

City of Hartford

FY2027-FY2031 Five-Year Plan to the Municipal Accountability Review Board



Meeting date: April 30, 2026

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to the Municipal Accountability Review Board

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CITY OF HARTFORD
FIVE-YEAR FINANCIAL PLAN FY2027 – FY2031

The City’s updated Five-Year Financial Plan covers the fiscal years 2027 through 2031. As the table below illustrates, a modest deficit is projected in FY2028, followed by opportunities in fiscal years 2029 through 2031 for increasing Fund Balance, reducing the mill rate, or making targeted investments in Education or other initiatives.

FIVE-YEAR OUTLOOK	FY2027 RECOMM	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST	FY2031 FORECAST
Revenues	633,212,669	638,828,196	685,262,197	691,765,318	698,119,949
Expenditures	633,212,669	643,147,173	662,165,904	673,021,243	683,118,194
Surplus / (Deficit)	0	(4,318,977)	23,096,293	18,744,075	15,001,755
Budget Mitigation	0	4,318,977	0	0	0
Available for Surplus, Mill Rate Reduction, or Investment in Education and Other Initiatives	0	0	23,096,293	18,744,075	15,001,755

The projections in this Five-Year Plan are centered around the municipal portion of the budget and are built on current levels of local funding for Education. A complementary Education Five-Year Plan is being developed to chart a path and identify strategies for closing the structural gap in the all-funds budget of Hartford Public Schools (HPS). The final outcome of that plan may result in changes to this municipal Five-Year Plan that require adjustments to the contribution to the Education budget from local sources and corresponding adjustments to revenues raised for that purpose.

Major Initiatives and Mitigation Measures

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

Education Finance

Hartford City and Board of Education leaders along with officials from the State of Connecticut are developing a multi-year plan to close the structural deficit in the Hartford Public Schools budget.

That plan will include recommendations for solving the primary drivers of cost escalation in the HPS budget, particularly Special Education tuition costs and Special Education transportation. Solutions to HPS budget challenges will entail a mix of administrative, legislative and financial fixes and will likely require more than one fiscal cycle to fully resolve. As part of the plan, HPS will be seeking short-term fiscal assistance which may come with requirements for additional oversight. The City may provide a portion of that fiscal assistance through a mill rate adjustment before the FY2027 budget is finalized.

In addition to the comprehensive financial plan for HPS currently in development, the City and HPS have collaborated to identify several short-term budget mitigation measures that could provide some degree of budgetary relief within the next one to two years. These short-term measures are described in an appendix to this Five-Year Plan for informational purposes, as they would not have a direct impact on the projections of municipal revenues and expenditures.

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.

Thirteen development agreements are currently at various stages of finalization or construction. In total, these projects are projected to result in more than 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 add approximately \$645,000 in new PILOT payments to the City beginning in FY2028, increasing to \$1.57 million by the final year of the five-year planning horizon. These revenues have been incorporated into the five-year projections.

Long-Term Pension Liability Reduction

Annual contributions to the City of Hartford Municipal Employees' Retirement Fund (Fund), inclusive of HPS and the Public Library, represent 8.9% of the total General Fund budget in FY2026. Given its relative share of the budget, pension expense represents an area of significant potential to manage General Fund expenditures. To this end, the Mayor convened a Pension Task Force to explore options for reducing the long-term liability of the Pension Fund as well as the feasibility of providing COLA increases to pensioners.

The task force has developed a list of potential measures for reducing the long-term liability and has requested an analysis of each from the City's pension actuarial firm. The measures to be analyzed by the actuarial firm include:

- Potential for Lump Sum Buyout: Options for offering a voluntary lump sum payout in lieu of future monthly pension distributions
- Transition to CT MERS Program: Currently, one of the City's bargaining units participates in the State MERS plan. This option would evaluate the impact of transitioning more City groups to the State MERS plan.
- Pension Obligation Bonds: Evaluate the feasibility and impact of issuing pension obligation bonds to fully fund the pension liability.

Shared Services with Town of East Hartford

Beginning in late calendar year 2024, the City of Hartford and Town of East Hartford, with the support of CRCOG and the State's Regional Performance Incentive Program (RPIP), have jointly explored opportunities for centralized or consolidated services. A task force of three committees has been reviewing and evaluating operations across all functional areas to identify opportunities for operational efficiencies, service quality enhancements, or cost savings. A report with recommendations for specific shared services, projected savings, and an implementation plan for a pilot phase is scheduled to be finalized by the end of this fiscal year. The long-term initiative will require establishing a governance structure, institutionalization of data tracking and performance measurement, and plans for sustainability.

