbull residents to the Bridgeport WPCA at an agreed upon annual rate total billed by the WPCA to Town of Trumbull.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

WPCA Consent Decrees

Under various consent decrees issued by the State of Connecticut Department of Environmental Protection (consent decrees), the WPCA is required to bring both of its treatment facilities in compliance with federal standards and eliminate certain combined storm and sanitary sewers. As of June 30, 2020, approximately \$210,000,000 relating to these projects has been incurred and included in property and equipment values. Funding for these improvements are provided by the State of Connecticut's Clean Water Fund (CWF) in the form of loans and grants, with such grants paying at least 20% of all project costs and the remainder of approved project costs up to 80 % are provided from the CWF by WPCA annually in the form of loans at 2% interest all of the remaining loan debt service of which are paid back as debt service by the WPCA and its ratepayers in annual WPCA budgets. An additional \$119 million in capital funds, fully eligible from the CWF grant and loan program, was authorized by the City Council in FY2019 to plan and upgrade the two main WPCA plants infrastructure, with another \$200 million expected to be needed from CWF grant and loan programs. Preliminary design is underway for the West Side Plant upgrade and construction of these projects expected to start by FY2023 and be completed within the next seven years. As of June 30, 2020, the State has committed to providing the WPCA additional funding in the form of loans and grants for infiltration programs of approximately \$8,000,000.

Municipal Solid Waste Service Agreement

Bridgeport is one of twelve municipalities that has entered into a Greater Bridgeport Regional Solid Waste Interlocal Agreement (Interlocal Agreement) which creates the Greater Bridgeport Regional Solid Waste Committee (Operating Committee) as a public body comprised of various southwest Connecticut municipalities (including but not limited to Bridgeport, Trumbull, Fairfield, Milford and Westport) for the purpose of, and with the authority to, contract with a solid waste facility for the disposal of municipal solid waste after June 30, 2014. In 2014, Wheelabrator agreed serve as the waste to energy plant for the consortium and contract terms were set of approximately \$60 per ton up to 175,000 aggregate annual tonnage for a term of up to 20 years with a \$1.00 per ton decrease for each new 25,000 tons the Operating Committee attracts and an annual Consumer Price Index escalator at 75% of the change, subject to an executable contract and Wheelabrator Board approvals.

Bridgeport is also part of an Inter-Community Agreement establishing a regional recycling program. The Greater Bridgeport Regional Recycling Interlocal Agreement, dated as of June 21, 2018 (the Interlocal Agreement) 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 twelve "Contracting Communities" participating in this recycling program (Bridgeport and Milford, and the Towns of East Haven, Easton, Fairfield, Monroe, Orange, Stratford, Southbury, Westport, Woodbridge and Trumbull). Prior to Fiscal 2019, the City had participated in a predecessor Solid Waste Recycling (SWEROC) consortium which was disbanded in June 2018. 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.

11. PENSION PLANS

A. Municipal Employees' Retirement System

Plan Description

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 Municipal Employees' Retirement System (MERS). MERS is a cost-sharing multiple-employer public employee retirement system established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits to employees of participating municipalities. Chapters 7-425 to 7-451 of the State of Connecticut General Statutes, which can be amended by legislative action, establishes MERS benefits, member contribution rates and other plan provisions. MERS is considered to be part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports can be obtained at www.ct.gov.

Benefit Provisions

The plan provides retirement, disability and death benefits and annual cost-of-living adjustments to plan members and their beneficiaries. Employees are eligible to retire at age 55 with 5 years of continuous active service, or 15 years of active non-continuous aggregate service. In addition, compulsory retirement is at age 65 for police and fire members. Employees under the age of 55 are eligible to retire with 25 years of service.

Normal Retirement

For members not covered by social security, retirement benefits are calculated as 2% of the average of the three highest paid years of service times the years of service. For members covered by social security, retirement benefits are calculated as 1 1/2% of the average of the three highest paid years of service not in excess of the year's breakpoint plus 2% of average of the three highest paid years of service in excess of the year's breakpoint, times years of service. The year's breakpoint is defined as \$10,700 increased by 6.0% each year after 1982, rounded to the nearest multiple of \$100. Maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually.

If any member covered by social security retires before age 62, the member's benefit until the member reaches age 62, or a social security disability award is received, is computed as if the member is not under social security.

Early Retirement

Members must have 5 years of continuous or 15 years of active aggregate service. Benefits are calculated as a service retirement allowance on the basis of the average of the three highest paid years of service to the date of termination. Deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Disability Retirement - Service Connected

Employees who are totally and permanently disabled and such disability has arisen out of an in the course of employment with the municipality. Disability due to heart and hypertension in the case of fire and police, who began employment prior to July 1, 1996, is presumed to have been suffered in the line of duty. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability with a minimum benefit (including worker's compensation benefits) of 50% of compensation at the time of disability. are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Disability Retirement - Non-Service Connected

This applies to employees who have 10 years of service and are totally and permanently disabled. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability.

Death Benefit

The plan offers a lump-sum return of contributions with interest or if vested and married, the surviving spouse will receive a lifetime benefit.

Contributions

Member

Contributions for members not covered by social security are 5% of compensation; for members covered by social security, 2.25% of compensation up to the social security taxable wage base plus 5%, if any, in excess of such base.

Employer

Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions. In addition, there is also an annual administrative fee per active and retired member.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the City reports a total liability of \$278,853,558 in Exhibit I for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The actuarial assumptions used in the June 30, 2019 valuation were based on results of an actuarial experience study for the period July 1, 2012 through June 30, 2017. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2020, the City's proportion of liability is 27.01%. The increase in proportion from the prior year is 1.83%.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

For the year ended June 30, 2020, the City recognized pension expense of \$75,350,846 in Exhibit II. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| City contribution after the measurement date | \$ 25,726,055 | \$ |
| Change in assumptions | 70,363,841 | |
| Change in proportionate share | 4,751,230 | 4,221,290 |
| Net difference between projected and actual earnings on pension plan | 11,344,361 | |
| Differences between expected and actual experience | <u>24,943,399</u> | <u>4,903,611</u> |
| Total | <u>\$ 137,128,886</u> | <u>\$ 9,124,901</u> |

Amounts reported as deferred outflows of resources related to City contributions after the measurement date of \$25,726,055 will be recognized as a reduction of the net pension liability in the subsequent year. Amounts reported as deferred inflows of resources related to pension will be recognized in pension expense as follows:

| <u>Year Ending June 30</u> | |
|----------------------------|-----------------------|
| 2021 | \$ 37,843,569 |
| 2022 | 27,072,120 |
| 2023 | 32,264,138 |
| 2024 | <u>5,098,103</u> |
| Total | <u>\$ 102,277,930</u> |

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 2.50% |
| Salary increase | 3.50-10.00%, including inflation |
| Investment rate of return | 7.00%, net of pension plan investment expense, including inflation |

Mortality rates were based on:

RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees.

RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for Police and Fire.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

For disabled retirees, the RP-2014 Disabled Mortality Table projected with Scale BB to 2020 was used.

Future cost-of-living adjustments for members who retire on or after January 1, 2002 are 60% of the annual increase in the CPI up to 6%. The minimum annual COLA is 2.5%; the maximum is 6%.

The long-term expected rate of return on pension plan investments was determined using a statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major class are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|--------------------------------|--------------------------|---|
| Domestic equity | 20.0% | 5.3% |
| Developed market international | 11.0% | 5.1% |
| Emerging market international | 9.0% | 7.4% |
| Core fixed income | 16.0% | 1.6% |
| Inflation linked bond | 5.0% | 1.3% |
| Emerging market debt | 5.0% | 2.9% |
| High yield bond | 6.0% | 3.4% |
| Real estate | 10.0% | 4.7% |
| Private equity | 10.0% | 7.3% |
| Alternative investments | 7.0% | 3.2% |
| Liquidity fund | 1.0% | 0.9% |
| Total | <u>100.0%</u> | |

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City’s proportionate share of the net pension liability, calculated using the current discount rate, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

| | <u>1% Decrease (6.00%)</u> | <u>Current Discount Rate (7.00%)</u> | <u>1% Increase (8.00%)</u> |
|---|--------------------------------|--|--------------------------------|
| City's Proportionate Share of the Net Pension Liability (Asset) \$ | \$ 405,276,237 | \$ 278,853,558 | \$ 173,024,819 |

B. Connecticut Teachers Retirement System - Pension

Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers’ Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

Benefit Provisions

The plan provides retirement, disability and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary).

Early Retirement

Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Contributions

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the State of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

For the year ended June 30, 2020, the amount of "on-behalf" contributions made by the State was \$38,038,733 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the City reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the City were as follows:

| | | |
|---|----|---------------------------|
| City's proportionate share of the net pension liability | \$ | - |
| State's proportionate share of the net pension liability associated with the City | | <u>502,528,522</u> |
| Total | \$ | <u><u>502,528,522</u></u> |

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. At June 30, 2020, the City has no proportionate share of the net pension liability.

For the year ended June 30, 2020, the City recognized pension expense and revenue of \$61,719,068 in Exhibit II.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 2.50% |
| Salary increase | 3.25-6.50%, including inflation |
| Investment rate of return | 6.90%, net of pension plan investment expense, including inflation |

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007 and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The current capital market assumptions and the target asset allocation as provided by the State of Connecticut Treasurer’s Office are summarized in the following table:

| <u>Asset Class</u> | <u>Expected Return</u> | | <u>Target Allocation</u> | | <u>Standard Deviation</u> | |
|--|----------------------------|---|------------------------------|---|-------------------------------|---|
| Public Equity - US Equity | 8.10 | % | 20.00 | % | 17.00 | % |
| Public Equity - International Developed Equity | 8.50 | | 11.00 | | 19.00 | |
| Public Equity - Emerging Markets Equity | 10.40 | | 9.00 | | 24.00 | |
| Fixed Income - Core Fixed Income | 4.60 | | 16.00 | | 7.00 | |
| Fixed Income - Inflation Linked Bonds | 3.60 | | 5.00 | | 7.00 | |
| Fixed Income - High Yield | 6.50 | | 6.00 | | 11.00 | |
| Fixed Income - Emerging Market Debt | 5.20 | | 5.00 | | 11.00 | |
| Private Equity | 9.80 | | 10.00 | | 23.00 | |
| Real Estate | 7.00 | | 10.00 | | 15.00 | |
| Alternative Investments - Real Assets | 8.20 | | 4.00 | | 17.00 | |
| Alternative Investments - Hedge Funds | 5.40 | | 3.00 | | 7.00 | |
| Liquidity Fund | 2.90 | | 1.00 | | 1.00 | |
| Total | | | <u>100.00</u> | % | | |

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The City’s proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the City has no obligation to contribute to the plan.

C. Single Employer Defined Benefit Plans

Pension Trust Funds

The City maintains and administers four Public Employee Retirement System (PERS), single employer defined benefit pension plans, that cover substantially all of the employees of the City with the exception of those covered under Municipal Employees' Retirement System and the Connecticut 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

Management of the plans rests with the Trustees for each pension plan. The Trustees of pension Plan A consist of 3 members, The Mayor, The Finance Director and the Treasurer. The police commissioners for plan B consist of seven members and are also the Trustees for Police pension plan B. The Mayor, in December of each odd numbered year, shall appoint with the approval of the City Council. The Fire commissioners for plan B consist of seven members and are also the Trustees for the Fire pension plan B. The Mayor, in December of each odd numbered year, shall appoint with the approval of the city council. The Board of Education committee members are also the trustees for the Engineers and Janitors pension plan. The committee consists of nine members.

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 as is 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 liability for Plan A. The plan assets available for benefits and the net pension liability amounts for Plan A exclude the plan assets and pension liability covered by the above-mentioned annuity contract. For the year ended June 30, 2020, \$544,307 of benefits was provided through this annuity contract.

In August 2000, the City issued \$350,000,000 of taxable general obligation pension funding bonds. The proceeds of these bonds were transferred into Plans A's Investment Trust (the A Trust). The proceeds and any future investment earnings are to be used to make contributions to the Plan A or to pay benefits on behalf of the Plan. The City can, however, withdraw from the Plan A Trust the greater of: 1) 20% of the amount by which the Plan A Trust assets exceed the present value of accrued Plan benefits (\$288,133,174 based on the June 30, 2020 actuarial valuation) or 2) the amount of the Plan A Trust assets in excess of 110% of the present value of accrued Plan benefits.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Under State statutes regarding pension obligation bonds, the City shall make a contribution to such pension plan as follows: (a) at the beginning of each fiscal year, the City’s actuary shall determine the unfunded actuarial accrued liability for such pension plan using actuarial methods and assumptions based on actuarial standards of practice, and a level per cent amortization of the unfunded actuarial accrued liability using a five per cent growth rate; (b) the amortization period shall be twenty-four years for the fiscal year ended June 30, 2013, and shall decline by one year annually for each subsequent fiscal year; and (c) the amount of contribution shall be recalculated each fiscal year, so any gains and losses experienced by such pension plan are taken into account. For the fiscal year ended June 30, 2020, the actuarially required contribution is \$16,703,922. The City contributed \$133,655,805, which included net proceeds of \$120,000,000 from the 2019 Series C, General Obligation Bonds (Federally Taxable).

| Provisions of Pension Plans | Public Safety Plan A | Police Retirement Plan B | Firefighters’ Retirement Plan B | Janitors’ and Engineers’ Retirement Plan |
|---|---|--|--|--|
| 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 |
| Plan Status | Closed | Closed, Active participants transferred to CMERS effective July | Closed, Active participants transferred to CMERS effective | Closed |
| 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 | \$ 16,703,922 (Normal Cost) | \$ 1,174,409 | \$ - | Pay as you go |
| Authority under which benefit provisions established | Contract negotiation | Contract negotiation | Contract negotiation | Contract negotiation |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

At June 30, 2020, Plan membership consisted of the following:

| | Public Safety Plan A | Police Retirement Plan B | Firefighters' Retirement Plan B | Janitors' and Engineers' Retirement Plan |
|--|-------------------------------------|---|--|---|
| Inactive employees or beneficiaries currently receiving benefits | 603 | 129 | 69 | 15 |
| Inactive employees entitled to but not yet receiving benefits | <u> </u> | <u> 6</u> | <u> 5</u> | <u> </u> |
| Total Number of Participants | <u> 603</u> | <u> 135</u> | <u> 74</u> | <u> 15</u> |

Summary of Significant Accounting Policies

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting for the three defined benefit pension plans. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Method Used to Value Investments

Investments are reported at market value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the PERS Board by a majority vote of its members. It is the policy of the PERS Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

Rate of Return

For the year ended June 30, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense for each pension plan is as follows:

| | |
|---------------------------------|--------|
| Public Safety Plan A | 1.13% |
| Police Retirement Plan B | -0.33% |
| Firefighters' Retirement Plan B | 5.38% |

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Net Pension Liability (Asset) of the City

The components of the net pension liability (asset) of the City at June 30, 2020, were as follows:

| | <u>Public Safety Plan A</u> | <u>Police Retirement Plan B</u> | <u>Firefighters' Retirement Plan B</u> | <u>Janitors' and Engineers' Retirement Plan</u> | <u>Total</u> |
|--|-------------------------------------|---|--|---|-----------------------|
| Total pension liability | \$ 276,782,652 | \$ 76,521,834 | \$ 35,652,947 | \$ 5,750,793 | \$ 394,708,226 |
| Plan fiduciary net position | <u>158,869,403</u> | <u>60,023,513</u> | <u>38,479,320</u> | <u>3,433</u> | <u>257,375,669</u> |
| Net Pension Liability (Asset) | <u>\$ 117,913,249</u> | <u>\$ 16,498,321</u> | <u>\$ (2,826,373)</u> | <u>\$ 5,747,360</u> | <u>\$ 137,332,557</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 57.40% | 78.44% | 107.93% | 0.06% | 65.21% |

The components of the net pension liability of the City at June 30, 2020, were as follows:

| | <u>Net Pension Liability</u> |
|--|----------------------------------|
| Public Safety Plan A | \$ 117,913,249 |
| Police Retirement Plan B | 16,498,321 |
| Janitors' and Engineers' Retirement Plan | <u>5,747,360</u> |
| Total | <u>\$ 140,158,930</u> |

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2020, and the total pension liability was used to calculate the net pension liability as of that date, using the following actuarial assumptions, applied to all periods included in the measurement:

| | <u>Public Safety Plan A</u> | <u>Police Retirement Plan B</u> | <u>Firefighters' Retirement Plan B</u> | <u>Janitors' and Engineers' Retirement Plan</u> |
|--------------------------------------|-------------------------------------|---|--|---|
| Inflation | 2.0% | 2.0% | 2.0% | N/A |
| Salary increases including inflation | N/A | N/A | N/A | N/A |
| Investment rate of return | N/A - All participants are inactive | N/A - All participants are inactive | N/A - All participants are inactive | N/A - All participants are inactive |

RP-2014 (adjusted back to 2006) projected generationally with scale MP-2019.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans and target asset allocation as of June 30, 2020 (see the discussion of the pension plans' investment policy) are summarized in the following table:

| Public Safety, Plan A | | |
|------------------------------|--------------------------|---|
| Asset Class | Target Allocation | Long Term Expected Real Rate of Return |
| Domestic equity | 50.0% | 6.40% |
| Core fixed income | 12.5% | 1.15% |
| High yield fixed income | 12.5% | 3.65% |
| International equity | 10.0% | 7.05% |
| Hedge funds and alternatives | 10.0% | 3.32% |
| Emerging market equity | 5.0% | 9.00% |
| Total | <u>100.0%</u> | |

| Police Retirement Plan B | | |
|--------------------------------------|--------------------------|---|
| Asset Class | Target Allocation | Long Term Expected Real Rate of Return |
| Domestic equity | 79.3% | 6.40% |
| Short term government & money market | 12.4% | 0.65% |
| Core fixed income | 8.3% | 1.15% |
| Total | <u>100.0%</u> | |

| Firefighters' Retirement Plan B | | |
|--|--------------------------|---|
| Asset Class | Target Allocation | Long Term Expected Real Rate of Return |
| Domestic equity | 58.7% | 6.40% |
| Short term government & money market | 20.3% | 0.65% |
| Core fixed income | 21.0% | 1.15% |
| Total | <u>100.0%</u> | |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Discount Rate

The discount rate used to measure the total pension liability was 6.75% for Public Safety Plan A, 6.25% for Police Retirement Plan B, 6.25% for Firefighters' Plan B and 2.21% for Janitors' and Engineers' Retirement Plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

| Public Safety Plan A | | | |
|--|--------------------------------|------------------------------------|------------------------------|
| | Increase (Decrease) | | |
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| | (a) | (b) | (a)-(b) |
| Balances as of July 1, 2019 | \$ 288,133,174 | \$ 54,306,653 | \$ 233,826,521 |
| Changes for the year: | | | |
| Interest on total pension liability | 18,418,292 | | 18,418,292 |
| Differences between expected and actual experience | 2,319,031 | | 2,319,031 |
| Changes in assumptions | (1,548,663) | | (1,548,663) |
| Employer contributions | | 133,655,805 | (133,655,805) |
| Net investment income (loss) | | 1,446,127 | (1,446,127) |
| Benefit payments, including refund to employee contributions | (30,539,182) | (30,539,182) | - |
| Net changes | (11,350,522) | 104,562,750 | (115,913,272) |
| Balances as of June 30, 2020 | \$ 276,782,652 | \$ 158,869,403 | \$ 117,913,249 |

| Police Retirement Plan B | | | |
|--|--------------------------------|------------------------------------|------------------------------|
| | Increase (Decrease) | | |
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| | (a) | (b) | (a)-(b) |
| Balances as of July 1, 2019 | \$ 77,084,303 | \$ 64,232,436 | \$ 12,851,867 |
| Changes for the year: | | | |
| Interest on total pension liability | 4,652,847 | | 4,652,847 |
| Differences between expected and actual experience | 288,168 | | 288,168 |
| Changes in assumptions | (225,987) | | (225,987) |
| Employer contributions | | 1,275,000 | (1,275,000) |
| Net investment income (loss) | | (206,426) | 206,426 |
| Benefit payments, including refund to employee contributions | (5,277,497) | (5,277,497) | - |
| Net changes | (562,469) | (4,208,923) | 3,646,454 |
| Balances as of June 30, 2020 | \$ 76,521,834 | \$ 60,023,513 | \$ 16,498,321 |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Firefighters' Retirement Plan B

| | Increase (Decrease) | | |
|--|------------------------------------|--|--|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability (Asset) |
| | (a) | (b) | (a)-(b) |
| Balances as of July 1, 2019 | \$ 36,187,045 | \$ 38,773,136 | \$ (2,586,091) |
| Changes for the year: | | | |
| Interest on total pension liability | 2,188,040 | | 2,188,040 |
| Differences between expected and actual experience | (251,412) | | (251,412) |
| Changes in assumptions | (113,937) | | (113,937) |
| Employer contributions | | 40,000 | (40,000) |
| Net investment income (loss) | | 2,022,973 | (2,022,973) |
| Benefit payments, including refund to employee contributions | (2,356,789) | (2,356,789) | - |
| Net changes | <u>(534,098)</u> | <u>(293,816)</u> | <u>(240,282)</u> |
| Balances as of June 30, 2020 | <u>\$ 35,652,947</u> | <u>\$ 38,479,320</u> | <u>\$ (2,826,373)</u> |

