

Mayor
DAVID R. MARTIN




Director of Administration
Sandra L Dennies

CITY OF STAMFORD

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

MEMORANDUM

TO: Members of the Boards of Finance and Representatives

FROM: David R. Martin, Mayor 
Sandra L. Dennies, Director of Administration

DATE: September 28, 2021

RE: Appropriation of a portion of Prior Year General Fund Balance (FY2020-21) - \$19,500,000

The General Fund of the City of Stamford is estimated to end FY2020-21 with a surplus of approximately \$19,500,000. This request is to appropriate this amount to the purposes outlined below:

Rainy Day Purposes - \$500,000

In accordance with Sec. C8-30-3 subsection (b) of the City Charter, it is requested that the Board approve the assignment of \$500,000 from the FY2020-21 excess of revenues over expenditures for Rainy Day purposes.

Risk Management Fund - \$1,000,000

This appropriation would serve to fund the transfer of funds from the General Fund to the Risk Management Fund for use in continuing to fund the deficit related to the City's Heart and Hypertension future claims estimate and an increase in estimated claims and judgements.

Risk Management Fund - \$2,400,000

This appropriation is to establish a reserve in the Risk Management Fund to help fund storm related costs for city facilities such as those associated with Storm Ida.

Board of Education / Capital Non-Recurring - \$4,187,486

This appropriation would serve to fund the transfer of funds from the General Fund toward BOE short term capital projects.

City / Capital Non-Recurring - \$11,412,514

This appropriation would serve to fund the transfer of funds from the General Fund to the Capital Non-Recurring Fund for use in funding board approved capital projects that may be more appropriately funded with short term capital thereby reducing the interest expense associated with the use of bond funding.

**CITY OF STAMFORD
OFFICE OF POLICY & MANAGEMENT**

To: Board of Finance & Board of Representatives
Cc: David Martin; Sandy Dennies
From: Jay Fountain
Date: 10/07/21

RE: Year End FY20/21 Excess of Revenue over Expenditures

The OPM department has completed its estimate for year-end excess of revenue over expenditures for FY21. Final audit adjustments could result in some changes to the estimates.

As we have mentioned, FY21 is an unusual year because of the uncertainty associated with the COVID-19 pandemic. The mill rate was held at the same level of FY20, other revenue estimates were decreased, and the current tax levy collection rate was reduced to 93.9% from the normal rate of 99.0%. Because of these reductions, the general fund budget was adopted (even after reductions in appropriations) with a shortfall of revenues less than expenditures of \$33,210,737. This was proposed to be covered by use of rainy day funds of \$18,210,737 and short term borrowing of \$15,000,000. However, we did much better than anticipated in the collection of the current levy, the receipt of State grant revenue, departmental revenue (especially building permits and conveyance taxes), and control of expenditures. As a result, we are ending the year with an excess of revenue over expenditures and therefore do not anticipate using any Rainy Day funds or Short Term borrowing to balance the budget.

Attached is an overview of the General Fund's revenue and expenditures with year to date actuals for the fiscal year. As of the end of the year, the Office of Policy and Management is estimating revenue will be greater than expenditures by approximately \$19,515,813, after setting aside funds for future obligations of the City.

The most significant improvement in year-end estimates is that General Fund revenues including current levy, net of the reduction in the use of Rainy Day funds and Short Term borrowing, are more than budgeted by \$4,079,021. This is even after increasing the estimated budget for conveyance taxes by some \$3,622,522 to cover additional appropriations. This includes the current levy which are \$20,987,350 more than budgeted. This reflects a collection rate for the full year collections of 97.5% a significant increase from the budgeted collection rate of 93.9%.

Other tax revenue is projected to be \$4,484,794 greater than budgeted; state grant revenue is \$3,040,528 greater than budgeted and departmental revenue is \$9,175,672 greater than the revised budget amount. Departmental revenue is projected to be greater than budgeted largely because Building Permit revenue is \$5,737,009 more than budgeted and Conveyance Tax revenue is \$2,691,371 more than the revised budget and \$6,316,893 more than the original budget amount.

On the expenditure side, City operating expenditures are \$6,946,649 or 4.2% less than budgeted. This is largely because PSH&W expenditures are less than budgeted by \$3,306,112, Operations are \$2,411,892 less than budgeted and Administration are less than budgeted by \$408,901. Citywide, total expenditures are less than budget by \$7,176,129 or 2.2%.

BOE expenditures are \$5,187,486 or 1.8% less than budget primarily due to vacancy savings as well as a reduction in the estimate for out of district special education costs. City BOE Support Services are less than budgeted by \$1,226,349 or 23.0% due to savings associated with leased school facilities, crossing guards and nurses.

