



# City of Stamford FY23/24 Budget Presentation

March 8, 2023

Mayor Caroline Simmons



# Administration Vision and Budget Priorities



## Vision Statement:

To build a more inclusive, equitable, vibrant, and innovative City where everyone can thrive.

## Budget Priorities:

- Delivering a fiscally responsible budget that funds essential services for Stamford residents and aims to ease the property tax burden on residents by mitigating the effects of the 2022 property revaluation.
- Investing in key priority areas:
  1. Roads, Sidewalks, & Pedestrian Safety
  2. School Facilities
  3. Public Safety, Health and Welfare
  4. Parks and Sustainability
  5. Housing

# Budget Priorities Overview



Delivering a Fiscally Responsible Budget that Aims to Ease the Property Tax Burden on Residents by Mitigating the Effects of the 2022 Property Revaluation:

- **Holding Personal Property and Motor Vehicle Mill Rates Flat and Recommending a 2-Year Phase In of the Revaluation**
- **Limited Major Spending Increases:** Limited discretionary city operating budget increases to mission critical positions
- **Safe Debt Limit and Retirement Cost Savings:** Minimized major debt service cost increases and found cost savings in retirement benefits
- **Senior Property Tax Credit:** Continued expanded senior citizen property tax credit levels

## Key Priorities:

- **Roads & Sidewalks & Pedestrian Safety:** Investing in road and sidewalk paving and projects focused on pedestrian safety
- **Schools:** Increased bonding authorizations for school facility projects and proposing to keep \$20,000,000 in reserve for schools
- **Parks & Sustainability:** Investing in City parks and sustainability projects
- **Public Safety, Health, and Welfare:** Enhancing 911 call center to meet the growing needs of our City
- **Housing:** Adding a staff position focused on housing and investing \$1,250,000 to support the Oak Park 100% affordable housing redevelopment project

# Economic Outlook



- **City of Stamford Population:** 135,470 people
- **Business Growth:** Webster Bank, Mirador, Stifel, Charter Communications, Alliance Bernstein, Viking Global, Saks Off Fifth, New York Comedy Club, Fiesta Westside, MillerKnoll, Harbor Pets, The Taco Project
- **Commercial Vacancy Rate:** Vacancy rate in Stamford's Central Business District (CBD) decreased to 33.9% in the fourth quarter of 2022, down from 35.4% at the end of 2021 (Source: Cushman and Wakefield)
- **Unemployment Rate:** Stamford's unemployment rate is 3% as of Dec 2022 (down from 4% at this time last year); Connecticut statewide average: 3.1%; national average: 3.4%. (Source: CT DOL & Bureau of Labor Statistics)  
Latest jobs report showed an increase of 517,000 jobs created in the United States in January 2023. (U.S. DOL Employment Report)
- **Inflation and Consumer Price Index:** As of January 2023, the annual inflation rate is 6.4% (compared to 7.5% in January 2022); Consumer Price Index increased by .5% in January 2023
- **Interest Rate:** On Feb 2, 2023, the Federal Reserve raised interest rates by a quarter percentage point to 4.5%-4.75%, the eighth increase since March 2022 with more rate hikes expected in 2023

# Mayor's Proposed Operating Budget: Fiscal Year 2023-2024



The total combined City and BOE expense budget and reserve for contingency is **\$654.7M**, a 3.7% increase from last year.

The proposed total City Government expense budget is **\$329.2M**. This request represents a **2.98% increase on the city side** which includes operating expenses of \$191.8M, employee benefits of \$83M and Debt Service obligations of \$53.8M.