Janitors' and Engineers' Retirement Plan

| | Increase (Decrease) | | |
|--|------------------------------------|--|----------------------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| | (a) | (b) | (a)-(b) |
| Balances as of July 1, 2019 | \$ 6,191,608 | \$ 3,433 | \$ 6,188,175 |
| Changes for the year: | | | |
| Interest on total pension liability | 207,849 | | 207,849 |
| Differences between expected and actual experience | (488) | | (488,276) |
| Changes in assumptions | 345,727 | | 345,727 |
| Employer contributions | | 506,115 | (506,115) |
| Benefit payments, including refund to employee contributions | (506,115) | (506,115) | - |
| Net changes | <u>(440,815)</u> | <u>-</u> | <u>(440,815)</u> |
| Balances as of June 30, 2020 | <u>\$ 5,750,793</u> | <u>\$ 3,433</u> | <u>\$ 5,747,360</u> |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the current discount rate, as well as what the City's net pension liability would be for each Retirement Plan if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

Public Safety Plan A

| | <u>1% Decrease 5.75%</u> | <u>Current Discount Rate 6.75%</u> | <u>1% Increase 7.75%</u> |
|-----------------------|------------------------------|--|------------------------------|
| Net Pension Liability | \$ 139,689,267 | \$ 117,913,249 | \$ 98,918,076 |

Police Retirement Plan B

| | <u>1% Decrease 5.25%</u> | <u>Current Discount Rate 6.25%</u> | <u>1% Increase 7.25%</u> |
|-----------------------|------------------------------|--|------------------------------|
| Net Pension Liability | \$ 26,403,743 | \$ 16,498,321 | \$ 8,415,316 |

Firefighters' Retirement Plan B

| | <u>1% Decrease 5.25%</u> | <u>Current Discount Rate 6.25%</u> | <u>1% Increase 7.25%</u> |
|-------------------------------|------------------------------|--|------------------------------|
| Net Pension Liability (Asset) | \$ 1,445,203 | \$ (2,826,373) | \$ (6,358,819) |

Janitors' and Engineers' Retirement Plan

| | <u>1% Decrease 2.50%</u> | <u>Current Discount Rate 3.50%</u> | <u>1% Increase 4.50%</u> |
|-----------------------|------------------------------|--|------------------------------|
| Net Pension Liability | \$ 6,303,937 | \$ 5,747,360 | \$ 5,271,765 |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

| | Public Safety Plan A | Police Retirement Plan B | Firefighters' Retirement Plan B | Total |
|---|-------------------------------------|---|--|--------------|
| Deferred Outflows of Resources | | | | |
| Net difference between projected and actual earning on pension plan investments | \$ 4,369,244 | \$ 1,946,412 | \$ - | \$ 6,315,656 |
| | Public Safety Plan A | Police Retirement Plan B | Firefighters' Retirement Plan B | Total |
| Deferred Inflows of Resources | | | | |
| Net difference between projected and actual earning on pension plan investments | \$ - | \$ - | \$ 908,676 | \$ 908,676 |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| <u>Year Ended June 30</u> | Public Safety Plan A | Police Retirement Plan B | Firefighters' Retirement Plan B | Total |
|----------------------------------|-------------------------------------|---|--|--------------|
| 2021 | \$ 327,773 | \$ (168,259) | \$ (495,281) | \$ (335,767) |
| 2022 | 1,129,326 | 480,311 | (245,483) | 1,364,154 |
| 2023 | 1,471,468 | 815,185 | (233,502) | 2,053,151 |
| 2024 | 1,440,677 | 819,175 | 65,590 | 2,325,442 |
| Total | \$ 4,369,244 | \$ 1,946,412 | \$ (908,676) | \$ 5,406,980 |

For the year ended June 30, 2020, the City recognized pension expense of \$13,762,767 as follows:

| | <u>Pension Expense</u> |
|--|-----------------------------------|
| Public Safety Plan A | \$ 13,108,809 |
| Police Retirement Plan B | 1,159,678 |
| Firefighters' Retirement Plan B | (571,020) |
| Janitors' and Engineers' Retirement Plan | 65,300 |
| Total | \$ <u>13,762,767</u> |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Combining Schedule of Pension and OPEB Plans Net Position - June 30, 2020

| | Pension Trust Funds | | | | | Total |
|-----------------------------|----------------------|--------------------------|---------------------------------|--|-----------------|----------------|
| | Pension Trust Plan A | Police Retirement Plan B | Firefighters' Retirement Plan B | Janitors' and Engineers' Retirement Plan | OPEB Trust Fund | |
| Assets: | | | | | | |
| Cash and cash equivalents | \$ 10,040,428 | \$ 2,350,607 | \$ 766,143 | \$ 3,433 | \$ 305,035 | \$ 13,465,646 |
| Investments, at fair value: | | | | | | |
| U.S. Government Agencies | | | 824,400 | | | 824,400 |
| U.S. Government Securities | 2,769,892 | 4,755,676 | 6,239,887 | | | 13,765,455 |
| Corporate bonds | 5,814,071 | 5,058,843 | 8,048,041 | | | 18,920,955 |
| Common stocks | 53,252,432 | 17,964,964 | 22,600,849 | | | 93,818,245 |
| Mutual funds - equities | 81,354,882 | 29,893,423 | | | | 111,248,305 |
| Alternative investments | 5,572,248 | | | | | 5,572,248 |
| Total investments | 148,763,525 | 57,672,906 | 37,713,177 | - | - | 244,149,608 |
| Contributions receivable | 65,450 | | | | | 65,450 |
| Total assets | 158,869,403 | 60,023,513 | 38,479,320 | 3,433 | 305,035 | 257,680,704 |
| Total Net Position | \$ 158,869,403 | \$ 60,023,513 | \$ 38,479,320 | \$ 3,433 | \$ 305,035 | \$ 257,680,704 |

Combining Schedule of Pension and OPEB Plans Changes in Net Position for the Year Ended June 30, 2020

| | Pension Trust Fund | | | | | Total |
|---|----------------------|--------------------------|---------------------------------|--|-----------------|----------------|
| | Pension Trust Plan A | Police Retirement Plan B | Firefighters' Retirement Plan B | Janitors' and Engineers' Retirement Plan | OPEB Trust Fund | |
| Additions: | | | | | | |
| Contributions: | | | | | | |
| Employer | \$ 133,655,805 | \$ 1,275,000 | \$ 40,000 | \$ 506,115 | \$ 32,832,826 | \$ 168,309,746 |
| Annuity proceeds | 546,398 | | | | | 546,398 |
| Total contributions | 134,202,203 | 1,275,000 | 40,000 | 506,115 | 32,832,826 | 168,856,144 |
| Investment income: | | | | | | |
| Net change in fair value of investments | 246,345 | (1,099,952) | 1,301,011 | | | 447,404 |
| Interest and dividends | 1,923,435 | 1,012,164 | 991,216 | | 2,576 | 3,929,391 |
| | 2,169,780 | (87,788) | 2,292,227 | - | 2,576 | 4,376,795 |
| Less investment management fees | (723,653) | (118,638) | (269,254) | | | (1,111,545) |
| Net investment income | 1,446,127 | (206,426) | 2,022,973 | - | 2,576 | 3,265,250 |
| Total additions | 135,648,330 | 1,068,574 | 2,062,973 | 506,115 | 32,835,402 | 172,121,394 |
| Deductions: | | | | | | |
| Benefits | 31,085,580 | 5,277,497 | 2,356,789 | 506,115 | 32,732,826 | 71,958,807 |
| Change in net position | 104,562,750 | (4,208,923) | (293,816) | - | 102,576 | 100,162,587 |
| Net Position - Beginning of Year | 54,306,653 | 64,232,436 | 38,773,136 | 3,433 | 202,459 | 157,518,117 |
| Net Position - End of Year | \$ 158,869,403 | \$ 60,023,513 | \$ 38,479,320 | \$ 3,433 | \$ 305,035 | \$ 257,680,704 |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Aggregate Pension Information

The City recognizes the following amounts related to pension plans as of and for the year ended June 30, 2020:

| <u>Plan</u> | <u>Net Pension Liability</u> | <u>Net Pension Asset</u> | <u>Deferred Outflows</u> | <u>Deferred Inflows</u> | <u>Pension Expense</u> |
|--|------------------------------|--------------------------|--------------------------|-------------------------|------------------------|
| Public Safety Plan A | \$ 117,913,249 | \$ | 4,369,244 | | 13,108,809 |
| Police Retirement Plan B | 16,498,321 | | 1,946,412 | | 1,159,678 |
| Firefighters' Retirement Plan B | | 2,826,373 | | 908,676 | (571,020) |
| Janitors' and Engineers' Retirement Plan | 5,747,360 | | | | 65,300 |
| Connecticut Teachers Retirement Plan | | | | | 61,719,068 |
| Municipal Employees' Retirement System | <u>278,853,558</u> | | <u>137,128,886</u> | <u>9,124,901</u> | <u>75,350,846</u> |
| Total | <u>\$ 419,012,488</u> | <u>\$ 2,826,373</u> | <u>\$ 143,444,542</u> | <u>\$ 10,033,577</u> | <u>\$ 150,832,681</u> |

12. OTHER POSTEMPLOYMENT BENEFITS

A. OPEB Fund

Plan Description

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

Management of the Other Post Employment Benefits (OPEB) plan is vested with the City Finance Director. Policy oversight and management of the OPEB Fund is vested with the City Finance Director and an OPEB Trustees, as established by city ordinance, which consists of seven members: three of whom specialize in the fields of employee benefits and finance, one from the City Council, one from the Board of Education and the Mayor.

At September 1, 2018, plan membership consisted of the following:

| | |
|---|---------------------|
| Number of members: | |
| Inactive employees currently receiving benefit payments | 3,298 |
| Active employees | <u>3,605</u> |
| Total | <u><u>6,903</u></u> |

Funding Policy and Benefits Provided

The City currently pays for postemployment health care benefits on a pay-as-you-go basis. During fiscal year June 30, 2018 the City established a trust fund to irrevocably segregate assets to fund the liability associated with the postemployment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

The contribution requirements of plan members and the City 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.

**CITY OF BRIDGEPORT, CONNECTICUT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2020**

Investment Policy

The OPEB Benefits Plan Fund policy in regard to the allocation of invested assets is established under the OPEB Trust Agreement and may be amended by the OPEB Trustees by a majority vote of its members. It is the policy of the Trustees to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Fund's investment policy discourages the use risky investments and aims to refrain from dramatically shifting asset class allocations over short time spans. The initial Trust Fund account has been established in a money market investment account with further investments to be made over time.

Rate of Return

For the year ended June 30, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 0.00%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the City

For the year ended June 30, 2020 the City recognized a net OPEB Liability of \$1,075,558,017, of which \$1,073,445,768 was reported in the governmental activities and \$2,112,249 in the business-type activities. The City's net OPEB liability was measured at June 30, 2020. The components of the net OPEB liability of the City at June 30, 2020 were as follows:

| | | |
|---|----|-----------------------------|
| Total OPEB liability | \$ | 1,075,863,052 |
| Plan fiduciary net position | | <u>305,035</u> |
| Net OPEB Liability | \$ | <u><u>1,075,558,017</u></u> |
| Plan fiduciary net position as a percentage of the total OPEB liability | | 0.03% |

Actuarial Assumptions

The total OPEB liability at June 30, 2020 was determined by an actuarial valuation as of September 1, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| | |
|------------------------------|---|
| Salary increases | 4.50% |
| Investment rate of return | 1.10%, net of OPEB plan investment expense, including inflation |
| Discount rate | 2.21% |
| Healthcare cost trend rates: | |
| Medical and Prescription | 7.00% decreasing to 4.50% |
| Medicare Advantage | 7.25% decreasing to 4.50% |
| Dental | 4.00% |
| Medicare Part B | 4.50% |
| Mortality | PUB-2010 Headcount Weighted Mortality Table projected generationally with MP-2020 from central year |

The plan has not had a formal actuarial experience study performed.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2020 are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> |
|--------------------|--------------------------|
| Cash | <u>100.0%</u> |

Discount Rate

The discount rate used to measure the total OPEB liability was 2.21%. The discount rate was based on the Bond Buyer 20 GO Bond Index.

Changes in the Net OPEB Liability

| | <u>Increase (Decrease)</u> | | |
|--|---------------------------------|--|-----------------------------------|
| | <u>Total OPEB Liability (a)</u> | <u>Plan Fiduciary Net Position (b)</u> | <u>Net OPEB Liability (a)-(b)</u> |
| Balances as of July 1, 2019 | \$ 863,189,704 | \$ 202,459 | \$ 862,987,245 |
| Changes for the year: | | | |
| Service cost | 21,187,818 | | 21,187,818 |
| Interest on total OPEB liability | 30,472,144 | | 30,472,144 |
| Differences between expected and actual experience | 1,877,461 | | 1,877,461 |
| Changes in assumptions | 191,868,751 | | 191,868,751 |
| Employer contributions | | 32,832,826 | (32,832,826) |
| Net investment income (loss) | | 2,576 | (2,576) |
| Benefit payments | (32,732,826) | (32,732,826) | - |
| Net changes | <u>212,673,348</u> | <u>102,576</u> | <u>212,570,772</u> |
| Balances as of June 30, 2020 | <u>\$ 1,075,863,052</u> | <u>\$ 305,035</u> | <u>\$ 1,075,558,017</u> |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a current discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

| | <u>1% Decrease (1.21%)</u> | <u>Current Discount Rate (2.21%)</u> | <u>1% Increase (3.21%)</u> |
|----------------------|--------------------------------|--|--------------------------------|
| Total OPEB Liability | \$ <u>1,269,940,021</u> | \$ <u>1,075,558,017</u> | \$ <u>923,501,806</u> |

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

| | <u>1% Decrease</u> | <u>Healthcare Cost Trend</u> | <u>1% Increase</u> |
|----------------------|-----------------------|----------------------------------|-------------------------|
| Total OPEB Liability | \$ <u>887,782,937</u> | \$ <u>1,075,558,017</u> | \$ <u>1,319,943,946</u> |

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the City recognized OPEB expense of \$59,615,862 of which \$59,402,520 was reported in the governmental activities and \$213,342 in the business-type activities/enterprise fund. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | | <u>Total</u> | |
|--|---|--|---|--|---|--|
| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
| Net difference between projected and actual earning on OPEB plan investments | \$ 754 | \$ | \$ | \$ | \$ 754 | - |
| Difference between actual and expected experience | 18,358,611 | | | | 18,358,611 | - |
| Changes of assumptions or other inputs | <u>160,259,402</u> | <u>113,340,929</u> | | | <u>160,259,402</u> | <u>113,340,929</u> |
| Total | <u>\$ 178,618,767</u> | <u>\$ 113,340,929</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 178,618,767</u> | <u>\$ 113,340,929</u> |

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <u>Year Ended June 30</u> | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total</u> |
|---------------------------|------------------------------------|-------------------------------------|----------------------|
| 2020 | \$ 7,958,676 | \$ - | \$ 7,958,676 |
| 2021 | 7,958,678 | - | 7,958,678 |
| 2022 | 7,958,677 | - | 7,958,677 |
| 2023 | 12,493,383 | - | 12,493,383 |
| 2024 | 26,674,118 | - | 26,674,118 |
| Thereafter | <u>2,234,306</u> | <u>-</u> | <u>2,234,306</u> |
| Total | <u>\$ 65,277,838</u> | <u>\$ -</u> | <u>\$ 65,277,838</u> |

B. Other Post Employment Benefit - Connecticut State Teachers Retirement Plan

Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools plus professional employees at State Schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other post employment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at www.ct.gov/trb.

Benefit Provisions

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplement Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

Eligibility

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

Credited Service

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, State employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

Normal Retirement

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

Early Retirement

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

No service requirement if incurred in the performance of duty, and 5 years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

**CITY OF BRIDGEPORT, CONNECTICUT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2020**

Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the State. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the State will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

For the year ended June 30, 2020, the amount of "on-behalf" contributions made by the State was \$1,039,630 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers pay for one-third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one-third of the Plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, the City reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the City was as follows:

| | | |
|--|----|--------------------------|
| City's proportionate share of the net OPEB liability | \$ | - |
| State's proportionate share of the net OPEB liability associated with the City | | <u>78,372,159</u> |
| Total | \$ | <u><u>78,372,159</u></u> |

The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2018. At June 30, 2020, the City has no proportionate share of the net OPEB liability.

For the year ended June 30, 2020, the City recognized OPEB expense and revenue of \$(5,735,007.00) in Exhibit II.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 2.50% |
| Health care costs trend rate | |
| Pre-Medicare | 5.95% decreasing to 4.75% by 2025 |
| Medicare | 5.00% decreasing to 4.75% by 2028 |
| Salary increases | 3.25-6.50%, including inflation |
| Investment rate of return | 3.00%, net of OPEB plan investment expense, including inflation |
| Year fund net position will be depleted | 2019 |

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.41%).

Discount Rate

The discount rate used to measure the total OPEB liability was 2.21%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. No future State contributions were assumed to be made. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2019 and, as a result, the Municipal Bond Index Rate was used in the determination.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate or Health Care Cost Trend Rate and the Discount Rate

The City's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the discount rate or health care cost trend rate or the discount rate would only impact the amount recorded by the State of Connecticut.

Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the City has no obligation to contribute to the plan. Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at www.ct.gov.

13. 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 related to property and casualty claims. The City is self-insured for general liability, workers' compensation and certain employees health and dental insurance. Coverage has not been materially reduced, nor have settled claims exceeded commercial coverage or budget reserves for litigation claim expenditures 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

Over the last twenty years the City had established an Internal Service Fund, the Self-Insurance, to account for and finance the retained risk of loss for medical benefits coverage. Due to the City experiencing significant increases in claim payments over prior fiscal years the City converted to a fully insured plan for health coverage. Each union of the City has converted throughout the current fiscal year, with only a few retiree members still currently under the self-insured plan. Payments within the Internal Service Fund related to claims incurred and outstanding prior to July 1, 2019 were completed during the year ended June 30, 2020. Future liability claims incurred but not reported (IBNR) is limited to the retirees still in the self-insurance at June 30, 2020. At June 30, 2020 this amount is \$11,515.

The City maintains a group health plan providing both insured and self-insured medical, prescription drug, dental and vision plan benefits as described below:

The following programs are provided under fully-insured contracts until autumn 2018, at which time the City entered into a new self-insured administrative only contract with the Connecticut Partnership 2.0 plan, administered by through the State Comptroller to Connecticut municipalities:

- Medical benefits for all active employees of the City and Board of Education,
- Medical benefits for all Medicare-eligible retirees who retired after December 31, 2018,
- Medical benefits for all Non-Medicare Eligible Retirees,
- Prescription benefits for all employees and all retirees except Medicare-eligible fire and police retirees.

**CITY OF BRIDGEPORT, CONNECTICUT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2020**

The following programs are provided under fully-insured contracts:

- Prescription benefits for Medicare-eligible fire and police retirees who retired prior to December 31, 2018
- Dental HMO benefits for all active employees and retirees for the City and Board of Education
- Vision benefits for all City and BOE employees and retirees for the City and Board of Education

As of June 30, 2020, the amount of prepaid asset in the fund is \$461,540.

Reconciliation of Liabilities

The liability for general liability, workers' compensation 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:

| | <u>Beginning of Fiscal Year Liability</u> | | <u>Current Year Claims and Changes in Estimates</u> | | <u>Claim Payments</u> | | <u>End of Fiscal Year Liability</u> |
|------|---|----|---|----|---------------------------|----|---|
| 2019 | \$ 64,380,988 | \$ | 128,924,740 | \$ | 126,206,574 | \$ | 67,099,154 |
| 2020 | 67,099,154 | | 116,128,431 | | 118,026,081 | | 65,201,504 |

The current portion of claims incurred but not reported as of June 30, 2020 is \$10,532,754, which relates to Group Health Insurance Claims of \$11,515 and \$10,521,239 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 \$54,668,750 is recorded as long-term liability.

**CITY OF BRIDGEPORT, CONNECTICUT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

14. TAX ABATEMENTS

As of June 30, 2020, the City provides tax abatements through multiple programs as listed below:

| Program: | Affordable Housing Tax Abatement Program | Economic Development Tax Abatement Program |
|--|--|--|
| Purpose of program: | Generate citizen housing affordability | Generate Jobs and Tax Revenue |
| Tax being abated: | Real and Personal Property Tax | Real and Personal Property Tax |
| Authority under which abatement agreement is entered into: | City Council Approved Agreement Resolution under CT Statutes Section 8-215 | City Council Approved Agreement Resolution under CT Statute 32-70 |
| Criteria to be eligible to receive abatement: | Number of housing units created; Income limits eligibility | Amount of Net new Property Taxes after Abatement and Jobs created for Bridgeport |
| How recipients' taxes are reduced: | Through adjustments to annual property tax bills | Through adjustments to annual property tax bills |
| How amount of abatement is determined: | City Council Approved Agreement and Resolutions | City Council Approved Agreement and Resolutions |
| Provisions for recapturing abated taxes: | Abatement must be limited in duration and generate more taxes eventually than original property value. | Abatement must be limited in duration and generate more taxes eventually than original property value. |
| Types of commitments made by the City other than to reduce taxes: | None | None |
| Gross dollar amount (accrual basis) by which the City's taxes were reduced as a result of the abatement agreement/program: | \$1,545,590 | \$2,572,491 |

SUBSEQUENT EVENTS


On December 17, 2020, the City issued General Obligation Tax Anticipation Note in the amount of \$15,000,000 to fund cash flows for operating expenses. The note matures on February 1, 2021 with an interest rate of .64%.

On December 10, 2020, the City issued a School construction grant anticipation note in the amount of \$21,000,000 to fund cash flows for school capital expenditures. The note matures on December 9, 2021 with an interest rate of 1.50%.

16. CORONAVIRUS (COVID-19)

On January 30, 2020, the World Health Organization declared the coronavirus to be a public health emergency. On March 10, 2020, the Governor of the State of Connecticut declared a public health emergency and a civil preparedness emergency due to COVID-19.