As a result, revenues are estimated to be more than expenditures on the City side by approximately \$11,455,753, BOE expenditures are \$5,187,486 less than budgeted and City Support BOE Services is \$1,226,349 less than budgeted. In addition, encumbrances of \$1,938,283 were cancelled for a total overall excess of revenue over expenditures of approximately \$19,515,813.

Year End Results (Unaudited)					
FY20/21					
Description	Adopted Budget	Adj/ Appropriations	Revised Budget	Total YTD & Enc	YTD vs Revised Budget
2021					
REVENUES					
Current Levy	523,239,101	-	523,239,101	544,226,451	20,987,350
Property Taxes	9,110,550	-	9,110,550	13,595,343	4,484,793
Revenues from the Use of Money	786,000	-	786,000	406,520	(379,480)
Intergovernmental	14,902,749	-	14,902,749	17,943,277	3,040,528
Departmental Revenue	13,792,443	3,622,522	17,414,965	26,590,637	9,175,672
Other Revenue	1,136,908	-	1,136,908	1,296,637	159,729
Interfund Transfers	1,745,851	-	1,745,851	1,767,622	21,771
Subtotal Revenue	\$ 564,713,602	\$ 3,622,522	\$ 568,336,124	\$ 605,826,489	\$ 37,490,365
Use of Fund Balance	-	16,514,935	16,514,935	16,514,935	-
SubTotal Revenue & Use of Fund Balance	\$ 564,713,602	\$ 20,137,457	\$ 584,851,059	\$ 622,341,424	\$ 37,490,365
Transfer In - Use of Rainy Day	18,210,737	-	18,210,737	-	(18,210,737)
Use of Short Term Borrowing	15,000,000	-	15,000,000	-	(15,000,000)
Total Use of Other Funds	\$ 33,210,737	\$ -	\$ 33,210,737	\$ -	\$ (33,210,737)
TOTAL ALL REVENUE	\$ 597,924,339	\$ 20,137,457	\$ 618,061,796	\$ 622,341,424	\$ 4,279,628
EXPENDITURES					
Office of Administration	6,906,793	171,560	7,078,353	6,669,452	408,901
Office of Info & Technology	1,675,793	155,906	1,831,699	1,589,940	241,760
Office of Operations	41,115,318	1,582,045	42,697,363	40,285,471	2,411,892
Office of PS, Health, & Welfare	89,307,176	424,243	89,731,419	86,425,307	3,306,112
Office of Legal Affairs	4,598,489	566,462	5,164,951	4,980,947	184,004
Government Services	5,009,518	266,484	5,276,002	4,953,598	322,404
Community Grants	12,807,461	(20,000)	12,787,461	12,715,886	71,575
TOTAL EXPENDITURES CITY	\$ 161,420,548	\$ 3,146,700	\$ 164,567,248	\$ 157,620,599	\$ 6,946,649
Office of Benefits & Insurance	84,180,539	6,999,495	91,180,034	91,046,187	133,847
Transfer to Other Funds	957,783	13,486,300	14,444,083	14,348,450	95,633
Debt Service	52,000,285	-	52,000,285	52,000,285	-
TOTAL EXPENDITURES CITY + DEBT SERVICE	\$ 298,559,155	\$ 23,632,495	\$ 322,191,650	\$ 315,015,521	\$ 7,176,129
BOE	285,555,203	-	285,555,203	280,367,717	5,187,486
BOE Support Services	5,409,981	(67,414)	5,342,567	4,116,218	1,226,349
TOTAL BOE	\$ 290,965,184	\$ (67,414)	\$ 290,897,770	\$ 284,483,935	\$ 6,413,835
GRAND TOTAL EXPENDITURES	\$ 589,524,339	\$ 23,565,081	\$ 613,089,420	\$ 599,499,456	\$ 13,589,964
Reserve for Contingency	8,400,000	(3,427,624)	4,972,376	-	4,972,376
GRAND TOTAL EXPENDITURES & CONTINGENCY	\$ 597,924,339	\$ 20,137,457	\$ 618,061,796	\$ 599,499,456	\$ 18,562,340
SUBTOTAL NET SURPLUS/(SHORTFALL)	\$ -	\$ -	\$ -	\$ 22,841,968	\$ 22,841,968
Cancellation of Prior Year Encumbrances				1,938,283	1,938,283
Reserve for Legal Settlements				(292,061)	(292,061)
Future Obligations of the City				(4,972,376)	(4,972,376)
TOTAL NET SURPLUS/(SHORTFALL) ALL	\$ -	\$ -	\$ -	\$ 19,515,813	\$ 19,515,813