

Mayor's Proposed FY 2018/19 Budget

Operating & Capital Budget Overview

March 12, 2018



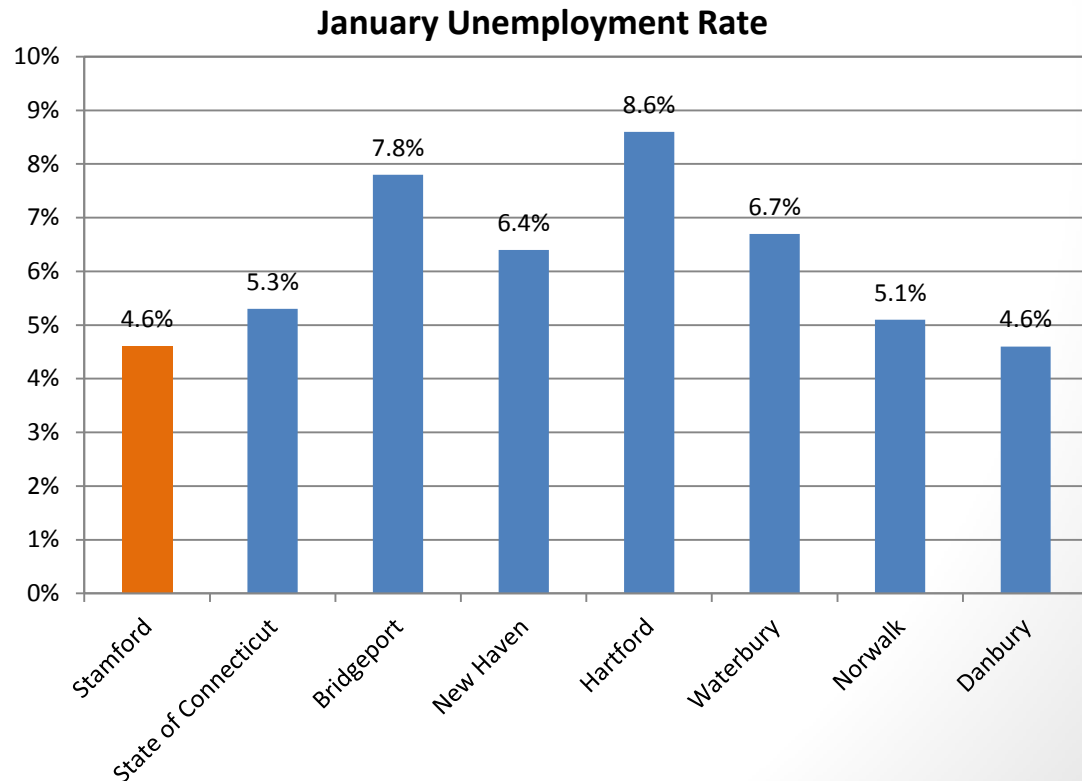
David R. Martin
Mayor

Agenda

- Introduction
- Financial Overview
- Operating Budget
 - Expenditures
 - Revenues
- Capital Budget
- Conclusion

Stamford's Environment

- Current fiscal year has been fairly strong with several large projects underway or about to commence
- Real property tax collection rate remains strong at 98.9%
- Real growth in Grand List of 1.6%
- Commercial vacancy rate remains high
- State budget issues remain uncertain – uncertain impact of Federal SALT deduction limitations