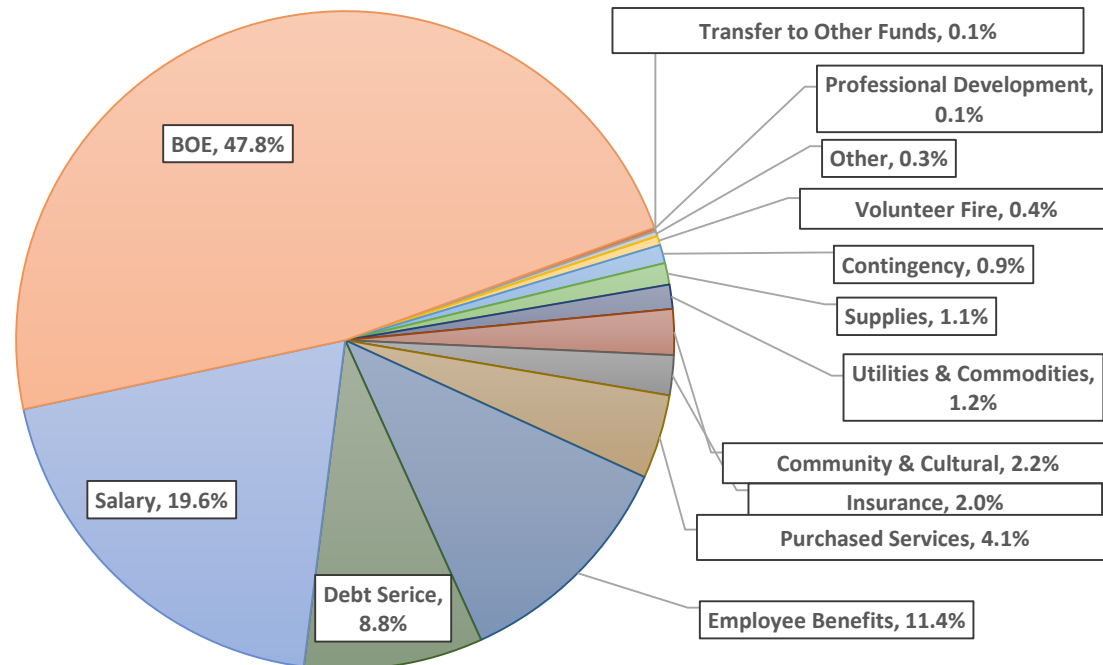
- Cost increases include salaries and benefits, insurance, debt service; Savings include a reduction in OPEB and Pension retirement benefits

The total Board of Education budget is **\$314.8M** with an additional \$4.6M related to City support to education. This combined request represents an increase of **4.3% from the Board of Education**.

# Operating Budget Expenses by Category



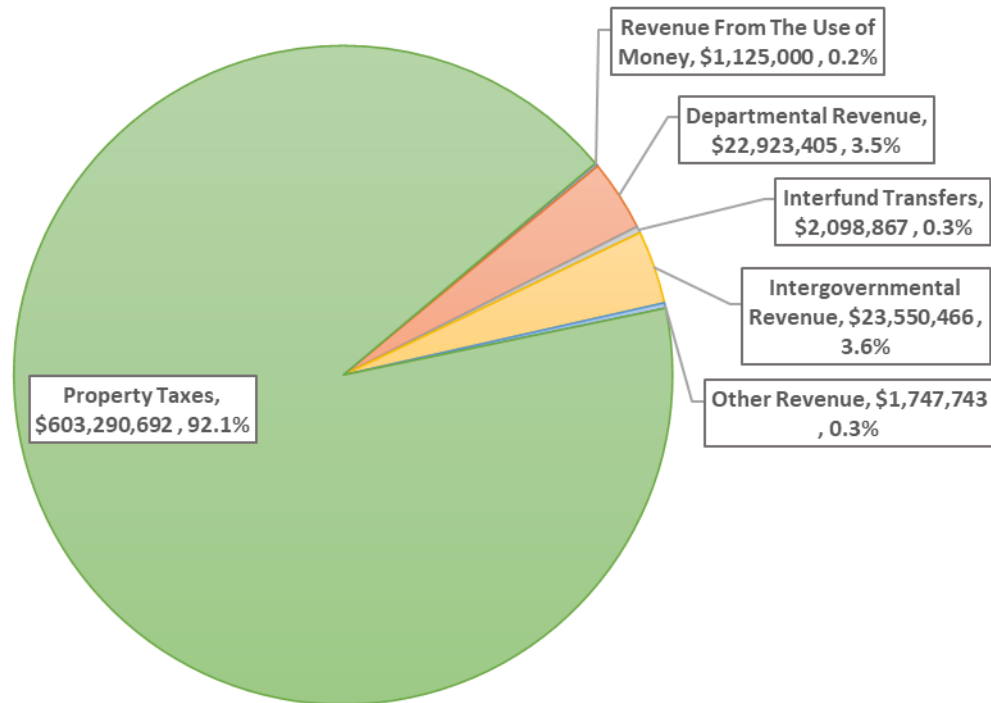
Operating Budget Expenses By Master Category - FY 23/24