The City derives a significant portion of its revenues from property taxes. While the City has not experienced any significant increase in the amount of delinquency from its taxpayers, the situation creates uncertainty about the impact of future revenues that might be generated. In addition, at this time, it is uncertain what the effects of the pandemic will be on the City's health care costs, changes in interest rates, investment valuation and the future federal or state fiscal relief.



Required Supplementary Information

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020**

| | Budgeted Amounts | | Actual | Variance With Final Budget Positive (Negative) |
|--|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| Revenues and Other Financing Sources: | | | | |
| Property taxes: | | | | |
| Current taxes | \$ 318,708,853 | \$ 318,708,853 | \$ 322,832,954 | \$ 4,124,101 |
| Interest - current | 1,800,000 | 1,800,000 | 1,435,192 | (364,808) |
| Arrears - principal | 1,300,000 | 1,300,000 | 720,123 | (579,877) |
| Arrears - interest | 400,000 | 400,000 | 1,642,076 | 1,242,076 |
| Lien fees | 295,000 | 295,000 | 166,130 | (128,870) |
| Total property taxes | <u>322,503,853</u> | <u>322,503,853</u> | <u>326,796,475</u> | <u>4,292,622</u> |
| Intergovernmental: | | | | |
| Elderly exemption refund | 48,077 | 48,077 | 45,134 | (2,943) |
| Elderly freeze program | 8,000 | 8,000 | 4,000 | (4,000) |
| Distressed municipalities | | | 157,430 | 157,430 |
| Education cost sharing | 164,195,344 | 164,195,344 | 164,168,454 | (26,890) |
| School construction refunds | 1,150,000 | 1,150,000 | | (1,150,000) |
| Aid to non-public schools | 135,000 | 135,000 | 198,628 | 63,628 |
| Town aid roads | 1,383,698 | 1,383,698 | 1,385,123 | 1,425 |
| Miscellaneous PILOTs | 2,119,245 | 2,119,245 | 2,767,005 | 647,760 |
| Tax exempt colleges and hospitals | 7,464,762 | 7,464,762 | 7,464,762 | - |
| Breakfast program: | | | | |
| State | 98,395 | 98,395 | 100,347 | 1,952 |
| Federal | 4,103,586 | 4,103,586 | 3,213,940 | (889,646) |
| Nutrition Center: | | | | |
| State | 157,907 | 157,907 | 149,849 | (8,058) |
| Federal | 12,441,209 | 12,441,209 | 11,556,592 | (884,617) |
| Mashantucket Pequot funds | 5,606,925 | 5,606,925 | 5,606,925 | - |
| Municipal Share | 12,447,295 | 12,447,295 | 12,447,295 | - |
| EOC reimbursements | 75,000 | 75,000 | 47,729 | (27,271) |
| Beardsley Zoo subsidy | 203,000 | 203,000 | 127,000 | (76,000) |
| Build America Bonds subsidy | 784,255 | 784,255 | 454,442 | (329,813) |
| State-owned property | 2,319,865 | 2,319,865 | 2,319,865 | - |
| Total intergovernmental | <u>214,741,563</u> | <u>214,741,563</u> | <u>212,214,520</u> | <u>(2,527,043)</u> |
| Fees, permits and licenses: | | | | |
| Finance: | | | | |
| Comptroller Copies/Books/Miscellaneous | 93,450 | 93,450 | 183,079 | 89,629 |
| Comptroller Court Fine/CARC | 50,000 | 50,000 | 59,397 | 9,397 |
| Total finance | <u>143,450</u> | <u>143,450</u> | <u>242,476</u> | <u>99,026</u> |
| Town Clerk: | | | | |
| Licenses and Town Fund | 1,300 | 1,300 | 3,299 | 1,999 |
| Notaries/late fees | 2,500 | 2,500 | 3,750 | 1,250 |
| Assignments | 1,700,000 | 1,700,000 | 1,848,197 | 148,197 |
| Certification/fees | 595,000 | 595,000 | 513,315 | (81,685) |
| Other licenses | 2,200 | 2,200 | 8,960 | 6,760 |
| Total town clerk | <u>2,301,000</u> | <u>2,301,000</u> | <u>2,377,521</u> | <u>76,521</u> |
| Building Department: | | | | |
| Building permits | 3,736,500 | 3,736,500 | 2,336,195 | (1,400,305) |
| Sign permits | 12,300 | 12,300 | 12,200 | (100) |
| Certificate of occupancy fees | 70,000 | 70,000 | 88,788 | 18,788 |
| Copies | 500 | 500 | 304 | (196) |
| Total building department | <u>3,819,300</u> | <u>3,819,300</u> | <u>2,437,487</u> | <u>(1,381,813)</u> |

(Continued on next page)

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

| | Budgeted Amounts | | Actual | Variance With Final Budget Positive (Negative) |
|---------------------------------|------------------|-----------|-----------|---|
| | Original | Final | | |
| Police Department: | | | | |
| Photocopy fees | \$ 16,500 | \$ 16,500 | \$ | \$ (16,500) |
| Outside overtime | 4,800,000 | 4,800,000 | 4,376,422 | (423,578) |
| Overtime surcharge | 535,000 | 535,000 | 292,100 | (242,900) |
| Reclaimed dog fees | 5,000 | 5,000 | 11,670 | 6,670 |
| Vendor annual registration fees | 21,000 | 21,000 | 16,120 | (4,880) |
| Towing fines | 108,000 | 108,000 | 80,076 | (27,924) |
| Alarms | 14,000 | 14,000 | 15,177 | 1,177 |
| Other | 96,800 | 96,800 | 71,959 | (24,841) |
| Total police department | 5,596,300 | 5,596,300 | 4,863,524 | (732,776) |
| Public facilities: | | | | |
| Dump license fees | 11,000 | 11,000 | 14,200 | 3,200 |
| Commercial dump fees | 65,000 | 65,000 | 48,621 | (16,379) |
| Street excavation license | 1,000 | 1,000 | | (1,000) |
| Public facility enforcement | 700 | 700 | 580 | (120) |
| Sewer permits | 4,000 | 4,000 | 3,100 | (900) |
| Annual rent | 23,650 | 23,650 | 25,827 | 2,177 |
| Parking meters | 415,000 | 415,000 | 364,860 | (50,140) |
| Engineering map sales | 5,000 | 5,000 | 2,458 | (2,542) |
| Contractors license | 1,570,000 | 1,570,000 | 1,060,405 | (509,595) |
| Zoning appeals fees | 31,850 | 31,850 | 18,379 | (13,471) |
| Tavern zoning permits | 256,400 | 256,400 | 276,490 | 20,090 |
| Other revenues | 271,300 | 271,300 | 103,504 | (167,796) |
| Total public facilities | 2,654,900 | 2,654,900 | 1,918,424 | (736,476) |
| Parks and recreation: | | | | |
| Golf course revenues | 1,711,000 | 1,711,000 | 1,467,425 | (243,575) |
| Wonderland of Ice | 156,000 | 156,000 | 104,000 | (52,000) |
| Kennedy Stadium | 5,200 | 5,200 | | (5,200) |
| Leases/W.I.C.C. | 25,000 | 25,000 | 15,650 | (9,350) |
| Flea market/ball field | 10,000 | 10,000 | 6,516 | (3,484) |
| Miscellaneous | 621,400 | 621,400 | 542,915 | (78,485) |
| Parking stickers | 54,740 | 54,740 | 37,435 | (17,305) |
| Apartment rental | 4,800 | 4,800 | 4,800 | - |
| City concessions | 5,000 | 5,000 | 4,750 | (250) |
| Total parks and recreation | 2,593,140 | 2,593,140 | 2,183,491 | (409,649) |
| Civil service: | | | | |
| Label/Admin fees | 7,100 | 7,100 | 70,725 | 63,625 |
| Health Department: | | | | |
| Vital statistics | 410,700 | 410,700 | 341,538 | (69,162) |
| Business license | 338,945 | 338,945 | 302,817 | (36,128) |
| Housing code | 110,500 | 110,500 | 81,480 | (29,020) |
| Total health department | 860,145 | 860,145 | 725,835 | (134,310) |

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020

| | Budgeted Amounts | | Actual | Variance With Final Budget Positive (Negative) |
|--|-----------------------|-----------------------|--------------------|---|
| | Original | Final | | |
| Education and Nutrition Center: | | | | |
| Cafeteria | \$ 250,000 | \$ 250,000 | \$ 218,941 | \$ (31,059) |
| Summer school tuition | 25,000 | 25,000 | | (25,000) |
| Total Education and Nutrition Center | <u>275,000</u> | <u>275,000</u> | <u>218,941</u> | <u>(56,059)</u> |
| Sikorsky Airport: | | | | |
| Airport fees | 75,000 | 75,000 | 81,799 | 6,799 |
| Shared revenue | 80,000 | 80,000 | 81,212 | 1,212 |
| Airport leases | 725,700 | 725,700 | 652,326 | (73,374) |
| Total Sikorsky Airport | <u>880,700</u> | <u>880,700</u> | <u>815,337</u> | <u>(65,363)</u> |
| Fire Department: | | | | |
| Firewatch reimbursement | 145,000 | 145,000 | 159,395 | 14,395 |
| Copies | 850 | 850 | 751 | (99) |
| Permit | 64,400 | 64,400 | 54,086 | (10,314) |
| Tank installation | 850 | 850 | 920 | 70 |
| Total fire department | <u>211,100</u> | <u>211,100</u> | <u>215,152</u> | <u>4,052</u> |
| Total fees, permits and licenses | <u>19,342,135</u> | <u>19,342,135</u> | <u>16,068,913</u> | <u>(3,273,222)</u> |
| Interest | <u>675,000</u> | <u>675,000</u> | <u>625,221</u> | <u>(49,779)</u> |
| Other: | | | | |
| Property rental | 105,000 | 105,000 | 46,600 | (58,400) |
| O.T.B. income | 275,000 | 275,000 | 157,943 | (117,057) |
| State Bingo | 200 | 200 | | (200) |
| Weights and measures | 107,000 | 107,000 | 88,490 | (18,510) |
| Sale of City-owned property | 75,000 | 75,000 | 649,703 | 574,703 |
| Miscellaneous | 13,500 | 13,500 | 4,011 | (9,489) |
| Restitution | 5,000 | 5,000 | 111,470 | 106,470 |
| Comptroller miscellaneous revenue | 5,652,000 | 5,652,000 | 3,447,704 | (2,204,296) |
| Total other | <u>6,232,700</u> | <u>6,232,700</u> | <u>4,505,921</u> | <u>(1,726,779)</u> |
| Total revenues | <u>563,495,251</u> | <u>563,495,251</u> | <u>560,211,050</u> | <u>(3,284,201)</u> |
| Other financing sources: | | | | |
| Transfers in | <u>350,000</u> | <u>350,000</u> | <u>300,000</u> | <u>(50,000)</u> |
| Total Revenues and Other Financing Sources | <u>\$ 563,845,251</u> | <u>\$ 563,845,251</u> | <u>560,511,050</u> | <u>\$ (3,334,201)</u> |

Budgetary revenues are different than GAAP revenues because:

On-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted:

 Pension 38,038,733
 OPEB 1,039,630

The Board of Education does not budget for excess cost, magnet schools and vocational agriculture grant payments which are credited against expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial statement purposes.

 and expenditures for GAAP financial statement purposes. 8,459,856
Proceeds from refunding bonds issued. 35,980,000
Proceeds from bonds issued 122,505,000
Proceeds from premium on bonds 3,604,954

Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV

\$ 770,139,223

CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

| | Budgeted Amounts | | Actual | Variance With |
|-------------------------------------|--------------------|--------------------|--------------------|---------------------|
| | Original | Final | | Final Budget |
| | | | | Positive (Negative) |
| General government: | | | | |
| Mayor's office | \$ 886,417 | \$ 886,417 | \$ 876,367 | \$ 10,050 |
| Central grants | 437,652 | 437,652 | 395,848 | 41,804 |
| Finance divisions | 6,250,168 | 6,250,168 | 6,080,870 | 169,298 |
| Registrar of voters | 783,660 | 783,660 | 824,532 | (40,872) |
| City clerk | 457,382 | 457,382 | 442,753 | 14,629 |
| City attorney | 5,395,248 | 5,295,248 | 6,245,723 | (950,475) |
| Archives and records | 14,580 | 14,580 | 8,608 | 5,972 |
| Civil service | 1,023,726 | 1,023,726 | 921,124 | 102,602 |
| Labor relations/benefits/pensions | 21,242,345 | 21,242,345 | 21,547,775 | (305,430) |
| Town Clerk | 851,701 | 851,701 | 838,821 | 12,880 |
| Legislative department | 253,946 | 253,946 | 199,444 | 54,502 |
| Office of policy and management | 773,791 | 773,791 | 684,536 | 89,255 |
| Ethics commission | 2,474 | 2,474 | | 2,474 |
| Chief administrative officer | 1,174,613 | 1,174,613 | 1,131,418 | 43,195 |
| Information technology service | 4,354,391 | 4,354,391 | 4,429,469 | (75,078) |
| Minority business enterprise office | 343,940 | 343,940 | 320,236 | 23,704 |
| Citistat | 3,500 | 3,500 | | 3,500 |
| Total general government | <u>44,249,534</u> | <u>44,149,534</u> | <u>44,947,524</u> | <u>(797,990)</u> |
| Public Safety: | | | | |
| Police department | 102,312,652 | 102,312,652 | 97,610,580 | 4,702,072 |
| Fire department | 64,643,408 | 64,643,408 | 65,192,105 | (548,697) |
| Weights and measures | 173,613 | 173,613 | 176,178 | (2,565) |
| Emergency Operation Center | 6,201,327 | 6,201,327 | 5,636,880 | 564,447 |
| Total public safety | <u>173,331,000</u> | <u>173,331,000</u> | <u>168,615,743</u> | <u>4,715,257</u> |
| Public facilities: | | | | |
| Airport | 1,425,809 | 1,425,809 | 1,333,712 | 92,097 |
| Engineering | 977,656 | 977,656 | 903,110 | 74,546 |
| Harbor master | 215,647 | 215,647 | 21,321 | 194,326 |
| Maintenance | 11,619,633 | 11,619,633 | 11,124,840 | 494,793 |
| Municipal garage | 2,605,476 | 2,605,476 | 2,487,005 | 118,471 |
| Public facilities administration | 14,276,896 | 14,276,896 | 14,204,908 | 71,988 |
| Roadway | 5,004,937 | 5,004,937 | 5,019,219 | (14,282) |
| Sanitation | 6,244,834 | 6,244,834 | 6,457,723 | (212,889) |
| Transfer station | 1,596,265 | 1,596,265 | 1,590,737 | 5,528 |
| Recreation | 1,439,849 | 1,439,849 | 1,327,012 | 112,837 |
| Department on aging | 664,548 | 664,548 | 616,592 | 47,956 |
| Parks administration | 325,811 | 325,811 | 327,804 | (1,993) |
| Parks | 2,582,815 | 2,582,815 | 2,546,963 | 35,852 |
| Zoo | 1,549,685 | 1,549,685 | 1,404,212 | 145,473 |
| Golf course | 1,648,747 | 1,648,747 | 1,511,258 | 137,489 |
| Total public facilities | <u>52,178,608</u> | <u>52,178,608</u> | <u>50,876,416</u> | <u>1,302,192</u> |

(Continued on next page)

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

| | Budgeted Amounts | | Actual | Variance With Final Budget Positive (Negative) |
|---|-----------------------|-----------------------|--------------------|--|
| | Original | Final | | |
| Planning and Economic Development: | | | | |
| OPEd administration | \$ 8,538,682 | \$ 8,538,682 | \$ 8,342,083 | \$ 196,599 |
| Building department | 1,750,857 | 1,750,857 | 1,547,992 | 202,865 |
| Zoning board of appeals | 101,435 | 101,435 | 93,959 | 7,476 |
| Zoning commission | 712,206 | 712,206 | 559,901 | 152,305 |
| Total planning and economic development | <u>11,103,180</u> | <u>11,103,180</u> | <u>10,543,935</u> | <u>559,245</u> |
| Health and social services: | | | | |
| Health and social services administration | 387,059 | 387,059 | 502,245 | (115,186) |
| Vital statistics | 423,883 | 423,883 | 451,967 | (28,084) |
| Communicable disease clinic | 369,369 | 369,369 | 319,521 | 49,848 |
| Environmental health | 885,982 | 885,982 | 716,856 | 169,126 |
| Housing code enforcement | 769,236 | 769,236 | 681,499 | 87,737 |
| Lead prevention program | 90,157 | 90,157 | 89,829 | 328 |
| Human services administration | 88,361 | 88,361 | 80,944 | 7,417 |
| Persons with disabilities | 89,888 | 89,888 | 45,291 | 44,597 |
| Veterans' affairs | 166,966 | 166,966 | 156,947 | 10,019 |
| Lighthouse/Youth services | 1,584,275 | 2,784,275 | 2,744,615 | 39,660 |
| Social services | 277,855 | 277,855 | 167,697 | 110,158 |
| COVID-19 | | | 1,154,645 | (1,154,645) |
| Total health and social services | <u>5,133,031</u> | <u>6,333,031</u> | <u>7,112,056</u> | <u>(779,025)</u> |
| Libraries | <u>7,753,227</u> | <u>7,753,227</u> | <u>7,753,227</u> | <u>-</u> |
| Special services: | | | | |
| Supportive contributions | 286,805 | 286,805 | 214,943 | 71,862 |
| Citywide memberships | 40,000 | 40,000 | 39,332 | 668 |
| Debt service/contingencies | 6,114,400 | 5,014,400 | 4,499,133 | 515,267 |
| Total special services | <u>6,441,205</u> | <u>5,341,205</u> | <u>4,753,408</u> | <u>587,797</u> |
| Education: | | | | |
| Schools | 230,985,977 | 230,985,977 | 230,985,977 | - |
| Food services | 17,051,097 | 17,051,097 | 15,239,671 | 1,811,426 |
| Board of education debt service | 15,618,392 | 15,618,392 | 15,763,085 | (144,693) |
| Total education | <u>263,655,466</u> | <u>263,655,466</u> | <u>261,988,733</u> | <u>1,666,733</u> |
| Total Expenditures and Other Financing Uses | <u>\$ 563,845,251</u> | <u>\$ 563,845,251</u> | 556,591,042 | <u>\$ 7,254,209</u> |
| Budgetary expenditures are different than GAAP expenditures because: | | | | |
| On-behalf payments to the Connecticut State Teachers' | | | | |
| Retirement System for Town teachers are not budgeted: | | | | |
| Pension | | | 38,038,733 | |
| OPEB | | | 1,039,630 | |
| The Board of Education does not budget for excess cost, magnet schools and vocational agriculture payments made by the State Department of Education, which are credited against expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial statement purposes. | | | | |
| | | | 8,459,856 | |
| Payment made to pension fund from issuance of bonds | | | 120,000,000 | |
| Payment to escrow agent for refunding bonds | | | 38,960,495 | |
| Bond refunding costs not budgeted by the City | | | <u>3,129,459</u> | |
| Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV | | | | <u>\$ 766,219,215</u> |

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
PUBLIC SAFETY PLAN A
LAST SEVEN FISCAL YEARS***

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Total pension liability: | | | | | | | |
| Interest | \$ 18,418,292 | \$ 19,169,490 | \$ 20,016,198 | \$ 21,842,806 | \$ 23,461,582 | \$ 22,225,409 | \$ 24,079,006 |
| Differences between expected and actual experience | 2,319,031 | 64,267 | 2,240,514 | (6,996,385) | (3,217,484) | 13,730,638 | (22,337,660) |
| Changes of assumptions | (1,548,663) | (774,074) | (5,782,705) | (439,229) | (12,438,135) | 54,487,379 | (22,732,874) |
| Benefit payments, including refunds of member contributions | <u>(30,539,182)</u> | <u>(28,637,916)</u> | <u>(29,397,737)</u> | <u>(30,424,274)</u> | <u>(31,895,360)</u> | <u>(33,838,820)</u> | <u>(30,964,004)</u> |
| Net change in total pension liability | (11,350,522) | (10,178,233) | (12,923,730) | (16,017,082) | (24,089,397) | 56,604,606 | (51,955,532) |
| Total pension liability - beginning | <u>288,133,174</u> | <u>298,311,407</u> | <u>311,235,137</u> | <u>327,252,219</u> | <u>351,341,616</u> | <u>294,737,010</u> | <u>346,692,542</u> |
| Total pension liability - ending | <u>276,782,652</u> | <u>288,133,174</u> | <u>298,311,407</u> | <u>311,235,137</u> | <u>327,252,219</u> | <u>351,341,616</u> | <u>294,737,010</u> |
| Plan fiduciary net position: | | | | | | | |
| Contributions - employer | 133,655,805 | 15,983,572 | 15,600,000 | 15,944,213 | 15,488,177 | 11,407,599 | 11,600,000 |
| Contributions - member | | | | | | 12,334 | 143,974 |
| Net investment income (loss) | 1,446,127 | 3,689,767 | 6,039,520 | 8,866,020 | (4,940,329) | 778,674 | 15,837,803 |
| Benefit payments, including refunds of member contributions | <u>(30,539,182)</u> | <u>(28,637,916)</u> | <u>(29,397,737)</u> | <u>(30,424,274)</u> | <u>(31,895,360)</u> | <u>(33,838,820)</u> | <u>(30,964,004)</u> |
| Net change in plan fiduciary net position | 104,562,750 | (8,964,577) | (7,758,217) | (5,614,041) | (21,347,512) | (21,640,213) | (3,382,227) |
| Plan fiduciary net position - beginning | <u>54,306,653</u> | <u>63,271,230</u> | <u>71,029,447</u> | <u>76,643,488</u> | <u>97,991,000</u> | <u>119,631,213</u> | <u>123,013,440</u> |
| Plan fiduciary net position - ending | <u>158,869,403</u> | <u>54,306,653</u> | <u>63,271,230</u> | <u>71,029,447</u> | <u>76,643,488</u> | <u>97,991,000</u> | <u>119,631,213</u> |
| Net Pension Liability - Ending | <u>\$ 117,913,249</u> | <u>\$ 233,826,521</u> | <u>\$ 235,040,177</u> | <u>\$ 240,205,690</u> | <u>\$ 250,608,731</u> | <u>\$ 253,350,616</u> | <u>\$ 175,105,797</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 57.40% | 18.85% | 21.21% | 22.82% | 23.42% | 27.89% | 40.59% |
| Covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Net pension liability as a percentage of covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Notes to Schedule:

Benefit changes: None

Assumption changes:

Mortality

RP-2014 (adjusted back to 2006) projected generationally with scale MP-2019.

