

City of

Hartford, Connecticut

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2020

HARTFORD

★ HAS IT

CITY OF HARTFORD, CONNECTICUT

**Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2020**

**Prepared By:
Department of Finance
Leigh Ann Ralls
Director of Finance**

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

**CITY OF HARTFORD, CONNECTICUT
MAYOR-COUNCIL FORM OF GOVERNMENT**

For the Fiscal Year

July 1, 2019 to June 30, 2020

PREPARED BY:

DEPARTMENT OF FINANCE

**LEIGH ANN RALLS
DIRECTOR OF FINANCE**

ACKNOWLEDGEMENTS

This report has been prepared by a team of dedicated City employees that on a daily basis provides support throughout the organization on all financial matters and annually undertakes the significant task of developing a concise presentation of the City's finances in an efficient and effective manner. The Department of Finance with the assistance of our external auditors, Blum, Shapiro & Company P.C, has accomplished the production of the City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020. The credit belongs with the team whose collective experience allows us to achieve our goals and objectives. The contributions of the entire team at the City of Hartford are sincerely appreciated.

Controller: Kimberly Campagna, CPA

Accounting Supervisor: Rajpaul Singh

CAFR Team: Ellen McCreery, CPA, Asha Stapleton, Dalia Ajodhi, Tina Chokas, and Thailisa Clark.

Staff Support: Leah Ross and Constance Reik

Technical Assistance: John Philip, CCMA II, Nancy Raich, Esq., CCMC, Brian Penney, Mylinh Truong, Joaquin Lindsay, Catherine Holloman, and Cheryl Liebhauser.

Gratitude is extended to the Mayor, the Court of Common Council, and the Treasurer for their leadership of our great City!

**CITY OF HARTFORD, CONNECTICUT
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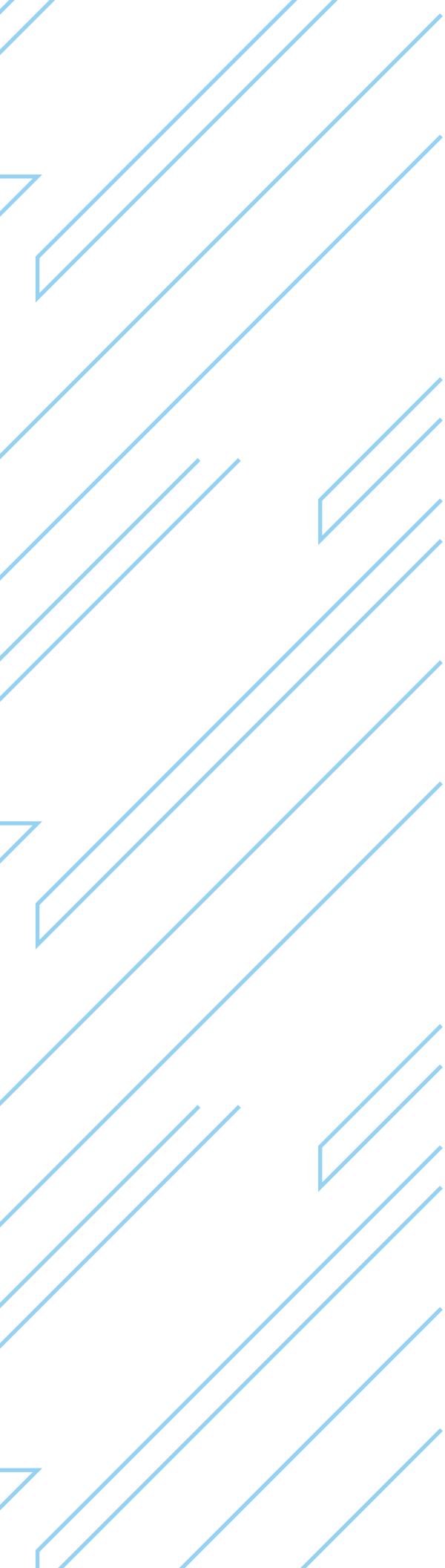
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Introductory Section



CITY OF HARTFORD

DEPARTMENT OF FINANCE
550 Main Street, Room 303
Hartford, CT, 06067

LUKE A. BRONIN
Mayor

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LEIGH ANN RALLS
Director of Finance

The Honorable Mayor Luke A. Bronin,
and Court of Common Council
City of Hartford, Connecticut

December 27, 2020

Dear Mayor and Members of Council:

In accordance with Chapter VIII, Section 5. (a)(1)(iv) of the City of Hartford's Charter, I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Hartford (City) for the fiscal year ended June 30, 2020. This report was prepared in its entirety by the Department of Finance. Responsibility for the accuracy of the data and the completeness and fairness of the presentation of the financial statements, supporting schedules and statistical tables rests with the City. To the best of our knowledge and belief, the information provided is accurate in all material respects and is reported to present fairly the financial position of the City as of June 30, 2020. I extend my sincere appreciation and gratitude to our dedicated employees in the Department of Finance and throughout the City for their significant efforts throughout the ongoing COVID pandemic that have resulted in the presentation of this FY2020 CAFR.

The CAFR is designed and prepared in conformance with Generally Accepted Accounting Principles (GAAP) for governmental units as well as the standards of financial reporting promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA) and the laws of the State of Connecticut. This CAFR is consistent with the principles of full disclosure so that the reader may gain the maximum understanding of the City's financial affairs.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the Management Discussion & Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A. The City's MD&A can be found immediately following the Report of the Independent Auditors.

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The City is required to undergo an annual Single Audit in conformity with the provisions of the Federal Single Audit Act and United States Office of Management & Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations". Information related to this Single Audit, including the Schedule of Expenditures of Federal Awards, Findings, Recommendations and Auditors' Reports on the Internal Control over Financial Reporting and Compliance with Applicable Laws and Regulations are issued under separate cover and are not included in this CAFR. The City is also required to undergo a State Single Audit. Information and reporting related to the State Single Audit is also issued under separate cover.

PROFILE OF THE CITY

The City was founded by Thomas Hooker and his followers in 1635 and was incorporated in 1784. The City is the Capital of the State of Connecticut. Hartford has an estimated 122,000 residents in its 18.4 square mile area, and is the employment and cultural center of a metropolitan area with a population of over one million people. The City lies on the west bank of the Connecticut River in the center of the State, midway between New York City and Boston.

The Mayor is the Chief Executive Officer. The Court of Common Council (Council) is comprised of nine members who are elected at large to serve a four-year term in odd numbered years on a partisan basis. The Mayor, who is elected directly to serve a four-year term, acts upon ordinances and resolutions adopted by Council by approving, disapproving or taking no action. The Board of Education (BOE) is composed of nine members; five appointed by the Mayor and four elected by the voters, all to serve a four-year term. The BOE operates independently of the Council. The City Treasurer is independently elected to serve a four-year term and serves without vote as the Secretary of the City's Pension Commission. The Chief Operating Officer (principal administrative aide of the Mayor), Chief Financial Officer, Corporation Counsel, City Clerk, department heads and members of all boards, commissions, agencies and authorities are appointed by the Mayor subject to Council confirmation, with the exception of the Pension Commission.

The City provides a broad range of services including public safety, street and road maintenance, flood control, solid waste collection, health, social services, parks and recreation, education, planning, development, zoning and general administrative services. The services the City provides originate from a variety of departments and offices, as follows:

<i>Mayor's Office</i>	<i>Court of Common Council</i>
<i>City Treasurer</i>	<i>Registrar of Voters</i>
<i>Hartford Public Schools</i>	<i>Hartford Public Library</i>
<i>Corporation Counsel</i>	<i>Town and City Clerk</i>
<i>Office of the Chief Operating Officer</i>	<i>Internal Audit</i>
<i>Families, Children, Youth & Recreation</i>	<i>Public Works</i>
<i>Development Services</i>	<i>Health & Human Services</i>
<i>Emergency Services & Telecommunications</i>	<i>Fire</i>
<i>Finance</i>	<i>Human Resources</i>
<i>Management, Budget & Grants</i>	<i>Police</i>
<i>Metro Hartford Innovation Services</i>	

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The services the City provides its residents and businesses also support the seat of State government, several higher education institutions, and the region's health care hub.

CONTRACT ASSISTANCE, MUNICIPAL OVERSIGHT & LONG TERM FINANCIAL PLANNING

Over the past four years, the City has focused on confronting an acute fiscal crisis, achieving fragile fiscal stability, and moving toward long-term fiscal sustainability. Through substantial cuts to services and personnel, renegotiation of labor contracts, and new partnerships with the city's corporate community and the state of Connecticut, the city has adopted a five-year Municipal Recovery Plan for maintaining fiscal stability.

In December 2017, the City of Hartford requested Tier 3 designation under the Municipal Accountability Review Board (MARB) in order to access additional tools in achieving long term fiscal sustainability, in exchange for accountability and oversight. The City was approved as a Tier 3 municipality in 2018. As a Tier 3 municipality under MARB oversight, the City of Hartford is required to submit and present monthly financial reports at a public meeting to ensure the City is operating responsibly consistent with its broader financial plan. The City's General Fund recommended budget must be reviewed by the MARB on an annual basis and the revenue assumptions must be approved by the MARB. Labor agreements or arbitration awards must also be reviewed by the MARB.

In March 2018, the City entered into a Contract Assistance Agreement with the State of Connecticut to service current general obligation debt on an annual basis until such debt is retired. This agreement is backed by the full faith and credit of the State of Connecticut. Under the contract assistance agreement, the City of Hartford has accepted limitations on the issuance of new debt and must fully fund the Municipal Employee Retirement Fund (MERF) actuarially determined employer contribution (ADEC). The City is also precluded from accumulating general fund operating deficits above certain thresholds, as determined by the MARB.

The City of Hartford provided its 5-year Municipal Recovery Plan to the MARB in March 2018, comprised of revenue and expenditures assumptions, contract assistance for debt service, labor savings, economic development goals and initiatives to generate grand list growth, as well as revenue and expenditure initiatives, which together enable a pathway to fiscal balance. The MARB reviewed the Municipal Recovery Plan and approved it in June of 2018. The City will resubmit an updated Municipal Recovery Plan annually in concert with the Mayor's Recommended General Fund Budget.

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The City's long-term financial planning is conducted in six primary areas during the annual budget process. The six primary areas are:

General Fund
Internal Service Funds
Pension

Capital
Vehicles and Equipment
Debt

In the five-year Municipal Recovery Plan, the city has shifted from the use of debt in financing future infrastructure maintenance and enhancements and ongoing construction to a Pay-As-You-Go capital expense program. Bricks and mortar and longer-lived projects are identified and tracked using a five-year Capital Improvement Plan (CIP). Project requests are received and reviewed by a capital planning committee comprised of various department heads or their designees. The five-year CIP, including each individual project, is adopted annually upon the recommendation of the Mayor and approval by Council. The first year of the five-year CIP is adopted and authorized annually as the “Capital Budget.” The second through the fifth year of the five-year Capital Improvement Plan is adopted as “planned” without authorization to spend.

The CIP is comprised of essential capital needs, with priority placed on maintaining and preserving critical infrastructure such as: streets, sidewalks and bridges, educational facilities, municipal facilities, parks, levies and public safety structure and equipment. A close look at the City’s capital infrastructure reveals an extensive network of assets requiring careful consideration to balance priorities. Four main criteria are considered for all projects including: investments that preserve the City’s existing capital assets, items of criticality and those that present a material risk, projects that are essential to government functions or enhancements to quality of life, and projects that prioritize health and safety.

In addition to the selection of individual capital projects included in the five-year Capital Improvement Plan, sources of funding are identified including state and federal grants, as well cash contributions. Simultaneous with the five-year capital plan, a vehicle and equipment replacement plan is formulated and reviewed annually. The requested items are reviewed and approved by the capital planning committee and the appropriate funding sources are identified: cash contributions and/or capital leases.

These discrete planning areas provide inputs for the General Fund long-term planning process. General Fund revenues and expenditures are forecast for five years by both function and category. The long-term planning process is driven not only by affordability, but by the City's core goals and objectives to maintain its infrastructure, provide essential services that support a safe and healthy community for residents, business, and visitors. In addition, the City continuously strives to enhance its fiscal administration by reviewing existing policies and procedures, revising as necessary, and creating new policies and/or procedures that support our evolving environment.

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ECONOMIC DEVELOPMENT

As the City works to achieve long-term fiscal sustainability and strength, we have pursued a deliberate and aggressive economic development strategy, focused on the development of residential units in the downtown, a range of mixed use developments and infrastructure improvements in neighborhoods, and the cultivation of a more vibrant innovation ecosystem building on the City's long-standing strengths in insurance, advanced manufacturing, and healthcare.

Working in partnership with the Capital Region Development Authority (CRDA), the City continues to pursue the redevelopment and residential conversion of multiple long-vacant commercial buildings in the downtown. The objective is to achieve sufficient density of residential development in the downtown area, in order to attract and retain the amenities necessary to sustaining a more vibrant urban center.

As elsewhere around the state and nation, the COVID-19 pandemic has had a dramatic, negative effect on economic growth in Hartford. Unemployment is high, and businesses of all sizes are struggling. It is still unclear what effect that will have on our medium- and long-term prospects for growth. However, we are still seeing major economic development projects move forward. Projects that have been completed to date have maintained strong occupancy numbers, despite the coronavirus pandemic. Two important new ground-up development projects, at the intersection of Park & Main, and in the "Downtown North" area near the city's minor league ballpark, have broken ground and are under construction. The redevelopment of affordable housing continues in Blue Hills, and the affordable housing project on Park Terrace, the HUB on Park, is nearly complete.

In addition, public infrastructure projects are continuing as well. Following the completion of Weaver High School in the North End last year, the Martin Luther King school reopened this year, and Bulkeley High School is scheduled to begin renovations next year.

While our major employers have largely shifted to remote work, the innovation ecosystem we have built over the last several years continues to grow. That ecosystem is now shepherded by Launc[H], an umbrella organization that oversees accelerator programs in InsurTech, MedTech, and advanced manufacturing, which have recruited dozens of new startups to the city.

RELEVANT FINANCIAL POLICIES

The Department of Finance encompasses six divisions: Administration, Accounting & Control, Human Relations, Procurement, Tax Assessment, and Tax Collection. The Department's major responsibilities include general accounting and financial reporting, accounts payable, property assessment, tax collection, debt administration, the procurement of goods and services, contract compliance, administrative support for City boards and commissions, and payroll and revenue budget preparation in conjunction with the Office of Management, Budget & Grants. The Director of Finance is an appointee of the Mayor, subject to confirmation by the Council.

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Internal Controls

All financial transactions are subject to pre-audit before processing as well as an annual audit by an independent auditing firm selected by the Council. The independent auditor and staff from the Finance Department's Accounting & Control Division monitor financial policies and procedures prescribed by the Director of Finance for the City's various departments. Within this framework, we believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording and reporting of financial activity.

Budgetary Control

Centralized budgetary control of encumbrances and disbursements against appropriations is maintained by department, by major program or activity and by principal object of expenditure with oversight of the City's Office of Management, Budget & Grants. The BOE budget is controlled only as to its total appropriation. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Council.

Cash Management

During the fiscal year, idle cash was invested in legally permitted investments on a short-term basis by the City Treasurer as the fiduciary for all City funds. Connecticut Statutes restrict the investment of municipal funds to direct and indirect securities of the United States Government and certificates of deposit issued by commercial banks located within the State. Bank certificates of deposit are a component of the City's short-term investment portfolio. However, money market fund investments in a portfolio of United States Treasury securities, and the Short Term Investment Fund (STIF) administered by the Office of the State Treasurer represent the major share of the City's short-term investments.

Risk Management

The City established a risk management program to account for and finance risk of loss for employee benefits, workers' compensation, and general liability, including property damage. Commercial insurance is purchased for claims in excess of amounts determined to be self-insured under the program. Internal service funds are maintained for each of the risk management programs and funding is received from the General Fund. Settlement claims have not exceeded either the self-insured retention or the commercial coverage in any of the past three fiscal years.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2019. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both GAAP and applicable legal requirements.

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A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe that this CAFR continues to meet the Certificate of Achievement Program's requirements and will submit it to the GFOA to determine its eligibility for another Certificate of Achievement for Excellence in Financial Reporting.

The preparation of this CAFR would not have been possible without the significant efforts of staff in the Finance Department. I express my sincere appreciation to all the members of the Finance Department, especially the entire Accounting & Control Division who once again have successfully accounted for and reported the financial activities of our City. I also acknowledge the considerable contributions of the Office of Management, Budget, & Grants; Office of the City Treasurer; Hartford Public Schools; Hartford Public Library; and the Hartford Parking Authority.

Finally, thanks are extended to the City's independent auditors, Blum Shapiro & Company P.C. for their efforts and counsel during the audit, CAFR preparation and submission process.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Leigh Ann Ralls".

Leigh Ann Ralls

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CITY OF HARTFORD, CONNECTICUT
Mayor - Council Form of Government
List of Elected and Principal Officials - As of June 30, 2020

The Honorable Luke A. Bronin, Mayor

The Honorable Adam M. Cloud, Treasurer

The Honorable Court of Common Council

Council President – Maly D. Rosado

Thomas J. Clarke II, Majority Leader
John Q. Gale
Wildaliz Bermudez
Marilyn E Rossetti

Shirley Surgeon
James B. Sánchez
Nick Lebron
Joshua Michtom

The Honorable Registrars of Voters

Giselle Feliciano (D)

Sheila N. Hall (R)

Appointed and Other Municipal Officials

Chief Operating Officer
Chief of Staff
Corporation Counsel
Town and City Clerk
Director of Finance
 Controller
 Tax Assessor
 Tax Collector
 Procurement Agent
Interim Director of Development Services
Interim Director of Management, Budget & Grants
Interim Chief Information Officer
Chief of Police
Fire Chief
Director of Office of Community Engagement
Director of Children, Youth, Family and Recreation
Director of Emergency Services
Director of Health and Human Services
Director of Human Resources & Labor Relations
Director of Internal Audit
Director of Public Works

Thea Montanez
Vasishth Srivastava
Howard G. Rifkin, Esq.
Noel F. McGregor
Leigh Ann Ralls, CPA
Kimberly Campagna, CPA
John A. Phillip, CCMA
Nancy S. Raich, Esq., CCMC
Matthew Larson, MBA
I.Charles Mathews
Michael Lupkas
Charisse Snipes
Jason Thody
Reginald D. Freeman, MS,CFO,FIFireE
Janice Castle
Kimberly Oliver, MBA
Susan Webster, ENP, RPL, CPE
Liany E. Arroyo, MPH, CPH
Thulani LeGrier
Craig Trujillo, CPA
Michael Looney

Board of Education

Ayesha Clarke, Chairperson

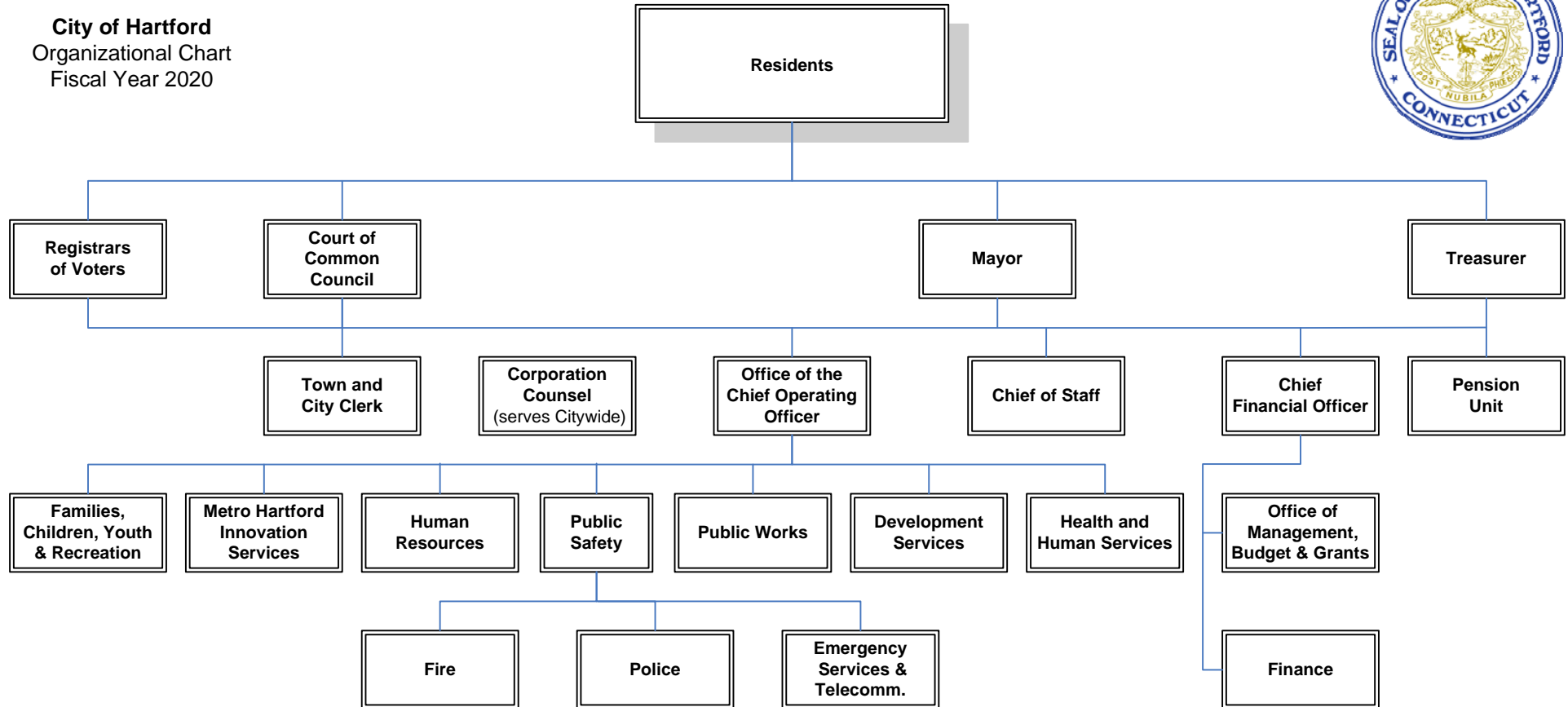
Karen Taylor, Vice Chair
Kimberly Oliver, Second Vice Chair
Shontá Browdy, Secretary

David Jimenez
Philip Rigueur
Craig Stallings

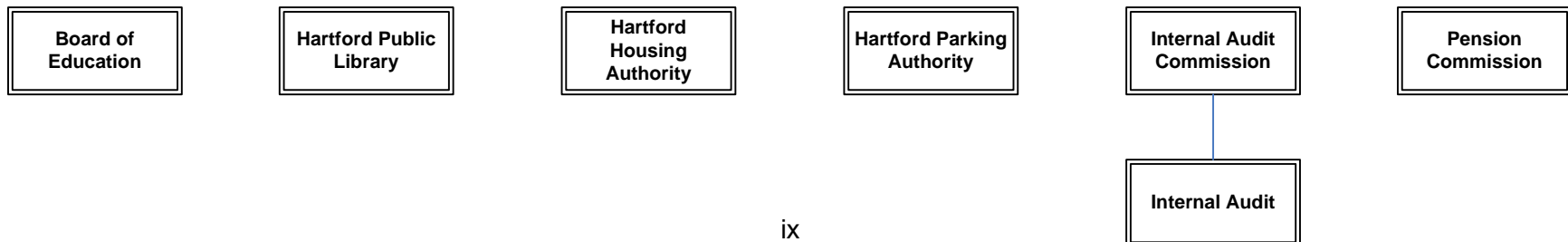
Hartford Public Schools

Leslie Torres-Rodriguez, Ed.D., Superintendent of Schools

City of Hartford
Organizational Chart
Fiscal Year 2020



Boards and Commissions





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Hartford
Connecticut**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO



Financial Section

Independent Auditors' Report

The Honorable Mayor and Members of the
Court of Common Council
City of Hartford, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Hartford, Connecticut, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Hartford, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Hartford Parking Authority, a component unit of the City of Hartford, Connecticut, which represents 100 percent of the assets, net position, revenues and expenses of the discretely presented component unit. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Hartford Parking Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Hartford, Connecticut, as of June 30, 2020 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Hartford, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2020 on our consideration of the City of Hartford, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Hartford, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Hartford, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 27, 2020

**CITY OF HARTFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
JUNE 30, 2020**

FINANCIAL HIGHLIGHTS

- The City's total net position increased \$125.2 million as a result of this year's operations. The net position of our governmental activities increased by \$125.7 million, or 29%. The net position of our business-type activities decreased by \$0.5 million.
- The City received \$120.4 million in capital grants and contributions related to school building construction grants from the State in support of the City's school renovation and construction projects, and for various public works projects.
- The total cost of the City's programs for the year was \$859 million.
- The General Fund reported a fund balance this year of \$29.8 million.
- The revenues available for appropriation and other financing sources were \$12.3 million less than budgeted for the General Fund and expenditures and other financing uses were \$28.5 million less than budgeted amount of \$573.3 million. The total fund balance increased \$16.2 million in the current year on a budget basis.
- Major factors that caused the shortfall of \$12.3 million revenue deficit is: decreased tax collections of \$4.4 million related to the onset of the COVID-19 pandemic and \$6.7 million of the Corporate Contributions which have been provided directly to the Hartford Public Library. A corresponding appropriation reduction has been noted as well. Please refer to RSI-1 and RSI-2.
- Major items that contributed to the favorable expenditure budget variance of \$17.1 million are: citywide attrition savings, health claims experience, and \$2.9 million in unspent contribution to Education that was committed in the General Fund to be spent in FY2020.
- The General Fund expended \$20.1 million on capital expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The statement of net position and the statement of activities (Exhibits I and II, respectively) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements are presented in Exhibits III to IX. For governmental activities, these statements detail how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The analysis of the City as a whole begins on Exhibits I and II. The statement of net position and the statement of activities report information about the City as a whole and about its activities for the current period. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are considered regardless of when cash is received or paid.

These two statements report the City's net position and changes. The City's net position, the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. The reader should consider other non-financial factors such as changes in the City's property tax base and the condition of the City's capital assets, to assess the overall financial health of the City.

In the statement of net position and the statement of activities, the City is divided into three types of activities for accounting purposes:

- *Governmental activities* - This is where most of the City's basic services are reported, including education, public safety, public works, development and community affairs, human services, recreation and culture, and general administration. Property taxes, charges for services, and state and federal grants finance most of these activities.
- *Business - type activities* - The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's Hartford Parking Facilities Fund, the Hartford Stadium Authority (a blended component unit) and the Golf Courses are reported here.
- *Component units* - The City includes a separate legal entity in its report; the Hartford Parking Authority. Although legally separate, this "component unit" is reported because the City is financially accountable for them.

Fund Financial Statements

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by Charter. In addition to the Charter required funds, the Finance Department establishes other funds to organize, control and manage financial activities for specific purposes (e.g., Capital Improvement Fund) or to demonstrate that the City is meeting legal responsibilities for using grants, and other money (e.g., Educational Grants, Health Grants and Miscellaneous Grants Funds). The City's funds are divided into three categories for accounting purposes:

- *Governmental funds (Exhibits III and IV)* - Most of the City's basic services are reported in governmental funds, which focus on how resources flow into and out of those funds and the remaining balances at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are greater or fewer financial resources that can be spent in the near future to finance the City's operations and programs. The relationship between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation reported separately from the fund financial statements.
- *Proprietary funds (Exhibits V, VI, and VII)* - When the City charges a fee to customers for the services it provides, whether to other units of the City or non-City individuals or entities, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements, but provide more detail

and additional information, such as cash flows, for proprietary funds. Internal service funds (the other component of proprietary funds) are used to report activities that provide supplies and services for the City's other programs and activities - such as the City's Self-Insurance Internal Service Funds and the City's Metro Hartford Innovation Services Fund.

- *Fiduciary funds (Exhibits VIII and IX)* - The City is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the City's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City's combined net position increased from a year ago by \$125.2 million. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities.

**TABLE I
NET POSITION**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 446,887	\$ 422,777	\$ 3,076	\$ 2,903	\$ 449,963	\$ 425,680
Capital assets, net of accumulated depreciation	1,694,023	1,576,979	83,007	85,351	1,777,030	1,662,330
Total assets	<u>2,140,910</u>	<u>1,999,756</u>	<u>86,083</u>	<u>88,254</u>	<u>2,226,993</u>	<u>2,088,010</u>
Deferred outflow of resources	<u>236,298</u>	<u>183,738</u>	<u>-</u>	<u>-</u>	<u>236,298</u>	<u>183,738</u>
Current liabilities	145,791	146,018	1,862	1,772	147,653	147,790
Long-term liabilities outstanding	<u>1,571,738</u>	<u>1,587,930</u>	<u>65,238</u>	<u>66,976</u>	<u>1,636,976</u>	<u>1,654,906</u>
Total liabilities	<u>1,717,529</u>	<u>1,733,948</u>	<u>67,100</u>	<u>68,748</u>	<u>1,784,629</u>	<u>1,802,696</u>
Deferred inflow of resources	<u>100,593</u>	<u>16,153</u>	<u>-</u>	<u>-</u>	<u>100,593</u>	<u>16,153</u>
Net Position:						
Net investments in capital assets	1,158,555	1,007,839	17,769	18,375	1,176,324	1,026,214
Restricted	40,124	67,554			40,124	67,554
Unrestricted	<u>(639,593)</u>	<u>(642,000)</u>	<u>1,214</u>	<u>1,131</u>	<u>(638,379)</u>	<u>(640,869)</u>
Total Net Position	<u>\$ 559,086</u>	<u>\$ 433,393</u>	<u>\$ 18,983</u>	<u>\$ 19,506</u>	<u>\$ 578,069</u>	<u>\$ 452,899</u>

The City's government-wide net position of \$559.1 million represents an increase of \$125.7 million over last year's net position of \$433.4 million. This increase was largely due to an increase in capital assets. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements increased \$2.5 million over last year. Government activities unrestricted net position increased \$2.4 million while the unrestricted net position of the City's business-type activities increased \$0.1 million in 2020.

**TABLE 2
STATEMENT OF ACTIVITIES**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 16,827	\$ 19,848	\$ 5,809	\$ 6,553	\$ 22,636	\$ 26,401
Operating grants and contributions	447,332	463,033			447,332	463,033
Capital grants and contributions	121,545	65,874		-	121,545	65,874
General revenues:						
Property taxes	285,052	285,346			285,052	285,346
Grants not restricted to specific programs	111,748	114,353			111,748	114,353
Unrestricted investment earnings	3,235	5,469	55	63	3,290	5,532
Other general revenues	(7,429)	12,003			(7,429)	12,003
Total revenues	<u>978,310</u>	<u>965,926</u>	<u>5,864</u>	<u>6,616</u>	<u>984,174</u>	<u>972,542</u>
Expenses:						
General government	156,557	199,352			156,557	199,352
Public safety	103,228	104,077			103,228	104,077
Public works	33,310	45,617			33,310	45,617
Development and community affairs	12,845	12,459			12,845	12,459
Human services	64,917	59,678			64,917	59,678
Education	438,226	449,116			438,226	449,116
Recreation and culture	21,402	21,757			21,402	21,757
Interest on long-term debt	20,532	25,258			20,532	25,258
Hartford Parking Facilities			816	955	816	955
Hartford Stadium Authority			2,429	2,102	2,429	2,102
Golf Course			4,742	4,817	4,742	4,817
Total expenses	<u>851,017</u>	<u>917,314</u>	<u>7,987</u>	<u>7,874</u>	<u>859,004</u>	<u>925,188</u>
Change in net position before transfers	127,293	48,612	(2,123)	(1,258)	125,170	47,354
Transfers	(1,600)	(1,130)	1,600	1,130		
Change in net position	125,693	47,482	(523)	(128)	125,170	47,354
Net Position at Beginning of Year	<u>433,393</u>	<u>385,911</u>	<u>19,506</u>	<u>19,634</u>	<u>452,899</u>	<u>405,545</u>
Net Position at End of Year	\$ <u>559,086</u>	\$ <u>433,393</u>	\$ <u>18,983</u>	\$ <u>19,506</u>	\$ <u>578,069</u>	\$ <u>452,899</u>

The City's total revenue in 2020 of \$984.2 million represents an increase of \$11.6 million over last year. Capital grants and contributions increased \$55.7 million due to monies received from the State of Connecticut related to school building construction grants. Operating grants and contributions decreased \$15.7 million mainly due to a decrease in educational grant funding.

The City's total program expenses of \$859 million represent a decrease of \$66.2 million over last year. The decrease in General Government, Public Works, Interest on Long Term Debt, and Education is related to attrition and benefit savings and unspent contribution to Education resulting from the early closure of schools due to the COVID-19 pandemic resulting in lower costs in the last quarter of the fiscal year.

The analysis below separately considers the operations of governmental and business-type activities.