# Revenue by Category



Revenue By Master Category - FY 23/24



# Long-Term Liabilities



- OPEB and Pension Savings = -\$10.3M
  - Experience study
  - Moving Retirees to the State Partnership Plan and Medicare Advantage
- Annual returns on retirement funds dropped but asset smoothing helped mitigate losses



# Mayor's Proposed Capital Budget: Fiscal Year 2023-2024

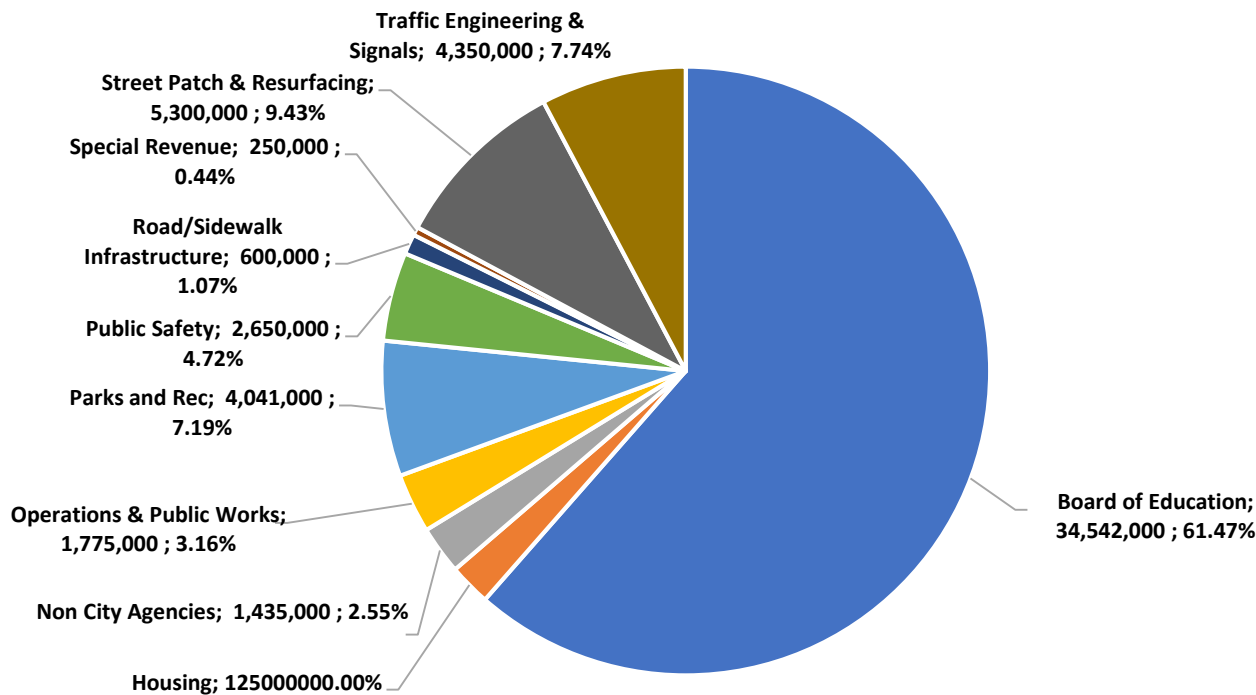


- This capital budget authorizes \$91,386,000 in proposed project authorizations, including \$56.2 million in General Obligation bonds and \$35.2 million from other revenue sources.
- The following are proposed authorized projects for FY23/24:
  - **Schools** - Stamford High, Julia Stark Elementary, Springdale Elementary, Davenport Ridge Elementary, Northeast Elementary, Newfield Elementary, and Rippowam.
  - **Parks and Sustainability** - Cummings Park, Scalzi Park, West Beach, Barrett Park, Hatch Field Park, Carwin Park, Cove Island, Kosciuszko Park, Northrop Park and Fort Stamford Park. Additional projects include, city-wide tree replanting, tree pit remediation, and a city-wide tree inventory.
  - **Roads, Sidewalks, and Pedestrian Safety** - Road and sidewalk paving, pedestrian safety, and projects focused on making our city more bike and pedestrian friendly.
  - **Public Safety** - Public safety equipment to support the Stamford Police and Fire Departments.
  - **Housing** - Investing \$1,250,000 to support the Oak Park 100% affordable housing redevelopment project

