

DRAFT
STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD (MARB)

SPECIAL MEETING MINUTES
Hartford Subcommittee of the MARB

Meeting Date and Time: Thursday, May 2, 2024, 10:00 AM – 12:00 PM, Rescheduled from April 25, 2024

Meeting Location: This was a virtual meeting. Meeting materials may be accessed at the following website:
<https://portal.ct.gov/OPM/Marb/Hartford-Committee-Meetings-and-Materials>

Call-In Instructions: Meeting participants may use the following telephone number and access code

Telephone Number: (860) 840-2075

Meeting ID: 617 936 713

Members in Attendance: Kimberly Kennison (OPM Secretary designee), Kevin Alvarez (Treasurer's Designee), Stephen Falcigno, Mark Waxenberg, Robert White, and Lisa Hammersley

City Officials in Attendance: Mayor Arulampalam, Julian Freund, Paul Foster and Leigh Ann Ralls

OPM Staff in Attendance: Bill Plummer, Michael Reis, John Mehr, Simon Jiang, Lori McLoughlin

OAG Staff in Attendance: James Caley, Assistant Attorney General

I. Call to Order & Opening Remarks

The meeting was called to order at 10:01 a.m. Ms. Kennison noted that this is a Special Meeting rescheduled from April 25, 2024. The agenda will be followed with a change in the order of items to accommodate the schedule of the City and the Board of Education (BOE) officials.

II. Approval of Minutes:

a. January 18, 2024, Regular Meeting

Mr. White made a motion to approve the minutes with a second by Ms. Hammersley. The motion was unanimously approved with Mr. Alvarez abstaining.

III. Review, Discussion and Possible Action: Mayor's FY 2025 Recommended Budget

Ms. Kennison noted that with Hartford being a Tier II municipality and according to the Statute, the MARB has approval authority of certain revenue items of the annual budget. OPM staff has provided the Subcommittee with a memorandum on those revenue items and a copy of the October 2023 Grand List.

The Subcommittee members received copies of the Hartford's Proposed Budget for FY25 and the 5-Year Plan. The total budget is \$623.8 million, a 0.75% increase over last year. The 68.95 mill rate for FY25 will remain the same as the prior year budget.

Mayor Arulampalam reviewed the budget stating that their goal was to have a balanced budget without raising the mill rate. The revenue side had a decline in property tax collections that was offset by an increase in State grants, an increase in investment income and a modest increase in building-related permits. On the expense side, payroll costs and utility costs have increased. The City continues to fund its Capital Investment Program (CIP) out of the City operating budget. The City invested in the youth sports and recreation area to create productive after-school programs. Also, they created a business office to act like a concierge service to help new businesses navigate the City Hall licensing process. The Mayor touched upon health insurance benefits, pension, collaborating with the Metropolitan District Commission (MDC) on flood control improvements, and road and sidewalk improvements.

The Subcommittee and the Mayor discussed concerns about police recruitment and the status of the City's tax appeals. The Mayor noted that they budgeted conservatively and kept costs down for the fiscal year. His biggest concern continues to be the value of downtown buildings and their impact. The City is realistic about the amount of commercial space that is not returning and aggressively coming up with a plan together with the State to address this situation.

Mr. Waxenberg made a motion to recommend the Mayor's FY 2025 Recommended City of Hartford Budget to the Full MARB for approval, seconded by Mr. Alvarez. The motion passed unanimously.

IV. Review, Discussion and Possible Action: Hartford's 5-Year Plan

Mayor Arulampalam and Mr. Freund discussed the City of Hartford FY2025-FY2029 5-Year Plan.

Mr. Freund provided an overview of how the forecast was assembled and the assumptions that were used to build this mirrored the ones that were used last year. The plan did not build in any impact for revaluation of the October 2026 Grand List, which would impact FY2028 into the baseline forecast, and kept the mill rate level with a constant collection rate that was used in the FY2025 budget. State aid remained flat.

Payroll was based on existing labor agreements and then forecasted out beyond those agreements. Pension projections are based on actuarial reports and forecasts. The City is maintaining a very austere capital plan. The only debt service in the budget is the revenue bond debt associated with the stadium and a very small Clean Water Act loan.

In the past, the City used a very modest attrition factor that was shown to be very conservative. The City built an attrition factor into the forecast based on historical rates. The FY2025 budget used a 6% vacancy rate and forecasting years two through five the percentage is in line with historical actuals with an attrition factor closer to 9%, a bit more conservative.

The 5-Year Plan forecast for the first few years has projections to be in balance. Not until years four and five did revenues and expenditures projections result with forecasted deficits. The City changed its approach by starting early addressing revaluation. The assessor put together three scenarios of growth in the Grand List that could generate between \$5.25 million to over \$28

million per year in property tax collections. Depending on the results of revaluation, it could more than offset the projected deficits in years four and five of the plan.

Mayor Arulampalam discussed four cost containment and cost mitigation initiatives. The first relates to energy efficiency and renewable energy. With the goal to reduce operating costs within city and school buildings and supporting large scale solar projects. The second is risk management. To continue to reduce claims expense with safety training and developing a managed care plan for workers compensation with a return-to-work program. The third is to reduce long-term pension liabilities. Working with the City Treasurer office to development solutions that would reduce pension liabilities and would bring down the Actuarial Determined Employer Contribution (ADEC) payments. The fourth is working collaboratively on cost containment measures with the Hartford Board of Education and with the School Superintendent to look at the cost of drivers like special education, transportation and tuition, to see if the City and the Board can partner resources.

The Subcommittee discussed the projected deficits in years four and five and closing the gap with a sufficient fund balance. They discussed the flat funding of the Hartford Public Schools (HPS) by the City over the past several years and with no increases in school funding in the 5-Year Plan. The Mayor stated that the City cannot be relied upon to fix funding problems within the schools. Assistance is needed from the State to deal with rising special education costs. Also, 50% of Hartford students go to Choice Schools which creates inequity for those within the HPS and the City cannot fix those problems alone. The Subcommittee discussed disadvantages of starting the school year with a budget deficit because of rising tuition costs, operating and general education costs, and special education costs. The Subcommittee highlighted policy changes and legislative changes that are needed in certain areas.

Ms. Kennison asked the members for their views of the 5-Year Plan. After a brief discussion, it was decided to delay moving on the plan by allowing the City the opportunity to provide additional feedback prior to the next MARB meeting. Staff will speak to the Secretary to determine whether a separate subcommittee meeting will be added or will be discussed at the next MARB meeting.

V. Review and Discussion: Board of Education FY 2025 Budget

A link to the Superintendent's Adopted 2024-2025 Operating Budget, the Proposed FY2024-2025 Budget overview dated April 16, 2024, and the 5-Year Budget Forecast dated April 25, 2024, were provided to the Subcommittee for review.

Mr. Foster provided an Executive Summary of the Superintendent's Hartford Public School (HPS) Proposed FY2024-2025 Recommended Budget. The budget process started earlier than in the past to provide sufficient time to engage the community. The building level school leaders were given some autonomy to make decisions about what was important to sustain their building operations and the unions were engaged throughout the process.

