

# City of Hartford

FY2019

## Monthly Financial Report to the Municipal Accountability Review Board



October 4, 2018

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

FY2019 General Fund Summary	1
Revenue Summary - Major Category	2
Tax Collections	3
Expenditure Summary - Departments	4
Expenditure Summary - Major Category	5

City of Hartford - FY2019 General Fund Financial Report & Projection

MARB 10/4

Revenue Category	FY2018 ACTUAL	FY2019 ADOPTED BUDGET	FY2019 REVISED BUDGET	FY2019 ACTUAL (AUG/(P2))	FY2019 ACTUAL (SEPT/P3*)	FY2019 PROJECTION	VARIANCE	% COLL.
41 General Property Taxes <sup>1</sup>	(282,456,413)	(284,111,323)	(284,111,323)	(139,523,651)	(140,188,647)	(284,111,323)	-	49%
42 Licenses And Permits <sup>2</sup>	(6,065,824)	(5,671,406)	(5,671,406)	(1,345,047)	(1,517,400)	(5,671,406)	-	24%
43 Fines Forfeits & Penalties <sup>3</sup>	(149,601)	(190,000)	(190,000)	(39,118)	(56,044)	(190,000)	-	21%
44 Revenue Money And Property <sup>4</sup>	(2,382,396)	(1,313,149)	(1,313,149)	(645,181)	(670,426)	(2,313,149)	(1,000,000)	49%
45 Intergovernmental Revenues <sup>5</sup>	(292,903,825)	(258,950,890)	(258,950,890)	(12,324,310)	(19,472,887)	(258,950,890)	-	5%
46 Charges For Services <sup>6</sup>	(3,647,518)	(2,929,483)	(2,929,483)	(651,305)	(714,501)	(2,929,483)	-	22%
47 Reimbursements <sup>7</sup>	(134,317)	(152,840)	(152,840)	(4,134)	(5,157)	(152,840)	-	3%
48 Other Revenues <sup>8</sup>	(1,312,263)	(238,650)	(238,650)	(218,566)	(219,405)	(238,650)	-	92%
53 Other Financing Sources <sup>9</sup>	(5,826,481)	(16,483,365)	(16,483,365)	(130,760)	(309,404)	(8,816,698)	7,666,667	1%
<b>Total Revenues<sup>14</sup></b>	<b>(594,878,639)</b>	<b>(570,041,106)</b>	<b>(570,041,106)</b>	<b>(154,882,072)</b>	<b>(163,153,871)</b>	<b>(563,374,439)</b>	<b>6,666,667</b>	<b>27%</b>

MARB 10/4

Expenditure Category	FY2018 ACTUAL (9/27/18)	FY2019 ADOPTED BUDGET	FY2019 REVISED BUDGET	FY2019 ACTUAL (AUG/(P2))	FY2019 ACTUAL (SEPT/P3*)	FY2019 PROJECTION	VARIANCE	% EXP.
Payroll <sup>10</sup>	102,278,275	108,197,525	108,274,201	14,410,129	20,888,832	108,274,201	-	13%
Benefits	90,391,231	93,793,869	93,793,869	16,314,921	19,919,051	93,793,869	-	17%
Debt & Other Capital <sup>11</sup>	58,448,433	17,423,430	17,423,430	1,578,261	3,804,011	17,423,430	-	9%
Library <sup>12</sup>	8,100,000	8,150,000	8,150,000	247,778	371,944	1,483,333	6,666,667	3%
Metro Hartford Innovation Services	2,996,431	3,174,113	3,174,113	529,019	793,528	3,174,113	-	17%
Utilities	22,008,714	23,964,607	23,964,607	3,518,250	3,855,199	23,964,607	-	15%
Other Non-Personnel	26,429,552	31,329,374	31,252,698	2,350,716	3,533,054	31,252,698	-	8%
Education <sup>13</sup>	284,008,188	284,008,188	284,008,188	16,005,550	24,008,324	284,008,188	-	6%
<b>Total Expenditures</b>	<b>594,660,823</b>	<b>570,041,106</b>	<b>570,041,106</b>	<b>54,954,623</b>	<b>77,173,943</b>	<b>563,374,439</b>	<b>6,666,667</b>	<b>10%</b>

<b>Revenues and Expenditures, Net**</b>	(217,816)	-	-	(99,927,449)	(85,979,928)	-		
Council Approved Use of Fund Balance	-							
<b>Net Surplus/(Deficit)</b>	<b>217,816</b>	-	-	<b>99,927,449</b>	<b>85,979,928</b>	-		
Tax Anticipation Note/Fund Balance	(217,816)							
<b>Final Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99,927,449</b>	<b>85,979,928</b>	<b>-</b>		

<sup>1</sup> FY2019 General Property Tax revenue is tracking in line with FY2018 for Period 1 and 2 combined. Cumulative through Period 2 (August), revenues are favorable in excess of \$1 million. Partial Period 3 (September) actuals are trending lower than the prior year period. However 2 weeks remain in August prior to month end close.

