

MAYOR  
DAVID R. MARTIN



RICHARD FREEDMAN  
CHAIR  
MARY LOU T. RINALDI  
VICE CHAIR  
GEOFF ALSWANGER  
FRANK CERASOLI  
DAVID MANNIS  
KIERAN M. RYAN

TEL: (203) 977-4699  
FAX: (203) 977-5030

## BOARD OF FINANCE

STAMFORD GOVERNMENT CENTER  
888 WASHINGTON BOULEVARD  
P.O. BOX 10152  
STAMFORD, CONNECTICUT 06904-2152

May 28, 2020

Mr. Andrew Matthew Quinones, President  
Board of Representatives  
City of Stamford  
888 Washington Avenue  
Stamford, CT 06904

Dear President Quinones:

On May 27, 2020, the Board of Finance (“BOF”) voted to reduce \$32,191,226 from the Mayor’s proposed Fiscal Year 2020-2021 Operating and Special Revenue Funds Budget, which includes the Board of Education budget. This letter is a summary to the Board of Representatives (“BOR”) and Stamford residents of the actions taken by the BOF.

### Background

In response to the COVID crisis and a grave concern over the loss of tax and other revenues to the city, the BOF began its budgeting process this year with an estimate of revenue, a step that usually comes at the end. This estimate, \$565 million, was made on April 13 and was \$65 million less than the projected revenue of \$630 million in the Mayor’s budget. As has been noted many times since, the BOF views revenue shortfalls as falling into two categories: Deferred revenue and lost revenue.

Deferred revenue consists of taxes that will not be collected for the entire fiscal year ending June 30, 2021. Since taxes not paid will eventually have to be repaid, the BOF determined that they may be covered with non-recurring sources of revenue including the Rainy Day Fund, other cash reserves and, if necessary, borrowing. To correct a common misperception, the BOF is not assuming that uncollected taxes will be forgiven and never collected – only that they won’t be paid until a future fiscal year. Also, the BOF’s estimate of deferred revenue is unrelated to the 90-day interest-free deferral period approved by the BOR pursuant to Executive Order 7S.

Lost revenue, as the term implies, will never be collected. In line with sound fiscal practice, the BOF determined that lost revenues must be balanced by expense cuts and not one-time sources such as the Rainy Day Fund or funds from deferred capital projects.

The BOR may reduce expenses beyond those reductions already taken by the BOF. In other years, reductions from the BOR would serve to reduce the increase in the mill rate set by the BOF. This year, however, the BOF has already committed not to increase the mill rate. Consequently, additional reductions from the BOR will offset the use of reserves and borrowing to cover deferred revenue.

The remainder of this letter will summarize the budget reductions taken by the BOF broken down by category of reduction.

**Board of Education reduction - \$15,217,561**

While the BOF reduced the BOE budget by \$15,217,561, \$2,717,561 of this total was to reflect lower actuarial and accounting estimates made after the BOE passed its budget in January. These amounts could be reduced with no impact to school district operations and the BOF's effective reduction was \$12,500,000.

**Reductions to the City budget other than wage concessions - \$5,676,665**

Reductions in this category encompass what are traditionally regarded as cuts to the city budget and were made mostly by program, not by line. In most cases the BOF reduced program budgets by the Mayor's recommended amounts. Please see Exhibit A. Any reductions in this category attributable to salaries resulted from the elimination or defunding of new and open positions and do not include other wage line reductions except for those agreed to by Pay Plan (non-union) employees. Such reductions are addressed below.

Community and cultural organizations were generally reduced to their 2019-20 funding levels. Four organizations included in the budget for the first time in 2020-21 were reduced by amounts recommended by the Mayor as were the Glenbrook Community Center and the Neighborhood Community Grants Program. The Stamford Partnership was also defunded. Please see Exhibit B.

The BOF reduced the BOR budget by \$2,200. The BOF cut its own budget by 10%, or \$42,446.