The FY2025 budget shows \$429 million in projected revenue and proposed expenditures of \$466 million before mitigation. The Board has mitigated \$35.7 million of the gap with significant reductions in funding and staffing of school-based positions and district-based positions. The budget represents 11% reductions in positions at the school level and an 18% reduction in positions budgeted at the district level. The district level has 334 positions. Of those positions a

large number are spending all day in schools as instructional coaches who are out observing, providing guidance, and coaching classroom teachers. This group also includes tradespeople that maintain the buildings. General Education Teaching positions have a 14.7% reduction, or 162 positions. As a mitigation strategy, a 5% vacancy assumption was used in FY2025 compared to 6% in FY2024 believing not as many positions will remain vacant. The Board plans to use any remaining ESSER /ARP grant funds to offset costs in July, August, and September. With the 58% cap on GenEd Magnet tuition included in the budget as an \$11.5 million savings and using \$5.6 million in the non-lapsing fund helped balance the budget.

The Subcommittee discussed the affect ESSER and ARPA grant funding had on the school budget and staffing levels. It was confirmed that the temporary positions would end when the grant funds ended. Mr. Foster mentioned that the temporary COVID relief funds allowed for the papering over some of the structural fiscal realities facing Hartford Public Schools. The Subcommittee discussed the Sheff case and the effect it had on Hartford schools.

Mr. Foster walked through a 5-Year forecast. A new mitigation piece was added with the passing of Bill 5212 that related the GenEd Magnet tuition. Salaries and fringe benefits are going at a rate that will require position cuts every year. Transportation costs are forecasted to go from \$29.5 million in FY2025 to \$36 million by 2030. The increase in tuition costs is being driven by special education. Mr. Foster discussed Excess Cost with 250 students that exceed the threshold that triggers it at a cost of \$34 million this year. The funds received from the State are \$8.5 million.

The Subcommittee discussed school enrollment, neighborhood schools, and right sizing of schools. Mr. Foster said that there are eleven schools with less than 300 students and that the Board Chair has asked for the necessary data to be compiled to start the right sizing process.

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scenarios of growth in the Grand List that could generate between \$5.25 million to over \$28 million per year in property tax collections. Depending on the results of revaluation, it could more than offset the projected deficits in years four and five of the plan.

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VII. Adjourn

The next MARB meeting on May 16, 2024 will focus on the Proposed FY25 Budgets and the 5-Year Plans for the Cities of Hartford and West Haven.

Mr. Waxenberg made a motion to adjourn with a second by Mr. White. The meeting adjourned at 12:03 AM.

City of Hartford

FY2026-FY2030 Five-Year Plan to the Municipal Accountability Review Board



Meeting date: May 1, 2025

City of Hartford
FY2026-FY2030 Five-Year Plan
to the Municipal Accountability Review Board

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CITY OF HARTFORD

FIVE-YEAR FINANCIAL PLAN FY2026 – FY2030

The City's updated Five-Year Financial Plan covers the fiscal years 2026 through 2030. As the table below illustrates, balanced budgets are forecasted through FY2030 with opportunities in the out years for increasing Fund Balance, reducing the mill rate, or making targeted investments.

REVENUE AND EXPENDITURE SUMMARY ¹	FY2026 RECOMM	FY2027 FORECAST	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST
Revenues	626,320,988	631,480,409	658,963,061	664,414,313	669,956,323
Expenditures	626,320,988	631,439,356	646,172,944	654,904,742	664,569,468
Surplus / (Deficit)	0	41,053	12,790,117	9,509,571	5,386,855
Available as Surplus or for Mill Rate Reduction	0	41,053	12,790,117	9,509,571	5,386,855

¹ Summary table amounts are rounded.

Major Initiatives

The following are among major initiatives underway that are expected to have a significant favorable impact on City finances.

Education

Over the last several years, Hartford Public Schools (HPS) has faced considerable challenges meeting the financial demands imposed by rising transportation, tuition, and special education costs, as well as the expiration of funding streams related to the COVID-19 pandemic. The City has taken steps to help mitigate projected Board of Education (BOE) budget deficits in the near term, while more long-term solutions are sought to make the BOE financially secure. Beginning in the current fiscal year, the City absorbed \$1 million of BOE expense for school crossing guards in the operating budget. For FY2026, the City is committing \$3 million from current year surplus to bridge the BOE budget while the City and HPS collaborate to identify efficiencies and opportunities for consolidation of back-office functions. Over the course of FY2026, the City and HPS will identify areas for consolidation that can be built into the FY2027 budget. In addition, the Mayor's Blue Ribbon Commission for Hartford Education recently issued its report recommending, among other initiatives, "a facilities audit, to determine where it makes sense to invest and where district reconfiguration may help to provide a more effective and efficient system."

Debt and Capital

Since entering into the Contract for Financial Assistance with the State of Connecticut in 2018, the City has relied on pay-as-you-go funding to support its capital needs. While the City has been able to sustain

a limited capital improvement plan funded by budgeted contributions to the Capital Fund supplemented by use of operating surpluses, certain investments in critical infrastructure and capital equipment replacement have been deferred. In order to address a portion of the backlog in capital improvements and equipment, the 5-Year Plan for FY2026-FY2030 incorporates planned borrowing for which the City will be seeking approval from the Secretary of OPM and the State Treasurer, as well as City Council. There are two components to the planned borrowing:

- Lease-Purchase of Fire Apparatus, Public Works Heavy Equipment and IT Infrastructure: A total of \$25 million of lease purchase acquisition. The projections assume 7-year lease purchases at an interest rate of 5.85%.
- General Obligation Bonds for Critical Infrastructure: The projections include debt service on a \$25 million bond issuance amortized over 20 years at an interest rate of 5%. Bonded projects would be limited to core infrastructure, such as roads, sidewalks, traffic signals, streetlight replacement, etc.

The next steps in developing the borrowing plan entail engaging with a bond advisor to recommend method of sale, structure, and timing of issuance. As part of the borrowing plan, the City will also adhere to the City's Debt Policy regarding debt structuring, issuance and management.

Economic Development

The City's ability to sustainably and adequately fund municipal operations will rely in part on growing its tax base and attracting new residents with quality housing opportunities. Expanding the supply of market rate and workforce housing has been one of the City's major economic development strategies to attract workers and families. At the same time, the City continues to rehabilitate existing affordable housing and create new affordable housing.

While most development agreements entered into by the City involve a period of tax abatement, these projects provide additional income through PILOT payments to the City during the abatement period.

Eleven development agreements are currently at various stages of finalization or construction. In total, these projects are projected to result in approximately 1,000 new housing units. While the benefit to the taxable grand list will not be fully realized until after the tax abatement period, in the near term these projects will provide approximately \$1 million in new PILOT income to the City within the five-year planning horizon.

Collaborate with Treasurer on Long-Term Pension Liability Reduction

Annual contributions to the City of Hartford MERF, inclusive of BOE and the Library, comprise 8.8% of the total General Fund budget in FY2025, and the total ADEC for FY2026 represents 8.9% of the General Fund budget. The most recent multi-year projections from the City's actuarial firm suggest the ADEC will fluctuate within a range of \$52.5 million to \$56.7 million over the five-year planning period.