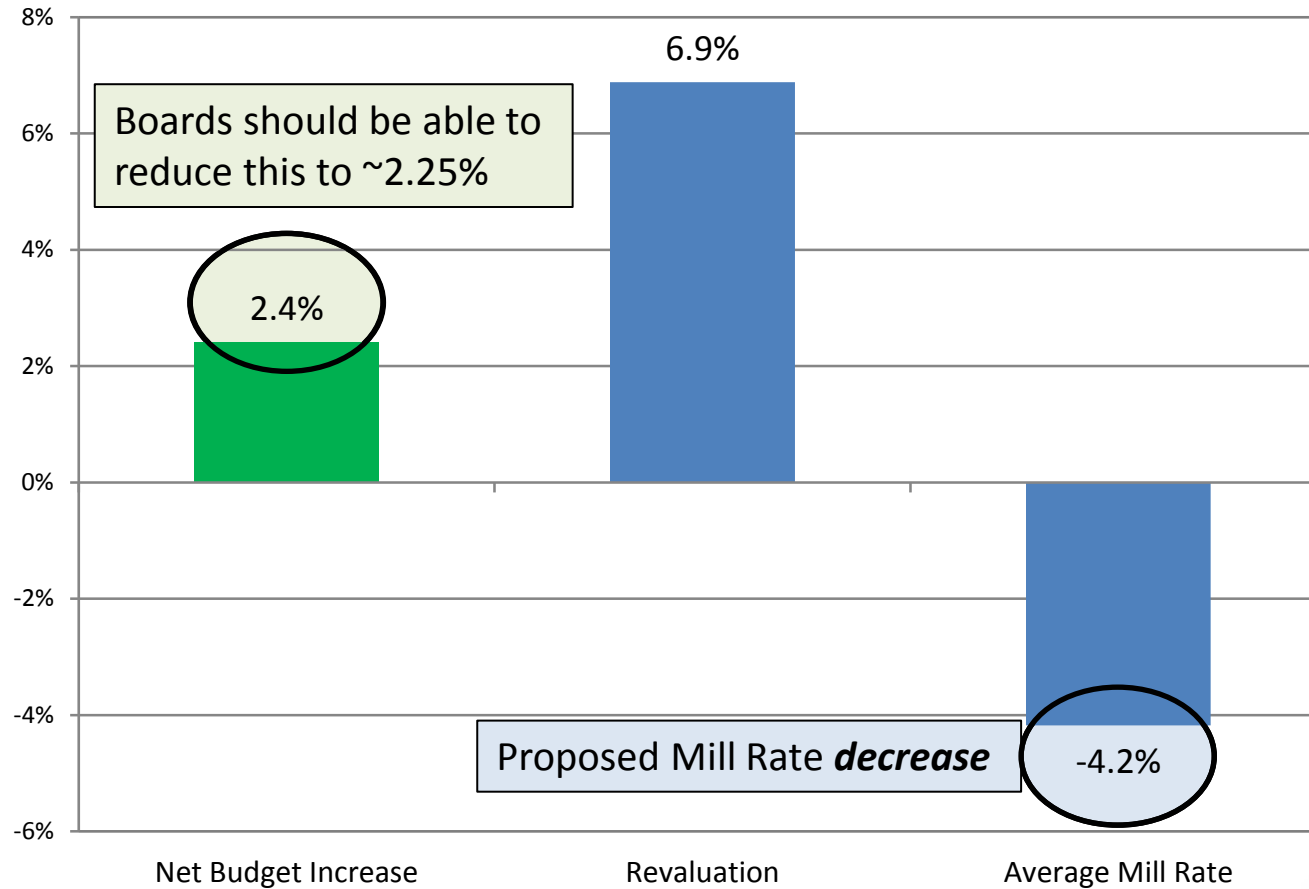


Stamford's Budget

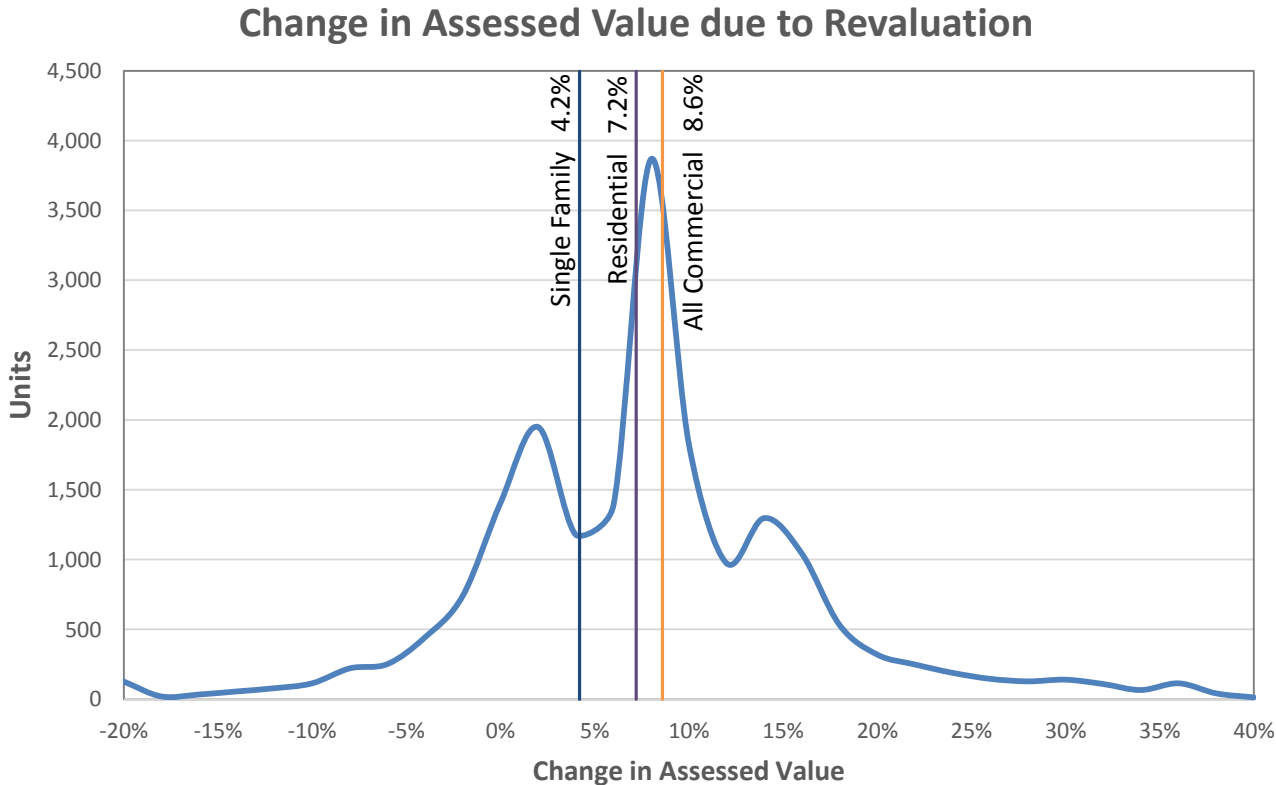
Establishing the Foundation to Make Stamford Strong for the Future

- Continued progress on fully-funding pension & OPEB obligations (single largest non-inflationary driver of net budget increase)
- Retaining current level of services
- New positions/programs funded to improve department service delivery to citizens – many requested by Board of Representatives
- Making selective investments in local social service organizations
- Reduced reliance on state funding
- Investments in infrastructure, including road paving and city systems