<sup>2</sup> The Licenses and Permits revenue category is primarily comprised of building, electrical, mechanical and plumbing permits, food and milk dealer licenses. The budget was established with conservatism as compared to the historical trend/actuals of \$6.0M in FY2018, \$7.4M in FY2017, \$7.6M in FY2016 and \$6.4M in FY2015. A number of License and Permits fees were updated effective as of 08/06/18. FY2019 revenue is trending comparable to FY2018.

<sup>3</sup> The Fines, Forfeits and Penalties revenue line item is primarily comprised of false alarms fines and is trending favorable to prior year.

<sup>4</sup> Revenue from Money and Property contains lease/rental and short-term investment income. Consistent with prior year actuals, revenue is projected to exceed the Adopted Budget due to a more favorable interest rate environment. FY2018 Revenue exceeded the Adopted Budget by \$1.068M due to a more favorable interest rate environment for short term investment income.

<sup>5</sup> FY2019 Intergovernmental Revenues YTD primarily reflect the receipt of the Car Tax revenues from the state.

<sup>6</sup> 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. This revenue line item is trending slightly lower than prior year actuals and will continue to be monitored.

<sup>7</sup> Reimbursements (primarily Section 8) primarily occur at fiscal year end.

<sup>8</sup> Other Revenues will vary from year to year based on unanticipated items such as settlements. Due to an unbudgeted one-time settlement in FY2019, this revenue line item will likely exceed the Adopted Budget.

<sup>9</sup> The FY2019 projection for Other Financing Sources has been adjusted to reflect the following: 1) reduction in Special Police Private Duty job income of \$800K consistent with prior year actuals; 2) Stadium naming rights revenue was received in August, however there is a delay in DoNo PILOT revenues (\$200K) during the planning and development of the parcels surrounding the stadium and 3) Corporate contribution of \$10M, of which \$3.333M will be provided directly to the City of Hartford General Fund and \$6.667M has been provided directly to the Hartford Public Library. A corresponding appropriation reduction has been noted to reflect this arrangement.

<sup>10</sup> Payroll will be monitored throughout the fiscal year for the impacts of attrition and overtime.

<sup>11</sup> Debt & Other Capital is comprised of \$12.6M towards the City's CapEx plan, \$4.6M for Downtown North principal and interest, and \$180,436 for a Grant in Lieu of Taxes.

<sup>12</sup> Library is favorable due to a Corporate contribution of \$10M, of which \$6.667M has been provided directly to the Hartford Public Library.

<sup>13</sup> Education YTD actuals (P2) reflect 2 months of the City's tax supported payment of \$96.0M. The \$188.0M ECS will be recorded as the State allocation is received.

<sup>14</sup> 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.

\* September/Period 3 YTD Actuals do not reflect the month-end close.