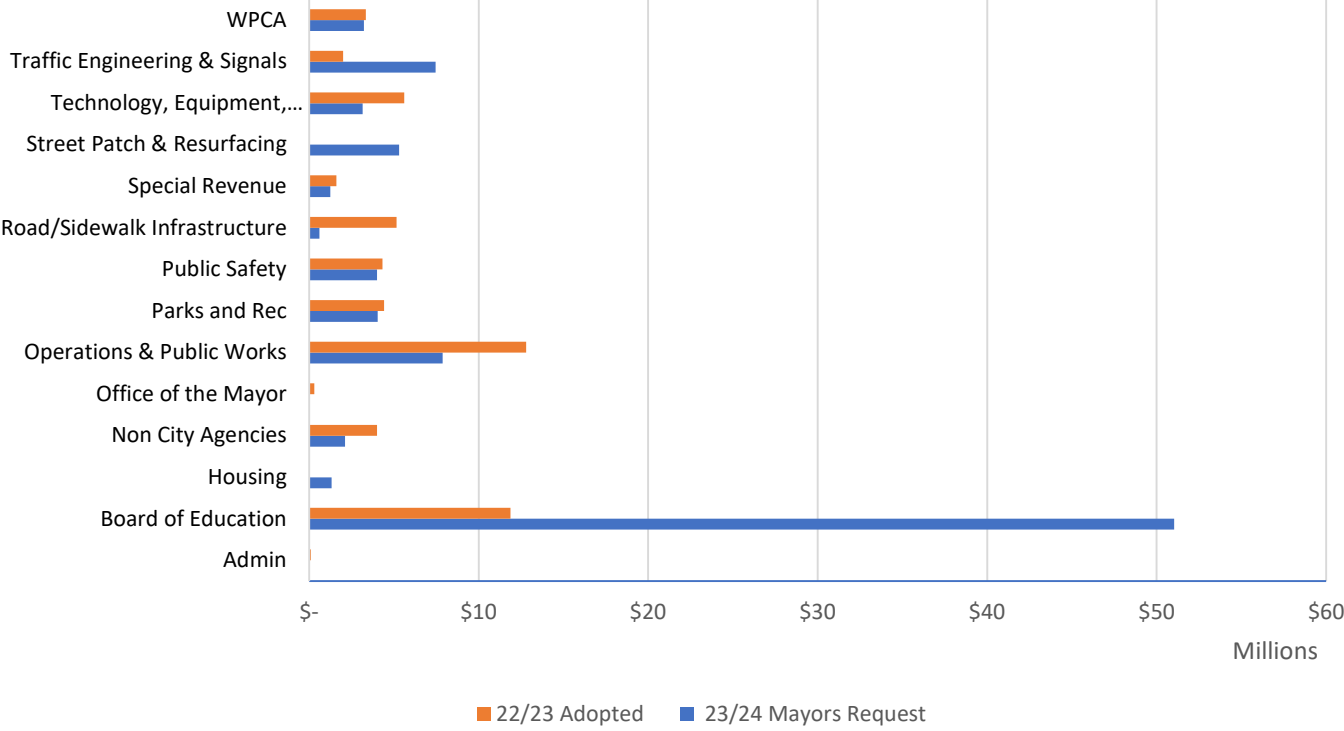
# FY23/24 Mayor's Proposed Capital Request Request Bond Authorization



