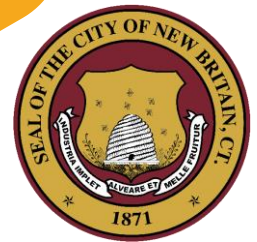


MAYOR'S PROPOSED BUDGET FY 2022 - 2023

Mayor Erin E. Stewart
April 13, 2022



MEMBERS OF THE NEW BRITAIN COMMON COUNCIL

Robert Smedley, President Pro Tempore

Howard Dyson, Majority Leader
Wilfredo Pabon, Asst. Majority Leader
Aram Ayalon, Minority Leader
Angel Segarra, Asst. Minority Leader
Desiree Costa, Alderwoman
Luz Ortiz-Luna, Alderwoman
Michael Thompson, Alderman

Jerrell Hargraves, Alderman
Paul Catanzaro, Alderman
Iris Sanchez, Alderwoman
Alden Russell, Alderman
Matthew Malinowski, Alderman
Krzysiek Rutkowski, Alderman
Peter Scirpo, Alderman





MEMBERS OF THE BOARD OF FINANCE AND TAXATION

Mary Marrocco, Chairwoman
Tre Brown, Commissioner
Maritta Daddio, Commissioner
Ken Haas, Commissioner
Cynthia Catanzaro, Commissioner
Carol Labbe, Commissioner
Zulma Salazar, Commissioner

THE BUDGET TEAM

Mayor Erin E. Stewart

Jonathan Perugini, Acting Finance Director

Justin Dorsey, Chief of Staff

Brock Weber, Exec. Aide to the Mayor

Nathan Amos, Accounting Assistant

All Department Heads





FY 2022-2023 BUDGET TIMELINE

January 14, 2022 Department requests due to Mayor & BOFT

February 1, 2022 BOFT Receives Compiled Budgets

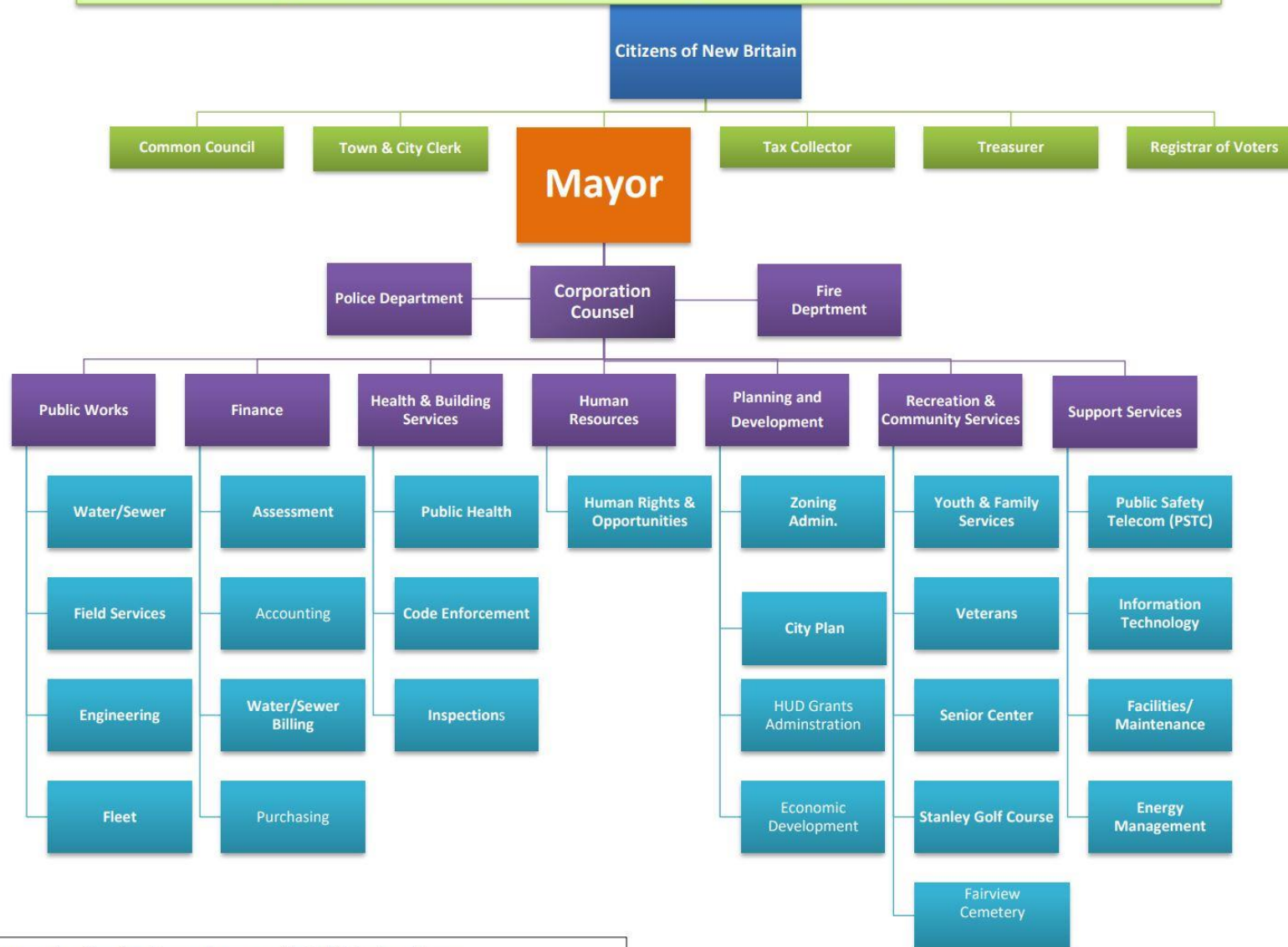
March 1, 2022 BOFT Presents Budget to Mayor