Governmental Activities

Table 3 presents the cost of each of the City's governmental activities six largest programs - general government, public safety, public works, human services, education, recreation and culture and others (debt service and development and community affairs) - as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

**TABLE 3
GOVERNMENTAL ACTIVITIES**

	Total Cost of Services		Net Cost of Services	
	2020	2019	2020	2019
General government	\$ 156,557	\$ 199,352	\$ 149,595	\$ 195,559
Public safety	103,228	104,077	82,716	85,033
Public works	33,310	45,617	20,493	43,931
Human services	64,917	59,678	51,171	48,964
Education	438,226	449,116	6,093	7,528
Recreation and culture	21,402	21,757	(20,803)	9,040
All others	33,377	37,717	(23,952)	(21,496)
Total	\$ 851,017	\$ 917,314	\$ 265,313	\$ 368,559

Business-Type Activities

Revenues from the Hartford Parking Authority provided to the Hartford Parking Facilities Fund to finance debt service and capital improvement decreased by \$1.0 million in FY2020 due to the onset of the COVID-19 pandemic eliminating all parking revenues in the last quarter of the fiscal year. Expenses, including debt service and depreciation, for the City's dedicated parking facilities remained consistent from FY 2019. The Golf Courses ended FY2020 relatively consistent with FY2019 with a minor decrease to net position of \$25 thousand. The Hartford Stadium Authority also had a slight increase to net position in FY2020 of \$50 thousand.

CITY FUNDS FINANCIAL ANALYSIS

Governmental Funds

The City's combined General Fund reported a fund balance increase of \$16.4 million during 2020 as compared with an increase of \$7.7 million in 2019. This increase is mainly due to expenditure savings. The combined General Fund's unassigned fund balance at June 30, 2020 is \$18.1 million representing 3.1 percent of the General Fund's 2020 amended budgetary appropriations. Actual revenues were \$12.3 million less than the amended budgetary revenue estimate mainly due to decreased tax collections. Expenditures were \$28.5 million less than the final budgeted appropriation of \$573.3 million. Refer to RSI-1 and RSI-2 for details on other favorable and unfavorable variances in comparison to budgetary estimates.

The Capital Improvement Fund reported a fund balance decrease of \$7.5 million which is mainly related to the timing of receipt of reimbursable grant revenues. The City closely managed capital project spending throughout the fiscal year by completing and closing out prior years' authorized projects. The departments of public works and development services continued these efforts in FY2020 by focusing on the capital needs mainly related to maintaining and preserving our capital infrastructure.

The Debt Service Fund had a fund balance as of June 30, 2020, of \$11.6 million which represents a decrease due to pay down of the existing restructured debt.

The Education Grant Fund had a decrease in fund balance of \$6.1 million.

The Community Development Loan and Grant Fund had a slight decrease in fund balance of \$0.1 million due to multiple home loans made that were slightly more than loan payments received this fiscal year.

The City's other governmental funds reported an increase of \$3.3 million in fund balance for the year, mainly due to increased revenues.

Internal Service Funds

The net position of the City's self-insurance and technology programs increased \$5.0 million, decreasing the total net position (deficit) of the City's internal service programs from \$(22.5) million to an \$(17.5) million deficit. The City will continue its efforts to develop a funding plan for its post-retirement benefits liabilities based on the actuaries' estimates.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2020, the City had \$1.7 billion invested in a broad range of capital assets, including land, buildings, park facilities, vehicles and equipment and infrastructure - Table 4.

Capital asset additions during the year totaled \$165.0 million (Note 6 to the financial statements). Construction in progress additions represent the majority of capital additions recorded by the City other than capital activity related to vehicle and equipment purchases and infrastructure. Refer to current period expenditures reported in Exhibit C for a detail of capital expenditures by project in the City's Capital Improvement Fund. The majority of active projects as reported in Exhibit C qualify for capitalization under the City's asset capitalization policy.

**TABLE 4
CAPITAL ASSETS**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 83	\$ 67	\$ 6	\$ 6	\$ 89	\$ 73
Land improvements	36	37			36	37
Buildings and improvements	1,040	1,075	76	78	1,116	1,153
Machinery and equipment	17	17	1	1	18	18
Infrastructure	202	208			202	208
Construction in progress	316	173			316	173
Total	\$ 1,694	\$ 1,577	\$ 83	\$ 85	\$ 1,777	\$ 1,662

There are 169 active projects in the City's Capital Improvement Fund with appropriations of \$1,612 million, cumulative active project expenditures of \$830.6 million. Total expenditures for all projects during the fiscal year amounted to \$150.3 million. New and supplemental appropriations are reflected in the FY2021 adopted budget.

Additional information about the City's capital assets is presented in Note 6 to the financial statements.

Long-Term Debt

The City did not issue any long-term debt in fiscal year 2020. However, in March 2018 the City entered into a Contract Assistance Agreement with the State of Connecticut to service \$540 million in current general obligation debt service until such debt was retired. This agreement is backed by the full faith and credit of the State of Connecticut. As part of this agreement, the City of Hartford is subject to financial oversight and has accepted limitations on the issuance of new debt. Under the contract assistance agreement, the City must meet certain financial requirements. Lack of compliance with such requirements would trigger a default, thus placing the City in Tier 4 full oversight by the State of Connecticut.

At June 30, 2020, the City had \$495.0 million in governmental bonds outstanding versus \$536.0 million last year – a decrease of 7.6% - as shown in Table 5. The City has approximately \$11.3 million of restricted cash and investments to offset this debt.

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds	\$ 495	\$ 536	\$ 2	\$ 2	\$ 497	\$ 538
Special obligation revenue bonds					-	-
Revenue bonds			63	64	63	64
Notes payable					-	-
Total	\$ 495	\$ 536	\$ 65	\$ 66	\$ 560	\$ 602

The State limits the amount of general obligation debt that cities can issue based on a formula detailed in State Statutes based on type of debt and tax base. The City's outstanding general obligation debt is below the formulaic \$1.7 billion state-imposed limit.

Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Connecticut's unemployment rate was estimated by the Connecticut Department of Labor to be 8.2% for November 2020 (seasonally adjusted). This is 2.1% higher than October 2020 and 4.5% higher than the November 2019 rate of 3.7%. The November 2020 unemployment rate for Hartford was 13.7%, which is 5.5% higher than the 8.2% reported by the U.S. Bureau of Labor Statistics for November 2020. The Consumer Price Index is 1.2 percent (unadjusted - all items) for the 12-months ended November 2020.

The coronavirus pandemic has led to unprecedented job loss and business closures in the City of Hartford as well as many other municipalities throughout the nation. Facing the uncertainty of the coronavirus, the City has taken some precautions in its FY2021 Adopted Budget. This includes a \$5 million reduction of revenue estimates and about a 1% reduction in budgeted expenditures.

The FY2021 Adopted Budget is consistent with the Municipal Recovery Plan and reflects the City's commitment to fiscal discipline. In 2018, the State of Connecticut through PA 17-2, established a Municipal Accountability Review Board to support financially distressed municipalities in achieving fiscal sustainability. The City of Hartford provided a 5-year Municipal Recovery Plan to the MARB in March 2018 which comprised of revenue and expenditures assumptions, contract assistance for debt service, labor concessions, economic development goals and initiatives to generate grand list growth. The recovery plan required the City to shift to a Pay-As-You-Go Capital Improvement Program, whereby the capital expenditure program is funded primarily from the General Fund. The recovery plan was reviewed in detail by the full MARB and a subcommittee thereof and approved in June 2018 where the City received \$20 million in restructuring funds. Under the MARB, the City is required to submit an updated Municipal Recovery Plan annually in concert with the Mayor's Recommended General Fund Budget.

Since approval of the City's 5-year Municipal Recovery Plan in 2018, the City has produced public financial reports on a monthly basis, including monthly projections, cash flow analysis, and a rolling 3-year financial plan. The City continues to commit to fiscal discipline through stringent revenue and expenditure assumptions, continued savings, and avoidance of one time revenues.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide residents, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the monies it receives. If you have questions about this report or need additional financial information, contact the Finance Department, City of Hartford, 550 Main Street, Hartford, Connecticut 06103, or by telephone (860) 757-9665.



Basic Financial Statements

CITY OF HARTFORD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2020
(In Thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Hartford Parking Authority
Assets:				
Cash and cash equivalents	\$ 158,736	\$ 2,340	\$ 161,076	\$ 563
Investments	26,615		26,615	
Restricted cash and cash equivalents	496	2,735	3,231	
Restricted investments	10,795		10,795	
Receivables, net:				
Property taxes	95,446		95,446	
Accounts	83,081	103	83,184	2,177
Loans	31,958		31,958	
Intergovernmental	36,214		36,214	
Due from component unit		712	712	(712)
Internal balances	2,814	(2,814)	-	
Other assets	732		732	
Capital assets, nondepreciable	398,825	6,087	404,912	
Capital assets, net of accumulated depreciation	1,295,198	76,920	1,372,118	
Total assets	<u>2,140,910</u>	<u>86,083</u>	<u>2,226,993</u>	<u>2,028</u>
Deferred Outflows of Resources:				
Deferred charge on refunding	3,268		3,268	
Deferred outflows related to pensions	94,454		94,454	
Deferred outflows related to OPEB	138,576		138,576	
Total deferred outflows of resources	<u>236,298</u>	<u>-</u>	<u>236,298</u>	<u>-</u>
Liabilities:				
Accounts payable and accrued expenses	101,478	1,749	103,227	113
Unearned revenue	44,313	113	44,426	1,915
Noncurrent liabilities:				
Due within one year	59,417	1,772	61,189	
Due in more than one year	1,512,321	63,466	1,575,787	
Total liabilities	<u>1,717,529</u>	<u>67,100</u>	<u>1,784,629</u>	<u>2,028</u>
Deferred Inflows of Resources:				
Advance property tax collections	1,100		1,100	
Deferred inflows related to pensions	6,114		6,114	
Deferred inflows related to OPEB	93,379		93,379	
Total deferred inflows of resources	<u>100,593</u>	<u>-</u>	<u>100,593</u>	<u>-</u>
Net Position:				
Net investment in capital assets	1,158,555	17,769	1,176,324	
Restricted:				
Debt service	11,561		11,561	
Housing loans and grants	4,048		4,048	
Trust purposes:				
Expendable	16,157		16,157	
Nonexpendable	8,358		8,358	
Unrestricted	(639,593)	1,214	(638,379)	
Total Net Position	<u>\$ 559,086</u>	<u>\$ 18,983</u>	<u>\$ 578,069</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

**CITY OF HARTFORD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)**

Function/Program Activities	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position			Component Unit Hartford Parking Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-Type Activities		
Primary Government								
Governmental activities:								
General government	\$ 156,557	\$ 1,536	\$ 5,426	\$ -	\$ (149,595)	\$ -	\$ (149,595)	\$ -
Public safety	103,228	8,643	8,498	3,371	(82,716)	-	(82,716)	-
Public works	33,310	171	603,000	12,043	(20,493)	-	(20,493)	-
Development and community affairs	12,845	4,222	53,107	-	44,484	-	44,484	-
Human services	64,917	183	13,563	-	(51,171)	-	(51,171)	-
Recreation and Culture	21,402	305	15,004	-	(6,093)	-	(6,093)	-
Education	438,226	1,767	351,131	106,131	20,803	-	20,803	-
Interest on long term debt	20,532	-	-	-	(20,532)	-	(20,532)	-
Total governmental activities	<u>851,017</u>	<u>16,827</u>	<u>447,332</u>	<u>121,545</u>	<u>(265,313)</u>	<u>-</u>	<u>(265,313)</u>	<u>-</u>
Business-type activities:								
Hartford parking facilities	816	3,123	-	-	-	2,307	2,307	-
Golf course	2,429	1,894	-	-	-	(535)	(535)	-
Hartford Stadium Authority	4,742	792	-	-	-	(3,950)	(3,950)	-
Total business-type activities	<u>7,987</u>	<u>5,809</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,178)</u>	<u>(2,178)</u>	<u>-</u>
Total Primary Government	<u>\$ 859,004</u>	<u>\$ 22,636</u>	<u>\$ 447,332</u>	<u>\$ 121,545</u>	<u>(265,313)</u>	<u>(2,178)</u>	<u>(267,491)</u>	<u>-</u>
Component Unit								
Hartford Parking Authority	<u>\$ 7,296</u>	<u>\$ 7,296</u>	<u>\$ -</u>	<u>\$ -</u>				<u>-</u>
General revenues:								
Property taxes					285,052		285,052	
Grants and contributions not restricted to specific programs					111,748		111,748	
Unrestricted investment earnings					3,235	55	3,290	
Miscellaneous					(7,429)		(7,429)	
Transfers					(1,600)	1,600	-	
Total general revenues and transfers					<u>391,006</u>	<u>1,655</u>	<u>392,661</u>	<u>-</u>
Change in net position					125,693	(523)	125,170	-
Net Position at Beginning of Year					<u>433,393</u>	<u>19,506</u>	<u>452,899</u>	<u>-</u>
Net Position at End of Year					<u>\$ 559,086</u>	<u>\$ 18,983</u>	<u>\$ 578,069</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

CITY OF HARTFORD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2020
(In Thousands)

	General	Capital Improvement Fund	Community Development Loan and Grant	Debt Service	Educational Grants	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 71,922	\$ 6,878	\$ 2,456	\$	\$ 26,771	\$ 30,089	\$ 138,116
Restricted cash				496			496
Investments						26,615	26,615
Restricted investments				10,795			10,795
Receivables, net	99,061	93,570	31,971		3,154	18,917	246,673
Due from other funds	3,212			270		13	3,495
Inventories and other assets						732	732
Total Assets	<u>\$ 174,195</u>	<u>\$ 100,448</u>	<u>\$ 34,427</u>	<u>\$ 11,561</u>	<u>\$ 29,925</u>	<u>\$ 76,366</u>	<u>\$ 426,922</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ 46,660	\$ 28,869	\$ 53	\$	\$ 9,608	\$ 5,802	\$ 90,992
Due to other funds						681	681
Unearned revenue	208	11,432			18,685	13,988	44,313
Total liabilities	<u>46,868</u>	<u>40,301</u>	<u>53</u>	<u>-</u>	<u>28,293</u>	<u>20,471</u>	<u>135,986</u>
Deferred inflows of resources:							
Unavailable revenue - property	93,167						93,167
Unavailable revenue - other receivable	3,238	63,676	31,958			5,664	104,536
Advance property tax collections	1,100						1,100
Total deferred inflows of resources	<u>97,505</u>	<u>63,676</u>	<u>31,958</u>	<u>-</u>	<u>-</u>	<u>5,664</u>	<u>198,803</u>
Fund balances:							
Nonspendable						9,090	9,090
Restricted			2,416	11,561	1,632	32,173	47,782
Committed	5,680					8,408	14,088
Assigned	5,262					1,008	6,270
Unassigned	18,880	(3,529)				(448)	14,903
Total fund balances	<u>29,822</u>	<u>(3,529)</u>	<u>2,416</u>	<u>11,561</u>	<u>1,632</u>	<u>50,231</u>	<u>92,133</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 174,195</u>	<u>\$ 100,448</u>	<u>\$ 34,427</u>	<u>\$ 11,561</u>	<u>\$ 29,925</u>	<u>\$ 76,366</u>	<u>\$ 426,922</u>

(Continued on next page)

CITY OF HARTFORD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2020
(In Thousands)

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position:

Amounts reported for governmental activities in the statement of net position (Exhibit I) are
different because of the following:

Fund balances - total governmental funds (Exhibit III)	\$	92,133
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Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds:

Governmental capital assets	\$	2,626,841	
Less accumulated depreciation		(932,818)	
Net capital assets			1,694,023

Other long-term assets and deferred outflows of resources are
not available to pay for current-period expenditures and,
therefore, are deferred in the funds:

Property tax receivables greater than 60 days	56,869
Interest receivable on property taxes	36,298
Housing loans receivable	31,958
Other receivables	72,580
Deferred outflows related to pensions	94,454
Deferred outflows related to OPEB	138,576

Internal service funds are used by management to charge the costs of
risk management to individual funds. The assets and liabilities of
the internal service funds are reported with governmental activities
in the statement of net position.

(17,530)

Long-term liabilities and deferred inflows of resources are not due and payable
in the current period, and, therefore, are not reported in the funds:

Bonds payable	(495,227)
Premium on bonds	(47,154)
Deferred charge on refunding	3,268
Accrued interest payable	(7,550)
HUD Loans	(5,250)
Capital leases	(2,479)
Clean water fund notes	(754)
Compensated absences	(27,702)
Claims and judgements	(3,000)
Net OPEB liability	(417,482)
Net pension liability - CMERS	(34,903)
Net pension liability - MERF	(500,469)
Net pension liability - RAF/PBF/FRF	(1,926)
Net pension liability - 415(m)	(154)
Deferred inflows related to pensions	(6,114)
Deferred inflows related to OPEB	(93,379)

Net Position of Governmental Activities (Exhibit I)	\$	<u>559,086</u>
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The accompanying notes are an integral part of the financial statements

**CITY OF HARTFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)**

	General	Capital Improvement Fund	Community Development Loan and Grant	Debt Service	Educational Grants	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:							
Property taxes	\$ 280,410						\$ 280,410
Licenses, permits, and other charges	6,579						6,579
Intergovernmental revenues	349,114	120,354			121,135	107,158	697,761
Charges for services	2,042					10,551	12,593
Use of property	943						943
Investment income (loss)	2,418		10	1,232		(263)	3,397
Miscellaneous	11,081	134	698	10		50	11,973
Total revenues	<u>652,587</u>	<u>120,488</u>	<u>708</u>	<u>1,242</u>	<u>121,135</u>	<u>117,496</u>	<u>1,013,656</u>
Expenditures:							
Current:							
General government	12,916					1,420	14,336
Public safety	77,805					14,770	92,575
Public works	14,076					117	14,193
Development and community affairs	3,642		814			7,204	11,660
Human services	4,453					60,659	65,112
Education	324,546				129,413	17,476	471,435
Recreation and culture	9,519					11,761	21,280
Benefits and insurance	81,326						81,326
Other	30,668						30,668
Capital outlay		150,300				3,075	153,375
Debt service	95			64,743		2,129	66,967
Total expenditures	<u>559,046</u>	<u>150,300</u>	<u>814</u>	<u>64,743</u>	<u>129,413</u>	<u>118,611</u>	<u>1,022,927</u>
Excess (deficiency) of revenues over expenditures	<u>93,541</u>	<u>(29,812)</u>	<u>(106)</u>	<u>(63,501)</u>	<u>(8,278)</u>	<u>(1,115)</u>	<u>(9,271)</u>
Other Financing Sources (Uses):							
Transfers in from other funds	6,393	23,363		45,782	2,163	12,975	90,676
Transfers out to other funds	(82,697)	(1,023)				(8,556)	(92,276)
Total other financing sources (uses)	<u>(76,304)</u>	<u>22,340</u>	<u>-</u>	<u>45,782</u>	<u>2,163</u>	<u>4,419</u>	<u>(1,600)</u>
Net Change in Fund Balances	17,237	(7,472)	(106)	(17,719)	(6,115)	3,304	(10,871)
Fund Balances at Beginning of Year	<u>12,585</u>	<u>3,943</u>	<u>2,522</u>	<u>29,280</u>	<u>7,747</u>	<u>46,927</u>	<u>103,004</u>
Fund Balances at End of Year	<u>\$ 29,822</u>	<u>\$ (3,529)</u>	<u>\$ 2,416</u>	<u>\$ 11,561</u>	<u>\$ 1,632</u>	<u>\$ 50,231</u>	<u>\$ 92,133</u>

(Continued on next page)

CITY OF HARTFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because of the following:

Net change in fund balances - total governmental funds (Exhibit IV)	\$ (10,871)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	165,005
Depreciation expense	(47,961)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes collected after 60 days	2,217
Interest income on property taxes	2,425
Housing loans receivable	(3,408)
Other receivables	29,423
Change in deferred outflows related to pensions	21,820
Change in deferred outflows related to OPEB	31,121

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bond principal payments	40,808
HUD Loans principal payments	350
Capital lease principal payments	1,528
Clean water fund notes principal payments	100

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Amortization of deferred charges in refunding	(381)
Amortization of premium	3,590
Accrued interest	445
Amortization of CMERS prior service costs	537
Change in long-term compensated absences	(1,475)
Change in net OPEB liability	32,588
Change in net pension liability - CMERS	1,788
Change in net pension liability - MERF	(65,294)
Change in net pension liability - RAF/PBF/FRF	(248)
Change in net pension liability - 415(m)	28
Change in deferred inflows related to pensions	(986)
Change in deferred inflows related to OPEB	(82,401)

The net expense of the internal service funds is reported with governmental activities.	<u>4,945</u>
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 125,693</u>
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The accompanying notes are an integral part of the financial statements

CITY OF HARTFORD, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2020
(In Thousands)

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Hartford Stadium Authority	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets:				
Current assets:				
Cash and cash equivalents	\$	\$	\$	\$
Restricted cash	2,735	2,340	2,340	20,620
Receivables, net		103	2,735	
Due from component unit		712	103	26
Total current assets	<u>2,735</u>	<u>3,155</u>	<u>5,890</u>	<u>20,646</u>
Noncurrent assets:				
Capital assets:				
Not being depreciated		6,087	6,087	
Being depreciated, net	62,680	14,240	76,920	
Total noncurrent assets	<u>62,680</u>	<u>20,327</u>	<u>83,007</u>	<u>-</u>
Total assets	<u>65,415</u>	<u>23,482</u>	<u>88,897</u>	<u>20,646</u>
Liabilities:				
Current liabilities:				
Accounts payable and other payables	1,222	527	1,749	2,938
Due to other funds		2,814	2,814	
Current maturities of risk management claims				19,938
Current maturities of bonds payable	1,680	92	1,772	
Unearned revenue	113		113	
Total current liabilities	<u>3,015</u>	<u>3,433</u>	<u>6,448</u>	<u>22,876</u>
Noncurrent liabilities:				
Risk management claims				15,300
Bonds payable	61,815	1,651	63,466	
Total noncurrent liabilities	<u>61,815</u>	<u>1,651</u>	<u>63,466</u>	<u>15,300</u>
Total liabilities	<u>64,830</u>	<u>5,084</u>	<u>69,914</u>	<u>38,176</u>
Net Position:				
Net investment in capital assets	(815)	18,584	17,769	
Unrestricted	<u>1,400</u>	<u>(186)</u>	<u>1,214</u>	<u>(17,530)</u>
Total Net Position	<u>\$ 585</u>	<u>\$ 18,398</u>	<u>\$ 18,983</u>	<u>\$ (17,530)</u>

The accompanying notes are an integral part of the financial statements

CITY OF HARTFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Hartford Stadium Authority	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating Revenues:				
Charges for services	\$ 792	\$ 5,010	\$ 5,802	\$ 62,562
Employee and pensioners charges for insurance			-	21,897
Other		7	7	1,513
Total operating revenues	<u>792</u>	<u>5,017</u>	<u>5,809</u>	<u>85,972</u>
Operating Expenses:				
Administrative	23		23,000	3,125
Operations		2,239	2,239	5,418
Insurance benefits and claims			-	72,484
Depreciation	1,706	736	2,442	
Total operating expenses	<u>1,729</u>	<u>2,975</u>	<u>4,704</u>	<u>81,027</u>
Operating Income (Loss)	<u>(937)</u>	<u>2,042</u>	<u>1,105</u>	<u>4,945</u>
Nonoperating Revenues (Expenses):				
Interest income	55		55	
Interest expense	(3,013)	(270)	(3,283)	
Total nonoperating revenues (expenses)	<u>(2,958)</u>	<u>(270)</u>	<u>(3,228)</u>	<u>-</u>
Income (Loss) Before Capital Contributions and Transfers	(3,895)	1,772	(2,123)	4,945
Transfers in	5,025	240	5,265	
Transfers out	<u>(1,083)</u>	<u>(2,582)</u>	<u>(3,665)</u>	
Change in Net Position	47	(570)	(523)	4,945
Net Position at Beginning of Year	<u>538</u>	<u>18,968</u>	<u>19,506</u>	<u>(22,475)</u>
Net Position at End of Year	<u>\$ 585</u>	<u>\$ 18,398</u>	<u>\$ 18,983</u>	<u>\$ (17,530)</u>

The accompanying notes are an integral part of the financial statements

CITY OF HARTFORD, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Hartford Stadium Authority	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash Flows from Operating Activities:				
City's contribution	\$	\$	\$	\$ 62,562
Receipts from customers and users	792	4,980	5,772	23,864
Payments to suppliers	(104)	(2,118)	(2,222)	
Payments for benefits and claims			-	(84,386)
Payments (receipts) for interfund services used	6	(49)	(43)	
Net cash provided by (used in) operating activities	<u>694</u>	<u>2,813</u>	<u>3,507</u>	<u>2,040</u>
Cash Flows from Capital and Related Financing Activities:				
Transfer in	5,025	240	5,265	
Transfer out	(1,083)	(2,582)	(3,665)	
Principal paid on bonds	(1,600)	(87)	(1,687)	
Interest paid on bonds	(3,013)	(270)	(3,283)	
Purchase of capital assets	(95)	(5)	(100)	
Net cash provided by (used in) noncapital financing activities	<u>(766)</u>	<u>(2,704)</u>	<u>(3,470)</u>	<u>-</u>
Cash Flows from Investing Activities:				
Interest on investments	55		55	-
Net Increase (Decrease) in Cash and Cash Equivalents	(17)	109	92	2,040
Cash and Cash Equivalents at Beginning of Year	<u>2,752</u>	<u>2,231</u>	<u>4,983</u>	<u>18,580</u>
Cash and Cash Equivalents at End of Year	<u>\$ 2,735</u>	<u>\$ 2,340</u>	<u>\$ 5,075</u>	<u>\$ 20,620</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating income (loss)	\$ (937)	2,042	\$ 1,105	\$ 4,945
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	1,706	736	2,442	
Change in assets and liabilities:				
(Increase) decrease in accounts receivable		(37)	(37)	454
(Increase) decrease in due from other funds	6	531	537	
Increase (decrease) in accounts payable	(81)	121	40	(1,467)
Increase (decrease) in due to other funds		(580)	(580)	
Increase (decrease) in claims payable			-	(1,892)
Total adjustments	<u>1,631</u>	<u>771</u>	<u>2,402</u>	<u>(2,905)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 694</u>	<u>\$ 2,813</u>	<u>\$ 3,507</u>	<u>\$ 2,040</u>

The accompanying notes are an integral part of the financial statements

CITY OF HARTFORD, CONNECTICUT
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2020
(In Thousands)

	Pension and OPEB Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets:		
Cash and cash equivalents	\$ 61,216	\$ 874
Investments, at fair value:		
U.S. government agencies	56,577	
U.S. government securities	10,424	
Corporate bonds	51,042	
Foreign bonds	2,358	
Municipal bonds	1,536	
Mutual funds	13,008	
Alternative investments	222,045	
Common and collective trusts	327,257	
Land	5,000	
Real estate funds	62,749	
Equities	235,176	
Total investments	<u>987,172</u>	<u>-</u>
Receivables:		
Accounts receivable	<u>9,267</u>	
Total assets	<u>1,057,655</u>	<u>874</u>
Liabilities:		
Accounts payable and accrued liabilities	24,071	
Due to student groups and other		<u>874</u>
Total liabilities	<u>24,071</u>	<u>\$ 874</u>
Net Position:		
Restricted for Pension Benefits	1,010,727	
Restricted for OPEB Benefits	<u>22,857</u>	
Total Net Position	<u>\$ 1,033,584</u>	

The accompanying notes are an integral part of the financial statements

**CITY OF HARTFORD, CONNECTICUT
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)**

	<u>Pension and OPEB Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 61,400
Plan members	<u>14,331</u>
Total contributions and other revenues	<u>75,731</u>
Investment income:	
Net increase in fair value of investments	14,717
Interest and dividends	<u>12,942</u>
Total investment income	27,659
Less investment expenses:	
Investment management fees	<u>6,470</u>
Net investment income	<u>21,189</u>
Total additions	<u>96,920</u>
Deductions:	
Benefits	132,544
Administrative expense	<u>2,666</u>
Total deductions	<u>135,210</u>
Change in Net Position	(38,290)
Net Position at Beginning of Year	<u>1,071,874</u>
Net Position at End of Year	<u>\$ 1,033,584</u>

The accompanying notes are an integral part of the financial statements

CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(in thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Hartford was incorporated May 29, 1784 and the City consolidated in April 1896. The City operates under a Mayor-Council form of government and provides a full range of services including public safety, roads, solid waste collection, health, social services, culture and recreation, education, planning, development, zoning and general administrative services.

During the fiscal year ended June 30, 2018, the City was designated a Tier III municipality by the State of Connecticut in accordance with CGS § 7-576c which included oversight by the State of Connecticut Municipal Accountability Review Board (MARB). See Note 15 for additional information.

The accounting policies of the City conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the City's more significant accounting policies:

A. Financial Reporting Entity

The financial reporting entity consists of a) the primary government, which is the City; b) organizations for which the City is financially accountable and c) other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the City's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the following component units are included in the City's reporting entity because of operational or financial relationship with the City.

Discretely Presented Component Unit

The Hartford Parking Authority (the Parking Authority) has been included in the City's financial statements as a discretely presented component unit. A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City. It is financially accountable to the City, or has a relationship with the City such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. For the discretely presented component unit the potential exists for a financial burden or benefit to be imposed on the City as a result of the existence of the component unit. The Parking Authority was created pursuant to Chapter 100 of the General Statutes of Connecticut and is governed by five members appointed by the Mayor and approved by the Court of Common Council. The purpose of the Parking Authority is to create, establish, finance, maintain, and operate the City of Hartford's dedicated parking facilities, and regulate the uses and parking rates to be charged at other regulated parking facilities. Separately issued financial statements of the Parking Authority are available at www.hartfordparkingauthority.com.

CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(in thousands)

Blended Component Unit

The Hartford Stadium Authority (the Stadium Authority) serves all citizens of the government and is governed by a commission, which consists of five members appointed by the Court of Common Council. The Stadium Authority does not have any other staff members presently, the operational, administrative and legal services for the Stadium Authority will be handled by the City Departments of Finance, Public Works, and the Office of Corporation Council. The City is legally obligated to provide resources in the event there are deficiencies in debt service payments and resources are not available from any other remedies. The Stadium Authority is reported as an enterprise fund and does not issue separate financial statements. The Stadium Authority is reported as a blended component unit as the City is responsible for payment of Stadium Authority debt through a signed lease agreement.

B. Government-Wide Financial Statements

The government wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the primary government as a whole and its component units. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position presents the financial position of the City at the end of its fiscal year. The statement of activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and 3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The City does not allocate indirect expenses to functions in the statement of activities.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. The Agency Fund has no measurement focus but utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(in thousands)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes and certain other revenues are considered to be available if collected within 60 days of the fiscal year end. Construction grant revenue is considered to be available if collected within 90 days of year end.

Property taxes associated with the current fiscal period, as well as charges for services and intergovernmental revenues and interest associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period, if available. Licenses and fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from federal and state grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, other post-employment benefit obligations, pension obligations and certain claims payable are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for and reported in another fund.

The **Capital Improvement Fund** accounts for the proceeds of general obligation bonds and grants for various construction projects.

The **Community Development Loan and Grant Fund** accounts for loan and grant activities associated with the housing and development program.

The **Debt Service Fund** accounts for the payment of principal and interest on general long-term debt of the City. This fund also accounts for the amounts held in escrow for future payoff of defeased debt.

The **Educational Grants Fund** accounts for State and Federal grants received and expended for educational purposes.

The City reports the following major proprietary funds:

The **Hartford Stadium Authority Fund** accounts for the operations of the City's Dunkin' Donuts Park, a double A minor league ballpark, which is a blended component unit of the City.

Additionally, the City reports the following fund types:

The **Internal Service Funds** are used to account for the risk management activities of the City and the centralized operations of the Metro Hartford Information Services.

The **Pension and Other Post-Employment Benefit (OPEB) Trust Funds** account for the activities of the Hartford Retirement System, which accumulates resources for pension benefit payment to qualified City employees and the activities of the OPEB Fund, which accounts for the health and other benefits provided to eligible retirees and their spouses.

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The **Agency Funds** are primarily utilized to account for monies held as custodian for outside student and other groups.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between certain City's functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include property taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the enterprise funds and the internal service funds are charges to customers for services. Operating expenses for the Enterprise funds and the internal service funds include the cost of services, administrative expenses, depreciation costs and benefit costs. All revenues and expenses not meeting the definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Deposits, Investments and Risk Disclosure

Cash and Cash Equivalents

Cash and cash equivalents consist of funds deposited in demand deposit accounts and short-term investments with original maturities of less than three months.

The Connecticut State Treasurer's Short-Term Investment Fund is an investment pool managed by the Cash Management Division of the State Treasurer's Office, created by Section 3-27 of the General Statutes of Connecticut. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c through 3-27e. Investment guidelines are adopted by the State Treasurer. The investments in the pool adhere to GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, which accounts for the asset investment. The value of the position the pool is the same as the value of the pool shares. These investments are stated at amortized cost.

Investments

Investments are stated at fair value.

The pension funds allow for investments in certain alternative investments. Alternative investments may include private equity partnerships, hedge and absolute return funds for which there may be no ready market to determine fair value. These investments are valued using the most recent valuation available from the external fund manager that represents the net asset value of these funds. These estimated values do not necessarily represent the amounts that will ultimately be realized upon the disposition of those assets, which may be materially higher or lower than values determined if a ready market for the securities existed.

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Restricted Cash and Investments

Certain assets are classified as restricted because their use is limited. Restricted asset cash and investment are to be used for construction purposes and the repayment of the 2013 and 2015 refunded bonds.

E. Receivables and Payables

Taxes Receivable

The City's property tax is levied each May on the assessed value listed as of the prior October 1 for all taxable real and personal property located in the City. Assessed values are established by the City Assessor at 70% of fair market value for all properties, except residential real estate, on the grand list as of October 1 each year. Residential real estate, defined as three living units or less, is currently assessed at 35% of value. The assessment ratio is calculated annually by the City Assessor. Taxes due for elderly residents who participate in the Elderly Tax Credit program are due in four installments; July 1, October 1, January 1, and April 1. Taxes under \$100 (amount not rounded) are due in one installment July 1; taxes of over \$100 (amount not rounded) are due in two installments July 1 and January 1. Motor vehicle taxes on the Supplemental list are due in one installment January 1. Delinquent taxes are assessed interest of 1.5% per month.