Given its relative share of the budget, pension expense represents an area of significant potential to help manage General Fund expenditures. To this end, the City Treasurer's Office has agreed to collaborate with the Mayor's Office in exploring possible administrative initiatives to reduce the Pension Fund's

liability and moderate the growth of future ADEC payments. This effort may also involve analyzing the possibility of transitioning certain groups to the State-run retirement plan for municipalities.

Other Initiatives

The City continues to work on various other initiatives intended to generate additional favorability in future revenues and expenditures.

Energy Savings Performance Contracting

The City will be participating in the Connecticut Conference of Municipalities' Energy Savings Performance Contracting program. The goals of the program include reducing operating costs of City and school facilities, improving the maintenance and operation of the facilities, and improving facility environmental conditions. Upgrades will be financed with the energy savings resulting from projects. Once capital costs have been covered, the full energy savings accrue to the City. The City has met with CCM and Energia to begin planning for an energy audit that will identify specific energy measures and upgrades for achieving energy efficiencies.

Virtual Net Metering

Through the State's Virtual Net Metering Program, the City has partnered to support large-scale solar installations that benefit Hartford. Under the State's Non-Residential Renewable Energy Solutions (NRES) program, the City has recently been awarded additional solar projects that are expected to generate solar energy as an offset to the City's electricity consumption. A total of 17 NRES projects are anticipated to come online by the end of FY2027 generating more than \$500,000 in savings per year.

Expanding Solar on City Owned Property

The City is currently working with a developer to implement a 4MW solar array on the former North Meadows landfill. In addition, the City has received an NRES award to support installation of solar on the roof of Weaver High School (target date Fall 2025) and is pursuing similar projects at other school locations. The Weaver High School and landfill projects alone are projected to generate savings of more than \$200,000 per year.

Fire Service Billing

Many municipalities bill insurance companies for the cost that Fire departments incur when responding to fire calls. The City began researching policies and exploring the feasibility and revenue potential of such a program this past year. A draft ordinance has been developed and is currently under review. Depending on the final structure of the ordinance, Fire Service billing is projected to generate \$525,000 or more per year. Revenues generated by Fire Service billing may be used as a supplemental source of funding for Fire apparatus or Fire Department capital needs.

Assumptions

The Five-Year Financial Plan for the City of Hartford (City) spans fiscal years (FY) 2026 to 2030. The purpose of the Plan is to help make informed budgetary and operational decisions by anticipating the future of the City's General Fund revenues and expenditures and highlighting anticipated fiscal risks and opportunities. The Plan surfaces major known fiscal conditions and projected future conditions to support informed long-term planning and decision-making regarding operational and capital improvement resources. As such, this Plan should be used as a management and planning tool and be amended annually. It is also important to note that the Court of Common Council is mandated by Charter to adopt a balanced budget. Therefore, any out-year projections indicating a budget deficit will require adjustments prior to budget adoption.

Revenue Assumptions

General Property Taxes are a major source of revenue for the City. The tax revenue projection for the FY2026-FY2030 budget contains the following assumptions:

- Mill rate of 68.95 for all property types, except for Motor Vehicles, which are at the statutorily capped rate of 32.46 mills through FY2030.
- FY2026 Tax Collections are based on the October 2024 Grand List and reflect the recently authorized local option for motor vehicle value depreciation schedule.
- The Grand List is assumed to increase by 1.5% per year for real estate, personal property and motor vehicles, with the exception of real estate in FY2028.
 - Real estate values in FY2028 will be based on the October 2026 revaluation. Recent sales data analyzed by the City Assessor indicates a 13.97% increase in real estate property value compared to the last revaluation. Projections for FY2028 taxes assume a 13.97% increase in real estate values, less \$150 million contingency for tax appeals.
- Tax collection rate of 95.46% based on the average of three previous fiscal years (96.09% in FY2022, 95.07% in FY2023, and 95.22% in FY2024) from the City's ACFR - Annual Comprehensive Financial Report)

Licenses and Permits revenues in the FY2026 Recommended Budget reflect a 4.8% increase above FY2025 Adopted Budget amounts, with a steady stream of income from housing, licenses, inspections, land use, and other fees through FY2030. With various property developments in progress, it is assumed that the amount of revenue from this revenue category will increase by 1.0% annually during the FY2027-FY2030 period.

Fines, Forfeits and Penalties, primarily composed of False Alarm Fine revenue, remain level in the FY2026 Recommended Budget but increase 1.0% annually from FY2027 through FY2030.

Revenue from the Use of Money and Property primarily consists of rental/lease and short-term investment income. The FY2026 Recommended Budget for this category includes a 9.8% decrease in revenues, compared to the FY2025 Adopted Budget, due to 12.5% lower interest income. It is projected that category revenues will remain nearly flat in the FY2027-FY2030 period, increasing by only 0.1% annually.

Intergovernmental Revenue consists primarily of State Aid to the City and is a major source of revenue for the City. In FY2026, Intergovernmental Revenue accounts for 47.5% of total General Fund revenue (the State Aid component represents 47% of total GF revenue). FY2026 State Aid is based on the Governor's Recommended Budget. FY2027-FY2030 assume no changes in State Aid.

Charges for Services include revenue from conveyance tax, filing of legal documents and all other charges for general government services. The City's FY2026 Recommended Budget reflects a 6.7% increase from the FY2025 Adopted Budget, as higher revenues from Special Events are anticipated. Category revenue is projected to increase at a 1.0% annual rate during the FY2027-FY2030 period.

Reimbursements include miscellaneous reimbursement amounts and prior-year expenditure refunds. Reimbursements are expected to generate 24.3% more revenue in the FY2026 Recommended Budget due to higher Section 8 Monitoring revenues. During the FY2027-FY2030 period, revenues are projected to grow by 1.0% per year.

Other Revenues include the sale of development properties and other miscellaneous revenues. The City does not budget for asset sales as an operating revenue. Revenues for this category are 50.6% lower in the FY2026 Recommended Budget than in the FY2025 Adopted Budget as a result of the end of participation in a rebate program. This category escalates at a 1.0% annual rate from FY2027 to FY2030.

Other Financing Sources include transfers from other funds. For this category, the FY2026 Recommended Budget is 1.4% lower than for the FY2025 Adopted Budget due to a projected 12.3% decrease in the revenue from the Hartford Parking Authority, which passes the net operating income to the General Fund. Category revenue is projected to increase at a 1.0% annual rate in the FY2027-FY2030 period.

Expenditure Assumptions

Payroll/Personnel Services

Payroll is a broad expenditure line item that includes salary expenses for full-time, part-time, and seasonal workers, as well as other associated costs including, but not limited to, overtime, holiday pay, and shift differential. For the FY2026 to FY2030 period, Payroll/Personnel Services in operating departments is projected to increase annually by 3.1% on average. The FY2026 Recommended Budget includes a headcount of 1,518; expenditures in the Plan are based on an assumed level headcount. Historical attrition and vacancy rates also have been factored into the 5-Year Plan.

Benefits and Insurance

In the FY2026 Recommended Budget, expenses in Benefits & Insurances, which includes health insurance, pension, property and liability insurances, workers' compensation and other benefits, are projected to increase by 6.9% due to health benefit costs, wage reserve and cashouts, offset by decreases in insurance premiums. This category also includes the attrition factor for non-Public Safety departments for the five-year planning period. Attrition is based on historical vacancy savings from FY2018-FY2024.