April 13, 2022 Mayor Presents Budget to Council

April 26 , 2022 Council Public Hearing

June 10, 2022 Council Deadline to Adopt Final Budget

City of New Britain Organizational Chart

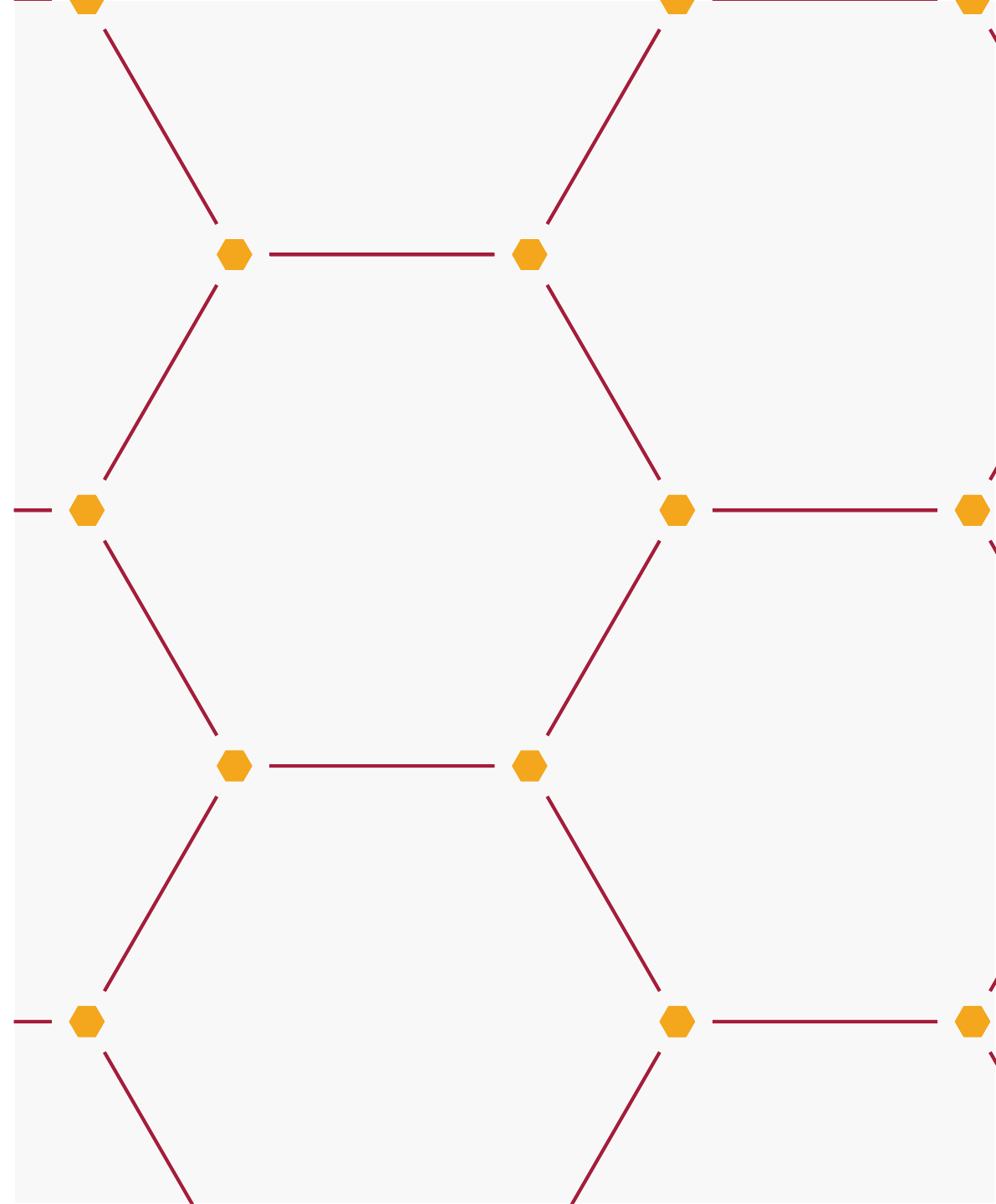


*This chart represents office functions not necessarily individual employees

Rev. 1/25/22

DEMOGRAPHICS

- ◆ 2020 Population - 74,135 (+ 929 since 2010 census)
- ◆ 8th Largest City in the State
- ◆ Residential Households -15,229
- ◆ Median Price of a Single Family House - \$211,250
- ◆ Median household income - \$47,392
- ◆ Median age - 34
- ◆ Registered Vehicles in the City – 45,023



NO BUDGET IS PERFECT

A Budget is a snapshot in time.