Loans Receivable

The City has also entered into various loan agreements with third parties related to its public housing programs. These loan agreements have been recorded as notes receivable within the Community Development Loan and Grant Fund. Under these agreements, the City has loaned money for the purpose of establishing and/or improving public housing units. The loans are secured by an interest in the property being acquired and/or improved. The programs consist of House Hartford Program, the Home Ownership Appraisal GAP Financing Program, Home Program, Lead Abatement Program, Façade Program, Anti-Blight Program and the Housing Preservation Loan Program. In addition, the City has one outstanding loan under the HUD Section 108 Program.

Other Receivables

All other receivables, including charges for services and intergovernmental receivables, are reported net of an allowance for doubtful accounts, when appropriate.

Allowance for Doubtful Accounts

The allowance for doubtful accounts represents those accounts which are deemed uncollectible is based upon collection history and analysis of creditor's ability to pay. The majority of the amount related to taxes receivable, housing loans (for which the City develops an allowance for doubtful accounts on a loan-by-loan basis) and police special duty charges for services.

Due from/to Other Funds

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

F. Inventories

All inventories are valued at cost on a first-in, first-out basis, and consist of certain expendable supplies held for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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G. Capital Assets

Capital assets, which include land, buildings, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Purchased and constructed assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest is capitalized in accordance with related guidance on enterprise fund and business-type capital assets.

Land and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure of the City as well as the discretely presented component unit, are depreciated using the straight-line method over the following estimated useful lives.

<u>Assets</u>	<u>Years</u>
Land improvements	20
Buildings and building improvements	40
Other structures	15
Office furniture, equipment and PC hardware	5
Computer equipment	5
Shop, playground, and grounds maintenance equipment	10-20
Autos, trucks, construction vehicles	5-15
Infrastructure	20-99

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheet.

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports a deferred charge on refunding in the government-wide statement of net position and deferred outflows for pensions and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB

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results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows of resources for pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees). The City also reports a deferred inflow of resources related to advanced property tax collections in the government-wide statement of net position. Also, for governmental funds, the City reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, interest on property taxes, intergovernmental revenues and charges for services. These amounts are deferred and recognized as an inflow of resources (revenue) in the period that the amounts become available.

I. Compensated Absences

City employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Vacation and sick leave expenses to be paid in future periods are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The general fund is typically used to liquidate this liability.

J. Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, and debt payments, are reported as debt service expenditures.

K. Net Pension Liability

The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

L. Net OPEB Liability

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

M. Fund Equity

Equity in the government-wide financial statements is defined as "net position." Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The components of net position are detailed below:

Net Investment in Capital Assets

The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

Restricted Net Position

These amounts are restricted to specific purposes when constraint placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted

All other amounts that do not meet the definition of "restricted" or "net investment in capital assets."

The equity of the fund financial statements is defined as "fund balance" and is classified in the following categories:

Nonspendable Fund Balance

Includes amounts that cannot be spent because they are either not in spendable form (inventories, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

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Restricted Fund Balance

These amounts are restricted to specific purposes when constraint placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance

This represents amounts constrained prior to year-end for a specific purpose by the City using its highest level of decision-making authority (City of Hartford Court of Common Council). Amounts remain committed until action, in the form of a Resolution, is taken by the Court of Common Council to remove or revise the limitations.

Assigned Fund Balance

For all governmental funds other than the General Fund, this represents any remaining positive amounts not classified as restricted or committed. For the General fund, this includes amounts constrained for the intent to be used for a specific purpose by the Court of the Common Council and Finance Department, who have been delegated authority to assign amounts by City Charter.

Unassigned Fund Balance

In the General Fund, this includes residual positive fund balance which has not been classified within the other abovementioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, the City considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

N. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities.

O. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

P. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is December 27, 2020.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The City adopted the legal budget for the 2019-2020 General Fund in accordance with the procedures summarized below:

On or before the third Monday in April, the Mayor must submit to the Court of Common Council a recommended operating budget as well as a capital budget for the fiscal year commencing the following July 1st. The operating budget includes proposed expenditures and the means of financing them.

Through direction of the Mayor and the Court of Common Council, open meetings and public hearings are held to obtain residents' and taxpayers' comments on the recommended budget.

The Court of Common Council modifies the budget by resolution (except revenues, debt service and pension requirements) and then submits the budget as amended to the Mayor for certification no later than May 21.

The Mayor may approve, reduce, and/or disapprove the budget within 48 hours, but no later than May 23.

The General Fund budget, including all components of the property tax and municipal aid assumptions, must be approved by the Municipal Accountability Review Board before final adoption. Each year an updated Municipal Recovery Plan must be submitted to the MARB for approval and such annual budget must be in conformity with the Plan.

Upon action by the Mayor, the Court of Common Council has until May 31 to adopt the budget, the appropriation ordinance and the tax levy ordinance. If it fails to adopt the budget by that date the budget as certified by the Mayor shall be deemed to be the budget of the City for the ensuing fiscal year and expenditures shall be made in accordance therewith (Hartford Municipal Code Sec. 9).

After the budget has been adopted and the new fiscal year begins, an appropriation may be amended. The Mayor may, at any time, transfer any unencumbered balance or portion thereof, from one classification of expenditures to another within the same department.

At the request of the Mayor, but only within the last three months of the fiscal year, the Court of Common Council may transfer by resolution, any unencumbered appropriation balance or portion thereof from one department or agency to another.

Supplemental appropriations are made on the recommendation of the Mayor upon certification by the Director of Finance that there exists an available general fund cash surplus to meet this appropriation.

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Budgets for General Fund are presented on a basis consistent with generally accepted accounting principles except that encumbrances and transfers out are shown as budgetary obligations and transfers in are shown as revenues. State of Connecticut on-behalf contributions are shown as revenues and expenses, and reimbursements to and from other funds are shown as reductions of revenues and expenses.

The General Fund budget is the City's only legally adopted annual budget. Budgets for Special Revenue and Capital Projects Funds are adopted on a project length basis in accordance with related grant or funding agreements.

The level of control for the General Fund budget is at the department/major activity level which are authorized by ordinance. The level of control for Capital Projects Funds is appropriations at the project level. Total expenditures cannot exceed total appropriations by project, over the length of the project.

The Community Development Block Grant (Special Revenue) project budgets are approved by Court of Common Council. The level of control for all other Special Revenue Funds is at the project or program level in accordance with agreement provisions and various budgetary periods.

All unencumbered and unexpended appropriations lapse at year end for the General Fund. Appropriations do not lapse at year end for Special Revenue Funds. Appropriations for capital projects are carried forward until such time as the project is completed or terminated.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

B. Fund Deficits

At June 30, 2020, the City reported deficit fund balance/net position for the following funds:

Governmental Funds:	
Major Funds:	
Capital Improvement Fund	\$ 3,529
Nonmajor Funds:	
Health Grants	\$ 440
Library Grants	8
Internal Service Funds:	
Workers' Compensation	\$ 21,310
Liability and Property Damage	4,521

The Internal Service Funds deficit will be covered through future charges for services from the General Fund. The Capital Improvement Fund deficit and the grant fund deficits are a result of revenue recognition in accordance with the modified accrual basis of accounting and will be repaid with future grant revenues.

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3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a “qualified public depository” as defined by Statute, or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an “out of state bank”, as defined by the Statutes, which is not a “qualified public depository”.

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: (1) obligations of the United States and its agencies; (2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and (3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds does not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF). The investment pool is under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and is regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. The STIF accounts are recorded at amortized cost.

Deposits

Deposit Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it.

City - The City’s custodial credit risk policy includes policies on the safety of principal, prudence, and financial dealings with institutions designed to mitigate custodial credit risk. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures* \$109,004 of the City’s bank balance of \$111,164 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$	97,888
Uninsured and Collateral held by the pledging bank's trust department, not in the City's name		<u>11,116</u>
Total Amount Subject to Custodial Credit Risk	\$	<u><u>109,004</u></u>

Parking Authority - The Parking Authority follows the City’s deposit policies of safety of principal, prudence, and financial dealings with institutions designed to mitigate custodial credit risk. As of June 30, 2020, \$1,103 of the Parking Authority’s bank balance of \$1,125 was uninsured and uncollateralized.

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Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. As of June 30, 2020, the cash equivalent amounted to \$139,463. The following table provides summary of the City's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard & Poor's</u>
State Short-Term Investment Fund (STIF)	AAAm

Investments

Interest Rate Risk

This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

The City's and the Pension and OPEB Plan's formal investment policy limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The City's formal investment policy includes asset allocation percentage ranges to assist in limiting interest rate risk.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less Than 1 Year</u>	<u>1-10 Years</u>	<u>Over 10 Years</u>
U.S. Government Securities	\$ 56,880	\$ 1,100	\$ 38,550	\$ 17,230
U.S. Government Agencies	21,206	195	13,719	7,292
Foreign Bonds	2,358	422	1,438	498
Corporate Bonds	52,127	237	35,096	16,794
Municipal Bonds	1,536		622	914
	134,107	\$ 1,954	\$ 89,425	\$ 42,728

Other Investments:

Mutual Funds	37,592
Equities	235,770
Common and Collective Trusts	327,257
Land	5,000
Real Estate Funds	62,749
Alternative Investments	222,107
Total Investments	\$ <u>1,024,582</u>

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Foreign Currency Risk

The City of Hartford's Municipal Employee Retirement Fund - (MERF)'s formal investment policy limits at any point in time, the exact level of investment in international equities to between 13% and 23% of the total MERF portfolio. The Plan's exposure to foreign currency risk related to equities and fixed income securities as of June 30, 2020 is as follows:

<u>Currency</u>	<u>Fair Value</u>
Australian Dollar	\$ 286,052
Brazilian Real	120,153
Canadian Dollar	1,600,972
Danish Krone	137,223
Euro	13,660,526
Hong Kong Dollar	1,278,697
Indonesian Rupiah	109,395
Japanese Yen	9,614,076
Malaysian Ringgit	199,320
Mexican Peso	505,054
New Taiwan Dollar	9,732
Norwegian Krone	473,625
Peruvian Sol	222,263
Polish Zloty	3,040
Pound Sterling	3,290,698
Russian Ruble	(2,076)
Singapore Dollar	1,220,302
South African Rand	16,858
South Korean Won	2,205,248
Swedish Krona	1,265,653
Swiss Franc	2,548,702
Thai Baht	327,777
Turkish Lira	91,415

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Credit Risk

Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. The City's and the Pension Plan's investment policy further limits its investment choices including prohibiting investments in derivatives that are not used for the specific purposes identified in the City's Funding and Investment Policy Statement. Other prohibited transactions are identified in Article X of the Funding and Investment Policy Statement. Presented below are the ratings:

Average Rating	U.S. Government Securities	U.S. Government Agencies	Foreign Bonds	Corporate Bonds	Municipal Bonds	Total
Aaa	\$ 301	\$ 10,783	\$	\$	\$	\$ 11,084
A+	12,648	6,172	1,255	19,464	1,536	41,075
A	4,398	4,251		6,939		15,588
A2				244		244
A3				209		209
Baa1				237		237
Baa2				132		132
BBB+			1,103			1,103
BB-				24,456		24,456
CC				183		183
Unrated	<u>39,533</u>			<u>263</u>		<u>39,796</u>
	<u>\$ 56,880</u>	<u>\$ 21,206</u>	<u>\$ 2,358</u>	<u>\$ 52,127</u>	<u>1,536</u>	<u>134,107</u>

Concentration of Credit Risk

The City's OPEB and Pension Funds' policy does not allow for an investment in securities that is not readily marketable in any one issuer that is in excess of five percent of the City's total portfolio. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Additionally, investment manager guidelines require that investment be broadly diversified so as to limit the impact of large losses in individual investments on the total portfolio.

The Pension Plan does have a formal policy; however, their practice is to maintain a diversified portfolio to minimize the risk of loss resulting from over-concentration of assets in a specific issuer.

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As of June 30, 2020, the following investments in the pension plans each had fair market values that represented more than 5% of the plan's net position as of June 30, 2020:

Walter Scott & Partners Ltd	\$	73,642
Grosvenor Hedge Fund of One		57,114
Prudential Emerging Markets Debt Fund		56,928

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the City or that sells investment to or buys them for the City), the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The City's individual investments in fixed income securities, equities, U.S. treasury securities, domestic corporate bonds, foreign bonds, and U.S. government agency securities are uninsured and registered securities held by a counterparty, or by its trust department or agent that in the City's or Pension Plan's name. The City's other investments are held in alternative investment which because they are evidenced by contracts rather than by securities, are not subject to custodial credit risk determination.

Fair Value

The City and its fiduciary funds categorize their fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The City and its fiduciary funds have the following recurring fair value measurements as of June 30, 2020:

	<u>June 30, 2020</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
U.S. Government Securities	\$ 56,880	\$ 56,880	\$	
U.S. Government Agencies	21,206	10,782	10,424	
Foreign Bonds	2,358		2,358	
Corporate Bonds	52,127	1,085	49,615	1,427
Municipal Bonds	1,536		1,536	
Mutual Funds	37,592	37,514	78	
Equities	235,770	235,770		
Common and Collective Trusts	327,257			327,257
Land	5,000			5,000
Alternative Investments	62	62		
	<u>739,788</u>	<u>\$ 342,093</u>	<u>\$ 64,011</u>	<u>\$ 333,684</u>
Investments Measured at Net Asset Value (NAV):				
Real Estate Funds	62,749			
Alternative Investments	222,045			
	<u>284,794</u>			
Total Investments	<u>\$ 1,024,582</u>			

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Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The alternative investments classified in Level 3 are not actively traded and significant observable inputs are not available; therefore, a degree of judgment is necessary to estimate fair value. The valuation process for alternative investments takes into consideration factors such as interest rate changes, movement in credit spreads, default rate assumptions, prepayment assumptions, type and quality of collateral and market dislocation.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Investments Measured using NAV:				
Real estate funds	\$ 62,749	\$ 18,000	Various	Various
Multi-strategy hedge funds	89,164		Quarterly	45 days
Private equity	132,881	42,000	None	None

Real Estate Funds

These funds invest primarily in U.S. commercial real estate. The fair values of the investments have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Some of these investments can be redeemed quarterly and have various redemption notice periods ranging from zero to 90 days. Distributions from each fund will be received as the underlying investments of the funds are liquidated. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Once it has been determined which investments will be sold and whether those investments will be sold individually or in a group, the investments will be sold in an auction process. The investee fund's management is required to approve of the buyer before the sale of the investments can be completed.

Multi-Strategy Hedge Fund

These investments consist of limited partnerships. Hedged equity funds are designed to benefit from the stock market with considerably less risk. They own stakes in companies they expect to outperform and also sell short stocks they expect to underperform. NAV generally represents a Fund's ownership interest in the net assets of each hedge fund.

Private Equity Funds

These funds invest primarily in domestic middle market companies. Distributions are only received through the liquidation of the underlying assets of the fund. If these investments were held, it is expected that the underlying assets of the fund would be liquidated over five to eight years. The fair values are measured using the NAV per share (or its equivalent).

CITY OF HARTFORD, CONNECTICUT
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4. RECEIVABLES

Receivables at June 30, 2020 for the City's individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for doubtful accounts, consisted of the following:

	<u>General</u>	<u>Capital Improvement Fund</u>	<u>Community Development Loan and Grant Fund</u>	<u>Educational Grants</u>	<u>Aggregate Remaining Funds</u>	<u>Total</u>
Receivables:						
Taxes	\$ 70,163	\$	\$	\$	\$	\$ 70,163
Accrued interest on taxes	48,398					48,398
Intergovernmental	8	29,894		3,321	6,155	39,378
Accounts	10,652	63,676			18,221	92,549
Housing loans			66,664		5,250	71,914
Gross receivables	<u>129,221</u>	<u>93,570</u>	<u>66,664</u>	<u>3,321</u>	<u>29,626</u>	<u>322,402</u>
Less allowance for uncollectibles:						
Taxes	(11,015)					(11,015)
Accrued interest on taxes	(12,099)					(12,099)
Intergovernmental				(167)		(167)
Accounts	(7,046)					(7,046)
Housing loans			(34,693)		(1,313)	(36,006)
	<u>(30,160)</u>	<u>-</u>	<u>(34,693)</u>	<u>(167)</u>	<u>(1,313)</u>	<u>(66,333)</u>
Net Total Receivables	<u>\$ 99,061</u>	<u>\$ 93,570</u>	<u>\$ 31,971</u>	<u>\$ 3,154</u>	<u>\$ 28,313</u>	<u>\$ 256,069</u>

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5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The balances reflected as due from/to other funds at June 30, 2020 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Enterprise Funds	\$ 2,531
	Nonmajor Governmental Funds	681
Nonmajor Governmental Funds	Nonmajor Enterprise Funds	13
Debt Service Fund	Nonmajor Enterprise Funds	<u>270</u>
Total		<u>\$ 3,495</u>

The outstanding balances between funds result mainly from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made. All of the balances are expected to be collected in the subsequent year.

Interfund Transfers

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without equivalent flows of assets in return.

	<u>Transfers Out</u>					<u>Total Transfers In</u>
	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Hartford Stadium Authority</u>	<u>Nonmajor Enterprise Funds</u>	
Transfers In:						
General Fund	\$	\$ 58	\$ 3,081	\$ 1,083	\$ 2,171	\$ 6,393
Capital Improvement Fund	20,051		3,312			23,363
Debt Service Fund	45,782					45,782
Educational Grants Fund			2,163			2,163
Nonmajor Governmental Funds	11,981	965			29	12,975
Hartford Stadium Authority	4,643				382	5,025
Nonmajor Enterprise Funds	<u>240</u>					<u>240</u>
Total Transfers Out	<u>\$ 82,697</u>	<u>\$ 1,023</u>	<u>\$ 8,556</u>	<u>\$ 1,083</u>	<u>\$ 2,582</u>	<u>\$ 95,941</u>

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Transfers from the General Fund to the Debt Service Fund represent the City's payment towards debt service on outstanding bonds. Transfers from the Hartford Parking facilities enterprise fund to the General Fund represent a portion of net activity derived from the City's parking facilities. Transfers from the Nonmajor Governmental Funds to the General Fund primarily include net income derived from the City's police private duty services program. Transfers from Nonmajor Governmental Funds to the Educational Grants Fund represent monies collected on behalf of the Educational Grants Fund. Transfers to the Capital Improvement Fund are for projects not paid for with bond proceeds. Transfers from the General Fund to the Stadium Authority related to payment of debt while transfers from the Stadium Authority to the General Fund represent operating revenue from the Stadium to offset debt payment.

6. CAPITAL ASSETS

Changes in the City's capital assets are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 67,263	\$ 15,657	\$ -	\$ -	\$ 82,920
Construction in progress	172,951	145,840	-	(2,886)	315,905
Total capital assets not being depreciated	<u>240,214</u>	<u>161,497</u>	<u>-</u>	<u>(2,886)</u>	<u>398,825</u>
Capital assets being depreciated:					
Land improvements	60,662				60,662
Buildings	1,549,708	2,123			1,551,831
Other structures	41,957			454	42,411
Furniture and equipment	43,613	335	15,272	1,846	30,522
Rolling equipment	46,058	1,050	203		46,905
Infrastructure	495,099			586	495,685
Total capital assets being depreciated	<u>2,237,097</u>	<u>3,508</u>	<u>15,475</u>	<u>2,886</u>	<u>2,228,016</u>
Less accumulated depreciation for:					
Land improvements	23,759	900			24,659
Buildings	496,703	36,507			533,210
Other structures	20,217	1,056			21,273
Furniture and equipment	37,867	1,275	15,272		23,870
Rolling equipment	34,349	2,023	203		36,169
Infrastructure	287,437	6,200			293,637
Total accumulated depreciation	<u>900,332</u>	<u>47,961</u>	<u>15,475</u>	<u>-</u>	<u>932,818</u>
Total capital assets being depreciated, net	<u>1,336,765</u>	<u>(44,453)</u>	<u>-</u>	<u>2,886</u>	<u>1,295,198</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,576,979</u>	<u>\$ 117,044</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,694,023</u>

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	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 6,087	\$	\$	\$	\$ 6,087
Total capital assets not being depreciated	<u>6,087</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,087</u>
Capital assets being depreciated:					
Land improvements	29				29
Building and improvements	73,431				73,431
Parking garages	20,710				20,710
Other structures	3,722				3,722
Furniture, fixtures and equipment	576	98	10		664
Total capital assets being depreciated	<u>98,468</u>	<u>98</u>	<u>10</u>	<u>-</u>	<u>98,556</u>
Less accumulated depreciation for:					
Land improvements	20	2			22
Building and improvements	4,655	1,836			6,491
Parking garages	10,877	472			11,349
Other structures	3,217	3			3,220
Furniture, fixtures and equipment	435	129	10		554
Total accumulated depreciation	<u>19,204</u>	<u>2,442</u>	<u>10</u>	<u>-</u>	<u>21,636</u>
Total capital assets being depreciated, net	<u>79,264</u>	<u>(2,344)</u>	<u>-</u>	<u>-</u>	<u>76,920</u>
Business-Type Activities Capital Assets, Net	<u>\$ 85,351</u>	<u>\$ (2,344)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,007</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 7,269
Public safety	4,144
Public works	21,991
Development and community affairs	321
Education	13,957
Recreation and culture	279
Total Depreciation Expense - Governmental Activities	<u>\$ 47,961</u>
Business-type activities:	
Golf Course	\$ 210
Stadium Authority	1,706
Hartford parking facilities	526
Total Depreciation Expense - Business-Type Activities	<u>\$ 2,442</u>

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Construction Commitments

The City has various authorized construction projects in the Capital Improvement Fund as of June 30, 2020. The projects include school and general construction and facility improvements, land and structure improvements to parks and cultural facilities, transportation improvement projects, and other capital improvements. At June 30, 2020, the City had outstanding appropriations of approximately \$785 million of which \$74.6 million is encumbered. The City however is on a pay-as-you-go Capital Improvement Program. Within the authorized \$785 million, the City has committed to spend \$528 million over the next five years for specific critical projects, including school construction and renovation, flood control, traffic signalization, bridge repairs, sidewalks and milling and paving. The commitments are being financed with general fund contributions, remaining general obligation bonds previously issued, and state and federal grants.

7. OPERATING LEASES

Lessor

The City leases certain building, land and air space rights to other parties via operating leases. The agreements provide for minimum annual rentals plus contingent rentals based on a percentage of cash flow from the properties. Total rental income from operating leases during the fiscal year ended June 30, 2020 was \$3,008. The cost of the land and buildings associated with these rental income amounts is estimated at \$13,172 with a carrying value of \$5,828. Depreciation expense on these properties was \$230 during the fiscal year ended June 30, 2020.

Lessee

The City entered into a 15-year lease commencing on July 1, 2002 for the rental of office space from Connecticut Constitution Associates, LLC for various City departments and agencies. On July 1, 2017, the City extended this lease an additional 11 years, through June 30, 2028. The base rent shall increase annually by \$0.50 per rentable square foot throughout the term, effective on each anniversary of March 1.

In addition, the City has various lease agreements relating to administrative buildings and parking lots. Future minimum lease payments are projected as follows:

<u>Year Ending June 30,</u>	
2021	\$ 1,939
2022	1,636
2023	1,673
2024	1,712
2025	1,750
Thereafter	4,544

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Lease obligations with Hartford Stadium Authority

The City entered into a lease agreement with the Hartford Stadium Authority (the Authority) dated as of February 1, 2015, by which the City is obligated to make certain lease payments to the Authority. The Authority issued \$62,450 of lease revenue bonds in February 2015 for the construction of a minor league baseball park. Under the lease agreement, the City is required to make semiannual deposits to secure performance of its obligations to pay rent to the Authority which is due on each February 1 and August 1 during the lease term. Each payment of rent is to be in an amount sufficient, together with other money on deposit with the trustee in the bond fund to be credited as rent, to pay the principal and interest due on the bonds issued by the Authority on each principal payment date and interest payment date as shown in the table below.

On March 15, 2016, the Authority issued \$6,195 of additional lease revenue bonds and the Authority and the City entered into a first amendment to lease agreement, dated as of March 1, 2016 which increased the lease payments required pursuant to the lease agreement to pay the principal and interest due on the Authority's series 2016 bonds. The schedule of lease payments due under the lease agreement, as amended by the first amendment to lease agreement, is as follows:

Year Ending June 30,

2021	\$	4,645
2022		4,648
2023		4,647
2024		4,647
2025		4,645
2026-2030		23,218
2031-2035		23,235
2036-2040		23,213
2041-2042		9,291

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8. LONG-TERM LIABILITIES

Governmental Activities

The following table summarizes changes in the City's governmental activities' long-term liabilities for the year ended June 30, 2020:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 536,035	\$	\$ 40,808	\$ 495,227	\$ 34,378
Premium	50,744		3,590	47,154	
Total bonds payable	<u>586,779</u>	-	<u>44,398</u>	<u>542,381</u>	<u>34,378</u>
Other long-term liabilities:					
Compensated absences	26,227	4,918	3,443	27,702	3,291
CWF Serial Note	854		100	754	101
HUD Section 108 loans	5,600		350	5,250	350
Capital leases	4,007		1,528	2,479	1,359
Net OPEB Liability	450,070		32,588	417,482	
Net Pension Liability - CMERS	36,691		1,788	34,903	
Net Pension Liability - MERF	435,175	65,294		500,469	
Net Pension Liability - RAF/PBF/FRF	1,678	248		1,926	
Net Pension Liability - 415(m)	182		28	154	
CMERS prior service costs	537		537	-	
Claims and other	3,000			3,000	
Risk management claims	<u>37,130</u>		<u>1,892</u>	<u>35,238</u>	<u>19,938</u>
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 1,587,930</u>	<u>\$ 70,460</u>	<u>\$ 86,652</u>	<u>\$ 1,571,738</u>	<u>\$ 59,417</u>

Governmental activities liabilities for bonds and notes are liquidated by the Debt Service Fund, which is funded primarily by the General Fund. The pension liability, other post-employment benefit liability and compensated absences of the governmental activities are liquidated primarily from the General Fund. Claims are liquidated primarily by the Internal Service Funds.

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General Obligation Bonds

General obligation bonds outstanding as of June 30, 2020 consisted of the following:

<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Balance Outstanding June 30, 2020</u>	<u>Amounts to be Paid From Escrow</u>
2005	2020	4.50-5.00	\$ 29,510	\$ 1,050	\$
2009	2022	2.50-5.00	40,225	12,690	
2010	2029	2.00-4.30	14,000	7,350	
2011	2024	3.00-5.25	25,000	3,975	
2012	2032	2.00-5.00	50,000	25,000	2,960
2012	2023	2.00-5.00	21,280	7,080	
2013	2033	4.00-5.00	48,160	38,360	
2013	2032	4.00-5.00	124,605	97,625	
2014	2026	2.00-5.00	36,385	25,540	
2014	2034	3.00-5.00	82,000	70,385	6,355
2015	2030	3.00-5.00	20,845	20,845	
2015	2034	4.00-5.00	57,215	50,740	
2015	2035	3.00-5.00	125,000	115,646	
2016	2029	2.00-5.00	26,805	18,941	
				\$ 495,227	\$ 9,315

The annual requirements to amortize all bonded debt outstanding as of June 30, 2020 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 34,378	\$ 21,845	\$ 56,223
2022	34,313	20,268	54,581
2023	35,254	18,628	53,882
2024	34,053	16,977	51,030
2025	32,440	15,355	47,795
2026-2030	175,984	52,329	228,313
2031-2035	132,685	15,302	147,987
2036-2038	16,120	183	16,303
		\$ 495,227	\$ 160,887
			\$ 656,114

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Prior Years' Debt Refunding

In prior years, the City refunded general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust account, invested in U.S. Government State and Local Government Series securities, which are not subject to credit risk, to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At June 30, 2020, \$16,125 of prior bonds outstanding are considered defeased, of which \$16,344 is held in escrow.

Also, in prior years, the City refunded general obligation bond by placing the proceeds of the new bonds in an irrevocable trust account, invested in U.S. Government Agencies, which are subject to credit risk, to provide for all future debt service payments on the old bonds. While this transaction qualifies as a statutory defeasance of debt, it does not, however, meet the generally accepted accounting principle definition of an in-substance defeasance due to the portfolio consisting of mostly Government Agency Securities. Accordingly, the trust account assets and the liability for the defeased bonds are included in the City's financial statements. The balance at June 30, 2020, of the bonds was \$9,315 and the amount held in escrow to pay down these bonds was \$10,795.

Contract Assistance

As further disclosed in Note 15, during the prior fiscal year, the City entered into an agreement with the State of Connecticut (the State) to service the general obligation debt until such debt was retired. This agreement is backed by the full faith and credit of the State of Connecticut and is irrevocable. As the City is legally obligated for the debt, it remains a liability of the City. During the year, \$45,667 was paid by the State to the paying agent for City debt service.

Clean Water Fund - Serial Notes Payable

The City has entered into a Clean Water Fund serial note payable to the State of Connecticut as part of the Towner Brook Conduit Extension Project administered by the Metropolitan District Commission. Future annual requirements are as follows:

Year Ending	Principal	Interest
June 30,		
2021	\$ 101	\$ 14
2022	103	12
2023	106	10
2024	108	8
2025	110	6
2026-2027	226	5
	<u>\$ 754</u>	<u>\$ 55</u>

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Housing and Urban Development (HUD) Section 108 Loans

The City has entered into a loan with HUD under the Section 108 Loan Guarantee Program which provides communities with a source of financing for economic development, housing rehabilitation, public facilities and other physical development projects. Future annual requirements are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 350	\$ 157
2022	350	148
2023	350	139
2024	350	129
2025	350	119
2026-2030	1,750	435
2031	<u>1,750</u>	<u>29</u>
	<u>\$ 5,250</u>	<u>\$ 1,156</u>

Capital Leases

The City has entered into a multi-year capital leases for various vehicles and equipment. The cost of the vehicles and equipment associated with these capital leases is \$9,469 with a carrying value of \$2,745. Depreciation expense on these various vehicles and equipment was \$1,353 during the fiscal year ended June 30, 2020. Future annual requirements are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>
2021	\$ 1,359
2022	659
2023	<u>552</u>
Total lease payments	2,570
Less amount representing interest	<u>91</u>
Present Value of Minimum Lease Payments	<u>\$ 2,479</u>

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Business-Type Activities

The following table summarizes changes in the City's business-type activities' long-term liabilities for the year ended June 30, 2020:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-Type Activities					
Bonds payable:					
General obligation bonds	\$ 1,830	\$	\$ 87	\$ 1,743	\$ 92
Lease Revenue bonds	64,435		1,600	62,835	1,680
Premium on bonds	711		51	660	
	<u>711</u>		<u>51</u>	<u>660</u>	
Total Business-Type Activities					
Long-Term Liabilities	\$ <u>66,976</u>	\$ <u>-</u>	\$ <u>1,738</u>	\$ <u>65,238</u>	\$ <u>1,772</u>

General Obligation Bonds

General obligation bonds outstanding as of June 30, 2020 consisted of the following:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Balance Outstanding June 30, 2020</u>
Garage - GO	2015	2030	3.00-5.00	\$ 2,259	\$ <u>1,743</u>
					\$ <u>1,743</u>
Stadium - Lease Revenue A	2015	2025	3.00-5.00	\$ 39,055	\$ 35,630
Stadium - Lease Revenue B	2015	2042	5.375	23,395	21,520
Stadium - Lease Revenue	2016	2042	2.25-3.00	6,195	<u>5,685</u>
					\$ <u>62,835</u>

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The annual requirements to amortize all bonded debt outstanding as of June 30, 2020 are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 1,772	\$ 2,965	\$ 4,737
2022	1,862	2,883	4,745
2023	2,066	2,797	4,863
2024	2,162	2,707	4,869
2025	2,125	2,635	4,760
2026-2030	12,516	11,703	24,219
2031-2035	14,720	8,515	23,235
2036-2040	18,655	4,558	23,213
2041-2043	8,700	591	9,291
	<u>\$ 64,578</u>	<u>\$ 39,354</u>	<u>\$ 103,932</u>

Legal Debt Limit

The City's indebtedness (including authorized but unissued bonds), net of principal reimbursements expected from the state, does not exceed the legal debt limitation as required by the Connecticut General Statutes as reflected in the following schedule:

	Debt Limit	Indebtedness	Balance
General purpose	\$ 620,888	\$ 421,947	\$ 198,941
Schools	1,241,775	181,148	1,060,627
Sewers	1,034,813	229,441	805,372
Urban renewal	896,836		896,836
Pension deficit	827,850		827,850

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$1.7 billion. The authorized/unissued debt has been reduced by grant proceeds of \$58,228 relative to general purpose and school construction projects.

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Overlapping Debt

The City is a member of the Metropolitan District (MDC) (a quasi-municipal corporation that provides water supply, sewerage collection and disposal facilities for members). Member towns are assessed a percentage of MDC's net outstanding debt. As such, the City's overlapping share of debt issued by the MDC is \$228,687 as of June 30, 2020.

Bonds Authorized but Unissued

As of June 30, 2020, the City had \$43,290 of authorized but unissued debt.

