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# CITY OF NEW BRITAIN

OFFICE OF THE MAYOR  
THE HONORABLE ERIN E. STEWART

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## **New City Budget Protects Fiscal Stability Among Challenging Economic Trends**

Management of the City's finances is arguably my biggest responsibility as Mayor, and this includes creating the City's operational budget each year. I have always viewed the annual budget process as comprising three key components; 1) cutting expenses, 2) managing our debt, and 3) growing our revenues. Remaining laser focused on this approach has allowed my administration to climb out of the \$30 million deficit that existed when I first became Mayor, and it is exactly what protected us against financial demise in the face of extremely challenging economic times during this year's budget process.

This was a particularly challenging budget process due to having to navigate the impact of unforeseen economic factors that were well outside of our control, but I am proud of the final product. The budget that has been officially adopted for Fiscal Year 2023-2024 by the Common Council during a special meeting on June 7th maintains our City's financial stability even on the heels of unprecedented economic times. It includes an unprecedented \$5 million increase in funding from the City to the public school district here in New Britain. The Consolidated School District of New Britain will also be receiving an additional \$3.6 million in funding from the State of Connecticut in FY 24 and an estimated \$8.2 million in FY 25.

We have all seen the rising costs of nearly everything, whether it's eggs in the grocery store, or the materials needed to make repairs to your home. Unfortunately, the City of New Britain's financial obligations were not immune to this trend, adding to the challenges of this budget cycle. For example, our contributions to the Municipal Employee Retirement Fund increased by \$2,189,264, Police and Fire Pensions increased by \$1,089,493, the cost of our medical insurance increased by \$1,011,562, and the cost of our contractual obligations increased by \$705,467. The City's Debt Service payments also increased by \$2,581,654.

I am happy that the Common Council passed my budget without any changes. This budget is fiscally sound, financially responsible, and makes major investments in education. In addition to the added \$5 million to the Board of Education, this budget

also funds the financing of the \$70 million complete renovation of Holmes Elementary School, it avoids layoffs, meets all of the City's fiduciary obligations, and puts \$2.5 million in the Tax Stabilization Fund to help ensure continued protection for our taxpayers for the next 2 years.

Financial stability is a journey, not a destination, and it takes constant vigilance. Responsible fiscal management has been a cornerstone of my administration. The positive results of our efforts can be seen in many areas, most notably in our grand list which increased for the 10th year in a row this year and by an astonishing 40%. This new budget will shield residents from significant financial burden due to our increased property values, while still increasing investment in education, providing the quality of life our residents deserve, and maintaining the level of services this community expects from its government.