

Mayor's Proposed FY 2016/17 Budget

Operating & Capital Budget Overview

March 8, 2016



David R. Martin
Mayor

Agenda

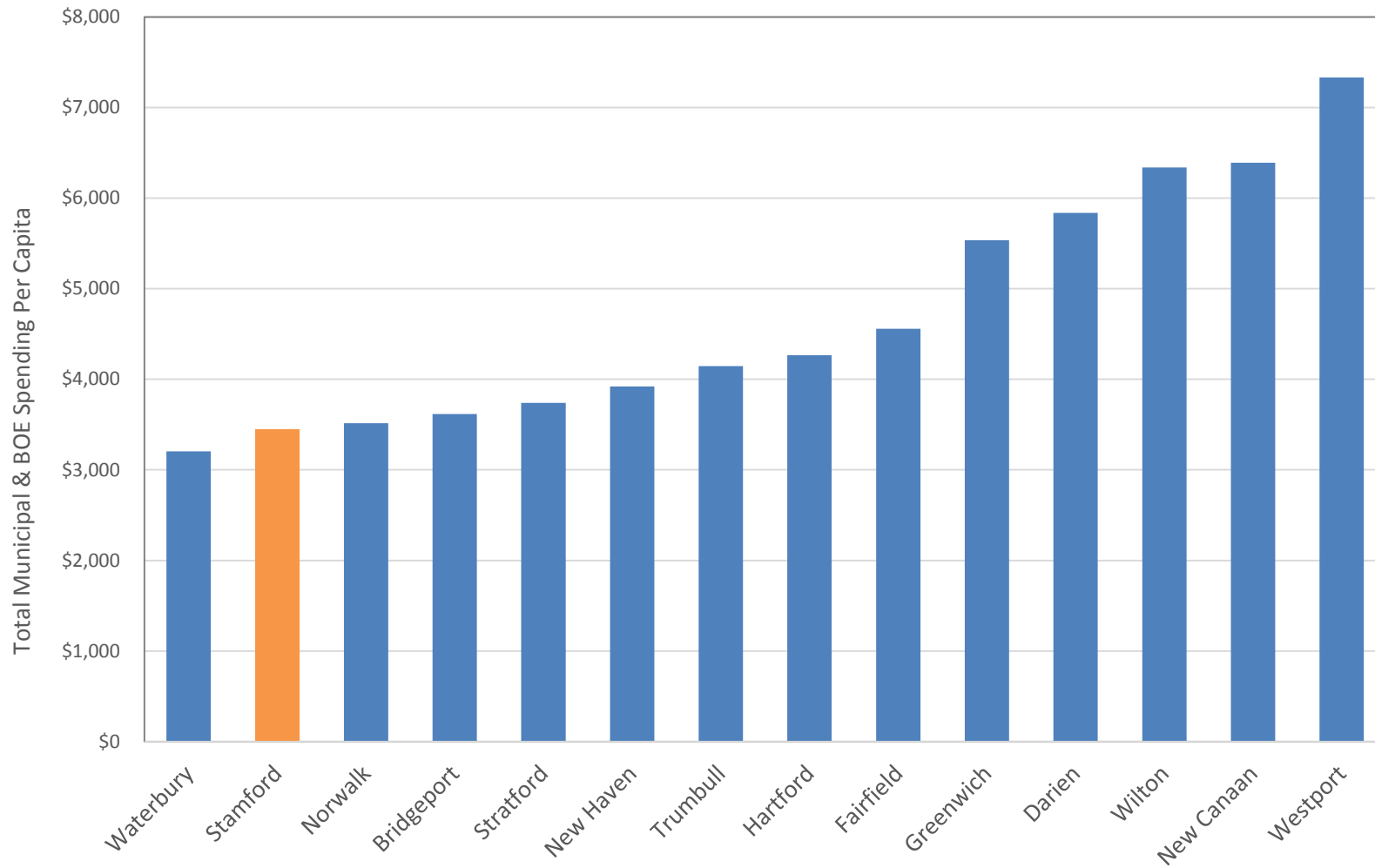
- Overview
- Operating Budget
 - Expenditures
 - Revenues
- Capital Budget
- Conclusion

Stamford Continues Commitment to Strong Fiscal Management

- Stamford's financial position is strong
- Standard & Poors Reaffirmed our AAA bond rating
- No reductions of services in this year's budget
- Pension and retiree health benefits are a budget priority
- Continued innovation in cost savings and management
- Debt increases fund new Police Headquarters and capital projects

2012 Spending per Capita

Lower Fairfield County & Cities Over 100K Population



Source: *Taxes at Home: A Comparison of Municipal Spending*
Yankee Institute for Public Policy - August 2015
Stamford spending adjusted for Smith House

Budget Priorities

City Fiscal Management

- 3% maximum tax increase
- Full funding of prior years' unfunded pension & retirement benefits and current year ADC
- Investing in city-wide traffic, transportation and safety improvements
- Commencing cost-avoidance initiatives across the City
- Smith House transfer to private entity

Budget Priorities (cont'd)