Proposed Tax Impact



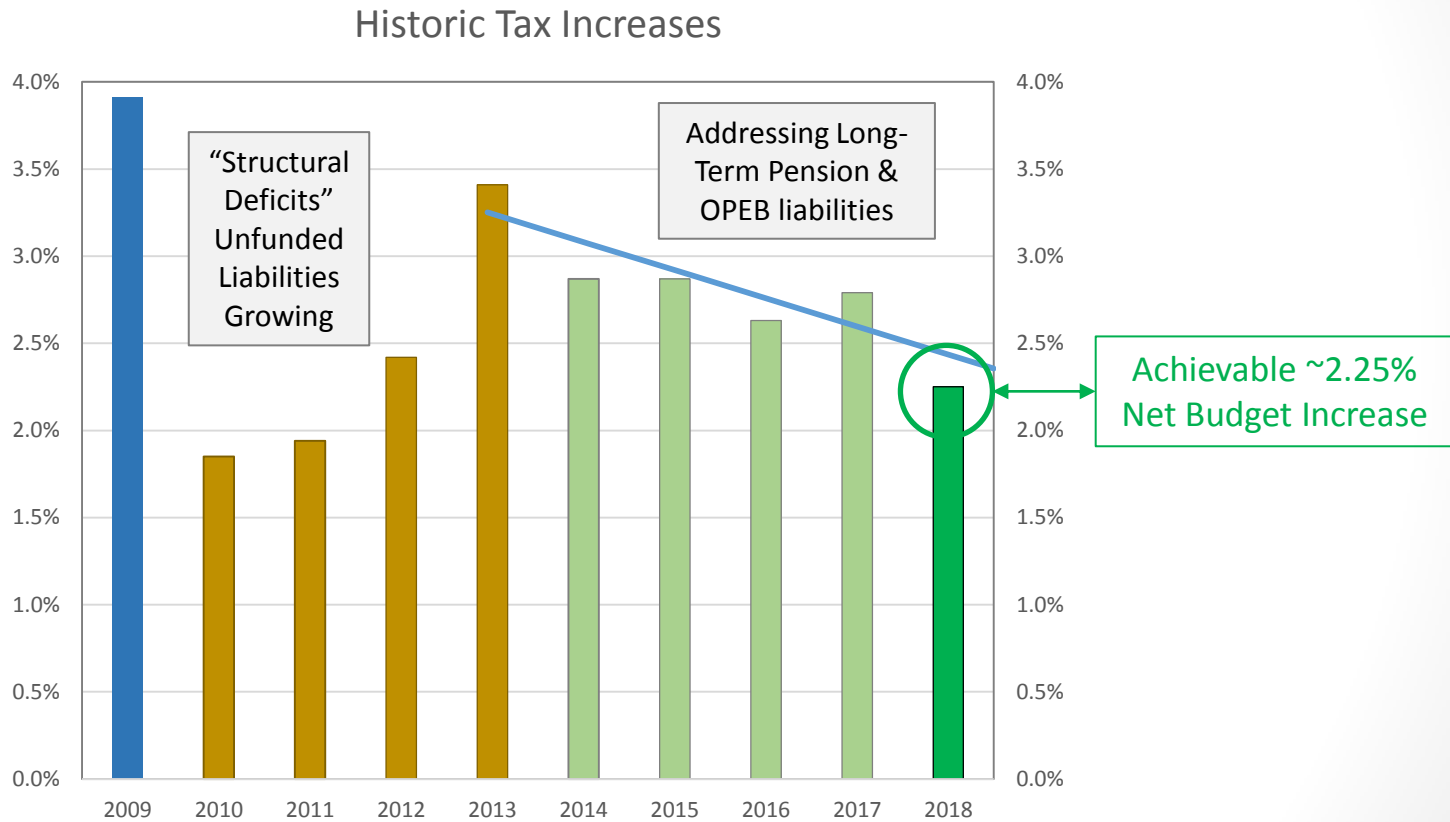
Revaluation – Single Family Impact



With a 4.2% mill rate *decrease*, after the impact of revaluation, average single family will see *no* increase in taxes, and all residential will see an average tax increase of 2.7%.

If we can reduce the Net Budget Increase to ~2.25%, the average tax for single family will be a small decrease, and all residential will be ~2.5%.

Proposed Tax Impact



Proposed Operating Budget



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Budget Priorities

Quality of Life Services

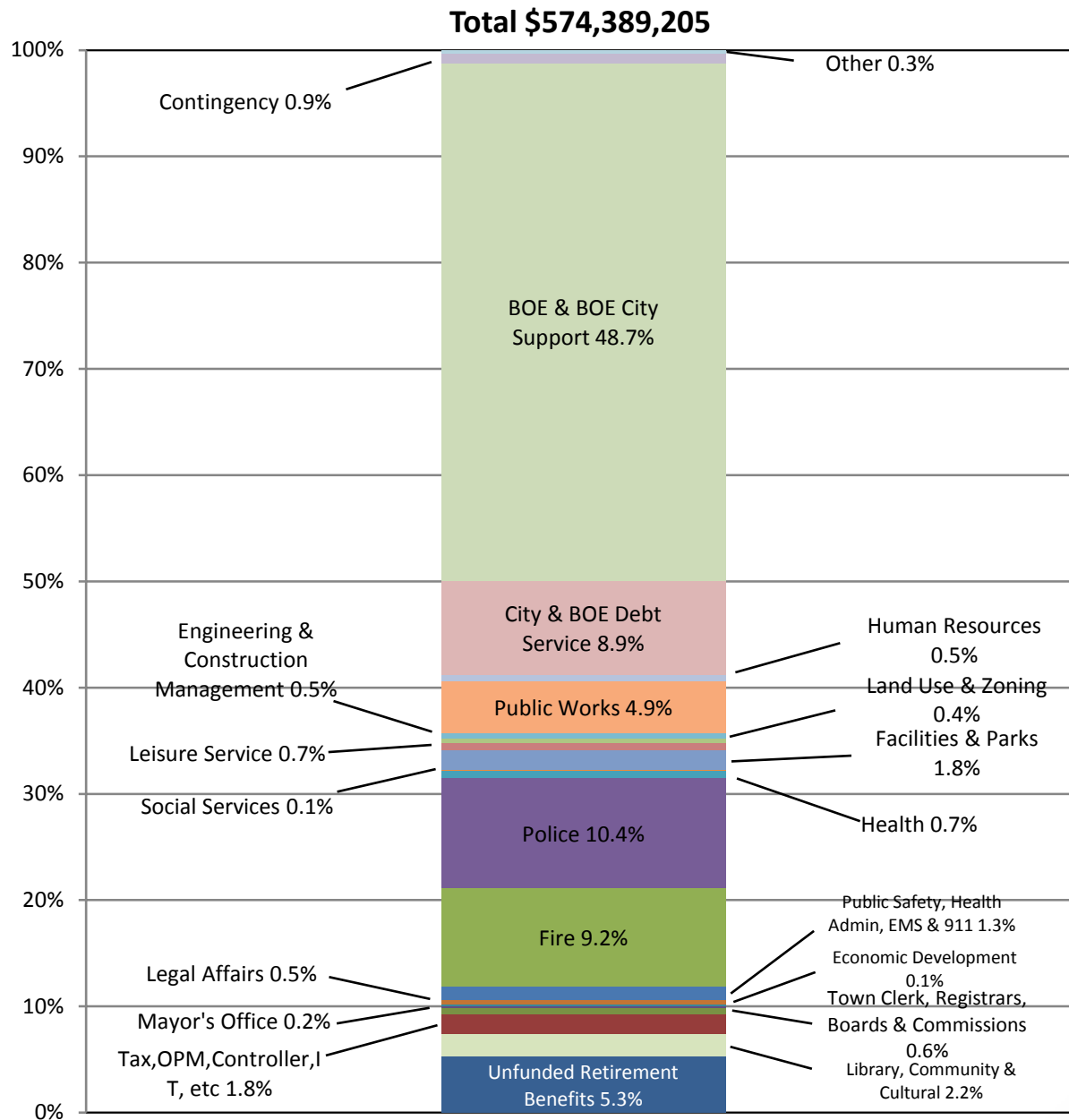
- Maintain level of services
- Ongoing improvements of critical services
- Continued funding for cultural, youth and social services organizations
- Improving city programs infrastructure
- New positions funded for delivery of services to citizens based on Board of Representative's input