Energy Initiatives

The City has numerous sustainability initiatives ongoing, many of which are centered on energy efficiency or renewable energy and have a direct net positive financial impact. These include:

- Energy Savings Performance Contracting: The City is participating in the Connecticut Conference of Municipality's 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. An RFP was issued for the energy audit which will determine the scope of energy efficiency measures to implement and the Energy Services Company that will oversee the projects. The RFP has closed and a review committee is currently evaluating proposals from energy firms.
- 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 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.

Tax Deed Sale

A tax deed sale valued at a total of \$5.6 million is in the planning stages. A portion of the proceeds from the tax deed sale could be earmarked for potential budget mitigation. One quarter, or \$1.4 million, of the total tax deed sale amount is assumed to be available for budget mitigation.

Bond Premium

The most recent projections from the underwriter of the City's proposed bond sale indicated a total bond premium of approximately \$2.4 million. Net of issuance costs and other expenses, approximately \$1.8 million may be available to pay down debt service requirements.

Health Reserve Contingency

The City's assigned fund balance currently includes \$3.4 million as reserve for future health claims. A portion of this amount could be used to partially offset the General Fund contribution to health claims expense.

Attrition Factor

Over the last five years, the City has included an attrition factor of approximately 5% to 8% of full-time salaries as an offset to expenditures in the General Fund budget. The City's actual attrition rate during this period has ranged from a low of 10.6% to 14.6%. The FY2027 Recommended Budget increases the attrition factor to 10.6%. Based on historical actuals, the City could potentially increase the attrition factor in FY2028 as a measure to help close a projected deficit. Increasing the attrition factor would require more intensive monitoring and potentially the need to temporarily freeze select vacant positions.

Revenue and Expenditure Assumptions

The Five-Year Financial Plan for the City of Hartford (City) spans fiscal years (FY) 2027 to 2031. The purpose of the Forecast 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 Forecast 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 Forecast 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 FY2027-FY2031 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 forecasted through FY2031.
- FY2027 Tax Collections are based on the October 2025 Grand List and reflect the recently authorized local option for motor vehicle value depreciation schedule.

- The Grand List is assumed to increase in the range of 1.5% to 1.6% per year during the FY2028-FY2031 period for real estate, personal property and motor vehicles, with the exception of real estate in FY2029. Real estate values in FY2029 will be based on the next revaluation, which is planned to take place in October 2027 instead of October 2026. If conducted in October 2027, the next revaluation will take place six years after the previous revaluation. Recent sales data analyzed by the City Assessor indicates a 26.63% increase in real estate property value compared to the previous revaluation. Projections for FY2029 taxes assume a 26.63% increase in real estate values, less \$290 million contingency for tax appeals.
- Tax collection rate of 95.67% based on the average of the three previous fiscal years (95.07% in FY2023, 95.22% in FY2024, and 96.73% in FY2025) from the City's ACFR - Annual Comprehensive Financial Report.

Licenses and Permits revenues in the FY2027 Recommended Budget reflect a 8.0% increase above FY2026 Adopted Budget amounts, with a steady stream of income from housing, licenses, inspections, land use, and other fees through FY2031. 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 FY2028-FY2031 period.

Fines, Forfeits and Penalties, primarily comprised of False Alarm Fine revenue, are expected to remain level in the FY2027 Recommended Budget but increase 1.0% annually from FY2028 through FY2031.

Revenue from the Use of Money and Property primarily consists of rental/lease and short-term investment income. The FY2027 Recommended Budget for this category includes a 12.6% decrease in revenues, compared to the FY2026 Adopted Budget, due to 14.3% lower interest income. It is projected that category revenues will remain nearly flat in the FY2028-FY2031 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 FY2027, Intergovernmental Revenue accounts for 47.4% of total General Fund revenue (the State Aid component represents 46.8% of total General Fund revenue). FY2027 State Aid is based on the Governor's Recommended Budget and it is assumed that no increases in State Aid will occur during the FY2028-FY2031 period.

Charges for Services include revenue from conveyance tax, filing of legal documents and all other charges for general government services. The City's FY2027 Recommended Budget reflects a 0.8% increase from the FY2026 Adopted Budget, as higher revenues from conveyance tax are anticipated. Category revenue is projected to increase at a 1.0% annual rate during the FY2028-FY2031 period.