Community Priorities

- Continued funding for cultural, youth and social services organizations
- Modest grants for neighborhood community groups
- Increased funding to Volunteer Firehouses based on achievement of goals and objectives

City Operations

- Vehicle pooling program for city-owned cars
 - Reduces non-public safety fleet by approximately 33%
- Combined Police & City vehicle maintenance departments
- Improving management for road repairs

Proposed Operating Budget



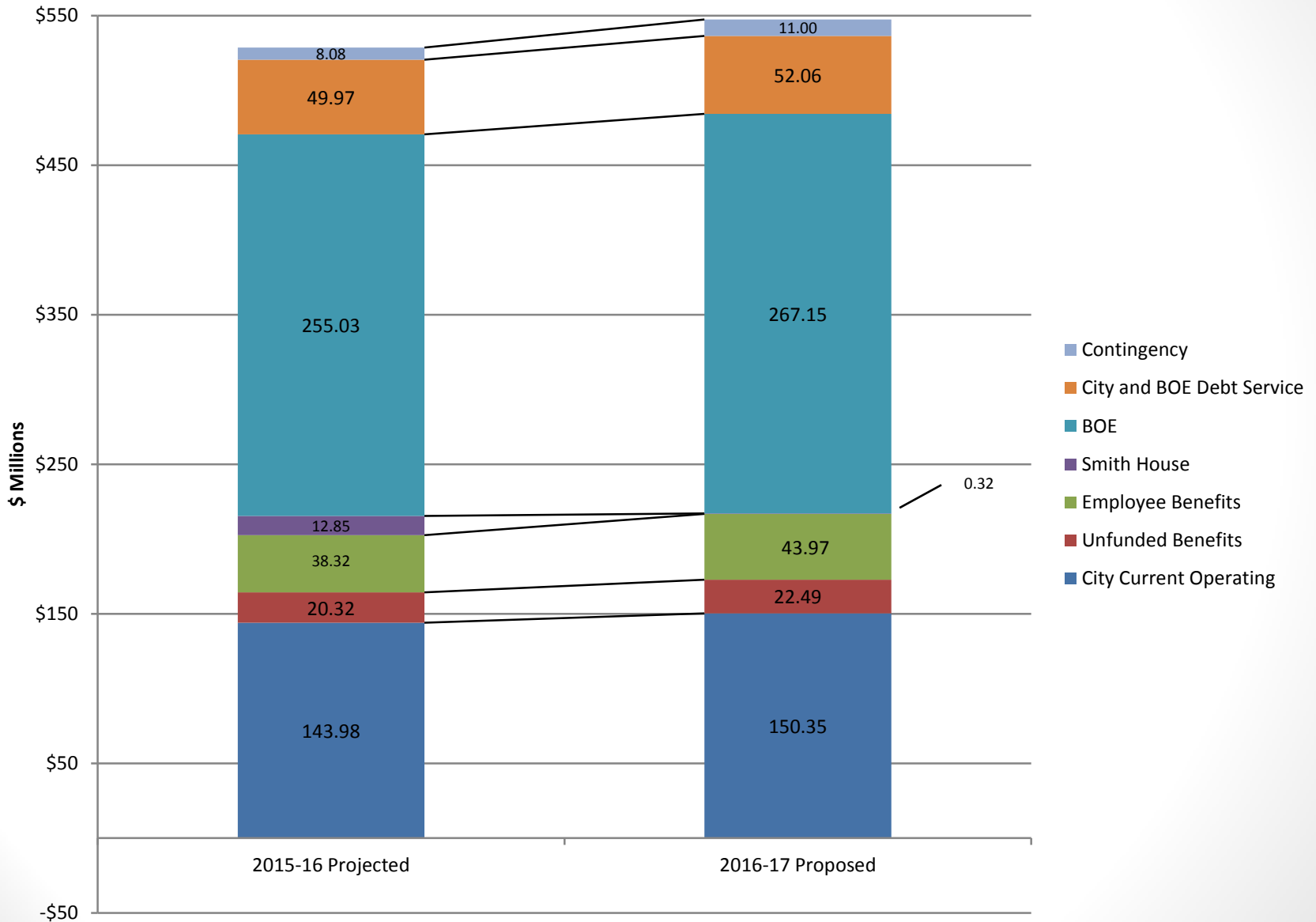
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Operating Budget

	Proposed Budget	\$ Change over 2015-16 Projected	% Change over 2015-16 Projected
City Current Operating	\$150.3 M	6.3 M	4.4 %
Unfunded Benefits	\$22.5 M	2.2 M	10.7 %
Other Employee Benefits	\$43.9 M	5.7 M	14.8 %
Smith House	\$0.3 M	(12.5) M	(97.5) %
BOE	\$267.2 M	12.1 M	4.8 %
City & BOE Debt Service	\$52.1 M	2.1 M	4.2 %
Contingency	\$11.0 M	2.9 M	36.1 %
Total Budget	\$547.3 M	18.8 M	3.6 %

