



## THE CITY OF SPRINGFIELD, MASSACHUSETTS

MAYOR DOMENIC J. SARNO

*HOME OF THE BASKETBALL HALL OF FAME*

**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

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### **Mayor Sarno Announces Fiscal Year 2024 Budget Recommendation with Continued Tax Relief - 9<sup>th</sup> Consecutive Budget Balanced without use of Reserves -**

**Springfield, MA** – Mayor Domenic J. Sarno, Chief Administrative and Financial Officer (CAFO) TJ Plante, Deputy CAFO Lindsay Hackett, and City Councilor Tim Allen, Chair of the Councils Finance Committee, announced today the Fiscal Year 2024 (FY24) budget recommendation that will be submitted to the City Council for approval. The recommended FY24 budget totals \$877.9 million, which represents a 7.2% increase over the FY23 adopted budget. The increase is due to the 9.7% increase in Chapter 70 State Aid to support Springfield Public Schools. The school department budget increased 7.9% overall, leaving the city side growth at 5.8%.

Throughout the COVID-19 pandemic, the Division of Administration and Finance and the Office of Management and Budget, under the leadership of CAFO Plante, has carefully monitored, reviewed, and navigated the fiscal challenges resulting from the pandemic. In a testament to Springfield’s commitment to strong fiscal discipline, the FY24 budget was balanced, for the ninth consecutive year, without the use of stabilization or ‘rainy day’ reserve funds. The city’s stabilization reserve account sits at over \$50 million. This strong fiscal management has been recognized as Springfield has received the “Distinguished Budget Award” for the 15<sup>th</sup> year in a row and the “Certificate of Excellence in Financial Reporting” for the 11<sup>th</sup> consecutive year from the Government Finance Officers Association.

While we are fiscally stronger than we have ever been, we are cognizant of the looming threat of a potential recession in the near future and the financial hardships many of our citizens are facing. To continue providing for the residents of Springfield the FY24 Recommended Budget maintains and supports all current programming, and places a continued emphasis on public safety, public education, economic development, healthy neighborhoods, and community services. We have

committed to producing a budget that continues to fund and maintain core services and personnel, while investing in additional services in a responsible and strategic manner in order to meet the needs of our residents. For FY24 some of these additional services include an expansion of our East Forest Park Library’s hours, additional hours for the East Forest Park Library and Mason Square Library Community Rooms, increased outreach funding for our Health Department and Emergency Communications Department, creation of the ROCA Clean Sweep Initiative, and an additional 17 preschool classrooms in public schools across the City.

	<b>FY23 Adopted Budget</b>	<b>FY24 Recommended Budget</b>	<b>% Variance</b>
City	\$ 274,154,477	\$ 290,114,520	5.8%
Schools	\$ 544,863,270	\$ 587,798,386	7.9%
<b>Total</b>	<b>\$ 819,017,747</b>	<b>\$ 877,912,906</b>	<b>7.2%</b>

<b>Stabilization ‘Rain Day’ Reserve Funds</b>
\$50,548,126

As part of the FY24 budget recommendation and due to the impact of the booming housing market Mayor Sarno is committed to continue to provide much-needed tax relief as part of a comprehensive and strategic plan to reduce the tax burden on taxpayers that is financial responsibility and sustainability.

In FY21 and FY22, Mayor Sarno was able to offset the tax levy by \$1 million and \$2.5 million, respectively. In FY23, the Sarno Administration capitalized on a once-in-a-lifetime free cash total, and committed \$10 million to offset the FY23 tax levy. This unprecedented accomplishment was a direct result of the city’s strong fiscal management, and our ability to hold the course and fight for the taxpayers in a decade long property tax dispute with Eversource.

The city leveraged this success into future earnings by investing \$45 million from the city’s stabilization reserve account into 1-year U.S. Treasury notes, capitalizing on interest rates of approximately 5%. This will bring the city more than \$2 million in returns to be directed towards lowering tax bills in FY24, providing financial relief for our citizens. The City of Springfield was the first community in the Commonwealth to take advantage of this innovative financial investment strategy, and I am proud of the commitment we are able to make to our citizens without compromising our commitment to financial excellence.

