

City of Hartford

FY2019

Monthly Financial Report to the Municipal Accountability Review Board



February 7, 2019

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

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City of Hartford - FY2019 General Fund Financial Report & Projection

MARB 2/7/19

Revenue Category	FY2018 AUDITED ACTUAL	FY2019 ADOPTED BUDGET	FY2019 REVISED BUDGET	FY2018 ACTUAL (DEC)	FY2019 ACTUAL (DEC)	FY2019 PROJECTION	VARIANCE	% COLL.
41 General Property Taxes ¹	(282,456,413)	(284,111,323)	(284,111,323)	(159,431,790)	(161,855,601)	(283,111,323)	1,000,000	57%
42 Licenses & Permits ²	(6,065,824)	(5,671,406)	(5,671,406)	(3,079,041)	(3,335,378)	(5,771,406)	(100,000)	59%
43 Fines Forfeits & Penalties ³	(149,601)	(190,000)	(190,000)	(81,492)	(123,214)	(190,000)	-	65%
44 Revenue from Money & Property ⁴	(2,382,396)	(1,313,149)	(1,313,149)	(1,015,323)	(1,788,747)	(4,563,149)	(3,250,000)	136%
45 Intergovernmental Revenues ^{5,16}	(292,903,825)	(258,950,890)	(258,950,890)	(112,356,122)	(107,934,279)	(259,548,586)	(597,696)	42%
46 Charges For Services ⁶	(3,647,518)	(2,929,483)	(2,929,483)	(1,991,349)	(1,952,248)	(2,854,483)	75,000	67%
47 Reimbursements ⁷	(134,317)	(152,840)	(152,840)	(66,776)	(72,249)	(132,840)	20,000	47%
48 Other Revenues ⁸	(1,313,009)	(238,650)	(238,650)	(771,895)	(367,114)	(400,000)	(161,350)	154%
53 Other Financing Sources ⁹	(5,543,864)	(16,483,365)	(16,483,365)	(2,112,608)	(1,327,291)	(8,816,698)	7,666,667	8%
Total Revenues¹⁷	(594,596,768)	(570,041,106)	(570,041,106)	(280,906,394)	(278,756,121)	(565,388,485)	4,652,621	49%

MARB 2/7/19

Expenditure Category	FY2018 AUDITED ACTUAL	FY2019 ADOPTED BUDGET	FY2019 REVISED BUDGET	FY2018 ACTUAL (DEC)	FY2019 ACTUAL (DEC)	FY2019 PROJECTION	VARIANCE	% EXP.
Payroll ¹⁰	102,266,638	108,197,525	108,353,891	50,608,601	47,270,578	101,263,768	7,090,123	44%
Benefits ¹¹	90,369,281	93,793,869	93,793,869	47,057,856	43,463,014	92,896,438	897,431	46%
Debt & Other Capital ^{12,16}	58,011,334	17,423,430	17,423,430	25,124,719	1,616,788	22,223,430	(4,800,000)	9%
Library ¹³	8,100,000	8,150,000	8,150,000	4,050,000	744,444	1,483,333	6,666,667	9%
Metro Hartford Innovation Services	2,996,431	3,174,113	3,174,113	1,498,414	1,587,057	3,174,113	-	50%
Utilities ¹⁷	22,079,682	23,964,607	24,023,285	10,396,782	10,251,783	24,323,285	(300,000)	43%
Other Non-Personnel ¹⁵	26,467,959	31,329,374	31,114,330	12,448,346	12,903,264	32,914,330	(1,800,000)	41%
Education ¹⁴	283,943,410	284,008,188	284,008,188	98,146,210	95,159,796	284,605,884	(597,696)	34%
Total Expenditures¹⁸	594,234,736	570,041,106	570,041,106	249,330,929	212,996,724	562,884,581	7,156,525	37%
Revenues and Expenditures, Net	(362,032)	-	-	(31,575,466)	(65,759,397)	(2,503,904)		
Council Approved Use of Fund Balance	-	-	-	-	-	-	-	-
Net Surplus/(Deficit)	362,032	-	-	31,575,466	65,759,397	2,503,904		