## FY23/24 Mayor's Proposed Capital Request Bond Authorization - \$56,193,000



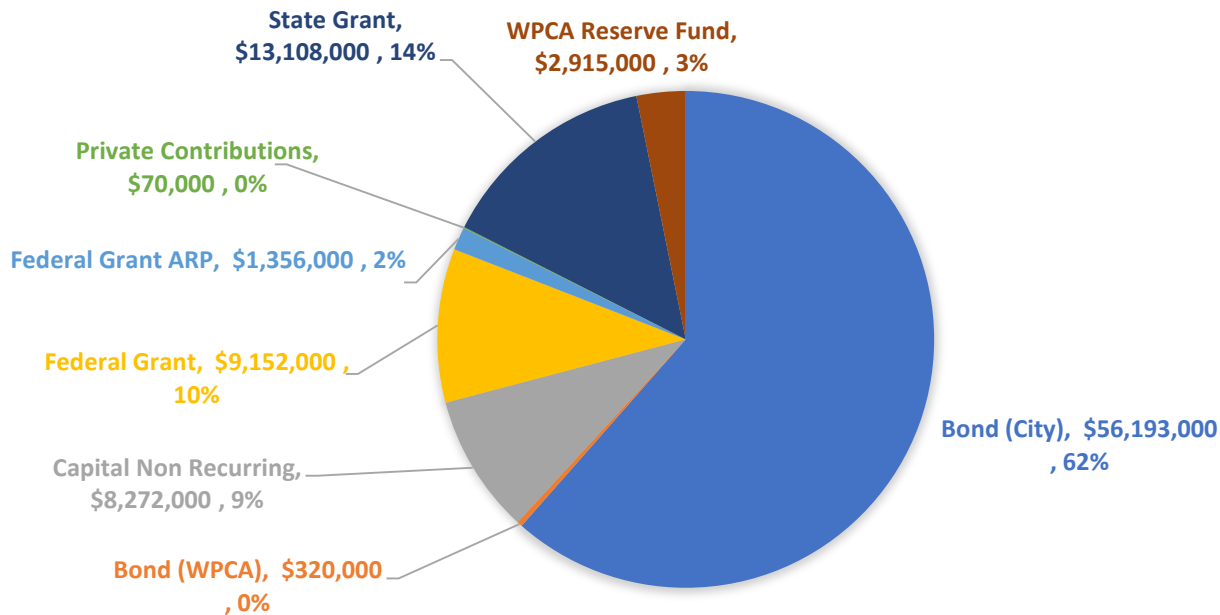
# Comparison 22/23 Adopted Capital Budget vs. 23/24 Mayor's Request



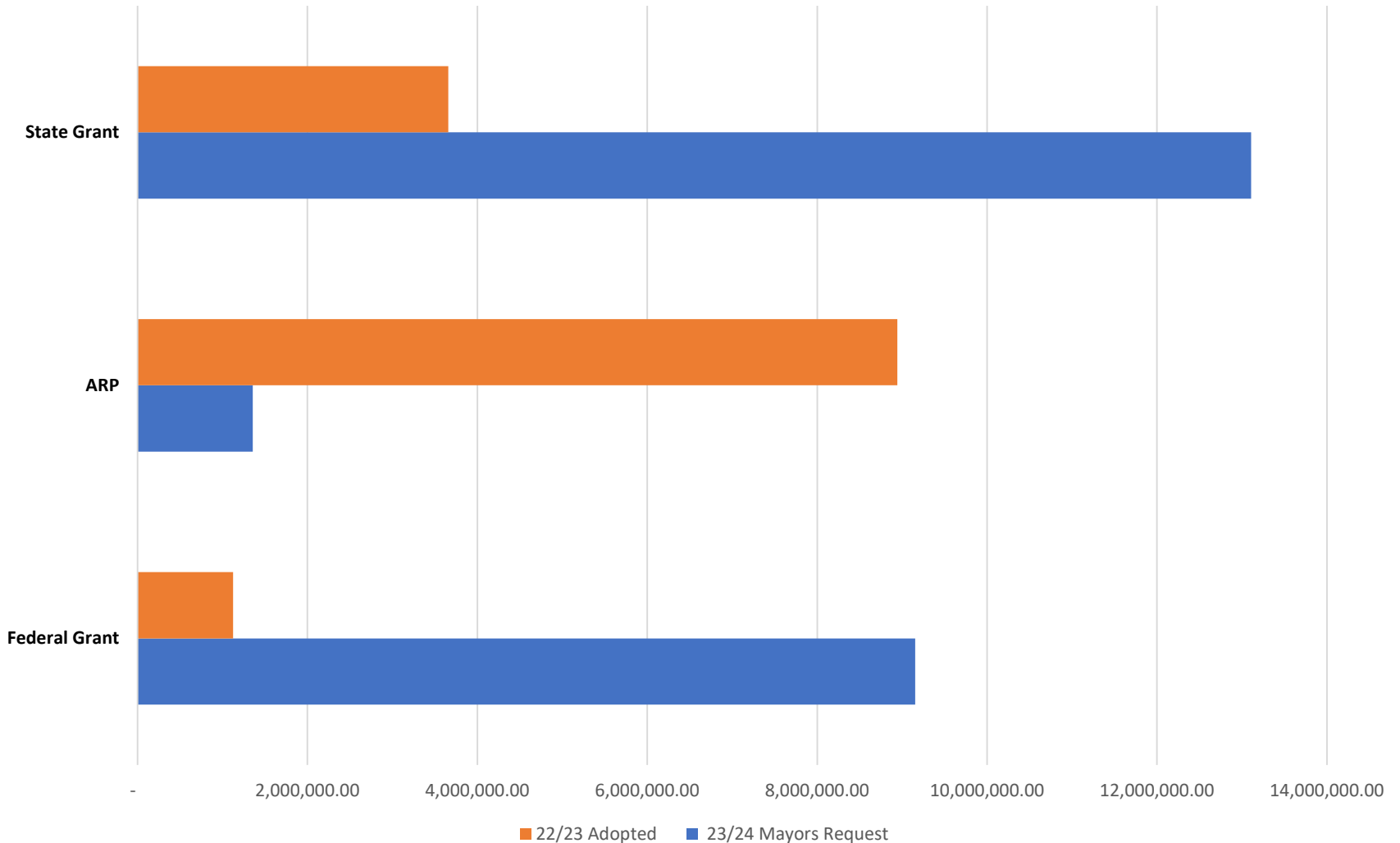
# Capital Budget Summary by Funding Source