Reimbursements include miscellaneous reimbursement amounts and prior-year expenditure refunds. Reimbursements are expected to generate 359.9% more revenue in the FY2027 Recommended Budget due to higher revenues from Medicaid reimbursement. During the FY2028-FY2031 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 1.0% higher in the FY2027 Recommended Budget than in the FY2026 Adopted Budget and are assumed to increase at a 1.0% annual rate from FY2028 to FY2031. This category includes the value of several anticipated tax agreements for development projects based on information

provided by Development Services. These agreements are projected to generate approximately \$645,000 in FY2028, increasing to approximately \$1.57 million by FY2031.

Other Financing Sources include transfers from other funds. For this category, the FY2027 Recommended Budget is 17.9% lower than for the FY2026 Adopted Budget due to a projected 52.5% decrease in revenue from the Hartford Parking Authority, which passes its net operating income to the General Fund. Category revenue is projected to increase at a 1.0% annual rate in the FY2028-FY2031 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 FY2027 to FY2031 period, Payroll/Personnel Services in operating departments is projected to increase annually by 3.3% on average. The FY2027 Recommended Budget includes a headcount of 1,544; expenditures in the Forecast are based on an assumed level headcount. Historical attrition and vacancy rates have been factored into the Five-Year Forecast.

Benefits and Insurances

In the FY2027 Recommended Budget, expenses in Benefits & Insurances, which includes health insurance, pension, property and liability insurances, workers' compensation and other benefits, are projected to decrease by 2.8% due to budgeted attrition, wage reserve and cashouts, offset by increases mainly in social security insurance premiums, health insurance waivers, CMERS and healthcare claims. 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.

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 2,495 active members and 1,410 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 FY2028 through FY2031.

Pension

In total, the City's pension budget increased by 0.6% from the FY2026 Adopted to the FY2027 Recommended Budget. As of the publication of the Recommended Budget, the City has not yet received the ADEC for FY2027. The City's projected employer contribution of \$47.44 million for FY2027 is for the City's Police, Fire and Municipal employees and is based on projections provided by the City's actuarial firm. The Library and the Board of Education fund their respective employer contributions.

The FY2028-FY2031 Forecast funds the projected municipal portion of the ADEC, with projections beyond FY2027 based on the most recent long-term projections provided by the City's actuarial firm. The total annual amounts for the municipal portion of the ADEC are \$47.55 million, \$45.86 million, \$44.68 million, and \$44.16 million during the four fiscal years from FY2028 to FY2031.

The City's Connecticut Municipal Employees Retirement System (CMERS) plan for the Local 1716 bargaining unit is funded at \$2.95 million in the FY2027 Recommended Budget with 3.0% 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 FY2027-FY2031 Forecast 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 GILLOT (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 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 and Fire apparatus, and for critical IT infrastructure upgrades.

Education

The City's education contribution to the Hartford Public Schools is projected to be flat in the Forecast'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 4.3% increase in the FY2027 Recommended Budget, compared to the FY2026 Adopted Budget and primarily due to expenses associated with salaries and benefits, the Forecast's out-years assume the City contribution to the Hartford Public Library 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, 2026, 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 FY2028-FY2031 period. Assumptions made for certain utilities accounts in developing the Five-Year Forecast are summarized below.

- **Electricity:** For FY2027, the Recommended Budget reflects an 8.3% decrease from the FY2026 Adopted Budget and a 6.1% increase above currently projected FY2026 expenses. The annual escalation rate used for the FY2028-FY2031 period was 3.0%.
- **Piped Heat and A/C:** The FY2027 Recommended Budget for heated and chilled water supplied by Hartford Steam Company (HSC) matches the FY2026 Adopted Budget and is 16.2% higher than projected FY2026 expenses. A 3.0% annual escalation rate was used for the FY2028-FY2031 period.
- **Piped Gas:** The FY2027 Recommended Budget is 15.6% higher than the FY2026 Adopted Budget and is 5.6% lower than projected FY2026 expenses. A 3.5% annual escalation rate was used for the FY2028-FY2031 period.
- **Gasoline:** For FY2027, the Recommended Budget for gasoline includes a 10.9% decrease from the FY2026 Adopted Budget and a 13.0% increase from projected FY2026 expenses. An annual escalation rate of 3.0% was applied to the FY2028-FY2031 period.
- **Diesel Fuel:** The FY2027 Recommended Budget for diesel fuel is 5.0% higher than the FY2026 Adopted Budget and 7.2% higher than projected FY2026 expenses. The same average annual escalation rate of 3.0% that was applied to gasoline was also applied to diesel fuel in the FY2028-FY2031 period.
- **Water:** This account funds potable water supply and fire hydrant maintenance by the MDC (Metropolitan District Commission). The FY2027 Recommended Budget is 5.7% less than the FY2026 Adopted Budget and is 12.2% higher than projected FY2026 expenses. A 5.0% annual escalation rate was assumed for the FY2028-FY2031 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 FY2027 Recommended Budget is 5.9% lower than the FY2026 Adopted Budget amount and 6.2% less than projected FY2026 expenses. An average annual escalation rate of 4.0% was assumed during the FY2028-FY2031 period.

