

City of Hartford

FY2018

Monthly Financial Report to the
Municipal Accountability Review
Board



September 14, 2018

City of Hartford
Budget and Financial Report
to the Municipal Accountability Review Board

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City of Hartford - FY2018 General Fund Financial Report & Projection

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Revenue Category	FY2017 ACT	FY2018 ADP	FY2018 REV	FY2018 ACT (YTD*)	FY2018 PROJ	VARIANCE	% COLL.
41 General Property Taxes ¹	(258,987,305)	(280,165,161)	(280,165,161)	(281,426,257)	(281,426,257)	(1,261,096)	100%
42 Licenses And Permits ²	(5,376,215)	(5,971,406)	(5,971,406)	(6,065,824)	(6,065,824)	(94,418)	102%
43 Fines Forfeits & Penalties ³	(161,421)	(190,000)	(190,000)	(149,601)	(149,601)	40,399	79%
44 Revenue Money And Property ⁴	(2,364,183)	(1,313,149)	(1,313,149)	(2,382,396)	(2,382,396)	(1,069,247)	181%
45 Intergovernmental Revenues ⁵	(266,482,051)	(265,635,563)	(265,635,563)	(292,903,825)	(292,903,825)	(27,268,262)	110%
46 Charges For Services ⁶	(3,493,697)	(2,844,964)	(2,844,964)	(3,647,518)	(3,647,518)	(802,554)	128%
47 Reimbursements ⁷	(156,717)	(152,840)	(152,840)	(134,317)	(134,317)	18,523	88%
48 Other Revenues ⁸	(1,035,507)	(238,650)	(238,650)	(1,312,263)	(1,312,264)	(1,073,614)	550%
53 Other Financing Sources ⁹	(6,032,055)	(6,777,365)	(6,777,365)	(5,008,123)	(5,823,154)	954,211	74%
Total Revenues¹⁶	(544,089,150)	(563,289,098)	(563,289,098)	(593,030,124)	(593,845,156)	(30,556,058)	105%

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Expenditure Category	FY2017 ACT	FY2018 ADP	FY2018 REV	FY2018 ACT (YTD*)	FY2018 PROJ	VARIANCE	% EXP.
Payroll ¹⁰	102,643,044	106,762,441	106,689,097	102,345,131	102,345,131	4,343,966	96%
Benefits ¹¹	78,171,009	96,229,626	96,229,626	89,756,735	90,153,936	6,075,690	93%
Debt & Other Capital ¹²	32,017,824	58,591,375	58,591,375	57,788,433	57,788,433	802,942	99%
Library	7,860,851	8,100,000	8,100,000	8,100,000	8,100,000	-	100%
Metro Hartford Innovation Services	2,998,818	2,996,431	2,996,431	2,996,431	2,996,431	-	100%
Utilities ¹³	20,649,407	23,979,440	23,889,440	22,008,714	22,008,714	1,880,726	92%
Other Non-Personnel ¹⁴	25,112,242	32,256,057	32,419,401	26,368,494	26,368,494	6,050,907	81%
Education ¹⁵	284,008,065	284,008,188	284,008,188	284,008,188	284,008,188	-	100%
Total Expenditures	553,461,260	612,923,558	612,923,558	593,372,126	593,769,327	19,154,231	97%
Revenues and Expenditures, Net**	9,372,110	49,634,460	49,634,460	342,002	(75,829)		
Council Approved Use of Fund Balance	(8,394,000)						
Net Surplus/(Deficit)	(978,110)	(49,634,460)	(49,634,460)	(342,002)	75,829		
Tax Anticipation Note/Fund Balance	978,110						
Final Net Surplus/(Deficit)	-	(49,634,460)	(49,634,460)	(342,002)	75,829		

¹ The City's General Property Taxes revenue will be adjusted by the 60-Day Collection GAAP rule in early September.

² The Licenses and Permits revenue category is primarily comprised of building, electrical, mechanical and plumbing permits, food and milk dealer licenses and all other licenses and permits. FY2018 actuals of \$6.06M have exceeded the Adopted Budget by \$94K.