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

Revenue Summary - Major Category

	FY2018 ACTUAL	FY2019 ADOPTED BUDGET	FY2019 ACTUAL (AUG/19)	FY2019 ACTUAL (SEPT/19)
<b>41-TAXES</b>	<b>(282,456,413)</b>	<b>(284,111,323)</b>	<b>(139,523,651)</b>	<b>(140,188,647)</b>
CURRENT YEAR TAX LEVY	(270,362,368)	(273,861,323)	(138,698,416)	(139,193,159)
INTEREST AND LIENS	(3,709,011)	(3,900,000)	(638,730)	(702,940)
PRIOR YEAR LEVIES	(6,748,683)	(5,500,000)	(182,792)	(286,656)
TAX LIEN SALES	(1,576,115)	(750,000)	-	-
OTHER	(60,237)	(100,000)	(3,713)	(5,892)
<b>42-LICENSES AND PERMITS</b>	<b>(6,065,824)</b>	<b>(5,671,406)</b>	<b>(1,345,047)</b>	<b>(1,517,400)</b>
BUILDING PERMITS	(3,669,844)	(3,442,000)	(738,825)	(808,790)
ELECTRICAL PERMITS	(795,555)	(627,000)	(138,810)	(167,730)
FOOD & MILK DEALER LICENSES	(440,293)	(312,000)	(68,075)	(68,725)
MECHANICAL PERMITS	(385,025)	(639,000)	(235,110)	(271,420)
PLUMBING PERMITS	(328,075)	(265,000)	(88,865)	(102,125)
OTHER	(447,032)	(386,406)	(75,362)	(98,610)
<b>43-FINES FORFEITS AND PENALTIES</b>	<b>(149,601)</b>	<b>(190,000)</b>	<b>(39,118)</b>	<b>(56,044)</b>
FALSE ALARM CITATIONS-POL&FIRE	(138,718)	(185,000)	(38,118)	(55,044)
LAPSED LICENSE/LATE FEE	(9,200)	(5,000)	(1,000)	(1,000)
OTHER	(1,683)	-	-	-
<b>44-INTEREST AND RENTAL INCOME</b>	<b>(2,382,396)</b>	<b>(1,313,149)</b>	<b>(645,181)</b>	<b>(670,426)</b>
BILLINGS FORGE	(19,784)	(20,000)	(5,128)	(5,128)
CT CENTER FOR PERFORM ART	(82,193)	(50,000)	(8,333)	(8,333)
DELTAPRO - LANDFILL GAS	(79,146)	(90,294)	(10,202)	(10,202)
INTEREST	(1,403,467)	(252,000)	(429,558)	(429,558)
MIRA SOLAR REVENUE	(23,787)	(50,000)	-	-
RENT OF PROP-ALL OTHER	(112,839)	(79,600)	(18,360)	(23,628)
RENTAL OF PARK PROPERTY	(70,869)	(54,000)	(8,890)	(9,365)
RENTAL OF PARKING LOTS	(7,800)	(600)	(200)	(300)
RENTAL OF PROP-FLOOD COMM	(147,320)	(148,560)	(27,240)	(37,540)
RENTAL-525 MAIN STREET	(27,009)	(17,694)	(3,726)	(5,589)
RENTS FROM TENANTS	(151,060)	(161,257)	(25,823)	(33,062)
SHEPHERD PARK	-	(118,000)	-	-
THE RICHARDSON BUILDING	(220,979)	(235,000)	(89,498)	(89,498)
UNDERWOOD TOWER PILOT	(36,144)	(36,144)	(18,072)	(18,072)
OTHER	-	-	(150)	(150)
<b>45-INTERGOVERNMENTAL</b>	<b>(292,903,825)</b>	<b>(258,950,890)</b>	<b>(12,324,310)</b>	<b>(19,472,887)</b>
<b>MUNICIPAL AID</b>	<b>(254,258,371)</b>	<b>(253,763,984)</b>	<b>(11,674,631)</b>	<b>(11,674,631)</b>
CAR TAX SUPPL MRSF REV SHARING	(12,177,213)	(11,078,328)	(11,078,328)	(11,078,328)
EDUCATION COST SHARING	(186,667,434)	(187,969,804)	-	-
HIGHWAY GRANT	(1,194,825)	(1,194,825)	(596,303)	(596,303)
MASHANTUCKET PEQUOT FUND	(6,263,314)	(6,136,523)	-	-
MRSA BONDED DISTRIBUTION GRANT	(1,443,052)	(1,419,161)	-	-
MRSF SELECT PILOT	(11,883,205)	(12,422,113)	-	-
MUNICIPAL STABILIZATION GRANT	(4,456,568)	-	(3,370,519)	-
PRIV TAX EXEMPT PROPERTY	(20,009,758)	(20,009,758)	-	-
STATE OWNED PROPERTY	(10,163,003)	(10,162,953)	-	-
<b>OTHER MUNICIPAL AID</b>	<b>(31,888,917)</b>	<b>-</b>	<b>-</b>	<b>(7,148,577)</b>
MUNICIPAL RESTRUCTURING FUNDS	(20,000,000)	-	-	-