FY2027 Recommended Budget and FY2028-FY2031 Forecast Amounts

City of Hartford - General Fund Revenue and Expenditure Summary

REVENUE CATEGORY	FY2027 RECOMMENDED	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST	FY2031 FORECAST
41 TAXES	(309,066,918)	(313,820,244)	(359,964,110)	(365,701,562)	(371,525,074)
42 LICENSES & PERMITS	(7,862,794)	(7,941,422)	(8,020,836)	(8,101,045)	(8,182,055)
43 FINES FORFEITS PENAL	(113,978)	(115,118)	(116,269)	(117,432)	(118,606)
44 INT & RENTAL INCOME	(6,872,895)	(6,881,624)	(6,890,440)	(6,899,345)	(6,908,338)
45 INTERGOVERNMENTAL	(300,045,944)	(300,082,141)	(300,118,699)	(300,155,624)	(300,192,917)
46 CHARGES FOR SERVICES	(3,757,062)	(3,794,633)	(3,832,579)	(3,870,905)	(3,909,614)
47 REIMBURSEMENTS	(512,563)	(517,689)	(522,866)	(528,094)	(533,375)
48 OTHER REVENUE	(165,915)	(812,580)	(885,024)	(1,430,826)	(1,739,877)
53 OTHER FINANCING SCRS	(4,814,600)	(4,862,746)	(4,911,373)	(4,960,487)	(5,010,092)
Grand Total	(633,212,669)	(638,828,196)	(685,262,197)	(691,765,318)	(698,119,949)

EXPENSE CATEGORY	FY2027 RECOMMENDED	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST	FY2031 FORECAST
PAYROLL	150,346,878	156,053,807	161,698,045	167,171,682	171,789,515
BENEFITS	103,783,571	104,285,506	107,993,229	110,432,206	113,759,017
DEBT	10,076,706	12,743,879	18,876,637	19,703,630	19,654,033
LIBRARY	10,426,903	10,612,550	10,804,017	11,001,581	11,205,536
MHIS	6,013,394	6,099,546	6,187,136	6,276,191	6,366,738
UTILITY	30,306,187	31,599,007	32,956,342	34,381,921	35,879,720
OTHER	38,245,756	37,739,604	39,637,224	40,040,758	40,450,362
EDUC	284,013,274	284,013,274	284,013,274	284,013,274	284,013,274
Grand Total	633,212,669	643,147,173	662,165,904	673,021,243	683,118,194

Revenues and Expenditures, Net	-	4,318,977	(23,096,293)	(18,744,075)	(15,001,755)
Surplus / (Deficit)	-	(4,318,977)	23,096,293	18,744,075	15,001,755

Mitigation Measures:

Tax Deed Sale	up to	(1,400,000)	-	-	-
Net Bond Premium	up to	(1,800,000)	-	-	-
Health Reserve Contingency	up to	(3,400,000)	-	-	-
Attrition Factor	up to	(500,000)	-	-	-
Budgeted Contingency		(3,750,000)	-	-	-
Total Mitigation Measures Available	up to	(10,850,000)	-	-	-

Projected Surplus / (Deficit) After Mitigation	-	-	23,096,293	18,744,075	15,001,755
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FY2027 Recommended Budget and FY2028-FY2031 Forecast Amounts by Revenue Category