Additionally, in FY23, Mayor Sarno doubled the abatement amount from the Clause 41C for tax abatements for seniors from \$500 to \$1,000 and reduced the eligibility age from 70 to 65 years of age.

Mayor Sarno states, “I am proud that my administration has once again put forth a sustainable, fair and balanced budget that will continue to provide core city services, enhance key initiatives and programs, and continue to provide much-needed tax relief for our residents thanks to my innovated investment strategy and our sound fiscal management policies that have guided our city through numerous natural and man-made disasters, including the COVID-19 pandemic and the constant challenges of economic uncertainty. These sound and prudent financial measures that my dedicated and award-winning finance team take, do not mortgage our cities fiscal health and future by investing in unsustainable and unrealistic short-term items that would only compromise and hinder our ability to continue to invest in our neighborhoods and maintain key city services in the future, especially during times of economic uncertainty.”

The City of Springfield, in balancing any potential budget shortfalls from the pandemic, supply chain issues, or possible economic recession and uncertainty, has never wavered in its commitment to responding to meet all of the quality of life, public health and safety needs for our residents and business community, while also assuring that all vital core services are maintained.

CAFO TJ Plante stated, “Our goal under Mayor Sarno’s leadership is to maintain core city services with an eye on fiscal sustainability, while also continuing to provide a much-needed and comprehensive tax relief program for our residents. This FY24 budget is strong and we are excited about the many great investments made to keep our city moving forward while not mortgaging our future. As a testament to Springfield’s commitment to strong fiscal discipline and sustainability, the FY24 Budget was balanced for the ninth consecutive year, without the use of stabilization reserve funds. Saving our reserves for future years will allow the city to weather a protracted recession, and sends a strong message that the city is committed to fiscal sustainability.”

“I am proud of our CAFO TJ Plante and his finance team for doing their due diligence and being prepared to deal with ‘the ebb and flow’ of our local, state and national economic landscape. Our fiscal leadership and model has been recognized and acknowledged time and again, and I strongly believe that this budget reflects the outstanding fiscal management during these challenging times. Our municipal bond rating has remained strong, is the highest rating in our city’s history and we continue to maintain a strong and healthy reserve,” Mayor Sarno added. “My Administration will continue to provide leadership for an efficient, effective, strategic and compassionate way to assure that city services continue to be provided for our residents and business community while balancing the needs for economic development opportunities to boost our local economy.”

Some notable investments in the FY24 budget include:

**Capital Asset Construction**

- The City continues to collaborate with the Massachusetts School Building Authority (MSBA) to the tune of over \$750 million of new state-of-the-art and renovated schools (DeBerry/Swan and Brightwood/Lincoln).

- Through the MSBA’s Accelerated Repair Program, the city has been able to undertake numerous school renovation projects around the city over the past several years, including Brightwood-Lincoln School being awarded with the official LEED Gold certificate for its design, construction and operation of high-performance for energy efficiency.

### **Code Enforcement**

- Funding for a full complement of administrative and inspectional personnel positions in both the Building and Housing Code Enforcement Divisions. This helps to ensure healthy neighborhoods and safe buildings throughout Springfield. Funding is also included for the continuation of the Mayor’s “Clean City” program.

### **Department of Public Works**

- Continued funding of the Sidewalk Crew: A great addition to DPW – now in its 6th year of operation. The crew completes routine sidewalk repairs in all neighborhoods throughout the City
- Core Services: Trash, single-stream recycling and yard waste pick-up will continue. Street Sweepers will also continue to keep the neighborhoods clean and clear. Continuing to offer affordable bulk pick up for residents while adhering to all state requirements.

