



April 26, 2023

Subject: FY23-24 Budget Framework

Dear Members of the Board of Representatives:

As we conclude the FY23-24 budget process, I write to share that my administration, the leadership of the Board of Representatives, and leadership of the Board of Representatives' Fiscal Committee have agreed upon a budget framework for the upcoming fiscal year. Given the cuts made by the Board of Finance, reducing my proposed budget by \$6.3M and the Board of Education's proposed budget by \$1.2M, it is my obligation to share the consequences that additional cuts would have on City services. The total cuts from the Board of Finance amounted to \$7.57M and any additional cuts would negatively impact City services for residents.

Over the last several days, members of my administration have met with members of the Board of Representatives' leadership as well as the co-chairs of the Board of Representatives' Fiscal Committee to determine a path forward that would satisfy the Board's desire to find additional cuts to the City's budget and our need to continue to deliver services to Stamford residents and mitigate the tax burden. I am pleased to have worked with the Board of Representatives on the following, which outlines my understanding of our shared position:

- \$300K cuts to OPEB lines (previously cut by the Board of Finance) by \$2.4M. This would reduce General Fund 8403 – 01484032412 line item by \$150K and General Fund line item 8403-01484032422 by \$150K. The City analyzed projected savings and determined that these cuts could be absorbed.
- \$5M reduction to Fund 57, which is included in the budget for \$20M. This funding provides cash reserves for school construction – a critical component to the City's ability to move forward with school construction projects. Last year, the State approved an 80% reimbursement rate for the new Westhill High School and a 60% reimbursement rate for Roxbury Elementary School and all other Stamford school projects for the next 25 years. Further cuts to this fund would jeopardize the Westhill High School project and the more than \$260,000,000 in state-aid previously authorized by the Board of Representatives and Board of Finance. While I would have preferred that the full \$20M remain in the budget given the enormity of the work ahead of us to maintain momentum on our Long-Term Facilities Plan, I am confident that we can absorb this reduction and the City will still be able to meet our commitment to our large capital school construction projects.

I strongly encourage the full Board of Representatives to approve this plan, and I thank the Planning Board, Board of Finance, Board of Representatives, and City staff for their support throughout this extensive process.

Sincerely,

Mayor Caroline Simmons