¹ The General Property Tax revenue category is comprised of Current Year Levy, Prior Year Levy, Interest & Liens and Subsequent Lien Sales.
 - Cumulative through December current year tax levy revenues are 2.94% higher than FY2018 and are projected to exceed budget assumptions.
 - Prior year levy revenues, however, are projected to be potentially unfavorable by \$506K, which is expected to be offset by favorability in Current Year Tax levy revenues. Prior year levy revenues include adjustments for any appeals settled through the Board of Assessment or the court process. Total adjustments to prior year levy tax collections year to date are consistent with budget projections. However there are 311 parcels that are still being adjudicated through the court process. Based on historical experience, it is estimated that a 20% adjustment on assessment/taxes may occur. This is a critical area that is being monitored for budget impact and may be impacted by timing.
 - Interest and liens collections through December are significantly more favorable than FY2018 by approximately \$558K.
 - Revenues from subsequent tax lien sales are not recorded until the 4th quarter of the fiscal year.
 Overall a shortfall of \$99K is projecting for General Property Taxes and will continue to be monitored through the second quarter of the fiscal year.

² 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 favorable by 8.33% to FY2018 through December. The projection has been adjusted by 100K.

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

⁴ Revenue from Money and Property contains lease/rental and short-term investment income. Revenue is projected to exceed the Adopted Budget due to a more favorable interest rate environment.

⁵ The FY2019 Intergovernmental Revenues YTD primarily reflect the receipts of the \$107M in Municipal Aid revenues. FY2019 projections were revised by \$579K to reflect additional ECS funds from the State of CT for costs associated with increased enrollment due to displaced families from Puerto Rico.

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. This revenue line item is trending lower than prior year actuals and will continue to be monitored.

⁷ Reimbursements (primarily Section 8) primarily occur at fiscal year end. This revenue line item is trending relatively in line with FY2018 actuals.

⁸ Other Revenues will vary from year to year based on unanticipated items such as settlements and rebates. Due to an unbudgeted one-time settlement and revenues from fire and police trainings in FY2019, this revenue line item could potentially exceed the Adopted Budget and will continue to be monitored.

⁹ 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.

¹⁰ Payroll (FT, PT, OT and Holiday) is projected to be net favorable by \$7.1M through December. The methodology of the full-time payroll projection (detailed in the appendix) reflects 23 weeks of actual payroll expenses with 29.2 weeks remaining. Vacancies are assumed to be refilled with 25.2 weeks remaining in the fiscal year. A Police class started recently and 25 Officers for March are projected. Vacancy and attrition savings of \$8.1M are offset by a projected shortfall of \$753K in OT and \$265K in Part-time salary expenses. Payroll will continue to be monitored throughout the fiscal year.

¹¹ The primary driver of favorability in Benefits is fringe reimbursements for Police and Fire grants.

¹² The FY2019 Adopted Budget for 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 payment, for a total of \$17.423M. Debt is projected to be \$22.22M due to additional capital needs.

¹³ Due to \$6.667M of the Corporate contribution being provided directly to the Hartford Public Library, the annual Library appropriation has been adjusted accordingly.

¹⁴ Education YTD actuals reflect 6 months of the City's tax supported payment of \$96.0M. The \$188.0M ECS is recorded as the State allocation is received. The Education projection has increased by \$598K due to the State Department of Education providing additional funding for the educational support of displaced students from Puerto Rico.

¹⁵ Other Non-Personnel includes additional settlement expenses of \$3M associated with stadium litigation, offset by a favorable \$1.2M expense credit for a relocation case where actual costs for displaced families were lower than estimated.

¹⁶ Under the executed Contract Assistance agreement, \$48.57M of General Obligation debt service payments will be made on the City's behalf by the State of Connecticut. Consistent with GAAP rules, the contract assistance payments will be recorded as donated capital revenue. The debt service expenditures will also be recorded in the ledger in the Debt Service line item to properly reflect the retirement of debt. This unbudgeted debt expense will be offset by contract assistance revenue, together of which will net to zero. The financial report at fiscal year end will be adjusted to reflect these entries that have occurred in the ledger. The total YTD revenue and expense recorded through December is approximately \$31.09M.

¹⁷ Utilities are unfavorable by \$300K due to the trend in piped heat/chilled water consumption and higher than budgeted costs for tipping fees.

¹⁸ 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.