STATE CONTRACT ASSISTANCE	(11,888,917)	-	-	(7,148,577)
<b>OTHER STATE REVENUES</b>	<b>(2,515,219)</b>	<b>(879,617)</b>	<b>(31,558)</b>	<b>(31,558)</b>
BOND INT SUB ON SCH PROJ	(46,620)	(46,613)	-	-
EDUCATION OTHER	(1,307,456)	-	-	-
JUDICIAL BRANCH REV DISTRIB.	(44,931)	(76,000)	(31,558)	(31,558)
MANUFACTURERS' FACILITIES	-	(48,843)	-	-
SCH BUILD GRT-SERIAL	(1,077,079)	(661,445)	-	-
VETERANS EXEMPTIONS	(39,133)	(46,716)	-	-
<b>PILOTS, MIRA &amp; OTHER INTERGOVERNMENTAL</b>	<b>(4,238,518)</b>	<b>(4,302,289)</b>	<b>(617,482)</b>	<b>(617,482)</b>
DISABIL EXEMPT-SOC SEC	(6,813)	(7,755)	-	-
GR REC TAX-PARI MUTUEL	(215,473)	(250,000)	(38,841)	(38,841)
HEALTH&WELFARE-PRIV SCH	(48,772)	(61,366)	-	-
MATERIALS INNOVATION RECYCLING	(1,500,000)	(1,500,000)	-	-
PHONE ACCESS LN TAX SH	(447,477)	(550,000)	-	-
PILOT BILLINGS FORGE APT	-	-	(129,623)	(129,623)
PILOT CHURCH HOMES INC	(131,112)	(131,112)	(65,556)	(65,556)
PILOT FOR CT CTR FOR PERF	(361,859)	(357,056)	-	-
PILOT FOR HARTFORD 21	(500,000)	(500,000)	-	-
PILOT HARTFORD HILTON	(522,483)	(525,000)	(87,080)	(87,080)
PILOT HARTFORD MARRIOTT	(484,529)	(400,000)	(276,382)	(276,382)
PILOT TRINITY COLLEGE	(20,000)	(20,000)	(20,000)	(20,000)
<b>OTHER</b>	<b>(2,800)</b>	<b>(5,000)</b>	<b>(640)</b>	<b>(640)</b>
CONS NETWORK TRANSP	-	-	(40)	(40)
STATE REIMBURSEMENTS	(2,800)	(5,000)	(600)	(600)
<b>46-CHARGES FOR SERVICES</b>	<b>(3,647,518)</b>	<b>(2,929,483)</b>	<b>(651,305)</b>	<b>(714,501)</b>
CONVEYANCE TAX	(1,301,512)	(1,155,519)	(197,963)	(197,963)
FILING RECORD-CERTIF FEES	(327,904)	(300,000)	(52,579)	(52,579)
TRANSCRIPT OF RECORDS	(811,703)	(839,250)	(151,918)	(191,504)
OTHER	(1,206,399)	(634,714)	(248,844)	(272,454)
<b>47-REIMBURSEMENTS</b>	<b>(134,317)</b>	<b>(152,840)</b>	<b>(4,134)</b>	<b>(5,157)</b>
ADVERTISING LOST DOGS	(155)	(220)	(80)	(90)
ATM REIMBURSEMENT	(527)	(1,475)	-	(399)
<b>DOG ACCT-SALARY OF WARDEN</b>	<b>(1,992)</b>	<b>(2,600)</b>	<b>-</b>	<b>-</b>
OTHER REIMBURSEMENTS	(7,274)	(17,900)	(783)	(908)
PRIOR YEAR EXPEND REFUNDS	(10,796)	(17,000)	-	-
REIMB FOR MEDICAID SERVICES	(20,933)	(22,000)	(3,271)	(3,410)
SECTION 8 MONITORING	(78,778)	(85,545)	-	-
OTHER	(13,863)	(6,100)	-	(350)
<b>48-OTHER REVENUES</b>	<b>(1,312,263)</b>	<b>(238,650)</b>	<b>(218,566)</b>	<b>(219,405)</b>
MISCELLANEOUS REVENUE	(139,112)	(169,150)	(3,776)	(4,166)
OVER & SHORT ACCOUNT	(375)	(1,500)	(100)	(100)
SALE CITY SURPLUS EQUIP	(22)	(60,000)	-	-
SALE OF DOGS	(3,609)	(5,000)	(1,249)	(1,498)
SETTLEMENTS - OTHER	(870,008)	(3,000)	(212,900)	(213,100)
OTHER	(299,136)	-	(541)	(541)
<b>53-OTHER FINANCING SOURCES</b>	<b>(5,826,481)</b>	<b>(16,483,365)</b>	<b>(130,760)</b>	<b>(309,404)</b>
CORPORATE CONTRIBUTION	-	(10,000,000)	-	-
DOWNTOWN NORTH (DONO)	(933,953)	(1,193,500)	(125,000)	(300,000)
REVENUE FROM HTFD PKG AUTHY	(2,652,352)	(2,424,865)	-	-
SPECIAL POLICE SERVICES	(2,153,090)	(2,750,000)	-	-
OTHER	(87,086)	(115,000)	(5,760)	(9,404)
<b>Grand Total</b>	<b>(594,878,639)</b>	<b>(570,041,106)</b>	<b>(154,882,072)</b>	<b>(163,153,871)</b>