- **Health**

The City has a self-insured health model, and the Health Benefits budget reflects the net medical, pharmacy and dental costs after employee contributions for approximately 2,452 active members and 1,472 retirees. Full-time City employees, in accordance with bargaining agreements, have moved from a Preferred Provider Organization Plan (PPO) to a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA) and a partially employer-funded deductible. Annual escalation in healthcare claim expenses is assumed to be 7% from FY2027 through FY2030.

- **Pension**

In total, the City's pension budget increased by 1.9% from the FY2025 Adopted to the FY2026 Recommended Budget. Expenses for the City's Municipal Employees Retirement Plan (MERF) are budgeted based on actuarial valuation data; the pension amounts in the FY2026 Recommended Budget are based on a 6.75% rate of return. The City's calculated employer contribution of \$47.08 million for FY2026 is for the City's Police, Fire and Municipal employees. The Library and the Board of Education fund their respective employer contributions. The FY2026 Recommended Budget fully funds the total actuarially determined employer contribution (ADEC), as required by the City's contract assistance agreement with the State of Connecticut.

The FY2027-FY2030 Plan fully funds the municipal portion of the ADEC, with projections beyond FY2026 based on the most recent long-term projections of the ADEC provided by the City's actuarial firm. The total annual amounts for the municipal portion of the ADEC are \$45.94 million, \$47.55 million, \$45.86 million, and \$44.68 million during the four fiscal years from FY2027 to FY2030.

The City's Connecticut Municipal Employees Retirement System (CMERS) plan for the Local 1716 bargaining unit is funded at \$2.85 million in the FY2026 Recommended Budget with 3% escalation in the out-years.

Debt Service and Other Capital

Under the contract assistance agreement between the City and the State of Connecticut, principal and interest payments for existing acquired and restructured general obligation (GO) bonds will be paid by the

State of Connecticut. The FY2026-FY2030 Plan does not include the debt service for the City's existing general obligation bonded debt. The City will continue to service the Hartford Stadium Authority Revenue Bonds and therefore this debt service is appropriately budgeted within the debt service line item at \$4.6 million annually. The debt service line item also includes the GILOT (Grant in Lieu of Taxes) debt service related to a past CBRA (Connecticut Brownfields Redevelopment Authority) project with the University of Hartford.

For the first time since FY2016, the Debt Service and Other Capital line item includes funding for new general obligation debt issuance. This debt will be used to supplement funding for CIP projects and to lease or purchase vehicles, equipment, and technology. It is assumed that \$25 million of general obligation debt will be issued for critical infrastructure and amortized over a 20-year period, with an issue date of July 1, 2026 and an assumed interest rate of 5%. In addition, approximately \$25 million of lease purchase agreements will be used to replace aged Public Works heavy equipment, Fire apparatus and critical IT infrastructure upgrades.

Education

The City's education contribution to the Hartford Public Schools is projected to be flat in the Plan's out-years. The Hartford Public School System continues to receive additional funding directly through the Alliance Grants and other State and Federal grants.

Hartford Public Library

After a 5.1% increase in the FY2026 Recommended Budget, compared to the FY2025 Adopted Budget and primarily due to expenses associated with salaries and benefits, the Plan's out-years assume the City contribution to the Hartford Public to have a 1.8% annual escalation rate.

Utilities

The City uses data from multiple sources in projecting future utilities expenses. Expenses incurred in the current and prior fiscal years are analyzed and provided to an energy consultant for its reference in developing expense projections for specific accounts including electricity and piped gas. Energy pricing data from the U.S. Energy Information Administration (EIA) Web site, and specifically the organization's Short-Term Energy Outlook report and data that were exported on January 21, 2025, are reviewed and used to estimate escalation in utility costs. Estimated changes in consumption and existing contracts are among the additional information considered when projecting expenses.

Especially given the substantial price swings in some fuels and utilities over the past five years, rather than attempt to project this volatility from year to year, moderate and constant annual escalation rates were applied when projecting utility expenses during the FY2027-FY2030 period. Assumptions made for certain utilities accounts in developing the Five-Year Plan are summarized below.

- Electricity: For FY2026, the Recommended Budget reflects a 6.2% increase from the FY2025 Adopted Budget and likewise a 6.2% increase above projected FY2025 expenses. The annual escalation rate used for the FY2027-FY2030 period was 3.0%.
- Piped Heat and A/C: The FY2026 Recommended Budget for heated and chilled water supplied by Hartford Steam Company (HSC) is 8.4% higher than the FY2025 Adopted Budget and 11.0% higher than projected FY2025 expenses. A 3.0% annual escalation rate was used for the FY2027-FY2030 period.
- Piped Gas: The FY2026 Recommended Budget is 13.1% lower than the FY2025 Adopted Budget and 8.5% higher than projected FY2025 expenses. A 3.5% annual escalation rate was used for the FY2027-FY2030 period.
- Gasoline: For FY2026, the Recommended Budget for gasoline includes a 4.1% increase from the FY2025 Adopted Budget and a 0.4% increase from projected FY2025 expenses. An annual escalation rate of 3.0% was applied to the FY2027-FY2030 period.
- Diesel Fuel: The FY2026 Recommended Budget for diesel fuel is 19.3% lower than the FY2025 Adopted Budget and 12.9% higher than projected FY2025 expenses. The same average annual escalation rate of 3.0% that was applied to gasoline was also applied to diesel fuel in the FY2027-FY2030 period.
- Water: This account funds potable water supply and fire hydrant maintenance by the MDC (Metropolitan District Commission). The FY2026 Recommended Budget matches the FY2025 Adopted Budget and is 7.0% higher than projected FY2025 expenses. A 5.0% annual escalation rate was assumed for the FY2027-FY2030 period.
- Metropolitan District: This account funds payment of the tax on Hartford as a member municipality for sewer services. MDC allocations are developed on a calendar year basis and are based on the estimated property tax revenues for a 3-year period that are received by member municipalities. The FY2026 Recommended Budget is 0.6% higher than the FY2025 Adopted Budget amount and 1.0% higher than projected FY2025 expenses. An average annual escalation rate of 4.0% was assumed during the FY2027-FY2030 period.