Operating Budget

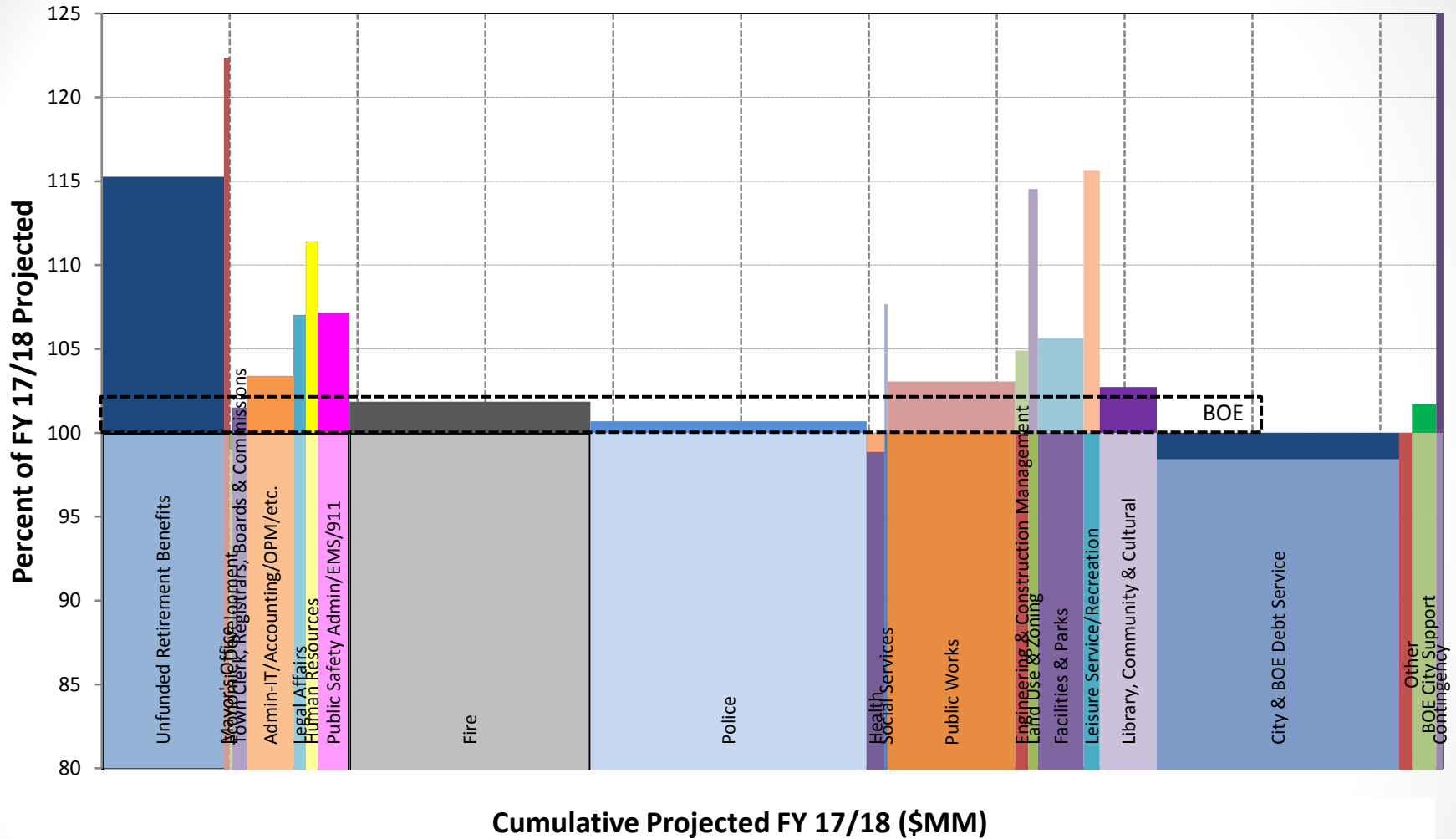
	Proposed Budget	\$ Change over 2017-18 Projected	% Change over 2017-18 Projected
City Current Operating	\$163.9 M	6.6 M	4.2 %
Unfunded Benefits	\$30.3 M	4.0 M	15.2 %
Other Employee Benefits	\$44.1 M	(1.7) M	(3.5) %
BOE	\$279.9 M	5.3 M	1.9 %
City & BOE Debt Service	\$51.3 M	(0.8) M	(1.5) %
Contingency	\$4.9 M	3.4 M	226.7 %
Total Budget	\$574.5 M	16.8 M	3.0 %