9. FUND BALANCE

The components of fund balance for the governmental funds as of June 30, 2020 are as follows:

	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Community Development Loan and Grant</u>	<u>Debt Service</u>	<u>Educational Grants</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Nonspendable:							
Permanent funds	\$	\$	\$	\$	\$	8,358	\$ 8,358
Inventories						732	732
Total nonspendable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,090</u>	<u>9,090</u>
Restricted for:							
Development and community affairs			2,416			4,292	6,708
Debt service				11,561			11,561
Recreation and culture						14,878	14,878
Public safety					1,632	2	1,634
Human services						5,135	5,135
Education						7,866	7,866
Total restricted	<u>-</u>	<u>-</u>	<u>2,416</u>	<u>11,561</u>	<u>1,632</u>	<u>32,173</u>	<u>47,782</u>
Committed to:							
Education	5,680						5,680
Capital projects		-				8,408	8,408
Total committed	<u>5,680</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,408</u>	<u>14,088</u>
Assigned to:							
Education						1,008	1,008
Economic uncertainty	5,000						5,000
Encumbrances:							
Education	262						262
Total assigned	<u>5,262</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,008</u>	<u>6,270</u>
Unassigned	<u>18,880</u>	<u>(3,529)</u>				<u>(448)</u>	<u>14,903</u>
Total Fund Balances	<u>\$ 29,822</u>	<u>\$ (3,529)</u>	<u>\$ 2,416</u>	<u>\$ 11,561</u>	<u>\$ 1,632</u>	<u>\$ 50,231</u>	<u>\$ 92,133</u>

The City has \$262 of education encumbrances reported in the General Fund.

10. TAX ABATEMENTS

As of June 30, 2020, the City provides tax abatements in accordance with Section 8-215 of the Connecticut General Statutes (CGS) and Section 32-12 of the Hartford Municipal Code. The City is authorized to enter into contracts for the abatement of real property taxes for residential properties when such housing is to be occupied solely by low or moderate-income persons or families as defined in Section 8-202 of the CGS or elderly or disabled.

The City also provides tax abatements in accordance with Section 32-666a of the Connecticut General Statutes (CGS). The City is authorized to enter into contracts to fix assessments on improvements for retail, commercial and housing for up to 15 years on City capital projects or Adrian's Landing developments.

The City also provides tax abatements in accordance with Section 12-65 of the Connecticut General Statutes (CGS). The City is authorized to enter into contracts to fix assessments on improvements and defer the increase in the assessed value attributable to the construction/renovation over a period of 7 to 15 years.

A tax abatement agreement is a contractual agreement between the City and the owner of the property that fixes taxes on an annual basis at a rate less than the full tax amount. Typically, the term of the abatement is seven to fifteen years and may be renewed by the contracted property with City approval after a minimum of a one-year lapse between abatements, in which case the owner is expected to pay full tax.

For the fiscal year ended June 30, 2020, taxes abated through these programs totaled \$19,074. There are some provisions to recapture abated taxes under this program. No other commitments have been made by the City to the abatement recipients participating in this program.

11. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Defined Benefit Pension Plans

Description of Plans

There are four defined benefit pension plans for employees of the City of Hartford:

- The City Municipal Employees' Retirement Fund (City MERF), a contributory, single-employer defined benefit plan. The City provides retirement benefits for employees hired since 1947 through the City MERF Plan.
- The Retirement Allowance Fund/Police Benevolent Fund/Firemen's Relief Fund Plan (RAF/PBF/FRF), an unfunded, single-employer plan. Employees hired before May 1, 1947 are paid from the RAF/PBF/FRF Plan. There are no remaining active members and the unfunded liability is decreasing rapidly.
- The State of Connecticut Municipal Employee Retirement System (CMERS), a cost sharing multiple-employer plan with the State of Connecticut.

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- The State of Connecticut Teachers Retirement System (CTTRS), a plan with the State of Connecticut for certified teachers at the Board of Education in which the City is a noncontributing employer.

The two single employer plans are administered by the City. The plans provide retirement, disability and survivorship benefits for all retired employees, in accordance with provisions which are subject to bargaining with unions representing most of the employees. Administrative fees are paid through the plans.

The City also administers an excess benefit plan established to fund that portion of certain retirees' pension benefits that exceed the limits permitted under Section 415 of the Federal Internal Revenue Code (IRC).

An actuarial valuation survey is made annually on the City MERF and the Section 415 Plan, and at least every five years for the RAF/PBF/FRF Plan.

A. City of Hartford Municipal Employees' Retirement Fund (City MERF)

Plan Description

The City MERF was established as part of the City Charter. The city provides retirement benefits for employees hired since May 1, 1947, through the City MERF, a single-employer contributory defined benefit plan.

Management of the City MERF

The City's charter mandates that there shall be a pension commission of three (3) members, none of whom shall hold any other office in the City government and one (1) of whom shall be a fellow or associate of either the Actuarial Society of America or the American Institute of Actuaries, appointed by the Mayor, one (1) each year for a term of three (3) years commencing on the first Monday of February. Vacancies shall be filled by the Mayor for the unexpired portion of the term. The City Treasurer shall act as secretary of the pension commission and the personnel director shall attend all meetings of the pension commission but neither shall have a vote. The pension commission shall continue to administer the retirement system for City employees as provided in Section 233 of "An Act Revising the Charter of the city of Hartford," approved June 24, 1941, as amended, and shall succeed to all the powers and duties of the board of police commissioners as trustees of the police benefit fund and of the board of fire commissioners as member of the board of trustees of the firemen's relief fund. The pension commission shall administer the municipal employees' retirement fund as hereinafter established. In addition to the three (3) voting members, there shall be one (1) nonvoting member of the pension commission elected by members of the municipal employees' retirement fund.

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Actuarial Assumptions and Benefits Provided

The total pension liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions that were projected forward to the measurement date of June 30, 2020:

- Actuarial method used: Entry age normal cost method
- Mortality basis: RP-2014, fully projected (projected to the year of decrement), with separate male and female tables and separate rates for annuitants and non-annuitants, with occupational adjustment.
- Mortality improvement: Pre and post-retirement: projected to date of decrement using Scale MP-2019 (generational mortality).
- Investment return: 7.25% per year, net of investment expenses.
- Salary scale: 2.50% for inflationary salary increases plus a percentage for promotion or merit increases as follows:

Age	Police	Fire	BOE	Muni Svc and Lib
25	5.25%	4.0%	3.50%	5.15%
30	4.35%	2.25%	3.00%	3.85%
35	2.79%	1.75%	2.50%	.25%
40	1.76%	1.25%	1.50%	2.00%
45	1.35%	0.75%	1.00%	1.65%
50	1.10%	0.50%	0.75%	1.25%
55+	1.00%	0.50%	0.50%	1.00%

Salaries are adjusted for groups by 2.50% per year and 0% for City groups for the period of each open contract, for one full fiscal year from the measurement date. Any wage increases negotiated beyond the valuation date have been reflected in the projections.

- Salary scale: For Police, final average pay is loaded by a percentage for assumed private duty and overtime as follows: Pre-7/1/1999 hires, 42%; Post 7/1/1999 hires, 19%; for employees remaining in the pre-2012 plan, 27%; for employees moving to the 7/1/2012 plan.

The salary scale assumptions above are based on the results of an actuarial experience study for the period July 1, 2010 through June 30, 2015.

- Retirement dates: Police: 100% retire at age 60, regardless of service, must be age 40 to retire.
Fire: 100% retire at 30 years of service for all ages.
Board of Education: 100% retire at age 75.
Municipal Services and Library: 100% retire at age 75 with less than 20 years of service; or if under age 65, with 35 years of service.

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Disability:	Benefits were explicitly valued using the DP-85 Class 1 male and female disability incidence rate table increased 150% for the police, 200% for fire, 10% for all other groups.
Social security:	Future tax wage bases are developed by projecting the 2018 base of \$128 forward at 4% per year.

Plan Changes

There were changes to mortality since the last valuation.

Funding Policy

The obligations of the plan members, employers and other entities are established by action of the City pursuant to applicable collective bargaining and employment agreements. The required contribution rate of the employer and the members varies depending on the applicable agreement. The City's funding policy is to contribute the actuarial recommended contribution each year. Each year the plan sponsor pays the normal cost plus an amortization of the plan's unfunded actuarial liability. The unfunded liability developed with the July 1, 2016 valuation was frozen and is amortized over a 25-year closed level dollar period. As of July 1, 2019, there are 22 years remaining.

B. RAF/PBF/FRF Plan

Plan Description

The City pays retirement and survivor benefits to pensioners under an unfunded program which covered City employees hired before the current City MERF Plan went into effect on May 1, 1947. These programs are combined into one pension trust fund for reporting purposes in the City's financial statements. Individual stand-alone financial statements are not issued. The unfunded liability for this plan is rapidly decreasing and has no remaining active members.

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Actuarial Assumptions and Benefits Provided

The total pension liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions that were projected forward to the measurement date of June 30, 2020:

Investment rate of return:	2.21%
Mortality basis:	RP-2014 fully projected (projected to the year of decrement), with separate male and female tables and separate rates for annuitants and non-annuitants, with occupational adjustment. Mortality improvement based on MP-2019 scale.
Assumed retirement:	Immediate as all are retired.
Survivors benefits:	The actuarial liability and projected pension payments include provision for these benefits based on actual spouse ages and benefit form elected. It was assumed that all policemen without wives will name beneficiaries for special 10-year annuity benefits.
Escalation:	To adjust for the PBF and FRF escalation provisions, the projected figures include estimated annual increases for pensioners (excluding survivors) based on plan provisions and an assumed active pay increase of 2.5% per year. For RAF, the table of projected annual benefits makes no provision for future escalation.

Plan Changes

There were changes to mortality from the previous valuation.

Funding Policy

The City's funding policy is to make contributions equal to the benefit payments for the year. The Plan is unfunded.

C. City of Hartford 415(m) Fund

Plan Description

The Plan is administered by the City and was adopted by the Court of Common Council on March 24, 1997. The Plan was established to fund that portion of certain retirees' pension benefits that exceeded the limits permitted under Section 415 of the Federal Internal Revenue Code.

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Actuarial Assumptions and Benefits Provided

The total pension liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions that were projected forward to the measurement date of June 30, 2020:

Investment rate of return:	2.21%
Inflation:	2.50%
Mortality basis:	RP-2014 fully projected (projected to the year of decrement), with separate male and female tables and separate rates for annuitants and non-annuitants, with occupational adjustment.
	Mortality improvement based on MP-2019 scale.
Assumed retirement	Immediate as all are retired.

Plan Changes

There were no significant plan changes since the last valuation.

Funding Policy

The City's funding policy is to make contributions equal to the benefit payments for the year. The Plan is unfunded.

D. City Pension Plans - Combining Information and Financial Statements

The City MERF, RAF/PBF/FRF and 415(m) Plan is considered to be part of the City of Hartford's financial reporting entity and is included in the City's financial statements as a pension trust fund. Individual stand-alone statements are not issued.

As of the actuarial valuation date, July 1, 2019, membership in the City pension plans consisted of:

	(not rounded)		
	<u>City MERF</u>	<u>RAF/PBF/FRF</u>	<u>415(m)</u>
Retirees and beneficiaries currently receiving benefits	3,193	37	6
Active members	2,110		
Inactive plan members entitled to but not yet receiving benefits	<u>264</u>		
Total	<u><u>5,567</u></u>	<u><u>37</u></u>	<u><u>6</u></u>

Summary of Significant Accounting Policies

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting. Employee contributions are recognized as revenues in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

Investments

Investment Policy

The pension plan's policy in regard to the allocation is established and may be amended by the City Retirement Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. See allocation below.

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The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and the best estimates of arithmetic real rates of return for each major asset class as of June 30, 2020 are summarized in the following tables:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Weighted</u>
Cash	2.00 %	0.00 %	0.00 %
Large cap equities	13.00	4.50	0.59
Small/mid cap equities	6.00	4.75	0.29
Int'l equities (unhedged)	11.00	4.75	0.52
Int'l sm cap equities (unhedged)	3.00	5.00	0.15
Emerging int'l equities	4.00	6.25	0.25
Emerging int'l sm cp equities	4.00	6.50	0.26
Private equity	9.00	8.15	0.73
TIPS	4.00	1.00	0.04
Core bonds	4.00	1.37	0.05
High-yield bonds	2.00	3.50	0.07
EMD (external)	3.00	3.25	0.10
EMD (local currency)	3.00	3.75	0.11
Opportunistic credit	3.00	1.45	0.04
Absolute return fixed income	3.00	0.91	0.03
private debt	4.00	5.11	0.20
long govt/credit	2.00	2.14	0.04
Midstream energy	2.00	4.50	0.09
Core real estate	3.00	3.25	0.10
Non-core real estate	4.00	4.25	0.17
Private real assets - energy / metals	3.00	6.50	0.20
Hedge funds	5.00	3.76	0.19
Invesco GTR	3.00	2.08	0.06
Total Allocation	<u>100.00 %</u>		4.28 %
Long-term inflation expectation			<u>2.50 %</u>
Long-term Expected Normal Return			<u>6.78 %</u>

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Money-Weighted Rate of Return

For the year ended June 30, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 2.07%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changes in amounts actually invested.

Discount Rate Calculation

The discount rate used to measure the total pension liability at June 30, 2020 was as follows:

	<u>City MERF</u>	<u>RAF/PBF/FRF</u>	<u>415(m)</u>
Discount Rate	7.25%	2.21%	2.21%

The long-term expected rate of return on investments may be used to discount liabilities to the extent that the plan’s fiduciary net position and future contributions are projected to be sufficient to cover expected benefit payments and administrative expenses for current plan members. Projections of the plan’s fiduciary net position incorporate all cash flows for contributions from the employer and employee and administrative expenses.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Net Pension Liability of the City

The components of the net pension liability of the City at June 30, 2020 are as follows:

	<u>City MERF</u>	<u>RAF/PBF/FRF</u>	<u>415(m)</u>
Total pension liability	\$ 1,511,196	\$ 1,926	\$ 154
Fund fiduciary net position	<u>1,010,727</u>		
Net Pension Liability	<u>\$ 500,469</u>	<u>\$ 1,926</u>	<u>\$ 154</u>

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Changes in Net Pension Liability

	City MERF		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2019	\$ 1,484,433	\$ 1,049,258	\$ 435,175
Changes for the year:			
Service cost	18,886		18,886
Interest on total pension liability and actual experience	106,620		106,620
Changes in assumptions	14,644		14,644
Employer contributions		46,602	(46,602)
Member contributions		13,647	(13,647)
Net investment income		21,068	(21,068)
Benefit payments, including refund to employee contributions	(117,332)	(117,332)	-
Administrative expenses		(2,516)	2,516
Net changes	<u>26,763</u>	<u>(38,531)</u>	<u>65,294</u>
Balances as of June 30, 2020	\$ <u>1,511,196</u>	\$ <u>1,010,727</u>	\$ <u>500,469</u>

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	RAF/PBF/FRF		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2019	\$ 1,678	\$ -	\$ 1,678
Changes for the year:			
Interest on total pension liability	54		54
Differences between expected and actual experience	339		339
Changes in assumptions	133		133
Employer contributions		278	(278)
Benefit payments, including refund to employee contributions	(278)	(278)	-
Net changes	248	-	248
Balances as of June 30, 2020	\$ 1,926	\$ -	\$ 1,926

	415(m)		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2019	\$ 182	\$ -	\$ 182
Changes for the year:			
Interest on total pension liability	6		6
Differences between expected and actual experience	(3)		(3)
Changes in assumptions	7		7
Employer contributions		38	(38)
Benefit payments, including refund to employee contributions	(38)	(38)	-
Net changes	(28)	-	(28)
Balances as of June 30, 2020	\$ 154	\$ -	\$ 154

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Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the current discount rate, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate, as noted below:

	City MERF		
	<u>1% Decrease to 6.25%</u>	<u>Rate 7.25%</u>	<u>1% Increase to 8.25%</u>
Net Pension Liability	\$ <u>664,157</u>	\$ <u>500,469</u>	\$ <u>362,868</u>
	RAF/PBF/FRF		
	<u>1% Decrease to 1.21%</u>	<u>Rate 2.21%</u>	<u>1% Increase to 3.21%</u>
Net Pension Liability	\$ <u>2,062</u>	\$ <u>1,926</u>	\$ <u>1,808</u>
	415(m)		
	<u>1% Decrease to 1.21%</u>	<u>Rate 2.21%</u>	<u>1% Increase to 3.21%</u>
Net Pension Liability	\$ <u>159</u>	\$ <u>154</u>	\$ <u>148</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the City recognized pension expense (revenue) as follows:

City MERF	\$ 82,800
RAF/PBF/FRF	526
415(m)	<u>9</u>
Total	<u>\$ 83,335</u>

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At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>City MERF</u>	<u>RAF/PBF/FRF</u>	<u>415(m)</u>	<u>Total</u>
Deferred Outflows of Resources				
Differences between expected and actual experience	\$ 13,860	\$	\$	\$ 13,860
Changes of assumptions	12,762			12,762
Net difference between projected and actual earning on pension plan investments	<u>50,109</u>			<u>50,109</u>
Total	<u>\$ 76,731</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,731</u>
Deferred Inflows of Resources				
Changes of assumptions	<u>\$ 1,590</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,590</u>
Total	<u>\$ 1,590</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,590</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>City MERF</u>	<u>RAF/PBF/FRF</u>	<u>415(m)</u>	<u>Total</u>
2020	\$ 19,328	\$	\$	\$ 19,328
2021	25,736			25,736
2022	18,360			18,360
2023	<u>11,717</u>			<u>11,717</u>
	<u>\$ 75,141</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,141</u>

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The combining financial statements for the City pension plans are as follows:

	Pension Trust Funds				Total
	Municipal Employees' Retirement Fund	Retirement Allowance Fund	Fireman's Relief Fund	Police Benevolent Fund	
Assets:					
Cash and cash equivalents	\$ 57,928	\$ _____	\$ _____	\$ _____	\$ 57,928
Investments, at fair value:					
U.S. government agencies	56,577				56,577
U.S. government securities	10,424				10,424
Corporate bonds	51,042				51,042
Foreign bonds	2,358				2,358
Municipal bonds	1,536				1,536
Alternative investments	222,045				222,045
Common and collective trusts	327,257				327,257
Land	5,000				5,000
Real estate funds	62,749				62,749
Equities	228,613				228,613
Total investments	<u>967,601</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>967,601</u>
Receivables					
Accounts	<u>9,267</u>				<u>9,267</u>
Total assets	<u>1,034,796</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,034,796</u>
Liabilities:					
Accounts payable	<u>24,069</u>				<u>24,069</u>
Net Position:					
Restricted for Pension Benefits	<u>\$ 1,010,727</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,010,727</u>

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	Pension Trust Funds				
	Municipal Employees' Retirement Fund	Retirement Allowance Fund	Fireman's Relief Fund	Police Benevolent Fund	Total
Additions:					
Contributions:					
Employer - ARC	\$ 46,602	\$ 18	\$ 59	\$ 201	\$ 46,880
Plan members	13,647				13,647
Total contributions	<u>60,249</u>	<u>18</u>	<u>59</u>	<u>201</u>	<u>60,527</u>
Investment earnings:					
Net increase in fair value of investments	15,041				15,041
Interest and dividends	12,489				12,489
Total investment earnings	27,530	-	-	-	27,530
Less investment expenses:					
Investment management fees	6,462				6,462
Net investment income	21,068	-	-	-	21,068
Total additions	<u>81,317</u>	<u>18</u>	<u>59</u>	<u>201</u>	<u>81,595</u>
Deductions:					
Benefits	117,332	18	59	201	117,610
Administration	2,516				2,516
Total deductions	<u>119,848</u>	<u>18</u>	<u>59</u>	<u>201</u>	<u>120,126</u>
Change in net position	(38,531)	-	-	-	(38,531)
Net Position at Beginning of Year	<u>1,049,258</u>	-	-	-	<u>1,049,258</u>
Net Position at End of Year	<u>\$ 1,010,727</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,010,727</u>

F. Pension Plan - State of Connecticut Municipal Employees' Retirement System (CMERS)

Plan Description

All full-time employees participate in the Municipal Employees' Retirement System (MERS). MERS is a cost-sharing multiple-employer public employee retirement system established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits to employees of participating municipalities. Chapters 7-425 to 7-451 of the State of Connecticut General Statutes, which can be amended by legislative action, establishes MERS benefits, member contribution rates and other plan provisions. MERS is considered to be part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports can be obtained at www.ct.gov.

Benefit Provisions

The plan provides retirement, disability and death benefits and annual cost-of-living adjustments to plan members and their beneficiaries. Employees are eligible to retire at age 55 with 5 years of continuous service, or 15 years of active aggregate service or 25 years of aggregate service. In addition, compulsory retirement is at age 65 for police and fire members. Employees under the age of 55 are eligible to retire with 25 years of service.

Normal Retirement (not rounded)

For members not covered by social security, retirement benefits are calculated as 2% of the average of the three highest paid years of service times the years of service. For members covered by social security, retirement benefits are calculated as 1½% of the average of the three highest paid years of service not in excess of the year's breakpoint plus 2% of average of the three highest paid years of service in excess of the year's breakpoint, times years of service. The year's breakpoint is defined as \$10,700 increased by 6.0% each year after 1982, rounded to the nearest multiple of \$100. Maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually.

Early Retirement

Members must have 5 years of continuous or 15 years of active aggregate service. Benefits are calculated as a service retirement allowance on the basis of the average of the three highest paid years of service to the date of termination. Benefits are deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Disability Retirement - Service Connected

This applies to employees who are totally and permanently disabled and such disability has arisen out of and in the course of employment with the municipality. Disability due to heart and hypertension in the case of fire and police, who began employment prior to July 1, 1996, is presumed to have been suffered in the line of duty. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability with a minimum benefit (including worker's compensation benefits) of 50% of compensation at the time of disability.

Disability Retirement - Non-Service Connected

This applies to employees who have 10 years of service and are totally and permanently disabled. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability.

Pre-Retirement Death Benefit

The plan offers a lump-sum return of contributions with interest or if vested and married, the surviving spouse will receive a lifetime benefit.

Contributions

Member

Contributions for members not covered by social security are 5% of compensation; for members covered by social security, 2¼% of compensation up to the social security taxable wage base plus 5%, if any, in excess of such base. City contributions in the year ended June 30, 2020 total \$3,130.

Employer

Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions. In addition, there is also an annual administrative fee per active and retired member.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the City reports a total liability of \$34,903 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at June 30, 2019. The actuarial assumptions used in the June 30, 2019 valuation were based on results of an actuarial experience study for the period July 1, 2012 through June 30, 2017. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2020, the City's proportion was 3.38%. The decrease in proportion from the prior year is 0.46%.

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For the year ended June 30, 2020, the City recognized pension expense of \$9,599. At June 30, 2020, the City reported deferred inflow of resources and deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,801	\$ 3,146
Changes of assumptions	9,219	
Change in proportionate share	152	1,378
City contributions after the measurement date	3,130	
Net difference between projected and actual earning on pension plan investments	<u>1,421</u>	
Total	<u>\$ 17,723</u>	<u>\$ 4,524</u>

Amounts reported as deferred outflows of resources related to City contributions after the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Amounts reported as deferred outflows and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2021	\$ 4,083
2022	2,973
2023	3,554
2024	<u>(541)</u>
	<u>\$ 10,069</u>

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement period:

Inflation	2.50%
Salary increase	3.50-10.00%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on:

RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees.

RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for Police and Fire.

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For disabled retirees, the RP-2014 Disabled Mortality Table projected with Scale BB to 2020 was used.

Future cost-of-living adjustments for members who retire on or after January 1, 2002 are 60% of the annual increase in the CPI up to 6%. The minimum annual COLA is 2.5%; the maximum is 6%.

The long-term expected rate of return on pension plan investments was determined using a statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	20.0%	5.3%
Developed market international	11.0%	5.1%
Emerging market international	9.0%	7.4%
Core fixed income	16.0%	1.6%
Inflation linked bond fund	5.0%	1.3%
Emerging market debt	5.0%	2.9%
High yield bond	6.0%	3.4%
Real estate	10.0%	4.7%
Private equity	10.0%	7.3%
Alternative investments	7.0%	3.2%
Liquidity fund	1.0%	0.9%
Total	<u>100.0%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City’s proportionate share of the net pension liability, calculated using the current discount rate, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
City’s proportionate share of the net pension liability	\$ 50,727	\$ 34,903	\$ 21,657

G. Connecticut Teachers Retirement System - Pension

Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers’ Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

Benefit Provisions

The plan provides retirement, disability and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary).

Early Retirement

Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

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Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

Contributions

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the State of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

For the year ended June 30, 2020, the amount of "on-behalf" contributions made by the State was \$43,749 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the City reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the City were as follows:

City's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the City		<u>577,962</u>
Total	\$	<u><u>577,962</u></u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. At June 30, 2020, the City has no proportionate share of the net pension liability.

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For the year ended June 30, 2020, the City recognized pension expense and revenue of \$70,984 in Exhibit II for on-behalf amounts for the benefits provided by the State.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increase	3.25-6.50%, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007 and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

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The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The current capital market assumptions and the target asset allocations as provided by the State of Connecticut Treasurer’s Office are summarized in the following table:

Asset Class	Expected Return	Target Allocation	Standard Deviation
Public Equity - US Equity	8.10 %	20.00 %	17.00 %
Public Equity - International Developed Equity	8.50	11.00	19.00
Public Equity - Emerging Markets Equity	10.40	9.00	24.00
Fixed Income - Core Fixed Income	4.60	16.00	7.00
Fixed Income - Inflation Linked Bonds	3.60	5.00	7.00
Fixed Income - High Yield	6.50	6.00	11.00
Fixed Income - Emerging Market Debt	5.20	5.00	11.00
Private Equity	9.80	10.00	23.00
Real Estate	7.00	10.00	15.00
Alternative Investments - Real Assets	8.20	4.00	17.00
Alternative Investments - Hedge Funds	5.40	3.00	7.00
Liquidity Fund	2.90	1.00	1.00
Total		<u>100.00 %</u>	

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The City’s proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued financial statements available at www.ct.gov.

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Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the City has no obligation to contribute to the plan.

H. Aggregated Pension Information

The City recognized the following amounts related to pension plans as of and for the year ended June 30, 2019:

	City					
	MERF	RAF/PBF/FRF	415(m)	CMERS	CTRS	Total
Deferred outflows of resources related to pensions	\$ 76,731	\$	\$	\$ 17,723	\$	\$ 94,454
Net pension liability	500,469	1,926	154	34,903		537,452
Deferred inflows of resources related to pensions	1,590			4,524		6,114
Pension expense (income)	82,800	526	9	9,599	70,984	163,918

12. OTHER POST-EMPLOYMENT BENEFITS

A. City and Board of Education Plans

The City, in accordance with various collective bargaining agreements, is committed to provide health and other benefits to eligible retirees and their spouses. Benefits are established and amended through negotiations between the City and the various unions representing City employees. The City pays the full cost of life insurance premiums. The percentage contribution of employees and retirees for medical benefits are negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts towards the cost of receiving benefits under the City’s self-insured medical benefits program. The City provides post-retirement benefits through a single-employer defined benefit plan. The post-retirement plan does not issue stand-alone financial reports.

The number of participants as of June 30, 2020 was as follows:

	(not rounded)		
	City	Board of Education	Total
Active Employees	1,463	3,097	4,560
Retired Employees	1,657	221	1,878
	<u>3,120</u>	<u>3,318</u>	<u>6,438</u>

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Investments

Investment Policy

The OPEB plan’s policy in regard to the allocation of invested assets is established and may be amended by the OPEB Committee which is comprised of the voting members of the Pension Commission together with the City Treasurer, who serves as Secretary, as well as the Mayor and the Superintendent or their designees. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan.

Funding Policy

The City continues the commitment to meet its obligations for post-employment benefits for retirees entitled to receive benefits through the annual General Fund budget process. The obligations of the plan members are established pursuant to applicable collective bargaining and employment agreements. The City currently contributes to the plan on a pay-as-you-go basis to satisfy current obligations and, when able, contributes to future benefits. The costs of administering the plan are paid by the City.

Money-Weighted Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended June 30, 2020, the annual money-weighted rate of return on investments, net of investment expense, was as follows:

City	-5.28%
Board of Education	0.72%

Net OPEB Liability of the City

The City’s net OPEB liability was measured as of June 30, 2020. The components of the net OPEB liability of the City at June 30, 2020, were as follows:

	<u>City</u>	<u>Education</u>	<u>Total</u>
Total OPEB liability	\$ 398,165	\$ 42,174	\$ 440,339
Plan fiduciary net position	<u>2,740</u>	<u>20,117</u>	<u>22,857</u>
Net OPEB Liability	<u>\$ 395,425</u>	<u>\$ 22,057</u>	<u>\$ 417,482</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.69%	47.70%	5.19%

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Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date:	7/1/2019
Actuarial cost method:	Entry age normal (level percentage of salary)
Investment rate of return:	City - 2.21%, net of investment related expense BOE – 7.25%, net of investment related expense
Inflation:	2.50%
Mortality:	City Plan - Fire and Police - RP-2014 adjusted to 2006 blue collar mortality table projected to valuation date with scale MP-2019 All Others - RP-2014 Adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2019
Disabled Mortality:	City Plan - Fire and Police - RP-2014 Adjusted to 2006 disabled retiree mortality table with scale MP-2019 All Others - N/A
Mortality Improvement:	Projected to date of decrement using Scale MP-2019 (generational).

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2010 through June 30, 2015 for all groups except Local 1716, Local 566 and BOE Certified. The actuarial assumptions used in the valuation for Local 1716, Local 566 and BOE Certified were based on assumptions used by the State of Connecticut Municipal Employee Retirement System actuaries, the Connecticut State Teachers' Retirement System actuaries, where applicable and input from the plan sponsor.

For the City Plan and the BOE Plan, the July 1, 2019 valuation reflects changes in assumptions related to mortality improvement scale, retirement and withdrawal rates for Local 1716 (City plan), retirement and withdrawal rates for Local 566 (BOE Plan), investment rate of return, inflation, and healthcare cost trend rates.

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Rate of Return

The long-term expected rate of return on OPEB plan investments was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Best estimated of the real rates of return for each major asset class are included in the OPEB plan's target asset allocation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2020, and the final investments return assumption for the BOE plan, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Weighting</u>
Large Cap Equities	30.00 %	4.20 %	1.26 %
Int'l Equities (Unhedged)	20.00	4.50	0.90
Core Bonds	20.00	0.90	0.18
High-Yield Bonds	5.00	3.10	0.16
EMD (External)	5.00	3.10	0.16
Real Assets	10.00	4.20	0.42
Cash	10.00	-0.10	-0.01
Total Allocation	<u>100.00 %</u>		<u>3.07</u>
Long Term Inflation Expectation			<u>2.50 %</u>
			<u>5.57</u>

Discount Rate

The discount rate used to measure the total OPEB liability for the City and the BOE was 2.21% and 7.25%, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City/BOE contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Also, based on the net position of the plans and contribution policies, it was assumed the plan's projected fiduciary net position would be sufficient to cover projected benefit payments and administrative expenses indefinitely. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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Changes in the Net OPEB Liability

City Plan	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2019	\$ 430,906	\$ 2,642	\$ 428,264
Changes for the year:			
Service cost	6,211		6,211
Interest on total OPEB liability	15,127		15,127
Change in benefit terms	(8,095)		(8,095)
Differences between expected and actual experience	(98,041)		(98,041)
Changes in assumptions	64,484		64,484
Employer contributions		12,427	(12,427)
Member contributions		243	(243)
Net investment income		(145)	145
Benefit payments	(12,427)	(12,427)	-
Net changes	(32,741)	98	(32,839)
Balances as of June 30, 2020	\$ 398,165	\$ 2,740	\$ 395,425

Changes in assumptions within the fiscal year were attributable to a change in the mortality improvement scale, retirement and withdrawal rates for Local 1716, investment rate of return, inflation and healthcare cost trend rate.

