



**EXECUTIVE SUMMARY
BUDGET MESSAGE
MAYOR SEBASTIAN N. GIULIANO
APRIL 1, 2011**

For nearly six years, I have dedicated myself to providing the municipal services our residents have come to enjoy at the least possible cost. I have been cognizant of keeping the mill rate competitive to not only attract new homeowners but to also attract new businesses to Middletown. Economic indicators confirm the strategy is working. Middletown's population grew by 10.4 percent, more than any other community with similar characteristics or demographics. Surprisingly, the City also realized an increase in the Grand List, even with the national economic collapse. Over \$30.7 million in new taxable property was added to the City's tax rolls this past year, producing \$800,000 in additional revenue.

The City of Middletown has been in a better position than most due in large part to the collaborative fiscal management of my administration, the Common Council and our City employees. You cannot weather a storm of this magnitude without the shared efforts of many. Everyone involved in city government understands the severity of the bad economy and has been working hard over the past few years to contain the cost of government and rethink the way we deliver City services, so that taxpayers need not be overly burdened. Yes, everyone is battered and bruised, but we are determined to continue to make progress and maintain financial stability, even in this time of uncertainty.



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With this in mind, I am pleased to submit to the Common Council and citizens of the City of Middletown my proposed budget for the 2011-12 fiscal year. The proposed budget reflects a **1/10 DECREASE IN THE MILL RATE** from 26.4 to 26.3.

The proposed 2011-12 budget allocates funding as follows:

\$69,550,000 – Board of Education

\$ 5,948,931 – Education Debt/Interest

\$48,849,209 – General Government

\$ 5,800,553 – General Government Debt/Interest

\$130,148,693 – TOTAL BUDGET

I could not have achieved the savings needed were it not for the City's municipal work force. Department Directors prioritized expenses and submitted a "current day services" budget. Every bargaining unit, from municipal workers, managers, police to fire personnel, all agreed to forego or reduce their wage increases for the upcoming fiscal year budget. The City's largest union, Local 466, agreed in contract negotiations to make significant changes in



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health care benefits. These changes not only resulted in immediate budget savings but will carry a long term, positive impact on future liabilities. As a result of these cooperative initiatives, we were able to stretch the City's tax dollars, maintain services and produce a savings for taxpayers.

The mill rate will be reduced from 26.4 to 26.3. The average taxpayer with a home assessed at \$165,000 and market value of \$235,714 will realize a small savings from \$4,356 to \$4,339.50. Additionally, the proposed budget includes a **NO TAX INCREASE** from the Middletown Fire Department and **NO INCREASE** in rate charges for water and sewer.



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BUDGET HIGHLIGHTS

- City Services remain at the same current day level
- The mill rate is reduced from 26.4 to 26.3
- No Tax Increase for those in the Downtown Fire District
- Mill rate remains at 5.4 – Downtown Fire District
- No Increase in Water and Sewer rates for the next fiscal year.
- Unions forego wage increases next fiscal year
- Tax Assessor's Office
 - ◆ includes \$40,000 for a random audit that has proven to generate revenue
 - ◆ \$100,000 included for Revaluation Study (Council removed \$300,000 last fiscal year to begin funding this state-mandated study).
- Police
 - ◆ brings the number of sworn Police personnel to 105.
 - ◆ includes financial support for the CAD/RMS to become fully operational within the next fiscal year.
- Parking Department
 - ◆ Budget includes funding for the complete overhaul of new automated meters on Main Street and City-owned parking lots, thereby increasing City revenue.
- Public Works
 - ◆ Includes \$72,000 as six-month seed money to get the Senior Center up and running at newly acquired Eckersley Hall Building.
- Board of Education
 - ◆ Allocated \$69,550,000 this is the level of funding received from the City allocation plus the Federal stimulus dollars received in the current fiscal year.
- All other Departments are allocated level funding.
- Capital Non-Recurring Purchases (CNR) - funded at current level of funding, \$550,000