³ The Fines, Forfeits and Penalties revenue line item is primarily comprised of false alarms fines.

⁴ Revenue from Money and Property contains lease/rental and short-term investment income. FY2018 Revenue exceeded the Adopted Budget by \$1.069M, as projected, due to a more favorable interest rate environment for short term investment income.

⁵ Intergovernmental Revenues, primarily comprised of municipal aid from the State of Connecticut, includes the \$20M of Municipal Restructuring Funds and \$11.8M of Contract Assistance payments, offset by a reduction in state aid from FY2017 to FY2018.

⁶ Charges for Services contains revenues associated with the conveyance tax, transcript/filing of records and special events. This revenue line item varies each year with historical actuals ranging from \$2.8M to \$3.6M. FY2018 Revenue totals \$3.64M, approximately \$802K in excess of the budget. The major driver of this increase is unanticipated conveyance tax revenues.

⁷ Reimbursements (primarily Section 8) primarily occur at fiscal year end and reflect revenues of \$134K for FY2018.

⁸ Other Revenues exceeded the revenue budget by \$1.073M due to one-time revenues associated with various settlements.

⁹ Other Financing Sources reflects a projection of \$5.8M and YTD actuals of \$4.9M, pending the posting of remaining Parking net revenues. Other Financing Sources overall reflects a revenue shortfall of approximately \$1 million, \$500K of which is attributable to Stadium revenues and \$500K for Special Police Services (PJs). A revenue shortfall of \$500K is projected for private duty jobs (special police services) due to a large receivable for the XL Center and lower overall Private Duty Job requests. Regarding Stadium revenues, primary contributors are loss of Stadium Admissions Tax revenues to the State of Connecticut, a capital reserve payment for FY2017 recorded in FY2018 and the timing of the development of Downtown North (area surrounding the stadium).

¹⁰ Net favorable variance of \$4.3M in Payroll is due to a delay in refilling vacancies, offset by Public Safety Overtime.

¹¹ Benefits surplus of \$6.1M is primarily due to favorable healthcare expenditures, vacation/sick payouts, other benefits, and fringe reimbursements from grants.

¹² Debt and Other Capital was budgeted to meet all debt service payments for the City of Hartford, to fund any deficit in FY2017 and to cover any capital requirements as the City is currently on a Pay-As-You-Go CapEx plan. This line item includes \$13.1M for capital expenditures.

¹³ Utilities are currently projected favorable at \$1.9M. The two primary contributors are the MDC updated ad valorem tax/assessment for sewer services and lower market rates for gasoline, diesel fuel and piped gas. Approximately \$12M of the City's \$23.9M Utilities budget is for the annual MDC ad valorem tax/assessment for Hartford as a member municipality.

¹⁴ All Other Non-Personnel expenditures are currently projected favorable by approximately \$6.0M primarily in the areas of outside legal services, legal settlements, lease expenses, uniforms and accessories, and other non-personnel line items city-wide.

¹⁵ Education YTD actuals (P13) reflect the City's annual MBR requirement of approximately \$96M and the entire \$188M in ECS / other education aid.

¹⁶ The City's financial system (Munis) reflects revenues as negative values (credits) and expenditures as positive values. A negative variance for revenues is favorable. A positive variance for revenue is unfavorable.

* For Net Revenues and Expenditures, negative amounts are favorable and positive amounts are unfavorable.