Based off professional and educated assumptions on the course of the next 18 months.

Subject to change based on unanticipated and uncontrollable external factors and conditions.



THE ROAD TO FINANCIAL STABILITY

[Mayor's Column - March 2022](#)

NEW BRITAIN HERALD

ERIN STEWART: New Britain's financial journey reaches stability

Story Comments

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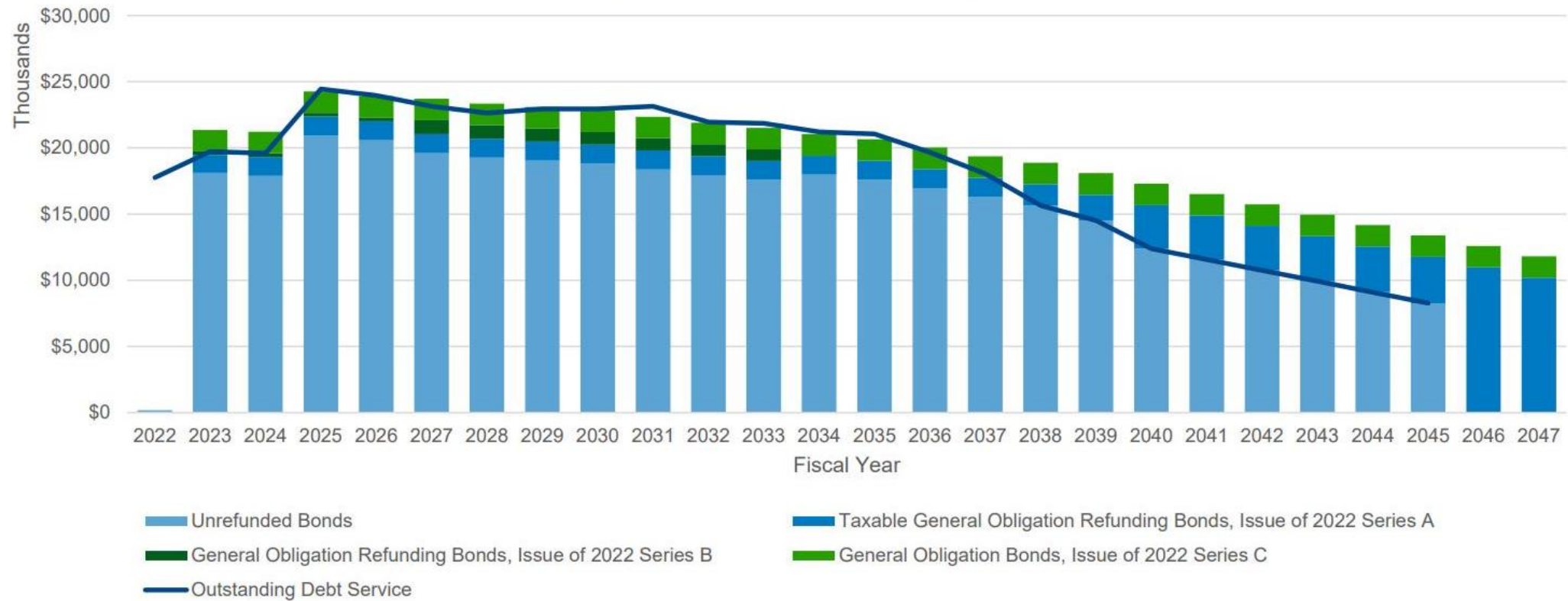


Published on Monday, 4 April 2022 12:35
Written by ERIN STEWART
NEW BRITAIN MAYOR

It's hard to believe, but later this month I will present my ninth budget to the Common Council since being first elected "way back" in 2013. Anyone who has even remotely followed the work we've been doing over the past eight and half years knows that our city's finances have always been my top priority, and when you look back and see just how far we have come, it's not hard to understand why. Shortly after I first took my oath in November of 2013, I was informed that New Britain was facing a deficit of nearly \$30 million. From that moment forward, my mission as mayor was clear: getting us back on the road to financial stability and responsibility.

DEBT PROFILE

Projected Financing Results - Restructuring With New Money



Based on rates as of January 13, 2022
Actual results may vary based on interest rates and other factors



LOOKING BACK

FY 21-22

Total: \$243,135,108

- Reduced PP and RE Mill Rate to 49.5 (from 50.5)
- Reduced MV Mill Rate to 44 (from 45)
- No Layoffs

CHANGING TRENDS



National Economy Shifts
8.5% Growth in Inflation*

Gas: 48% ↑

Energy: 32% ↑

Used Cars and Trucks: 35.3% ↑

*CPI annual increase as of March 2022

CURRENT FY PROJECTIONS

Deficit Projected FY 21-22:

- Insurance Renewal Rate
- Police Pensions
- Interest Income
- Distressed Municipalities Grant

FY 23 BUDGET PROGRESSION

Function	Budget Amount	% Increase over prior year	Est New Mill Rate	Mill Rate Increase	Mill Rate Change in Dollars
Dept. Head Requests	\$256,532,070	5.5%	56.56	7.06	\$19,141,672.10
BOFT Proposed	\$256,572,370	5.5%	56.58	7.08	\$19,195,897
Mayor Proposed	\$251,056,177	3.26%	49.5	0	N/A