**Payroll line reductions (city only) - \$4,727,000**

City payroll lines were reduced to accommodate an additional \$4,727,000 reduction beyond the wage concessions already made to be shared in equal measure by all City employees. The specifics of how the budget reduction is to be handled in regard to union wages will be determined through the process of collective bargaining.

**Health Insurance Savings - \$6,400,000**

The BOF reduced health insurance spending by \$6,400,000 based on an analysis by city OPM and Lockton, the city's health insurance consultant, of the savings that would be realized by switching the city's health insurance plan from its current self-insured plan to the state-run Connecticut Partnership Plan for state and municipal employees<sup>1</sup>. Such a change requires the consent of city unions. The reduction is to be apportioned by the administration across the General Fund, WPCA, Special Revenue Funds, BOE and OPEB.

---

<sup>1</sup> Most BOE employees switched to the CT Partnership Plan several years ago.

**Capital Budget - \$1,760,000 total reduction**

The BOF eliminated 5 capital projects totaling \$1,760,000:

- \$500,000 for the Bartlett Arboretum greenhouse
- \$50,000 for Terry Connors Rink
- \$1,100,000 for Government Center renovations
- \$60,000 for Public Safety Security Cameras
- \$50,000 for upgrades to the new Police station

These projects were eliminated as untimely or, in the case of the Arboretum, as awaiting the raising of matching private funds. As you know, monies saved by cuts to the capital budget cannot be used in the operating budget. Thank you.

Very truly yours,



Richard K. Freedman  
Chairman

EXHIBIT A			TOTAL	(5,676,665)
Pgm	Program Title	Page	BOF Final Revision	
1010	Director of Administration	29	(7,753)	
1032	Financial Processing & Reporting	34	(90,830)	
1034	Internal Audits	36	-	
1040	Purchasing	41	(23,362)	
1011	Office of Policy & Management	46	(35,878)	
1060	Technology Management Services	53	(79,217)	
1020	Assessor	61	(63,431)	
1026	Property Revaluation	64	(30,000)	
1022	Revenue Services	69	(1,883)	
1023	Taxation Services	72	(48,038)	
2111	Road Maintenance	86	(54,923)	
2113	Leaf Collection	87	-	
2114	Snow Removal	88	(20,574)	
2116	Storm Water Management	90	(5,332)	
2121	Vehicle Maintenance	96	(9,277)	
2123	Police Vehicle Maintenance	98	(6,000)	
2125	Non City Managed Leased Facilities	104	(50,000)	
2127	Forestry	106	(6,792)	
2130	Police Headquarters	111	-	
2133	Government Center	113	(5,000)	
2134	Parks Maintenance	115	(22,441)	
2135	Facilities Maintenance	118	(4,121)	
2141	Transfer Station	125	(29,749)	
2142	Recycling	127	(65,065)	

2143	Collection	129	(67,747)
2144	Haulaway	130	-
2112	Traffic Maintenance	135	(9,579)
2210	Transportation Planning & Engineering	137	(8,678)
2538	Special Events	140	(280,937)
2137	Building Department	143	(53,740)
2200	Engineering	148	(2,582)
2201	Construction Management	150	(111,064)
2202	Regulatory Compliance	152	-
2300	Land Use Administration	157	(62,000)
2310	Planning	159	(5,500)
2340	Environmental Protection	165	(40,186)
2528	Star Center	171	(15,630)
2529	Special Needs Recreation	172	(49,604)
2530	Leisure Services Administration	174	(3,000)
2531	Aquatics	175	(5,608)
2533	Subsidized Programs	176	(19,470)
2534	Fee-Supported Programs	177	(47,407)
2535	Self-Sustaining Programs	178	-
2600	Operations Administration	184	(190,006)
3101	PSHW Administration	192	(132,752)
3350	Emergency Communications Center	195	(110,700)
3960	Stamford EMS	196	(3,190)
3300	Police Administration	202	(550,907)
3301	Patrol	205	(124,528)
3302	Special Teams	206	(9,826)