REVENUE CATEGORY	FY2027 RECOMMENDED	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST	FY2031 FORECAST
41 TAXES	(309,066,918)	(313,820,244)	(359,964,110)	(365,701,562)	(371,525,074)
CURRENT YEAR TAX LEVY	(294,766,918)	(299,307,244)	(345,234,915)	(350,752,929)	(356,353,712)
INTEREST AND LIENS	(5,900,000)	(5,988,500)	(6,078,328)	(6,169,502)	(6,262,045)
PRIOR YEAR LEVIES	(8,200,000)	(8,323,000)	(8,447,845)	(8,574,563)	(8,703,181)
OTHER	(200,000)	(201,500)	(203,023)	(204,568)	(206,136)
42 LICENSES AND PERMITS	(7,862,794)	(7,941,422)	(8,020,836)	(8,101,045)	(8,182,055)
BUILDING PERMITS	(4,000,000)	(4,040,000)	(4,080,400)	(4,121,204)	(4,162,416)
ELECTRICAL PERMITS	(1,600,000)	(1,616,000)	(1,632,160)	(1,648,482)	(1,664,966)
FOOD & MILK DEALER LICENSES	(247,960)	(250,440)	(252,944)	(255,473)	(258,028)
MECHANICAL PERMITS	(849,693)	(858,190)	(866,772)	(875,440)	(884,194)
PLUMBING PERMITS	(550,000)	(555,500)	(561,055)	(566,666)	(572,332)
OTHER	(615,141)	(621,292)	(627,505)	(633,780)	(640,118)
43 FINES FORFEITS AND PENALTIES	(113,978)	(115,118)	(116,269)	(117,432)	(118,606)
FALSE ALARM CITATIONS-POL&FIRE	(100,000)	(101,000)	(102,010)	(103,030)	(104,060)
LAPSED LICENSE/LATE FEE	(7,171)	(7,243)	(7,315)	(7,388)	(7,462)
OTHER	(6,807)	(6,875)	(6,944)	(7,013)	(7,083)
44 INTEREST AND RENTAL INCOME	(6,872,895)	(6,881,624)	(6,890,440)	(6,899,345)	(6,908,338)
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	(6,000,000)	(6,000,000)	(6,000,000)	(6,000,000)	(6,000,000)
RENT OF PROP-ALL OTHER	(101,244)	(102,256)	(103,279)	(104,312)	(105,355)
RENTAL OF PARK PROPERTY	(38,885)	(39,274)	(39,667)	(40,063)	(40,464)
RENTAL OF PROP-FLOOD COMM	(99,360)	(100,354)	(101,357)	(102,371)	(103,394)
RENTS FROM TENANTS	(191,280)	(193,193)	(195,125)	(197,076)	(199,047)
SHEPHERD PARK	(136,414)	(137,778)	(139,156)	(140,547)	(141,953)
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	FY2027 RECOMMENDED	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST	FY2031 FORECAST
45 INTERGOVERNMENTAL	(300,045,944)	(300,082,141)	(300,118,699)	(300,155,624)	(300,192,917)
MUNICIPAL AID	(296,309,929)	(296,309,929)	(296,309,929)	(296,309,929)	(296,309,929)
EDUCATION COST SHARING	(187,974,890)	(187,974,890)	(187,974,890)	(187,974,890)	(187,974,890)
MASHANTUCKET PEQUOT FUND	(6,136,523)	(6,136,523)	(6,136,523)	(6,136,523)	(6,136,523)
MOTOR VEHICLE REIMBURSEMENT	(21,610,644)	(21,610,644)	(21,610,644)	(21,610,644)	(21,610,644)
MUNICIPAL GRANTS-IN-AID	(1,419,161)	(1,419,161)	(1,419,161)	(1,419,161)	(1,419,161)
PILOT	(61,840,790)	(61,840,790)	(61,840,790)	(61,840,790)	(61,840,790)
SUPPLEMENTAL REVENUE SHARING	(15,792,632)	(15,792,632)	(15,792,632)	(15,792,632)	(15,792,632)