Revenue Summary - Major Category

	FY2018 AUDITED ACTUAL	FY2019 ADOPTED BUDGET	FY2018 ACTUAL (DEC)	FY2019 ACTUAL (DEC)
41-TAXES	(282,456,413)	(284,111,323)	(159,431,790)	(161,855,601)
CURRENT YEAR TAX LEVY	(270,362,368)	(273,861,323)	(154,315,522)	(158,846,138)
INTEREST AND LIENS	(3,709,011)	(3,900,000)	(1,645,442)	(2,203,081)
PRIOR YEAR LEVIES	(6,748,683)	(5,500,000)	(3,437,211)	(774,171)
TAX LIEN SALES	(1,576,115)	(750,000)	-	-
OTHER	(60,237)	(100,000)	(33,615)	(32,210)
42-LICENSES AND PERMITS	(6,065,824)	(5,671,406)	(3,079,041)	(3,335,378)
BUILDING PERMITS	(3,669,844)	(3,442,000)	(1,786,997)	(1,793,617)
ELECTRICAL PERMITS	(795,555)	(627,000)	(397,480)	(519,640)
FOOD & MILK DEALER LICENSES	(440,293)	(312,000)	(217,000)	(85,900)
MECHANICAL PERMITS	(385,025)	(639,000)	(207,375)	(458,528)
PLUMBING PERMITS	(328,075)	(265,000)	(162,159)	(190,900)
OTHER	(447,032)	(386,406)	(308,030)	(286,792)
43-FINES FORFEITS AND PENALTIES	(149,601)	(190,000)	(81,492)	(123,214)
FALSE ALARM CITATIONS-POL&FIRE	(138,718)	(185,000)	(73,592)	(118,153)
LAPSED LICENSE/LATE FEE	(9,200)	(5,000)	(7,900)	(3,700)
OTHER	(1,683)	-	-	(1,360)
44-INTEREST AND RENTAL INCOME	(2,382,396)	(1,313,149)	(1,015,323)	(1,788,747)
BILLINGS FORGE	(19,784)	(20,000)	(9,741)	(9,904)
CT CENTER FOR PERFORM ART	(82,193)	(50,000)	(25,000)	(20,833)
DELTAPRO - LANDFILL GAS	(79,146)	(90,294)	(42,990)	(10,202)
INTEREST	(1,403,467)	(252,000)	(492,420)	(1,301,084)
MIRA SOLAR REVENUE	(23,787)	(50,000)	(23,123)	-
RENT OF PROP-ALL OTHER	(112,839)	(79,600)	(49,693)	(52,483)
RENTAL OF PARK PROPERTY	(70,869)	(54,000)	(35,861)	(27,346)
RENTAL OF PARKING LOTS	(7,800)	(600)	(7,200)	(300)
RENTAL OF PROP-FLOOD COMM	(147,320)	(148,560)	(77,980)	(66,480)
RENTAL-525 MAIN STREET	(27,009)	(17,694)	(11,178)	(11,278)
RENTS FROM TENANTS	(151,060)	(161,257)	(72,723)	(81,191)
SHEPHERD PARK	-	(18,000)	-	-
THE RICHARDSON BUILDING	(220,979)	(235,000)	(149,343)	(189,148)
UNDERWOOD TOWER PILOT	(36,144)	(36,144)	(18,072)	(18,072)
OTHER	-	-	-	(425)
45-INTERGOVERNMENTAL	(292,903,825)	(258,950,890)	(112,356,122)	(107,934,279)
MUNICIPAL AID	(254,258,371)	(253,763,984)	(109,416,670)	(106,856,452)
CAR TAX SUPPL MRSF REV SHARING	-	-	-	-
EDUCATION - STIMULUS	-	-	-	-
EDUCATION COST SHARING	(186,667,434)	(187,969,804)	(50,129,561)	(47,143,147)
HIGHWAY GRANT	(1,194,825)	(1,194,825)	(597,412)	(596,303)
MASHANTUCKET PEQUOT FUND	(6,263,314)	(6,136,523)	-	(2,045,508)
MRSA BONDED DISTRIBUTION GRANT	(1,443,052)	(1,419,161)	-	(27,824)
MRSF SELECT PILOT	(11,883,205)	(12,422,113)	(11,883,205)	(12,422,113)
MUNICIPAL STABILIZATION GRANT	(4,456,568)	(3,370,519)	(4,456,568)	(3,370,519)
PRIV TAX EXEMPT PROPERTY	(20,009,758)	(20,009,758)	(20,009,758)	(20,009,758)
STATE OWNED PROPERTY	(10,163,003)	(10,162,953)	(10,162,953)	(10,162,953)