Revenue Summary - Major Category			
	FY2017 ACT	FY2018 ADP	FY2018 P13
41-TAXES	(258,987,305)	(280,165,161)	(281,426,257)
CURRENT YEAR TAX LEVY	(247,230,944)	(266,698,436)	(270,286,946)
INTEREST AND LIENS	(3,585,586)	(4,450,000)	(3,709,011)
PRIOR YEAR LEVIES	(5,667,956)	(7,416,725)	(5,793,813)
TAX LIEN SALES	(2,399,318)	(1,500,000)	(1,576,115)
OTHER	(103,500)	(100,000)	(60,372)
42-LICENSES AND PERMITS	(5,376,215)	(5,971,406)	(6,065,824)
BUILDING PERMITS	(3,368,932)	(3,642,000)	(3,669,844)
ELECTRICAL PERMITS	(625,186)	(627,000)	(795,555)
FOOD & MILK DEALER LICENSES	(169,694)	(312,000)	(440,293)
MECHANICAL PERMITS	(529,055)	(689,000)	(385,025)
PLUMBING PERMITS	(286,326)	(315,000)	(328,075)
OTHER	(397,022)	(386,406)	(447,032)
43-FINES FORFEITS AND PENALTIES	(161,421)	(190,000)	(149,601)
FALSE ALARM CITATIONS-POL&FIRE	(153,815)	(185,000)	(138,718)
HEALTH SANITATION CITATION	(206)	-	-
LAPSED LICENSE/LATE FEE	(7,400)	(5,000)	(9,200)
OTHER	-	-	(1,683)
44-INTEREST AND RENTAL INCOME	(2,364,183)	(1,313,149)	(2,382,396)
BILLINGS FORGE	(19,261)	(20,000)	(19,784)
CT CENTER FOR PERFORM ART	(50,000)	(50,000)	(82,193)
DELTAPRO - LANDFILL GAS	(60,670)	(90,294)	(79,146)
INTEREST	(439,567)	(252,000)	(1,403,467)
MIRA SOLAR REVENUE	(53,875)	(50,000)	(23,787)
RENT OF PROP-ALL OTHER	(94,618)	(79,600)	(112,839)
RENTAL OF PARK PROPERTY	(86,805)	(54,000)	(70,869)
RENTAL OF PARKING LOTS	(23,200)	(600)	(7,800)
RENTAL OF PROP-FLOOD COMM	(143,600)	(148,560)	(147,320)
RENTAL-525 MAIN STREET	(28,561)	(17,694)	(27,009)
RENTS FROM TENANTS	(152,029)	(161,257)	(151,060)
SHEPHERD PARK	(115,648)	(118,000)	-
THE RICHARDSON BUILDING	(260,205)	(235,000)	(220,979)
UNDERWOOD TOWER PILOT	(36,144)	(36,144)	(36,144)
OTHER	(800,000)	-	-
45-INTERGOVERNMENTAL	(266,482,051)	(265,635,563)	(292,903,825)
MUNICIPAL AID	(259,875,647)	(259,875,099)	(255,565,827)
CAR TAX SUPPL MRSF REV SHARING	(13,908,437)	(13,908,437)	(12,177,213)
EDUCATION COST SHARING	(187,921,492)	(187,974,890)	(186,667,434)
EDUCATION OTHER	(56,680)	-	(1,307,456)
HIGHWAY GRANT	(1,198,978)	(1,201,712)	(1,194,825)
MASHANTUCKET PEQUOT FUND	(6,263,314)	(6,263,314)	(6,263,314)
MRSA BONDED DISTRIBUTION GRANT	(1,419,161)	(1,419,161)	(1,443,052)
MRSF SELECT PILOT	(11,883,205)	(11,883,205)	(11,883,205)
MUNICIPAL STABILIZATION GRANT	-	-	(4,456,568)
PRIV TAX EXEMPT PROPERTY	(23,664,027)	(23,664,027)	(20,009,758)
STATE OWNED PROPERTY	(13,560,353)	(13,560,353)	(10,163,003)
OTHER MUNICIPAL AID	-	-	(31,888,917)
MUNICIPAL RESTRUCTURING FUNDS	-	-	(20,000,000)