TOWN AID ROAD	(1,535,289)	(1,535,289)	(1,535,289)	(1,535,289)	(1,535,289)
OTHER STATE REVENUES	(108,339)	(108,339)	(108,339)	(108,339)	(108,339)
JUDICIAL BRANCH REV DISTRIB.	(88,241)	(88,241)	(88,241)	(88,241)	(88,241)
VETERANS EXEMPTIONS	(20,098)	(20,098)	(20,098)	(20,098)	(20,098)
PILOTS, MIRA & OTHER INTERGOVERNMENTAL	(3,619,676)	(3,655,873)	(3,692,431)	(3,729,356)	(3,766,649)
DISABIL EXEMPT-SOC SEC	(7,335)	(7,408)	(7,482)	(7,557)	(7,633)
GR REC TAX-PARI MUTUEL	(130,000)	(131,300)	(132,613)	(133,939)	(135,279)
HEALTH&WELFARE-PRIV SCH	(55,175)	(55,727)	(56,284)	(56,847)	(57,415)
PHONE ACCESS LN TAX SH	(605,870)	(611,929)	(618,048)	(624,228)	(630,471)
PILOT-CHURCH HOMES INC	(126,511)	(127,776)	(129,054)	(130,344)	(131,648)
PILOT-DUTCH POINT	(27,050)	(27,321)	(27,594)	(27,870)	(28,148)
PILOT-FOR CT CTR FOR PERF	(418,760)	(422,948)	(427,177)	(431,449)	(435,763)
PILOT-FOR HARTFORD 21	(500,000)	(505,000)	(510,050)	(515,151)	(520,302)
PILOT-HARTFORD HILTON	(425,000)	(429,250)	(433,543)	(437,878)	(442,257)
PILOT-HARTFORD MARRIOTT	(750,000)	(757,500)	(765,075)	(772,726)	(780,453)
PILOT-NELTON	(20,000)	(20,200)	(20,402)	(20,606)	(20,812)
PILOT-PARK AND MAIN	(108,000)	(109,080)	(110,171)	(111,273)	(112,385)
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	(3,757,062)	(3,794,633)	(3,832,579)	(3,870,905)	(3,909,614)
CONVEYANCE TAX	(1,616,000)	(1,632,160)	(1,648,482)	(1,664,966)	(1,681,616)
FILING RECORD-CERTIF FEES	(303,000)	(306,030)	(309,090)	(312,181)	(315,303)
TRANSCRIPT OF RECORDS	(608,100)	(614,181)	(620,323)	(626,526)	(632,791)
OTHER	(1,229,962)	(1,242,262)	(1,254,684)	(1,267,231)	(1,279,903)
47 REIMBURSEMENTS	(512,563)	(517,689)	(522,866)	(528,094)	(533,375)
ADVERTISING LOST DOGS	(458)	(463)	(467)	(472)	(477)
DOG ACCT-SALARY OF WARDEN	(2,126)	(2,147)	(2,169)	(2,190)	(2,212)
REIMB FOR MEDICAID SERVICES	(400,000)	(404,000)	(408,040)	(412,120)	(416,242)
SECTION 8 MONITORING	(109,979)	(111,079)	(112,190)	(113,311)	(114,445)
48 OTHER REVENUES	(165,915)	(812,580)	(885,024)	(1,430,826)	(1,739,877)
MISCELLANEOUS REVENUE	(150,430)	(151,934)	(153,454)	(154,988)	(156,538)
SALE OF DOGS	(6,917)	(6,986)	(7,056)	(7,127)	(7,198)
SETTLEMENTS - OTHER	(3,030)	(3,060)	(3,091)	(3,122)	(3,153)
OTHER	(5,538)	(650,599)	(721,424)	(1,265,589)	(1,572,988)
53 OTHER FINANCING SOURCES	(4,814,600)	(4,862,746)	(4,911,373)	(4,960,487)	(5,010,092)
DOWNTOWN NORTH (DONO)	(912,500)	(921,625)	(930,841)	(940,150)	(949,551)
REVENUE FROM HTFD PKG AUTHY	(952,100)	(961,621)	(971,237)	(980,950)	(990,759)
SPECIAL POLICE SERVICES	(2,950,000)	(2,979,500)	(3,009,295)	(3,039,388)	(3,069,782)
Grand Total	(633,212,669)	(638,828,196)	(685,262,197)	(691,765,318)	(698,119,949)