FY2026 Recommended Budget and FY2027-FY2030 Forecast

City of Hartford - General Fund Revenue and Expenditure Summary

REVENUE CATEGORY	FY2026 RECOMMENDED	FY2027 FORECAST	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST
41 TAXES	(303,256,569)	(308,197,539)	(335,459,555)	(340,687,965)	(346,004,905)
42 LICENSES & PERMITS	(7,281,648)	(7,354,464)	(7,428,009)	(7,502,289)	(7,577,312)
43 FINES FORFEITS PENAL	(113,840)	(114,978)	(116,128)	(117,289)	(118,462)
44 INT & RENTAL INCOME	(7,859,659)	(7,868,256)	(7,876,938)	(7,885,708)	(7,894,565)
45 INTERGOVERNMENTAL	(297,942,749)	(297,979,983)	(298,017,590)	(298,055,573)	(298,093,936)
46 CHARGES FOR SERVICES	(3,725,602)	(3,762,858)	(3,800,487)	(3,838,491)	(3,876,876)
47 REIMBURSEMENTS	(111,448)	(112,562)	(113,688)	(114,825)	(115,973)
48 OTHER REVENUE	(164,273)	(165,916)	(167,575)	(169,251)	(170,943)
53 OTHER FINANCING SCRS	(5,865,200)	(5,923,852)	(5,983,091)	(6,042,921)	(6,103,351)
Grand Total	(626,320,988)	(631,480,409)	(658,963,061)	(664,414,313)	(669,956,323)

EXPENSE CATEGORY	FY2026 RECOMMENDED	FY2027 FORECAST	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST
PAYROLL	141,783,301	147,365,639	151,480,274	155,683,657	160,002,426
BENEFITS	106,820,091	103,229,466	107,735,840	109,272,974	111,545,116
DEBT	7,902,012	10,010,469	14,048,369	14,881,218	15,708,302
LIBRARY	9,997,627	10,174,469	10,356,856	10,545,053	10,739,338
MHIS	5,956,521	6,039,980	6,124,834	6,211,107	6,298,826
UTILITY	31,634,894	32,980,337	34,392,516	35,875,261	37,432,654
OTHER	38,213,268	37,625,722	38,020,981	38,422,198	38,829,532
EDUC	284,013,274	284,013,274	284,013,274	284,013,274	284,013,274
Grand Total	626,320,988	631,439,356	646,172,944	654,904,742	664,569,468

Revenues and Expenditures, Net	0	(41,053)	(12,790,117)	(9,509,571)	(5,386,855)
Surplus (Deficit), Including Contract	0	41,053	12,790,117	9,509,571	5,386,855

FY2026 Recommended Budget and FY2027-FY2030 Forecast by Revenue Category

REVENUE CATEGORY	FY2026 RECOMMENDED	FY2027 FORECAST	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST
41 TAXES	(303,256,569)	(308,197,539)	(335,459,555)	(340,687,965)	(346,004,905)
CURRENT YEAR TAX LEVY	(292,706,569)	(297,489,289)	(324,590,681)	(329,656,059)	(334,807,520)
INTEREST AND LIENS	(5,200,000)	(5,278,000)	(5,357,170)	(5,437,528)	(5,519,090)
PRIOR YEAR LEVIES	(5,150,000)	(5,227,250)	(5,305,659)	(5,385,244)	(5,466,022)
TAX LIEN SALES	0	0	0	0	0
OTHER	(200,000)	(203,000)	(206,045)	(209,136)	(212,273)
42 LICENSES AND PERMITS	(7,281,648)	(7,354,464)	(7,428,009)	(7,502,289)	(7,577,312)
BUILDING PERMITS	(3,800,580)	(3,838,586)	(3,876,972)	(3,915,741)	(3,954,899)
ELECTRICAL PERMITS	(1,314,500)	(1,327,645)	(1,340,921)	(1,354,331)	(1,367,874)
FOOD & MILK DEALER LICENSES	(245,505)	(247,960)	(250,440)	(252,944)	(255,473)
MECHANICAL PERMITS	(841,280)	(849,693)	(858,190)	(866,772)	(875,439)
PLUMBING PERMITS	(462,704)	(467,331)	(472,004)	(476,724)	(481,492)
OTHER	(617,079)	(623,250)	(629,482)	(635,777)	(642,135)
43 FINES FORFEITS AND PENALTIES	(113,840)	(114,978)	(116,128)	(117,289)	(118,462)
FALSE ALARM CITATIONS-POL&FIRE	(100,000)	(101,000)	(102,010)	(103,030)	(104,060)
LAPSED LICENSE/LATE FEE	(7,100)	(7,171)	(7,243)	(7,315)	(7,388)
OTHER	(6,740)	(6,807)	(6,875)	(6,944)	(7,014)
44 INTEREST AND RENTAL INCOME	(7,859,659)	(7,868,256)	(7,876,938)	(7,885,708)	(7,894,565)
BILLINGS FORGE	(20,428)	(20,632)	(20,839)	(21,047)	(21,257)
CT CENTER FOR PERFORM ART	(50,000)	(50,500)	(51,005)	(51,515)	(52,030)
INTEREST	(7,000,000)	(7,000,000)	(7,000,000)	(7,000,000)	(7,000,000)
RENT OF PROP-ALL OTHER	(100,600)	(101,606)	(102,622)	(103,648)	(104,685)
RENTAL OF PARK PROPERTY	(38,500)	(38,885)	(39,274)	(39,667)	(40,063)
RENTAL OF PARKING LOTS	0	0	0	0	0
RENTAL OF PROP-FLOOD COMM	(99,360)	(100,354)	(101,357)	(102,371)	(103,394)
RENTAL-525 MAIN STREET	0	0	0	0	0
RENTS FROM TENANTS	(191,280)	(193,193)	(195,125)	(197,076)	(199,047)
SHEPHERD PARK	(124,207)	(125,449)	(126,704)	(127,971)	(129,250)
THE RICHARDSON BUILDING	(199,140)	(201,131)	(203,143)	(205,174)	(207,226)
UNDERWOOD TOWER PILOT	(36,144)	(36,505)	(36,870)	(37,239)	(37,612)