### **Economic Development**

- Since the devastating tornado hit Springfield a decade ago, significant economic development efforts have helped strengthen the community through the creation of many new jobs, the development of more market rate housing (for example, 31 Elm Street Court Square and the former Gemini Site in the South End, just to name a few), and the nearly \$1 billion MGM Springfield casino that offers entertainment and dining, all offering residents and visitors countless entertainment and recreation options to enjoy for years to come.
- Continue efforts to create the "Main Street and Convention Center Overlay District". Designed to enhance development surrounding the MGM casino and MassMutual Center, the district will bring exciting new prospects to the area including housing, restaurants & bars, entertainment venues and ground-floor retail, including the construction of a new civic center garage by the Massachusetts Convention Center Authority.
- Following the success of the "Prime the Pump" emergency business grant program, which included the expansion and assistance of outdoor dining, during the initial height of COVID-19 pandemic in 2020, we have continued to make efforts to support the business community in recovery and growth. These efforts include the reinstatement of the CDBG funded Neighborhood Storefront Improvement Program and bringing the Interise/Rise-Up small business curriculum back to in-person sessions at Valley Venture Mentors

- Lastly, the city continues to use funding received through ARPA to further boost economic development efforts. 88% of small business applications awarded have been to either minority and/or woman owned businesses
- \$1.8 million or \$100,000 has been committed to our neighborhoods for specific and qualifying neighborhood initiatives and infrastructure projects to enhance the quality of life for residents.

### **Education**

- Springfield Public Schools (SPS), under the leadership of Superintendent Dan Warwick, worked tirelessly with teachers and administrators to ensure a quality learning experience for all our students with a return to full-time in-class learning.
- Improved the district’s dropout rate to 1.9% in 2021, was 12% in 2008
- Improved the district’s graduation rate to 86% in 2021, was 53% in 2008
- SPS is offering the first and only full-day Pre-K program of its kind in the Commonwealth. 17 Pre-K classrooms across the district.

### **Elder Affairs**

- Continued funding for the operation of a bus and minibus, purchased in FY20, which was used to deliver meals to homebound seniors during the pandemic who did not have available transportation.
- Provide hot lunches to seniors at senior centers.
- Transportation Coordinator position added in FY23 will continue to be funded in FY24 to transport our seniors and plan a number of trips with the new bus vehicle.
- All sites and programs for our seniors reopened, including Riverview, Hungry Hill, Clodo Concepcion Community Center, the Fitness Center in the North End (new senior fitness equipment was purchased) and the Raymond A. Jordan Senior Center with activities such as bingo, trivia, exercise programs, concerts and wellness checks, will continue to run.

### **Fiscal Responsibility**

- We are pleased to announce that Springfield received the “Distinguished Budget Award” from the Government Finance Officers Association for the 15<sup>th</sup> year in a row. The City also received the “Certificate of Excellence in Financial Reporting” for issuance of the City’s Comprehensive Annual Financial Report for the 11<sup>th</sup> consecutive year
- Maintained the highest bond rating in the city’s history
- \$50,548,126 in the Stabilization ‘Rainy Day’ Reserve Fund
- Continues to aggressively fund our Pension liability: Appropriating \$61.9 million contribution towards pension liability; a 9.1% increase over the FY23.
- Honors all contractual obligations including collective bargaining agreements, and all agreements as necessary for the School Department, including the SPS food service contract
- Our newly formed Department of Technical Assistance and Compliance (DTAC) continues to support the City’s Responsible Employer Ordinance, to ensure diversity in hiring practices and consistent compliance with all Federal and State rules & regulations

for the City's construction projects. In addition, DTAC supports our ARPA team by providing technical assistance to award applicants citywide

- The FY24 budget was balanced funding all core services and personnel while continuously building up reserves to support the City's financial health to guard against future unknowns.

### **Health and Human Services (HHS)**

- This department has been fully funded, and continues to serve a critical role in responding to the pandemic. As the “front line defense” against the virus, HHS has managed the monumental task of evaluating the current situation surrounding the health crisis while continuing to educate the public on updated CDC guidelines, along with other best practices that will ensure the health and safety of all.
- As the pandemic begins to turn a corner, HHS continues its steadfast efforts to not only test, but more importantly vaccinate and booster as many city residents as possible. This has been done through the strategic use of Federal and State funding provided as part of the nationwide response
- Opioid settlement funds totaling \$7.2 million over the next 16 years will go towards a wide variety of initiatives and programs that will enhance and expand the City's opioid response, and create systems in partnership with Springfield's Police, Fire and Health Departments, local nonprofits, health organizations and community stakeholders.
- Strategically investing in HHS, expanding the capacity of our Division of Environmental Health which protects the public health and environment of the city through education, inspections, sampling and monitoring, and enforcing federal, state, and local codes as they pertain to public health issues. Additionally, we will be amplifying our outreach efforts through additional mailings and new digital media outreach, to keep our residents informed through e-newsletters, web pages and blog content, and social media messages.
- Funding has been added for a newly-created office of Racial Equity, along with a Cannabis Compliance Program Coordinator