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BOE Plan	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2018	\$ 41,780	\$ 19,974	\$ 21,806
Changes for the year:			
Service cost	722		722
Interest on total OPEB liability	3,096		3,096
Differences between expected and actual experience	(2,864)		(2,864)
Changes in assumptions	1,946		1,946
Employer contributions		2,093	(2,093)
Contributions - TRB subsidy		441	(441)
Net investment income		142	(142)
Benefit payments	(2,506)	(2,506)	-
Administrative expenses		(27)	27
Net changes	394	143	251
Balances as of June 30, 2019	\$ 42,174	\$ 20,117	\$ 22,057

Changes in assumptions within the fiscal year were attributable to a change in the mortality improvement scale, retirement and withdrawal rates for Local 566, investment rate of return, inflation and healthcare cost trend rate.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City and the BOE, as well as what the City's and the BOE's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	1.21%	2.21%	3.21%
Net OPEB Liability - City	\$ 458,162	\$ 395,425	\$ 348,229
		Current Discount Rate	
	1% Decrease	Rate	1% Increase
	6.25%	7.25%	8.25%
Net OPEB Liability - BOE	\$ 26,349	\$ 22,057	\$ 18,331

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Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City and the BOE, as well as what the City's and the BOE's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease (5.50% Decreasing to 3.50%)	Healthcare Cost Trend Rates (6.50% Decreasing to 4.50%)	1% Increase (7.50% Decreasing to 5.50%)
Net OPEB Liability - City	\$ <u>343,878</u>	\$ <u>395,425</u>	\$ <u>463,446</u>
	1% Decrease (5.50% Decreasing to 3.50%)	Healthcare Cost Trend Rates (6.50% Decreasing to 4.50%)	1% Increase (7.50% Decreasing to 5.50%)
Net OPEB Liability - BOE	\$ <u>17,860</u>	\$ <u>22,057</u>	\$ <u>26,975</u>

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OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the City recognized OPEB expense of \$33,210, \$30,641 for the City Plan and \$2,569 for the BOE Plan. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
City Plan:		
Differences between expected and actual experience	\$ 64,484	\$ 83,874
Changes of assumptions	67,814	6,860
Net difference between projected and actual earnings on OPEB plan investments	262	
BOE Plan:		
Differences between expected and actual experience	2,329	2,645
Changes of assumptions	2,165	
Net difference between projected and actual earnings on OPEB plan investments	<u>1,522</u>	
Total	<u>\$ 138,576</u>	<u>\$ 93,379</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>City Plan</u>	<u>BOE Plan</u>
2021	\$ 17,739	\$ 664
2022	17,738	663
2023	15,743	523
2024	(2,469)	471
2025	(5,327)	200
Thereafter	<u>(1,598)</u>	<u>850</u>
Total	<u>\$ 41,826</u>	<u>\$ 3,371</u>

CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(in thousands)

The following schedules present the net position held in trust for OPEB benefits at June 30, 2020 and the changes in net position for the year ended:

	Statement of Net Position
	<u> </u>
Assets:	
Cash and cash equivalents	\$ 3,288
Investments, at fair value:	
Mutual funds	13,008
Equities	<u>6,563</u>
Total investments	<u>19,571</u>
Total assets	<u>22,859</u>
Liabilities:	
Accounts payable	<u>2</u>
Net Position:	
Restricted for OPEB Benefits	<u><u>\$ 22,857</u></u>

CITY OF HARTFORD, CONNECTICUT
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	Statement of Changes in Net Position
Additions: Contributions: Employer Plan members Total contributions Investment earnings: Net increase in fair value of investments Interest and dividends Total investment earnings Less investment expenses: Investment management fees Net investment income Total additions Deductions: Benefits Administration Total deductions Change in net position Net Position at Beginning of Year Net Position at End of Year	\$ 14,520 684 <u>15,204</u> (324) 453 <u>129</u> 8 <u>121</u> <u>15,325</u> 14,934 150 <u>15,084</u> 241 <u>22,616</u> <u>\$ 22,857</u>

B. Other Post Employment Benefit - Connecticut State Teachers Retirement Plan

Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools plus professional employees at State Schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other post-employment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at www.ct.gov/trb.

Benefit Provisions (not in thousands)

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option, must wait two years to re-enroll.

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

Eligibility (not in thousands)

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

Credited Service

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, State employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

**CITY OF HARTFORD, CONNECTICUT
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(in thousands)

Normal Retirement

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

Early Retirement

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

No service requirement if incurred in the performance of duty, and 5 years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

Contributions (not in thousands)

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the State. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the State will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

For the year ended June 30, 2020, the amount of "on-behalf" contributions made by the State was \$1,195,687 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers pay for one-third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one-third of the plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(in thousands)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, the City reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the City was as follows:

City's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the City	<u>90,136</u>
Total	<u>\$ 90,136</u>

The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2018. At June 30, 2020, the City has no proportionate share of the net OPEB liability.

For the year ended June 30, 2020, the City recognized OPEB expense and revenue of \$(6,596) in Exhibit II for on-behalf amounts for the benefits provided by the State.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Health care costs trend rate	
Pre-Medicare	5.95% decreasing to 4.75% by 2025
Medicare	5.00% decreasing to 4.75% by 2028
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2019

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

**CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(in thousands)**

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.41%).

Discount Rate

The discount rate used to measure the total OPEB liability was 3.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. No future State contributions were assumed to be made. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2019 and, as a result, the Municipal Bond Index Rate was used in the determination.

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate

The City's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the health care cost trend rate or the discount rate would only impact the amount recorded by the State of Connecticut.

Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the City has no obligation to contribute to the plan. Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at www.ct.gov.

13. CONTINGENCIES, COMMITMENTS AND RISK MANAGEMENT

A. Litigation

The City, its officers and employees, are defendants in various lawsuits including personal injury, property damage, civil rights violations and other miscellaneous claims. The City is insured for damages (see section C. below). Judgments or settlements for less than the deductible are paid from the General Fund. Corporation Counsel expects that none of the cases currently in litigation, if adversely decided would have a material negative impact on the finances of the City. The City has recorded \$2.5 million in the government-wide financial statement to cover probable claims.

B. Contingencies

The City participates in various federal and state grant programs. These programs are subject to program compliance audits pursuant to the Federal and State Single Audit Acts. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City anticipates such amounts, if any, to be immaterial.

C. Contractual Commitments

On July 1, 2017, the City extended an existing service agreement with the Materials Innovation and Recycling Authority (MIRA), for which there is an estimated service fee of \$2.1 million per year for ten years of solid waste processing. The service fee is subject to annual revision based on the net cost of operating the facility.

D. Risk Management (not rounded)

The City has established a risk management program to account for and finance its uninsured risk of loss for employee benefits (including comprehensive life, hospital and major medical benefits), workers' compensation, and liability and property damage. Under this program, primary coverage is provided by the city up to a maximum of \$500,000 in health insurance claims for each individual per claim year, a \$2.0 million self-insurance retention for workers' compensation claims for the City (\$1.0 million for the BOE and Library), \$500,000 self-insurance retention for auto and general liability claims as well as public officials' claims, \$100,000 self-insurance retention for property damage claims. Each of these self-insurance programs was established by Council Ordinance and accounted for in an Internal Service Fund to account for and report on the City's total costs associated with risk management. The General Fund makes monthly payments to the Internal Service Fund based on amounts budgeted as necessary to meet all current and a portion of future claims and administrative expenses. In addition, the City Treasurer and Pension Commission are covered by fiduciary liability insurance.

The City purchases insurance for all legal liabilities in excess of a \$500,000 self-insured retention and public officials' liability in excess of a \$500,000 deductible. All City property is insured for fire and extended coverage with a \$100,000 deductible. Certain settled claims have exceeded the self-insured retention amounts in any one year, but no claims have exceeded the commercial coverage in the past three years.

Workers' compensation salary continuation, if applicable, is initially paid from the employee's respective department budget after which statutory compensation payment is administered by PMA Companies, the City's workers' compensation third-party administrator.

CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(in thousands)

Claims Payable

The General Fund makes payments to the Self Insurance Fund based on actuarial or underwriting estimates of the amounts needed to pay current-year claims, additional estimated losses on current claims, and amount to cover incurred but not reported claims and administrative expenses. The claims liability of \$37,130, reported in the fund at June 30, 2020, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Fund’s claims liability amount in fiscal years 2020 and 2019 were:

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>End of Fiscal Year Liability</u>
Self -Insurance Fund				
2018-2019	\$ 37,443	\$ 91,520	\$ 91,833	\$ 37,130
2019-2020	37,130	70,592	72,484	35,238

14. FISCAL AGENT AGREEMENT

During the year, three major taxpayers in the City entered into an agreement with the City (the Agreement), dated June 12, 2018, whereby they committed to contribute \$50,000 over a period of five years, as part of a comprehensive sustainable response to the City’s fiscal challenges for the purpose of supporting the City’s public libraries, public safety, and public recreation.

Two taxpayers contribute their funds directly to the City while the third taxpayer uses a public foundation that will act as the City’s fiscal agent to receive and hold the contributed funds and to disburse such funds to the City, consistent with the charitable purposes of the foundation and the terms of the agreement.

The agreement is subject to certain terms and conditions and may be terminated should the foundation deem that the funds are for any purpose other than the purposes as described above.

15. CONTRACT ASSISTANCE AND MUNICIPAL OVERSIGHT

In December 2017, the City of Hartford requested Tier III designation under the State of Connecticut Municipal Accountability Review Board (MARB) in order to access additional tools in achieving long term fiscal sustainability in exchange for significant accountability and oversight. The City was approved as a Tier III municipality in 2018. As a Tier III municipality under MARB oversight, the City is required to submit and present at a public meeting monthly financial reports to ensure the City is operating with fiscal diligence in conformity with the annual budget and broader financial plan. The City’s General Fund recommended budget must be reviewed by the MARB on an annual basis and the revenue assumptions must be approved by the MARB. Any union tentative agreements must also be reviewed by the MARB.

CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020
(in thousands)

In addition, during March 2018 the City entered into a Contract Assistance Agreement with the State of Connecticut to service the approximately \$540 million in current general obligation debt service until such debt was retired. This agreement is backed by the full faith and credit of the State of Connecticut. As part of this agreement, the City of Hartford is subject to considerable financial oversight and is precluded from going into the bond market for at least the next five years. There are also limitations on the issuance of new debt for a ten-year period following the end of MARB oversight. Under the contract assistance agreement, the City must fully fund the Municipal Employee Retirement Fund (MERF) actuarially determined employer contribution (ADEC), is precluded from accumulating general fund operating deficits above 1% or more of general fund revenue per the most recently completed fiscal year's independent audit or has an operating general fund deficit 1.5% or greater of average general fund revenue over two consecutive years, or has a cumulative unassigned fund balance deficit of 1.5% or more of its general fund revenues and operating transfers in. Lack of compliance with such requirements would trigger a default, thus placing the City in Tier IV full oversight.

The City provided a 5-year Municipal Recovery Plan to the MARB in March 2018, comprised of revenue and expenditures assumptions, contract assistance for debt service, labor concessions, economic development goals and initiatives to generate grand list growth, as well as revenue and expenditure initiatives, the combination of which provided a pathway to fiscal balance. Such plan required the City to shift to a Pay-As-You-Go Capital Improvement Program, whereby the capital expenditure program is funded primarily from the General Fund. Such plan was reviewed in detail by the full MARB and a subcommittee thereof and approved in June 2018. The City submits an updated Municipal Recovery Plan annually in concert with the Mayor's Recommended General Fund Budget.

16. CORONAVIRUS (COVID-19)

On January 30, 2020, the World Health Organization declared the coronavirus to be a public health emergency. On March 10, 2020, the Governor of the State of Connecticut declared a public health emergency and a civil preparedness emergency due to COVID-19.

The City derives a significant portion of its revenues from property taxes. While the City has not experienced any significant increase in the amount of delinquency from its taxpayers, the situation creates uncertainty about the impact of future revenues that might be generated. In addition, at this time, it is uncertain what the effects of the pandemic will be on the City's health care costs, changes in interest rates, investment valuation and the future federal or state fiscal relief.



Required Supplementary Information

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF GENERAL FUND REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Property Tax:				
Current year's levy	\$ 272,220	\$ 272,220	\$ 269,681	\$ (2,539)
Levy of prior years	6,350	6,350	4,154	(2,196)
Interest and liens	4,500	4,500	4,793	293
Proceeds from lien sales	500	500	538	38
Total general property tax	<u>283,570</u>	<u>283,570</u>	<u>279,166</u>	<u>(4,404)</u>
Other Local Taxes:				
Current year's levy	<u>1,200</u>	<u>1,200</u>	<u>1,246</u>	<u>46</u>
Licenses, Permits, Fees and Other:				
Street use	<u>17</u>	<u>17</u>	<u>10</u>	<u>(7)</u>
Business Licenses:				
Health licenses	312	312	136	(176)
Police and protection licenses	73	73	37	(36)
Professional and occupational licenses	5	5	4	(1)
Total business licenses	<u>390</u>	<u>390</u>	<u>177</u>	<u>(213)</u>
Non-Business Licenses and Permits:				
Building structure and equipment permits	5,499	5,499	5,789	290
Other non-business licenses and permits	134	134	444	310
Total business licenses	<u>5,633</u>	<u>5,633</u>	<u>6,233</u>	<u>600</u>
Total licenses, permits, fees and other	<u>6,040</u>	<u>6,040</u>	<u>6,420</u>	<u>380</u>
Fines, Forfeits and Penalties	<u>190</u>	<u>190</u>	<u>159</u>	<u>(31)</u>
Revenue From Use of Money and Property:				
Income from investments	2,905	2,905	2,418	(487)
Income from use of property	498	498	397	(101)
Income from development properties	600	600	546	(54)
Total revenue from use of money and property	<u>4,003</u>	<u>4,003</u>	<u>3,361</u>	<u>(642)</u>
Intergovernmental Revenue:				
State of Connecticut:				
Education	188,744	188,744	187,839	(905)
Housing	5	5	4	(1)
Public works	1,193	1,193	1,191	(2)
Elderly services			16	16
Payment in lieu of taxes	58,386	58,386	58,285	(101)
Shared taxes	250	250	153	(97)
Other	11,002	11,002	11,014	12
Total intergovernmental revenue	<u>259,580</u>	<u>259,580</u>	<u>258,502</u>	<u>(1,078)</u>
Charges for Services:				
General government:				
Recording legal instruments	334	334	294	(40)
All other	1,007	1,007	1,487	480
Total general government	<u>1,341</u>	<u>1,341</u>	<u>1,781</u>	<u>440</u>
Public Safety:				
Police charges:	10	10	4	(6)
Fire protection services	267	267	134	(133)
Total public safety	<u>277</u>	<u>277</u>	<u>138</u>	<u>(139)</u>

(Continued on next page)

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF GENERAL FUND REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Works:				
Highways and streets	\$ 1	\$ 1	\$ 1	\$ -
Sanitation	94	94	95	1
Total public works	95	95	96	1
Other:				
Health	19	19	5	(14)
Miscellaneous	36	36	22	(14)
Total other	55	55	27	(28)
Total charges for services	1,768	1,768	2,042	274
Reimbursements:				
Other	64	64	8	(56)
Reimbursements from other funds	72	72	101	29
Total reimbursements	136	136	109	(27)
Other Revenues:				
Settlements	3	3	0	(3)
Miscellaneous	236	236	203	(33)
Total other revenues	239	239	203	(36)
Other Financing Sources:				
Transfers in from other funds:				
Capital improvement fund	115	115	57	(58)
Revenue from Hartford parking authority	2,696	2,696	2,171	(525)
Downtown North (DONO)	994	994	1,083	89
Special police services	2,750	2,750	3,082	332
Corporate Contribution	10,000	10,000	3,333	(6,667)
Total other financing sources	16,555	16,555	9,726	(6,829)
Total	\$ 573,281	\$ 573,281	560,934	\$ (12,347)
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf pension contributions to the State Teachers' Retirement System for City teachers are not budgeted			43,749	
State of Connecticut on-behalf OPEB contributions to the State Teachers' Retirement System for City teachers are not budgeted			1,196	
State of Connecticut contract assistance agreement			45,667	
Effect of GASB Statement No. 54			7,434	
Amount Available from Current Year Operations			\$ 658,980	

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government:				
Mayor	\$ 803	\$ 803	\$ 716	\$ 87
Court of Common Council	510	561	489	72
City Treasurer	471	471	382	89
Registrars of Voters	470	766	596	170
Corporation Counsel	1,552	1,552	1,264	288
Town and City Clerk	800	800	691	109
Internal Audit	514	514	510	4
Chief Operating Officer	818	818	760	58
Metro Hartford Information	3,193	3,193	3,193	-
Finance	3,803	3,803	3,765	38
Personnel	1,257	1,257	1,193	64
Office of Management and Budget	1,188	1,188	888	300
Office of Young Children	3,408	3,485	3,430	55
Total general government	<u>18,787</u>	<u>19,211</u>	<u>17,877</u>	<u>1,334</u>
Public Safety:				
Fire	34,285	34,285	33,251	1,034
Police	46,628	46,628	40,827	5,801
Emergency services and telecommunications	3,800	3,800	3,727	73
Total public safety	<u>84,713</u>	<u>84,713</u>	<u>77,805</u>	<u>6,908</u>
Infrastructure and Leisure Services:				
Public works	<u>15,595</u>	<u>15,595</u>	<u>14,076</u>	<u>1,519</u>
Development and Community Affairs:				
Development services	<u>4,020</u>	<u>4,020</u>	<u>3,642</u>	<u>378</u>
Human Services:				
Health and human services	<u>5,064</u>	<u>5,064</u>	<u>4,713</u>	<u>351</u>
Education:				
Education	<u>284,013</u>	<u>284,013</u>	<u>279,856</u>	<u>4,157</u>
Benefits and Insurance				
Benefits and insurance	<u>94,149</u>	<u>82,571</u>	<u>78,133</u>	<u>4,438</u>
Sundry:				
Debt service	16,310	22,810	24,904	(2,094)
Hartford public library	8,201	8,201	1,535	6,666
Other sundry items	42,429	47,083	42,224	4,859
Total sundry	<u>66,940</u>	<u>78,094</u>	<u>68,663</u>	<u>9,431</u>
Total	<u>\$ 573,281</u>	<u>\$ 573,281</u>	<u>544,765</u>	<u>\$ 28,516</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf pension contributions to the State Teachers' Retirement System for City teachers are not budgeted			43,749	
State of Connecticut on-behalf OPEB contributions to the State Teachers' Retirement System for City teachers are not budgeted			1,196	
State of Connecticut contract assistance agreement			45,667	
Encumbrances for purchases and commitments ordered in the previous year, that were received and liquidated in the current year are reported for financial statement reporting purposes.			8	
Encumbrances for purchases and commitments ordered but not received are reported in the in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes			(262)	
Effect of GASB Statement No. 54			<u>6,620</u>	
Amount Available from Current Year Operations			<u>\$ 641,743</u>	

CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
CITY OF HARTFORD MUNICIPAL EMPLOYEES' RETIREMENT FUND (CITY MERF) PLAN
LAST SEVEN FISCAL YEARS*
(In Thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:							
Service cost	\$ 18,886	\$ 19,594	\$ 21,250	\$ 21,934	\$ 21,995	\$ 22,612	\$ 21,954
Interest	106,620	106,170	105,620	105,283	102,350	99,934	98,033
Change in benefit terms			(627)				
Differences between expected and actual experience	3,945	18,799	4,786	6,155	18,454	(11,737)	
Changes of assumptions	14,644	3,062	(7,557)	27,543		21,176	
Benefit payments, including refunds of member contributions	<u>(117,332)</u>	<u>(116,283)</u>	<u>(112,768)</u>	<u>(108,145)</u>	<u>(101,778)</u>	<u>(98,654)</u>	<u>(93,683)</u>
Net change in total pension liability	26,763	31,342	10,704	52,770	41,021	33,331	26,304
Total pension liability - beginning	<u>1,484,433</u>	<u>1,453,091</u>	<u>1,442,387</u>	<u>1,389,617</u>	<u>1,348,596</u>	<u>1,315,265</u>	<u>1,288,961</u>
Total pension liability - ending	<u>1,511,196</u>	<u>1,484,433</u>	<u>1,453,091</u>	<u>1,442,387</u>	<u>1,389,617</u>	<u>1,348,596</u>	<u>1,315,265</u>
Plan fiduciary net position:							
Contributions - employer	46,602	44,455	44,574	37,650	43,891	42,874	42,710
Contributions - member	13,647	13,942	14,355	13,175	13,042	13,360	12,816
Net investment income	21,068	65,756	59,906	104,204	8,696	20,779	133,645
Benefit payments, including refunds of member contributions	(117,332)	(116,283)	(112,768)	(108,145)	(101,778)	(98,654)	(93,683)
Administrative expense	(2,516)	(2,487)	(2,958)	(2,653)	(2,433)	(2,715)	(2,774)
Other			9	(3,087)			
Net change in plan fiduciary net position	<u>(38,531)</u>	<u>5,383</u>	<u>3,118</u>	<u>41,144</u>	<u>(38,582)</u>	<u>(24,356)</u>	<u>92,714</u>
Plan fiduciary net position - beginning	<u>1,049,258</u>	<u>1,043,875</u>	<u>1,040,757</u>	<u>999,613</u>	<u>1,038,195</u>	<u>1,062,551</u>	<u>969,837</u>
Plan fiduciary net position - ending	<u>1,010,727</u>	<u>1,049,258</u>	<u>1,043,875</u>	<u>1,040,757</u>	<u>999,613</u>	<u>1,038,195</u>	<u>1,062,551</u>
Net Pension Liability - Ending	<u>\$ 500,469</u>	<u>\$ 435,175</u>	<u>\$ 409,216</u>	<u>\$ 401,630</u>	<u>\$ 390,004</u>	<u>\$ 310,401</u>	<u>\$ 252,714</u>
Plan fiduciary net position as a percentage of the total pension liability	66.88%	70.68%	71.84%	72.16%	71.93%	76.98%	80.79%
Covered payroll	\$ 147,709	\$ 145,103	\$ 141,067	\$ 144,122	\$ 151,305	\$ 144,227	\$ 144,648
Net pension liability as a percentage of covered payroll	338.82%	299.91%	290.09%	278.67%	257.76%	215.22%	174.71%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule:

Assumption Changes:

2020:

Investment rate of return - 7.25%; Prior Valuation: 7.375%

Mortality improvement is based on the Scale MP-2019; Prior Valuation: Scale MP-2018

CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
RAF/PBF/FRF PLAN
LAST SEVEN FISCAL YEARS*
(In Thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:							
Interest	\$ 54	\$ 68	\$ 122	\$ 119	\$ 228	\$ 218	\$ 238
Change in benefit terms							
Differences between expected and actual experience	339	7	(1,264)	(134)	(1,124)	(229)	
Changes of assumptions	133	29	(117)	(671)	414	587	
Benefit payments, including refunds of member contributions	<u>(278)</u>	<u>(356)</u>	<u>(452)</u>	<u>(525)</u>	<u>(660)</u>	<u>(755)</u>	<u>(837)</u>
Net change in total pension liability	248	(252)	(1,711)	(1,211)	(1,142)	(179)	(599)
Total pension liability - beginning	<u>1,678</u>	<u>1,930</u>	<u>3,641</u>	<u>4,852</u>	<u>5,994</u>	<u>6,173</u>	<u>6,772</u>
Total pension liability - ending	<u>1,926</u>	<u>1,678</u>	<u>1,930</u>	<u>3,641</u>	<u>4,852</u>	<u>5,994</u>	<u>6,173</u>
Plan fiduciary net position:							
Contributions - employer	278	356	452	525	660	755	837
Benefit payments, including refunds of member contributions	<u>(278)</u>	<u>(356)</u>	<u>(452)</u>	<u>(525)</u>	<u>(660)</u>	<u>(755)</u>	<u>(837)</u>
Net change in plan fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-
Plan fiduciary net position - ending	-	-	-	-	-	-	-
Net Pension Liability - Ending	\$ <u>1,926</u>	\$ <u>1,678</u>	\$ <u>1,930</u>	\$ <u>3,641</u>	\$ <u>4,852</u>	\$ <u>5,994</u>	\$ <u>6,173</u>
Plan fiduciary net position as a percentage of the total pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule:

Assumption Changes:

2020:

Investment rate of return - 2.21%, net of investment-related expenses; Prior Valuation: 3.51%, net of investment-related expenses

Mortality improvement - MP-2019 scale; Prior Valuation - MP-2018 scale

CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
415(m) PLAN
LAST SEVEN FISCAL YEARS*
(In Thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:							
Interest	\$ 6	\$ 9	\$ 10	\$ 6	\$ 9	\$ 11	\$ 14
Differences between expected and actual experience	(3)	(45)		67	66	4	
Changes of assumptions	7	17	(3)	17	11	(1)	
Benefit payments, including refunds of member contributions	(38)	(45)	(58)	(73)	(79)	(79)	(87)
Net change in total pension liability	(28)	(64)	(51)	17	7	(65)	(73)
Total pension liability - beginning	182	246	297	280	273	338	411
Total pension liability - ending	<u>154</u>	<u>182</u>	<u>246</u>	<u>297</u>	<u>280</u>	<u>273</u>	<u>338</u>
Plan fiduciary net position:							
Contributions - employer	38	45	58	73	79	79	87
Benefit payments, including refunds of member contributions	(38)	(45)	(58)	(73)	(79)	(79)	(87)
Net change in plan fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position - beginning							
Plan fiduciary net position - ending	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Pension Liability - Ending	\$ <u>154</u>	\$ <u>182</u>	\$ <u>246</u>	\$ <u>297</u>	\$ <u>280</u>	\$ <u>273</u>	\$ <u>338</u>
Plan fiduciary net position as a percentage of the total pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule:

Assumption Changes:

2020:

Investment rate of return - 2.21%; Prior Valuation: 3.51%

Mortality improvement is based on the Scale MP-2019; Prior Valuation: Scale MP-2018

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CITY OF HARTFORD PENSION PLANS
LAST TEN FISCAL YEARS
(In Thousands)**

City of Hartford Municipal Employees' Retirement Fund (City MERF)										
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 46,602	\$ 44,455	\$ 44,574	\$ 37,650	\$ 43,891	\$ 42,874	\$ 42,710	\$ 34,338	\$ 27,600	\$ 18,846
Contributions in relation to the actuarially determined contribution	46,602	44,455	44,574	37,650	43,891	42,874	42,710	34,338	27,600	18,846
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 147,709	\$ 145,103	\$ 141,067	\$ 144,122	\$ 151,305	\$ 144,227	\$ 144,648	\$ 137,919	\$ 136,555	\$ 132,529
Contributions as a percentage of covered payroll	31.55%	30.64%	31.60%	26.12%	29.01%	29.73%	29.53%	24.90%	20.21%	14.22%

City of Hartford RAF/PBF/FRF Plan										
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 278	\$ 356	\$ 452	\$ 525	\$ 659	\$ 755	\$ 837	\$ 992	\$ 1,097	\$ 1,354
Contributions in relation to the actuarially determined contribution	278	356	452	525	659	755	837	992	1,097	1,354
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

City of Hartford 415(m) Plan										
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 38	\$ 45	\$ 58	\$ 73	\$ 79	\$ 79	\$ 87	\$ 102	\$ 121	\$ 84
Contributions in relation to the actuarially determined contribution	38	45	58	73	79	79	87	102	121	84
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Valuation date: July 1, 2019
 Measurement date: June 30, 2020
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Remaining amortization period	22 years, level dollar, closed
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increases	2.50% for inflationary salary increases
Investment rate of return	7.25%, net of investment-related and administrative expenses; 7.375% in the prior year
Retirement age	Police - 100% retire at 60, regardless of service and must be age 40 to retire; Fire - 100% retire at 30 years of service for all ages; BOE 100% retire at age 75; Municipal Services and Library - If less than 20 years of service, 100% retire at 75 or retire at 35 years of service.
Mortality	RP-2014 fully projected with separate male and female tables and separate rates for annuitants and non-annuitants with occupational adjustment
Mortality Improvement	Scale MP-2019; Prior Valuation: Scale MP-2018

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
CITY OF HARTFORD PENSION PLANS
LAST SEVEN FISCAL YEARS***

	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense							
City of Hartford MERF	2.07%	6.49%	5.97%	10.44%	.86%	2.00%	14.05%
City of Hartford RAF/PBF/FRF Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
City of Hartford 415(m) Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM (CMERS)
LAST SIX FISCAL YEARS*
(In Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability	3.38%	3.84%	7.04%	6.23%	7.80%	4.00%
City's proportionate share of the net pension liability	\$ 34,903	\$ 36,691	\$ 17,468	\$ 20,742	\$ 15,062	\$ 10,678
City's covered payroll	\$ 24,342	\$ 25,156	\$ 27,785	\$ 27,342	\$ 27,342	\$ 27,342
City's proportionate share of the net pension liability as a percentage of its covered payroll	143.39%	145.85%	62.87%	75.86%	55.09%	39.05%
Plan fiduciary net position as a percentage of the total pension liability	72.69%	73.60%	91.68%	88.29%	92.72%	90.48%

*Note: This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM (CMERS)
LAST TEN FISCAL YEARS
(In Thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined contribution	\$ 3,130	\$ 2,856	\$ 2,851	\$ 3,162	\$ 3,681	\$ 3,681	\$ 3,539	\$ 3,126	\$ 2,585	\$ 2,116
Contributions in relation to the actuarially determined contribution	<u>3,130</u>	<u>2,856</u>	<u>2,851</u>	<u>3,162</u>	<u>3,681</u>	<u>3,681</u>	<u>3,539</u>	<u>3,126</u>	<u>2,585</u>	<u>2,116</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered payroll	24,339	24,342	25,156	27,785	27,342	27,342	27,342	26,464	22,952	19,374
Contributions as a percentage of covered payroll	12.86%	11.73%	11.33%	11.38%	13.46%	13.46%	12.94%	11.81%	11.26%	10.92%

Notes to Schedule

Valuation date: June 30, 2019

Measurement date: June 30, 2019

The actuarially determined contributions are calculated as of June 30, each biennium for the fiscal years ending two and three years after the valuation date.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level dollar, closed
Single equivalent amortization period	21 years
Asset valuation method	5 years smoothed market (20% write up)
Inflation	3.25%
Salary increases	4.25% - 11%, including inflation
Investment rate of return	8%, net of investment related expense

Changes in assumptions: In 2019, the latest experience study for the System updated most of the actuarial assumptions utilized in the June 30, 2019 valuation to include: rates of inflation, real investment return mortality, withdrawal, disability, retirement and salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five year period ended June 30, 2017

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST SIX FISCAL YEARS*
(In Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
City's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	-
State's proportionate share of the net pension liability associated with the City	<u>577,962</u>	<u>445,642</u>	<u>528,969</u>	<u>558,067</u>	<u>435,145</u>	<u>401,684</u>
Total	<u>\$ 577,962</u>	<u>\$ 445,642</u>	<u>\$ 528,969</u>	<u>\$ 558,067</u>	<u>\$ 435,145</u>	<u>\$ 401,684</u>
City's covered payroll	\$ 135,090	\$ 135,085	\$ 157,332	\$ 161,604	\$ 158,736	\$ 156,312
City's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Plan Information

Changes in benefit terms

HB 7424 made the following provision changes:

- Beginning July 1, 2019, annual interest credited on mandatory contributions set at 4.0%.
- For members retiring on or after July 1, 2019 with a partial refund option election (Plan N), if 50% of the benefits paid prior to death do not exceed the Member's mandatory contributions plus interest frozen at the date of benefit commencement, the difference is paid to the Member's beneficiary.

Changes of assumptions

HB 7424 made the following assumption changes:

- Reduce the inflation assumption from 2.75% to 2.50%.
- Reduce the real rate of return assumption from 5.25% to 4.40% which, when combined with the inflation assumption change, results in a decrease in the investment rate of return assumption from 8.00% to 6.90%.
- Increase the annual rate of wage increase assumption from 0.50% to 0.75%.
- Phase in to a level dollar amortization method for the June 30, 2024 valuation.

Actuarial cost method

Entry age

Amortization method

Level percent of pay, closed

Single equivalent amortization period

17.6 years

Asset valuation method

4-year smoothed market

Inflation

2.75%

Salary increase

3.25%-6.50%, including inflation

Investment rate of return

8.00%, net of investment related expense

CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND - CITY PLAN
LAST FOUR FISCAL YEARS *
(In Thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:				
Service cost	\$ 6,211	\$ 6,468	\$ 12,913	\$ 9,297
Interest	15,127	15,628	13,535	14,072
Changes in benefit terms	(8,095)		(96,632)	
Differences between expected and actual experience	(98,041)	(2,111)	131,191	4,640
Changes of assumptions	64,484	20,523	(13,956)	51,221
Benefit payments, including refunds of member contributions	(12,427)	(13,786)	(15,981)	(14,303)
Net change in total OPEB liability	<u>(32,741)</u>	<u>26,722</u>	<u>31,070</u>	<u>64,927</u>
Total OPEB liability - beginning	430,906	404,184	373,114	308,187
Total OPEB liability - ending	<u>398,165</u>	<u>430,906</u>	<u>404,184</u>	<u>373,114</u>
Plan fiduciary net position:				
Contributions - employer	12,427	13,786	18,156	14,303
Contributions - member	243	249	170	36
Net investment income	(145)	12		
Benefit payments, including refunds of member contributions	(12,427)	(13,786)	(15,981)	(14,303)
Net change in plan fiduciary net position	<u>98</u>	<u>261</u>	<u>2,345</u>	<u>36</u>
Plan fiduciary net position - beginning	2,642	2,381	36	
Plan fiduciary net position - ending	<u>2,740</u>	<u>2,642</u>	<u>2,381</u>	<u>36</u>
Net OPEB Liability - Ending	<u>\$ 395,425</u>	<u>\$ 428,264</u>	<u>\$ 401,803</u>	<u>\$ 373,078</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.69%	0.61%	0.59%	0.01%
Covered payroll	98,930	\$ 93,221	\$ 90,726	115,952
Net OPEB liability as a percentage of covered payroll	399.70%	459.41%	442.88%	321.75%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND - BOE PLAN
LAST FOUR FISCAL YEARS *
(In Thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:				
Service cost	\$ 722	\$ 693	\$ 464	\$ 435
Interest	3,096	2,980	2,832	2,753
Changes in benefit terms			(2,223)	
Differences between expected and actual experience	(2,864)	339	2,662	333
Changes of assumptions	1,946		478	
Benefit payments, including refunds of member contributions	(2,506)	(2,516)	(2,397)	(2,310)
Net change in total OPEB liability	394	1,496	1,816	1,211
Total OPEB liability - beginning	41,780	40,284	38,468	37,257
Total OPEB liability - ending	<u>42,174</u>	<u>41,780</u>	<u>40,284</u>	<u>38,468</u>
Plan fiduciary net position:				
Contributions - employer	2,093	2,062	1,853	556
TRB subsidy	441	481	544	621
Net investment income	142	1,150	662	112
Benefit payments, including refunds of member contributions	(2,506)	(2,516)	(2,397)	(2,310)
Administrative expense	(27)	(27)	(25)	
Net change in plan fiduciary net position	143	1,150	637	(1,021)
Plan fiduciary net position - beginning	19,974	18,824	18,187	19,208
Plan fiduciary net position - ending	<u>20,117</u>	<u>19,974</u>	<u>18,824</u>	<u>18,187</u>
Net OPEB Liability - Ending	<u>\$ 22,057</u>	<u>\$ 21,806</u>	<u>\$ 21,460</u>	<u>\$ 20,281</u>
Plan fiduciary net position as a percentage of the total OPEB liability	47.70%	47.81%	46.73%	47.28%
Covered payroll	\$ 199,289	\$ 202,917	\$ 197,486	\$ 213,458
Net OPEB liability as a percentage of covered payroll	11.07%	10.75%	10.87%	9.50%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND - CITY PLAN
LAST FOUR FISCAL YEARS *
(In Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 30,485	\$ 30,154	\$ 27,025	\$ 26,583
Contributions in relation to the actuarially determined contribution	<u>12,428</u>	<u>13,786</u>	<u>18,156</u>	<u>14,303</u>
Contribution Deficiency (Excess)	<u>\$ 18,057</u>	<u>\$ 16,368</u>	<u>\$ 8,869</u>	<u>\$ 12,280</u>
Covered payroll	98,930	\$ 93,221	\$ 90,726	\$ 115,952
Contributions as a percentage of covered payroll	12.56%	14.79%	20.01%	12.34%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule

Measurement date: June 30, 2020

Valuation date: July 1, 2019

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of salary
Remaining amortization period	26 years, closed
Asset valuation method	Market Value
Inflation	2.50%
Healthcare cost trend rates	6.5% for 2019, decreasing .2% per year, to an ultimate rate of 4.50% for 2029 and later
Salary increases	2.75%
Investment rate of return	2.21%
Retirement age	Aged Base Table
Mortality	
Fire and Police	RP-2014 Mortality Table adjusted to 2006 BlueCollar projected to valuation date with Scale MP-2019.
All others	RP-2014 Mortality Table adjusted to 2006 Total Dataset projected to valuation date with Scale MP-2019.