OTHER MUNICIPAL AID	(31,888,917)	-	-	-
MUNICIPAL RESTRUCTURING FUNDS	(20,000,000)	-	-	-
STATE CONTRACT ASSISTANCE	(11,888,917)	-	-	-
OTHER STATE REVENUES	(2,515,219)	(879,617)	(987,015)	(70,901)
BOND INT SUB ON SCH PROJ	(46,620)	(46,613)	(29,456)	-
EDUCATION OTHER	(1,307,456)	-	-	-
JUDICIAL BRANCH REV DISTRIB.	(44,931)	(76,000)	(33,370)	(49,087)
MANUFACTURERS' FACILITIES	-	(48,843)	-	-
SCH BUILD GRT-SERIAL	(1,077,079)	(661,445)	(885,056)	-
VETERANS EXEMPTIONS	(39,133)	(46,716)	(39,133)	(21,814)
PILOTS, MIRA & OTHER INTERGOVERNMENTAL	(4,238,518)	(4,302,289)	(1,951,320)	(1,004,626)
DISABIL EXEMPT-SOC SEC	(6,813)	(7,755)	(6,813)	(6,223)
GR REC TAX-PARI MUTUEL	(215,473)	(250,000)	(106,934)	(116,341)
HEALTH&WELFARE-PRIV SCH	(48,772)	(61,366)	-	-
MATERIALS INNOVATION RECYCLING	(1,500,000)	(1,500,000)	(1,000,000)	-
PHONE ACCESS LN TAX SH	(447,477)	(550,000)	-	-
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)	(250,000)	(250,000)
PILOT HARTFORD HILTON	(522,483)	(525,000)	(261,241)	(270,124)
PILOT HARTFORD MARRIOTT	(484,529)	(400,000)	(240,776)	(276,382)
PILOT TRINITY COLLEGE	(20,000)	(20,000)	(20,000)	(20,000)
OTHER	(2,800)	(5,000)	(1,117)	(2,300)
STATE REIMBURSEMENTS	(1,117)	(5,000)	(1,117)	(2,300)
46-CHARGES FOR SERVICES	(3,647,518)	(2,929,483)	(1,991,349)	(1,952,248)
CONVEYANCE TAX	(1,301,512)	(1,155,519)	(689,057)	(827,467)
FILING RECORD-CERTIF FEES	(327,904)	(300,000)	(158,315)	(146,318)
TRANSCRIPT OF RECORDS	(811,703)	(839,250)	(370,685)	(403,642)
OTHER	(1,206,399)	(634,714)	(773,292)	(574,822)
47-REIMBURSEMENTS	(134,317)	(152,840)	(66,776)	(72,249)
ADVERTISING LOST DOGS	(155)	(220)	(27)	(200)
ATM REIMBURSEMENT	(527)	(1,475)	(305)	(399)
DOG ACCT-SALARY OF WARDEN	(1,992)	(2,600)	-	-
OTHER REIMBURSEMENTS	(7,274)	(17,900)	(5,995)	(2,003)
PRIOR YEAR EXPEND REFUNDS	(10,796)	(17,000)	-	-
REIMB FOR MEDICAID SERVICES	(20,933)	(22,000)	(10,566)	(9,559)
SECTION 8 MONITORING	(78,778)	(85,545)	(36,802)	(43,405)
WORK COMP NORM TAX APPLIC	-	-	(100)	-
OTHER	(13,863)	(6,100)	(12,981)	(16,684)
48-OTHER REVENUES	(1,313,009)	(238,650)	(771,895)	(367,114)
MISCELLANEOUS REVENUE	(139,033)	(169,150)	(127,444)	(117,692)
OVER & SHORT ACCOUNT	(375)	(1,500)	(273)	(851)
SALE CITY SURPLUS EQUIP	(22)	(60,000)	(22)	(136)
SALE OF DOGS	(3,609)	(5,000)	(910)	(2,862)
SETTLEMENTS - OTHER	(870,008)	(3,000)	(358,270)	(213,700)
OTHER	(299,962)	-	(284,975)	(31,873)
53-OTHER FINANCING SOURCES	(5,543,864)	(16,483,365)	(2,112,608)	(1,327,291)
CORPORATE CONTRIBUTION	-	(10,000,000)	-	-
DOWNTOWN NORTH (DONO)	(933,953)	(1,193,500)	(356,575)	(300,064)
REVENUE FROM HTFD PKG AUTHY	(2,366,924)	(2,424,865)	38,000	-
SPECIAL POLICE SERVICES	(2,153,090)	(2,750,000)	(1,716,804)	(1,006,163)
OTHER	(89,896)	(115,000)	(77,229)	(21,064)
Grand Total	(594,596,768)	(570,041,106)	(280,906,394)	(278,756,121)