STATE CONTRACT ASSISTANCE	-	-	(11,888,917)
OTHER STATE REVENUES	(2,330,433)	(1,453,175)	(1,207,763)
BOND INT SUB ON SCH PROJ	(72,003)	(46,613)	(46,620)
JUDICIAL BRANCH REV DISTRIB.	(65,938)	(76,000)	(44,931)
MANUFACTURERS' FACILITIES	(485,370)	(48,843)	-
SCH BUILD GRT-SERIAL	(1,316,806)	(886,096)	(1,077,079)
TAX EXEMP FOR THE ELDERLY	(343,016)	(348,907)	-
VETERANS EXEMPTIONS	(47,300)	(46,716)	(39,133)
PILOTS, MIRA & OTHER INTERGOVERNMENTAL	(4,273,972)	(4,302,289)	(4,238,518)
DISABIL EXEMPT-SOC SEC	(6,672)	(7,755)	(6,813)
GR REC TAX-PARI MUTUEL	(261,321)	(250,000)	(215,473)
HEALTH&WELFARE-PRIV SCH	(61,366)	(61,366)	(48,772)
MATERIALS INNOVATION RECYCLING	(1,500,000)	(1,500,000)	(1,500,000)
PHONE ACCESS LN TAX SH	(556,685)	(500,986)	(447,477)
PILOT CHURCH HOMES INC	(120,537)	(131,112)	(131,112)
PILOT FOR CT CTR FOR PERF	(355,464)	(330,447)	(361,859)
PILOT FOR HARTFORD 21	(500,000)	(500,000)	(500,000)
PILOT HARTFORD HILTON	(511,236)	(518,904)	(522,483)
PILOT HARTFORD MARRIOTT	(380,691)	(481,719)	(484,529)
PILOT TRINITY COLLEGE	(20,000)	(20,000)	(20,000)
OTHER	(2,000)	(5,000)	(2,800)
STATE REIMBURSEMENTS	(2,000)	(5,000)	(2,800)
46-CHARGES FOR SERVICES	(3,493,697)	(2,844,964)	(3,647,518)
CONVEYANCE TAX	(1,375,348)	(1,100,000)	(1,301,512)
FILING RECORD-CERTIF FEES	(289,661)	(300,000)	(327,904)
TRANSCRIPT OF RECORDS	(822,962)	(835,250)	(811,703)
OTHER	(1,005,727)	(609,714)	(1,206,399)
47-REIMBURSEMENTS	(156,717)	(152,840)	(134,317)
ADVERTISING LOST DOGS	(223)	(220)	(155)
ATM REIMBURSEMENT	(1,238)	(1,475)	(527)
DOG ACCT-SALARY OF WARDEN	(2,129)	(2,600)	(1,992)
OTHER REIMBURSEMENTS	(36,777)	(17,900)	(7,274)
PRIOR YEAR EXPEND REFUNDS	-	(17,000)	(10,796)
REIMB FOR MEDICAID SERVICES	(17,290)	(22,000)	(20,933)
SECTION 8 MONITORING	(85,395)	(85,545)	(78,778)
WORK COMP NORM TAX APPLIC	-	-	-
OTHER	(13,666)	(6,100)	(13,863)
48-OTHER REVENUES	(1,035,507)	(238,650)	(1,312,263)
MISCELLANEOUS REVENUE	(273,422)	(169,150)	(139,112)
OVER & SHORT ACCOUNT	(828)	(1,500)	(375)
SALE CITY SURPLUS EQUIP	(77,613)	(60,000)	(22)
SALE OF DOGS	(7,219)	(5,000)	(3,609)
SETTLEMENTS - OTHER	(3,800)	(3,000)	(870,008)
OTHER	(672,625)	-	(299,136)
53-OTHER FINANCING SOURCES	(6,032,055)	(6,777,365)	(5,008,123)
DOWNTOWN NORTH (DONO)	(659,907)	(1,487,500)	(933,953)
REVENUE FROM HTFD PKG AUTHY	(1,832,626)	(2,424,865)	(1,834,153)
SPECIAL POLICE SERVICES	(3,210,691)	(2,750,000)	(2,152,931)
OTHER	(328,830)	(115,000)	(87,086)
Grand Total	(544,089,150)	(563,289,098)	(593,030,125)