**CITY OF HARTFORD**  
**PROPERTY TAX COLLECTIONS REPORT FOR FY18 AND FY19**  
**PROPERTY TAX COLLECTION REPORT THROUGH AUGUST 31, 2018**

Month	Current Year Taxes		Prior Year Taxes		Interest		Liens Sales		Total Collections	
	Actual FY 18 <sup>1</sup>	Actual FY 19	Actual FY 18	Actual FY 19	Actual FY 18	Actual FY 19	Actual FY 18	Actual FY 19	FY 18	FY 19
July	72,052,947	96,451,948	563,438	(342,432) <sup>2</sup>	164,879	251,077	-	-	72,781,264	96,360,592
August	63,826,289	42,246,468	840,437	525,224	345,654	387,653	-	-	65,012,380	43,159,346
September	2,808,259		561,471		298,264		-	-	3,667,993	-
October	1,796,685		433,128		257,399		-	-	2,487,212	-
November	1,178,908		431,214		250,517		-	-	1,860,639	-
December	12,652,433		607,524		328,728		-	-	13,588,686	-
January	81,413,149		335,485		180,300		-	-	81,928,934	-
February	27,186,117		611,128		405,089		-	-	28,202,334	-
March	2,598,384		406,746		437,264		-	-	3,442,395	-
April	1,928,088		409,219		333,732		-	-	2,671,040	-
May	1,905,402		273,259		369,281		379,002	-	2,926,943	-
June	1,015,705		253,766		337,902		1,197,113	-	2,804,487	-
<b>Total Collections</b>	<b>270,362,368</b>	<b>138,698,416</b>	<b>5,726,813</b>	<b>182,792</b>	<b>3,709,011</b>	<b>638,730</b>	<b>1,576,115</b>	<b>-</b>	<b>281,374,307</b>	<b>139,519,938</b>
<b>60 Day Collections (Year End entry)</b>			<b>1,021,870</b>						<b>1,021,870</b>	<b>-</b>
<b>Adjusted Total Collections</b>	<b>270,362,368</b>	<b>138,698,416</b>	<b>6,748,683</b>	<b>182,792</b>	<b>3,709,011</b>	<b>638,730</b>	<b>1,576,115</b>	<b>-</b>	<b>282,396,177</b>	<b>139,519,938</b>

<sup>1</sup> FY18 is not finalized until we complete the annual audit as there may be reconciliation and audit adjustments.

<sup>2</sup> July's negative balance is due to adjustments as a result of tax appeal settlements and PY overpayments.

	Current Year Taxes		Prior Year Taxes		Interest		Liens Sales		Total Collections	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
<b>Total Budget</b>	266,698,436	273,861,323	7,416,725	5,500,000	4,450,000	3,900,000	1,500,000	750,000	280,065,161	284,011,323
<b>Total Adjusted Levy at July 1st<sup>3</sup></b>	292,142,980	289,991,265	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Collections through August</b>	135,879,236	138,698,416	1,403,875	182,792	510,533	638,730	-	-	137,793,644	139,519,938
<b>Outstanding Receivable at 8/31/18</b>	147,457,279	146,517,515	46,047,469	52,389,952	n/a	n/a	n/a	n/a	n/a	n/a
<b>% of Budget Collected</b>	50.95%	50.65%	18.93%	3.32%	11.47%	16.38%	0.00%	0.00%	49.20%	49.12%
<b>% of Adjusted Levy Collected</b>	46.51%	47.83%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Mill Rate Real Estate</b>	74.29	74.29								
<b>Mill Rate Personal Property</b>	74.29	74.29								
<b>Mill Rate Motor Vehicle</b>	32	39								

<sup>3</sup> The final adjusted levy at 6/30 for FY2018 totaled \$291,086,166. Changes from the levy at 7/1 to 6/30 are mainly due to tax appeals and abatements finalized throughout the fiscal year.