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND - BOE PLAN
LAST FOUR FISCAL YEARS *
(In Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 2,462	\$ 2,428	\$ 1,973	\$ 1,928
Contributions in relation to the actuarially determined contribution	<u>2,093</u>	<u>2,062</u>	<u>1,853</u>	<u>556</u>
Contribution Deficiency (Excess)	<u>\$ 369</u>	<u>\$ 366</u>	<u>\$ 120</u>	<u>\$ 1,372</u>
Covered payroll	\$ 199,289	\$ 202,917	\$ 197,486	\$ 213,458
Contributions as a percentage of covered payroll	1.05%	1.02%	0.94%	0.26%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule

Measurement date: June 30, 2020

Valuation date: July 1, 2019

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of salary
Remaining amortization period	26 years, closed
Asset valuation method	Market Value
Inflation	2.50%
Healthcare cost trend rates	6.5% for 2019, decreasing .2% per year, to an ultimate rate of 4.50% for 2029 and later
Salary increases	2.75%
Investment rate of return	7.25%

Retirement age Aged Base Table

Mortality RP-2014 Mortality Table adjusted to 2006 Total Dataset projected to valuation date with Scale MP-2019.

**CITY OF HARTFORD, CONNECTICUT
 SCHEDULE OF INVESTMENT RETURNS
 OTHER POST-EMPLOYMENT BENEFITS TRUST FUND
 LAST FOUR FISCAL YEARS ***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City Plan:				
Annual money-weighted rate of return, net of investment expense	-5.28%	0.48%	0.00%	0.00%
BOE Plan:				
Annual money-weighted rate of return, net of investment expense	0.72%	6.11%	3.64%	0.59%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS RETIREMENT PLAN
LAST THREE FISCAL YEARS***

	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's proportion of the net OPEB liability	0.00%	0.00%	0.00%
City's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the City	<u>90,136</u>	<u>89,087</u>	<u>136,151</u>
Total	<u>\$ 90,136</u>	<u>\$ 89,087</u>	<u>\$ 136,151</u>
City's covered payroll	\$ 135,090	\$ 135,085	\$ 157,332
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	2.08%	1.49%	1.79%

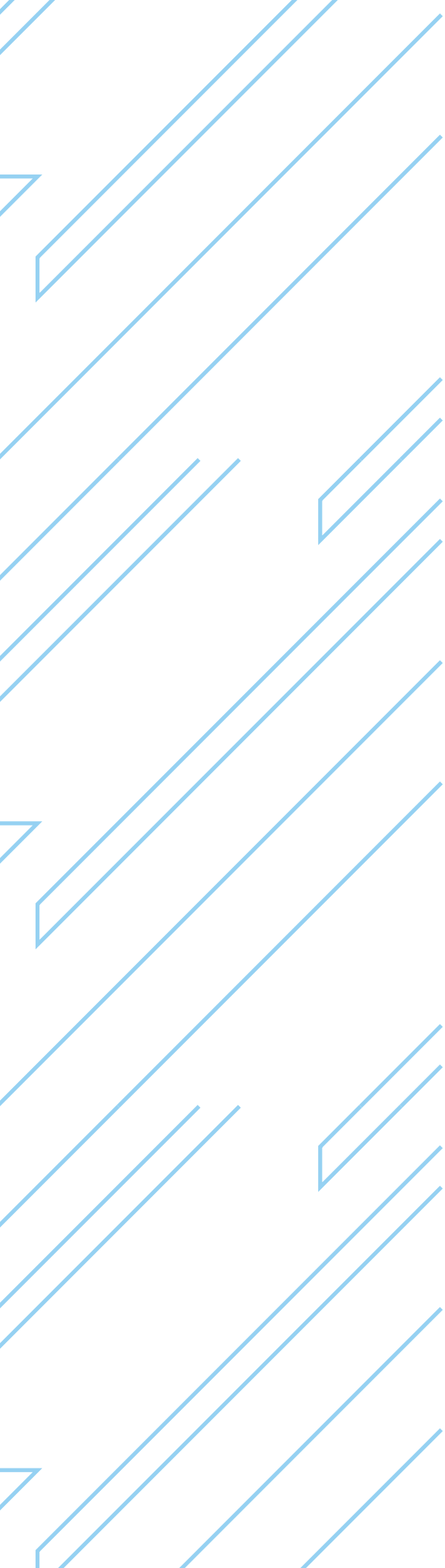
Notes to Schedule

Changes in benefit terms	The Plan was amended by the Board, effective January 1, 2019, during the September 12, 2018 meeting. The Board elected a new prescription drug plan, which is expected to reduce overall costs and allow for the Board to receive a government subsidy for members whose claims reach a catastrophic level. These changes were communicated to retired members during the months leading up to the open enrollment period that preceded the January 1, 2019 implementation date.
Changes of assumptions	Based on the procedure described in GASB 74, the discount rate used to measure Plan obligations for financial accounting purposes as of June 30, 2019 was updated to equal the Municipal Bond Index Rate of 3.50% as of June 30, 2019. Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience both before and after the plan change that became effective on July 1, 2019. The expected rate of inflation was decreased, and the real wage growth assumption was increased.
Actuarial cost method	Entry age
Amortization method	Level percent of payroll over an open period
Remaining amortization period	30 years
Asset valuation method	Market value of assets
Investment rate of return	3.00%, net of investment related expense including price inflation
Price inflation	2.75%

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.



**Combining and Individual
Fund Statements and Schedules**



General Fund

GENERAL FUND

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

CITY OF HARTFORD, CONNECTICUT
GENERAL FUND COMBINING BALANCE SHEET SCHEDULE
JUNE 30, 2020
(In Thousands)

	<u>General Fund</u>	<u>Hartford Public Library</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 71,249	\$ 673	\$ 71,922
Receivables, net	98,730	331	99,061
Due from other funds	3,212		3,212
	<u>173,191</u>	<u>1,004</u>	<u>174,195</u>
Total Assets	\$ <u>173,191</u>	\$ <u>1,004</u>	\$ <u>174,195</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts and other payables	\$ 46,479	\$ 181	\$ 46,660
Unearned revenue	208		208
Total liabilities	<u>46,687</u>	<u>181</u>	<u>46,868</u>
Deferred inflows of resources:			
Unavailable revenue - property	93,167		93,167
Unavailable revenue - other receivable	3,238		3,238
Advance property tax collections	1,100		1,100
Total deferred inflows of resources	<u>97,505</u>	<u>-</u>	<u>97,505</u>
Fund balances:			
Committed	5,680		5,680
Assigned	5,262		5,262
Unassigned	18,057	823	18,880
Total fund balances	<u>28,999</u>	<u>823</u>	<u>29,822</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u>173,191</u>	\$ <u>1,004</u>	\$ <u>174,195</u>

**CITY OF HARTFORD, CONNECTICUT
GENERAL FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)**

	<u>General Fund</u>	<u>Hartford Public Library</u>	<u>Eliminate Interfund Transfers</u>	<u>Total</u>
Revenues:				
Property taxes	\$ 280,410	\$	\$	\$ 280,410
Licenses and permits	6,579			6,579
Intergovernmental	349,114			349,114
Charges for services	2,042			2,042
Use of property	943			943
Investment income	2,418			2,418
Miscellaneous	3,647	7,434		11,081
Total revenues	<u>645,153</u>	<u>7,434</u>	<u>-</u>	<u>652,587</u>
Expenditures:				
Current:				
General government	12,916			12,916
Public safety	77,805			77,805
Public works	14,076			14,076
Development and community affairs	3,642			3,642
Human services	4,453			4,453
Education	324,546			324,546
Recreation and culture	1,364	8,155		9,519
Benefits and insurance	81,326			81,326
Other	30,668			30,668
Debt service	95			95
Total expenditures	<u>550,891</u>	<u>8,155</u>	<u>-</u>	<u>559,046</u>
Revenues over (under) Expenditures	<u>94,262</u>	<u>(721)</u>	<u>-</u>	<u>93,541</u>
Other Financing Sources (uses):				
Transfers in	6,393	1,535	(1,535)	6,393
Transfers out	(84,232)		1,535	(82,697)
Total other financing sources (uses)	<u>(77,839)</u>	<u>1,535</u>	<u>-</u>	<u>(76,304)</u>
Net Change in Fund Balances	16,423	814	-	17,237
Fund Balances at Beginning of Year	<u>12,576</u>	<u>9</u>	<u>-</u>	<u>12,585</u>
Fund Balances at End of Year	<u>\$ 28,999</u>	<u>\$ 823</u>	<u>\$ -</u>	<u>\$ 29,822</u>

CITY OF HARTFORD, CONNECTICUT
 SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
 FOR THE YEAR ENDED JUNE 30, 2020
 (In Thousands)

Grand List Year	Taxes Receivable July 1, 2019	Current Levy	Lawful Corrections		Transfers to Suspende	Adjusted Tax Levy	Collections				Taxes Receivable June 30, 2020
			Additions	Deletions			Taxes	Interest	Liens	Total	
2018	\$	\$ 290,397	\$ 13,046	\$ 19,319	\$ 1	\$ 284,123	\$ 268,568	\$ 1,103	\$ 113	\$ 269,784	\$ 15,555
2017	12,994		2,335	2,830	36	12,463	4,352	949	365	5,666	8,111
2016	7,453		113	952	43	6,571	847	762	108	1,717	5,724
2015	5,151		553	471	54	5,179	948	247	38	1,233	4,231
2014	5,062		2	228	209	4,627	431	274	30	735	4,196
2013	4,408		1	170	178	4,061	320	299	18	637	3,741
2012	3,779			112	161	3,506	280	314	11	605	3,226
2011	3,611		1	112	185	3,315	264	343	8	615	3,051
2010	3,432		1	113	161	3,159	129	102	8	239	3,030
2009	2,840			96	172	2,572	42	70	8	120	2,530
2008	2,697		1	35	167	2,496	35	67	8	110	2,461
2007	2,034			73	157	1,804	29	55	8	92	1,775
2006	1,874			34	153	1,687	18	68	6	92	1,669
2005	1,605		1	6	138	1,462	12	32	4	48	1,450
	\$ 56,940	\$ 290,397	\$ 16,054	\$ 24,551	\$ 1,815	\$ 337,025	\$ 276,275	\$ 4,685	\$ 733	\$ 281,693	\$ 60,750



Capital Improvement Fund

CAPITAL IMPROVEMENT FUND

The Capital Improvement Fund accounts for the purchase, construction or renovation of major capital assets. These activities are funded primarily from general obligation bonds and intergovernmental revenues.

CITY OF HARTFORD, CONNECTICUT
 SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
 FOR THE YEAR ENDED JUNE 30, 2020

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		
			Prior to July 1, 2019	Current Period	Cumulative Total
D1390	JOHN E ROGERS - STATE URBAN ACT GRA	1,000,000	751,906		751,906
D1632	TIGER GRANT - SPRUCE & ASYLUM	626,274	626,274		626,274
D1862	BARTHOLOMEW AV/ STORM -MDC	1,600,000	66,301	61,199	127,500
D1865	RIVERFRONT PARK WALK AND BIKE PATH	2,529,494	116,709	74,761	191,470
D1909	Main Street Streetscape OPM Grant	450,000			
D1954	COMMUNITY CONNECTIVITY GRANT PROG	400,000			
D1955	NORTH MAIN STREET STREETScape IMPRO	400,000		19,128	19,128
D1967	FEDERAL LANDS ACCESS PROGRAMS	135,000		65,484	65,484
D1987	MAIN STREET COMPLETE STREETS VISION	450,000			
D2011	MADE TO MOVE	100,000		5,757	5,757
D2091	CITYWIDE STREETScape IMP/TRAFFIC CA	5,000,000		416,104	416,104
W1509	Sidewalks	9,150	9,150		9,150
W1633	Streetscapes	2,250,000	119,760		119,760
W1637	Flood Control	1,200,000	446,059	127,743	573,802
W1646	BROAD STREET RECONSTRUCTION	2,956,100	2,632,691		2,632,691
W1710	Street Light Conversion to LED	5,000,000	1,558,061	1,437,123	2,995,184
W1723	Emerald Ash Borer Initiative	200,000	139,559	28,364	167,923
W1740	DEEP COLT PARK IMPROVEMENTS	450,000	106,925	13,650	120,575
W1741	DEEP Walter: Doc Hurley Memor	250,000	249,800		249,800
W1745	INTERSECTION IMPROVEMENTS-MAP	1,406,088	1,154,188	20,097	1,174,285
W1811	Citywide Park Signage	2,000,000	47,528	284,013	331,541
W1812	Sidewalks- Elizabeth/Co	286,988	271,416	15,571	286,987
W1813	Lighting & Sidewalks-Bu	1,000,000	51,377	37,303	88,680
W1814	Pope Park Baseball Fiel	750,000	261,994	424,967	686,961
W1817	Pond Dredging - Goodwin	2,500,000	37,091	1,496,335	1,533,426
W1818	Replace Playscapes (6)	2,000,000	1,155,687	6,113	1,161,800
W1819	Keney Park Gates and Fe	98,043	98,043		98,043
W1820	Goodwin Park Golf Course	2,500,000	150,068	237,538	387,606
W1821	Park Lighting (6)	1,100,000			

(Continued on next page)

CITY OF HARTFORD, CONNECTICUT
 SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
 FOR THE YEAR ENDED JUNE 30, 2020

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		
			Prior to July 1, 2019	Current Period	Cumulative Total
W1823	Basketball Courts (6)	450,000	272,794	136,020	408,814
W1824	Auto.Spray-Pads (13) Ir	156,380	156,380		156,380
W1827	Forest Sustainability	100,000			
W1831	LOCIP/CITY CITYWIDE ADA IMPROVEMENTS	100,000			
W1833	Milling and Paving	1,000,000		1,000,000	1,000,000
W1834	Sidewalks	490,850	30,680	61,302	91,982
W1846	Municipal Facilities Renovations	200,000	25,614	141,832	167,446
W1850	PARK STREET BRANCH LIBRARY	10,700,000	59,106	4,513,512	4,572,618
W1858	DESIGN OF COMM NETWORK	84,656	54,550		54,550
W1859	TRAFFIC CONTROLS SIGNAL	336,696	271,469	9,171	280,640
W1860	AID FLOOD CONTROL (SOU	5,000,000	263,227	104,312	367,539
W1861	QUALITY OF LIFE INITIAT	2,500,000	1,741,913	25,895	1,767,808
W1901	City Hall Fire Code Compliance	1,000,000	1,000,000		1,000,000
W1908	HPTF-COLT PARK IMPROVEMENTS	300,000		36,250	36,250
W1909	HPTF-Tree Fines & Replacement	210,000			
W1940	BOCE BARLOW WAY BRIDGE AND MAIN STR	1,715,280			
W1986	STATE DEPT ENERGY ENVIR PROTDEEP	1,000,000		52,800	52,800
W1988	COLT PARK PROJECT	750,000		374,170	374,170
W1991	STATE PROJECT 63-717 NETWORK MODS	487,668			
W1992	STATE PROJET 63-718 TRAFFIC CONTROL	3,080,970			
W1993	STATE PROJECT 63-714 WESTON, JENNINGS	1,084,275			
W2011	OPM EMERGENCY DISPATCH & RADIO	5,000,000		3,706,779	3,706,779
W2020	LOCIP CITY HALL FIRECODE COMPLIANCE	556,330		486,836	486,836
W2033	LOCIP/CITY MILLING AND PAVING	2,766,287		1,959,297	1,959,297
W2034	LOCIP/CITY SIDEWALK REPLACEMENT	100,000			
W2088	COLT PARK PHASE II SOCCER FIELD	500,000			
W2089	EXACOM RECORDER	8,132		8,132	8,132
W2090	ROUNDABOUT SIGOURNEY ST & PARK TERR	3,189,115		229	229
W9900	TOWN CLERK'S LOCIP ACCOUNT	208,387	212,155	7,365	219,520
W9910	INTEREST INCOME ON CIP INVESTMENTS	89,896	329,495	58,057	387,552
W9911	SUBROGATION / ACCIDENT REPAIR	57,141	57,141	-	57,141
W9995	YEAR END GAAP			264,787	
TOTAL FUND 4029 - Capital Grant Fund		81,869,200	\$ 14,525,111	\$ 17,717,996	\$ 31,978,320
Education Projects:					
QB534	Renovation of Hartford High School Project	225,510,000	112,907,522		112,907,522
QB537	Renovations of Various Hartford Schools	28,766,479	12,834,760		12,834,760
QB546	Renovations and Construction Improvements to Hartford Public Schools	48,738,753	34,518,983		34,518,983
QB549	Sports Science Academy Magnet High School	64,733,118	64,733,118		64,733,118
QB551	Pathways to Technology Magnet School	42,691,058	6,830,665		6,830,665
QB553	University High School for Science	84,785,107	42,068,820		42,068,820
QB554	Capital College Preparatory Magnet	86,753,196	41,219,216		41,219,216
QB556	Annie Fisher Magnet School	125,093,652	44,528,655		44,528,655

(Continued on next page)

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2020**

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		
			Prior to July 1, 2019	Current Period	Cumulative Total
QB557	Richard B. Kinsella, Magnet School of Arts	\$ 72,976,868	\$ 38,006,297	\$	\$ 38,006,297
QB559	Mary M. Hooker Environment Studies Magnet School	81,849,639	38,408,520		38,408,520
Q8266	Hartford Public High School Central Admin	1,500,000	1,500,000		1,500,000
Q9902	Student Bathrooms - Bulkeley	518,387	518,387		518,387
Q0904	Roofs/Masonry, Intrusion Alarms	4,901,852	4,873,371		4,873,371
Q2907	West Middle School	54,600,000	54,015,216		54,015,216
Q1309 Q1509	Kinsella Magnet School FY13	36,952,000	6,072,218	30,661,557	36,733,775
Q1402 Q1308 Q1502	Weaver High School Renovations FY14	106,564,000	104,619,692	1,448,521	106,068,213
Q1602	Renov. of Martin Luther King School	108,000,000	12,107,281	74,864,879	86,972,160
Q1603	Sands School Roof Renovation	1,000,000	855,950	70,965	926,915
Q1700	Replace & Upgrades Various Schools	2,057,500	166,996	376,024	543,020
Q1800	Replace & Upgrades Various Schools	1,923,000			
Q1904	Bulkeley BOE Administrative Offices	154,000,000	56,111	9,126,433	9,182,544
Q1905	Burns School Roof Replacement	47,700,000	123,067	2,064,478	2,187,545
Q2000 (New)	Roof Replacement Facilities	800,000			
Q2002 (New)	Weaver High Renovation FY20	9,000,000		4,277,737	4,277,737
Total Education Projects		\$ 1,391,414,609	\$ 620,964,844	\$ 122,890,594	\$ 743,855,438
GAAP ADJUSTMENTS W9995 Year End GAAP Adj			764,469	3,004,820	3,769,289
TOTAL FUND 4030 - Capital Grant Fund		\$ 1,391,414,609	\$ 621,729,313	\$ 125,895,414	\$ 747,624,727
Facility Services					
Public Works Projects:					
D1379	State/Federal Matching Fund	\$ 900,000	\$ 284,415	\$	\$ 284,415
D1470	Lyric Theater-Library and Cultural Center	990,000	278,535	145,343	423,878
D1471	Project Initiation for Commercial Revitalization	350,000	235,586		235,586
D1477	NRZ Improvements	2,722,500	1,249,123	135,821	1,384,944
D1479	iQuilt Improvement Fund	990,000	582,626		582,626
D1515	Neighborhood Devel. & Ho	2,970,000	1,013,440		1,013,440
D1646	Redevelopment and Implementation	2,912,435	2,670,267	155,241	2,825,508
D1652	Planning and Economic Develop	500,000	169,134	21,972	191,106
D1725	Redevelopment and Implementation	2,000,000	2,803	164,699	167,502
D1728	Participatory Budget	1,000,000	275,947	26,224	302,171
D1852	Redevelopment and Implementation	1,222,565		43,169	43,169

(Continued on next page)

CITY OF HARTFORD, CONNECTICUT
 SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
 FOR THE YEAR ENDED JUNE 30, 2020

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		
			Prior to July 1, 2019	Current Period	Cumulative Total
D1857	Participatory Budget	500,000	75,000		75,000
W1408	Energy Projects	594,000	502,899		502,899
W1636	Refuse Carts	500,000	481,080	18,920	500,000
W1637	Flood Control	18,845,000	5,495,368	508,507	6,003,875
W1639	Roof Replacement	500,000	225,888	247,730	473,618
W1714	Bridge Repairs	200,000	32,922		32,922
W1716	Oil Tanks	250,000	219,321	11,006	230,327
W1719	Municipal Facilities Renovations	2,000,000	1,836,221	130,279	1,966,500
W1808	Neighborhood Environmental Improv	1,000,000	755,131	220,251	975,382
W1831	City-Wide ADA Improvements	1,900,000	326,943	110,398	437,341
W1833	Milling and Paving	1,000,000	31,135	629,233	660,368
W1834	Sidewalks	9,150			
W1836	Street Lights	300,000	287,182	11,922	299,104
W1839	Street Signalization	1,200,000	2	11,153	11,155
W1840	Bridge Repairs	500,000			
W1841	Refuse Carts	250,000		151,150	151,150
W1842	Flood Control	1,000,000			
W1843	Oil Tanks	250,000		15,300	15,300
W1845	Roof Replacement	500,000			
W1846	Municipal Facilities Renovations	1,200,000	119,524	826,184	945,708

(Continued on next page)

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2020**

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		
			Prior to July 1, 2019	Current Period	Cumulative Total
W1847	Energy Projects	\$ 1,250,000	\$	\$	
W1848	Building Demolition	250,000	119,031		119,031
W1849	Library Reno, Improv. & Upgrades	1,500,000		49,398	49,398
W1902	Citywide ADA Improvements	2,600,000			
W1903	Citywide Roof Replacement	400,000			
W2002	Metzner Renovation	350,000		43,325	43,325
W2004	Streelight Poles and Fixtures	340,447		117,701	117,701
W2008	Neighborhood Environmental Improv	713,838		310,001	310,001
W2033	LoCIP/City Milling and Paving	264,848		20,188	20,188
W2034	LoCIP/City Sidewalk Replacement	25,401			
W2043	Fuel Oil Tanks	133,131			
W2046	Municipal Facilities	656,656		278,836	278,836
W2047	Fire Station Renovation	1,000,000		72,533	72,533
Total Public Works Projects		58,539,971	17,269,522	4,476,484	21,746,006
Public Safety Projects:					
W1801	Citywide Radio System Improvements	1,000,000		470,837	470,837
W1803	Vehicles, Technology & Other Equip.	2,819,000			
W2000	Citywide Mobile and Portable Radios	1,700,000			
W2001	Computer Automated Dispatch System	1,020,000			
Total Public Safety Projects		6,539,000	-	470,837	470,837
Recreation and Culture Projects:					
W1506	Dillon Stadium Improvement	8,910,000	1,261,059	198,263	1,459,322
W1705	Park Improvement & Playground Enhancement	400,000	374,617		374,617
W1806	Colt Park Improvements	450,000			
W1810	Colt Park Athletic Fields	1,500,000		278,486	278,486
Total Recreation and Culture Projects		11,260,000	1,635,676	476,749	2,112,425
Total Facility Services		76,338,971	18,905,197	5,424,070	24,329,267

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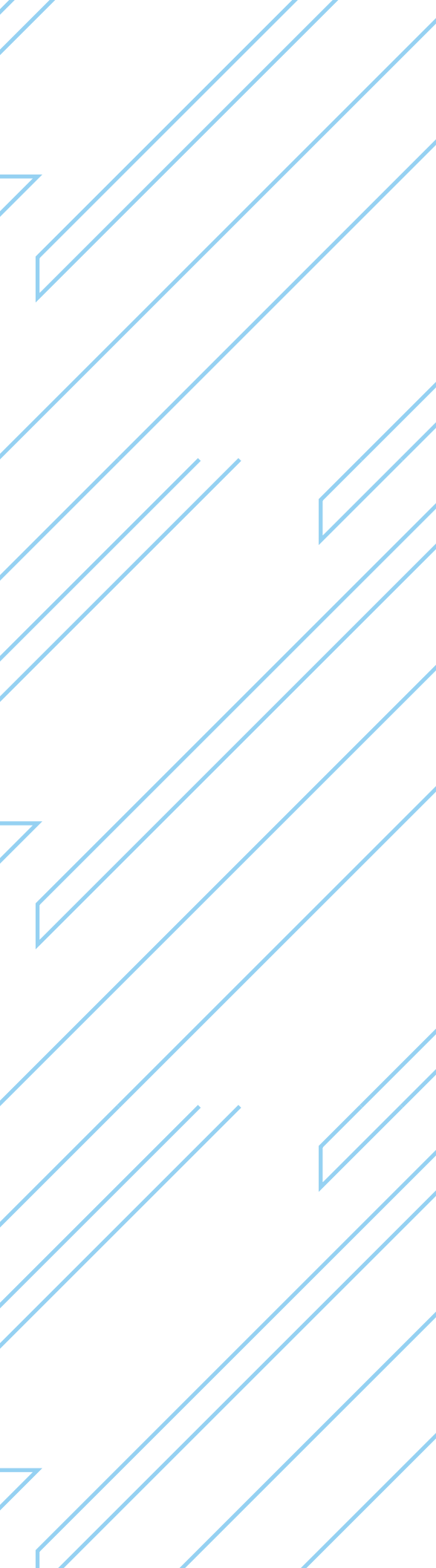
**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2020**

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		
			Prior to July 1, 2019	Current Period	Cumulative Total
Engineering Services					
Public Works Projects:					
W1320	Colt Gateway Streetscape Phase 1	13,900,000	4,653,684	72,540	4,726,224
W1613	Farmington/Broad/Asylum Intersection	3,500,000	13,362		13,362
W1615	Traffic Calming	500,000	485,214	8,167	493,381
W1616	Coltsville Streetscape	849,656	812,145	13,985	826,130
W9511	Streetscape Projects - North & South	2,000,000	1,793,635	13,872	1,807,507
Total Engineering Services		20,749,656	7,758,041	108,564	7,866,605
Transportation Services					
Public Works Projects:					
W1339	CMAQ-TRAFFIC CONTROL SYSTEM	2,848,835	263,832	64	263,896
W1429	Complete Streets - Streetscape	14,900,000	13,884,326	15,454	13,899,780
W1509	Sidewalks	980,850	944,380	9,129	953,509
W1633	Streetscapes	1,750,000	255	89,632	89,887
W1713	Street Signalization	430,000	220,863	57,418	278,281
W1904	Streetlight Poles and Fixtures	200,000	12,999	172,918	185,917
W1905	Maple & Jefferson Traffic Signalization	1,054,566	131,740	2,233	133,973
W1906	Roundabout Albany, High and Main	32,905			-
W1907	Traffic Signalization	2,000,000		14,132	14,132
W1991	State Project 63-717 Network Mods	133,070			
W1992	State Project 63-718 Traffic Control	815,123			
W1993	State Project 63-714 Weston, Jennings	131,125		10,650	10,650
Total Transportation Services		25,276,474	15,458,394	371,630	15,830,024

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**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2020**

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		Cumulative Total
			Prior to July 1, 2019	Current Period	
Development Services					
D1851	Federal/State Grant Matching Funds	225,000		100,000	100,000
D1855	Growing Hartford Businesses	1,500,000			
D1908	Barthscape	100,000			
D1909	Main Street Streetscape OPM Grant	1,250,000			
D1910	Redevelopment, Planning & Econ Dev	500,000			
D2001	South Branch Park River Multi-Use	400,000			
D2005	Parkette Corner of Albany Ave.	150,000			
D2010	Hartford Decides - Participatory Budget	50,000			
D2053	Demolition	508,475			
Total Development Services		4,683,475	-	100,000	100,000
Local Capital Improvement Program					
Public Works Projects:					
W1606	Repair of 12 City Bridges	900,000	220,514	17,093	237,607
W1608	Traffic Signals & Cameras	1,500,000	568,457	817,188	1,385,645
W2628	Traffic Signalization	750,000	636,569		636,569
Total Local Capital Improvement Program		3,150,000	1,425,540	834,281	2,259,821
Other:					
W9990	CIP Reserve	8,603,114		587,775	587,775
W9995	Year End GAAP Adjustments	-		(740,217)	-
Total Other		8,603,114	-	(152,442)	587,775
TOTAL FUND 4031 - Capital Grant Fund		\$ 138,801,690	\$ 43,547,173	\$ 6,686,103	\$ 50,973,493
TOTAL CIP (FUNDS 4029-4031)		\$ 1,612,085,499	\$ 679,801,597	\$ 150,299,513	\$ 830,576,540



Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are established in the City pursuant to State Statutes and local ordinance or resolution. Special revenue funds are a governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

Fund	Funding Source	Function
Section 8	Federal grants	Housing assistance
Miscellaneous Grants	State, federal, other grants	Various programs
Food Services Program	State and federal grants, and sales of food	School lunch and breakfast programs
Health Grants	State and federal grants	Health and human services
Library Grants	Grants & contributions	Public library system
Community Development	Federal block grants	Housing and development
Home Program	Federal grants	Affordable housing
Great Path Academy	State grants	Education
Parks & Recreation Trusts	Donation & trust income	Park and recreation
Special Activities	Fees for community use of schools	Education

Capital Projects Funds

Capital Projects Funds are used to account for financial resource to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds or trust funds). The City's three nonmajor capital projects funds include the Redevelopment Fund, Capital Leases and HUD Special Projects Fund. The Redevelopment Fund accounts for the acquisition and improvement of properties for future development. The Capital Leases Fund accounts for the financing and acquisition of city vehicles and heavy equipment. The HUD Special Projects Fund accounts for special project funding used for urban development.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes as defined by the grantor. The City's permanent trust funds include funds for public safety, parks and recreation, human services, and education.