REVENUE CATEGORY	FY2026 RECOMMENDED	FY2027 FORECAST	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST
45 INTERGOVERNMENTAL	(297,942,749)	(297,979,983)	(298,017,590)	(298,055,573)	(298,093,936)
MUNICIPAL AID	(294,124,257)	(294,124,257)	(294,124,257)	(294,124,257)	(294,124,257)
CAR TAX SUPPL MRSF REV SHARING	(21,447,475)	(21,447,475)	(21,447,475)	(21,447,475)	(21,447,475)
EDUCATION COST SHARING	(187,974,890)	(187,974,890)	(187,974,890)	(187,974,890)	(187,974,890)
HIGHWAY GRANT	(1,162,089)	(1,162,089)	(1,162,089)	(1,162,089)	(1,162,089)
MASHANTUCKET PEQUOT FUND	(6,136,523)	(6,136,523)	(6,136,523)	(6,136,523)	(6,136,523)
MRSA BONDED DISTRIBUTION GRANT	(1,419,161)	(1,419,161)	(1,419,161)	(1,419,161)	(1,419,161)
MRSF SELECT PILOT	(15,792,632)	(15,792,632)	(15,792,632)	(15,792,632)	(15,792,632)
PRIV TAX EXEMPT PROPERTY	(60,191,487)	(60,191,487)	(60,191,487)	(60,191,487)	(60,191,487)
OTHER MUNICIPAL AID	0	0	0	0	0
STATE CONTRACT ASSISTANCE	0	0	0	0	0
OTHER STATE REVENUES	(87,045)	(87,045)	(87,045)	(87,045)	(87,045)
JUDICIAL BRANCH REV DISTRIB.	(66,947)	(66,947)	(66,947)	(66,947)	(66,947)
VETERANS EXEMPTIONS	(20,098)	(20,098)	(20,098)	(20,098)	(20,098)
PILOTS, MIRA & OTHER INTERGOVERNMENTAL	(3,723,447)	(3,760,681)	(3,798,288)	(3,836,271)	(3,874,634)
DISABIL EXEMPT-SOC SEC	(7,262)	(7,335)	(7,408)	(7,482)	(7,557)
GR REC TAX-PARI MUTUEL	(165,714)	(167,371)	(169,045)	(170,735)	(172,443)
HEALTH&WELFARE-PRIV SCH	(54,629)	(55,175)	(55,727)	(56,284)	(56,847)
PHONE ACCESS LN TAX SH	(778,518)	(786,303)	(794,166)	(802,108)	(810,129)
PILOT CHURCH HOMES INC	(126,588)	(127,854)	(129,132)	(130,424)	(131,728)
PILOT FOR CT CTR FOR PERF	(418,761)	(422,949)	(427,178)	(431,450)	(435,764)
PILOT FOR HARTFORD 21	(500,000)	(505,000)	(510,050)	(515,151)	(520,302)
PILOT HARTFORD HILTON	(390,000)	(393,900)	(397,839)	(401,817)	(405,836)
PILOT HARTFORD MARRIOTT	(700,000)	(707,000)	(714,070)	(721,211)	(728,423)
PILOT-PARK AND MAIN	(136,000)	(137,360)	(138,734)	(140,121)	(141,522)
PILOT-PENNANT N CROSSING	(420,975)	(425,185)	(429,437)	(433,731)	(438,068)
PILOT TRINITY COLLEGE	(25,000)	(25,250)	(25,503)	(25,758)	(26,015)
OTHER	(8,000)	(8,000)	(8,000)	(8,000)	(8,000)
STATE REIMBURSEMENTS	(8,000)	(8,000)	(8,000)	(8,000)	(8,000)
46 CHARGES FOR SERVICES	(3,725,602)	(3,762,858)	(3,800,487)	(3,838,491)	(3,876,876)
CONVEYANCE TAX	(1,600,000)	(1,616,000)	(1,632,160)	(1,648,482)	(1,664,966)
FILING RECORD-CERTIF FEES	(300,000)	(303,000)	(306,030)	(309,090)	(312,181)
TRANSCRIPT OF RECORDS	(598,226)	(604,208)	(610,250)	(616,353)	(622,516)
OTHER	(1,227,376)	(1,239,650)	(1,252,046)	(1,264,567)	(1,277,212)
47 REIMBURSEMENTS	(111,448)	(112,562)	(113,688)	(114,825)	(115,973)
ADVERTISING LOST DOGS	(453)	(458)	(462)	(467)	(471)
DOG ACCT-SALARY OF WARDEN	(2,105)	(2,126)	(2,147)	(2,169)	(2,190)
SECTION 8 MONITORING	(108,890)	(109,979)	(111,079)	(112,189)	(113,311)
OTHER	0	0	0	0	0
48 OTHER REVENUES	(164,273)	(165,916)	(167,575)	(169,251)	(170,943)
MISCELLANEOUS REVENUE	(148,941)	(150,430)	(151,935)	(153,454)	(154,989)
OVER & SHORT ACCOUNT	0	0	0	0	0
SALE OF DOGS	(6,849)	(6,917)	(6,987)	(7,057)	(7,127)
SETTLEMENTS - OTHER	(3,000)	(3,030)	(3,060)	(3,091)	(3,122)
OTHER	(5,483)	(5,538)	(5,593)	(5,649)	(5,706)
53 OTHER FINANCING SOURCES	(5,865,200)	(5,923,852)	(5,983,091)	(6,042,921)	(6,103,351)
DOWNTOWN NORTH (DONO)	(912,500)	(921,625)	(930,841)	(940,150)	(949,551)
REVENUE FROM HTFD PKG AUTHY	(2,002,700)	(2,022,727)	(2,042,954)	(2,063,384)	(2,084,018)
SPECIAL POLICE SERVICES	(2,950,000)	(2,979,500)	(3,009,295)	(3,039,388)	(3,069,782)
Grand Total	(626,320,988)	(631,480,409)	(658,963,061)	(664,414,313)	(669,956,323)

FY2026 Recommended Budget and FY2027-FY2030 Forecast Amounts by Major Category

EXPENSE CATEGORY	FY2026 RECOMMENDED	FY2027 FORECAST	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST
PAYROLL	141,783,301	147,365,639	151,480,274	155,683,657	160,002,426
FT	118,268,072	123,380,089	127,015,306	130,581,801	134,246,332
HOL	2,790,686	2,869,274	2,949,887	3,032,424	3,117,274
OT	18,247,166	18,614,125	18,987,908	19,516,988	20,060,853
PT	2,477,377	2,502,151	2,527,172	2,552,444	2,577,968
BENEFITS	106,820,091	103,229,466	107,735,840	109,272,974	111,545,116
1HEALTH	39,017,286	41,732,096	44,636,451	47,743,604	51,067,735
2MITIG	(2,490,000)	(5,328,019)	(5,673,255)	(6,011,960)	(6,359,860)
3PEN	52,759,068	51,765,780	53,533,996	51,999,850	50,985,483
3PEN	10,000	10,300	10,609	10,927	11,255
3PEN-CMERS	2,934,124	3,020,426	3,109,299	3,200,822	3,295,072
3PEN-MERF	47,082,000	45,938,000	47,551,000	45,857,000	44,678,000
3PEN-OTHER	595,946	595,946	595,946	595,946	595,946
3PEN-PAYOUT	2,136,998	2,201,108	2,267,141	2,335,155	2,405,210
4INSUR	6,126,570	6,249,101	6,374,083	6,501,565	6,631,596
FRINGE REIMBURSEMENTS	(2,947,953)	(3,017,534)	(3,188,741)	(3,244,360)	(3,300,950)
LIFE INSURANCE	241,455	248,699	256,160	263,844	271,760
OTHER BENEFITS	6,165,000	6,319,950	6,479,549	6,643,935	6,813,253
OTHER	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
SOC SEC	4,895,000	5,041,850	5,193,106	5,348,899	5,509,366
TUITION REIMBURSEMENT	20,000	20,600	21,218	21,855	22,510
UNEMPLOY COMP	250,000	257,500	265,225	273,182	281,377
WAGE	2,746,790	0	0	0	0
WORKERS COMP	5,201,875	5,259,394	5,317,598	5,376,496	5,436,097
DEBT	7,902,012	10,010,469	14,048,369	14,881,218	15,708,302
DEBT	7,902,012	10,010,469	14,048,369	14,881,218	15,708,302
CLEAN WATER	115,584	115,583	0	0	0
DONO	4,643,750	4,640,994	4,646,631	4,646,494	4,640,500
GILOT	220,128	224,531	229,021	233,602	238,274
GO BONDS - CURRENT	0	625,000	2,500,000	2,437,500	2,375,000
LEASE PURCHASE	0	1,781,811	2,672,717	3,563,622	4,454,528
PAY GO CAPEX	2,922,550	2,622,550	4,000,000	4,000,000	4,000,000
LIBRARY	9,997,627	10,174,469	10,356,856	10,545,053	10,739,338
MHIS	5,956,521	6,039,980	6,124,834	6,211,107	6,298,826
UTILITY	31,634,894	32,980,337	34,392,516	35,875,261	37,432,654
OTHER	38,213,268	37,625,722	38,020,981	38,422,198	38,829,532
EDUC	284,013,274	284,013,274	284,013,274	284,013,274	284,013,274
Grand Total	626,320,988	631,439,356	646,172,944	654,904,742	664,569,468