**Expenditure Summary - Departments**

	FY2018 ACTUAL (9/27/18)	FY2019 ADOPTED BUDGET	FY2019 REVISED BUDGET	FY2019 ACTUAL (AUG/(P2)	FY2019 PROJECTION	VARIANCE
00111 MAYOR'S OFFICE	690,350	797,134	797,134	100,947	797,134	0
00112 COURT OF COMMON COUNCIL	481,167	506,800	506,800	64,463	506,800	0
00113 TREASURER	409,328	558,509	558,509	60,690	558,509	0
00114 REGISTRARS OF VOTERS	457,848	377,365	501,497	130,733	501,497	0
00116 CORPORATION COUNSEL	1,439,903	1,544,801	1,544,801	193,946	1,544,801	0
00117 TOWN & CITY CLERK	707,851	794,739	794,739	94,091	794,739	0
00118 INTERNAL AUDIT	464,197	507,132	507,132	68,810	507,132	0
00119 CHIEF OPERATING OFFICER	774,567	811,006	811,006	93,835	811,006	0
00122 METRO HARTFORD INNOVATION SERV	2,996,431	3,174,113	3,174,113	529,019	3,174,113	0
00123 FINANCE	3,264,467	3,866,529	3,866,529	426,601	3,866,529	0
00125 HUMAN RESOURCES	1,008,374	1,246,526	1,246,526	151,248	1,246,526	0
00128 OFFICE OF MANAGEMENT & BUDGET	665,895	1,013,945	1,013,945	111,571	1,013,945	0
00132 CHILDREN FAMILY RECREATION	3,079,173	3,392,778	3,392,778	1,296,084	3,392,778	0
00211 FIRE	38,442,019	33,267,580	33,267,580	4,527,462	33,267,580	0
00212 POLICE	39,167,631	46,473,493	46,473,493	5,999,354	46,473,493	0
00213 EMERGENCY SERVICES & TELECOMMU	3,614,141	3,824,904	3,824,904	662,313	3,824,904	0
00311 PUBLIC WORKS	12,498,235	13,922,330	13,922,330	1,870,726	13,922,330	0
00420 DEVELOPMENT SERVICES	3,379,450	4,157,700	4,157,700	450,263	4,157,700	0
00520 HEALTH AND HUMAN SERVICES	4,103,079	5,028,529	5,028,529	314,733	5,028,529	0
00711 EDUCATION	284,008,188	284,008,188	284,008,188	16,005,550	284,008,188	0
00721 HARTFORD PUBLIC LIBRARY <sup>1</sup>	8,100,000	8,150,000	8,150,000	247,778	1,483,333	6,666,667
00820 BENEFITS & INSURANCES	90,391,231	93,793,869	93,793,869	16,314,921	93,793,869	0
00821 DEBT SERVICE	58,448,433	17,423,430	17,423,430	1,578,261	17,423,430	0
00822 NON OP DEPT EXPENDITURES	36,068,864	41,399,706	41,275,574	3,661,225	41,275,574	0
<b>Grand Total</b>	<b>594,660,823</b>	<b>570,041,106</b>	<b>570,041,106</b>	<b>54,954,623</b>	<b>563,374,439</b>	<b>6,666,667</b>

<sup>1</sup> Library is favorable due to a Corporate contribution of \$10M, of which \$6.667M has been provided directly to the Hartford Public Library.