CITY OF HARTFORD, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2020
 (In Thousands)

	Special Revenue Funds									
	Section 8	Misc-ellane-ous Grants	Food Service Program	Health Grants	Community Development Act	HOME Program	Library Grants	Parks and Rec-reation Trusts	Great Path Academy	Special Activities
ASSETS										
Cash and cash equivalents	\$ 2,808	\$ 8,640	\$ 3,406	\$	\$ 123	\$	\$ 800	\$	\$ 2,740	\$ 1,008
Investments								490		
Intergovernmental receivable	1	893	2,439	1,817	967	12	26			
Other receivables, net		8,308		449			-			67
Due from other funds		13		-						
Inventories and other assets			732							
Total Assets	\$ 2,809	\$ 17,854	\$ 6,577	\$ 2,266	\$ 1,090	\$ 12	\$ 826	\$ 490	\$ 2,740	\$ 1,075
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Bank overdraft	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	136	1,027	521	1,077	736	2	52		358	
Due to other funds				671		10				
Unearned revenue	2,673	9,886		516			765			
Total liabilities	2,809	10,913	521	2,264	736	12	817	-	358	-
Deferred Inflows of Resources:										
Unavailable revenue		3,413		442			17			67
Total deferred inflows of resources	-	3,413	-	442	-	-	17	-	-	67
Fund Balances:										
Nonspendable			732							
Restricted		3,528	5,324		354			490	2,382	
Committed										
Assigned										1,008
Unassigned				(440)			(8)			
Total fund balances	-	3,528	6,056	(440)	354	-	(8)	490	2,382	1,008
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,809	\$ 17,854	\$ 6,577	\$ 2,266	\$ 1,090	\$ 12	\$ 826	\$ 490	\$ 2,740	\$ 1,075

(Continued on next page)

CITY OF HARTFORD, CONNECTICUT
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2020
 (In Thousands)

	Capital Project Funds			Permanent Funds				Total
	Capital Leases	Redevelopment Fund	HUD Special Projects Fund	Public Safety	Parks and Recreation Trusts	Human Services Trusts	Education Trusts	
ASSETS								
Cash and cash equivalents	\$ 6,769	\$ 3,795	\$	\$	\$	\$	\$	\$ 30,089
Investments				2	20,620	5,332	171	26,615
Intergovernmental receivable								6,155
Other receivables, net			3,938					12,762
Due from other funds								13
Inventories and other assets								732
Total Assets	\$ 6,769	\$ 3,795	\$ 3,938	\$ 2	\$ 20,620	\$ 5,332	\$ 171	\$ 76,366
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Bank overdraft	\$	\$	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	283				1,610			5,802
Due to other funds								681
Unearned revenue	148							13,988
Total liabilities	431	-	-	-	1,610	-	-	20,471
Deferred Inflows of Resources:								
Unavailable revenue		1,725						5,664
Total deferred inflows of resources	-	1,725	-	-	-	-	-	5,664
Fund Balances:								
Nonspendable					8,150	197	11	9,090
Restricted			3,938	2	10,860	5,135	160	32,173
Committed	6,338	2,070						8,408
Assigned								1,008
Unassigned								(448)
Total fund balances	6,338	2,070	3,938	2	19,010	5,332	171	50,231
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 6,769	\$ 3,795	\$ 3,938	\$ 2	\$ 20,620	\$ 5,332	\$ 171	\$ 76,366

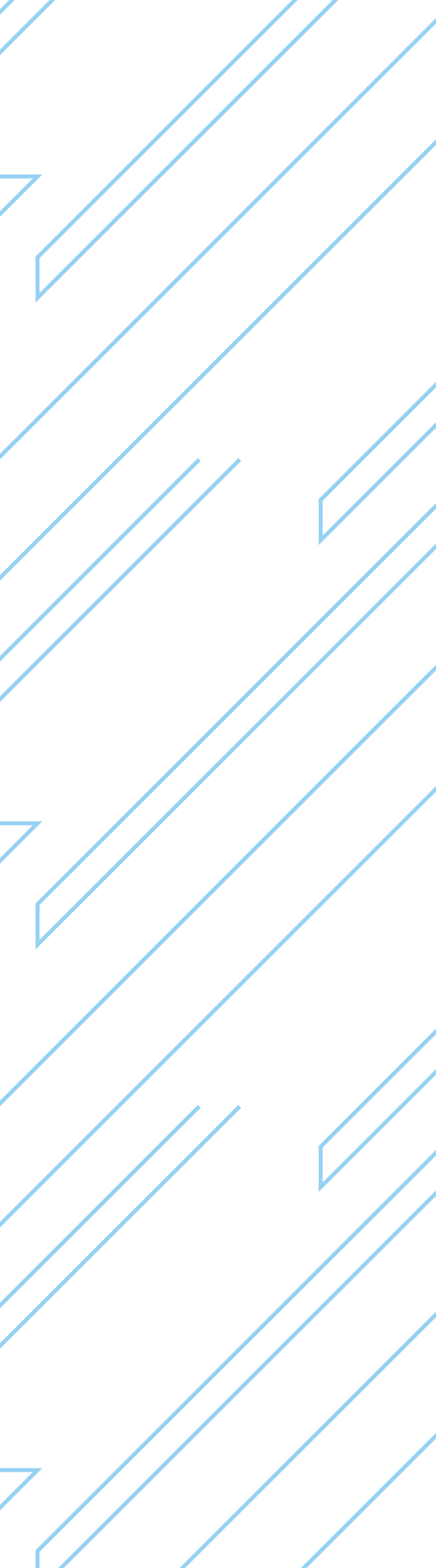
**CITY OF HARTFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020
 (In Thousands)**

	Special Revenue Funds									
	Section 8	Misc-ellane-ous Grants	Food Service Program	Health Grants	Community Development Act	HOME Program	Library Grants	Parks and Rec-reation Trusts	Great Path Academy	Special Activities
Revenues:										
Intergovernmental	\$ 48,587	\$ 21,619	\$ 13,558	\$ 11,407	\$ 4,943	\$ 1,265	\$ 1,229	\$	\$ 4,462	\$
Charges for services		8,417	1,767				140	17		175
Investment income (loss)					5			32		3
Other revenues		3								
Total revenues	<u>48,587</u>	<u>30,039</u>	<u>15,325</u>	<u>11,407</u>	<u>4,948</u>	<u>1,265</u>	<u>1,369</u>	<u>49</u>	<u>4,462</u>	<u>178</u>
Expenditures:										
Current:										
General government		571			695					
Public safety		14,707			63					
Public works		117								
Department and community affairs	1,960	1,718			1,780	1,265	481			
Human services	46,627	98		11,884	1,906					
Education			13,590		253				3,629	
Recreation and culture		10,449			245		926	4		
Capital outlay										
Debt service										
Total expenditures	<u>48,587</u>	<u>27,660</u>	<u>13,590</u>	<u>11,884</u>	<u>4,942</u>	<u>1,265</u>	<u>1,407</u>	<u>4</u>	<u>3,629</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>2,379</u>	<u>1,735</u>	<u>(477)</u>	<u>6</u>	<u>-</u>	<u>(38)</u>	<u>45</u>	<u>833</u>	<u>178</u>
Other Financing Sources (Uses):										
Transfers in		7,079		261			30			
Transfers out		(5,847)								
Total other financing sources (uses)	<u>-</u>	<u>1,232</u>	<u>-</u>	<u>261</u>	<u>-</u>	<u>-</u>	<u>30</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	3,611	1,735	(216)	6	-	(8)	45	833	178
Fund Balances at Beginning of Year	-	(83)	4,321	(224)	348	-	-	445	1,549	830
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ 3,528</u>	<u>\$ 6,056</u>	<u>\$ (440)</u>	<u>\$ 354</u>	<u>\$ -</u>	<u>\$ (8)</u>	<u>\$ 490</u>	<u>\$ 2,382</u>	<u>\$ 1,008</u>

(Continued on next page)

CITY OF HARTFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020
 (In Thousands)

	Capital Project Funds			Permanent Funds				Total
	Capital Leases	Redevelopment Fund	HUD Special Projects Fund	Public Safety	Parks and Recreation Trusts	Human Services Trusts	Education Trusts	
Revenues:								
Intergovernmental	\$	\$	\$ 88	\$	\$	\$	\$	\$ 107,158
Charges for services		35						10,551
Investment income (loss)		28	165		(720)	214	10	(263)
Other revenues	47							50
Total revenues	<u>47</u>	<u>63</u>	<u>253</u>	<u>-</u>	<u>(720)</u>	<u>214</u>	<u>10</u>	<u>117,496</u>
Expenditures:								
Current:								
General government	154							1,420
Public safety								14,770
Public works								117
Department and community affairs								7,204
Human services						144		60,659
Education							4	17,476
Recreation and culture					137			11,761
Capital outlay	3,075							3,075
Debt service	1,614		515					2,129
Total expenditures	<u>4,843</u>	<u>-</u>	<u>515</u>	<u>-</u>	<u>137</u>	<u>144</u>	<u>4</u>	<u>118,611</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(4,796)</u>	<u>63</u>	<u>(262)</u>	<u>-</u>	<u>(857)</u>	<u>70</u>	<u>6</u>	<u>(1,115)</u>
Other Financing Sources (Uses):								
Transfers in	5,605							12,975
Transfers out					(2,709)			(8,556)
Total other financing sources (uses)	<u>5,605</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,709)</u>	<u>-</u>	<u>-</u>	<u>4,419</u>
Net Change in Fund Balances	809	63	(262)	-	(3,566)	70	6	3,304
Fund Balances at Beginning of Year	<u>5,529</u>	<u>2,007</u>	<u>4,200</u>	<u>2</u>	<u>22,576</u>	<u>5,262</u>	<u>165</u>	<u>46,927</u>
Fund Balances at End of Year	<u>\$ 6,338</u>	<u>\$ 2,070</u>	<u>\$ 3,938</u>	<u>\$ 2</u>	<u>\$ 19,010</u>	<u>\$ 5,332</u>	<u>\$ 171</u>	<u>\$ 50,231</u>



Nonmajor Enterprise Funds

NONMAJOR ENTERPRISE FUNDS

Nonmajor Enterprise Funds are used to account for ongoing organizations and activities which are similar to those found in the private sector.

Hartford Parking Facilities – is used to account for revenues and expenditures related to the Parking Fund.

Golf Course – is used to account for revenues and expenditures related to the City's Golf Courses.

CITY OF HARTFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION - NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2020
(In Thousands)

	Hartford Parking Facilities	Golf Course	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 1,807	\$ 533	\$ 2,340
Receivables, net		103	103
Due from component unit	712		712
Total current assets	<u>2,519</u>	<u>636</u>	<u>3,155</u>
Noncurrent assets:			
Capital assets:			
Not being depreciated	5,935	152	6,087
Being depreciated, net	9,521	4,719	14,240
Total noncurrent assets	<u>15,456</u>	<u>4,871</u>	<u>20,327</u>
Total assets	<u>17,975</u>	<u>5,507</u>	<u>23,482</u>
Liabilities:			
Current liabilities:			
Accounts payable	100	427	527
Due to other funds	1,404	1,410	2,814
Current maturities of bonds payable	92		92
Total current liabilities	<u>1,596</u>	<u>1,837</u>	<u>3,433</u>
Noncurrent liabilities:			
Bonds payable	1,651		1,651
Total noncurrent liabilities	<u>1,651</u>	<u>-</u>	<u>1,651</u>
Total liabilities	<u>3,247</u>	<u>1,837</u>	<u>5,084</u>
Net Position:			
Net investment in capital assets	13,713	4,871	18,584
Unrestricted	1,015	(1,201)	(186)
Total Net Position	<u>\$ 14,728</u>	<u>\$ 3,670</u>	<u>\$ 18,398</u>

**CITY OF HARTFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET POSITION - NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020
 (In Thousands)**

	Hartford Parking Facilities	Golf Course	Total
Operating Revenues:			
Charges for services	\$ 3,116	\$ 1,894	\$ 5,010
Miscellaneous	7		7
Total operating revenues	<u>3,123</u>	<u>1,894</u>	<u>5,017</u>
Operating Expenses:			
Operations	290	1,949	2,239
Depreciation and amortization	526	210	736
Total operating expenses	<u>816</u>	<u>2,159</u>	<u>2,975</u>
Operating Income (Loss)	<u>2,307</u>	<u>(265)</u>	<u>2,042</u>
Nonoperating Expenses:			
Interest expense	<u>(270)</u>		<u>(270)</u>
Total nonoperating expenses	<u>(270)</u>	<u>-</u>	<u>(270)</u>
Income (Loss) Before Capital Contributions and Transfers	2,037	(265)	1,772
Transfers in		240	240
Transfers out	<u>(2,582)</u>		<u>(2,582)</u>
Change in Net Position	(545)	(25)	(570)
Net Position at Beginning of Year	<u>15,273</u>	<u>3,695</u>	<u>18,968</u>
Net Position at End of Year	<u>\$ 14,728</u>	<u>\$ 3,670</u>	<u>\$ 18,398</u>

CITY OF HARTFORD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS - NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)

	Hartford Parking Facilities	Golf Course	Total
Cash Flows from Operating Activities:			
Receipts from customers and users	\$ 3,123	\$ 1,857	\$ 4,980
Payments to suppliers	(290)	(1,828)	(2,118)
Receipts from interfund services used	(49)		(49)
Net cash provided by (used in) operating activities	<u>2,784</u>	<u>29</u>	<u>2,813</u>
Cash Flows from Capital and Related Financing Activities:			
Transfer in		240	240
Transfer to General Fund	(2,582)		(2,582)
Principal paid on bonds	(87)		(87)
Interest paid on bonds	(270)		(270)
Purchase of capital assets	(5)		(5)
Net cash provided by (used in) noncapital financing activities	<u>(2,944)</u>	<u>240</u>	<u>(2,704)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(160)	269	109
Cash and Cash Equivalents at Beginning of Year	<u>1,967</u>	<u>264</u>	<u>2,231</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,807</u>	<u>\$ 533</u>	<u>\$ 2,340</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating income (loss)	\$ <u>2,307</u>	\$ <u>(265)</u>	\$ <u>2,042</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	526	210	736
Change in assets and liabilities:			
(Increase) decrease in accounts receivable		(37)	(37)
(Increase) decrease in due from other funds	531		531
Increase (decrease) in accounts payable and accrued liabilities		121	121
Increase (decrease) in due to other funds	(580)		(580)
Total adjustments	<u>477</u>	<u>294</u>	<u>771</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 2,784</u>	<u>\$ 29</u>	<u>\$ 2,813</u>



Internal Service Funds

INTERNAL SERVICE FUNDS

Internal service funds are used to report any activity that provides goods or services to other funds, departments, or agencies of the City, or to other governments, on a cost-reimbursement basis.

The City maintains four (4) internal service funds to account for the risk management program for employee benefits including retirees, actives, workers' compensation, and general liability, including property damage.

An internal service fund is also maintained for the Metro Hartford Information Services Fund (MHIS). The accounting and reporting for the centralized computer services, including communication systems, is maintained through this internal service fund.

CITY OF HARTFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2020
(In Thousands)

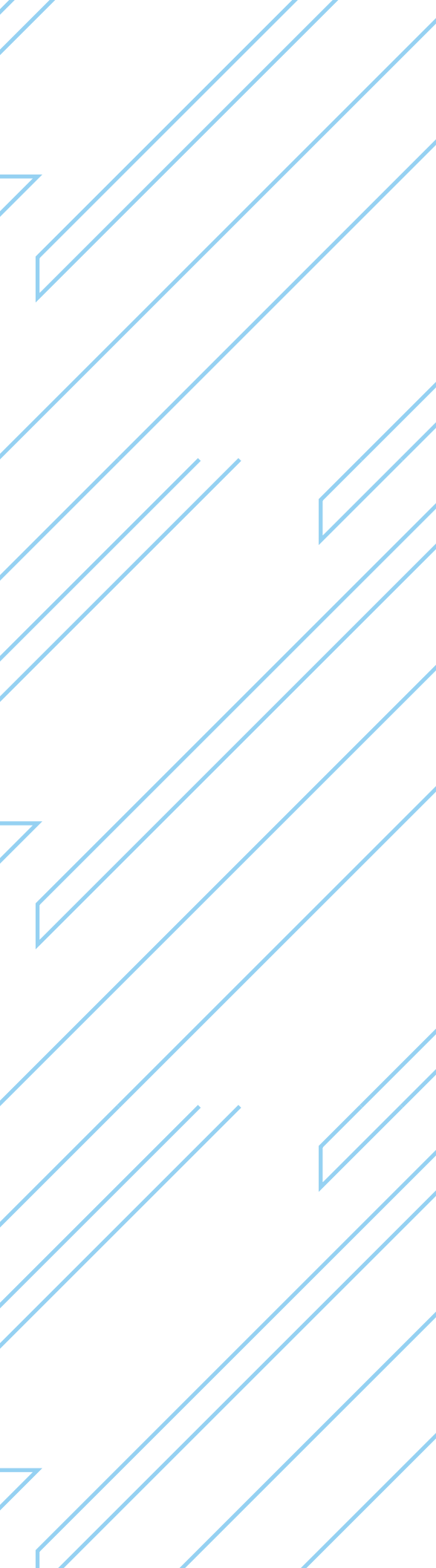
	<u>Workers'</u> <u>Compensation</u>	<u>Liability and</u> <u>Property</u> <u>Damage</u>	<u>Metro Hartford</u> <u>Information</u> <u>Services</u>	<u>Retirees</u>	<u>Actives</u>	<u>Total</u>
Assets:						
Current assets:						
Cash and cash equivalents	\$ 4,679	\$ 281	\$ 1,076	\$ 2,124	\$ 12,460	\$ 20,620
Accounts receivable, net					26	26
Total assets	<u>4,679</u>	<u>281</u>	<u>1,076</u>	<u>2,124</u>	<u>12,486</u>	<u>20,646</u>
Liabilities:						
Current liabilities:						
Accounts payable and accrued liabilities	589	2	238	307	1,802	2,938
Insurance claims payable	14,000	900				14,900
Claims incurred but not reported				1,053	3,985	5,038
Total current liabilities	<u>14,589</u>	<u>902</u>	<u>238</u>	<u>1,360</u>	<u>5,787</u>	<u>22,876</u>
Noncurrent liabilities:						
Claims incurred but not reported	<u>11,400</u>	<u>3,900</u>				<u>15,300</u>
Total liabilities	<u>25,989</u>	<u>4,802</u>	<u>238</u>	<u>1,360</u>	<u>5,787</u>	<u>38,176</u>
Net Position:						
Unrestricted	<u>\$ (21,310)</u>	<u>\$ (4,521)</u>	<u>\$ 838</u>	<u>\$ 764</u>	<u>\$ 6,699</u>	<u>\$ (17,530)</u>

**CITY OF HARTFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET POSITION - INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020
 (In Thousands)**

	<u>Workers' Compensation</u>	<u>Liability and Property Damage</u>	<u>Metro Hartford Information Services</u>	<u>Retirees</u>	<u>Actives</u>	<u>Total</u>
Operating Revenues:						
Charges for services - employer	\$ 8,156	\$ 1,925	\$ 6,256	\$	\$ 46,225	\$ 62,562
Charges for services - employees				7,828	14,069	21,897
Other				528	985	1,513
Total operating revenues	<u>8,156</u>	<u>1,925</u>	<u>6,256</u>	<u>8,356</u>	<u>61,279</u>	<u>85,972</u>
Operating Expenses:						
Administrative	4	369		1,123	1,629	3,125
Operations			5,418			5,418
Insurance benefits claims paid	9,552	557		6,469	55,906	72,484
Total operating expenses	<u>9,556</u>	<u>926</u>	<u>5,418</u>	<u>7,592</u>	<u>57,535</u>	<u>81,027</u>
Change in Net Position	(1,400)	999	838	764	3,744	4,945
Net Position at Beginning of Year	<u>(19,910)</u>	<u>(5,520)</u>	<u>-</u>	<u>-</u>	<u>2,955</u>	<u>(22,475)</u>
Net Position at End of Year	<u>\$ (21,310)</u>	<u>\$ (4,521)</u>	<u>\$ 838</u>	<u>\$ 764</u>	<u>\$ 6,699</u>	<u>\$ (17,530)</u>

**CITY OF HARTFORD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)**

	<u>Workers' Compensation</u>	<u>Liability and Property Damage</u>	<u>Metro Hartford Information Services</u>	<u>Retirees</u>	<u>Actives</u>	<u>Total</u>
Cash Flows from Operating Activities:						
City's contribution	\$ 8,156	\$ 1,925	\$ 6,256	\$	\$ 46,225	\$ 62,562
Cash received from other				796	1,171	1,967
Cash received from users				7,828	14,069	21,897
Cash payments for claims and operations	<u>(7,944)</u>	<u>(2,222)</u>	<u>(5,315)</u>	<u>(8,060)</u>	<u>(60,845)</u>	<u>(84,386)</u>
Net cash provided by (used in) operating activities	<u>212</u>	<u>(297)</u>	<u>941</u>	<u>564</u>	<u>620</u>	<u>2,040</u>
Net change in cash	212	(297)	941	564	620	2,040
Cash and Cash Equivalents at Beginning of Year	<u>4,467</u>	<u>578</u>	<u>135</u>	<u>1,560</u>	<u>11,840</u>	<u>18,580</u>
Cash and Cash Equivalents at End of Year	<u>\$ 4,679</u>	<u>\$ 281</u>	<u>\$ 1,076</u>	<u>\$ 2,124</u>	<u>\$ 12,460</u>	<u>\$ 20,620</u>
Reconciliation of Income (Loss) from Operations to						
Net Cash Provided by (Used in) Operating Activities:						
Income (loss) from operations	\$ (1,400)	\$ 999	\$ 838	\$ 764	\$ 3,744	\$ 4,945
Adjustments to reconcile income (loss) from operations						
to net cash provided by (used in) operating activities:						
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable				268	186	454
Increase (decrease) in accounts payable	212	(296)	103	(207)	(1,279)	(1,467)
Increase (decrease) in claims payable	<u>1,400</u>	<u>(1,000)</u>	<u></u>	<u>(261)</u>	<u>(2,031)</u>	<u>(1,892)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 212</u>	<u>\$ (297)</u>	<u>\$ 941</u>	<u>\$ 564</u>	<u>\$ 620</u>	<u>\$ 2,040</u>



Fiduciary Funds

FIDUCIARY FUNDS

Pension and Other Post-Employment Benefits Trust Funds

The pension and other post-employment benefits (OPEB) trust funds are used to account for the activities of the Hartford Retirement System, which accumulates resources for pension benefit payments to qualified City employees and the activities of the OPEB trust fund, which accounts for the health and other post-employment benefits provided to eligible retirees and their spouses.

Agency Funds

Agency funds are used to report resources held by the City in a purely custodial capacity (assets equal liabilities).

The City reports student activities, including class events and various other functions of the Hartford Public School System within the School Agency Funds. Additionally, the City collects funds in a custodial capacity through tax collection for Connecticut Green Bank (C-Pace), Park Street Special District Fund, Columbia District Fund and Downtown Business District Fund.

CITY OF HARTFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
TRUST FUNDS
JUNE 30, 2020
(In Thousands)

	Pension Trust Funds					Total
	Municipal Employees' Retirement Fund	Retirement Allowance Fund	Fireman's Relief Fund	Police Benevolent Fund	OPEB Trust Fund	
Assets:						
Cash and cash equivalents	\$ 57,928	\$	\$	\$	\$ 3,288	\$ 61,216
Investments, at fair value:						
U.S. government agencies	56,577					56,577
U.S. government securities	10,424					10,424
Corporate bonds	51,042					51,042
Foreign bonds	2,358					2,358
Municipal bonds	1,536					1,536
Mutual funds					13,008	13,008
Alternative investments	222,045					222,045
Common and collective trusts	327,257					327,257
Land	5,000					5,000
Real estate funds	62,749					62,749
Equities	228,613				6,563	235,176
Total investments	967,601	-	-	-	19,571	987,172
Receivables:						
Accounts receivable	9,267					9,267
Total assets	1,034,796	-	-	-	22,859	1,057,655
Liabilities:						
Accounts payable and accrued liabilities	24,069	-	-	-	2	24,071
Net Position:						
Restricted for Pension and OPEB Benefits	\$ 1,010,727	\$ -	\$ -	\$ -	\$ 22,857	\$ 1,033,584

CITY OF HARTFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(In Thousands)

	Pension Trust Funds					Total
	Municipal Employees Retirement Fund	Retirement Allowance Fund	Fireman's Relief Fund	Police Benevolent Fund	OPEB Trust Fund	
Additions:						
Contributions:						
Employer	\$ 46,602	\$ 18	\$ 59	\$ 201	\$ 14,520	\$ 61,400
Plan members	13,647				684	14,331
Total contributions and other revenue	<u>60,249</u>	<u>18</u>	<u>59</u>	<u>201</u>	<u>15,204</u>	<u>75,731</u>
Investment earnings:						
Net increase in fair value of investments	15,041				(324)	14,717
Interest and dividends	12,489				453	12,942
Total investment earnings	<u>27,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>129</u>	<u>27,659</u>
Less investment expenses:						
Investment management fees	6,462				8	6,470
Net investment income	<u>21,068</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>121</u>	<u>21,189</u>
Total additions	<u>81,317</u>	<u>18</u>	<u>59</u>	<u>201</u>	<u>15,325</u>	<u>96,920</u>
Deductions:						
Benefits	117,332	18	59	201	14,934	132,544
Administration	2,516				150	2,666
Total deductions	<u>119,848</u>	<u>18</u>	<u>59</u>	<u>201</u>	<u>15,084</u>	<u>135,210</u>
Change in net position	(38,531)	-	-	-	241	(38,290)
Net Position at Beginning of Year	<u>1,049,258</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,616</u>	<u>1,071,874</u>
Net Position at End of Year	<u>\$ 1,010,727</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,857</u>	<u>\$ 1,033,584</u>

**CITY OF HARTFORD, CONNECTICUT
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2020
 (In Thousands)**

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2020</u>
Student Activity Fund				
Assets:				
Cash and cash equivalents	\$ 840	\$ 528	\$ 494	\$ 874
Liabilities:				
Due to student groups	\$ 840	\$ 528	\$ 494	\$ 874
C-PACE Program Fund				
Assets:				
Cash and cash equivalents	\$ -	\$ 1,582	\$ 1,582	\$ -
Liabilities:				
Fiduciary deposits	\$ -	\$ 1,582	\$ 1,582	\$ -
Park Street Special District Fund				
Assets:				
Cash and cash equivalents	\$ -	\$ 73	\$ 73	\$ -
Liabilities:				
Fiduciary deposits	\$ -	\$ 73	\$ 73	\$ -
Downtown Business District Fund				
Assets:				
Cash and cash equivalents	\$ -	\$ 1,003	\$ 1,003	\$ -
Liabilities:				
Fiduciary deposits	\$ -	\$ 1,003	\$ 1,003	\$ -
Columbia District Fund				
Assets:				
Cash and cash equivalents	\$ -	\$ 7	\$ 7	\$ -
Liabilities:				
Fiduciary deposits	\$ -	\$ 7	\$ 7	\$ -
Total Agency Funds				
Assets:				
Cash and cash equivalents	\$ 840	\$ 3,193	\$ 3,159	\$ 874
Liabilities:				
Fiduciary deposits	\$ 840	\$ 3,193	\$ 3,159	\$ 874



Statistical Section

STATISTICAL SECTION INFORMATION

The objectives of the statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to understand and assess economic condition.

Statistical section information is presented in the following categories:

- *Financial trends information* is intended to assist users in understanding and assessing how financial position has changed over time.
- *Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting the ability to generate *own-source revenues* (property taxes, charges for services, etc.).
- *Debt capacity information* is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.
- *Demographic and economic information* is intended (1) to assist users in understanding the socioeconomic environment and (2) to provide information that facilitates comparisons of financial statement information over time and among governments.
- *Operating information* is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

Sources: Unless otherwise noted, the information in the tables is derived from the comprehensive annual financial reports for the relevant year.

**CITY OF HARTFORD, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(in Thousands)**

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities:										
Net investment in capital assets	\$ 1,158,555	\$ 1,007,839	933,475	\$ 903,318	\$ 898,847	\$ 939,951	\$ 983,461	\$ 1,006,633	\$ 966,580	\$ 954,780
Restricted	40,124	67,554	81,961	79,842	73,285	75,640	75,720	73,049	70,155	62,466
Unrestricted	(639,593)	(642,000)	(629,525)	(380,721)	(317,247)	(247,809)	25,662	36,029	50,814	47,155
Total Governmental Activities Net Position	\$ 559,086	\$ 433,393	385,911	\$ 602,439	\$ 654,885	\$ 767,782	\$ 1,084,843	\$ 1,115,711	\$ 1,087,549	\$ 1,064,401
Business-Type Activities:										
Net investment in capital assets	\$ 17,769	\$ 18,375	18,815	\$ 15,792	\$ 15,923	\$ 15,316	\$ 26,732	\$ 33,910	\$ 34,623	\$ 35,417
Restricted										
Unrestricted	1,214	1,131	819	(953)	(1,552)	(577)	820	1,799	2,400	1,678
Total Business-Type Activities Net Position	\$ 18,983	\$ 19,506	19,634	\$ 14,839	\$ 14,371	\$ 14,739	\$ 27,552	\$ 35,709	\$ 37,023	\$ 37,095
Primary Government:										
Net investment in capital assets	\$ 1,176,324	\$ 1,026,214	952,290	\$ 919,110	\$ 914,770	\$ 955,267	\$ 1,010,193	\$ 1,040,543	\$ 1,001,203	\$ 990,197
Restricted	40,124	67,554	81,961	79,842	73,285	75,640	75,720	73,049	70,155	62,466
Unrestricted	(638,379)	(640,869)	(628,706)	(381,674)	(318,799)	(248,386)	26,482	37,828	53,214	48,833
Total Primary Government Net Position	\$ 578,069	\$ 452,899	405,545	\$ 617,278	\$ 669,256	\$ 782,521	\$ 1,112,395	\$ 1,151,420	\$ 1,124,572	\$ 1,101,496

**CITY OF HARTFORD, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(in Thousands)**

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses:										
Governmental activities:										
General government	\$ 156,557	\$ 199,352	\$ 127,405	\$ 106,179	\$ 101,834	\$ 86,715	\$ 69,912	\$ 72,050	\$ 72,165	\$ 58,302
Public safety	103,228	104,077	72,492	110,468	118,433	114,610	119,995	106,619	101,603	99,448
Public works	33,310	45,617	35,350	42,650	70,219	62,095	37,310	44,280	42,428	37,698
Development and community affairs	12,845	12,459	12,471	56,504	58,474	58,001	61,626	61,652	63,779	61,408
Human services	64,917	59,678	61,015	30,581	31,142	30,652	29,697	27,561	30,146	28,574
Education	21,402	21,757	22,677	558,270	571,999	563,815	544,398	503,475	487,717	472,210
Recreation and culture	438,226	449,116	443,410	10,113	11,858	12,135	10,064	10,106	9,728	9,332
Interest on long term debt	20,532	25,258	24,218	18,733	41,613	20,850	20,665	21,358	14,743	15,322
Total governmental activities expenses	851,017	917,314	799,038	933,498	1,005,572	948,873	893,667	847,101	822,309	782,294
Business-type activities:										
Hartford Parking Facilities	816	955	822	933	998	1,850	8,640	3,669	3,729	4,096
Golf course	2,429	2,102	2,284	1,841	1,810	893	200			
Stadium Authority	4,742	4,817	1,730	2,153	332	846				
Total business-type activities expenses	7,987	7,874	4,836	4,927	3,140	3,589	8,840	3,669	3,729	4,096
Total Primary Government Expenses	\$ 859,004	\$ 925,188	\$ 803,874	\$ 938,425	\$ 1,008,712	\$ 952,462	\$ 902,507	\$ 850,770	\$ 826,038	\$ 786,390
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 1,536	1,772	\$ 1,827	\$ 5,567	\$ 7,568	\$ 9,464	\$ 5,265	\$ 2,150	\$ 3,108	\$ 2,152
Public safety	8,643	8,513	7,097	2,601	2,977	3,761	6,132	9,119	1,772	2,472
Public works	171	187	195	7,157	9,353	9,257	9,289	7,464	10,378	10,770
Development and community affairs	4,222	7,107	9,066			127	861	529	886	1,417
Human services	183	344	464	56	2,941	3,669	3,953	501	2,706	3,709
Education	305	402	693	4,435	4,293	2,208	2,241	2,819	1,419	1,563
Recreation and culture	1,767	1,523	1,565	1,844	130	132	139	92	194	95
Operating grants and contributions:										
General government	5,426	2,021	5,291	7,595	18,618	19,710	7,854	6,849	6,406	1,475
Public safety	8,498	10,531	5,837	6,626	12,820	13,255	20,233	4,390	7,545	7,847
Public works	603			1,212	1,568	1,311	1,321	822	2,357	2,696
Development and community affairs	53,107	52,106	51,401	50,403	55,324	53,999	52,744	59,996	52,652	36,823
Human services	13,563	10,370	11,629	22,994	21,546	23,390	23,275	14,869	21,326	19,713
Education	15,004	13,827	14,530	398,812	394,426	389,889	375,369	377,585	353,704	338,665
Recreation and culture	351,131	374,178	301,130	1,861	1,592	1,822	1,952	1,407	1,178	1,398
Capital grants and contributions:										
Public safety	3,371									
Public works	12,043	1,499	17,291	11,452	8,169	5,469	7,053	2,302	4,118	6,665
Development and community affairs			247				3	2	18	2,997
Education	106,131	64,375	22,744	8,049	28,339	29,544	11,497	63,470	21,776	6,135
Recreation and culture										
Total governmental activities program revenues	585,704	548,755	451,007	530,664	569,664	567,007	529,181	554,366	491,543	446,592

(Continued on next page)