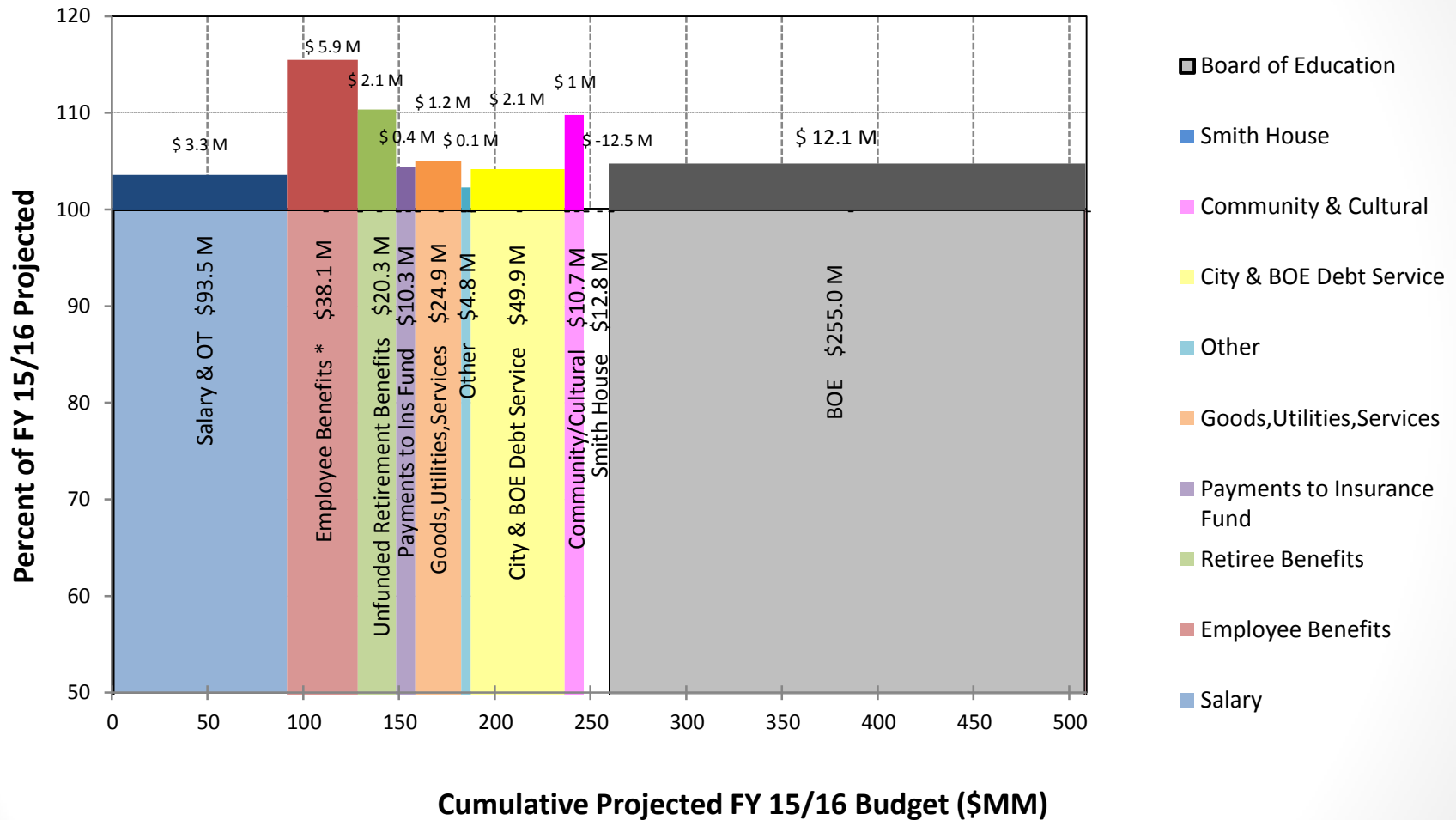
Proposed Mill Rate Increase: 3.79%

Operating Budget



Expenditure Drivers by Category

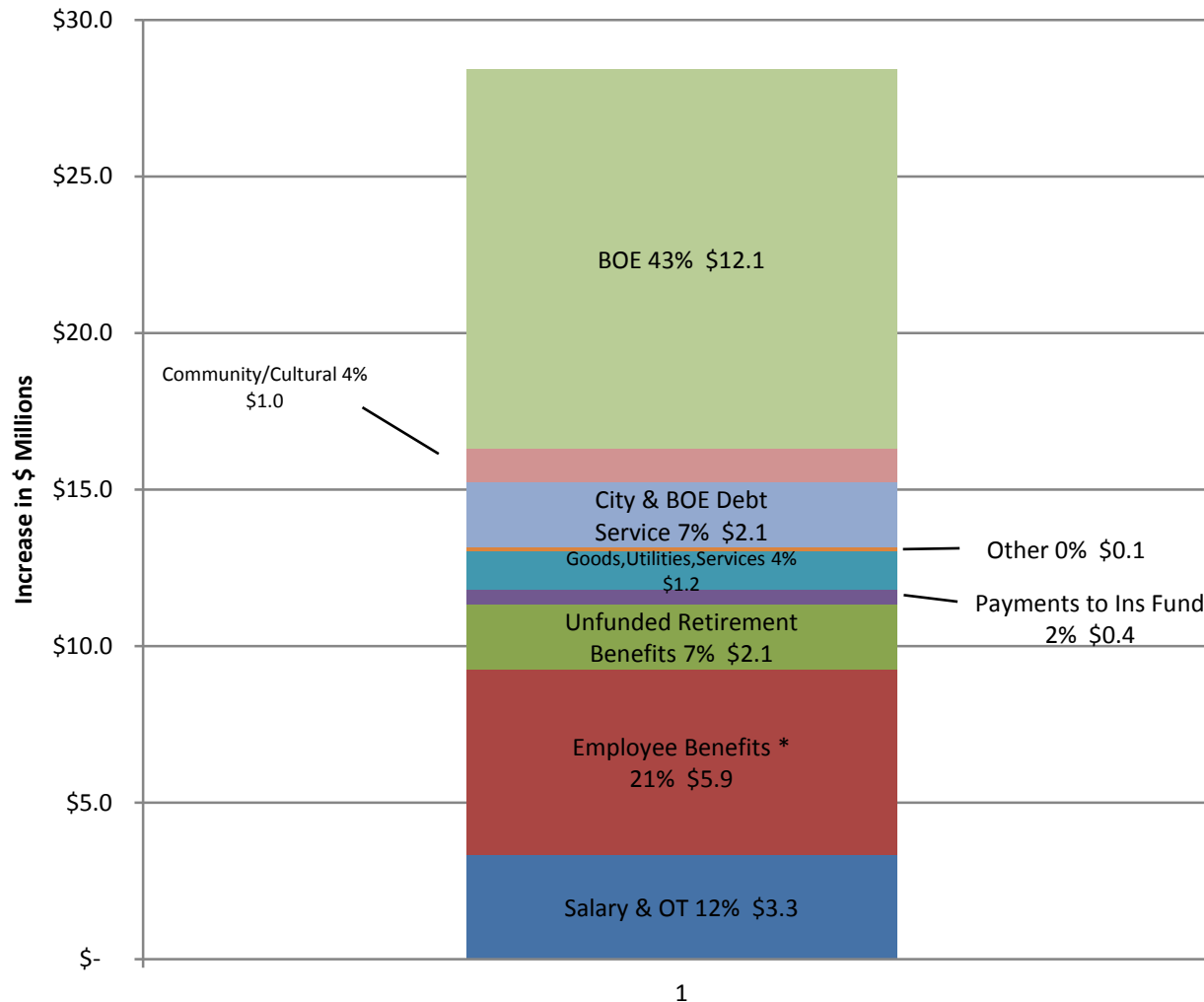
Proposed FY16/17 vs Projected FY15/16