FY2027 Recommended Budget and FY2028-FY2031 Forecast Amounts by Major Category

EXPENSE CATEGORY	FY2027 RECOMMENDED	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST	FY2031 FORECAST
PAYROLL	150,346,878	156,053,807	161,698,045	167,171,682	171,789,515
FT	125,005,470	130,188,290	134,868,743	139,423,557	143,318,630
HOL	2,998,411	3,093,890	3,243,877	3,382,611	3,477,343
OT	19,590,246	19,991,350	20,777,344	21,529,352	22,129,018
PT	2,752,751	2,780,279	2,808,081	2,836,162	2,864,524
BENEFITS	103,783,571	104,285,506	107,993,229	110,432,206	113,759,017
1HEALTH	39,281,359	42,008,330	44,925,508	48,046,185	51,384,587
2MITIG	(6,886,360)	(7,483,976)	(5,483,976)	(5,483,976)	(5,483,976)
3PEN	53,060,239	53,320,863	51,778,899	50,756,479	50,395,738
3PEN	10,000	10,300	10,609	10,927	11,255
3PEN-CMERS	3,035,592	3,124,941	3,216,954	3,311,709	3,409,290
3PEN-MERF	47,438,000	47,551,000	45,857,000	44,678,000	44,156,000
3PEN-OTHER	644,143	644,143	644,143	644,143	644,143
3PEN-PAYOUT	1,932,504	1,990,479	2,050,193	2,111,699	2,175,050
4INSUR	6,762,375	6,897,623	7,035,575	7,176,286	7,319,812
FRINGE REIMBURSEMENTS	(2,947,953)	(3,115,212)	(3,169,549)	(3,224,833)	(3,281,083)
LIFE INSURANCE	263,352	271,253	279,390	287,772	296,405
OTHER BENEFITS	6,874,983	7,051,232	7,232,769	7,419,753	7,612,345
OTHER	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
SOC SEC	5,654,983	5,824,632	5,999,371	6,179,353	6,364,733
TUITION REIMBURSEMENT	20,000	20,600	21,218	21,855	22,510
UNEMPLOY COMP	200,000	206,000	212,180	218,545	225,102
WAGE	2,098,701	0	0	0	0
WORKERS COMP	5,276,875	5,335,394	5,394,613	5,454,541	5,515,188
DEBT	10,076,706	12,743,879	18,876,637	19,703,630	19,654,033
DEBT	10,076,706	12,743,879	18,876,637	19,703,630	19,654,033
CLEAN WATER	115,584	0	0	0	0
DONO	4,640,994	4,646,631	4,646,494	4,640,500	4,648,731
GILOT	220,128	224,531	229,021	233,602	238,274
GO BONDS - 2026	2,500,000	2,500,000	2,437,500	2,375,000	2,312,500
LEASE PURCHASE	0	2,672,717	3,563,622	4,454,528	4,454,528
PAY GO CAPEX	2,600,000	2,700,000	8,000,000	8,000,000	8,000,000
STATE CONTRACT ASSISTANCE	0	0	0	0	0
LIBRARY	10,426,903	10,612,550	10,804,017	11,001,581	11,205,536
MHIS	6,013,394	6,099,546	6,187,136	6,276,191	6,366,738
UTILITY	30,306,187	31,599,007	32,956,342	34,381,921	35,879,720
OTHER	38,245,756	37,739,604	39,637,224	40,040,758	40,450,362
EDUC	284,013,274	284,013,274	284,013,274	284,013,274	284,013,274
Grand Total	633,212,669	643,147,173	662,165,904	673,021,243	683,118,194

FY2027 Recommended Budget and FY2028-FY2031 Forecast Amounts by Department

DEPARTMENT	FY2027 RECOMMENDED	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST	FY2031 FORECAST
00111 MAYOR'S OFFICE	904,058	917,305	930,749	944,393	958,239
00112 COURT OF COMMON COUNCIL	892,720	902,991	913,401	923,951	934,643
00113 TREASURER	606,637	622,417	635,880	649,679	663,822
00114 REGISTRARS OF VOTERS	615,185	627,253	635,984	644,852	653,858
00116 CORPORATION COUNSEL	1,734,491	1,760,514	1,786,931	1,813,749	1,840,974
00117 TOWN & CITY CLERK	1,147,042	1,184,610	1,208,687	1,233,304	1,258,472
00118 INTERNAL AUDIT	578,895	592,508	606,450	620,729	635,354
00119 CHIEF OPERATING OFFICER	2,136,048	2,175,541	2,208,500	2,241,983	2,275,999
00122 METRO HARTFORD INNOVATION SERV	6,013,394	6,099,546	6,187,136	6,276,191	6,366,738
00123 FINANCE	4,842,061	4,995,363	5,120,275	5,248,426	5,379,900
00125 HUMAN RESOURCES	2,244,520	2,276,397	2,306,180	2,336,415	2,367,108
00128 OFFICE OF MANAGEMENT & BUDGET	1,707,885	1,735,671	1,760,934	1,786,640	1,812,798
00132 CHILDREN FAMILY RECREATION	3,564,934	3,615,750	3,654,805	3,694,528	3,734,932
00142 SPORTS AND RECREATION	2,944,777	2,991,665	3,031,328	3,071,656	3,112,661
00211 FIRE	47,807,449	49,541,490	52,251,550	54,713,255	56,239,315
00212 POLICE	55,522,386	57,698,563	59,465,135	61,281,462	63,148,948
00213 EMERGENCY SERVICES & TELECOMMU	5,497,795	5,711,601	5,838,730	5,968,858	6,102,056
00311 PUBLIC WORKS	25,093,086	25,948,777	26,437,310	26,936,804	27,447,516
00420 DEVELOPMENT SERVICES	7,297,150	7,545,952	7,733,751	7,926,413	8,124,064
00520 HEALTH AND HUMAN SERVICES	6,977,496	7,130,106	7,246,872	7,366,575	7,489,297
00711 EDUCATION	284,013,274	284,013,274	284,013,274	284,013,274	284,013,274
00721 HARTFORD PUBLIC LIBRARY	10,426,903	10,612,550	10,804,017	11,001,581	11,205,536
00820 BENEFITS & INSURANCES	103,783,571	104,285,506	107,993,229	110,432,206	113,759,017
00821 DEBT SERVICE	10,076,706	12,743,879	18,876,637	19,703,630	19,654,033
00822 NON OP DEPT EXPENDITURES	46,784,206	47,417,942	50,518,156	52,190,689	53,939,641
Grand Total	633,212,669	643,147,173	662,165,904	673,021,243	683,118,194