Prior: RP-2014 (adjusted back to 2006) projected generationally with scale MP-2018.

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE RETIREMENT PLAN B
LAST SEVEN FISCAL YEARS***

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total pension liability: | | | | | | | |
| Interest | \$ 4,652,847 | \$ 4,741,157 | \$ 4,537,651 | \$ 4,212,914 | \$ 4,622,718 | \$ 4,100,080 | \$ 4,435,830 |
| Differences between expected and actual experience | 288,168 | (1,046,074) | 1,411,913 | (3,470,389) | 715,864 | 7,644,858 | (991,025) |
| Changes of assumptions | (225,987) | (244,629) | (18,929,991) | (20,849,995) | 16,313,199 | 10,329,185 | (6,081,926) |
| Benefit payments, including refunds of member contributions | (5,277,497) | (4,449,318) | (4,607,436) | (4,460,565) | (4,901,990) | (3,839,612) | (3,804,480) |
| Net change in total pension liability | (562,469) | (998,864) | (17,587,863) | (24,568,035) | 16,749,791 | 18,234,511 | (6,441,601) |
| Total pension liability - beginning | 77,084,303 | 78,083,167 | 95,671,030 | 120,239,065 | 103,489,274 | 85,254,763 | 91,696,364 |
| Total pension liability - ending | <u>76,521,834</u> | <u>77,084,303</u> | <u>78,083,167</u> | <u>95,671,030</u> | <u>120,239,065</u> | <u>103,489,274</u> | <u>85,254,763</u> |
| Plan fiduciary net position: | | | | | | | |
| Contributions - employer | 1,275,000 | 1,400,000 | 1,850,000 | 2,002,000 | | | |
| Contributions - member | | | | | | 44,368 | 181,840 |
| Net investment income | (206,426) | 3,886,843 | 5,386,091 | 6,698,898 | 176,428 | 427,232 | 9,633,316 |
| Benefit payments, including refunds of member contributions | (5,277,497) | (4,449,318) | (4,607,436) | (4,330,048) | (4,901,990) | (3,839,612) | (3,852,737) |
| Administrative expense | | | | (130,517) | | (305,157) | (215,762) |
| Net change in plan fiduciary net position | (4,208,923) | 837,525 | 2,628,655 | 4,240,333 | (4,725,562) | (3,673,169) | 5,746,657 |
| Plan fiduciary net position - beginning | 64,232,436 | 63,394,911 | 60,766,256 | 56,525,923 | 61,251,485 | 64,924,654 | 59,177,997 |
| Plan fiduciary net position - ending | <u>60,023,513</u> | <u>64,232,436</u> | <u>63,394,911</u> | <u>60,766,256</u> | <u>56,525,923</u> | <u>61,251,485</u> | <u>64,924,654</u> |
| Net Pension Liability - Ending | <u>\$ 16,498,321</u> | <u>\$ 12,851,867</u> | <u>\$ 14,688,256</u> | <u>\$ 34,904,774</u> | <u>\$ 63,713,142</u> | <u>\$ 42,237,789</u> | <u>\$ 20,330,109</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 78.44% | 83.33% | 81.19% | 63.52% | 47.01% | 59.19% | 76.15% |
| Covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Net pension liability as a percentage of covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Notes to Schedule:

Benefit changes: None

Assumption changes:

Mortality

RP-2014 (adjusted back to 2006) projected generationally with scale MP-2019.

Prior: RP-2014 (adjusted back to 2006) projected generationally with scale MP-2018.

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
FIREFIGHTERS' RETIREMENT PLAN B
LAST SEVEN FISCAL YEARS***

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|----------------|----------------|----------------|--------------|--------------|--------------|--------------|
| Total pension liability: | | | | | | | |
| Interest | \$ 2,188,040 | \$ 2,194,434 | \$ 2,287,399 | \$ 2,199,953 | \$ 2,476,699 | \$ 2,281,088 | \$ 2,283,352 |
| Differences between expected and actual experience | (251,412) | 148,806 | (203,834) | (945,182) | (850,563) | 130,083 | (133,251) |
| Changes of assumptions | (113,937) | (104,213) | (1,286,736) | (6,714,794) | (1,461,547) | 1,779,805 | 63,339 |
| Benefit payments, including refunds of member contributions | (2,356,789) | (2,325,874) | (2,242,657) | (2,348,288) | (2,207,398) | (2,171,567) | (2,170,390) |
| Net change in total pension liability | (534,098) | (86,847) | (1,445,828) | (7,808,311) | (2,042,809) | 2,019,409 | 43,050 |
| Total pension liability - beginning | 36,187,045 | 36,273,892 | 37,719,720 | 45,528,031 | 47,570,840 | 45,551,431 | 45,508,381 |
| Total pension liability - ending | 35,652,947 | 36,187,045 | 36,273,892 | 37,719,720 | 45,528,031 | 47,570,840 | 45,551,431 |
| Plan fiduciary net position: | | | | | | | |
| Contributions - employer | 40,000 | 20,000 | 180,000 | 302,100 | | | |
| Contributions - member | | | | | | | |
| Net investment income (loss) | 2,022,973 | 3,756,084 | 2,312,510 | 3,416,479 | (285,465) | 942,785 | 5,310,728 |
| Benefit payments, including refunds of member contributions | (2,356,789) | (2,325,874) | (2,242,657) | (2,348,288) | (2,207,398) | (2,171,567) | (2,170,390) |
| Administrative expense | | | | | | (4,879) | (23,230) |
| Net change in plan fiduciary net position | (293,816) | 1,450,210 | 249,853 | 1,370,291 | (2,492,863) | (1,233,661) | 3,117,108 |
| Plan fiduciary net position - beginning | 38,773,136 | 37,322,926 | 37,073,073 | 35,702,782 | 38,195,645 | 39,429,306 | 36,312,198 |
| Plan fiduciary net position - ending | 38,479,320 | 38,773,136 | 37,322,926 | 37,073,073 | 35,702,782 | 38,195,645 | 39,429,306 |
| Net Pension Liability (Asset) - Ending | \$ (2,826,373) | \$ (2,586,091) | \$ (1,049,034) | \$ 646,647 | \$ 9,825,249 | \$ 9,375,195 | \$ 6,122,125 |
| Plan fiduciary net position as a percentage of the total pension liability | 107.93% | 107.15% | 102.89% | 98.29% | 78.42% | 80.29% | 86.56% |
| Covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Net pension liability (asset) as a percentage of covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Notes to Schedule:

Benefit changes: None

Assumption changes:

Mortality

RP-2014 (adjusted back to 2006) projected generationally with scale MP-2019

Prior: RP-2014 (adjusted back to 2006) projected generationally with scale MP-2018

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
JANITORS' AND ENGINEERS' RETIREMENT PLAN
LAST SEVEN FISCAL YEARS***

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total pension liability: | | | | | | | |
| Interest | \$ 207,849 | \$ 235,866 | \$ 283,618 | \$ 256,507 | \$ 315,328 | \$ 361,880 | \$ 401,794 |
| Differences between expected and actual experience | (488,276) | | (1,338,204) | | (115,639) | | |
| Changes of assumptions | 345,727 | 162,159 | (155,488) | (652,369) | 1,270,097 | 330,555 | 226,706 |
| Benefit payments, including refunds of member contributions | (506,115) | (602,269) | (632,714) | (731,496) | (796,380) | (861,495) | (889,803) |
| Net change in total pension liability | (440,815) | (204,244) | (1,842,788) | (1,127,358) | 673,406 | (169,060) | (261,303) |
| Total pension liability - beginning | 6,191,608 | 6,395,852 | 8,238,640 | 9,365,998 | 8,692,592 | 8,861,652 | 9,122,955 |
| Total pension liability - ending | 5,750,793 | 6,191,608 | 6,395,852 | 8,238,640 | 9,365,998 | 8,692,592 | 8,861,652 |
| Plan fiduciary net position: | | | | | | | |
| Contributions - employer | 506,115 | 602,269 | 632,714 | 731,496 | 796,380 | 861,495 | 889,803 |
| Benefit payments, including refunds of member contributions | (506,115) | (602,269) | (632,714) | (731,496) | (796,380) | (861,495) | (889,803) |
| Net change in plan fiduciary net position | - | - | - | - | - | - | - |
| Plan fiduciary net position - beginning | 3,433 | 3,433 | 3,433 | 3,433 | 3,433 | 3,433 | 3,433 |
| Plan fiduciary net position - ending | 3,433 | 3,433 | 3,433 | 3,433 | 3,433 | 3,433 | 3,433 |
| Net Pension Liability - Ending | \$ 5,747,360 | \$ 6,188,175 | \$ 6,392,419 | \$ 8,235,207 | \$ 9,362,565 | \$ 8,689,159 | \$ 8,858,219 |
| Plan fiduciary net position as a percentage of the total pension liability | 0.06% | 0.06% | 0.05% | 0.04% | 0.04% | 0.04% | 0.04% |
| Covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Net pension liability as a percentage of covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Notes to Schedule:

Benefit changes: None

Assumption changes:

Investment rate of return

2.21%; Prior: 3.50%

Discount rate

2.21%; Prior: 3.50%

Mortality:

RP-2014 (adjusted back to 2006) projected generationally with scale MP-2019.

Prior: RP-2014 (adjusted back to 2006) projected generationally with scale MP-2018.

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PUBLIC SAFETY PLAN A
LAST TEN FISCAL YEARS**

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|--|-------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Actuarially determined contribution | \$ 16,703,922 | \$ 15,983,052 | \$ 15,596,475 | \$ 15,945,203 | \$ 15,488,177 | \$ 11,407,599 | \$ 12,623,967 | \$ 11,554,504 | \$ 9,794,368 | \$ 13,556,622 |
| Contributions in relation to the actuarially determined contribution | <u>133,655,805</u> * | <u>15,983,572</u> | <u>15,600,000</u> | <u>15,944,213</u> | <u>15,488,177</u> | <u>11,407,599</u> | <u>11,600,000</u> | <u>10,500,000</u> | <u>7,000,000</u> | <u>5,000,000</u> |
| Contribution Deficiency (Excess) | <u>\$ (116,951,883)</u> | <u>\$ (520)</u> | <u>\$ (3,525)</u> | <u>\$ 990</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,023,967</u> | <u>\$ 1,054,504</u> | <u>\$ 2,794,368</u> | <u>\$ 8,556,622</u> |
| Covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | \$ 1,675,494 | \$ 2,076,760 | \$ 2,556,092 |
| Contributions as a percentage of covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 626.68% | 337.06% | 195.61% |

Notes to Schedule:

Valuation date: June 30, 2020

Measurement date: June 30, 2020

Valuation timing: Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method: N/A. All participants are inactive.

Amortization method: Closed, increasing 5% per year

Remaining amortization period: 17 years as of July 1, 2019

Asset valuation method: Market value

Actuarial assumptions:

Investment rate of return: 6.75%

Inflation: 2.0%

Salary increases: N/A

Cost of living adjustment: 2.25%

Mortality: RP - 2014 (adjusted back to 2006), projected generationally with Scale MP-2019. (MP-2018 in prior year)

* The City's contribution of \$133,655,805 included net proceeds of \$120,000,000 from the 2019 Series C, General Obligation Bonds (Federally Taxable).

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE RETIREMENT PLAN B
LAST TEN FISCAL YEARS**

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|--|---------------------|--------------------|---------------------|------------------|---------------------|---------------------|---------------------|---------------------|-------------------|---------------------|
| Actuarially determined contribution | \$ 1,174,409 | \$ 1,306,701 | \$ 1,611,277 | \$ 2,099,288 | \$ 2,002,083 | \$ 1,333,325 | \$ 1,851,758 | \$ 7,792,559 | \$ 6,314,039 | \$ 5,351,197 |
| Contributions in relation to the actuarially determined contribution | <u>1,275,000</u> | <u>1,400,000</u> | <u>1,850,000</u> | <u>2,002,000</u> | | | | <u>5,895,224</u> | <u>5,474,826</u> | <u>6,176,243</u> |
| Contribution Deficiency (Excess) | \$ <u>(100,591)</u> | \$ <u>(93,299)</u> | \$ <u>(238,723)</u> | \$ <u>97,288</u> | \$ <u>2,002,083</u> | \$ <u>1,333,325</u> | \$ <u>1,851,758</u> | \$ <u>1,897,335</u> | \$ <u>839,213</u> | \$ <u>(825,046)</u> |
| Covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | \$ 26,876,411 | \$ 25,620,273 |
| Contributions as a percentage of covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 20.37% | 24.11% |

Notes to Schedule:

Valuation date: June 30, 2020

Measurement date: June 30, 2020

Valuation timing: Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method: N/A. All participants are inactive.

Amortization method: Closed level dollar for remaining unfunded liability

Remaining amortization period: 19 years as of June 30, 2019

Asset valuation method: Market value of assets.

Actuarial assumptions:

Investment rate of return: 6.25%

Inflation: 2.0%

Salary increases: N/A

Cost of living adjustment: 2.25%

Mortality: RP - 2014 (adjusted back to 2006), projected generationally with Scale MP-2019. (MP-2018 in prior year)

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' RETIREMENT PLAN B
LAST TEN FISCAL YEARS**

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|--|--------------------|--------------------|---------------------|--------------------|-------------------|-------------------|-------------------|-------------|---------------------|---------------------|
| Actuarially determined contribution | \$ | \$ | \$ 56,129 | \$ 239,304 | \$ 310,155 | \$ 515,442 | \$ 518,934 | \$ | \$ 4,300,169 | \$ 3,936,546 |
| Contributions in relation to the actuarially determined contribution | <u>40,000</u> | <u>20,000</u> | <u>180,000</u> | <u>302,100</u> | | | | | <u>2,939,362</u> | <u>4,207,055</u> |
| Contribution Deficiency (Excess) | <u>\$ (40,000)</u> | <u>\$ (20,000)</u> | <u>\$ (123,871)</u> | <u>\$ (62,796)</u> | <u>\$ 310,155</u> | <u>\$ 515,442</u> | <u>\$ 518,934</u> | <u>\$ -</u> | <u>\$ 1,360,807</u> | <u>\$ (270,509)</u> |
| Covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | \$ 15,917,577 | \$ 16,162,733 |
| Contributions as a percentage of covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 18.47% | 26.03% |

Notes to Schedule:

Valuation date: June 30, 2020
 Measurement date: June 30, 2020
 Valuation timing: Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method: N/A. All participants are inactive.
 Amortization method: Closed level dollar for remaining unfunded liability
 Remaining amortization period: 19 years as of June 30, 2019
 Asset valuation method: Market value of assets
 Actuarial assumptions:
 Investment rate of return: 6.25%
 Inflation: 2.0%
 Salary increases: N/A
 Cost of living adjustment: 2.25%
 Mortality: RP - 2014 (adjusted back to 2006), projected generationally with Scale MP-2019. (MP-2018 in prior year)

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
JANITORS' AND ENGINEERS' RETIREMENT PLAN
LAST TEN FISCAL YEARS**

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|--|------------------|-------------------|-------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|------------------|
| Actuarially determined contribution | \$ 577,405 | \$ 597,100 | \$ 750,996 | \$ 769,368 | \$ 818,100 | \$ 836,026 | \$ 873,475 | \$ 892,501 | \$ 894,791 | \$ 906,091 |
| Contributions in relation to the actuarially determined contribution | <u>506,115</u> | <u>602,269</u> | <u>632,714</u> | <u>731,496</u> | <u>796,380</u> | <u>861,495</u> | <u>889,803</u> | <u>936,328</u> | <u>914,418</u> | <u>891,196</u> |
| Contribution Deficiency (Excess) | <u>\$ 71,290</u> | <u>\$ (5,169)</u> | <u>\$ 118,282</u> | <u>\$ 37,872</u> | <u>\$ 21,720</u> | <u>\$ (25,469)</u> | <u>\$ (16,328)</u> | <u>\$ (43,827)</u> | <u>\$ (19,627)</u> | <u>\$ 14,895</u> |
| Covered payroll | N/A | N/A | N/A | N/A | N/A | - \$ | - \$ | - \$ | - \$ | - |
| Contributions as a percentage of covered payroll | N/A | N/A | N/A | N/A | N/A | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

Notes to Schedule:

Valuation date: June 30, 2020

Measurement date: June 30, 2020

Valuation timing: Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method: N/A. All participants are inactive.

Amortization method: None

Remaining amortization period: N/A

Asset valuation method: Market Value

Actuarial assumptions:

Investment rate of return: 2.21%; Prior: 3.50%

Discount rate: 2.21%; Prior: 3.50%

Cost of living adjustment: 2.50%; Prior: 3.00%

Salary increases: N/A

Retirement age: N/A

Mortality: RP-2006 projected generationally with Scale MP-2019; Prior: RP-2006 projected generationally with Scale MP-2018

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
PENSION PLANS
LAST SEVEN FISCAL YEARS***

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Annual money-weighted rate of return, net of investment expense: | | | | | | | |
| Public Safety Plan A | 1.13% | 6.48% | 9.42% | 12.77% | -5.52% | 0.72% | 14.26% |
| Police Retirement Plan B | -0.33% | 6.28% | 9.07% | 12.11% | 0.30% | 0.68% | 16.82% |
| Firefighters' Retirement Plan B | 5.38% | 10.38% | 6.42% | 9.85% | -0.77% | 2.46% | 15.11% |

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF BRIDGEPORT, CONNECTICUT
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS RETIREMENT PLAN
 LAST SIX FISCAL YEARS***

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| City's proportion of the net pension liability | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| City's proportionate share of the net pension liability | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| State's proportionate share of the net pension liability associated with the City | <u>502,528,522</u> | <u>387,478,686</u> | <u>410,941,334</u> | <u>433,546,254</u> | <u>329,265,255</u> | <u>304,339,743</u> |
| Total | \$ <u>502,528,522</u> | \$ <u>387,478,686</u> | \$ <u>410,941,334</u> | \$ <u>433,546,254</u> | \$ <u>329,265,255</u> | \$ <u>304,339,743</u> |
| City's covered payroll | \$ 123,043,092 | \$ 123,048,944 | \$ 102,610,561 | \$ 124,591,491 | \$ 120,969,490 | \$ 118,922,621 |
| City's proportionate share of the net pension liability as a percentage of its covered payroll | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Plan fiduciary net position as a percentage of the total pension liability | 52.00% | 57.69% | 55.93% | 52.26% | 59.50% | 61.51% |

Notes to Schedule:

| | |
|-------------------------------|---|
| Changes in benefit terms | HB 7424 made the following provision changes: - Beginning July 1, 2019, annual interest credited on mandatory contributions set at 4.0%. - For members retiring on or after July 1, 2019 with a partial refund option election (Plan N), if 50% of the benefits paid prior to death do not exceed the Member's mandatory contributions plus interest frozen at the date of benefit commencement, the difference is paid to the Member's beneficiary. |
| Changes of assumptions | HB 7424 made the following assumption changes: - Reduce the inflation assumption from 2.75% to 2.50%. - Reduce the real rate of return assumption from 5.25% to 4.40% which, when combined with the inflation assumption change, results in a decrease in the investment rate of return assumption from 8.00% to 6.90%. - Increase the annual rate of wage increase assumption from 0.50% to 0.75%. - Phase in to a level dollar amortization method for the June 30, 2024 valuation. |
| Actuarial cost method | Entry age |
| Amortization method | Level percent of pay, closed |
| Remaining amortization period | 17.6 years |
| Asset valuation method | 4-year smoothed market |
| Inflation | 2.75% |
| Salary Increase | 3.25%-6.50%, including inflation |
| Investment rate of return | 8.00%, net of investment related expense |

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MUNICIPAL EMPLOYEES RETIREMENT FUND
LAST SIX FISCAL YEARS***

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> <u>(as Restated)</u> |
|---|----------------|----------------|----------------|----------------|----------------|-------------------------------------|
| City's proportion of the net pension liability | 27.01% | 25.18% | 15.14% | 18.69% | 16.21% | 2.98% |
| City's proportionate share of the net pension liability | \$ 278,853,558 | \$ 240,814,182 | \$ 37,584,211 | \$ 62,160,092 | \$ 31,237,539 | \$ 2,935,498 |
| City's covered payroll | \$ 150,976,960 | \$ 149,864,951 | \$ 154,745,655 | \$ 146,586,378 | \$ 145,741,934 | \$ 139,687,029 |
| City's proportionate share of the net pension liability as a percentage of its covered payroll | 184.70% | 160.69% | 24.29% | 42.41% | 21.43% | 2.10% |
| Plan fiduciary net position as a percentage of the total pension liability | 72.69% | 73.60% | 91.68% | 88.29% | 92.72% | 90.48% |

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS - MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|---------------|
| Actuarially determined contribution | \$ 25,726,055 | \$ 21,747,700 | \$ 21,545,140 | \$ 22,690,385 | \$ 22,169,395 | \$ 24,404,803 | \$ 20,033,088 | \$ 12,847,194 | \$ 9,589,103 | \$ 7,199,397 |
| Contributions in relation to the actuarially determined contribution | 25,726,055 | 21,747,700 | 21,545,140 | 22,690,385 | 22,169,395 | 24,404,803 | 20,033,088 | 12,847,194 | 9,589,103 | 7,199,397 |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | \$ 151,045,968 | \$ 150,976,960 | \$ 149,864,951 | \$ 154,745,655 | \$ 146,586,378 | \$ 145,741,934 | \$ 139,687,029 | \$ 110,276,343 | \$ 82,309,897 | \$ 75,783,126 |
| Contributions as a percentage of covered payroll | 17.03% | 14.40% | 14.38% | 14.66% | 15.12% | 16.75% | 14.34% | 11.65% | 11.65% | 9.50% |

Notes to Schedule:

Valuation date: June 30, 2019
Measurement date: June 30, 2019
The actuarially determined contributions are calculated as of June 30, each biennium for the fiscal years ending two and three years after the valuation date.