MILL RATE COMPUTATION

VALUE OF 1 MIL 2022: \$2,711,285

Revenue Other than Taxes = \$113,177,655
Tax Collection Projected= \$137,878,522
Grand List = \$2,819,481,784
Estimated Collection Rate = 96.6%
RE/PP Mill Rate = 49.5
MV Mill Rate = 44
Total Mayors Proposed budget =
\$251,056,177

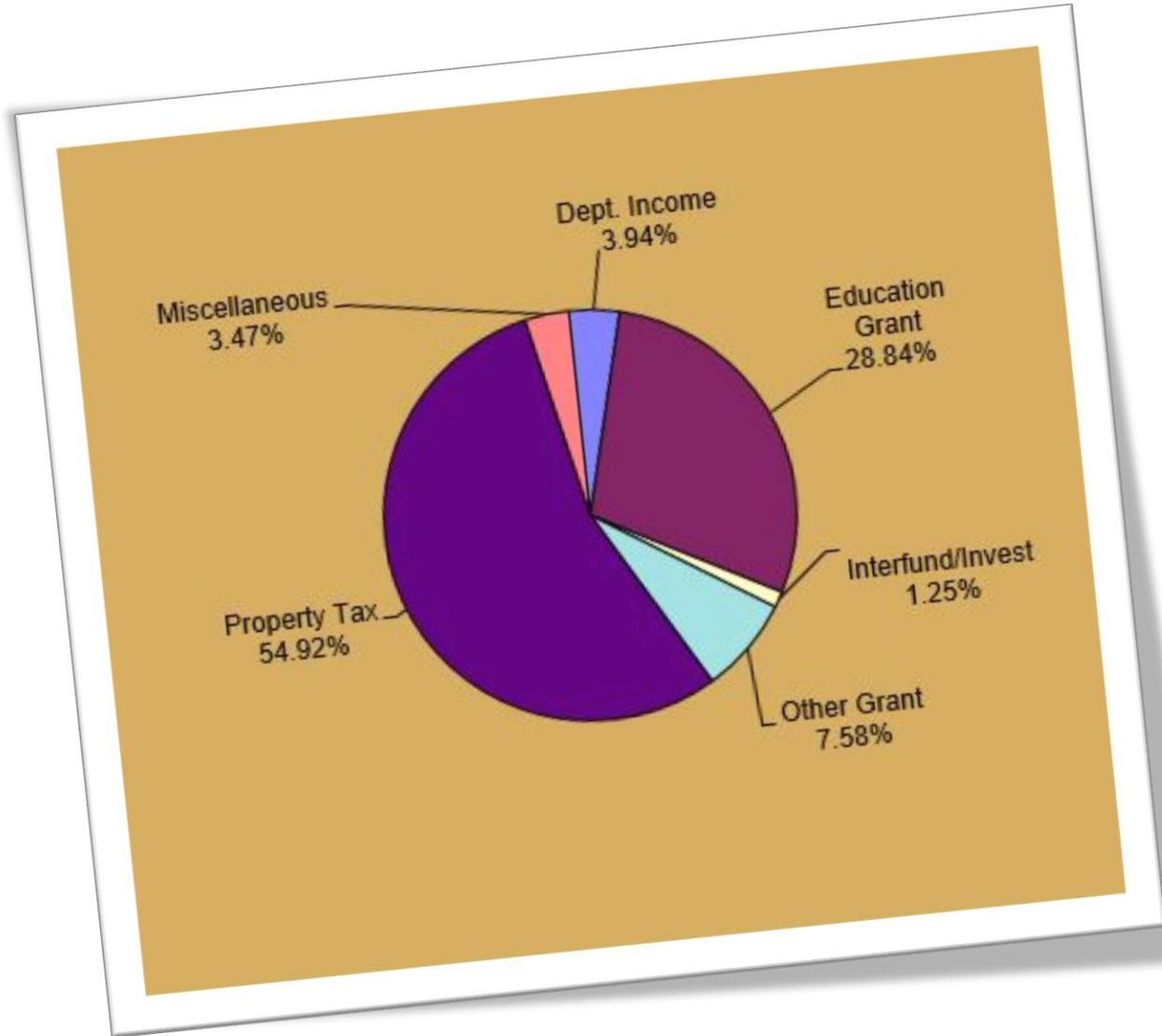


\$200,000 ASSESSED HOME
MIL RATE = \$200,000/1,000 = 200
200 X 49.5 = \$9900 TAX BILL/YEAR

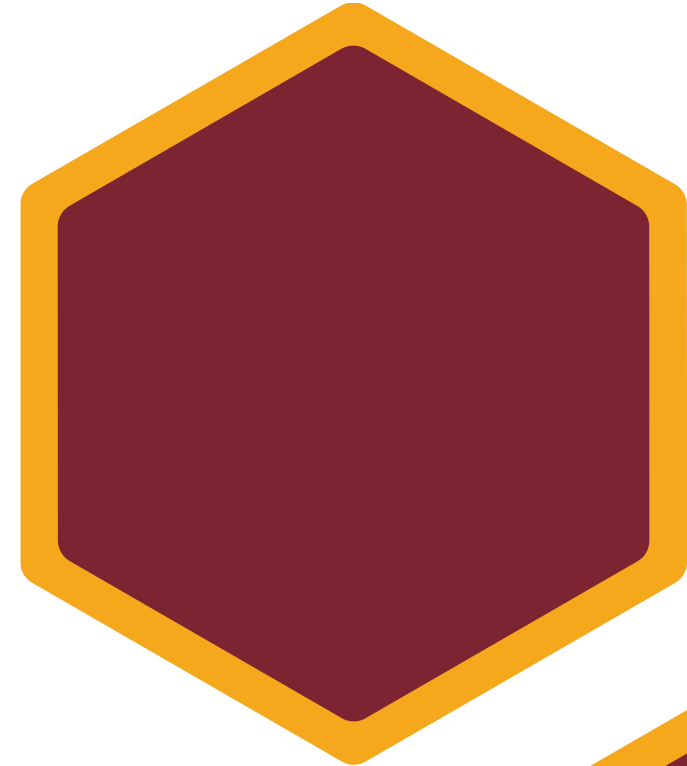
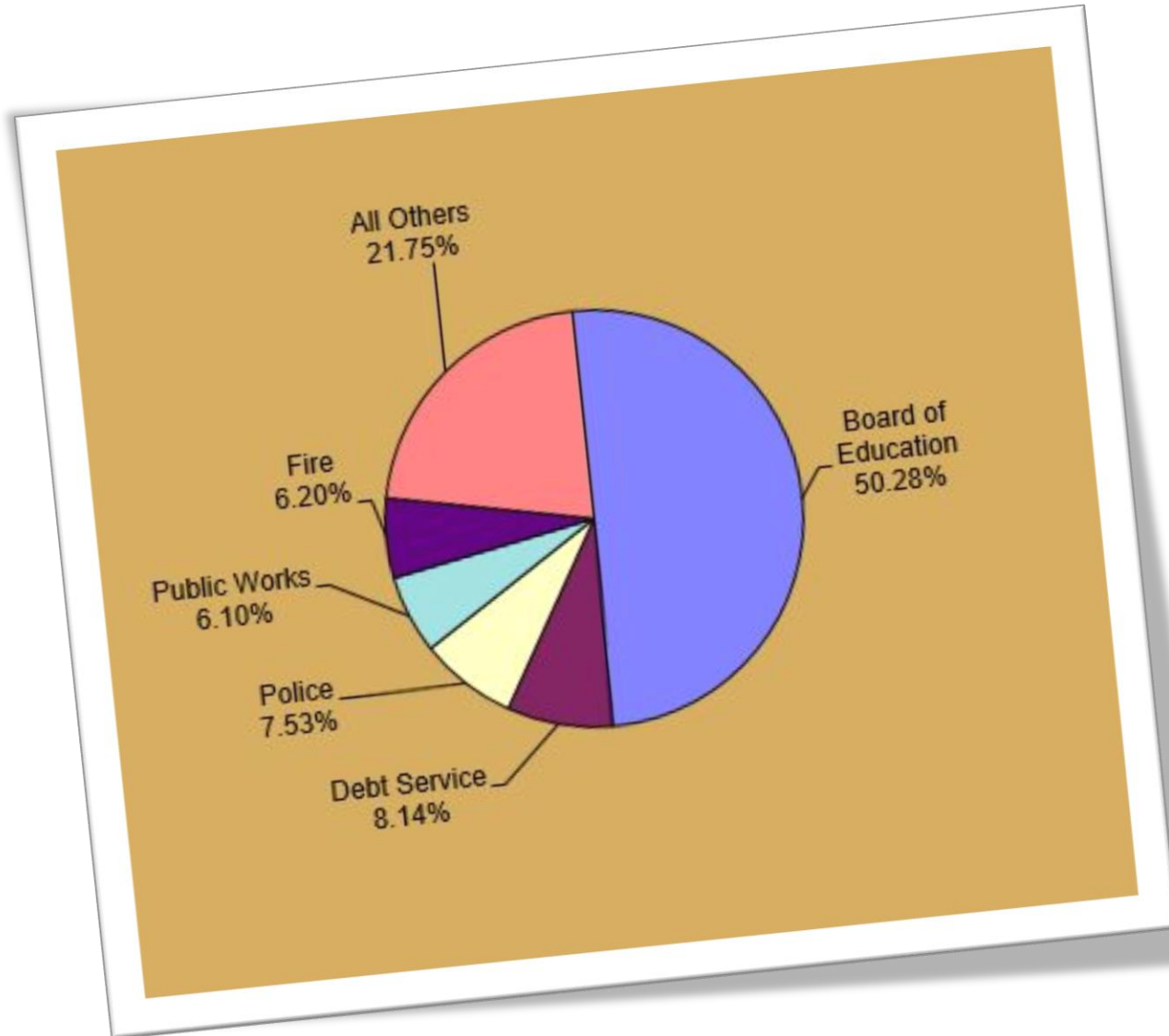
TAX CUT
SUSTAINED



WHERE MONEY COMES FROM



WHERE MONEY GOES



REVENUES

WHAT'S NEW?