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

Excludes Contingency increase of \$2.9 M

Expenditure Drivers by Category

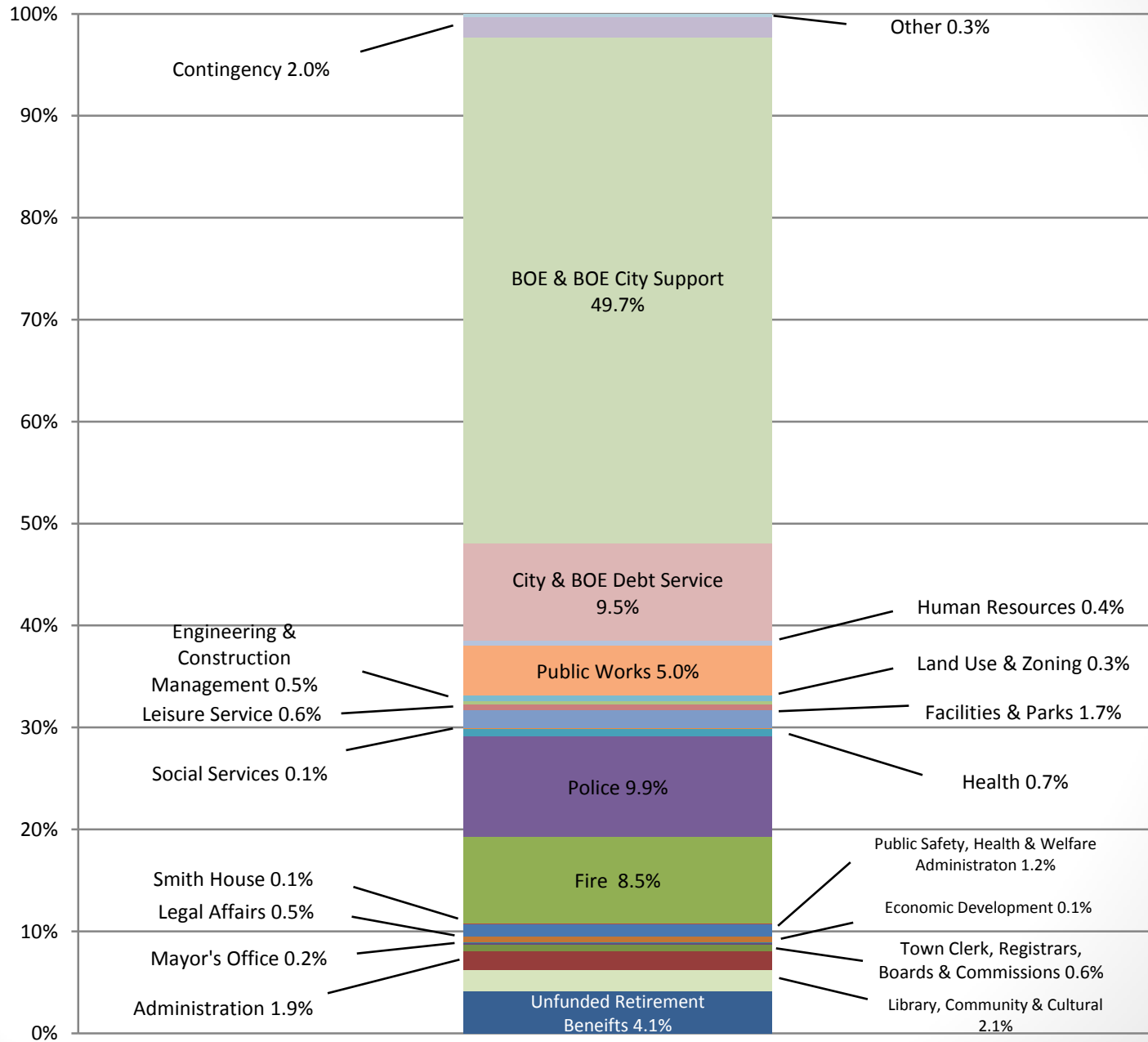