Expenditure Summary - Major Expenditure Category

	FY2018 ACTUAL (9/27/18)	FY2019 ADOPTED BUDGET	FY2019 REVISED BUDGET	FY2019 ACTUAL (AUG/(P2))	FY2019 PROJECTION	VARIANCE
<b>PAYROLL</b>	<b>102,278,275</b>	<b>108,197,525</b>	<b>108,274,201</b>	<b>14,410,129</b>	<b>108,274,201</b>	<b>0</b>
FT <sup>1</sup>	78,892,839	92,203,755	92,199,581	11,457,318	91,771,036	428,545
HOL	2,519,149	2,445,733	2,445,733	191,053	2,445,733	0
OT	19,235,576	12,132,529	12,132,529	2,198,798	12,132,529	0
PT <sup>2</sup>	1,630,712	1,415,508	1,496,358	562,961	1,924,903	(428,545)
<b>BENEFITS</b>	<b>90,391,231</b>	<b>93,793,869</b>	<b>93,793,869</b>	<b>16,314,921</b>	<b>93,793,869</b>	<b>0</b>
HEALTH	34,536,346	35,882,979	35,882,979	4,859,371	35,882,979	0
MITIGATION <sup>3</sup>	0	(500,000)	(500,000)	0	(500,000)	0
PENSION <sup>4</sup>	45,565,981	45,755,045	45,755,045	7,593,846	45,755,045	0
INSURANCE	4,538,075	4,890,000	4,890,000	2,476,983	4,890,000	0
CONCESSIONS	464,076	(1,000,000)	(1,000,000)	0	(1,000,000)	0
FRINGE REIMBURSEMENTS <sup>5</sup>	(4,020,980)	(2,750,000)	(2,750,000)	(257,169)	(2,750,000)	0
LIFE INSURANCE	252,536	315,652	315,652	42,636	315,652	0
OTHER BENEFITS	4,254,156	4,900,193	4,900,193	674,252	4,900,193	0
WAGE	0	900,000	900,000	0	900,000	0
WORKERS COMP	4,801,040	5,400,000	5,400,000	925,000	5,400,000	0
<b>DEBT</b>	<b>58,448,433</b>	<b>17,423,430</b>	<b>17,423,430</b>	<b>1,578,261</b>	<b>17,423,430</b>	<b>0</b>
DEBT	58,448,433	17,423,430	17,423,430	1,578,261	17,423,430	0
<b>LIBRARY</b>	<b>8,100,000</b>	<b>8,150,000</b>	<b>8,150,000</b>	<b>247,778</b>	<b>1,483,333</b>	<b>6,666,667</b>
LIBRARY <sup>6</sup>	8,100,000	8,150,000	8,150,000	247,778	1,483,333	6,666,667
<b>MHIS</b>	<b>2,996,431</b>	<b>3,174,113</b>	<b>3,174,113</b>	<b>529,019</b>	<b>3,174,113</b>	<b>0</b>
MHIS	2,996,431	3,174,113	3,174,113	529,019	3,174,113	0
<b>UTILITY</b>	<b>22,008,714</b>	<b>23,964,607</b>	<b>23,964,607</b>	<b>3,518,250</b>	<b>23,964,607</b>	<b>0</b>
UTILITY	22,008,714	23,964,607	23,964,607	3,518,250	23,964,607	0
<b>OTHER</b>	<b>26,429,552</b>	<b>31,329,374</b>	<b>31,252,698</b>	<b>2,350,716</b>	<b>31,252,698</b>	<b>0</b>
COMMUNITY ACTIVITIES	2,672,623	2,578,776	2,578,776	831,760	2,578,776	0
CONTINGENCY	329,799	4,435,019	4,375,019	0	4,375,019	0
CONTRACTED SERVICES	3,391,547	3,809,682	3,886,177	(195,492)	3,886,177	0
ELECTIONS	71,296	208,044	83,912	0	83,912	0
GOVT AGENCY & OTHER	750,000	0	0	0	0	0
LEASES - OFFICES PARKING COPIER	976,678	1,942,984	1,942,984	244,718	1,942,984	0
LEGAL EXPENSES & SETTLEMENTS	6,488,146	2,616,500	2,616,500	105,142	2,616,500	0
OTHER	3,139,075	4,319,822	4,319,387	546,513	4,319,387	0
OUT AGENCY	0	0	0	0	0	0
POSTAGE	193,625	231,419	231,419	25,000	231,419	0
SUPPLY	3,523,729	4,236,320	4,263,755	530,849	4,263,755	0
TECH, PROF & COMM BASED SERVICES	1,425,354	1,976,350	1,980,311	257,649	1,980,311	0
VEHICLE & EQUIP	3,467,680	4,974,458	4,974,458	4,578	4,974,458	0
<b>EDUCATION</b>	<b>284,008,188</b>	<b>284,008,188</b>	<b>284,008,188</b>	<b>16,005,550</b>	<b>284,008,188</b>	<b>0</b>
EDUCATION	284,008,188	284,008,188	284,008,188	16,005,550	284,008,188	0
<b>Grand Total</b>	<b>594,660,823</b>	<b>570,041,106</b>	<b>570,041,106</b>	<b>54,954,623</b>	<b>563,374,439</b>	<b>6,666,667</b>

<sup>1</sup> Full-time is favorable due to attrition, which is offset by temporary staffing covering full-time vacant positions.

<sup>2</sup> Approximately 38% of the Part-time salary budget has been expended through August (P2) due to summer recreation programs, the August primary for the Registrar of Voter's Office and temporary staffing covering full-time vacant positions.

<sup>3</sup> Mitigation of \$500K reflects non-Public Safety budgeted attrition and vacancy savings. The Police and Fire departments respectively include \$1.17M and \$1.56M in budgeted attrition and vacancy savings. In total, \$3.23M is budgeted for attrition city-wide.