- Clean Water Fund
- Grant List Growth 3.84% = \$10,411,334.40
- Bottle Deposit
- Lost Revenue Coronavirus Relief Funding
- Tax Stabilization Fund
- Car Values Increase
- State Grants

- 1% Roads
- Insurance Rates Skyrocket
- Pensions, MERS Increases
- PD Unfunded Mandates
- Downtown Patrol Officer
- Medical Insurance
- Debt Service
- Job additions: Nurse, Gardner, Paralegal, P&R Admin

EXPENSES

WHAT'S NEW?

OFFICE RESTRUCTURES:

- Corp Counsel
- Support Services
- DPW
- DPD

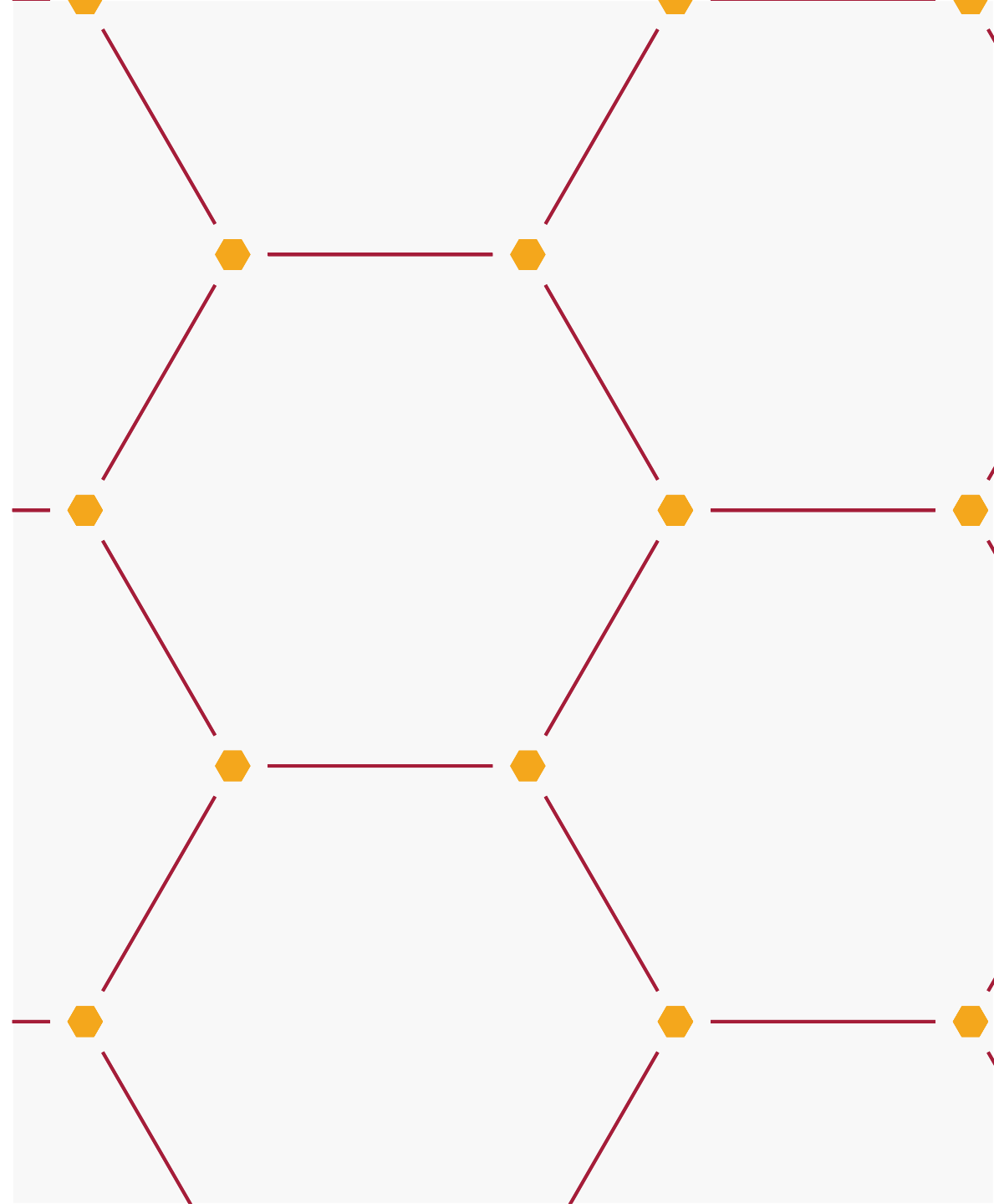
- As people retire we re-evaluate needs of office and job specs



**ATTRITION
IMPACT**

WHAT THIS BUDGET DOESN'T DO

- ◆ DOES NOT Layoff Employees
- ◆ DOES NOT Discontinue Trash Pickup
- ◆ DOES NOT Eliminate Senior Center
- ◆ DOES NOT Reduce Public Safety
- ◆ DOES NOT Cut Library Funding
- ◆ DOES NOT Raid Special Revenue Funds
- ◆ DOES NOT Distort Revenues
- ◆ DOES NOT Increase Taxes**