Proposed Net Budget Tax Increase: 2.42%

Expenditure by Operating Function



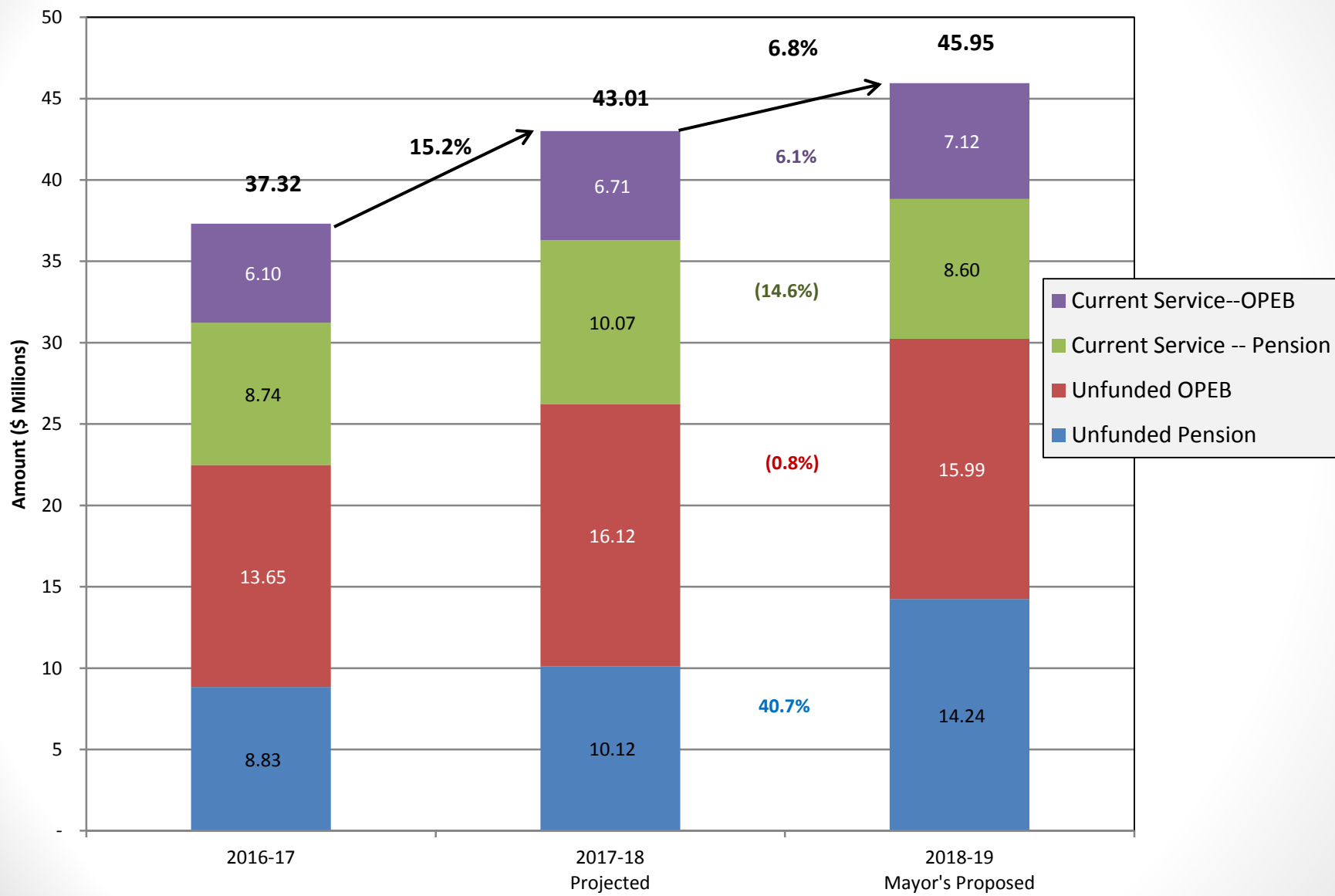
Proposed FY18/19 vs Projected FY17/18 by Operation (excludes BOE)