Methods and assumptions used to determine contribution rates:

| | |
|---------------------------------------|--|
| Actuarial cost method | Entry Age |
| Amortization method | Level dollar, closed |
| Single equivalent amortization period | 21 years |
| Asset valuation method | 5 years smoothed market (20% write up) |
| Inflation | 3.25% |
| Salary increases | 4.25% - 11%, including inflation |
| Investment rate of return | 8%, net of investment related expense |
| Changes in assumptions: | In 2019, the latest experience study for the System updated most of the actuarial assumptions utilized in the June 30, 2019 valuation to include: rates of inflation, real investment return mortality, withdrawal, disability, retirement and salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five year period ended June 30, 2017 |

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND
LAST THREE FISCAL YEARS***

| | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|---|-------------------------|-----------------------|-----------------------|
| Total OPEB liability: | | | |
| Service cost | \$ 21,187,818 | \$ 24,728,712 | \$ 25,759,877 |
| Interest | 30,472,144 | 36,810,344 | 34,443,682 |
| Change of benefit terms | | 1,278,654 | |
| Differences between expected and actual experience | 1,877,461 | 24,599,964 | |
| Changes of assumptions | 191,868,751 | (134,735,141) | (40,814,162) |
| Benefit payments, including refunds of member contributions | <u>(32,732,826)</u> | <u>(31,571,920)</u> | <u>(27,090,667)</u> |
| Net change in total OPEB liability | 212,673,348 | (78,889,387) | (7,701,270) |
| Total OPEB liability - beginning | 863,189,704 | 942,079,091 | 949,780,361 |
| Total OPEB liability - ending | <u>1,075,863,052</u> | <u>863,189,704</u> | <u>942,079,091</u> |
| Plan fiduciary net position: | | | |
| Contributions - employer | 32,832,826 | 31,671,920 | 27,190,667 |
| Net investment income | 2,576 | 2,446 | 13 |
| Benefit payments, including refunds of member contributions | <u>(32,732,826)</u> | <u>(31,571,920)</u> | <u>(27,090,667)</u> |
| Net change in plan fiduciary net position | 102,576 | 102,446 | 100,013 |
| Plan fiduciary net position - beginning | <u>202,459</u> | <u>100,013</u> | <u>-</u> |
| Plan fiduciary net position - ending | <u>305,035</u> | <u>202,459</u> | <u>100,013</u> |
| Net OPEB Liability - Ending | <u>\$ 1,075,558,017</u> | <u>\$ 862,987,245</u> | <u>\$ 941,979,078</u> |
| Plan fiduciary net position as a percentage of the total OPEB liability | 0.03% | 0.02% | 0.01% |
| Covered-employee payroll | \$ 221,550,040 | \$ 241,223,464 | \$ 245,409,264 |
| Net OPEB liability as a percentage of covered-employee payroll | 485.47% | 357.75% | 383.84% |

Notes to Schedule:

Assumption changes:

| | |
|------------------|--|
| Discount rate | 2.21%; Prior: 3.51% |
| Salary increases | 4.50%; Prior: 5.50% |
| Mortality | PUB - 2010 Headcount-Weighted Mortality Table projected generationally with MP-2020 from the central year Previous: PUB - 2010 Headcount-Weighted Mortality Table projected generationally with MP-2019 from the central year |

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND
LAST TEN FISCAL YEARS**

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Actuarially determined contribution | \$ 68,912,083 | \$ 79,303,894 | \$ 78,841,802 | \$ 61,998,950 | \$ 71,905,518 | \$ 70,570,886 | \$ 51,062,573 | \$ 47,743,386 | \$ 61,100,372 | \$ 57,100,111 |
| Contributions in relation to the actuarially determined contribution | <u>32,832,826</u> | <u>31,671,920</u> | <u>27,190,667</u> | <u>29,153,378</u> | <u>31,891,398</u> | <u>33,345,101</u> | <u>28,451,770</u> | <u>25,803,694</u> | <u>33,074,646</u> | <u>29,617,984</u> |
| Contribution Deficiency (Excess) | <u>\$ 36,079,257</u> | <u>\$ 47,631,974</u> | <u>\$ 51,651,135</u> | <u>\$ 32,845,572</u> | <u>\$ 40,014,120</u> | <u>\$ 37,225,785</u> | <u>\$ 22,610,803</u> | <u>\$ 21,939,692</u> | <u>\$ 28,025,726</u> | <u>\$ 27,482,127</u> |
| Covered-employee payroll | \$ 221,550,040 | \$ 241,223,464 | \$ 245,409,264 | \$ 245,409,264 | \$ 236,179,686 | \$ 236,179,686 | \$ 221,438,910 | \$ 221,438,910 | \$ 180,948,566 | \$ 180,948,566 |
| Contributions as a percentage of covered-employee payroll | 14.82% | 13.13% | 11.08% | 11.88% | 13.50% | 14.12% | 12.85% | 11.65% | 18.28% | 16.37% |

Notes to Schedule:

| | |
|-------------------|---|
| Valuation date: | September 1, 2018 |
| Measurement date: | June 30, 2020 |
| Valuation timing | Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported |

Methods and assumptions used to determine contribution rates:

| | |
|-------------------------------|---|
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level percent of payroll |
| Remaining amortization period | 30 years, open |
| Asset valuation method | Fair value |
| Actuarial assumptions: | |
| Investment rate of return | 1.10%, net of OPEB plan investment expense, including inflation |
| Discount rate | 2.21%; Prior: 3.51% |
| Healthcare cost trend rate: | |
| Medical and Prescription | 7.00% decreasing to 4.50% |
| Medicare Advantage | 7.25% decreasing to 4.50% |
| Dental | 4.00% |
| Medicare Part B | 4.50% |
| Inflation | 2.25% |
| Salary increases | 4.50%; Prior:5.50% |
| Mortality | PUB - 2010 Headcount-Weighted Mortality Table projected generationally with MP-2020 from the central year |

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND
LAST THREE FISCAL YEARS'**

| | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|-------------|-------------|-------------|
| Annual money-weighted rate of return, net of investment expense: | 0.00% | 0.00% | 0.00% |

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS RETIREMENT OPEB PLAN
LAST THREE FISCAL YEARS***

| | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|---|----------------------|----------------------|-----------------------|
| City's proportion of the net OPEB liability | 0.00% | 0.00% | 0.00% |
| City's proportionate share of the net OPEB liability | \$ - | \$ - | \$ - |
| State's proportionate share of the net OPEB liability associated with the City | <u>78,372,159</u> | <u>77,459,404</u> | <u>105,771,643</u> |
| Total | <u>\$ 78,372,159</u> | <u>\$ 77,459,404</u> | <u>\$ 105,771,643</u> |
| City's covered payroll | \$ 123,043,092 | \$ 123,048,944 | \$ 102,610,561 |
| City's proportionate share of the net OPEB liability as a percentage of its covered payroll | 0.00% | 0.00% | 0.00% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 2.08% | 1.49% | 1.79% |

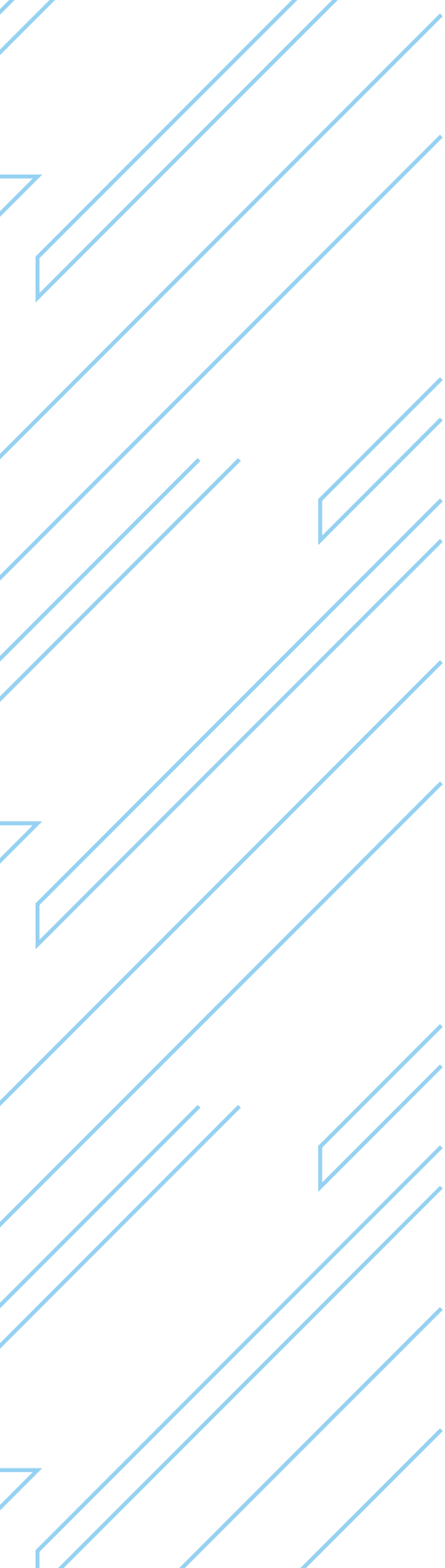
Notes to Schedule:

| | |
|-------------------------------|--|
| Changes in benefit terms | The Plan was amended by the Board, effective January 1, 2019, during the September 12, 2018 meeting. The Board elected a new prescription drug plan, which is expected to reduce overall costs and allow for the Board to receive a government subsidy for members whose claims reach a catastrophic level. These changes were communicated to retired members during the months leading up to the open enrollment period that preceded the January 1, 2019 implementation date. |
| Changes of assumptions | Based on the procedure described in GASB 74, the discount rate used to measure Plan obligations for financial accounting purposes as of June 30, 2019 was updated to equal the Municipal Bond Index Rate of 3.50% as of June 30, 2019. Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience both before and after the plan change that became effective on July 1, 2019. The expected rate of inflation was decreased, and the real wage growth assumption was increased. |
| Actuarial cost method | Entry age |
| Amortization method | Level percent of payroll over an open period |
| Remaining amortization period | 30 years |
| Asset valuation method | Market value of assets |
| Investment rate of return | 3.00%, net of investment related expense including price inflation |
| Price Inflation | 2.75% |

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.



**COMBINING AND
INDIVIDUAL FUND
STATEMENTS AND
SCHEDULES**



General Fund

GENERAL FUND

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

**CITY OF BRIDGEPORT, CONNECTICUT
GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2020 AND 2019**

| | <u>2020</u> | <u>2019</u> |
|--|-----------------------|-----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 54,522,274 | \$ 41,296,938 |
| Investments | | |
| Receivables: | | |
| Property taxes, net of allowance for uncollectible amounts of \$20,723,385 in 2020 and \$19,059,201 in 2019 | 34,914,764 | 36,152,323 |
| Intergovernmental | 23,420,330 | 24,580,836 |
| Other | 2,312,831 | 1,935,701 |
| Due from other funds | <u>35,492,820</u> | <u>22,054,309</u> |
| Total Assets | <u>\$ 150,663,019</u> | <u>\$ 126,020,107</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | |
| Liabilities: | | |
| Accounts and other payables | \$ 48,430,579 | \$ 35,905,260 |
| Accrued liabilities | 19,535,564 | 20,775,541 |
| Due to other funds | 18,805,634 | 7,063,565 |
| Unearned revenue | <u>2,012,501</u> | <u>2,996,522</u> |
| Total liabilities | 88,784,278 | 66,740,888 |
| Deferred Inflows of Resources: | | |
| Unavailable revenue - property taxes | <u>34,235,547</u> | <u>35,556,033</u> |
| Fund Balances: | | |
| Unassigned | <u>27,643,194</u> | <u>23,723,186</u> |
| Total fund balances | <u>27,643,194</u> | <u>23,723,186</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 150,663,019</u> | <u>\$ 126,020,107</u> |

**CITY OF BRIDGEPORT, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2020**

| Grand List Year | Balance Uncollected July 1, 2019 | Current Levy | Net Adjustments | Transfers to Suspense | Adjusted Taxes Collectible | Collections | | | | Balance Uncollected June 30, 2020 |
|-----------------|----------------------------------|-----------------------|------------------------|-----------------------|----------------------------|-----------------------|---------------------|-------------------|-----------------------|-----------------------------------|
| | | | | | | Taxes | Interest | Lien Fees | Total | |
| 2004 | \$ 1,240,038 | \$ | \$ (1,368) | \$ | \$ 1,238,670 | \$ 14,245 | \$ 43,796 | \$ 843 | \$ 58,884 | \$ 1,224,425 |
| 2005 | 1,401,996 | | (890) | (602) | 1,400,504 | 13,896 | 33,727 | 637 | 48,260 | 1,386,608 |
| 2006 | 1,785,639 | | (2,204) | (2,295) | 1,781,140 | 12,918 | 35,565 | 510 | 48,993 | 1,768,222 |
| 2007 | 2,675,600 | | (3,292) | (6,794) | 2,665,514 | 23,116 | 47,533 | 825 | 71,474 | 2,642,398 |
| 2008 | 2,027,596 | | (1,598) | (5,805) | 2,020,193 | 30,219 | 50,245 | 636 | 81,100 | 1,989,974 |
| 2009 | 2,141,061 | | (8,748) | (6,446) | 2,125,867 | 23,566 | 34,018 | 670 | 58,254 | 2,102,301 |
| 2010 | 1,946,849 | | (1,574) | (3,607) | 1,941,668 | 21,501 | 35,358 | 583 | 57,442 | 1,920,167 |
| 2011 | 1,975,206 | | (8,448) | (3,249) | 1,963,509 | 55,933 | 70,319 | 946 | 127,198 | 1,907,576 |
| 2012 | 1,935,025 | | (7,065) | (3,048) | 1,924,912 | 39,878 | 45,634 | 867 | 86,379 | 1,885,034 |
| 2013 | 1,785,570 | | (7,276) | (1,920) | 1,776,374 | 58,413 | 62,891 | 1,359 | 122,663 | 1,717,961 |
| 2014 | 1,914,402 | | (11,047) | (2,311) | 1,901,044 | 90,153 | 70,969 | 1,976 | 163,098 | 1,810,891 |
| 2015 | 2,371,584 | | (81,639) | (10,505) | 2,279,440 | 195,355 | 152,292 | 2,176 | 349,823 | 2,084,085 |
| 2016 | 3,776,934 | | (369,985) | (8,686) | 3,398,263 | 485,994 | 462,458 | 7,206 | 955,658 | 2,912,269 |
| 2017 | 6,542,254 | | (264,406) | (6,502) | 6,271,346 | 2,017,485 | 513,327 | 43,559 | 2,574,371 | 4,253,861 |
| 2018 | | 343,246,435 | (9,426,269) | | 333,820,166 | 324,391,074 | 1,384,660 | 77,041 | 325,852,775 | 9,429,092 |
| | <u>\$ 33,519,754</u> | <u>\$ 343,246,435</u> | <u>\$ (10,195,809)</u> | <u>\$ (61,770)</u> | <u>\$ 366,508,610</u> | <u>\$ 327,473,746</u> | <u>\$ 3,042,792</u> | <u>\$ 139,834</u> | <u>\$ 330,656,372</u> | <u>\$ 39,034,864</u> |



Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Health and Sanitation Fund - is used to account for U.S. Department of Health and Human Services, U.S. Department of Agriculture and Connecticut Department of Health Services grants, as well as local grants relating to health services.

Public Safety Fund - is used to account for state and federal grants used for public safety programs such as victim assistance, weed and seed; JAG; and other homeland security special revenues.

Facility and Miscellaneous Fund - is used to account for state and local grants for such programs as Veteran Affairs and Light House programs; School Security and other special revenue projects.

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

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

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

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

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

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

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

Library Operations Fund - is used to account for charges for services, donations and income from miscellaneous sources to fund library-related activities.

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

Miscellaneous Grants Fund - is used to account for Local Capital Improvement (LOCIP), as well as other miscellaneous federal and state grants.

General Government Fund - is used to account for special revenues for Library Historic Document Preservation; Business Expo and other general government grants.

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

Education Scholarship Fund - is used to account for endowments and donations, the income from which is restricted for scholarship grants to qualified recipients.

**CITY OF BRIDGEPORT, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

| | Special Revenue Funds | | | | | | | | |
|--|-----------------------|---------------------|----------------------------|-------------------|-----------------------------------|----------------------------|---------------------|----------------------------|--|
| | Health and Sanitation | Public Safety | Facility and Miscellaneous | Social Services | Community Development Block Grant | Housing Opportunities AIDS | HOME Program | Section 108 Loan Guarantee | Development Administration State Grant |
| ASSETS | | | | | | | | | |
| Cash and cash equivalents | \$ | \$ 885,550 | \$ 3,367,354 | \$ | \$ 85,900 | \$ 657,651 | \$ 540,732 | \$ 11,109 | \$ 2,154,746 |
| Investments | | | | | | | | | |
| Intergovernmental | | 2,497,293 | 1,213,098 | 3,000 | 831,562 | 1,177,838 | 180,875 | 459,918 | 1,379,234 |
| Other | | | | | | | 577,522 | | |
| Due from other funds | <u>471,317</u> | | | <u>461,108</u> | | | | | <u>4,130</u> |
| Total Assets | <u>\$ 471,317</u> | <u>\$ 3,382,843</u> | <u>\$ 4,580,452</u> | <u>\$ 464,108</u> | <u>\$ 917,462</u> | <u>\$ 1,835,489</u> | <u>\$ 1,299,129</u> | <u>\$ 471,027</u> | <u>\$ 3,538,110</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | | | |
| Liabilities: | | | | | | | | | |
| Accounts payable and other liabilities | \$ 93,233 | \$ 459,630 | \$ 31,795 | \$ 117,033 | \$ 161,468 | \$ 88,442 | \$ 234,560 | \$ | \$ 106,346 |
| Accrued payroll liabilities | 13,659 | | | 2,281 | 27,929 | 519 | 1,405 | | |
| Due to other funds | | 1,830,373 | 2,281,370 | | 212,721 | 1,323,642 | 640,441 | 470,998 | 1,314,455 |
| Unearned revenues | <u>341,024</u> | | <u>2,225,388</u> | <u>220,859</u> | <u>30,351</u> | | <u>308,431</u> | | <u>1,441,874</u> |
| Total liabilities | <u>447,916</u> | <u>2,290,003</u> | <u>4,538,553</u> | <u>340,173</u> | <u>432,469</u> | <u>1,412,603</u> | <u>1,184,837</u> | <u>470,998</u> | <u>2,862,675</u> |
| Fund Balances: | | | | | | | | | |
| Restricted | 23,401 | 1,092,840 | 41,899 | 123,935 | 484,993 | 422,886 | 114,292 | 29 | 675,435 |
| Committed | | | | | | | | | |
| Total fund balances | <u>23,401</u> | <u>1,092,840</u> | <u>41,899</u> | <u>123,935</u> | <u>484,993</u> | <u>422,886</u> | <u>114,292</u> | <u>29</u> | <u>675,435</u> |
| Total Liabilities and Fund Balances | <u>\$ 471,317</u> | <u>\$ 3,382,843</u> | <u>\$ 4,580,452</u> | <u>\$ 464,108</u> | <u>\$ 917,462</u> | <u>\$ 1,835,489</u> | <u>\$ 1,299,129</u> | <u>\$ 471,027</u> | <u>\$ 3,538,110</u> |

(Continued on next page)

**CITY OF BRIDGEPORT, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

| | Special Revenue Funds | | | | | | Total Nonmajor Governmental Funds | |
|--|-----------------------|-----------------------|-------------------|-------------------------|-----------------------|-------------------|---|---------------------------|
| | Library | Library Operations | Education | Miscellaneous Grants | General Government | Library | | Education Scholarships |
| ASSETS | | | | | | | | |
| Cash and cash equivalents | \$ 618,593 | \$ | \$ 230,814 | \$ 349 | \$ | \$ 530,822 | \$ 107,962 | \$ 9,191,582 |
| Investments | 1,571,944 | | | | | | | 1,571,944 |
| Intergovernmental | | | | | | | | 7,742,818 |
| Other | | | | | | | | 577,522 |
| Due from other funds | 6,662 | 1,873,664 | | 49,390 | 325,866 | | 768 | 3,192,905 |
| Total Assets | \$ 2,197,199 | \$ 1,873,664 | \$ 230,814 | \$ 49,739 | \$ 325,866 | \$ 530,822 | \$ 108,730 | \$ 22,276,771 |
| LIABILITIES AND FUND BALANCES | | | | | | | | |
| Liabilities: | | | | | | | | |
| Accounts payable and other liabilities | \$ | \$ | \$ | \$ | 1,440 | \$ | \$ | 1,293,947 |
| Accrued payroll liabilities | | | | | | | | 45,793 |
| Due to other funds | | | | | | | | 8,074,000 |
| Unearned revenues | | | | | | | | 4,567,927 |
| Total liabilities | - | - | - | - | 1,440 | - | - | 13,981,667 |
| Fund Balances: | | | | | | | | |
| Restricted | | | | 49,739 | | 530,822 | 108,730 | 3,669,001 |
| Committed | 2,197,199 | 1,873,664 | 230,814 | | 324,426 | | | 4,626,103 |
| Total fund balances | 2,197,199 | 1,873,664 | 230,814 | 49,739 | 324,426 | 530,822 | 108,730 | 8,295,104 |
| Total Liabilities and Fund Balances | \$ 2,197,199 | \$ 1,873,664 | \$ 230,814 | \$ 49,739 | \$ 325,866 | \$ 530,822 | \$ 108,730 | \$ 22,276,771 |