FY2026 Recommended Budget and FY2027-FY2030 Forecast Amounts by Department

DEPARTMENT	FY2026 RECOMMENDED	FY2027 FORECAST	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST
00111 MAYOR'S OFFICE	904,391	925,663	939,232	953,003	966,979
00112 COURT OF COMMON COUNCIL	993,308	1,003,988	1,014,807	1,025,767	1,036,870
00113 TREASURER	582,913	599,996	613,056	626,443	640,164
00114 REGISTRARS OF VOTERS	605,994	615,598	624,134	632,805	641,610
00116 CORPORATION COUNSEL	1,779,637	1,806,412	1,833,594	1,861,190	1,889,206
00117 TOWN & CITY CLERK	1,121,331	1,149,750	1,173,015	1,196,800	1,221,118
00118 INTERNAL AUDIT	569,483	584,893	598,657	612,754	627,191
00119 CHIEF OPERATING OFFICER	1,956,341	2,069,410	2,185,897	2,219,011	2,252,652
00122 METRO HARTFORD INNOVATION SERV	5,956,521	6,039,980	6,124,834	6,211,107	6,298,826
00123 FINANCE	4,727,189	4,900,754	5,022,948	5,148,341	5,276,670
00125 HUMAN RESOURCES	2,221,397	2,253,737	2,283,151	2,313,003	2,357,502
00128 OFFICE OF MANAGEMENT & BUDGET	1,644,846	1,671,178	1,695,641	1,720,525	1,742,869
00132 CHILDREN FAMILY RECREATION	3,590,337	3,636,802	3,674,126	3,712,049	3,747,763
00142 SPORTS AND RECREATION	2,311,089	2,358,800	2,397,547	2,437,160	2,471,355
00211 FIRE	43,026,309	44,270,043	45,447,600	46,716,650	48,021,178
00212 POLICE	55,014,467	57,740,750	59,427,566	61,242,845	63,109,254
00213 EMERGENCY SERVICES & TELECOMMU	5,328,576	5,501,489	5,623,164	5,748,050	5,875,879
00311 PUBLIC WORKS	23,003,723	23,540,674	23,974,281	24,421,768	24,879,267
00420 DEVELOPMENT SERVICES	6,900,920	7,226,567	7,486,284	7,672,502	7,863,542
00520 HEALTH AND HUMAN SERVICES	6,429,271	6,590,372	6,701,716	6,815,965	6,933,115
00711 EDUCATION	284,013,274	284,013,274	284,013,274	284,013,274	284,013,274
00721 HARTFORD PUBLIC LIBRARY	9,997,627	10,174,469	10,356,856	10,545,053	10,739,338
00820 BENEFITS & INSURANCES	106,820,091	103,229,466	107,735,840	109,272,974	111,545,116
00821 DEBT SERVICE	7,902,012	10,010,469	14,048,369	14,881,218	15,708,302
00822 NON OP DEPT EXPENDITURES	48,919,941	49,524,824	51,177,355	52,904,487	54,710,427
Grand Total	626,320,988	631,439,356	646,172,944	654,904,742	664,569,468

FY2026 Recommended Budget and FY2027-FY2030 Forecast Amounts by Non-Operating Department

PROGRAM AND OBJECT (ACCOUNT)	FY2026 RECOMMENDED	FY2027 FORECAST	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST
822002 PAYMENT FOR COMMUNITY IMPACT	619,371	620,196	621,025	621,858	622,696
534098 OTHER TECH & PROF SERVICE	160,000	160,800	161,604	162,412	163,224
535028 HONORARIUM	5,000	5,025	5,050	5,075	5,101
589232 PUBLIC TV AND MEDIA	124,371	124,371	124,371	124,371	124,371
589271 CIVIC ENGAGEMENT	25,000	25,000	25,000	25,000	25,000
589272 HARTFORD NEXT	105,000	105,000	105,000	105,000	105,000
589273 UNIVERSAL REPRESENTATION NHLS	100,000	100,000	100,000	100,000	100,000
589274 HARTFORD DECIDES	100,000	100,000	100,000	100,000	100,000
822003 VEHICLES AND EQUIPMENT & TECH	3,070,185	3,070,185	3,070,185	3,070,185	3,070,185
573038 BODY CAMERAS - CEW'S	541,738	541,738	541,738	541,738	541,738
573040 IN-CAR CAMERAS	308,447	308,447	308,447	308,447	308,447
573044 CAMERA MAINTENANCE	190,000	190,000	190,000	190,000	190,000
577321 NEW LEASES AND PURCHASES	2,030,000	2,030,000	2,030,000	2,030,000	2,030,000
822004 PAYMENT TO GOVT AGENCY	205,697	205,697	205,697	205,697	205,697
589228 GRT HTFD TRANSIT DISTRICT	23,001	23,001	23,001	23,001	23,001
589229 PROBATE COURT	58,000	58,000	58,000	58,000	58,000
589230 PAYMENT TO GOVTL AGENCIES	4,000	4,000	4,000	4,000	4,000
589246 NATL LEAGUE OF CITIES	10,597	10,597	10,597	10,597	10,597
589248 US CONFERENCE OF MAYORS	10,099	10,099	10,099	10,099	10,099
589250 BUSINESS IMPROVEMENT DISTRICT	100,000	100,000	100,000	100,000	100,000
822005 LEASE PAYMENTS	1,978,002	2,038,527	2,101,078	2,165,722	2,232,533
544003 RENTAL 250 & 260 CONSTITUTION	1,576,697	1,631,881	1,688,997	1,748,112	1,809,296
544004 RENTAL OF OFFICES	222,305	226,751	231,286	235,912	240,630
544024 COPIER MACHINE	179,000	179,895	180,794	181,698	182,607
822006 PAY OUTSIDE AGENCIES & OTHERS	5,954,008	6,072,190	6,197,862	6,323,951	6,450,464
534028 STAFF TRAINING SERVICES	120,000	120,000	120,000	120,000	120,000
534070 CONTRACT CONSULTANT SERV	500,000	502,500	505,013	507,538	510,075
534098 OTHER TECH & PROF SERVICE	200,000	201,000	202,005	203,015	204,030
543000 REPAIRS AND MAINTENANCE	555,000	557,775	560,564	563,367	566,184
544202 ELECTIONS EXPENSES	346,926	353,865	360,942	368,161	375,524
554000 ADVERTISING	30,000	30,150	30,301	30,452	30,605
588999 CONTINGENCY FUND	3,607,082	3,700,000	3,800,000	3,900,000	4,000,000
589254 SINGLE AUDIT FIN SVCS	185,000	188,700	192,474	196,323	200,250
589256 TENS	410,000	418,200	426,564	435,095	443,797
822007 CLIENT SERVER TECHNOLOGY	450,158	152,409	153,171	153,937	154,706
534098 OTHER TECH & PROF SERVICE	450,158	152,409	153,171	153,937	154,706