### **Libraries**

- Funding for all neighborhood branches
- Increased hours at the East Forest Park library
- New initiative to add two additional mornings to the East Forest Park library schedule, along with one evening.
- Funding for community rooms at the East Forest Park Library and Mason Square Library for residents 4 nights a week.
- The City will continue to fund the Read/Write/Now adult literacy program
- In FY22, a 1-year grant-funded hotspot lending initiative was launched, allowing residents to borrow portable hotspots from Springfield libraries allowing free internet and Wi-Fi access from a personal computer, tablet or smartphone for up to 14 days per use. Due to the success of this initiative, these hotspots will continue to be funded in FY24 through the City's general fund

### **Parks & Recreation**

- Supports anti-liter campaign by complementing the city's already successful Clean City initiative, the city partnered with ROCA Clean Sweep initiative with ROCA Western Massachusetts to respond to quality of life calls placed through the city's 311 Call Center.

- Beginning in FY22 and continuing through FY24, in an effort to brighten the City's neighborhoods, the Parks Department will work aggressively to remove tree stumps throughout Springfield. Removing these stumps is not only aesthetically pleasing to the eye, it will also create more space for residents to use after the areas are reseeded and grass is grown
- The Terrace Maintenance Program will be fully funded in FY24
- Funding will also continue for the Downtown Crew, which maintains the downtown metro area parks including DaVinci Park, Emerson Wright, Riverfront Park, Court Square, Stearns Square, and Pynchon Plaza, and all neighborhood parks.
- Camp STAR Angelina, which was closed for two years due to the pandemic, was reopened in FY23 and will open again in FY24. Additionally, all pools and splash pads will be open for families to enjoy during the summer.
- All recreational programs and activities will be up and running in FY24, after being shut down due to the pandemic. This includes the After School & Evening Gym programs, the Summer Concert Series, and "Movies in the Park." These programs play a significant role in bringing the Springfield community and residents together.
- Work is underway at Duggan Field for a new state-of-the-art athletic field and will be rededicated to former Springfield Trade (Putnam) Coach Ted Plumb. FY 24 budget will also fund continued maintenance and upgrades to our existing playing fields.
- In FY24, Springfield Police Department and Hampden County Sheriff's Crews will continue with the unique and innovative partnership to enhance public safety within our beloved Forest Park. Dedicated patrols will be led by the SPD's motorized Trikke Defenders and the HCSC Mounted Patrol Unit of horses and will also include the Emotional Support Division of therapy dogs. Together, we look forward to another great season for residents and visitors in Forest Park.

## **TJO**

- The Thomas J. O'Connor Animal Control & Adoption Center will continue to maintain funding for essential operations, while also servicing our neighboring cities, Chicopee and Holyoke.
- Adoption Center will be reopening, which was closed to appointment only during the pandemic, by investing in additional staff for animal control purposes, to keep both the residents and pets of our city safe.

## **Veteran's Services**

- This department will continue to fully fund services to our veterans. The addition of newer staff in recent years has allowed this department to serve our veterans more efficiently, through proper case management efforts.
- In FY23, Veteran's Services successfully placed 30 unhoused veterans into permanent housing. FY24 will continue to fund this initiative in partnership with various organizations.

## **Public Safety**

### **Police**

- The Springfield Police Department continues to utilize the body-worn camera program that was launched in FY20. With the introduction of body worn cameras, Springfield has

become the first city in the Commonwealth to employ this new technology across its police force. Body worn cameras have increased transparency and accountability. This investment in technology will improve residents' safety, and highlight Springfield as a city on the cutting edge of law enforcement strategies. Funding will be maintained for staff, led by a Police Lieutenant, to administer the program and ensure that the department is able to review and respond to requests for footage in an efficient manner. Furthermore, these cameras are used as a powerful training tool that helps officers respond to calls for service in the most professional way possible.