REVENUE

- 50% Tax Exempt
- 98% Developed
- Brownfields
- PILOT Funding not equal to entitlement

EXPENSES

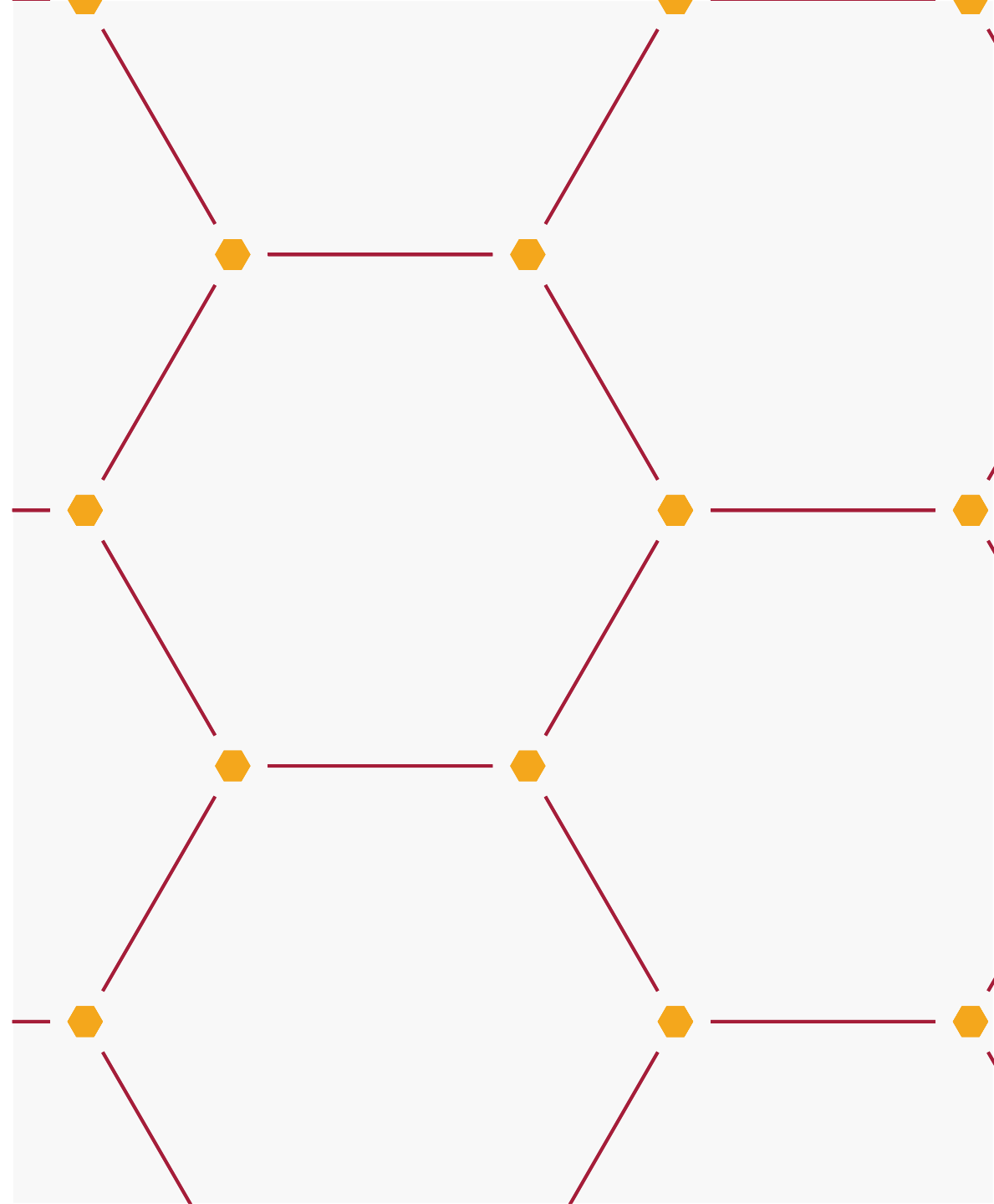
- Rising Interest rates
- Old Debt – law sunsets
- Rising Pension Costs
- National Economic Trends



**BEYOND
OUR
CONTROL**

FUTURE CONCERNS

- ◆ Car Tax Legislation
- ◆ Continued Unfunded Mandates
- ◆ State Grant Decreases
- ◆ Revaluation Impact
- ◆ Inflation
- ◆ Supply Chain Issues



PROJECTIONS: “THE OUT YEARS”

FY 24 -	\$258,930,828
FY 25 -	\$267,371,973
FY 26 -	\$276,088,300

Unassigned Fund Balance: \$16,870,715

MAYOR'S STRATEGIC PLAN COMMITTEE

- Created in 2021 based off of new POCD
- Merged SMART City Committee with TOD Planning Workgroup
- Internal workgroup with relevant staff responsible for development
- Quality of Life focused – neighborhood based
- City savings through technological advances
- Economic Development priorities

View Plan Here:

[POCD 2021](#)