Expenditure Summary - Departments

	FY2017 ACTUAL	FY2018 ADOPTED	FY2018 REVISED	FY2018 ACTUAL P13 (YTD)	FY2018 PROJECTION P13	VAR (REV TO PROJ P13)
00111 MAYOR'S OFFICE	690,349	795,870	795,870	690,350	690,350	105,520
00112 COURT OF COMMON COUNCIL	564,932	506,047	506,047	481,167	481,167	24,880
00113 TREASURER	444,644	445,933	445,933	409,328	409,328	36,605
00114 REGISTRARS OF VOTERS	669,710	378,390	577,426	457,848	457,848	119,578
00116 CORPORATION COUNSEL	1,653,425	1,539,609	1,539,609	1,439,903	1,439,903	99,706
00117 TOWN & CITY CLERK	768,740	777,269	777,269	707,851	707,851	69,418
00118 INTERNAL AUDIT	512,828	490,980	490,980	464,197	464,197	26,783
00119 CHIEF OPERATING OFFICER	295,268	806,865	806,865	774,567	774,567	32,298
00120 COMMUNICATIONS & NEW MEDIA	466,193	0	0	0	0	0
00122 METRO HARTFORD INNOVATION SERV	2,998,818	2,996,431	2,996,431	2,996,431	2,996,431	0
00123 FINANCE	3,468,779	3,737,413	3,737,413	3,264,467	3,264,467	472,946
00125 HUMAN RESOURCES	945,827	1,246,558	1,246,558	1,008,374	1,008,374	238,184
00128 OFFICE OF MANAGEMENT & BUDGET	635,636	763,786	763,786	665,895	665,895	97,891
00132 CHILDREN FAMILY RECREATION	3,115,727	3,258,979	3,258,979	3,086,669	3,086,669	172,310
00211 FIRE	36,871,567	37,901,180	37,901,180	38,465,397	38,465,397	(564,217) ¹
00212 POLICE	40,106,139	43,967,277	43,967,277	39,167,061	39,167,061	4,800,216
00213 EMERGENCY SERVICES & TELECOMMU	3,710,371	3,682,721	3,682,721	3,614,141	3,614,141	68,580
00311 PUBLIC WORKS	12,657,178	12,265,601	12,265,601	12,497,047	12,497,047	(231,446) ²
00420 DEVELOPMENT SERVICES	2,917,517	3,157,225	3,157,225	3,379,068	3,379,068	(221,843) ³
00520 HEALTH AND HUMAN SERVICES	4,789,149	4,767,293	4,767,293	4,155,481	4,155,481	611,812
00711 EDUCATION	284,008,065	284,008,188	284,008,188	284,008,188	284,008,188	0
00721 HARTFORD PUBLIC LIBRARY	7,860,851	8,100,000	8,100,000	8,100,000	8,100,000	0
00820 BENEFITS & INSURANCES	78,171,541	96,229,626	96,229,626	89,756,735	90,153,936	6,075,690
00821 DEBT SERVICE	32,017,824	58,591,375	58,591,375	57,788,433	57,788,433	802,942
00822 NON OP DEPT EXPENDITURES	33,120,182	42,508,942	42,309,906	35,993,527	35,993,527	6,316,379
Grand Total	553,461,260	612,923,558	612,923,558	593,372,126	593,769,327	19,154,231

¹ Deficit in the Fire Department reflects overtime net of attrition savings. This is due to minimum manning requirements per collective bargaining contract, timing required for civil service recruitment of fire classes and completion of promotions to fill vacancies and the requisite overtime to meet manning requirements per shift.

² Shortfall in the Department of Public Works is largely due to the impact of the HMEA arbitration award for retroactive wages and increased overtime expenditures.

³ Shortfall in Development Services is due to HMEA arbitration award which provided retroactive wage increases in Quarter 4 of FY2017 after the development of the City's salary budget. Funds were budgeted within the City's wage reserve and will be transferred prior to finalization of FY2018 audit.

