



CITY OF DANBURY

2012/2013 Proposed Budget

Presented by: Mayor Mark D. Boughton

Madam Clerk. City Officials, Honorable Leaders and Members of the City Council, Department Directors, Employees, and my fellow Danburians: In accordance with my duties as Mayor and those prescribed by the Charter of the City of Danbury, I respectfully present my proposed budget, and the Comprehensive Capital Improvement Plan for the 2015-2016 fiscal year.

As always, I want to take a moment to thank the members of our legislative body of our city, the members of the City Council and its leadership. Our City Council spends hours working on the City's business in a voluntary capacity and it is much appreciated.

In the coming month, they will be giving up their weekends and their evenings to deliberate over this body of work. For their dedication and commitment we should all be thankful.

Special thanks to our Director of Finance David St Hilaire, and Assistant Director of Finance Dan Garrick, and the team in the Finance Office, they have created an outstanding document that we all can be proud of.

This year as in other years, the City of Danbury budget continues to be stressed by Pension obligations, retiree medical benefits, and reductions in state aid.

For example, the failure of our state government to adequately address the disparity that exists in the Educational Cost Sharing formula, a school funding formula that according to a recent study under funds Danbury by \$38 million, continues to place additional stress on our budget.

In 2008 property taxes accounted for 73.8% of our general fund revenue. In 2016, 82.5% will account for our general fund revenue that is a direct result of the State of Connecticut not honoring its commitments; particularly in the area of education.

In addition, the failure of the State of Connecticut to engage in property tax reform has left us few choices in how we raise revenue.

Lastly, as I address you this evening, the State of CT continues to pile on more and more unfunded state mandates. New storm water runoff requirements, phosphorous reduction mandates, and, more education mandates.

As a result of these pressures, the 015' - 016' spending plan sets the proposed mill rate at 28.26 mills an increase of 6/10ths of a mill or 2.39%.

BUDGET:

The initial 2015-2016 budget requests totaled \$246,881,438 million. After careful review and many hours of hard work, we have reduced the overall increase to \$237,700,000; an increase of less than 1% in the operating budget.

City department operational spending will once again be flat - the only increases are those required by city contracts.

The proposed spending plan leaves open 15 positions for a savings of approximately \$750,000.

The 2015-16 proposed operating budget does not include any "one-time" revenues.

The use of fund balance will again be reduced by \$50,000 to continue the policy of not using our savings account for ongoing operations.

PUBLIC SAFETY:

As Connecticut's safest city, the 2015-2016 budget continues our commitment to Public Safety. The proposed spending plan will add dollars for new police cruisers, replace the laptop computers in the cruisers, and new money to replace the ICOP video equipment.

For the Fire Department I am proposing the continuation of the lease/purchase agreements to pay for our new ladder truck, and the two new pumpers that have been deployed.

As you are aware, at the beginning of last month we migrated to a civilian, centralized dispatch for our public safety services with aid of our vendor IXP.

The 2015-16 includes \$2.6 million to the public safety budgets due to the investment in the project. As mentioned when fully realized the new center will save us significant amounts of money and provide greater service. However, the savings will take several years to materialize. Savings will be driven by the following factors:

1. A reduction of 8 firefighter/dispatch positions at the Fire Department.
2. A reduction in overtime costs for both Police and Fire.
3. Reduced operational costs from running two dispatch centers.
4. Additional 911 state grants related to the consolidation of the call centers.
5. Reduced sick and worker compensation claims.

In addition, the Western CT 911 center is now poised to offer regional services to surrounding communities. By regionalizing this service, we can help surrounding communities save money on their dispatching costs and help further offset the operational costs of the center.

Finally, let us not forget the increased police manpower that we are now deploying in the

community. During the day and the evenings we now have 3 more cars on patrol. By freeing up officers who were once dispatching to go back to policing, we are putting over \$1 million dollars worth of police services back on the streets of our city.

EDUCATION:

Over the last several years we have opened a new Middle School and expanded 3 of our elementary schools. Assuming that we receive voter approval in June, we also will be embarking on a building redesign of Danbury High School to accommodate the Freshman Academy. These projects represent a significant investment by our taxpayers in the Danbury Public School system. As a result of that investment, we have begun to see a positive trend in test scores throughout the city.

The 2015-16 budget proposes an increase in funding for our schools by \$2.2 million.

Operational dollars are not the only money that is spent at the BOE. On the capital side we will be replacing roofs at Rogers Park Middle School, Hayestown school, King Street Primary, King Street Intermediate, as well as South Street School. These projects total almost \$7 million dollars.

SOCIAL SERVICE AGENCIES:

This year I am not proposing any reductions to the United Way grant agency program. Over the last several years we have reduced this line item. At this point it's my recommendation that we once again pause and allow our social service providers to continue to look for opportunities to merge and to become more efficient at what they do.

ARTS AND CULTURE:

For many years the prime driver for Arts and Culture in our budget has been the Cultural Commission it has been manned by a dedicated group of volunteers who have used their budget to seed both performing and visual arts throughout our city.

Since 2007 the City of Danbury, in partnership with Western CT ST University, created the Charles Ives Authority to promote performing arts at the Ives Concert Park as a way to strengthen the town-grown relationship between our city and the university.

This year I am proposing that we merge the Charles Ives Authority and the Danbury Cultural Commission into one entity- the Charles Ives Cultural Authority.