Excludes Contingency increase of \$2.9 M & Smith House decrease of (\$12.5 M)

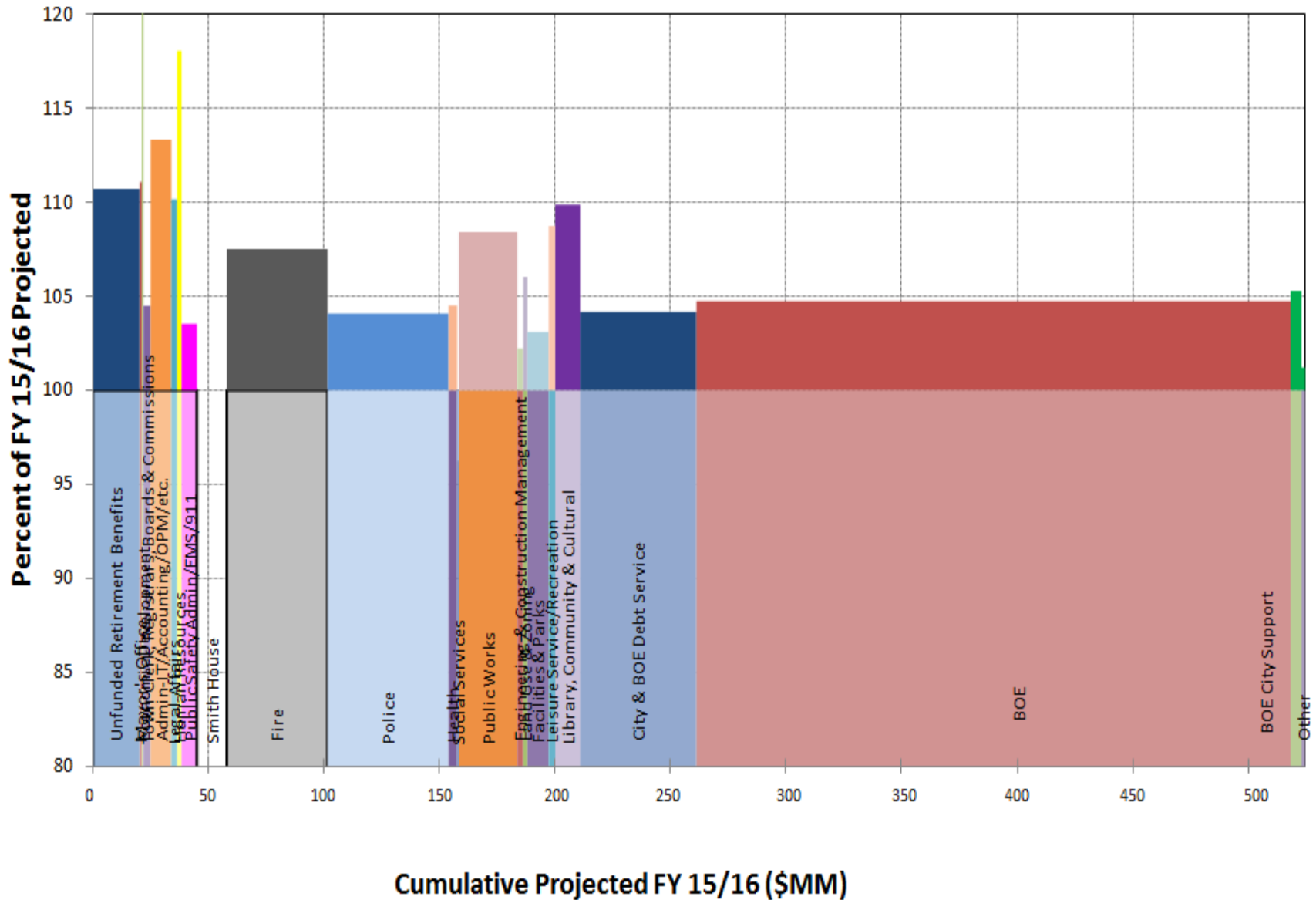
* Employee benefits include healthcare, and normal cost for Pensions & OPEB