**CITY OF BRIDGEPORT, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020**

| | Special Revenue | | | | | | | | |
|------------------------------------|-----------------------|---------------------|----------------------------|-------------------|-----------------------------------|----------------------------|-------------------|----------------------------|--|
| | Health and Sanitation | Public Safety | Facility and Miscellaneous | Social Services | Community Development Block Grant | Housing Opportunities AIDS | HOME Program | Section 108 Loan Guarantee | Development Administration State Grant |
| Revenues: | | | | | | | | | |
| Intergovernmental | \$ 857,578 | \$ 4,098,674 | \$ 514,437 | \$ 634,695 | \$ 1,823,372 | \$ 921,039 | \$ 321,505 | \$ | \$ 1,003,885 |
| Interest | | 6,270 | 36,663 | | | | | | 7,191 |
| Other | 295,703 | 83,868 | 46,334 | 360,663 | | | | 14 | |
| Total revenues | <u>1,153,281</u> | <u>4,188,812</u> | <u>597,434</u> | <u>995,358</u> | <u>1,823,372</u> | <u>921,039</u> | <u>321,505</u> | <u>14</u> | <u>1,011,076</u> |
| Expenditures: | | | | | | | | | |
| General government | | | | | | | | | |
| Health and social services | 1,263,093 | | | | | 649,185 | | | |
| Libraries | | | | | | | | | |
| Special services | | 3,879,641 | 664,153 | 879,203 | 1,557,910 | | 250,126 | | 335,641 |
| Total expenditures | <u>1,263,093</u> | <u>3,879,641</u> | <u>664,153</u> | <u>879,203</u> | <u>1,557,910</u> | <u>649,185</u> | <u>250,126</u> | <u>-</u> | <u>335,641</u> |
| Net Change in Fund Balances | (109,812) | 309,171 | (66,719) | 116,155 | 265,462 | 271,854 | 71,379 | 14 | 675,435 |
| Fund Balances at Beginning of Year | 133,213 | 783,669 | 108,618 | 7,780 | 219,531 | 151,032 | 42,913 | 15 | - |
| Fund Balances at End of Year | <u>\$ 23,401</u> | <u>\$ 1,092,840</u> | <u>\$ 41,899</u> | <u>\$ 123,935</u> | <u>\$ 484,993</u> | <u>\$ 422,886</u> | <u>\$ 114,292</u> | <u>\$ 29</u> | <u>\$ 675,435</u> |

(Continued on next page)

**CITY OF BRIDGEPORT, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020**

| | Special Revenue | | | | | | Total Nonmajor Governmental Funds |
|------------------------------------|---------------------|-----------------------|-------------------|-------------------------|-----------------------|-------------------|---|
| | Library | Library Operations | Education | Miscellaneous Grants | General Government | Library | |
| Revenues: | | | | | | | |
| Intergovernmental | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Interest | 89,784 | 558,649 | 25 | 5 | | 19,105 | 11 |
| Other | 173,531 | | | | 38,524 | | |
| Total revenues | <u>263,315</u> | <u>558,649</u> | <u>25</u> | <u>5</u> | <u>38,524</u> | <u>19,105</u> | <u>11</u> |
| Expenditures: | | | | | | | |
| General government | | | | | 1,440 | | |
| Health and social services | | | | | | | |
| Libraries | 141,871 | 27,200 | | | | | |
| Special services | | | | | | | |
| Total expenditures | <u>141,871</u> | <u>27,200</u> | <u>-</u> | <u>-</u> | <u>1,440</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | 121,444 | 531,449 | 25 | 5 | 37,084 | 19,105 | 11 |
| Fund Balances at Beginning of Year | <u>2,075,755</u> | <u>1,342,215</u> | <u>230,789</u> | <u>49,734</u> | <u>287,342</u> | <u>511,717</u> | <u>108,719</u> |
| Fund Balances at End of Year | <u>\$ 2,197,199</u> | <u>\$ 1,873,664</u> | <u>\$ 230,814</u> | <u>\$ 49,739</u> | <u>\$ 324,426</u> | <u>\$ 530,822</u> | <u>\$ 108,730</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, 2020**

| | <u>Balance</u> <u>July 1, 2019</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance</u> <u>June 30, 2020</u> |
|--------------------------------|---------------------------------------|------------------|-------------------|--|
| Student Activities Fund | | | | |
| Assets: | | | | |
| Cash and Cash Equivalents | \$ 642,251 | \$ 1,193,598 | \$ 1,064,687 | \$ 771,162 |
| Liabilities: | | | | |
| Due to Student Groups | \$ 642,251 | \$ 1,193,598 | \$ 1,064,687 | \$ 771,162 |



Statistical Section

Statistical Section

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

CITY OF BRIDGEPORT, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN YEARS
(Accrual Basis of Accounting)

| | FISCAL YEAR | | | | | | | | | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
| Governmental Activities: | | | | | | | | | | |
| Net investment in capital assets | \$ 914,383,241 | \$ 921,978,067 | \$ 903,774,582 | \$ 852,428,086 | \$ 813,952,729 | \$ 723,867,957 | \$ 676,991,832 | \$ 637,950,314 | \$ 552,338,566 | \$ 480,649,847 |
| Restricted | 29,258,295 | 27,683,903 | 24,249,409 | 8,969,778 | 3,068,563 | 3,092,595 | 3,119,552 | 5,161,248 | 3,161,264 | 3,161,236 |
| Unrestricted | (1,774,868,416) | (1,723,801,352) | (1,601,612,985) | (1,094,796,887) | (1,061,684,357) | (1,023,449,030) | (443,964,841) | (439,224,801) | (400,754,807) | (343,798,284) |
| Total Governmental Activities Net Position | <u>(831,226,880)</u> | <u>(774,139,382)</u> | <u>(673,588,994)</u> | <u>(233,399,023)</u> | <u>(244,663,065)</u> | <u>(296,488,478)</u> | <u>236,146,543</u> | <u>203,886,761</u> | <u>154,745,023</u> | <u>140,012,799</u> |
| Business-type activities: | | | | | | | | | | |
| Net investment in capital assets | 82,354,330 | 84,166,380 | 88,269,353 | 88,089,862 | 91,021,576 | 86,399,421 | 85,819,063 | 83,954,414 | 80,642,078 | 75,601,133 |
| Restricted | | | | | | | | | | 923,098 |
| Unrestricted | 7,812,275 | 10,587,203 | 10,063,397 | 14,420,453 | 11,482,394 | 12,382,135 | 9,186,043 | 8,373,469 | 8,865,646 | 6,991,988 |
| Total Business-Type Activities Net Position | <u>90,166,605</u> | <u>94,753,583</u> | <u>98,332,750</u> | <u>102,510,315</u> | <u>102,503,970</u> | <u>98,781,556</u> | <u>95,005,106</u> | <u>92,327,883</u> | <u>89,507,724</u> | <u>83,516,219</u> |
| Primary Government: | | | | | | | | | | |
| Net investment in capital assets | 996,737,571 | 1,006,144,447 | 992,043,935 | 940,517,948 | 904,974,305 | 810,267,378 | 762,810,895 | 721,904,728 | 632,980,644 | 556,250,980 |
| Restricted | 29,258,295 | 27,683,903 | 24,249,409 | 8,969,778 | 3,068,563 | 3,092,595 | 3,119,552 | 5,161,248 | 3,161,264 | 4,084,334 |
| Unrestricted | (1,767,056,141) | (1,713,214,149) | (1,591,549,588) | (1,080,376,434) | (1,050,201,963) | (1,011,066,895) | (434,778,798) | (430,851,332) | (391,889,161) | (336,806,296) |
| Total Primary Government Net Position | <u>\$ (741,060,275)</u> | <u>\$ (679,385,799)</u> | <u>\$ (575,256,244)</u> | <u>\$ (130,888,708)</u> | <u>\$ (142,159,095)</u> | <u>\$ (197,706,922)</u> | <u>\$ 331,151,649</u> | <u>\$ 296,214,644</u> | <u>\$ 244,252,747</u> | <u>\$ 223,529,018</u> |

**CITY OF BRIDGEPORT, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)**

| | FISCAL YEAR | | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
| Expenses: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 61,105,004 | \$ 76,337,177 | \$ 41,504,991 | \$ 54,721,387 | \$ 56,810,111 | \$ 49,042,611 | \$ 58,489,188 | \$ 50,229,529 | \$ 47,585,310 | \$ 72,446,991 |
| Public safety | 178,469,959 | 205,509,355 | 154,714,714 | 161,664,408 | 153,074,372 | 215,031,986 | 129,070,130 | 128,334,652 | 127,416,487 | 123,045,441 |
| Public facilities, parks and recreation | 49,584,075 | 51,077,493 | 47,664,397 | 40,449,688 | 41,919,358 | 46,823,535 | 44,866,708 | 42,355,324 | 40,813,295 | 36,878,325 |
| Planning and economic development | 5,089,882 | 6,024,090 | 4,186,575 | 3,623,577 | 4,117,610 | 4,385,793 | 4,000,056 | 3,804,545 | 3,630,343 | 3,610,102 |
| Health and social services | 10,144,594 | 9,029,472 | 6,155,545 | 4,578,577 | 7,053,282 | 7,322,735 | 6,732,534 | 7,373,284 | 7,514,927 | 11,567,506 |
| Education | 422,029,223 | 387,402,577 | 407,535,202 | 407,493,688 | 422,865,095 | 395,326,952 | 374,610,065 | 358,684,463 | 341,738,042 | 343,046,242 |
| Special services | 6,414,953 | 10,764,337 | 7,413,753 | 16,261,348 | 11,369,812 | 15,057,650 | 17,238,984 | 21,196,639 | 16,736,988 | 20,432,503 |
| Interest on long-term debt | 43,925,903 | 42,575,950 | 35,712,209 | 32,760,018 | 31,583,840 | 38,508,401 | 33,248,783 | 36,008,703 | 41,869,525 | 41,407,157 |
| Total governmental activities expenses | 776,763,593 | 788,720,451 | 704,887,386 | 721,552,691 | 728,793,480 | 771,499,663 | 668,256,448 | 647,987,139 | 627,304,917 | 652,434,267 |
| Business-type activities: | | | | | | | | | | |
| Water Pollution Control Authority | 40,563,833 | 39,924,293 | 39,687,374 | 39,180,368 | 37,237,285 | 35,943,716 | 35,625,341 | 28,399,775 | 26,387,727 | 26,011,481 |
| Total primary government expenses | 817,327,426 | 828,644,744 | 744,574,760 | 760,733,059 | 766,030,765 | 807,443,379 | 703,881,789 | 676,386,914 | 653,692,644 | 678,445,748 |
| Program revenue: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | 6,582,507 | 9,746,814 | 7,377,287 | 5,085,578 | 6,691,253 | 3,930,371 | 4,296,733 | 3,766,901 | 3,632,801 | 5,681,830 |
| Public safety | 5,167,166 | 6,488,472 | 6,125,456 | 5,718,407 | 6,933,320 | 5,604,016 | 6,418,090 | 6,077,391 | 6,263,832 | 6,217,889 |
| Public facilities, parks and recreation | 4,446,556 | 4,120,629 | 3,675,542 | 4,174,696 | 4,281,323 | 4,267,986 | 3,882,782 | 4,217,714 | 4,008,679 | 5,225,479 |
| Planning and economic development | 2,804,783 | 3,596,088 | 3,411,604 | 6,565,823 | 4,607,067 | 5,974,668 | 4,386,547 | 2,904,860 | 4,102,402 | 2,292,655 |
| Health and social services | 728,715 | 1,092,045 | 1,325,099 | 1,045,142 | 772,288 | 750,404 | 1,125,770 | 2,013,222 | 865,318 | 1,502,929 |
| Education | 218,941 | 280,956 | 542,899 | 631,266 | 668,925 | 787,178 | 735,122 | 704,164 | 702,587 | 756,596 |
| Special services | 214,306 | (146,678) | 29,115 | 702,364 | (152,931) | (1,135,968) | 549,529 | 1,468,921 | | 832,216 |
| Operating grants and contributions: | | | | | | | | | | |
| General government | 15,000 | 128,922 | 119,780 | 91,597 | 440,327 | 420,791 | 196,264 | 704,873 | 425,724 | 975,269 |
| Public safety | 619,624 | 117,600 | 115,052 | 38,098 | 189,018 | 43,870 | 58,274 | 64,006 | 77,404 | 530,148 |
| Public facilities | 1,512,123 | 4,275,563 | 6,344,113 | 1,508,372 | 5,966,045 | 11,990,437 | 11,210,773 | 1,619,514 | 4,279,642 | 1,560,017 |
| Planning and economic development | | 5,809,764 | 3,627,369 | 6,113,859 | 6,046,274 | 8,558,403 | 11,141,789 | 12,587,947 | 12,320,951 | 7,291,614 |
| Health and social services | 1,778,617 | 1,875,864 | 1,270,964 | 1,696,616 | 2,139,543 | 2,217,947 | 4,920,034 | 3,892,593 | 5,916,291 | 8,662,148 |
| Education | 322,559,551 | 288,767,594 | 317,766,584 | 316,170,091 | 326,052,764 | 310,324,708 | 299,181,796 | 276,324,293 | 257,452,149 | 265,667,950 |
| Special services | 8,596,113 | 4,955,300 | 6,205,626 | 5,383,521 | 11,708,441 | 8,573,446 | 3,813,519 | 8,993,807 | 3,880,602 | 6,890,585 |
| Interest on long-term debt | 454,442 | 1,935,845 | 194,167 | 1,062,649 | 907,552 | 1,289,418 | 1,356,816 | 1,526,001 | 1,570,900 | 1,703,694 |
| Capital grants and contributions: | | | | | | | | | | |
| General government | | | | | 18,100 | | | | | |
| Education | 777,797 | 2,323,891 | 59,559,689 | 36,223,067 | 74,399,240 | 37,877,509 | 29,876,935 | 60,215,806 | 35,750,724 | 26,475,637 |
| Public facilities | 4,943,033 | 3,494,894 | 4,105,414 | 3,279,698 | 1,133,287 | 1,756,685 | 3,522,581 | 1,205,943 | 1,188,554 | 324,725 |
| Special services | | 18,732 | 10,437 | 29,502 | 66,670 | 7,799 | 251,000 | 310,000 | | |
| Total governmental activities program revenue | 361,419,274 | 338,882,295 | 421,806,197 | 395,520,346 | 452,868,506 | 403,239,668 | 386,924,354 | 388,597,956 | 342,438,560 | 342,591,381 |

(Continued on next page)

**CITY OF BRIDGEPORT, CONNECTICUT
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)**

| | FISCAL YEAR | | | | | | | | | |
|--|-----------------|------------------|----------------|---------------|---------------|-----------------|---------------|---------------|---------------|----------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Water Pollution Control Authority | \$ 35,819,246 | \$ 35,863,980 | \$ 36,164,732 | \$ 37,850,950 | \$ 36,596,546 | \$ 37,891,428 | \$ 36,038,499 | \$ 28,159,305 | \$ 28,083,135 | \$ 28,076,908 |
| Capital grants and contributions: | | | | | | | | | | |
| Water Pollution Control Authority | 145,393 | 463,946 | 2,716,685 | 1,320,768 | 4,353,922 | 1,821,809 | 2,256,871 | 3,052,731 | 4,284,004 | 775,944 |
| Total business-type activities program revenues | 35,964,639 | 36,327,926 | 38,881,417 | 39,171,718 | 40,950,468 | 39,713,237 | 38,295,370 | 31,212,036 | 32,367,139 | 28,852,852 |
| Total primary government program revenues | 397,383,913 | 375,210,221 | 460,687,614 | 434,692,064 | 493,818,974 | 442,952,905 | 425,219,724 | 419,809,992 | 374,805,699 | 371,444,233 |
| Net (expense) revenue: | | | | | | | | | | |
| Governmental activities | (415,344,319) | (449,838,156) | (283,081,189) | (326,032,345) | (275,924,974) | (368,259,995) | (281,332,094) | (259,389,183) | (284,866,357) | (309,842,886) |
| Business-type activities | (4,599,194) | (3,596,367) | (805,957) | (8,650) | 3,713,183 | 3,769,521 | 2,670,029 | 2,812,261 | 5,979,412 | 2,841,371 |
| Total primary government net expense | (419,943,513) | (453,434,523) | (283,887,146) | (326,040,995) | (272,211,791) | (364,490,474) | (278,662,065) | (256,576,922) | (278,886,945) | (307,001,515) |
| General Revenues and Other Changes in Net Position: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property taxes | 325,475,989 | 316,184,000 | 314,781,907 | 298,910,281 | 300,053,001 | 303,836,495 | 296,275,535 | 284,379,599 | 278,055,567 | 277,621,119 |
| Grants and contributions not restricted to specific programs | 27,988,915 | 29,271,631 | 29,725,039 | 36,455,578 | 25,146,880 | 20,206,133 | 22,591,287 | 23,820,702 | 21,237,067 | 21,546,933 |
| Unrestricted investment earnings | 3,506,496 | 3,822,982 | 1,387,642 | 749,011 | 279,984 | 251,486 | 259,308 | 307,620 | 305,947 | 468,605 |
| Miscellaneous | 1,285,424 | 9,147 | 236,045 | 1,181,517 | 2,270,522 | | | 23,000 | | |
| Transfers | | | | | | | | | | 14,211 |
| Special item-Reduction of MERS liability for prior services | | | 156,676,272 | | | | | | | |
| Total governmental activities | 358,256,824 | 349,287,760 | 502,806,905 | 337,296,387 | 327,750,387 | 324,294,114 | 319,126,130 | 308,530,921 | 299,598,581 | 299,650,868 |
| Business-type activities: | | | | | | | | | | |
| Investment earnings | 12,216 | 17,200 | 18,555 | 14,995 | 9,231 | 6,929 | 7,194 | 7,898 | 12,093 | 22,836 |
| Total primary government | 358,269,040 | 349,304,960 | 502,825,460 | 337,311,382 | 327,759,618 | 324,301,043 | 319,133,324 | 308,538,819 | 299,610,674 | 299,673,704 |
| Changes in Net Position: | | | | | | | | | | |
| Governmental activities | (57,087,495) | (100,550,396) | 219,725,716 | 11,264,042 | 51,825,413 | (43,965,881) | 37,794,036 | 49,141,738 | 14,732,224 | (10,192,018) |
| Business-type activities | (4,586,978) | (3,579,167) | (787,402) | 6,345 | 3,722,414 | 3,776,450 | 2,677,223 | 2,820,159 | 5,991,505 | 2,864,207 |
| Total Primary Government | \$ (61,674,473) | \$ (104,129,563) | \$ 218,938,314 | \$ 11,270,387 | \$ 55,547,827 | \$ (40,189,431) | \$ 40,471,259 | \$ 51,961,897 | \$ 20,723,729 | \$ (7,327,811) |

**CITY OF BRIDGEPORT, CONNECTICUT
PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)**

| Function/Program | FISCAL YEAR | | | | | | | | | |
|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 6,597,507 | \$ 9,875,736 | \$ 7,497,067 | \$ 5,177,175 | \$ 7,149,680 | \$ 4,351,162 | \$ 4,492,997 | \$ 4,471,774 | \$ 4,058,525 | \$ 6,657,099 |
| Public safety | 5,786,790 | 6,606,072 | 6,240,508 | 5,756,505 | 7,122,338 | 5,647,886 | 6,476,364 | 6,141,397 | 6,341,236 | 6,748,037 |
| Public facilities | 10,901,712 | 11,891,086 | 14,125,069 | 8,962,766 | 11,380,655 | 18,015,108 | 18,616,136 | 7,043,171 | 9,476,875 | 7,110,221 |
| Planning and economic development | 2,804,783 | 9,405,852 | 7,038,973 | 12,679,682 | 10,653,341 | 14,533,071 | 15,528,336 | 15,492,807 | 16,423,353 | 9,584,269 |
| Health and social services | 2,507,332 | 2,967,909 | 2,596,063 | 2,741,758 | 2,911,831 | 2,968,351 | 6,045,804 | 5,905,815 | 6,781,609 | 10,165,077 |
| Education | 323,556,289 | 291,372,441 | 377,869,172 | 353,024,424 | 401,120,929 | 348,989,395 | 329,793,853 | 337,244,263 | 293,905,460 | 292,900,183 |
| Special services | 8,810,419 | 4,827,354 | 6,245,178 | 6,115,387 | 11,622,180 | 7,445,277 | 4,614,048 | 10,772,728 | 3,880,602 | 7,722,801 |
| Interest on long-term debt | 454,442 | 1,935,845 | 194,167 | 1,062,649 | 907,552 | 1,289,418 | 1,356,816 | 1,526,001 | 1,570,900 | 1,703,694 |
| Total governmental activities | <u>361,419,274</u> | <u>338,882,295</u> | <u>421,806,197</u> | <u>395,520,346</u> | <u>452,868,506</u> | <u>403,239,668</u> | <u>386,924,354</u> | <u>388,597,956</u> | <u>342,438,560</u> | <u>342,591,381</u> |
| Business-type activities: | | | | | | | | | | |
| Water Pollution Control Authority | <u>35,964,639</u> | <u>36,327,926</u> | <u>38,881,417</u> | <u>39,171,718</u> | <u>40,950,468</u> | <u>39,713,237</u> | <u>38,295,370</u> | <u>31,212,036</u> | <u>32,367,139</u> | <u>28,852,852</u> |
| Total Government | <u>\$ 397,383,913</u> | <u>\$ 375,210,221</u> | <u>\$ 460,687,614</u> | <u>\$ 434,692,064</u> | <u>\$ 493,818,974</u> | <u>\$ 442,952,905</u> | <u>\$ 425,219,724</u> | <u>\$ 419,809,992</u> | <u>\$ 374,805,699</u> | <u>\$ 371,444,233</u> |