Their job would be to promote arts and entertainment throughout the city, seed new cultural projects, manage the Ives Concert Park as well as engage the students at Westconn and the new performing arts center at Westconn's campus in the teaching, appreciation, and promotion of the arts in Danbury.

Finally, in an effort to link the Downtown Green with the Ives Concert Park, I will charge the new Authority with the task of hosting 4 ticketing events during the summer at the Green over the next several years.

VETERANS AFFAIRS DIRECTOR:

Our operating budget includes dollars to fill the position of Veterans Affairs Director. Over the last several months Chief of Staff Wayne Shepperd has been auditing the work load of the office. What we have found is that the position is right sized at 19 hours a week. For example, last month there were 33 requests for service from veterans in area. 21 of those veterans were not Danbury residents. That means that there were only 12 calls or visits for the month from Danbury veterans to the office. We have found that to be the case over the last 5 months since the passing of our beloved Director Pat Waldron..

Part of the slow down in veterans case work is that the new Veterans Center is open on North Street. This center provides much needed counseling and other services for our returning veterans.

Therefore, we will post the position tomorrow, and we look forward to choosing a qualified applicant for the position.

CAPITAL PLAN:

In the 2015-16 proposed budget, we are programming \$30,763, 237 million in our comprehensive capital program. \$2.278 million is programmed in the budget on a pay as you go basis. This approach will help limit further borrowing for items that in the past we have been borrowed for. In this part of the budget we have programmed items such as IT equipment, patrol vehicles in the Police Department, traffic signalization, and the airport security upgrades.

\$19,000,000 in the comprehensive capital improvement program will consist of the roof replacement program for our public schools, Still River drainage improvements, and our bridge replacement program.

Finally, as we are all painfully aware, our city roads took a beating this past winter. We have programmed almost \$8 million (some from notes, some from the Road Bond) to jump start our paving and drainage program this summer.

This is the largest investment in paving and drainage work and general infrastructure that we have done in decades.

SEWER AND WATER:

This year I am proposing no increase in our sewer and water rates.

SMART GOV:

As you are aware, last year we began a self analysis and restructuring program called SMARTGOV. With the aid of our consultant - Blum/Shapiro, I am proud to present to our findings and review with you our first ten plays out of the playbook which I have included in your budget packet.

Each of the ten plays provides us with a cost benefit analysis, a recommendation on implementation, and a business model. Some of our plays are modest, some are more complicated.

The objective here is two fold; to provide direct savings to our taxpayers, and to provide sound cost avoidance strategies for the future:

See Power Point Slides 25 – 36.

The changes that are being proposed in the SmartGov plan are not included in the proposed budget. We have assumed no savings, partly because we wanted to be as conservative as possible in our budgeting, and partly because the implementation of the playbook will take at least 18 months.

SUMMARY:

To implement our budget, I am proposing an increase to our mill rate to 28.26 - the increase is primarily due to the increase in the education budget.

Spending in our budget will increase just \$2 million or less than 1%.

There will be no increases to sewer and water rates.

I am not proposing any new fees or surcharges.

Every single department will feel the impact of our cuts. We have left no stone unturned in our search savings and our search for revenue.

It is only after we have completed this work can we then ask for a greater contribution from our residents.

Make no mistake, our city departments will have a difficult time getting through the next fiscal year.

But, we believe to make even greater cuts would be irresponsible - potentially jeopardizing public safety.

Finally, we will continue the tax freeze for our senior citizens.

I am not proposing any cuts to our service providers and to the United Way grant agency process.

Through our Comprehensive Capital Plan we are introducing energy efficiency projects for our schools and public buildings such as conversion to LED lights and solar power.

I am proposing setting aside \$8 million for road repair and drainage improvements after a long and difficult winter and \$22 million in infrastructure repair and improvements.

Through the SmartGov program this upcoming year we will:

1. Implement a new Office of Project Excellence to maximize our spending and leverage every dollar appropriated by the taxpayers.
2. Beginning July 1st we will expand the hours of operation of 311 service to 24/7 - providing best in class customer service and more data for our administrators.
3. Initiate a new beta program to allow our taxpayers to pay their tax bills at the Savings Bank of Danbury branches located in Danbury. This program will give taxpayers an opportunity to pay their tax bills with a live customer service rep 6 days a week. Freeing up our staff to focus in on collections
4. Beginning July 1st we will deploy an additional person to the UNIT helping with code enforcement throughout the city.

Our financial position has never been stronger. Thanks to the hard work of all of you, and the right policy choices, we have positioned Danbury for little or no tax increases in the coming years. The investments you have made have been extraordinary, and with our debt beginning to decline next year, we are in the best cash position in our city's history.

Tonight, I ask the for Council's cooperation as they deliberate over this plan. While today, our finances are on firm financial footing, we must have the political courage to make the necessary structural changes to avoid the problems that other cities of similar size have faced.

We are blessed with so many assets. A world class Hospital, a tremendous University, a vibrant business community, and a quality of life that we can all be proud of.

We boast the lowest unemployment rate in the state, we are the safest city in Connecticut.

Ladies and Gentlemen, I believe in Danbury. I believe in our residents, our employees, our business community, and our faith based community.

Changing the culture of what we do is always difficult, but if we make the decisions reflected in this spending plan, we will be able keep Danbury moving forward.

As the City Seal above me says: "Perge Modo" or onward! Our best days lie yet ahead.

God Bless America and God Bless the Great City of Danbury.