Expenditure by Office

Total \$547,349,389

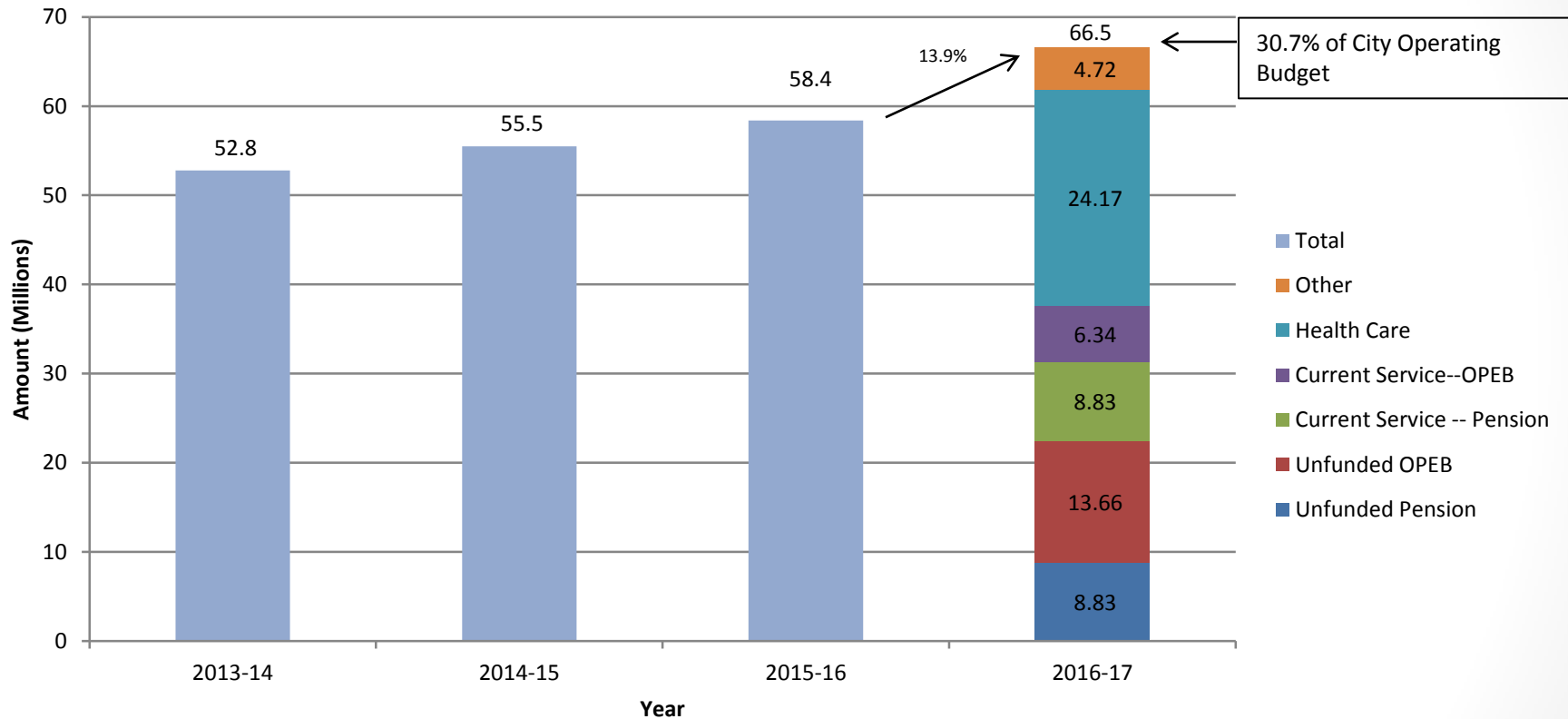


Proposed FY16/17 vs Projected FY15/16 by Operation

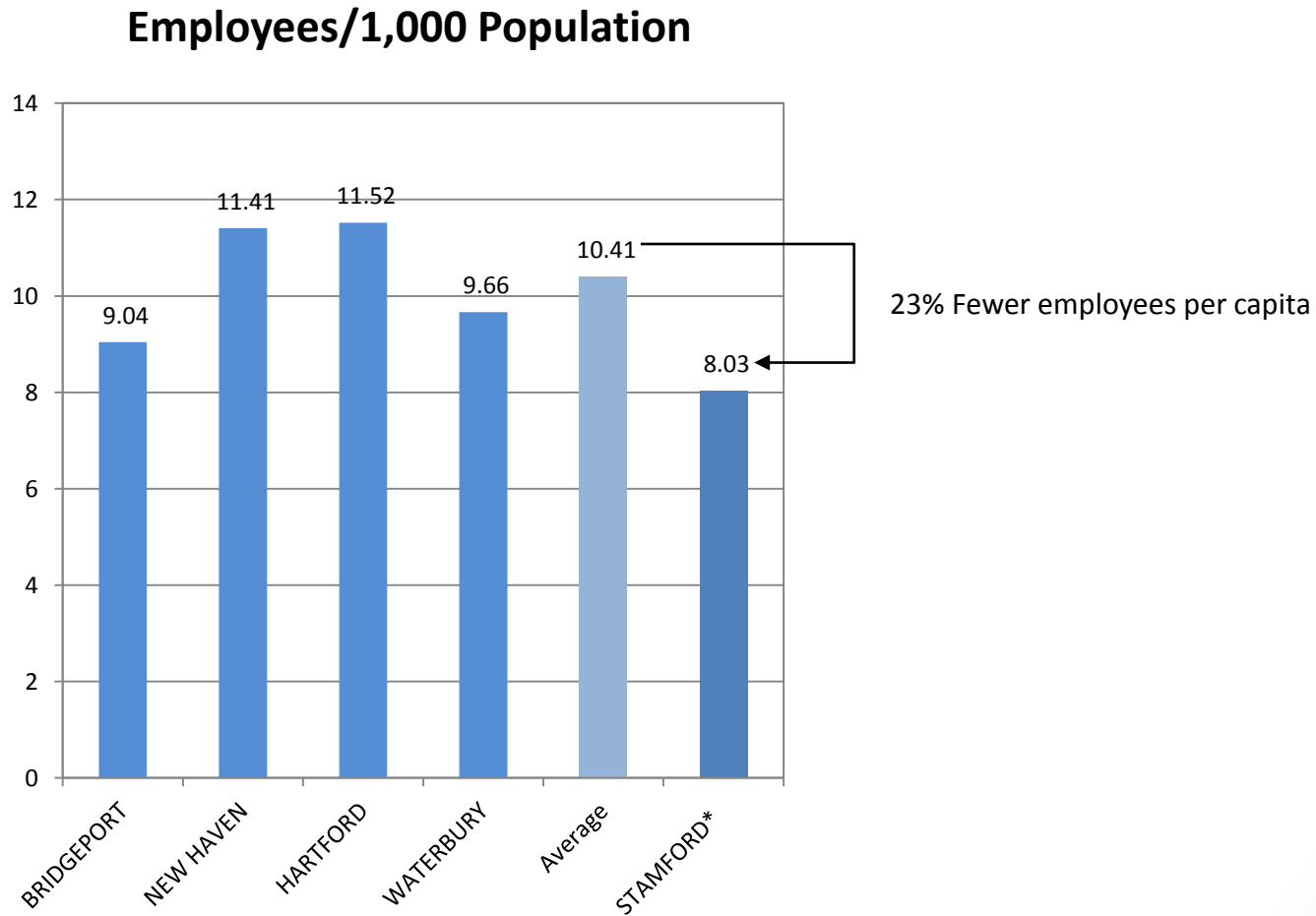


Long Term Unfunded Obligations

Total Amount Spent - City Employee Benefits



Comparison of Full Time Employees Stamford vs. Other Cities



* Excludes employees assigned to BoE and Nursing Homes

Revenues & Reserves



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Change in Grand List

FY 2016/17 Grand List:	\$19.56 billion
FY 2015/16 Grand List:	\$19.30 billion
Increase:	0.26 billion
% Increase:	1.33%*

* A portion of Grand List increase is allocated to the TIFFs.

Increased Reserve Requirements

Elderly Tax Credits	\$0.25M
Tax Appeals	\$1.25M
Mill River TIF	\$0.7M
Harbor Point TIF	\$1.5M
Linkage	-\$0.06M
Non-Profit Tax Credit	No change
Uncollected	\$0.3M
Contingency	\$2.9M
Total Change	\$6.8M

Revenue Changes

<i>Departmental Revenue Changes</i>	<i>Projected Change</i>
Prior Year Collections	-\$300k
PILOT	-\$94k
Building Permits	-\$750k
Bulky Waste	-\$89k
Conveyance Tax	\$100k
Overall Decrease	-\$1,133k

State Funding – Revenue Sharing	\$3,967k
Other State Funding	-\$123k

Smith House	-\$7,353k
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Summary Sheet

	<i>FY 15/16 Projected</i>	<i>FY 16/17 Proposed</i>	<i>Variance</i>
Total Budget	\$520.4M	\$536.4M	\$15.9M
Revenue	\$60.8M	\$56.3M	-\$4.5M
Contingency	\$8.1M	\$11.0M	\$2.9M
Net Amount to be Raised	\$467.7M	\$491.1M	\$23.4M
Reserves	\$16.9M	\$18.6M	\$1.7M
Total Gross Levy	\$484.7M	\$509.7M	\$25.0M
Grand List	\$19,304M	\$19,560M	\$256M
Average Mill Rate	25.11	26.06	0.95 or 3.79%