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

| | FISCAL YEAR | | | | | | | | | |
|------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
| General Fund: | | | | | | | | | | |
| Nonspendable | \$ | | \$ | \$ 350,000 | \$ 350,000 | \$ 350,000 | \$ 350,000 | \$ 350,000 | \$ 350,000 | \$ 350,000 |
| Assigned | | | | | | | | | 3,222,700 | 5,222,700 |
| Unassigned | 27,643,194 | 23,723,186 | 21,014,433 | 18,916,129 | 14,269,142 | 13,363,461 | 13,045,816 | 12,574,082 | 9,147,814 | 10,987,910 |
| Total General Fund | <u>\$ 27,643,194</u> | <u>\$ 23,723,186</u> | <u>\$ 21,014,433</u> | <u>\$ 19,266,129</u> | <u>\$ 14,619,142</u> | <u>\$ 13,713,461</u> | <u>\$ 13,395,816</u> | <u>\$ 12,924,082</u> | <u>\$ 12,720,514</u> | <u>\$ 16,560,610</u> |
| All Other Governmental Funds: | | | | | | | | | | |
| Restricted | \$ 32,393,144 | \$ 27,339,304 | \$ 25,191,649 | \$ 11,876,732 | \$ 5,902,507 | \$ 7,578,873 | \$ 4,864,914 | \$ 4,592,021 | \$ 1,910,141 | \$ 1,398,998 |
| Committed | 148,462,302 | 128,910,044 | 107,270,519 | 99,270,122 | 73,656,280 | 72,250,958 | 38,990,756 | 67,334,090 | 97,217,290 | 60,355,682 |
| Unassigned | | | | (891,221) | (1,204,998) | (887,110) | (29,861) | (1,132,864) | (2,933,603) | (4,216,210) |
| Total All Other Governmental Funds | <u>\$ 180,855,446</u> | <u>\$ 156,249,348</u> | <u>\$ 132,462,168</u> | <u>\$ 110,255,633</u> | <u>\$ 78,353,789</u> | <u>\$ 78,942,721</u> | <u>\$ 43,825,809</u> | <u>\$ 70,793,247</u> | <u>\$ 96,193,828</u> | <u>\$ 57,538,470</u> |

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

| | FISCAL YEAR | | | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|---------------------|-----------------------|------------------------|------------------------|----------------------|---------------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
| Revenues: | | | | | | | | | | |
| Property taxes | \$ 326,796,475 | \$ 314,884,560 | \$ 311,378,677 | \$ 312,461,292 | \$ 299,380,641 | \$ 297,658,389 | \$ 290,690,776 | \$ 285,962,925 | \$ 274,118,745 | \$ 272,206,146 |
| Intergovernmental | 352,007,017 | 362,739,390 | 408,774,294 | 411,442,721 | 447,358,336 | 401,772,314 | 387,013,540 | 391,193,349 | 346,936,724 | 340,359,992 |
| Fees, permits and licenses | 19,925,131 | 24,808,516 | 18,136,529 | 19,752,714 | 22,139,661 | 19,169,677 | 17,937,764 | 15,953,121 | 16,664,394 | 15,355,420 |
| Interest | 3,506,496 | 3,876,090 | 1,387,642 | 749,006 | 279,985 | 251,486 | 259,308 | 307,039 | 305,673 | 467,604 |
| Other | 1,855,772 | 1,294,362 | 6,384,907 | 3,404,616 | 12,609,215 | 4,231,035 | 6,248,652 | 7,046,473 | 4,347,520 | 9,412,146 |
| Total revenues | <u>704,090,891</u> | <u>707,602,918</u> | <u>746,062,049</u> | <u>747,810,349</u> | <u>781,767,838</u> | <u>723,082,901</u> | <u>702,150,040</u> | <u>700,462,907</u> | <u>642,373,056</u> | <u>637,801,308</u> |
| Expenditures: | | | | | | | | | | |
| Governmental and community services: | | | | | | | | | | |
| General government | 44,948,964 | 43,963,252 | 42,668,409 | 41,861,010 | 36,079,269 | 35,060,037 | 39,060,527 | 39,691,634 | 39,935,817 | 38,663,676 |
| Public safety | 258,447,899 | 137,560,411 | 139,352,315 | 137,976,278 | 135,416,264 | 119,804,154 | 119,804,154 | 121,687,093 | 115,629,783 | 107,582,600 |
| Public facilities | 39,680,916 | 38,846,819 | 38,983,342 | 36,553,580 | 35,862,313 | 37,473,983 | 37,473,983 | 36,166,380 | 34,490,427 | 33,119,337 |
| Planning and economic development | 4,031,922 | 4,210,066 | 3,918,969 | 3,920,695 | 4,228,157 | 4,000,056 | 4,000,056 | 3,804,545 | 3,630,343 | 3,610,102 |
| Health and social services | 9,024,334 | 6,932,039 | 5,769,652 | 5,580,511 | 7,319,991 | 6,847,381 | 6,847,381 | 6,962,930 | 6,536,848 | 11,501,774 |
| Libraries | 7,449,678 | 6,971,623 | 6,651,889 | 5,614,656 | 7,485,850 | 6,576,900 | 6,576,900 | 6,166,881 | 6,034,045 | 5,392,768 |
| Education | 369,668,190 | 372,226,926 | 360,537,415 | 379,893,985 | 388,183,531 | 353,994,653 | 353,994,653 | 332,092,576 | 312,976,935 | 317,360,583 |
| Special services | 8,125,256 | 11,929,804 | 10,149,883 | 16,630,856 | 21,568,961 | 20,274,199 | 20,274,199 | 20,237,367 | 17,368,994 | 21,096,024 |
| Debt service: | | | | | | | | | | |
| Principal retirements | 32,171,390 | 33,404,187 | 37,205,672 | 39,754,694 | 38,679,933 | 38,143,098 | 38,143,098 | 27,717,065 | 31,183,000 | 31,641,000 |
| Interest and other charges | 44,304,294 | 42,953,342 | 39,599,033 | 37,170,844 | 34,878,001 | 35,880,297 | 35,880,297 | 38,484,830 | 39,791,002 | 41,269,592 |
| Capital outlay | 38,738,804 | 49,910,976 | 97,226,365 | 76,499,225 | 95,861,461 | 66,802,507 | 66,802,507 | 93,042,777 | 74,551,555 | 45,222,964 |
| Payment to MERS for prior service costs | | | 98,582,467 | | | | | | | |
| Total expenditures | <u>856,591,647</u> | <u>748,909,445</u> | <u>880,645,411</u> | <u>781,456,334</u> | <u>805,563,731</u> | <u>724,857,265</u> | <u>728,857,755</u> | <u>726,054,078</u> | <u>682,128,749</u> | <u>656,460,420</u> |
| Excess of revenues under expenditures | <u>(152,500,756)</u> | <u>(41,306,527)</u> | <u>(134,583,362)</u> | <u>(33,645,985)</u> | <u>(23,795,893)</u> | <u>(1,774,364)</u> | <u>(26,707,715)</u> | <u>(25,591,171)</u> | <u>(39,755,693)</u> | <u>(18,659,112)</u> |
| Other financing sources (uses): | | | | | | | | | | |
| Transfers in | 300,000 | 926,700 | 2,719,351 | 2,528,854 | 4,313,331 | 3,410,284 | 3,410,284 | 500,000 | 500,000 | 500,000 |
| Transfers out | (300,000) | (926,700) | (2,719,351) | (2,528,854) | (5,813,331) | (3,410,284) | (3,410,284) | (500,000) | (500,000) | (500,000) |
| Bonds issued | 174,975,000 | 60,105,000 | 133,480,773 | 60,970,000 | 23,195,000 | | | | 67,930,000 | 19,440,000 |
| Bond refunding issue | 35,980,000 | | 97,385,000 | | 59,640,000 | 14,290,000 | 14,290,000 | 55,225,000 | | |
| Premium on refunding bonds issued | 3,604,954 | | | | | | | | | |
| Premium on bonds issued | 5,427,403 | 7,697,461 | 13,600,652 | 9,224,816 | 12,337,545 | 1,150,189 | 1,150,189 | 4,874,093 | 6,641,055 | |
| Payments to escrow agent | (38,960,495) | | (85,928,224) | | (69,559,903) | (15,228,178) | (15,228,178) | (59,704,935) | | |
| Proceeds from notes payable | | | | | | | | | | |
| Capital lease | | | | | | | | | | |
| Total other financing sources | <u>181,026,862</u> | <u>67,802,461</u> | <u>158,538,201</u> | <u>70,194,816</u> | <u>24,112,642</u> | <u>212,011</u> | <u>212,011</u> | <u>394,158</u> | <u>74,571,055</u> | <u>19,440,000</u> |
| Net Changes in Fund Balance | \$ <u>28,526,106</u> | \$ <u>26,495,934</u> | \$ <u>23,954,839</u> | \$ <u>36,548,831</u> | \$ <u>316,749</u> | \$ <u>(1,562,353)</u> | \$ <u>(26,495,704)</u> | \$ <u>(25,197,013)</u> | \$ <u>34,815,362</u> | \$ <u>780,888</u> |
| Debt Service as a Percentage of Noncapital Expenditures | | | | | | | | | | |
| | <u>9.4%</u> | <u>11.3%</u> | <u>9.6%</u> | <u>11.0%</u> | <u>10.5%</u> | <u>11.2%</u> | <u>11.2%</u> | <u>10.5%</u> | <u>11.7%</u> | <u>12.0%</u> |

CITY OF BRIDGEPORT, CONNECTICUT
TAX REVENUE BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 (Unaudited)

| Fiscal Year | Real Estate | Personal Property | Motor Vehicle | Total |
|---------------------|--------------------|--------------------------|----------------------|---------------|
| 2009 | 230,926,963 | 24,496,725 | 14,343,553 | 269,767,241 |
| 2010 | 224,429,907 | 31,097,659 | 15,181,089 | 270,708,655 |
| 2011 | 235,380,246 | 31,814,553 | 14,853,112 | 282,047,911 |
| 2012 | 231,147,846 | 31,242,492 | 17,044,538 | 279,434,876 |
| 2013 | 237,452,454 | 28,608,729 | 20,026,111 | 286,087,294 |
| 2014 | 247,634,510 | 29,273,456 | 20,620,272 | 297,528,238 |
| 2015 | 249,909,726 | 30,117,975 | 21,608,636 | 301,636,337 |
| 2016 | 251,167,365 | 31,015,137 | 22,335,890 | 304,518,362 |
| 2017 | 258,466,001 | 44,695,896 | 20,667,952 | 323,829,849 |
| 2018 | 255,799,752 | 43,620,964 | 22,434,590 | 321,855,306 |
| 2019 | 257,366,589 | 43,934,685 | 26,591,985 | 327,893,259 |
| 2020 | 257,256,833 | 58,551,391 | 27,438,508 | 343,246,732 |
| Change 2011-2020 | <u>14.68%</u> | <u>41.28%</u> | <u>75.17%</u> | <u>21.12%</u> |

TABLE 7

CITY OF BRIDGEPORT, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(In Thousands)
(Unaudited)

| Fiscal Year | Residential Property | Commercial Property | Industrial Property | Miscellaneous Land | Personal Property | Motor Vehicle | Total Taxable Assessed Value | Percent Growth | Total Direct Tax Rate | Actual Taxable Value | Value as a Percentage of Actual Value |
|--------------------|-----------------------------|----------------------------|----------------------------|---------------------------|--------------------------|----------------------|-------------------------------------|-----------------------|------------------------------|-----------------------------|--|
| 2010 | 4,084,631 | 922,699 | 578,540 | 75,833 | 784,502 | 382,974 | 6,829,179 | 0.4% | 39.64 | 9,755,970 | 70.00% |
| 2011 | 4,159,228 | 877,194 | 421,714 | 84,023 | 804,932 | 396,467 | 7,022,705 | 0.2% | 39.64 | 10,159,571 | 70.00% |
| 2012 | 4,089,937 | 1,192,378 | 564,301 | 119,384 | 636,574 | 412,029 | 7,014,603 | 0.0% | 41.11 | 10,020,861 | 70.00% |
| 2013 | 4,082,205 | 1,225,399 | 587,398 | 125,387 | 698,880 | 419,227 | 7,138,496 | 0.2% | 41.86 | 10,197,851 | 70.00% |
| 2014 | 4,085,344 | 1,197,586 | 552,296 | 124,698 | 714,071 | 430,836 | 7,104,831 | 0.0% | 42.20 | 10,149,759 | 70.00% |
| 2015 | 4,085,727 | 1,220,504 | 552,923 | 129,092 | 734,447 | 442,829 | 7,165,522 | 0.0% | 42.20 | 10,236,460 | 70.00% |
| 2016 | 3,105,335 | 1,166,716 | 441,566 | 122,995 | 822,259 | 460,091 | 6,118,962 | (-) 14.6 % | 54.37 | 8,741,375 | 70.00% |
| 2017 | 3,104,031 | 1,180,193 | 357,015 | 121,630 | 802,342 | 486,016 | 6,015,227 | (-) 1.1% | 54.37 | 8,593,181 | 70.00% |
| 2018 | 3,119,848 | 1,170,171 | 371,453 | 135,448 | 808,092 | 492,576 | 6,097,588 | 0.7% | 54.37 | 8,710,840 | 70.00% |
| 2019 | 3,121,651 | 1,167,939 | 370,642 | 169,603 | 1,070,621 | 508,422 | 6,408,878 | 5.1% | 53.99 | 9,155,540 | 70.00% |
| 2020 | 3,126,382 | 1,150,575 | 362,496 | 174,020 | 1,141,368 | 535,262 | 6,490,103 | 1.3% | 53.99 | 9,271,575 | 70.00% |

Source: City of Bridgeport Tax Assessor's Office

TABLE 8

**CITY OF BRIDGEPORT, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS - REAL PROPERTY
FY 2020 and FY 2011
(Unaudited)**

| Taxpayer | FY 2020 | | | FY 2011 | | |
|---|------------------------|------|---|-------------------------|------|---|
| | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| PSEG Power Connecticut LLC* ⁽¹⁾ | \$ 427,307,661 | 1 | 6.59% | \$ 52,663,326 | 6 | 5.16% |
| United Illuminating Co. Inc. | 299,288,000 | 2 | 4.93% | 132,181,954 | 2 | 12.96% |
| CRRA/US Bank National Association (real property Wheelabrator) | 115,500,000 | 3 | 1.97% | 140,046,244 | 1 | 13.73% |
| Bridgeport Energy LLC | 91,749,954 | 4 | 1.82% | 48,784,414 | 7 | 4.78% |
| Connecticut Light & Power | 49,710,940 | 5 | 0.77% | 45,923,653 | 8 | 4.50% |
| People's United Bank | 49,443,840 | 6 | 0.76% | 69,021,817 | 5 | 6.77% |
| Southern CT Gas Co.-Energy EA | 43,507,490 | 7 | 0.67% | 72,065,357 | 4 | 7.06% |
| Dominion Bpt Fuel Cell LLC | 30,387,630 | 8 | 0.47% | n/a | | |
| Aquarian Water Co. of CT* | 22,425,580 | 9 | 0.35% | n/a | | |
| Watermark 3030 Park LLC | 21,000,000 | 10 | 0.32% | 25,532,028 | 10 | 2.50% |
| Success Village Apts Inc. | 20,907,235 | | | 26,762,580 | 10 | 2.62% |
| Shelbourne Lafayette (formerly BPT Lafayette 2005 LLC) | 12,510,990 | | | 15,400,000 | 9 | 1.51% |
| AT&T Mobility | 13,372,720 | | | 75,341,484 | 3 | 7.38% |
| Wheelabrator BPT LP (personal property) | 271,900 | | | 288,528,884 | 1 | 28.28% |
| Cingular Wireless LLC (now declares to State - City gets PILOT from CT State) | n/a | | | 80,663,062 | 2 | 7.91% |
| Total | 6,485,590,321 | | 100.00% | \$ 1,020,251,477 | | 100.00% |

* Note: Name change occurred during period.

⁽¹⁾ Note: PSEG new power plant opened in FY2020.

Source: City of Bridgeport - Assessor's Office

**CITY OF BRIDGEPORT, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

| Fiscal Year Ended June 30: | Grand List Year | Taxes Levied for the Tax Year | Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|-------------------------------|--------------------|-------------------------------------|-------------------------|-----------------------|---------------------------------------|---------------------------|-----------------------|
| | | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2011 | 2009 | 273,823,500 | 267,033,575 | 97.52% | 1,969,582 | 269,003,157 | 98.23% |
| 2012 | 2010 | 275,342,274 | 267,783,020 | 97.25% | 2,463,132 | 270,246,152 | 98.15% |
| 2013 | 2011 | 286,087,294 | 278,613,368 | 97.39% | 2,826,411 | 281,439,779 | 98.38% |
| 2014 | 2012 | 293,618,038 | 284,699,957 | 96.96% | 4,559,726 | 289,259,683 | 98.52% |
| 2015 | 2013 | 296,309,866 | 291,238,982 | 98.29% | 2,686,607 | 293,925,589 | 99.20% |
| 2016 | 2014 | 298,378,831 | 293,406,881 | 98.33% | 1,810,121 | 295,217,001 | 98.94% |
| 2017 | 2015 | 310,799,149 | 307,164,691 | 98.83% | 2,827,411 | 309,995,102 | 99.74% |
| 2018 | 2016 | 313,252,556 | 308,779,618 | 98.57% | 1,493,803 | 310,273,421 | 99.05% |
| 2019 | 2017 | 319,856,486 | 313,327,629 | 97.96% | 1,335,496 | 314,663,125 | 98.38% |
| 2020 | 2018 | 333,820,712 | 324,396,971 | 97.18% | 3,082,673 | 327,479,644 | 98.10% |

Source: City of Bridgeport - Tax Collector's Office

CITY OF BRIDGEPORT, CONNECTICUT
RATIO OF OUTSTANDING DEBT 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 | | | CWF Loan Payable | General Obligation Bonds CWF | Revenue Bonds | | | |
| 2010 | \$ 669,140 | \$ | \$ 669,140 | 6.86% | \$ 4,796 | \$ 44,509 | \$ 2,255 | \$ | \$ 715,904 | 29.23% | \$ 5,131 |
| 2011 | 651,890 | | 651,890 | 6.42% | 4,520 | 43,621 | 2,152 | | 697,663 | 29.66% | 4,837 |
| 2012 | 689,265 | | 689,265 | 6.80% | 4,779 | 42,812 | 4,008 | | 736,085 | 27.00% | 5,104 |
| 2013 | 654,330 | | 654,330 | 6.38% | 4,493 | 44,866 | 3,874 | | 703,070 | 24.00% | 4,828 |
| 2014 | 636,625 | | 636,625 | 6.08% | 4,315 | 40,025 | 3,679 | | 680,329 | 23.12% | 4,618 |
| 2015 | 673,343 | | 673,343 | 6.34% | 4,399 | 38,276 | 3,595 | | 715,214 | 23.26% | 4,683 |
| 2016 | 662,157 | | 662,157 | 7.57% | 3,153 | 37,347 | 3,268 | | 702,772 | 23.20% | 4,873 |
| 2017 | 648,586 | | 648,586 | 7.42% | 3,143 | 34,332 | 3,854 | | 686,772 | 22.19% | 4,661 |
| 2018 | 763,761 | | 763,761 | 8.77% | 5,304 | 30,271 | 4,434 | | 798,466 | 24.31% | 5,537 |
| 2019 | 791,386 | | 791,386 | 8.64% | 5,274 | 27,907 | 6,358 | | 825,651 | 23.15% | 5,452 |
| 2020 | 933,930 | | 933,930 | 10.20% | 6,373 | 24,076 | 7,300 | | 965,306 | 27.30% | 6,605 |

Source: City of Bridgeport Finance Dept.

CITY OF BRIDGEPORT, CONNECTICUT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING BY TYPE
LAST TEN FISCAL YEARS
(In Thousands)
(Unaudited)

| Fiscal Year | Governmental Activities | | Percentage of Actual Property Value | Debt Per Capita | Business-Type Activities | | Total Primary Government | Percentage of Per Capita Income | Per Capita |
|-------------|--------------------------|-------------------------|-------------------------------------|-----------------|------------------------------|------------|--------------------------|---------------------------------|------------|
| | General Obligation Bonds | Net General Bonded Debt | | | General Obligation Bonds CWF | | | | |
| 2010 | \$ 669,140 | \$ 669,140 | 6.86% | \$ 4,796 | \$ 2,255 | \$ 671,395 | 23.70% | \$ 5,131 | |
| 2011 | 651,890 | 651,890 | 6.42% | 4,520 | 2,152 | 654,042 | 24.22% | 4,837 | |
| 2012 | 689,265 | 689,265 | 6.80% | 4,779 | 4,008 | 693,273 | 25.68% | 5,104 | |
| 2013 | 654,330 | 654,330 | 6.38% | 4,493 | 3,874 | 658,204 | 24.38% | 4,828 | |
| 2014 | 636,625 | 636,625 | 6.08% | 4,315 | 3,806 | 640,431 | 21.86% | 4,618 | |
| 2015 | 673,343 | 673,343 | 6.34% | 4,399 | 3,595 | 676,938 | 21.97% | 4,423 | |
| 2016 | 662,157 | 662,157 | 10.3% | 4,440 | 3,268 | 665,425 | 21.97% | 4,400 | |
| 2017 | 648,586 | 648,586 | 7.8% | 4,370 | 3,854 | 652,440 | 21.90% | 4,370 | |
| 2018 | 763,761 | 763,761 | 8.8% | 5,304 | 4,434 | 768,195 | 24.31% | 5,327 | |
| 2019 | 791,386 | 791,386 | 8.6% | 5,274 | 6,359 | 797,745 | 23.15% | 5,327 | |
| 2020 | 933,930 | 933,930 | 10.2% | 6,373 | 7,300 | 941,230 | 27.30% | 6,423 | |

Source: City of Bridgeport Finance Dept.