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

Month	Current Year Taxes		Prior Year Taxes		Interest		Liens Sales		Total Collections	
	Actual FY 18 ¹	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) ²	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	2,271,622	561,471	17,906 ⁴	298,264	718,507 ⁵	-	-	3,667,993	3,008,035
October	1,796,685	2,646,106	433,128	(278,383) ⁶	257,399	246,322	-	-	2,487,212	2,614,045
November	1,178,908	1,971,266 ⁷	431,214	469,702	250,517	318,786	-	-	1,860,639	2,759,753 ⁷
December	12,652,433	13,258,728	607,524	382,154 ⁸	328,728	280,737	-	-	13,588,686	13,921,620
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	-
Total Collections	270,362,368	158,846,138	5,726,813	774,171	3,709,011	2,203,081	1,576,115	-	281,374,307	161,823,391
60 Day Collections (Year End entry)			1,021,870						1,021,870	-
Adjusted Total Collections	270,362,368	158,846,138	6,748,683	774,171	3,709,011	2,203,081	1,576,115	-	282,396,177	161,823,391

	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
Total Budget	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
Total Adjusted Levy at July 1st³	292,142,980	289,991,265	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Collections through December	154,315,522	158,846,138	3,437,211	774,171	1,645,442	2,203,081	-	-	159,398,175	161,823,391
Outstanding Receivable at 12/31/18	132,355,571	121,448,780	45,851,391	49,164,314	n/a	n/a	n/a	n/a	n/a	n/a
% of Budget Collected	57.86%	58.00%	46.34%	14.08%	36.98%	56.49%	0.00%	0.00%	56.91%	56.98%
% of Adjusted Levy Collected	52.82%	54.78%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mill Rate Real Estate	74.29	74.29								
Mill Rate Personal Property	74.29	74.29								
Mill Rate Motor Vehicle	39	45								

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

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

³ 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.

⁴ September's reduced collections is due to a large adjustment from tax appeal settlements.

⁵ September- \$470K interest paid in 09/2018 for PY tax 2009 from New Talcott Plaza LLC/Shelbourne Group.

⁶ October's PY negative balance is due to adjustments & transferred payments upon Corp Council & Assessment's agreements. (\$666K of SGS Pearl, LLC | \$242K of RP Asylum LLC | \$42K of Newgate Corp)

⁷ \$900K increased in November YTY was driven by significant transactions increased for RE's current levy; and a result of "fee relief program for PP in Oct & Nov.(RE & PP had 901 & 328 transactions in Nov 2018 vs. 701 & 89 transactions in Nov 2017 respectively).

⁸ December prior levy includes tax appeal settlement for Asylum LLC for \$100K and \$42K for S. Meadows No 3 & No 4 LLC

Expenditure Summary - Departments

	FY2018 AUDITED ACTUAL	FY2019 ADOPTED BUDGET	FY2019 REVISED BUDGET	FY2018 ACTUAL (DEC)	FY2019 ACTUAL (DEC)	FY2019 PROJECTION	VARIANCE
00111 MAYOR'S OFFICE	690,350	797,134	797,134	337,206	355,160	770,441	26,693
00112 COURT OF COMMON COUNCIL	481,167	506,800	506,800	238,773	240,451	506,800	0
00113 TREASURER	397,500	558,509	558,509	186,274	214,142	547,646	10,863
00114 REGISTRARS OF VOTERS	457,848	377,365	627,694	244,327	369,421	624,319	3,375
00116 CORPORATION COUNSEL	1,439,951	1,544,801	1,544,801	691,623	666,977	1,456,292	88,509
00117 TOWN & CITY CLERK	708,047	794,739	794,739	324,330	331,525	760,377	34,362
00118 INTERNAL AUDIT	464,197	507,132	507,132	237,246	242,688	505,069	2,063
00119 CHIEF OPERATING OFFICER	774,567	811,006	811,006	284,442	311,113	721,827	89,179
00122 METRO HARTFORD INNOVATION SERV	2,996,431	3,174,113	3,174,113	1,498,414	1,587,057	3,174,113	0
00123 FINANCE	3,283,736	3,866,529	3,866,529	1,585,534	1,567,970	3,668,613	197,916
00125 HUMAN RESOURCES	1,008,374	1,246,526	1,246,526	408,023	621,502	1,227,015	19,511
00128 OFFICE OF MANAGEMENT & BUDGET	666,029	1,013,945	1,013,945	295,750	426,446	965,220	48,725
00132 CHILDREN FAMILY RECREATION ¹	3,079,173	3,392,778	3,392,778	1,923,522	1,923,926	3,416,437	(23,659)
00211 FIRE	38,443,976	33,267,580	33,267,580	18,639,569	15,474,227	32,970,040	297,540
00212 POLICE	39,178,526	46,473,493	46,473,493	19,042,916	19,077,483	41,275,909	5,197,584
00213 EMERGENCY SERVICES & TELECOMM. ²	3,614,141	3,824,904	3,824,904	1,854,262	1,870,846	3,967,232	(142,328)
00311 PUBLIC WORKS	12,501,725	13,922,330	13,922,330	5,876,646	5,559,359	13,350,489	571,841
00420 DEVELOPMENT SERVICES	3,379,633	4,157,700	4,157,700	1,646,456	1,557,236	3,745,142	412,558
00520 HEALTH AND HUMAN SERVICES ³	4,103,079	5,028,529	5,028,529	1,834,363	938,366	4,773,139	255,390
00711 EDUCATION ⁴	283,943,410	284,008,188	284,008,188	98,146,210	95,159,796	284,605,884	(597,696)
00721 HARTFORD PUBLIC LIBRARY ⁵	8,100,000	8,150,000	8,150,000	4,050,000	744,444	1,483,333	6,666,667
00820 BENEFITS & INSURANCES	90,369,281	93,793,869	93,793,869	47,057,856	43,463,014	92,896,438	897,431
00821 DEBT SERVICE ⁶	58,011,334	17,423,430	17,423,430	25,124,719	1,616,788	22,223,430	(4,800,000)
00822 NON OP DEPT EXPENDITURES ⁷	36,142,260	41,399,706	41,149,377	17,754,403	18,676,788	43,249,377	(2,100,000)
Grand Total	594,234,736	570,041,106	570,041,106	249,330,929	212,996,724	562,884,581	7,156,525