<sup>4</sup> The total MERF Pension Actuarial Defined Employer Contribution (ADEC) for the City of Hartford is \$44.22M. This includes the BOE and Library ADEC of \$4.78M and \$925K respectively, which are separately budgeted in the BOE and Library line items. The City's total ADEC for Police, Fire and Municipal workers of \$38.50M is fully budgeted and will be incurred in full compliance with the contract assistance agreement.


<sup>5</sup> Fringe reimbursements for grant funded employees will vary based on grant awards.

<sup>6</sup> Library is favorable due to a Corporate contribution of \$10M, of which \$6.667M has been provided directly to the Hartford Public Library.

**MUNICIPAL ACCOUNTABILITY REVIEW BOARD**

**MEMORANDUM**

TO: Members of the Municipality Accountability Review Board

FROM: Robert Dakers, OPM 

SUBJECT: Proposed Motions Related to Hartford MARB Committee Meetings of August 10, 2018 and September 20, 2018

DATE: October 1, 2018

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At its meetings referenced above, the Hartford MARB Committee and the City's Superintendent of Schools and her staff reviewed the school systems finances, including matters associated with:

- Rising special education costs (see pages 19 to 23 of link below to 8/10/18 presentation) and the interest in determining if there are opportunities to improve quality and cost effectiveness in this regard;
- health insurance and the MARB's desire to review cost saving alternatives though use of an health insurance consultant, as in now underway in West Haven through OPM's contract with Segal Consulting (also the Hartford Public Schools benefit consultant); and
- reviewing potential contract issues associated with the Memorandum of Understanding between the Hartford Public Schools and the Achievement First Charter School (link to MOU is below).

Attached below are three proposed motions that have been offered in this regard. Please contact me if you have any questions in this regard.

Attachment

Cc: Dr. Leslie Torres-Rodriguez, Superintendent of Schools, Hartford  
Mayor Luke Bronin  
David Fleig, CFO, HPS  
Melissa McCaw, COH

Board of Education Budget Presentation (8/10/18)

[https://www.ct.gov/opm/lib/opm/HPS Presentation to MARB 8.10.18 V4 %28002%29.pdf](https://www.ct.gov/opm/lib/opm/HPS%20Presentation%20to%20MARB%208.10.18%20V4%20%28002%29.pdf)

MOU-Hartford BOE and Achievement First

[https://www.ct.gov/opm/lib/opm/Achievement First Documents %28002%29.pdf](https://www.ct.gov/opm/lib/opm/Achievement%20First%20Documents%20%28002%29.pdf)



**ATTACHMENT: PROPOSED MARB MOTIONS: October 4, 2018**

**Study of Hartford's Special Education Services and Costs**

Recommend that the MARB, with the assistance of the State Office of Policy and Management (OPM), work with the Hartford Board of Education and State Department of Education to analyze and make recommendations, with the assistance of outside experts as needed, to do a programmatic and fiscal examination of the services and costs associated with education the special education students in the Hartford school district. Such examination shall include but shall not be limited to outplacements of student identification, program recommendations, IEP structure, etc.

Recommend further that the MARB Committee and Staff report back to the full MARB by December 31, 2018 as to the scope, status and potential cost of such study.

**Hartford Board of Education Health Insurance Analysis**

Recommend to the MARB that the Superintendent of the Hartford Public Schools be requested to provide to it any analysis done by Segal Consulting (Segal) with respect to a cost analysis of the existing Board of Education health insurance benefit program(s) including any comparison of the benefits and cost with other options ( partnership program, new carrier, etc) and further that OPM, on behalf of the MARB and its Hartford Committee, retain Segal for any additional analysis needed for Segal to submit a report to the MARB in this regard. Such report will be given to MARB by its February meeting.

**Review of Contractual Matters Associated with the Hartford Board of Education's (BOE) Memorandum of Understanding (MOU) with Achievement First (AF)**

Recommend that the MARB seek legal guidance, perhaps in conjunction with legal counsel of the City and/or BOE, from an attorney having the necessary knowledge and expertise to do an examination of all agreements between the Hartford Board of Education and the AF charter school to determine whether all of the sections and provisions such agreements conform, or not, with existing State Statutes or other legal requirements and to outline the action or options that may be needed or available in regard to any legal concerns or issues that may be identified.

Recommend further that the MARB Committee and staff, in conjunction with the City and BOE, report back to the full MARB by December 31, 2018 with the status of this review.