**CITY OF BRIDGEPORT, CONNECTICUT
DIRECT GOVERNMENTAL ACTIVITIES DEBT
FOR THE YEAR ENDED JUNE 30, 2020
(Unaudited)**

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> |
|--|-----------------------------|
| General obligation debt | \$ 965,305,940 |
| Less school construction grants receivable - principal portion only | <u>(21,000,000)</u> |
| Total Direct Debt | <u>\$ 944,305,940</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.

Source: City of Bridgeport Finance Dept.

CITY OF BRIDGEPORT, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(In Thousands)
(Unaudited)

| | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Debt limit | \$ 1,909,787 | \$ 1,918,226 | \$ 1,975,977 | \$ 2,050,851 | \$ 2,084,816 | \$ 2,091,301 | \$ 2,194,321 | \$ 2,155,550 | \$ 2,193,974 | \$ 2,228,357 |
| Total net debt applicable to limit | <u>717,376</u> | <u>755,691</u> | <u>870,367</u> | <u>689,996</u> | <u>761,541</u> | <u>934,134</u> | <u>818,169</u> | <u>913,150</u> | <u>1,127,323</u> | <u>1,116,310</u> |
| Legal debt margin | <u>\$ 1,192,411</u> | <u>\$ 1,162,535</u> | <u>\$ 1,105,610</u> | <u>\$ 1,360,855</u> | <u>\$ 1,323,275</u> | <u>\$ 1,157,167</u> | <u>\$ 1,376,152</u> | <u>\$ 1,242,400</u> | <u>\$ 1,066,651</u> | <u>\$ 1,112,047</u> |
| Total net debt applicable to the limit as a percentage of debt limit | <u>37.56%</u> | <u>39.40%</u> | <u>44.05%</u> | <u>33.64%</u> | <u>36.53%</u> | <u>44.67%</u> | <u>37.29%</u> | <u>42.36%</u> | <u>51.38%</u> | <u>50.10%</u> |

**CITY OF BRIDGEPORT, CONNECTICUT
COMPUTATION OF LEGAL DEBT LIMITATION
JUNE 30, 2020**

| | |
|---|-------------------------|
| Total tax collections (including interest and lien fees) for the year ended June 30, 2019 | \$ 317,473,190 |
| Reimbursement for revenue loss: | |
| Tax relief for the elderly | <u>863,544</u> |
| Base | <u>\$ 318,336,734</u> |
| Debt Limit | <u>\$ 2,228,357,138</u> |

| | <u>General Purpose</u> | <u>Schools</u> | <u>Sewer</u> | <u>Urban Renewal</u> | <u>Unfunded Past Benefit Obligation</u> |
|---|----------------------------|-------------------------|-------------------------|--------------------------|---|
| Debt Limitation | | | | | |
| 2-1/4 times base | \$ 716,257,652 | \$ | \$ | \$ | \$ |
| 4-1/2 times base | | 1,432,515,303 | | | |
| 3-3/4 times base | | | 1,193,762,753 | | |
| 3-1/4 times base | | | | 1,034,594,386 | |
| 3 times base | | | | | 955,010,202 |
| Total debt limitation | <u>716,257,652</u> | <u>1,432,515,303</u> | <u>1,193,762,753</u> | <u>1,034,594,386</u> | <u>955,010,202</u> |
| Debt as Defined by Statute: | | | | | |
| Bonds and Notes Payable | 342,715,931 | 135,274,690 | 57,560,319 | 430,000 | 429,325,000 |
| Bond Anticipation Notes | | | 2,108,471 | | |
| Grant Anticipation Notes | | 21,000,000 | | | |
| Bonds authorized but unissued ¹ | 29,050,000 | | 119,845,544 | | |
| Less: school construction grant rec. ² | | <u>(21,000,000)</u> | | | |
| Total indebtedness | <u>371,765,931</u> | <u>135,274,690</u> | <u>179,514,334</u> | <u>430,000</u> | <u>429,325,000</u> |
| Debt Limitation in Excess of Indebtedness | <u>\$ 344,491,721</u> | <u>\$ 1,297,240,613</u> | <u>\$ 1,014,248,419</u> | <u>\$ 1,034,164,386</u> | <u>\$ 525,685,202</u> |

1 Includes all bonds currently authorized.

2 School construction grants are now receivable in full as soon as State grant audits are completed and obtained from the Grants Management Office, State of Connecticut.

**CITY OF BRIDGEPORT, CONNECTICUT
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS
 (Unaudited)**

| Calendar Year | Population | Personal Income | Per Capita Income | Median Age | School Enrollment | Unemployment Rate |
|----------------------|-------------------|------------------------|--------------------------|-------------------|--------------------------|--------------------------|
| 2010 | 139,529 | 54,313 | 20,302 | 31.4 | 20,407 | 12.9% |
| 2011 | 144,229 | 48,088 | 18,721 | 32.1 | 19,993 | 13.98% |
| 2012 | 144,229 | 48,088 | 18,721 | 32.1 | 20,338 | 12.57% |
| 2013 | 144,229 | 48,088 | 18,721 | 32.1 | 20,320 | 12.37% |
| 2014 | 144,229 | 48,088 | 19,854 | 32.1 | 21,180 | 10.1% |
| 2015 | 144,229 | 48,088 | 20,132 | 32.1 | 20,918 | 8.5% |
| 2016 | 144,229 | 48,088 | 21,002 | 32.1 | 21,127 | 8.4% |
| 2017 | 144,229 | 48,088 | 21,002 | 32.1 | 21,076 | 7.4% |
| 2018 | 144,229 | 48,088 | 21,816 | 32.1 | 21,004 | 6.3% |
| 2019 | 144,229 | 48,088 | 22,785 | 32.1 | 20,486 | 5.59% |

**CITY OF BRIDGEPORT, CONNECTICUT
PRINCIPAL EMPLOYERS
2019 AND 2009
(Unaudited)**

| Employer | 2020 | | 2009 | |
|-------------------------------|---|------|------------|------|
| | Employees | Rank | Employees* | Rank |
| Bridgeport Hospital, Inc. | 2386 FT (2,027 FT, 356 Per Diem, & 3 Temp.) | 1 | 2,700* | 1 |
| St. Vincent's Medical Center | 2,325 (1,889 FT & 436 PT)**** | 2 | 2,200* | 3 |
| People's United Bank | 1,338 (1,288 FT / 50 PT)*** | 3 | 2,400* | 2 |
| Sikorsky Aircraft | 358 | 4 | 600* | 5 |
| Lacey Manufacturing Company | 342 FT | 5 | 350* | 8 |
| University of Bridgeport | 340 FT | 6 | 537** | 6 |
| Bridgeport Health Care Center | 297**** | 7 | 1,100* | 4 |
| Prime Line Resources | 220 (216 FT Reg. / 4 FT Temp.) | 8 | 406* | 7 |
| Housatonic Community College | 209 (195 Perm. FT / 14 Temp. FT)**** | 9 | 184* | 10 |
| Watermark | 227 (109 FT / 56 On-Call / 62 PT) | 10 | 300** | 9 |

*=2007 Data

**=2008 Data

***=2017 Data

****=2019

Note: Rankings are based on Full Time Employees Only

Sources: City of Bridgeport - Finance Dept.

TABLE 17

CITY OF BRIDGEPORT, CONNECTICUT
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (Unaudited)

| Function/Program | FISCAL YEAR | | | | | | | | | |
|--|-------------|------|-------|------|------|------|------|------|------|------|
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
| General Government: | | | | | | | | | | |
| Office of the Mayor | 7.5 | 7.5 | 7.5 | 7.5 | 9 | 9 | 9 | 9 | 8 | 8 |
| Central Grants Office | 4 | 6 | 5 | 6 | 8 | 5 | 5 | 5 | 6 | 6 |
| Comptroller's Office | 12 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 14.5 | 14.5 |
| Finance Department | 5 | 5 | 5 | 6 | 6 | 4.5 | 4 | 4 | 4 | 4 |
| In-Plant Printing | 5.5 | 5.5 | 5.5 | 6 | 6.5 | 6.5 | 6.5 | 7.5 | 7.5 | 7.5 |
| Purchasing | 5 | 6 | 6 | 6 | 6 | 6 | 6 | 5 | 6 | 6 |
| Tax Collector | 13 | 13 | 12 | 13 | 14 | 14 | 14 | 16 | 18 | 18 |
| Tax Assessor | 10 | 9.5 | 10 | 11 | 11 | 11 | 11 | 11 | 13 | 13 |
| Treasurer's Office | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 3.5 | 2 | 2 |
| Registrar of Voters / Elections | 6 | 7 | 7 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| City Clerk | 5 | 5 | 6 | 6 | 6 | 6 | 5 | 6 | 5 | 6 |
| City Attorney | 19 | 19.5 | 20 | 22 | 21 | 20 | 20 | 18 | 21 | 21 |
| Archives and Records | 0 | 0 | 0 | 0 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Civil Service | 6 | 6 | 6 | 6 | 6 | 7 | 7 | 7 | 9 | 9 |
| Grants Personnel / Benefits Administration | 11 | 11 | 11 | 11 | 12 | 13.5 | 14 | 14 | 11 | 11 |
| Labor Relations | 5 | 5 | 5 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Town Clerk | 8 | 8 | 8 | 8 | 7 | 7 | 7 | 7 | 7 | 7 |
| Legislative Department | | | | | | | | | | |
| Office of Policy and Management | 6 | 6 | 6 | 6 | 6.5 | 6.5 | 6.5 | 6.5 | 6.5 | 6.5 |
| Chief Administrative Office / Citistat | 7 | 10 | 8.5 | 10 | 8 | 8 | 8 | 8 | 7 | 7 |
| Information Technology Services | 14 | 14 | 13 | 14 | 14 | 15 | 15 | 15 | 16 | 15 |
| Minority Business Resource Ctr | 3 | 4 | 4 | 0 | 3 | 3 | 3 | 3 | 2 | 2 |
| MIRA_Re-Entry Program | 2 | 0 | 0 | 0 | 0 | 0 | 0 | | | |
| Public Safety: | | | | | | | | | | |
| Police Department / Animal Shelter | 484 | 485 | 486.5 | 488 | 492 | 491 | 471 | 471 | 479 | 473 |
| Fire Department | 318 | 314 | 313 | 305 | 296 | 296 | 277 | 281 | 295 | 299 |
| Weights and Measures* | 0 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Emergency Operations Center | 57 | 57 | 56 | 55 | 57 | 57 | 57 | 57 | 59 | 60 |
| Public Facilities: | | | | | | | | | | |
| Public Facilities Administration | 21 | 21.5 | 19.5 | 14 | 18 | 17.5 | 16 | 16 | 15.5 | 15.5 |
| Municipal Garage | 12 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Facilities Maintenance | 32 | 32 | 32 | 32 | 32 | 33 | 33 | 31 | 31 | 31 |
| Roadway Maintenance | 47.5 | 49.5 | 49.5 | 37.5 | 37 | 37 | 37 | 44 | 45 | 45 |
| Sanitation / Recycling | 31 | 31 | 29 | 29 | 29 | 29 | 29 | 29 | 34 | 34 |
| Transfer Station | 5 | 5 | 5 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Parks and Recreation: | | | | | | | | | | |
| Recreation | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Department on Aging** | 0 | 10.5 | 10.5 | 8.5 | 7 | 7 | 7 | 7 | 6 | 6 |
| Parks & Rec Administration | 2 | 3 | 3 | 3 | 5 | 5 | 5 | 4 | 4 | 4 |
| Parks Maintenance | 15 | 14 | 14 | 14 | 14 | 14 | 14 | 15 | 16 | 17 |
| Beardsley Zoological Gardens | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 13 | 13 |
| Fairchild Wheeler G.C. | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 2 | 3 | 3 |

**CITY OF BRIDGEPORT, CONNECTICUT
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM (CONTINUED)
 LAST TEN FISCAL YEARS
 (Unaudited)**

| Function/Program | FISCAL YEAR | | | | | | | | | |
|---------------------------------|---------------|-------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
| Transportation: | | | | | | | | | | |
| Sikorsky Airport | 12 | 12 | 11 | 12 | 13 | 13 | 13 | 13 | 14 | 14 |
| City Engineer | 10 | 9 | 9 | 7 | 6 | 5.25 | 6 | 5 | 6 | 6 |
| Harbor Master | 1 | 1 | 1 | 1 | - | - | - | 1 | 1 | 1 |
| Planning & Development: | | | | | | | | | | |
| Planning & Economic Development | 17.5 | 14 | 14 | 15 | 21.5 | 20.5 | 20.5 | 20.5 | 19.5 | 18.5 |
| Building Department | 14 | 14 | 14 | 14 | 13 | 12.25 | 12 | 11 | 13 | 13 |
| Zoning Board of Appeals | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Zoning Commission | 7 | 7 | 7 | 6 | 6 | 6 | 6 | 6 | 6 | 5 |
| Health & Social Services: | | | | | | | | | | |
| Health Administrative | 4 | 3 | 4 | 5 | 6 | 4.5 | 3 | 2 | 2 | 2 |
| Dental Hygiene | - | - | - | - | - | - | - | - | - | - |
| Vital Statistics | 5 | 5 | 5 | 5 | 4.5 | 4.5 | 5 | 5 | 5 | 5 |
| Communicable Diseases | 4 | 3 | 3 | 4 | 5 | 5 | 5.2 | 5.2 | 5 | 5 |
| Environmental Health | 8.5 | 8.5 | 8.5 | 8 | 8 | 8 | 8 | 8 | 8 | 7 |
| Housing Code | 15 | 8 | 7 | 10 | 6 | 6 | 6 | 6 | 5 | 5 |
| Lead Program | - | 1 | 1 | 2.5 | 2 | 2 | 2 | 2 | - | - |
| Public Health Nursing | - | - | - | - | - | - | - | - | - | - |
| Clinics | 1 | - | - | - | 2 | - | - | - | - | - |
| School Based Health Centers | - | - | - | - | - | - | - | - | - | - |
| Social Services | 2.5 | 2.5 | 1.5 | 2 | 2 | 1.25 | 1.8 | 1.8 | 1 | 2 |
| Weights & Measures* | 2 | - | - | - | - | - | - | - | - | - |
| Department on Aging** | 9.5 | - | - | - | - | - | - | - | - | - |
| Human Services: | | | | | | | | | | |
| Human Services Administration | 1.5 | 1.5 | 2.5 | 2.5 | 2 | 2 | 2 | 2 | 2 | 2 |
| Persons with Disabilities | 0.5 | 0.5 | 1 | 2 | 1 | 1 | 1 | 1 | 0.5 | - |
| Veterans Affairs | 2.5 | 2.5 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 |
| Lighthouse / Youth Services | 4 | 4 | 4 | 4 | 6 | 6 | 6 | 6 | 4 | 4 |
| Parent Aide Program | - | - | - | - | - | - | - | - | - | - |
| Libraries | 52 | 66.5 | 56 | 57 | 53 | 53 | 54 | 53 | 53 | 52 |
| Total | 1374.5 | 1379 | 1,360.5 | 1,339 | 1,341 | 1,346 | 1,297 | 1,305 | 1,342 | 1,336 |

*/** - Headcount transferred to Health & Social Services.

**CITY OF BRIDGEPORT, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)**

| Function/Program | FISCAL YEAR | | | | | | | | | |
|---------------------------------------|------------------|-----------|------------------|-------------------|-------------------|-------------------|------------------|------------------|-----------------|-----------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Police: | | | | | | | | | | |
| Calls for service | 109,919 | 114,115 | 114,780 | 112,740 | 111,331 | 122,713 | 102,659 | 104,266 | 118,085 | 109,073 |
| Adult arrest | 4,237 | 4,230 | 6,422 | 3,771 | 3,047 | 2,964 | 3,369 | 4,574 | 6135 | 4597 |
| Juvenile arrest | 553 | 574 | 800 | 590 | 413 | 432 | 400 | 362 | 301 | 363 |
| Fire: | | | | | | | | | | |
| Total fire runs | 10,180 | 12,648 | 9,394 | 9,262 | 10,130 | 5,781 | 3,981 | 1,026 | 489 | 529 |
| Total rescue runs | 3,166 | 4,838 | 8,810 | 5,660 | 8,650 | 4,167 | 7,602 | 11,678 | 12940 | 9878 |
| Property loss | 3,415,473 | 7,418,300 | 3,649,017 | 3,541,176 | 3,171,020 | 2,537,913 | 2,025,200 | 3,257,920 | 7,534,309 | 3,890,940 |
| Building safety: | | | | | | | | | | |
| Total building permits | 2,425 | N/A | 3,127 | 2,939 | 3,199 | 3,461 | 3,520 | 3,263 | 4,233 | 2,919 |
| Total value all permits | \$ 48,862,471.60 | N/A | \$ 91,501,839.00 | \$ 172,883,186.00 | \$ 252,650,376.00 | \$ 316,366,980.00 | \$174,003,971.00 | \$244,983,475.71 | \$75,079,286.64 | \$80,805,173.89 |
| Library, volumes in collection | 537,580 | 533,600 | 538,600 | 573,455 | 573,705 | 525,372 | 571,143 | 581,996 | 476,734 | 473,405 |
| Public service: | | | | | | | | | | |
| Garbage collected (ton) | 60,436 | 58,736 | 55,698 | 55,538 | 55,224 | 57,218 | 55,088 | 53,660 | 54,730 | 54,544 |
| Recycle collected (ton) | 3,217 | 4,762 | 5,339 | 5,421 | 5,649 | 6,043 | 6,343 | 6,178 | 6,196 | 6,536 |
| Parks and recreation: | | | | | | | | | | |
| Recreation program attendance | 1,950 | 2,000 | 2,000 | 1750 | 1750 | 1,750 | 1,675 | 1,700 | 1650 | 1500 |
| Aquatics program attendance | 700 | 700 | 750 | 750 | 750 | 750 | 700 | 700 | 700 | 500 |
| Golf rounds played | 54,776 | 59,286 | 50,703 | 52,884 | 53,284 | 59,154 | 51,684 | 49,247 | 43,698 | 45,108 |
| Street trees maintained | 1,800 | 1,800 | 1,700 | 1962 | 1990 | 1,900 | 1,962 | 1,850 | 1,900 | 2000 |

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 | | | | | | | | | |
|--|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Police: | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 9 | 9 | 1 | 1 |
| Police Officer Sector Terminals (POST) | 4 | 3 | 3 | 3 | 4 | 4 | 4 | 5 | 4 | 4 |
| Number of personnel and officers | 469 | 456 | 473 | 454 | 429 | 349 | 388 | 394 | 392 | 436 |
| 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 | 366 | 296 | 283 | 282 | 284 | 272 | 291 | 296 | 299 | 293 |
| Equipment (pieces) | 28 | 28 | 30 | 30 | 30 | 30 | 31 | 31 | 31 | 32 |
| Refuse collection: | | | | | | | | | | |
| Collection Trucks | 15 | 15 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 |
| Public facilities: | | | | | | | | | | |
| Streets (Miles) | 829 | 829 | 829 | 829 | 829 | 829 | 829 | 829 | 829 | 829 |
| Traffic Signals | 1,750 | 1,750 | 1,750 | 1750 | 1800 | 1800 | 1840 | 1840 | 1965 | 2015 |
| Parks and recreation: | | | | | | | | | | |
| Playgrounds | 19 | 21 | 21 | 19 | 24 | 24 | 24 | 22 | 22 | 22 |
| Parks | 45 | 46 | 46 | 46 | 47 | 47 | 47 | 47 | 47 | 47 |
| Park Acreage | 1,330 | 1,330 | 1,330 | 1330 | 1351.45 | 1351.45 | 1351.45 | 1351.45 | 1351.45 | 1351.45 |
| Golf Courses | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Swimming Pools | 3 | 3 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Tennis Courts | 25 | 25 | 25 | 24 | 24 | 25 | 25 | 23 | 23 | 23 |
| 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 | 31 | 30 | 30 | 25 | 25 | 27 | 27 | 25 | 25 | 27 |
| Ice Skating Rinks | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 2 | 2 |
| Soccer/Football Fields | 21 | 26 | 28 | 17 | 17 | 20 | 20 | 17 | 17 | 19 |
| Library: | | | | | | | | | | |
| Facilities | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Volumes | 537,580 | 533,600 | 538,600 | 573,455 | 573,705 | 525,372 | 571,143 | 581,996 | 476,734 | 473,405 |
| Water: | | | | | | | | | | |
| Average Daily Consumption (MGPD) | 12,318 | 11,716 | 11,447 | 11,457 | 11,572 | 11,428 | 11,401 | 11,053 | 11,238 | 11,027 |
| Wastewater: | | | | | | | | | | |
| Sanitary Sewers (miles) | 160 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 |
| Storm Sewers (miles) | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Combination Sanitary and Storm (miles) | 123 | 113 | 113 | 113 | 113 | 113 | 113 | 113 | 113 | 113 |
| Number of sewer wells | 55,050 | 55,050 | 55,050 | 55,050 | 55,050 | 55,050 | 55,050 | 55,050 | 55,050 | 55,050 |
| Number of Treatment Plants | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |

Source: City Records

Note: n/a - Indicator not available