3303	Police Training	208	(21,478)
3304	Criminal Investigations	210	(282,203)
3410	Volunteer Fire	218	(6,588)
3510	Fire Administration	220	(64,107)
3521	Suppression	222	(77,598)
3533	Fire Training Center	224	(6,989)
3540	Fire Marshal	226	(2,294)
3550	Vehicle & Equipment Maintenance	228	(56,494)
3810	Director of Health	234	(231,710)
3820	Public School Health	238	(73,044)
3822	Community Nursing	242	(89,163)
3910	Social Services	248	-
4010	Legal Department	253	(150,716)
4020	Human Resources	258	(18,692)
1200	Economic Development	266	(62,984)
5010	Mayor's Office	268	(35,752)
5011	Professional Organizations & Activities	269	(25,000)
5081	Youth Services Bureau	271	(72,986)
5020	Board of Representatives	278	(2,200)
5030	Board of Finance	279	(42,446)
5050	Town and City Clerk	282	(30,976)
5060	Probate Court	284	(2,800)
5070	Registrar of Voters	286	(45,000)
5092	Patriotic & Special Events	287	-
6050	Community Centers	300	(180,000)
6055	Non City Social Services	301	(63,000)

6056	Cultural & Environmental	302	(593,139)
8080	Transfer To Other Funds	304	(500,000)
8999	BOE City Support Services	309	(375,000)

## EXHIBIT B

Line Item	Line Item Name	FY19/20 Budget	Proposed FY20/21 Budget	BOF Reduction	BOF Budget
<b>Total</b>		<b>12,938,861</b>	<b>13,754,000</b>	<b>(836,139)</b>	<b>12,917,861</b>
8882	Chester Addison	39,000	35,000	-	35,000
8884	Glenbrook Community Center	31,000	200,000	(180,000)	20,000
8884	East Side Community Center (Domus)	26,000	-	-	-
8837	Liberation Programs	100,000	100,000	-	100,000
8887	Senior Center	229,000	237,000	(8,000)	229,000
8892	Pacific House	50,000	52,000	(2,000)	50,000
8893	Inspirica	233,000	241,000	(8,000)	233,000
8894	Charter Oak Communities	106,000	110,000	(4,000)	106,000
8930	DOMUS Project New Hope	35,000	35,000	-	35,000
8932	Community Night Program	107,000	113,000	(6,000)	107,000
8938	Community Social Services Program	-	50,000	(35,000)	15,000
8940	New Coventry Soup Kitchen	-	50,000	-	50,000
8605	Stamford Museum & Nature Ctr	1,260,000	1,298,000	(38,000)	1,260,000
8606	Ferguson Library	8,630,000	8,890,000	(260,000)	8,630,000
8611	Stamford Historical Society	42,000	43,000	(1,000)	42,000
8613	Bartlett Arboretum	315,000	325,000	(10,000)	315,000
8617	DSSD	176,000	182,000	(6,000)	176,000
8890	Multicultural Council	9,000	9,000	-	9,000
8891	Old Town Hall Redevelop Agcy	200,361	240,000	(39,639)	200,361
8895	Early Childhood Program Support	88,000	132,000	(44,000)	88,000
8896	United Way	13,000	15,000	(2,000)	13,000
8897	Boys & Girls Club-Yerwood Center	150,000	175,000	(25,000)	150,000
8904	Stamford Partnership	50,000	51,000	(51,000)	-
8919	Community Arts Partner Prog	100,000	100,000	-	100,000
8921	Stamford Symphony	24,500	25,000	(500)	24,500
8924	Mill River Collaborative	662,000	662,000	-	662,000
8925	Stamford Center for the Arts	23,000	24,000	(1,000)	23,000
8928	Community Youth Music Prog	80,000	80,000	-	80,000
8929	Neighborhood Community Grants Program	75,000	75,000	(75,000)	-
8934	Access 4 All (A4A)	10,000	10,000	-	10,000
8936	Curtain Call	75,000	80,000	(5,000)	75,000
8937	Sound Waters	-	40,000	(25,000)	15,000
8939	Mary C Rich Clubhouse Teen Center	-	75,000	(10,000)	65,000