PROGRAM AND OBJECT (ACCOUNT)	FY2026 RECOMMENDED	FY2027 FORECAST	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST
822008 FUEL UTILITY & TIP FEE PMT	31,702,849	33,050,331	34,464,609	35,949,517	37,509,138
534031 OPERATIONS & MANAGEMENT	67,955	69,994	72,093	74,256	76,484
534070 CONTRACT CONSULTANT SERV	282,000	283,410	284,827	286,251	287,682
534098 OTHER TECH & PROF SERVICE	598,000	600,990	603,995	607,015	610,050
562000 ELECTRICITY	5,055,100	5,206,753	5,362,956	5,523,844	5,689,560
562024 PIPED HEAT & A/C	1,022,000	1,052,660	1,084,240	1,116,767	1,150,270
562028 FUEL OIL HEATING	3,000	3,090	3,183	3,278	3,377
562600 PIPED GAS	898,300	929,741	962,281	995,961	1,030,820
562625 GASOLINE	1,307,000	1,346,210	1,386,596	1,428,194	1,471,040
562627 DIESEL FUEL	559,000	575,770	593,043	610,834	629,159
562923 WATER	1,898,500	1,993,425	2,093,096	2,197,751	2,307,639
566263 FUEL CELL LEASE	273,000	273,000	273,000	273,000	273,000
589226 METROPOLITAN DISTRICT	13,861,694	14,416,162	14,992,808	15,592,521	16,216,221
590050 OTHER DISPOSAL FEES	2,306,300	2,513,867	2,740,115	2,986,725	3,255,531
590053 TIPPING FEES (CRRA)	3,571,000	3,785,260	4,012,376	4,253,118	4,508,305
822009 LEGAL EXPENSES AND SETTLEMENTS	4,659,000	4,034,618	4,083,057	4,132,948	4,184,337
534010 LEGAL SERVICES	2,239,000	1,614,618	1,663,057	1,712,948	1,764,337
589371 SETTLEMENTS	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
589373 PY TAX REFUNDS	850,000	850,000	850,000	850,000	850,000
590040 FEES-CRT RECORD LICEN INS	70,000	70,000	70,000	70,000	70,000
822013 ADVOCACY	280,671	280,671	280,671	280,671	280,671
589227 CAP REG COUN OF GOVERN	85,922	85,922	85,922	85,922	85,922
589245 CCM	84,749	84,749	84,749	84,749	84,749
589252 LEGISLATIVE SVCS	110,000	110,000	110,000	110,000	110,000
Grand Total	48,919,941	49,524,824	51,177,355	52,904,487	54,710,427

STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD (MARB)

MEETING NOTICE AND AGENDA
Hartford Subcommittee of the MARB

Meeting Date and Time: Thursday, May 1, 2025, 10:00 AM–12:00 PM

Meeting Location: This will be a virtual meeting.
Meeting materials may be accessed at the following website:
<https://portal.ct.gov/OPM/Marb/Hartford-Committee-Meetings-and-Materials>

Call-In Instructions: Meeting participants may use the following telephone number and access code
Telephone Number: (860) 840-2075
Meeting ID: 311 554 329

Agenda

- I. Call to Order & Opening Remarks
- II. Approval of Minutes:
 - a. May 2, 2024, Special Meeting – Rescheduled from April 25, 2024
 - b. January 23, 2025, Regular Meeting
- III. Review and Discussion: Board of Education FY 2026 Budget
- IV. Review, Discussion and Possible Action: Mayor's FY 2026 Recommended Budget
- V. Review, Discussion and Possible Action: Hartford 5-Year Plan
- VI. Other
- VII. Adjourn

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STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD (MARB)

REGULAR MEETING MINUTES
Hartford Subcommittee of the MARB

Meeting Date and Time: Thursday, January 23, 2025, 10:00 AM

Meeting Location: This was a virtual meeting. Meeting materials may be accessed at the following website:
<https://portal.ct.gov/OPM/Marb/Hartford-Committee-Meetings-and-Materials>

Call-In Instructions: Meeting participants may use the following telephone number and access code:

Telephone Number: (860) 840-2075

Meeting ID: 599 474 528

Members in Attendance: Kimberly Kennison (OPM Secretary designee), Kevin Alvarez (Treasurer's Designee), Lisa Hammersley, and Robert White (joined at 10:35AM).

City Officials in Attendance: Julian Freund, Paul Foster, Caitlin Richard, Trahn-Tra Phan, and Leigh Ann Ralls.

OPM Staff in Attendance: John Mehr, Simon Jiang, and Lori McLoughlin.

Clifton Larsen and Allen Staff in Attendance: Leslie Zoll (Principal) and Grace Musiitwa (Director).

I. Call to Order & Opening Remarks

The meeting was called to order at 10:04 AM. Ms. Kennison is chairing this meeting on behalf of Secretary Beckham. Ms. Kennison wished everyone a Happy New Year and then asked Mr. Foster to introduce the new Hartford Public Schools Chief Financial Officer, Caitlin Richard, who began in December.

II. Approval of Minutes:

a. May 2, 2024, Regular Meeting

The Minutes will be approved at the next meeting due to a lack of quorum.

III. Presentation: City of Hartford FY2024 Audit Reports

Ms. Ralls provided a brief overview on the preparation of the FY2024 Financial Annual Audit reports. She expressed her thanks to CliftonLarsonAllen, LLP (CLA) for the teamwork and completing the audit on time.

Ms. Zoll provided an overview of the City's FY2024 financial audit. She said CLA audit scope includes expressing opinions on whether the basic financial statements are presented in accordance with government accounting principles. The Financial Statements, the Federal Single, and the State Single Audit opinion is unmodified. There were no significant deficiencies or material weaknesses relating to internal controls. The Federal and State single audits programs that CLA tested had no findings or

deficiencies to report. It was noted that CLA does not opine on internal controls, however CLA provides a report on internal controls as it relates to the State and Federal programs tested each year. CLA had no disagreements with management, no difficulties performing the audit, and no independence issues.

Ms. Zoll pointed out the City's financial highlights as the General Fund balance had increased from \$59.3 million to \$73.4 million, budgetary expenditures were \$11.0 million less than budgeted, and budgetary revenues were \$19.1 million greater than the budgeted amount. Tax collections were at 95.2% compared to 95.1% from the previous year.

Ms. Musiitwa reviewed the financials for the Federal Single Audit and State Single Audit. The City spent Federal awards totaling \$218.7 million and \$508.1 million in State awards.

Ms. Musiitwa provided a summary of the information that was included in the Governance Communication letter that was sent to those in charge with governance. She also reviewed four (4) new GASB that will be implemented over the next few years.

IV. Other Related Business

Ms. Kennison requested an update on the negotiation status of the City and the Board of Education (BOE) labor contracts. Mr. Foster shared that the BOE is bargaining with three unions: the Paraeducators, the Security Guards, and the Secretaries. Multiple negotiation sessions are scheduled with all three unions over the next month. They are optimistic that two contracts might be brought to the March meeting. Mr. Freund shared that two labor contracts, the Firefighters Union and Local 1716 that consists of Public Works employees expired on December 31, 2024. Both labor contracts are in active negotiation with no estimate when they will be resolved.

The next MARB Hartford Subcommittee meeting is scheduled for May 1, 2025, and will focus on the City's Proposed FY26 Budgets and the 5-Year Plan.

V. Adjourn

Ms. Kennison made a motion to adjourn with a second by Mr. Alvarez. The meeting adjourned at 10:39 AM.