- Over the course of the next fiscal year, the Springfield Police Department (SPD) anticipates welcoming approximately 50 new Police Officers to the force. With these recruits anticipated to begin the academy sometime in the fall of 2023, the Police Department will have a total of 429 officers; bringing the total complement to 514 sworn personnel, and an overall staff of 600 FTEs. This level of staffing will help address departmental attrition brought on by upcoming mandatory retirements, and help the department focus on quality of life issues by supporting and enhancing neighborhood initiatives, such as the C3 policing units and the Ordinance Flex Squad
- In FY24, city came to an agreement with the police officer's union after much negotiation, the wage increases agreed upon in this contract are reflected in the FY24 budget.
- Maintain investments for other innovative technology and critical equipment necessary for modern day policing. This includes funding for BolaWraps, a new non-lethal form of restraint equipment to help officers de-escalate situations by restraining non-compliant individuals from a range of 10 to 25 feet.
- FY24 budget also funds the ShotSpotter Gunfire Detection System, where in FY23 one square mile was added to the Indian Orchard neighborhood.
- The Springfield Police Department will also continue to maintain and fund other ongoing initiatives. This includes the Gaming Enforcement Unit at MGM Springfield comprised of six (6) officers and one (1) supervisor, the E-3 metro unit, which increases police presence along Main St. and other neighborhoods, the Ordinance Flex Squad, Quebec Unit for the School Department, and the City's expanded Real Time Crime Analysis program.
- SPD will also continue our strong and successful partnership with Behavioral Health Network (BHN) that helps aid those in mental health crisis and ease the strain on emergency services.
- The Police Department will also be continuing the Peer-to-Peer program, established in FY21, which provides peer support to officers who have potentially experienced trauma due to critical incident response.
- In FY23, and continuing in FY24, any sworn position holding a leadership role will have access to the highly successful B-AGILE training presented by Babson College, which continues to enhance the professional development training for SPD supervisors that is in line with the highest professional standards. This program is designed to help drive a culture of creativity and innovation in decision-making and leadership skills as well as build better relationships with the community

## **Fire**

- For FY24, the Springfield Fire Department will also be hiring new recruits in order to stay ahead of attrition. The Department, while currently at full staffing, will proactively look to manage attrition with plans to run at least one (1) academy this year. Recruits will also continually be sent to the state-run academy program



- Funding to proactively replace equipment such as firefighter turnout gear and SCBA air bottles - this gear ensures the safety of our first responders
- The department will continue to deploy its health and wellness program, which aims at promoting the physical and mental health of responders while reducing instances of on-the-job injuries.
- In FY24, city came to an agreement with the firefighter’s union after much negotiation, the wage increases agreed upon in this contract are reflected in the FY24 budget.
- The FY24 budget funds all contractual lease payments for fire apparatus', which the SFD has been replacing each year since FY16 to retire units at their end of their useful life and drive down the need for costly repairs
- Funding for Emergency Communications/Dispatch
  - The Springfield Emergency Communications (Dispatch) Department, which closely collaborates with the Police and Fire departments, has also been provided with funding for several ongoing initiatives.
    - The Computer Aided Dispatch (CAD) and Records Management Systems (RMS) is in the process of being replaced to improve working systems for all public safety employees, while also helping to ensure the safety of our community. The new system is expected to come online in FY24.
  - The consolidation of Police and Fire dispatch services at a single location on Roosevelt Avenue, which was finalized in January 2021, has been a tremendous help in maximizing operational efficiency and marks the first time in the department’s history that everyone is under the same roof. This has significantly enhance cross-training efforts, while also ensuring ample supervisory coverage to address issues and provide feedback to call takers in real time. The FY24 budget also maintains funding for all maintenance, equipment and software needed to manage daily operations in a highly efficient way

“As Mayor, I continue to work tirelessly to ensure that Springfield continues to prosper and remains resilient in the wake of any challenge, no matter how difficult,” Mayor Sarno added. “My administration has been tested and true in the face of adversity and continues to rise to the occasion for the betterment of our city and the community that we love. I am proud of the efforts by the entire Springfield team from Cabinet Heads and Department Heads to our dedicated city employees who work hard for our residents and business community every day.”

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