¹ The projected deficit of \$24K in Children Family Recreation is attributable to overtime costs for Recreation services.

² The projected deficit of \$142K in Emergency Services and Telecommunications is attributable to overtime costs net of vacancy savings. Vacancies are under recruitment.

³ A Lead Hazard Control and Healthy Homes HUD grant was audited and non-compliance was determined regarding entering contracts after the end of the grant. While management action has been taken to address the non-compliance issue, Health and Human Services will have an unbudgeted expenditure of \$447K. This expense is planned to be absorbed by a favorable trend in relocation expenses.

⁴ The Education projection has increased by \$598K due to the State Department of Education providing additional funding for the educational support of displaced students from Puerto Rico.

⁵ Library is favorable due to a Corporate contribution of \$10M, of which \$6.667M has been provided directly to the Hartford Public Library.

⁶ Under the executed Contract Assistance agreement, \$48.57M of General Obligation debt service payments will be made on the City's behalf by the State of Connecticut. Consistent with GAAP rules, the contract assistance payments will be recorded as donated capital revenue. The debt service expenditures will also be recorded in the ledger in the Debt Service line item to properly reflect the retirement of debt. This unbudgeted debt expense will be offset by contract assistance revenue, together of which will net to zero. The financial report at fiscal year end will be adjusted to reflect these entries that have occurred in the ledger. The total YTD revenue and expense recorded through December is approximately \$31.09M. Debt is projected to be \$22.22M due to additional capital needs.

⁷ Non-Operating includes additional settlement expenses of \$3M associated with stadium litigation and \$300K in utilities due to the trend in piped heat/chilled water consumption and higher than budgeted costs for tipping fees, offset by a favorable \$1.2M expense credit for a relocation case where actual costs for displaced families were lower than estimated.