Expenditure Summary - Major Expenditure Category

	FY2017 ACTUAL	FY2018 ADOPTED	FY2018 REVISED	FY2018 ACTUAL P13 (YTD)	FY2018 PROJECTION P13	VAR (REV TO PROJ P13)
PAYROLL	102,643,044	106,762,441	106,689,097	102,345,131	102,345,131	4,343,966
FT	81,275,152	88,810,837	88,550,963	78,959,695	78,959,695	9,591,268
HOLIDAY	2,527,860	2,202,521	2,202,521	2,519,149	2,519,149	(316,628)
OT	17,257,394	14,569,320	14,569,320	19,235,576	19,235,576	(4,666,256)
PT	1,582,637	1,179,763	1,366,293	1,630,712	1,630,712	(264,419)
BENEFITS	78,171,009	96,229,626	96,229,626	89,756,735	90,153,936	6,075,690
HEALTH	34,521,758	38,352,436	38,352,436	34,664,029	34,543,531	3,808,905
MITIGATION	0	(500,000)	(500,000)	0	0	(500,000)
PENSION	35,505,668	47,099,064	47,099,064	45,565,981	45,565,981	1,533,083
INSURANCE	4,451,035	4,615,000	4,615,000	4,470,630	4,540,630	74,370
CONCESSIONS	0	(4,000,000)	(4,000,000)	0	0	(4,000,000)
FRINGE REIMBURSEMENTS	(6,141,158)	(2,600,000)	(2,600,000)	(4,018,955)	(4,018,955)	1,418,955
LIFE INSURANCE	251,282	315,652	315,652	252,536	252,536	63,116
OTHER BENEFITS	4,681,066	4,739,474	4,739,474	4,254,156	4,254,156	485,318
WAGE	0	2,650,000	2,650,000	0	0	2,650,000
WORKERS COMP	4,901,358	5,558,000	5,558,000	4,568,358	5,016,057	541,943
DEBT	32,017,824	58,591,375	58,591,375	57,788,433	57,788,433	802,942
DEBT	32,017,824	58,591,375	58,591,375	57,788,433	57,788,433	802,942
LIBRARY	7,860,851	8,100,000	8,100,000	8,100,000	8,100,000	0
LIBRARY	7,860,851	8,100,000	8,100,000	8,100,000	8,100,000	0
MHIS	2,998,818	2,996,431	2,996,431	2,996,431	2,996,431	0
MHIS	2,998,818	2,996,431	2,996,431	2,996,431	2,996,431	0
UTILITY	20,649,407	23,979,440	23,889,440	22,008,714	22,008,714	1,880,726
UTILITY	20,649,407	23,979,440	23,889,440	22,008,714	22,008,714	1,880,726
OTHER	25,112,242	32,256,057	32,419,401	26,368,494	26,368,494	6,050,907
COMMUNITY ACTIVITIES	2,925,362	2,566,975	2,789,975	2,680,118	2,680,118	109,857
CONTINGENCY	43,289	7,253,000	828,395	329,799	329,799	498,596
CONTRACTED SERVICES	2,947,602	3,683,837	3,858,194	3,380,431	3,380,431	477,763
ELECTIONS	0	308,612	109,576	71,296	71,296	38,280
GOVT AGENCY & OTHER	16,221	0	750,000	750,000	750,000	0
LEGAL EXPENSES & SETTLEMENTS	2,849,671	2,616,500	8,027,072	6,472,633	6,472,633	1,554,439
OTHER	4,169,034	3,963,151	4,095,737	3,189,806	3,189,806	905,931
OUT AGENCY	100,000	0	0	0	0	0
POSTAGE	211,754	236,219	203,413	193,625	193,625	9,788
SUPPLY	3,355,808	4,154,001	4,232,054	3,480,642	3,480,642	751,412
TECHNICAL, PROF. & COMM BASED SERVICES	1,750,242	2,019,170	1,990,393	1,422,240	1,422,240	568,153
VEHICLES & EQUIPMENT	3,840,644	3,467,680	3,467,680	3,467,680	3,467,680	0
LEASES - OFFICES, PARKING & COPIERS	2,902,614	1,986,912	2,066,912	930,224	930,224	1,136,688
EDUC	284,008,065	284,008,188	284,008,188	284,008,188	284,008,188	0
EDUC	284,008,065	284,008,188	284,008,188	284,008,188	284,008,188	0
Grand Total	553,461,260	612,923,558	612,923,558	593,372,126	593,769,327	19,154,231