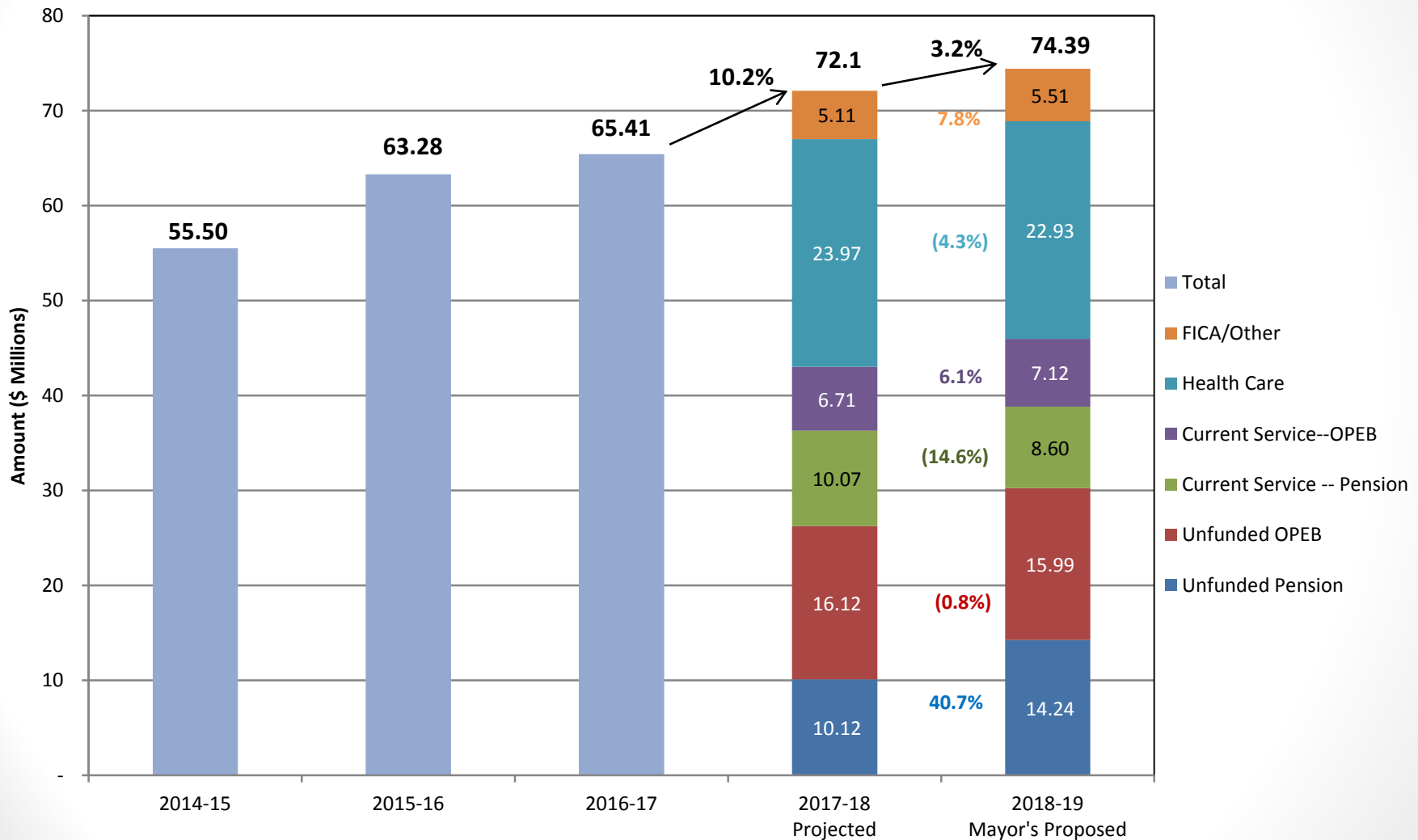
Drivers of Budget Tax Increase

	2017-18 to 2018-19
	Effect on Mill Rate
BOE & City Support to BOE	0.95%
Salary & Overtime	1.19%
Unfunded Pension & OPEB	0.76%
Normal Costs for Pension & OPEB	(0.19)%
Reserve for Tax Appeals	0.35%
Community & Cultural	0.11%
Contingency	0.11%
City & BOE Debt Service	(0.15)%
Active Medical & Life	(0.21)%
Other	0.16%
Loss of State Grants	0.89%
Other Revenue	(0.11)%
Effect of Grand List Growth	(1.44)%
Net Change	2.42%

City Employee Pension & OPEB

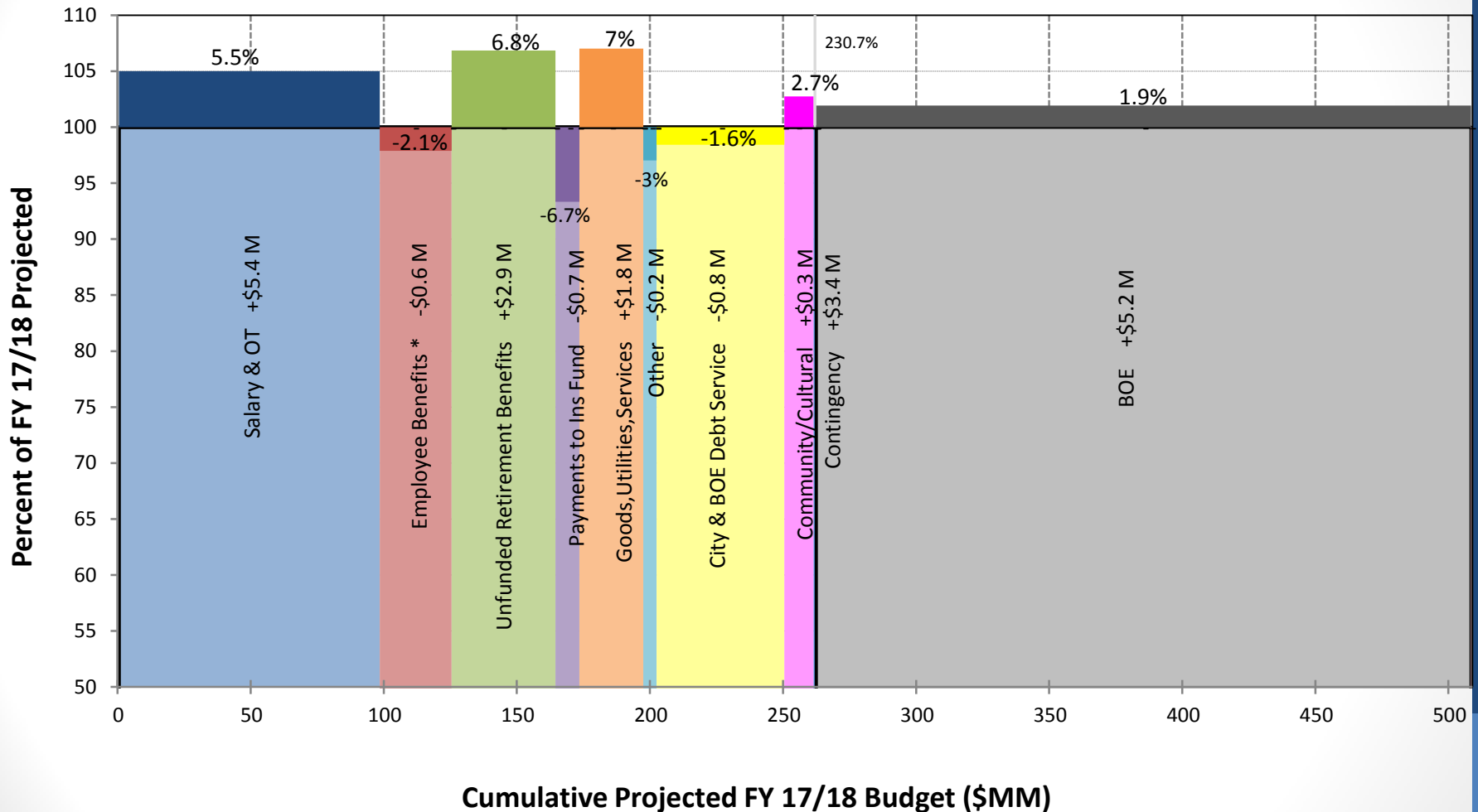


Total Amount Spent – City Employee Benefits
















Expenditure Drivers by Category

Proposed FY18/19 vs Projected FY17/18



* Employee benefits include healthcare, and normal cost for Pensions & OPEB

New Programs & Requests

Department	Position/Program	Board of Reps Request
Operations	Parks Enforcement	  
Citizens' Services	Citizens' Services Manager	 
Operations	Administrative Services Bureau Chief	
Police	Body Worn Camera Technician	
Police	3 Civilian Office Specialists	
911 Communications	Director of 911	
911 Communications	Assistant Director of 911	
Traffic Engineering	Traffic Analyst	
Zoning	Land Use Inspector	
Health	2 Health Inspectors	
Fire Marshal	2 Fire Marshals	
Planning	Neighborhood Planner	
Mayor's Office	Special Assistant, Legislative Affairs	
Human Resources	Account Clerk	
IT	2 IT Application Support for Police & Fire	
Engineering	2 Engineering Project Specialists	
Vehicle Maintenance	Equipment Mechanic	