Expenditure Summary - Major Expenditure Category

	FY2018 AUDITED ACTUAL	FY2019 ADOPTED BUDGET	FY2019 REVISED BUDGET	FY2018 ACTUAL (DEC)	FY2019 ACTUAL (DEC)	FY2019 PROJECTION	VARIANCE
PAYROLL	102,266,638	108,197,525	108,353,891	50,608,601	47,270,578	101,263,768	7,090,123
FT ¹	78,881,011	92,203,755	92,202,081	38,471,739	38,615,021	84,105,712	8,096,369
HOL ¹	2,519,149	2,445,733	2,445,733	1,004,510	923,619	2,433,708	12,025
OT ¹	19,235,767	12,132,529	12,132,529	10,046,418	6,405,297	12,885,724	(753,195)
PT ¹	1,630,712	1,415,508	1,573,548	1,085,935	1,326,640	1,838,624	(265,076)
BENEFITS	90,369,281	93,793,869	93,793,869	47,057,856	43,463,014	92,896,438	897,431
HEALTH	34,536,346	35,882,979	35,882,979	19,128,241	15,200,814	35,882,979	0
MITIGATION ²	0	(500,000)	(500,000)	0	0	0	(500,000)
PENSION ³	45,565,981	45,755,045	45,755,045	21,269,878	22,160,067	45,672,045	83,000
INSURANCE	4,589,297	4,890,000	4,890,000	3,267,056	3,325,807	4,890,000	0
CONCESSIONS ⁴	464,076	(1,000,000)	(1,000,000)	0	0	(800,000)	(200,000)
FRINGE REIMBURSEMENTS ⁵	(4,094,152)	(2,750,000)	(2,750,000)	(1,323,645)	(2,167,875)	(4,200,000)	1,450,000
LIFE INSURANCE	252,536	315,652	315,652	125,170	129,927	315,652	0
OTHER BENEFITS ⁶	4,254,156	4,900,193	4,900,193	2,133,655	2,114,272	4,568,230	331,963
WAGE ⁷	0	900,000	900,000	0	0	800,000	100,000
WORKERS COMP ⁸	4,801,040	5,400,000	5,400,000	2,457,500	2,700,000	5,767,532	(367,532)
DEBT	58,011,334	17,423,430	17,423,430	25,124,719	1,616,788	22,223,430	(4,800,000)
DEBT ⁹	58,011,334	17,423,430	17,423,430	25,124,719	1,616,788	22,223,430	(4,800,000)
LIBRARY	8,100,000	8,150,000	8,150,000	4,050,000	744,444	1,483,333	6,666,667
LIBRARY ¹⁰	8,100,000	8,150,000	8,150,000	4,050,000	744,444	1,483,333	6,666,667
MHIS	2,996,431	3,174,113	3,174,113	1,498,414	1,587,057	3,174,113	0
MHIS	2,996,431	3,174,113	3,174,113	1,498,414	1,587,057	3,174,113	0
UTILITY	22,079,682	23,964,607	24,023,285	10,396,782	10,251,783	24,323,285	(300,000)
UTILITY ¹⁴	22,079,682	23,964,607	24,023,285	10,396,782	10,251,783	24,323,285	(300,000)
OTHER	26,467,959	31,329,374	31,114,330	12,448,346	12,903,264	32,914,330	(1,800,000)
COMMUNITY ACTIVITIES	2,672,623	2,578,776	2,578,776	1,365,178	1,097,341	2,578,776	0
CONTINGENCY ¹¹	329,799	4,435,019	1,143,118	54,080	1,269	4,143,118	(3,000,000)
CONTRACTED SERVICES	3,416,930	3,809,682	3,909,472	1,100,612	1,305,484	3,909,472	0
ELECTIONS	71,296	208,044	0	0	0	0	0
GOVT AGENCY & OTHER	750,000	0	0	0	0	0	0
LEASES - OFFICES PARKING COPIER	976,678	1,942,984	1,923,184	1,820,133	730,158	1,923,184	0
LEGAL EXPENSES & SETTLEMENTS ¹²	6,489,996	2,616,500	5,516,500	1,294,169	3,821,855	4,316,500	1,200,000
OTHER	3,139,123	4,319,822	4,578,875	1,535,838	956,489	4,578,875	0
OUT AGENCY	0	0	0	0	0	0	0
POSTAGE	193,625	231,419	231,419	80,000	100,004	231,419	0
SUPPLY	3,534,279	4,236,320	4,263,505	1,148,808	1,565,587	4,263,505	0
TECH, PROF & COMM BASED SERVICES	1,425,931	1,976,350	1,995,023	581,848	628,692	1,995,023	0
VEHICLE & EQUIP	3,467,680	4,974,458	4,974,458	3,467,680	2,696,385	4,974,458	0
EDUCATION	283,943,410	284,008,188	284,008,188	98,146,210	95,159,796	284,605,884	(597,696)
EDUCATION ¹³	283,943,410	284,008,188	284,008,188	98,146,210	95,159,796	284,605,884	(597,696)
Grand Total	594,234,736	570,041,106	570,041,106	249,330,929	212,996,724	562,884,581	7,156,525

¹ Payroll (FT, PT, OT and Holiday) is projected to be net favorable by \$7.1M through December. The methodology of the full-time payroll projection (detailed in the appendix) reflects 23 weeks of actual payroll expenses with 29.2 weeks remaining. Vacancies are assumed to be refilled with 25.2 weeks remaining in the fiscal year. A Police class started recently and 25 Officers for March are projected. Vacancy and attrition savings of \$8.1M are offset by a projected shortfall of \$753K in OT and \$265K in Part-time salary expenses. Payroll will continue to be monitored throughout the fiscal year.