## FY23/24 BUDGET SUMMARY BY FUNDING SOURCE \$91,386,000



# Capital Budget Grant Comparison 22/23 Adopted vs 23/24 Mayor's Request



# State Funding



In partnership with Governor Ned Lamont and Stamford's legislative delegation, the City secured state funding for the following projects aimed at improving quality of life:

- \$5.6 million for infrastructure and streetscape improvements to the area around the Main Street garage parking ramp on Atlantic Street
- \$3 million for renovations and upgrades for the Stamford High School athletic fields
- \$3.3 million in funding through the Small Harbor Improvements Projects Program:
  - \$3,095,520 for Cove Marina and channel dredging
  - \$236,500 for final design and permitting of the Cummings Marina
  - \$20,000 for feasibility of an additional City boat ramp in Stamford Harbor
- \$2 million for construction of the Astronomy Observatory Center at the Stamford Museum & Nature Center
- \$1 million for renovations and improvements at Terry Conners Ice Rink
- \$950,000 for balcony seating renovations and updates at the Palace Theatre
- \$950,000 for brownfield remediation
- \$70,000 for security fencing at the Boys and Girls Club at the Yerwood Center
- \$75,000 for replacement of basketball courts at Northrop Park

**My goal is to secure more state and federal funding in order to increase intergovernmental revenue, advance the City's policy priorities, and reduce the burden on Stamford taxpayers.**

**During the 2023 legislative session, Dr. Lucero and I are also advocating for more Education Cost Sharing (ECS) funding for the City of Stamford to meet our growing student needs.**

# Federal Funding



The City has secured funding from a variety of federal agencies for projects, including:

- \$2.1 million Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant to revitalize the West Main Street Corridor
- \$2 million Safe Streets and Roads for All Grant for improvements to school sidewalks
- \$1.81 million Outdoor Recreation Legacy Partnership Grant for improvements to Boccuzzi Park
- \$513,000 Workforce Development Grant from the U.S. Department of Labor for pre-apprenticeship programs and job training for students
- \$133,151 Body-Worn Camera Policy and Implementation Program Grant from the U.S. Department of Justice
- \$68,755 Enhanced Air Quality Monitoring grant from the U.S. Environmental Protection Agency for South Port air quality monitoring
- \$25,000 Grants for Arts Projects program from the National Endowment for the Arts for a mural at the Stamford Train Station garage

# Federal Funding



In the 2022 Omnibus Appropriations bill passed by the U.S. Congress and signed into law by President Joe Biden, the City of Stamford will receive over \$6 million in funding for congressionally directed spending projects:

- \$3 million for the construction of an East Side Branch of the Ferguson Library
- \$2 million for upgrading City streetlights to energy-saving LED streetlights
- \$1 million for installing 50 bioswales across the City
- \$639,000 for maintenance of the Stamford hurricane barrier
- \$250,000 to purchase training equipment for a Regional Police Academy