Revenues & Reserves



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Change in Grand List

FY 2018/19 Grand List:	\$21.42 billion
FY 2017/18 Grand List:	\$19.73 billion
Increase:	\$1.69 billion

Revaluation Increase:	6.9%
Real Increase:	1.6%
Grand List Increase:	8.6%



Increased Reserve Requirements

Elderly Tax Credits	No change
Revaluation Tax Appeals	\$1.85M
Mill River TIF	\$0.12M
Harbor Point TIF	\$(0.55)M
Linkage	\$0.003M
Non-Profit Tax Credit	No change
Uncollected	\$0.23M
Total Change	\$1.65M

Revenue Changes

<i>City Revenue Changes</i>	<i>2017-18 Projected</i>	<i>Proposed 2018/2019 Budget</i>	<i>\$ Change from 2017-18 Projected</i>	<i>% Change from 2017-18 Projected</i>
Prior Year Collections--Levy	\$4.5M	\$4.3M	-\$0.2M	-4.4%
Principal & Interest on Delinquent	\$2.6M	\$2.6M	\$0.0M	0.0%
Prior Year Motor Vehicle	\$0.55M	\$0.6M	\$ 0.0M	9.1%
Supplemental Auto	\$3.8M	\$3.7M	-\$0.1M	-2.6%
Building Permits	\$6.3M	\$5.6M	-\$0.8M	-11.9%
Conveyance Tax	\$5.7M	\$5.5M	-\$0.2M	-3.5%
Parking Fund	\$1.6M	\$1.8M	\$0.2M	12.5%
State Funding	\$15.3M	\$14.4M	-\$0.9M	-5.9%
Other (except current levy)	\$13.2M	\$13.6M	\$0.4M	3.0%
Overall Decrease	\$53.55M	\$52.1M	-\$1.5M	-2.8%

Change in State Grant Revenue from FY18 Budget to FY19 Budget

Funding Type	Decrease
Enterprise Zone Reimbursement	\$1.149M
PILOTs	\$0.412M
MRSA net	\$1.180M
Town Aid Road	\$1.229M
Education Cost Sharing	\$0.030M
Other	\$0.654M
Total	~\$4.654M

Summary Sheet

	<i>FY 17/18 Projected</i>	<i>FY 18/19 Proposed</i>	<i>Change</i>
Total Budget (City & BOE)	\$556.1M	\$569.5M	\$13.4M
Contingency	\$1.5M	\$4.9M	\$3.4M
Projected Surplus	-\$1.1M	-	-
Expense Subtotal	\$557.6M	\$574.4M	\$16.8M
Revenue other than current levy	\$53.5M	\$52.0M	-\$1.5M
Net Amount to be Raised	\$502.9M	\$522.4M	\$19.5M
Reserves	\$19.7M	\$21.3M	\$1.6M
Total Gross Levy	\$522.5M	\$543.7M	\$21.2M
Grand List	\$19.72B	\$21.42B	\$1.69B
Average Mill Rate	26.49	25.38	-1.1 or (4.17)%

Proposed Capital Budget



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Capital Budget by Funding Source

	Department	Planning Board	Mayor's Proposed
G.O. Bonds--City	\$93.2M	\$30.7M	\$20.0M
G.O. Bonds-Self Supporting	\$1.0M	\$0.3M	\$0.3M
WPCA Bonds	\$15.6	\$15.6	\$15.6M
State Grants	\$3.2M	\$3.2M	\$3.2M
Federal Grants	\$4.7	\$4.7	\$4.7M
Capital Non-Recurring	-	-	\$6.5M
Linkage	\$0.2M	\$0.2M	\$0.2M
TOTAL	\$117.9M	\$54.7M	\$50.5M