**CITY OF HARTFORD, CONNECTICUT
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(in Thousands)**

	FISCAL YEAR									
	2020	2019	2019	2018	2017	2016	2015	2014	2013	2012
Business-type activities:										
Charges for Services:										
Parking facilities*	\$ 3,123	4,109	\$ 3,579	\$ 2,744	\$ 2,561	\$ 3,783	\$ 4,932	\$ 4,511	\$ 4,054	\$ 4,732
Golf course	1,894	1,535	6,288	2,220	1,453	398	758			
Stadium Authority	792	909	1,367							
Total business-type activities program revenues	<u>5,809</u>	<u>6,553</u>	<u>11,234</u>	<u>4,964</u>	<u>4,014</u>	<u>4,181</u>	<u>5,690</u>	<u>4,511</u>	<u>4,054</u>	<u>4,732</u>
Total Primary Government Program Revenues	<u>591,513</u>	<u>555,308</u>	<u>462,241</u>	<u>535,628</u>	<u>573,678</u>	<u>571,188</u>	<u>534,871</u>	<u>558,877</u>	<u>495,597</u>	<u>451,324</u>
Net revenues (expenses):										
Governmental activities	(265,313)	(368,559)	(348,031)	(402,834)	(435,908)	(381,866)	(364,486)	(292,735)	(330,766)	(335,702)
Business-type activities	(2,178)	(1,321)	6,398	37	874	592	(3,150)	842	325	636
Total Primary Government Net Expense	<u>\$ (267,491)</u>	<u>\$ (369,880)</u>	<u>\$ (341,633)</u>	<u>\$ (402,797)</u>	<u>\$ (435,034)</u>	<u>\$ (381,274)</u>	<u>\$ (367,636)</u>	<u>\$ (291,893)</u>	<u>\$ (330,441)</u>	<u>\$ (335,066)</u>
General Revenues and Other:										
Changes in Net Position:										
Governmental activities:										
Property taxes	\$ 285,052	\$ 285,346	\$ 292,067	\$ 267,921	\$ 269,989	\$ 260,063	\$ 267,234	\$ 256,943	\$ 290,165	\$ 283,835
Grants and contributions not restricted to specific programs	111,748	114,353	98,102	75,852	50,758	56,484	55,364	56,696	58,767	55,207
Unrestricted investment earnings	3,235	5,469	4,136	6,854	847	948	5,512	2,781	2,205	3,079
Other general revenues	(7,429)	12,003	10,861	115	109	128	498	2,317	2,377	1,389
Transfers	(1,600)	(1,130)	(1,574)	(354)	1,308	16,754	5,010	2,160	400	488
Total governmental activities	<u>391,006</u>	<u>416,041</u>	<u>403,592</u>	<u>350,388</u>	<u>323,011</u>	<u>334,377</u>	<u>333,618</u>	<u>320,897</u>	<u>353,914</u>	<u>343,998</u>
Business-type activities:										
Unrestricted investment earnings	55	63	(3,177)	61	66	4	3	4	3	7
Other general revenues				16						
Transfers	1,600	1,130	1,574	354	(1,308)	(16,754)	(5,010)	(2,160)	(400)	(488)
Special Item - net loss on sale of property						3,345				
Total business-type activities	<u>1,655</u>	<u>1,193</u>	<u>(1,603)</u>	<u>431</u>	<u>(1,242)</u>	<u>(13,405)</u>	<u>(5,007)</u>	<u>(2,156)</u>	<u>(397)</u>	<u>(481)</u>
Total Primary Government General Revenues	<u>\$ 392,661</u>	<u>\$ 417,234</u>	<u>\$ 401,989</u>	<u>\$ 350,819</u>	<u>\$ 321,769</u>	<u>\$ 320,972</u>	<u>\$ 328,611</u>	<u>\$ 318,741</u>	<u>\$ 353,517</u>	<u>\$ 343,517</u>
Change in Net Position:										
Governmental activities	\$ 125,693	\$ 47,482	\$ 55,561	\$ (52,446)	\$ (112,897)	\$ (47,489)	\$ (30,868)	\$ 28,162	\$ 23,148	\$ 8,296
Business-type activities	(523)	(128)	4,795	468	(368)	(12,813)	(8,157)	(1,314)	(72)	155
Total Primary Government	<u>\$ 125,170</u>	<u>\$ 47,354</u>	<u>\$ 60,356</u>	<u>\$ (51,978)</u>	<u>\$ (113,265)</u>	<u>\$ (60,302)</u>	<u>\$ (39,025)</u>	<u>\$ 26,848</u>	<u>\$ 23,076</u>	<u>\$ 8,451</u>

**CITY OF HARTFORD, CONNECTICUT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(in Thousands)**

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General fund:										
Committed	\$ 5,680	\$ 2,933	\$	\$	\$	\$	\$	\$	\$	\$
Assigned	5,262			583	8,663	1,712	3,859	2,850	4,332	2,525
Unassigned	18,880	9,652	4,884	4,510	5,468	20,214	13,022	27,528	25,781	22,561
Total General Fund	\$ 29,822	12,585	\$ 4,884	\$ 5,093	\$ 14,131	\$ 21,926	\$ 16,881	\$ 30,378	\$ 30,113	\$ 25,086
All other governmental funds:										
Nonspendable	\$ 9,090	\$ 8,798	\$ 8,822	\$ 8,882	\$ 8,970	\$ 8,817	\$ 8,712	\$ 8,772	\$ 8,706	\$ 18,583
Restricted	47,782	69,619	82,880	103,321	165,287	137,001	159,398	171,251	31,782	22,004
Committed	8,408	11,479	3,135	2,150	1,867	2,435	2,352	2,620	7,663	31,020
Assigned	1,008	830	603		8,663		3,198	9,467	9,585	
Unassigned	(3,977)	(307)	(3,220)	(10,669)	(775)	(7,425)	(8,495)	(14,379)	(7,522)	(202)
Total All Other Governmental Funds	\$ 62,311	90,419	\$ 92,220	\$ 103,684	\$ 184,012	\$ 140,828	\$ 165,165	\$ 177,731	\$ 50,214	\$ 71,405
Total Governmental Funds	\$ 92,133	103,004	\$ 97,104	\$ 108,777	\$ 198,143	\$ 162,754	\$ 182,046	\$ 208,109	\$ 80,327	\$ 96,491

* The City began to report new fund categories when it implemented GASB Statement No. 54 in fiscal year 2011

CITY OF HARTFORD, CONNECTICUT
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
LAST TEN YEARS
(in Thousands)

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues:										
Property taxes, interest and liens, net	\$ 280,410	\$ 278,967	\$ 283,758	\$ 260,363	\$ 266,870	\$ 260,640	\$ 256,765	\$ 255,546	\$ 277,245	\$ 274,013
Licenses, permits, and other charges	6,579	6,630	6,218	5,376	7,613	7,778	6,555	5,661	6,299	4,891
Intergovernmental	697,761	655,506	596,632	579,357	566,745	572,213	539,420	571,249	509,770	475,622
Charges for services	12,593	12,722	11,267	13,013	12,902	17,826	17,827	14,538	9,427	10,742
Use of property	943	1,153	979	1,925	2,265	1,920	3,227	2,283	4,574	6,354
Investment income (loss)	3,397	5,637	4,305	6,840	847	948	5,512	2,781	2,204	3,079
Miscellaneous	11,973	11,972	10,708	18,325	18,380	18,238	15,293	15,927	15,867	13,860
Total revenues	<u>1,013,656</u>	<u>972,587</u>	<u>913,867</u>	<u>885,199</u>	<u>875,622</u>	<u>879,563</u>	<u>844,599</u>	<u>867,985</u>	<u>825,386</u>	<u>788,561</u>
Expenditures:										
Current:										
General government	14,336	13,913	14,047	22,574	41,938	38,877	27,846	40,237	30,021	21,547
Public safety	92,575	89,959	92,543	88,067	93,837	91,413	96,695	85,448	83,308	84,283
Public works	14,193	13,179	12,236	32,342	32,905	31,105	12,329	15,882	21,804	15,282
Development and community affairs	11,660	11,128	11,106	55,131	56,617	56,493	60,155	60,544	62,798	60,501
Human services	65,112	59,832	61,113	29,523	29,585	29,460	28,569	26,702	29,315	27,878
Education	471,435	479,187	470,686	496,259	482,112	488,221	470,445	447,244	435,301	419,099
Recreation and culture	21,280	21,553	22,155	9,901	11,701	10,961	10,127	9,852	9,483	9,477
Benefits and insurance	81,326	87,260	93,366	78,172	81,255	85,690	86,898	66,941	64,501	65,160
Other	30,668	33,525	31,286	33,121	29,969	32,403	21,019	17,858	29,445	26,637
Capital outlay	153,375	91,686	46,650	21,916	93,477	93,969	76,279	125,790	92,879	68,018
Debit service:										
Principal retirement	41,258	33,998	32,276	76,341	35,891	26,575	27,775	27,775	25,100	22,723
Interest	25,709	30,337	36,502	19,488	41,613	22,727	26,543	17,470	14,547	15,471
Total expenditures	<u>1,022,927</u>	<u>965,557</u>	<u>923,966</u>	<u>962,835</u>	<u>1,030,900</u>	<u>1,007,894</u>	<u>944,680</u>	<u>941,743</u>	<u>898,502</u>	<u>836,076</u>
Deficiency of Revenues over Expenditures	<u>(9,271)</u>	<u>7,030</u>	<u>(10,099)</u>	<u>(77,636)</u>	<u>(155,278)</u>	<u>(128,331)</u>	<u>(100,081)</u>	<u>(73,758)</u>	<u>(73,116)</u>	<u>(47,515)</u>
Other Financing Sources (Uses):										
Transfers in from other funds	90,676	96,261	73,881	40,499	22,279	35,918	38,972	48,277	44,203	43,780
Transfers out to other funds	(92,276)	(97,391)	(75,455)	(40,853)	(20,971)	(19,164)	(33,962)	(46,117)	(43,803)	(43,292)
Capital leases				2,634	5,917	2,090	2,758	3,990		
Payment to refunded bond escrow agent					(27,653)	(40,169)			(22,493)	
Bonds issued					203,010	26,000	10,250	48,160	71,280	25,000
Refunding bonds issued					24,596	36,385		124,605		
Bond premium					19,358	17,979		22,625	7,765	304
Section 108 loans and CWF serial notes										7,000
BANS					(50,000)	50,000	56,000			
Total other financing sources (uses)	<u>(1,600)</u>	<u>(1,130)</u>	<u>(1,574)</u>	<u>2,280</u>	<u>176,536</u>	<u>109,039</u>	<u>74,018</u>	<u>201,540</u>	<u>56,952</u>	<u>32,792</u>
Net Change in Fund Balances	<u>\$ (10,871)</u>	<u>\$ 5,900</u>	<u>\$ (11,673)</u>	<u>\$ (75,356)</u>	<u>\$ 21,258</u>	<u>\$ (19,292)</u>	<u>\$ (26,063)</u>	<u>\$ 127,782</u>	<u>\$ (16,164)</u>	<u>\$ (14,723)</u>
Debt Service as a Percentage to Noncapital Expenditures	7.81%	7.54%	7.77%	10.33%	8.26%	5.38%	6.23%	5.51%	4.94%	5.00%

**CITY OF HARTFORD, CONNECTICUT
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

(In Thousands)

Fiscal Year	Grand List Year	Land and Buildings	Personal Property	Motor Vehicle	Gross Taxable Grand List	Less Tax Exempt Property	Net Taxable Grand List	Total Direct Tax Rate (in mils)	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable
2020	2018	\$ 7,082,967	\$ 753,638	\$ 346,519	\$ 8,183,124	\$ 4,152,825	\$ 4,030,299	74.29 and 45.00	\$ 7,186,704	(1)
2019	2017	7,219,553	743,698	330,709	8,293,960	4,215,755	4,078,205	74.29 and 45.00	7,136,364	(1)
2018	2016	7,048,936	754,836	316,839	8,120,611	4,047,467	4,073,144	74.29 and 45.00	7,150,314	(1)
2017	2015	6,440,703	741,215	307,830	7,489,748	3,787,843	3,701,905	74.29	6,691,444	(1)
2016	2014	6,352,555	732,125	298,349	7,383,029	3,759,957	3,623,072	74.29	6,664,914	(1)
2015	2013	6,309,174	697,908	292,686	7,299,767	3,764,364	3,535,403	74.29	6,640,460	(1)
2014	2012	6,252,718	666,455	284,621	7,203,794	3,716,013	3,487,781	74.29	6,605,457	(1)
2013	2011	6,180,974	636,333	276,070	7,093,377	3,675,437	3,417,940	74.29	6,550,210	(1)
2012	2010	6,454,818	663,558	264,267	7,382,643	3,644,266	3,738,377	71.79	7,739,104	(1)
2011	2009	5,990,870	639,547	257,817	6,888,234	3,314,736	3,573,498	72.79	7,088,777	(1)

Source: City of Hartford, Assessor's Office

Notes:

(1) Beginning in 2006 Assessed Value-not all property at 70%

CITY OF HARTFORD, CONNECTICUT
PRINCIPAL TAXPAYERS
Current Year and Nine Years Ago
(In Thousands)

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Eversource Energy Co.	\$ 187,100	1	4.60%	\$ 119,950	2	3.33%
Travelers Indemnity Co. Affiliate	143,243	2	3.60%	109,898	4	3.05%
Hartford Fire Ins. & Twin City Ins.	124,275	3	3.10%	124,492	1	3.45%
Aetna Life Ins. Co.	108,549	4	2.70%	104,407	5	2.90%
RP Asylum LLC	72,425	5	1.80%			
Hartford Hospital	51,187	6	1.30%			
Mac-State Square LLC	49,000	7	1.20%	60,624	6	1.68%
Talcott II Gold, LLC	44,937	8	1.10%	53,674	8	1.49%
Constitution Plaza Holding LLC	41,355	9	1.00%			
Hartford Steam Boiler	37,620	10	0.90%			
City Place I LTD Ptnshp				58,120	7	1.61%
Connecticut Constitution Assoc. LTD Ptnshp				40,784	10	1.13%
FGA Trumbull, LLC				47,664	9	1.32%
Northland Properties				113,251	3	3.14%
	<u>\$ 859,691</u>		<u>21.30%</u>	<u>\$ 832,864</u>		<u>23.10%</u>

Source: City of Hartford Assessor's Office

**CITY OF HARTFORD, CONNECTICUT
PROPERTY TAX LEVIES & COLLECTIONS
LAST TEN FISCAL YEARS**
(In Thousands)

Adjusted to reflect Actual Balances per the Tax Collector Reports for each Fiscal Year (State of CT Assessor's M-13)

Fiscal Year Ended June 30	Grand List Year (1)	Adjusted Net Taxable Grand List	Mill Rates	Original Tax Levy	Adjusted Tax Levy	Collected Within the Fiscal Year of the Levy		Tax Collections in Subsequent Years	Total Collections To Date	
						Tax Collections First Year of Levy	Percentage of Adjusted Levy (2)		Total Collections to Date	Percentage of Adjusted Levy (3)
2020	2018	\$ 4,074,823	74.29&45.00	\$ 290,397	\$ 284,124	\$ 270,217	95.11%	\$ 4,181	\$ 274,398	96.58%
2019	2017	4,106,248	74.29&45.00	293,266	279,414	268,369	96.05%	4,586	272,955	97.69%
2018	2016	4,133,801	74.29&45.00	292,215	282,465	270,517	95.77%	5,787	276,304	97.82%
2017	2015	3,748,677	74.29	264,387	257,563	247,432	96.07%	5,238	252,670	98.10%
2016	2014	3,623,072	74.29	271,647	262,887	253,206	96.32%	5,595	258,801	98.45%
2015	2013	3,520,695	74.29	264,923	253,545	245,520	96.83%	4,881	250,401	98.76%
2014	2012	3,484,647	74.29	262,101	248,851	238,532	95.85%	7,636	246,168	98.92%
2013	2011	3,395,085	74.29	256,455	247,519	234,215	94.63%	12,696	246,911	99.75%
2012	2010	3,743,726	71.79	285,281	278,481	261,285	93.83%	7,680	268,965	96.58%
2011	2009	3,604,167	72.79	277,997	268,745	256,253	95.35%	7,104	263,357	98.00%

**CITY OF HARTFORD, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE - UNAUDITED
LAST TEN FISCAL YEARS**

(In Thousands)

Fiscal Year	(1) General Obligation Bonds	(2) Hartford Parking Facilities	(3) Debt Payable from Enterprise Revenues	Total Net Primary Government General Obligation Debt	Ratio of Total Net General Bonded Debt to Taxable Grand List	Ratio of Total Net General Bonded Debt per Capita	Percentage of Personal Income
2020	\$ 542,381	\$ 1,743	\$ 63,495	\$ 607,619	13.31%	4.957%	17.695%
2019	586,779	1,830	65,146	653,755	14.29%	5.305%	19.318%
2018	623,785	2,274	66,723	692,782	15.09%	5.614%	21.585%
2017	658,861	2,688	68,232	729,781	17.58%	5.921%	22.738%
2016	748,070	3,078	69,516	820,664	20.65%	6.618%	26.793%
2015	613,855	3,970	63,372	681,197	17.44%	5.462%	23.239%
2014	549,987	67,342		617,329	15.78%	4.938%	20.976%
2013	510,399	23,876		534,275	15.03%	4.278%	18.467%
2012	337,607	25,161		362,768	9.02%	2.905%	12.463%
2011	303,116	26,376		329,492	8.41%	2.641%	11.288%

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Revenue bonds refunded in 2005 with the issuance of general obligation refund bonds.

(2) These amounts are the general obligation bonds that are being repaid by the Parking Fund.

(3) These amounts are the general obligation bonds that are being repaid by the Stadium Fund.

CITY OF HARTFORD
STATEMENT OF DEBT LIMITATION - UNAUDITED
JUNE 30, 2020
(In Thousands)

Total Fiscal Year 2019 Tax Collections (Taxes, Interest and Fees)	\$ 275,590
Tax Relief for the Elderly	<u>360</u>
Base for Establishing Debt Limit	<u>\$ 275,950</u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>	<u>Total</u>
Debt Limitation by Purpose						
2.25xbase	\$ 620,888	\$	\$	\$	\$	\$ 620,888
4.50xbase		1,241,775				1,241,775
3.75xbase			1,034,813			1,034,813
3.25xbase				896,838		896,838
3.00xbase					827,850	827,850
Total Debt Limitation	<u>620,888</u>	<u>1,241,775</u>	<u>1,034,813</u>	<u>896,838</u>	<u>827,850</u>	<u>4,622,163</u>
Debt, as defined by statute:						
Bonds Payable	396,515	163,290				559,805
Bonds Authorized-Unissued	25,432	17,858				43,290
Serial Notes Payable			754			754
Overlapping Debt			<u>228,687</u>			<u>228,687</u>
Total Indebtedness	<u>421,947</u>	<u>181,148</u>	<u>229,441</u>	<u>-</u>	<u>-</u>	<u>832,536</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 198,941</u>	<u>\$ 1,060,627</u>	<u>\$ 805,372</u>	<u>\$ 896,838</u>	<u>\$ 827,850</u>	<u>\$ 3,789,627</u>

Note 1 - The authorized/unissued debt has been reduced by grant proceeds of \$58,228 relative to general purpose and school construction projects.

CITY OF HARTFORD, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION - UNAUDITED
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt limit	\$ 1,931,650	\$ 1,966,083	\$ 1,799,014	\$ 1,799,742	\$ 1,875,615	\$ 1,829,667	\$ 1,804,222	\$ 1,793,687	\$ 1,914,423	\$ 1,869,469
Total net debt applicable to limit	<u>832,536</u>	<u>958,949</u>	<u>1,181,014</u>	<u>846,864</u>	<u>859,443</u>	<u>1,168,278</u>	<u>976,059</u>	<u>800,206</u>	<u>722,204</u>	<u>605,267</u>
Legal Debt Margin	<u>\$ 1,099,114</u>	<u>\$ 1,007,134</u>	<u>\$ 618,000</u>	<u>\$ 952,878</u>	<u>\$ 1,016,172</u>	<u>\$ 661,389</u>	<u>\$ 828,163</u>	<u>\$ 993,481</u>	<u>\$ 1,192,219</u>	<u>\$ 1,264,202</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>43.10%</u>	<u>48.77%</u>	<u>65.65%</u>	<u>47.05%</u>	<u>45.82%</u>	<u>63.85%</u>	<u>54.10%</u>	<u>44.61%</u>	<u>37.72%</u>	<u>32.38%</u>

**CITY OF HARTFORD, CONNECTICUT
STATEMENT OF DIRECT AND OVERLAPPING DEBT
LAST TEN FISCAL YEARS**

(In Thousands)

Fiscal Year	Governmental Activities Total Debt Outstanding	MDC Bonded Debt	MDC Self Funded Debt	MDC Overlapping Debt All Participating Governments	City's Percentage Share of MDC Debt	City's Share of MDC Debt	City's Total Direct Debt	City's Total Overlapping Debt	City's Total Direct and Overlapping Debt	Ratio of Debt to Taxable Assessed Value	Debt per Capita
2020	\$ 542,381	\$ 1,298,107	\$ 505,059	\$ 903,187	25%	\$ 228,687	\$ 542,381	\$ 228,687	\$ 771,068	19.13%	6.290
2019	586,779	1,260,606	495,342	922,227	26%	236,736	586,779	236,736	823,515	20.19%	6.682
2018	623,785	1,084,327	526,010	972,976	26%	249,763	623,785	249,763	873,548	21.45%	7.079
2017	658,861	1,041,026	523,917	949,066	26%	249,699	658,861	249,699	908,560	24.54%	7.372
2016	748,070	904,360	497,737	914,104	26%	238,855	748,070	238,855	986,925	27.24%	7.959
2015	613,855	799,951	453,352	601,753	28%	165,482	613,855	165,482	779,337	22.04%	6.249
2014	549,987	493,066	309,625	650,055	29%	186,501	549,987	186,501	736,488	21.12%	5.891
2013	510,399	518,340	273,076	559,041	29%	159,942	510,399	159,942	670,341	19.61%	5.367
2012	337,607	320,803	121,821	419,411	28%	118,609	337,607	118,609	456,216	12.20%	3.654
2011	303,116	301,973	122,780	327,393	28%	91,539	303,116	91,539	394,655	11.04%	3.163

Notes:

- (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.
- (2) MDC - Metropolitan District Commission
- (3) MDC's overlapping debt is the net direct debt, primarily sewer infrastructure, supported by the MDC's member municipalities taxing authority
Each member municipality's share of the MDC's overlapping debt is based on percentage share of the overall annual town tax levy

**CITY OF HARTFORD, CONNECTICUT
DEMOGRAPHIC AND EMPLOYMENT STATISTICS
LAST TEN CALENDAR YEARS**

Fiscal Year	Population (1)	School Enrollment (2)	Median Age (1)	Median Family Income (1)	Calendar Year	Labor Force		Percentage Unemployed (3)			
						Employed (3)	Unemployed (3)	City of Hartford	Hartford Labor Market Area (LMA)	State of Connecticut	United States (1)
2020	122,587	18,880	31.5	\$ 34,338	2019	48,165	7,554	13.6%	7.3%	7.8%	7.9%
2019	123,243	19,765	30.0	33,841	2018	50,467	3,707	11.0%	6.8%	3.6%	3.7%
2018	123,400	20,142	30.6	32,095	2017	50,082	3,462	6.9%	3.8%	4.4%	4.0%
2017	123,243	20,891	30.6	32,095	2016	48,474	5,046	9.4%	5.1%	5.1%	4.7%
2016	124,006	21,463	30.3	30,630	2015	48,459	5,537	10.3%	6.0%	5.5%	5.3%
2015	124,705	21,487	30.1	29,313	2014	47,895	6,649	12.2%	6.6%	6.5%	6.1%
2014	125,017	21,390	29.8	29,430	2013	42,396	7,281	14.7%	7.8%	7.8%	7.4%
2013	124,893	20,879	29.7	28,931	2012	45,452	7,748	15.4%	8.2%	8.1%	7.4%
2012	124,867	20,899	29.7	29,107	2011	43,712	8,031	15.5%	8.5%	8.4%	8.2%
2011	124,775	20,953	29.8	29,190	2010	43,054	8,331	16.4%	9.2%	9.1%	9.2%

- (1) U.S. Department of Commerce, Bureau of Census.
- (2) Hartford Board of Education, FYs to 2005/State Department of Education, FY 2010 and forward.
- (3) State of Connecticut, Department of Labor (Calendar Year).

**CITY OF HARTFORD, CONNECTICUT
PRINCIPAL EMPLOYERS
HARTFORD'S MAJOR EMPLOYERS**

Business Name	Nature of Business	Area	Employees
Aetna Inc	Insurance	Hartford	1,000 - 4,999
Connecticut Children's Med Ctr	Hospitals	Hartford	1,000 - 4,999
St. Francis Hospital Medical Ctr	Hospitals	Hartford	1,000 - 4,999
Environmental Protection Dept	Government Offices	Hartford	1,000 - 4,999
Hartford Hospital	Hospitals	Hartford	5,000 - 9,999
Hartford Financial Svc Group	Insurance	Hartford	5,000 - 9,999
Bankboston	Banks	Hartford	1,000 - 4,999
Travelers Indemnity CO	Insurance	Hartford	1,000 - 4,999
Institute of Living	Mental Health Services	Hartford	1,000 - 4,999
The Hartford	Insurance	Hartford	5,000 - 9,999
The City of Hartford	Government Offices	Hartford	1,000 - 4,999

Source: Connecticut Department of Labor, 2016

TABLE 14

**CITY OF HARTFORD, CONNECTICUT
BUDGETED FULL-TIME EQUIVALENT EMPLOYEES
LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
City Department:										
Mayor's Office	11	11	11	7	8	9	10	10	10	20
Court of Common Council	7	7	7	9	10	10	9	8	7	9
Treasurer	9	9	9	9	10	10	9	9	10	10
Registrars of Voters	7	6	6	6	6	6	5	8	8	8
Corporation Counsel	16	17	16	16	19	20	23	23	22	17
Town & City Clerk	10	11	11	11	13	13	13	15	15	14
Internal Audit	5	5	5	5	5	5	5	5	5	5
Office of Chief Operating Officer*	6	6	6	4	14	13	17	16	17	
Communications & New Media*	0	0	0	3	7	6	7	8	8	
Metro Hartford Information System	14	14	14	17	21	21	16	16	17	17
Finance	45	46	46	46	44	45	42	47	46	53
Human Resources	13	13	13	13	17	16	14	15	15	13
Office of Human Relations	0	0	0	0	0	0	0	0	0	8
Office of Management, Budget & Grants	13	11	8	9	8	8	10	11	12	12
Fire	368	362	372	340	361	389	373	393	377	407
Police	537	540	529	523	521	494	523	485	526	525
Emergency Services & Telecommunications	49	49	49	51	52	54	72	77	78	69
Public Works	197	185	178	177	207	209	238	234	232	196
Development Services	52	54	42	42	49	57	63	65	60	54
Health & Human Services	33	31	28	26	39	37	40	43	43	50
Office for Young Children *	0	0	0	0	0	0	0	0	0	3
Office for Youth Services	0	0	0	0	0	0	0	0	0	5
Families, Children, Youth and Recreation*	11	11	11	12	18	17	18	20	18	
Total	<u>1,403</u>	<u>1,388</u>	<u>1,361</u>	<u>1,326</u>	<u>1,429</u>	<u>1,439</u>	<u>1,507</u>	<u>1,508</u>	<u>1,526</u>	<u>1,495</u>
Board of Education:										
Teachers	1,338	1,483	1,496	1,570	1,700	1,786	1,709	1,633	1,680	1,658
Administrators	176	181	185	194	219	196	154	105	163	156
Paraprofessionals	422	484	479	494	496	473	471	525	380	370
Clerical	95	100	101	103	119	124	123	96	123	129
Nurses	46	49	47	55	55	60	60	48	54	50
Security	88	87	85	96	96	97	92	84	87	89
Custodial	206	206	201	207	207	209	184	156	195	197
Guidance Counselors	36	33	31	30	34	35	36	32	26	29
Social Workers	81	84	84	62	62	62	54	50	45	50
Psychologists	18	19	19	22	21	23	20	15	21	23
Support Staff	222	204	217	215	243	297	367	348	349	321
Others	161	182	176	187	214	129	210	163	1	1
Total	<u>2,889</u>	<u>3,112</u>	<u>3,121</u>	<u>3,235</u>	<u>3,466</u>	<u>3,488</u>	<u>3,480</u>	<u>3,255</u>	<u>3,124</u>	<u>3,073</u>
Grand Total	<u>4,292</u>	<u>4,500</u>	<u>4,482</u>	<u>4,561</u>	<u>4,895</u>	<u>4,927</u>	<u>4,987</u>	<u>4,763</u>	<u>4,650</u>	<u>4,568</u>

* Office was established in First Year with reported #'s

**CITY OF HARTFORD, CONNECTICUT
OPERATING INDICATORS BY FUNCTION
LAST SIX FISCAL YEARS**

General Government	FISCAL YEAR					
	2020	2019	2018	2017	2016	2015
<i>Finance</i>						
Number of bills mailed*	109,185	105,236	108,264	108,171	123,691	115,872
Number of invoices approved for payment	57,300	55,072	63,781	66,736	69,137	68,673
Number of internal control reviews performed	18	21	20	21	21	20
* excludes tax bills delivered electronically and second installment mailing						
<i>Assessor</i>						
Number of deeds processed	2,426	2,583	2,367	2,147	2,337	2,373
Number of veterans exemptions	1,482	1,438	1,385	1,303	1,185	1,137
Board of assessment appeals adjustments	\$ (4,728,705)	\$ (4,818,555)	\$ (8,876,090)	\$ (2,200,398)	\$ (3,728,457)	\$ (4,078,657)
<i>Personnel</i>						
Number of applications processed	2,852	1,097	2,517	1,114	1,838	1,650
Vacancies filled through promotion	108	141	130	118	124	102
Vacancies filled through new hires	166	300	232	39	61	110
<i>City Clerk</i>						
Land records recorded	16,333	17,274	14,562	13,968	13,105	12,791
Marriage licenses issued	804	982	1,166	*	*	*
Death certificates issued	13,118	15,527	10,814	*	*	*
Birth certificates issued	10,513	15,050	19,078	*	*	*
<i>Management Information Systems</i>						
Help desk calls:						
City	3,990	3,498	3,065	*	4,346	*
Schools	9,216	10,502	8,850	*	8,165	*
Availability, all systems	99%	99%	99%	*	1	*
Federal E-Rate Funds Received	726,958	979,398	1,134,345	*	2,774,811	*
<i>Election</i>						
Voters added	11,429	5,038	4,814	11,271	*	*
Voters removed	8,833	4,447	4,141	10,285	*	*
Voter changes	14,779	10,954	5,092	14,862	*	*
Total voters	70,425	71,808	69,563	68,958	*	*
<i>Public Safety</i>						
<i>Police</i>						
911 calls	32,946	33,150	33,627	31,807 (1)	4,492	3,723
Non-emergency calls	58,601	66,003	66,319	72,713	104,114	98,976
DWI Arrests	279	221	206	424	326	376
<i>Fire</i>						
Fire	627	523	568	642	731	635
No Fire	4	12	7	14	7	10
Rescue & Emergency Medical Services	20,273	20,487	21,454	20,175	18,110	15,696
Hazardous Conditions	540	583	609	541	633	611
Service Calls	3,713	5,753	3,675	2,719	2,390	2,236
Good Intent Calls	2,039	2,333	1,969	1,835	1,700	1,371
False Alarm & False Calls	2,034	2,062	1,948	1,912	1,900	1,833
Severe Weather & Natural Disaster	-	1	-	-	-	-
Special Incident Type	60	58	422	301	68	60
<i>Public Works</i>						
<i>Engineering & Administration</i>						
Lane miles paved	41	0	38	38	38	38
<i>Development and Community Affairs</i>						
<i>Development Services</i>						
Housing vouchers, residential assistance (families)	4,992	4,992	4,805	4,835	*	55,411
Zoning Board appeals	37	25	33	30	16	17
Code inspections	3,026	4,778	3,586	6,985	6,388	6,264
Citations issued	-	-	1,153	2,193	*	1,985
<i>Education</i>						
Average Class Size - Kindergarten	*	*	*	*	*	20.0
Average Class Size - Grade 2	*	*	*	*	*	18.6
Average Class Size - Grade 5	*	*	*	*	*	19.5
Average Class Size - Grade 7	*	*	*	*	*	19.4

(1) *This does not reflect actual nature of event or method of receipt. It only captures the entry made by the call taker in dispatch. The Public Safety Dispatch Center has transitioned to the State's next generation 911 system. The new 911 system is not data logged by current CAD-Bill Hollman, IT Manager.

**CITY OF HARTFORD, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS**

		Fiscal Year									
		2020	2019	2018	2017	2016	2015	# 2009	2013	2012	2011
Function											
<i>Public Safety</i>											
Police	Number of Stations	6	6	6	6	7	6	3	5	3	3
	Vehicles	241	278	263	269	287	295	235	275	280	283
Fire	Number of Stations	12	12	12	12	12	12		12	12	12
	Vehicles	87	87	95	81	95	83		88	88	89
<i>Public Works</i>											
Infrastructure											
	Concrete road miles	63	63	63	63	63	63	63	63	63	63
	Asphalt road miles	151	151	151	151	151	151	148	151	151	150
	Bridges	15	9	9	9	9	9	8	9	9	9
	Traffic lights	248	248	248	248	247	245	241	245	245	245
	Conduit system (miles)	8	8	8	8	8	8	8	8	8	8
	Street Maintenance Vehicles	38	38	38	38	38	40		66	56	55
Parks & Cemeteries											
	Parks	29	29	29	29	29	29		29	29	29
	Cemeteries	5	5	5	5	5	5	5	5	5	5
Building Maintenance											
	Parking lots	3	3	3	3	3	3	1	3	3	3
	Parking garages	2	2	2	2	2	2	3	2	3	3
<i>Education</i>	Number of buildings	47	47	47	47	47	47	45	47	47	48
<i>Recreation and Culture</i>											
Recreation											
	Number of athletic fields	73	73	73	73	73	73		79	83	73
	Number of playscapes/grounds	22	22	22	22	22	22	28	29	28	27
	Number of Vehicles	31	77	77	77	77	77	35	75	77	75
Library	Number of Branches	7	7	7	10	10	10		10	10	10



LUKE A. BRONIN
MAYOR