² 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.

³ 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. In addition, the primary driver of \$83K of favorability in Pension is a small closed plan for Firefighters.

⁴ The outcome of the arbitration award for HMEA is anticipated no earlier than March/April 2019. The MLA (Lawyers) contract is currently in mediation. Concessions savings have been adjusted accordingly.

⁵ Fringe reimbursements for grant funded employees are projected to be favorable due to Police and Fire grants.

⁶ Other Benefits is projected to be favorable due to the continuing trends in Social Security and Unemployment compensation.

⁷ Wage reserve has been adjusted to reflect maximum exposure in FY2019.

⁸ Workers' Compensation is net unfavorable due to the trend in claims.

⁹ Debt is projected to be \$22.22M due to additional capital needs.

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

¹¹ Additional settlement expenses of \$3.0 million associated with stadium litigation are projected within Contingency in Other Non-Personnel.

¹² Legal Expenses and Settlements is projected to be \$1.2M favorable due to the finalization of a relocation case where actual costs for displaced families were lower than estimated.

¹³ The Education projection has increased by \$598K due to the State Department of Education providing additional funding for the educational support of displaced students from Puerto Rico.

¹⁴ Utilities are unfavorable by \$300K due to the trend in piped heat/chilled water consumption and higher than budgeted costs for tipping fees.

Appendix

FY2019 Full-time Payroll Projection (through December)

Row Labels	Budgeted Annual		YTD thru 12/13 plus				Variance (Budgeted to	
	Budgeted HC	Amount	YTD thru check issue 12/13 (23 weeks)	Projection (29.2 weeks)	Projection (29.2 weeks)	Remaining Estimated Steps	Total Projection	Projected)
111-Mayor	11	721,078	304,158	389,443	693,601	784	694,385	26,693
112-CCC	7	351,504	148,532	196,627	345,159	0	345,159	6,345
113- Treas	9	481,197	196,765	271,232	467,997	2,212	470,209	10,988
114- ROV	6	285,985	126,732	156,353	283,085	0	283,085	2,900
116-Corp Counsel	17	1,486,746	594,148	791,589	1,385,737	0	1,385,737	101,009
117- Clerk	11	675,645	261,371	368,344	629,714	1,055	630,769	44,876
118-Audit	5	503,254	221,229	279,662	500,891	0	500,891	2,363
119-COO	6	470,676	140,593	239,069	379,662	1,460	381,122	89,554
123- FIN	46	3,500,910	1,375,173	1,916,125	3,291,298	11,696	3,302,994	197,916
125- HR	13	925,781	342,608	505,587	848,195	1,308	849,503	76,278
128-OMBG	11	905,375	364,407	490,400	854,807	2,093	856,900	48,475
132-FCYR	11	821,271	351,555	453,070	804,625	2,729	807,354	13,917
211- Fire	362	26,982,318	10,829,061	14,076,572	24,905,633	193,916	25,099,550	1,882,768
212- Police	540	38,005,529	13,305,900	18,125,033	31,430,933	159,160	31,590,093	6,415,436
213- EST	49	3,030,454	1,086,226	1,590,780	2,677,006	10,055	2,687,061	343,393
311- DPW	185	9,632,739	3,494,364	5,250,823	8,745,188	53,524	8,798,711	834,028
420- Devel Serv	54	4,001,061	1,362,234	2,169,769	3,532,003	17,597	3,549,600	451,461
520- HHS	31	2,085,679	675,840	1,141,360	1,817,199	13,764	1,830,964	254,715
Grand Total	1,374	94,867,202	35,180,896	48,411,837	83,592,734	471,354	84,064,087	10,803,115

FT- Fire and Police Attrition	(2,731,271)
FT- Development Services Attrition	(20,000)
FT- Net other payroll (stand-by & long)	86,150
FT- Total Revised Budget	92,202,081

FT- Fire and Police Attrition	(2,731,271)
FT- Development Services Attrition	(20,000)
FT- Subtotal Variance	8,051,844
Non-Sworn Attrition (within Benefits)	(500,000)
Total Variance (favorable)	7,551,844

Assumptions

- 1) Analysis is based on year-to-date actuals from check date 12/13/18, which includes 23 pay periods, and projects filled positions for 29.2 future weeks
- 2) Non-sworn vacancies are projected for late December or 25.2 future weeks
- 3) Police has 25 recruits planned to start in March
- 4) No future Fire FY2019 classes planned
- 5) Adopted head count is 1388 with 14 MHIS positions funded in the MHIS internal service fund