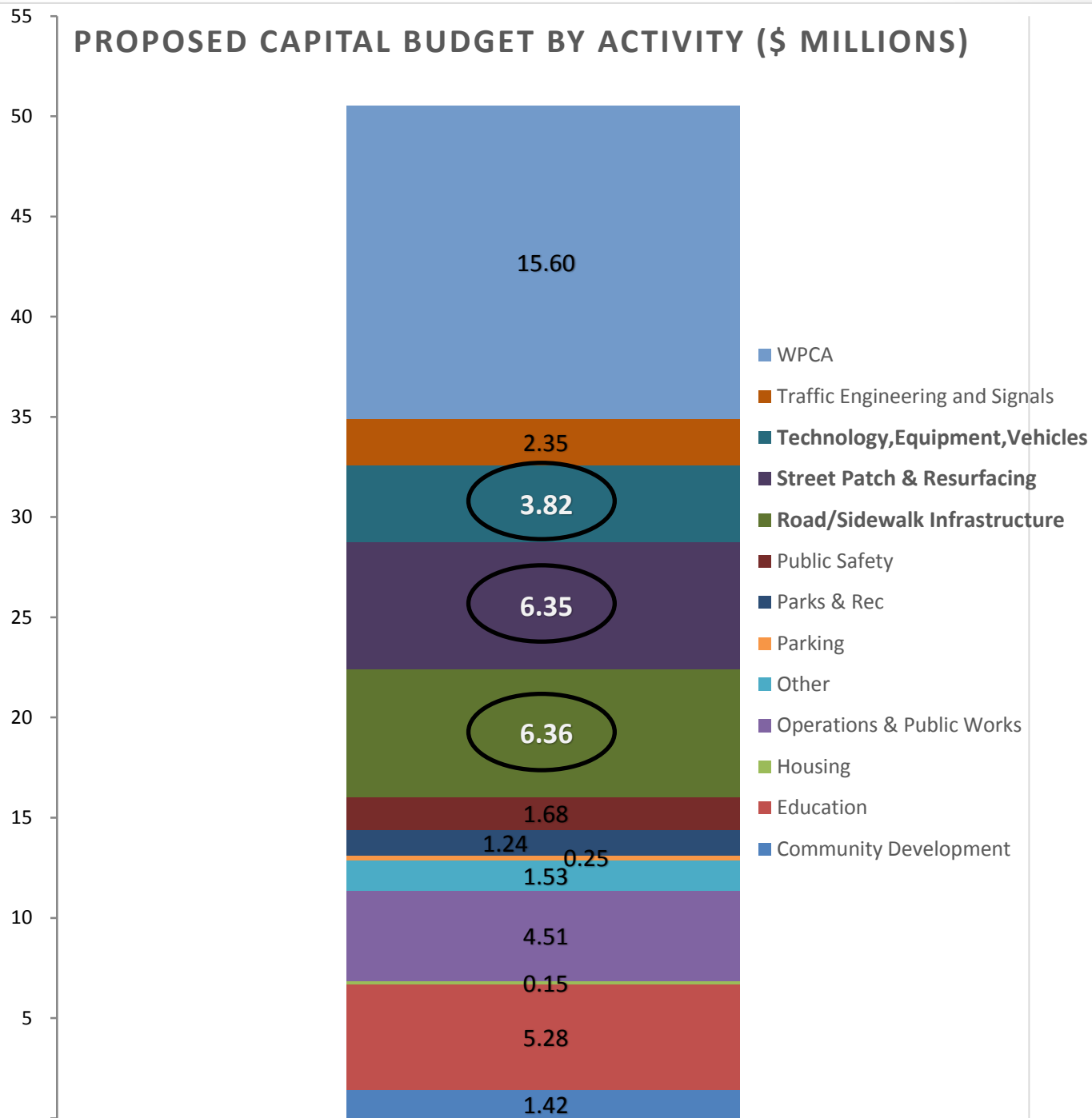
GO Bonds in Capital Budget: \$20.3M
 + AUI to be funded: \$4.7M
 Safe Debt Limit: \$25.0M

Capital Budget Total

	Proposed Capital Budget
G.O. Bonds	
- BOE	\$4.1M
- All other City projects	\$16.2M
Grants & Other	\$8.1M
Short Term (Capital non-recurring) or 10 Year Bonds	\$6.5M
WPCA Bonding	\$15.6M
Total Capital Budget	\$50.5M
Total Long-Term Local Funding in Capital Budget	\$20.3M
Bonding of Authorized But Unissued (AUI)	\$4.7M
Safe Debt Limit	\$25.0M

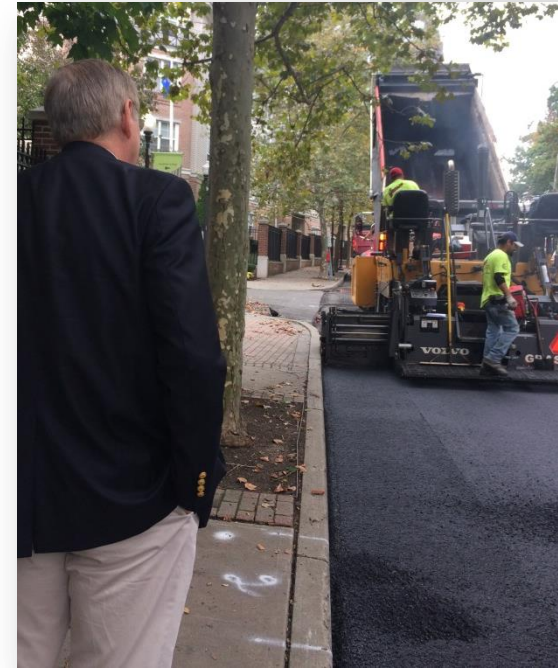
**Projected remaining AUI Balance = \$30.3M

PROPOSED CAPITAL BUDGET BY ACTIVITY (\$ MILLIONS)



Street Maintenance

- Since last June, spent ~\$7.5M
- Completed 39 streets
- Storm drain work being done on Glenbrook Road, Stillwater, and Hope Street ahead of paving this Spring
- Plan to move to West Park Place, West Broad & Broad (among others)



Major Street Projects For Traffic Improvement & Pedestrian Safety



<u>Project / Improvement</u>	<u>Status</u>	<u>Estimated Start Date</u>
Greenwich/Pulaski Round-a-bout	In Design	Summer '18
Greenwich/Selleck/Southfield intersection realignment	Private developer to complete in coordination with project	Spring '18
Summer Street Pedestrian Improvements (LRARP)	In Design	Summer '18
Oaklawn Avenue	Work Starting	Winter '18 Finish Fall 2018
West Ave / West Main	Bid Ready	Spring '18
Atlantic / Henry Street	Work Started	Fall '17
6 Traffic Signal Upgrade (H)	CT DOT Review	Spring '18
Atlantic Street Bridge & I-95 Exit Ramp	State Project Under Construction	Ramp opened Nov. 17 RR Bridge in 2019
Urban Transitway East Main & Myrtle Ave.	Completed	<i>Opened November 2017</i>
Strawberry Hill Pedestrian Light	Temporary in Place	Finish Spring '18
Riverbank Road Bridge	Completed	<i>Opened December 2017</i>

Police Headquarters

- Topping off ceremony happened September 25th



Summary

- Establishing the foundation to make Stamford strong for the future
- Proposed budget reflects a 2.42% net budget increase
- We anticipate that the Boards will be able to get that down to ~2.25%, resulting in an average single family decrease in taxes & overall 2.5% residential increase in taxes
- Budget addresses growing pension & OPEB obligations
- Maintaining and protecting services despite pressure of unfunded retirement benefits
- New positions for better service delivery . . . requested by Board of Representatives
- Uncertainty of the state budget