Proposed Capital Budget

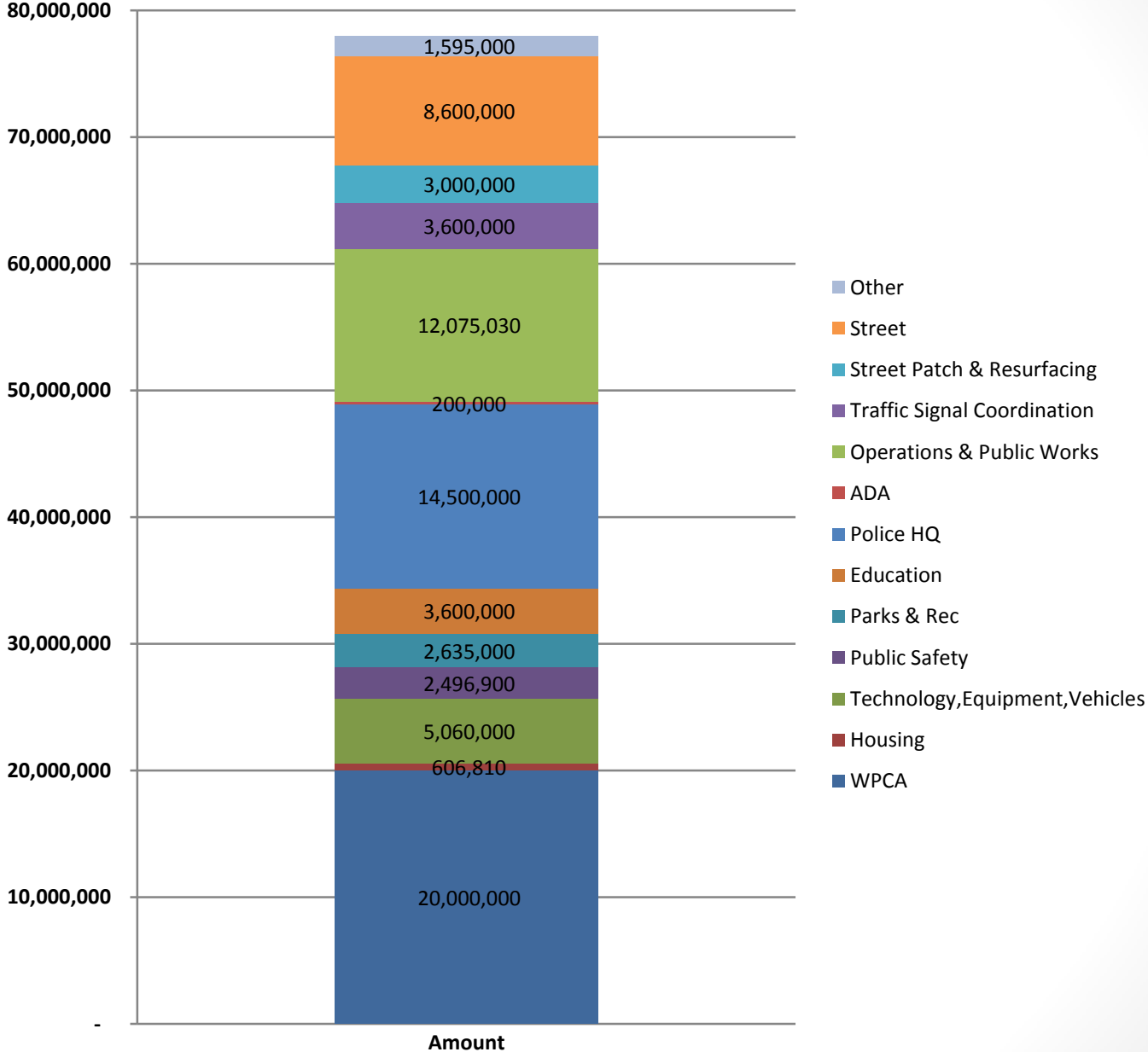


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Capital Budget Total

	Proposed Capital Budget
Total Capital Budget	\$78.0M
Total Long-Term Local Funding	\$38.3M
- Police HQ	\$14.5M
- All other projects	\$23.8M
Grants & Other	\$15.8M
Short Term (Capital non-recurring)	\$5.2M
WPCA Bonding	\$18.7M

Proposed Capital Budget by Activity



Major Projects – 200 Strawberry Hill Avenue



- Received \$60+ million from State during 2015 legislative session
- Broke ground on January 14 for Phase 1 light renovation
- Plan to have K-1 start in September 2016
- School will eventually be K-8

Police Headquarters

- Asbestos concerns elevate urgency of project
- Total cost of ~\$60 million
- Expected completion within 2.5-3 years
- Working with architect to relocate Hoyt-Barnum House in Spring/Summer 2016
- Design plans being finalized



Summary

- Stamford is financially healthy for today and the future
- Proposed budget reflects a 3.79% tax increase
 - Addresses growing healthcare and pension obligations
 - Protects vital services for the citizens of Stamford
 - Careful & judicious reductions can result in a 3% tax increase
- Key drivers for increases in operating budget
 - Unfunded long term obligations (pension and healthcare)
 - Employee costs (wage increases and health benefits)
 - Board of Education budget requests
 - Offset by Smith House and increased State funding
- Major investment in new Police Headquarters