# Capital Projects: Public Safety

Police Specialty Vehicles



Public Safety Vehicle Replacement



Glenbrook Fire Station



Fire Hydrant Replacement

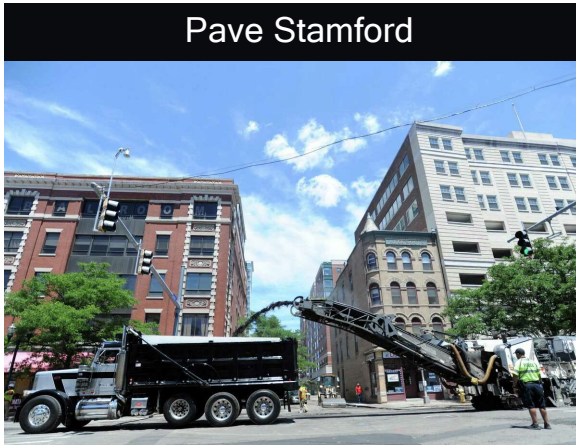


Fire Apparatus



# Capital Projects: Roads, Sidewalks, and Pedestrian Safety

Pave Stamford



ADA Curb & Sidewalk Construction



Bike Lanes



West Main Street Corridor Improvement Project



Signals/Pedestrian Signal Infrastructure



Roadway Design & Reconstruction Projects



# Capital Projects: Schools

Stamford High School



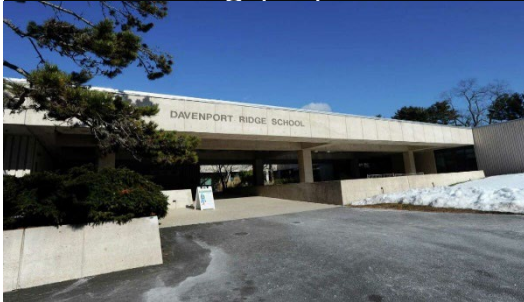
Westhill High School



Northeast Elementary School



Davenport Ridge Elementary



Springdale Elementary School



Newfield Elementary School



Julia Stark Elementary School



Roxbury Elementary School



# Capital Projects: Parks and Sustainability

Barrett Park



Cove Island Park



Kosciuszko Park



Scalzi Park



Cummings Beach



Carwin Park



Citywide Tree Replanting



Electric Vehicle Charging Stations



LED Street Lights



# Property Revaluation



- Overview of the State Mandated Revaluation
- Market Changes since the Revaluation in 2017
- Results of the Property Revaluation

# October 2022 Grand List



- The October 1, 2022, grand list is \$26,909,732,062 billion, up \$4.198 billion from the \$22,711,315,415 grand list in 2021.
- The 2022 grand list increased by 20%. 19% of this growth came from market changes due to the revaluation and about 1% was organic growth.
- Stamford still has the 2<sup>nd</sup> highest grand list in the state after Greenwich.
- Overall, real estate assessments increased from \$20.109 billion to \$24.163 billion, a 20% increase from 2021 which also includes organic growth.
  - **Stamford saw a 25% average increase in residential real estate assessments**, compared to Waterbury (74% increase), Naugatuck (42% increase), Bethel (36% increase), and Bristol (35% increase).
- Motor vehicle assessments increased from \$1.345 billion to \$1.428 billion, a 6% increase from the 2021 grand list and there were 2,863 new vehicles.
- Personal property assessments increased from \$1.257 billion to \$1.311 billion, a 4.3% increase from 2021.

# Administration's Recommendations to Mitigate Revaluation Impact on Taxpayers



In order to ease the burden of the property revaluation on Stamford residents and mitigate major tax hikes, my administration is recommending the following three measures:

1. **Phasing in the 2022 Revaluation Over Two Years:** Given the property revaluation led to significant property value increases across the City, phasing in the results of the assessment over two years will ease the burden on residents this year so that they do not have to incur such a large tax hike all in one year.
2. **Separating the Personal Property Mill Rate and Holding it Flat:** This will help lower the average increase on residential real estate.
3. **Holding the Motor Vehicle Mill Rate Flat:** Since motor vehicle assessments increased 6% (which was a more moderate increase compared to the dramatic spike in 2021), holding the motor vehicle mill rate flat will result in most taxpayers seeing their car taxes hold steady or decline slightly.

# Conclusion



- This FY2023 - 2024 budget:
  - Reflects our values as an administration to build a more inclusive, equitable, innovative and vibrant City where everyone can thrive
  - Aims to mitigate the impact of the property revaluation on residents, while investing in essential services for residents
  - Prioritizes Stamford residents by investing in critical quality of life, education, public safety, and infrastructure projects, including roads, sidewalks, schools, and parks