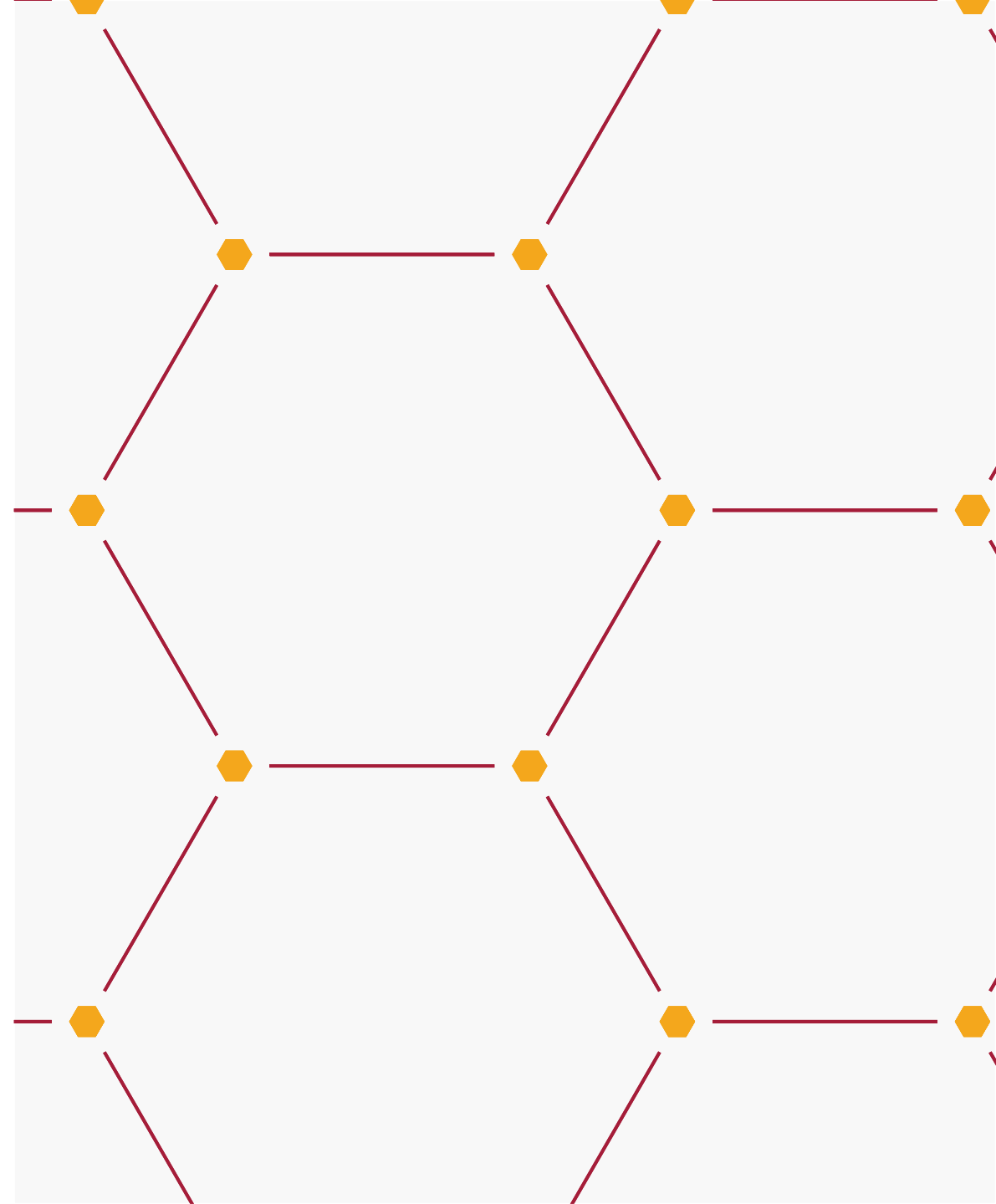
ARPA

AMERICAN RESCUE PLAN ACT

- \$54 Million available to City for qualifying projects
- Strict Rules and Restrictions
- Once in a lifetime opportunity
- BOE received their own allocation \$70+ Million

- Fiber Network
- New Public Health Facility
- NB Flush – Water Infrastructure Improvements
- Osgood Park Renovation
- ADA Compliance

**NOT A WISH LIST - PROJECTS MUST BE
COMPLIANT WITH FEDERAL GUIDELINES**



KEY TAKEAWAYS

- ◆ No Tax Increase
- ◆ Declining Debt Profile
- ◆ No Cuts to City Services
- ◆ Budget Increase kept lower than CPI
- ◆ Education Saving Fund Sustained \$2M
- ◆ Spends wisely
- ◆ Doesn't inflate revenues
- ◆ Supports employees
- ◆ Protects taxpayers
- ◆ Controlled, Calculated, Cautious

INVESTING IN A STRONGER NEW BRITAIN FINANCIALLY MEANS

- Having a structurally balanced budget
 - Keep expenditures in line with revenues
 - Maintain stability that gives confidence to residents and investors
 - Focus on predictability
 - Will continue to attract business development and keep the positive momentum & keep taxes affordable

“PEOPLE WANT TO
INVEST IN CITIES
THAT INVEST IN
THEMSELVES”

MAYOR'S BUDGET FY 2022-2023

- ◆ Mayor Erin E. Stewart
- ◆ Mayor@Newbritainct.gov
- ◆ 860-826-3303