FY2027 Recommended Budget and FY2028-FY2031 Forecast Amounts by Non-Operating Department

PROGRAM AND OBJECT (ACCOUNT)	FY2027 RECOMMENDED	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST	FY2031 FORECAST
822002 PAYMENT FOR COMMUNITY IMPACT	519,371	520,196	521,025	521,858	522,696
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 NHL	100,000	100,000	100,000	100,000	100,000
822003 VEHICLES AND EQUIPMENT & TECH	2,095,185	1,595,185	3,095,185	3,095,185	3,095,185
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	215,000	215,000	215,000	215,000	215,000
577321 NEW LEASES AND PURCHASES	1,030,000	530,000	2,030,000	2,030,000	2,030,000
822004 PAYMENT TO GOVT AGENCY	207,919	207,919	207,919	207,919	207,919
589228 GRT HTFD TRANSIT DISTRICT	24,289	24,289	24,289	24,289	24,289
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	10,915	10,915	10,915	10,915	10,915
589248 US CONFERENCE OF MAYORS	10,715	10,715	10,715	10,715	10,715
589250 BUSINESS IMPROVEMENT DISTRICT	100,000	100,000	100,000	100,000	100,000
822005 LEASE PAYMENTS	1,949,704	2,008,565	2,069,388	2,132,238	2,197,187
544003 RENTAL 250 & 260 CONSTITUTION	1,521,474	1,574,726	1,629,841	1,686,885	1,745,926
544004 RENTAL OF OFFICES	231,230	235,855	240,572	245,383	250,291
544024 COPIER MACHINE	197,000	197,985	198,975	199,970	200,970
822006 PAY OUTSIDE AGENCIES & OTHERS	6,025,982	6,151,167	6,276,755	6,402,756	6,529,175
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
535206 BANK CHARGES	24,000	24,120	24,241	24,362	24,484
543000 REPAIRS AND MAINTENANCE	575,000	577,875	580,764	583,668	586,587
544202 ELECTIONS EXPENSES	331,982	338,622	345,394	352,302	359,348
554000 ADVERTISING	30,000	30,150	30,301	30,452	30,605
588999 CONTINGENCY FUND	3,650,000	3,750,000	3,850,000	3,950,000	4,050,000
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	709,187	312,733	314,297	315,868	317,447
534098 OTHER TECH & PROF SERVICE	709,187	312,733	314,297	315,868	317,447

PROGRAM AND OBJECT (ACCOUNT)	FY2027 RECOMMENDED	FY2028 FORECAST	FY2029 FORECAST	FY2030 FORECAST	FY2031 FORECAST
822008 FUEL UTILITY & TIP FEE PMT	30,306,187	31,599,007	32,956,342	34,381,921	35,879,720
534031 OPERATIONS & MANAGEMENT	72,587	74,765	77,008	79,318	81,697
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	4,637,000	4,776,110	4,919,393	5,066,975	5,218,984
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	1,038,000	1,074,330	1,111,932	1,150,849	1,191,129
562625 GASOLINE	1,165,000	1,199,950	1,235,949	1,273,027	1,311,218
562627 DIESEL FUEL	587,000	604,610	622,748	641,431	660,674
562923 WATER	1,791,000	1,880,550	1,974,578	2,073,306	2,176,972
566263 FUEL CELL LEASE	273,000	273,000	273,000	273,000	273,000
589226 METROPOLITAN DISTRICT	13,038,400	13,559,936	14,102,333	14,666,427	15,253,084
590050 OTHER DISPOSAL FEES	2,281,800	2,487,162	2,711,007	2,954,997	3,220,947
590053 TIPPING FEES (CRRA)	3,517,400	3,728,444	3,952,151	4,189,280	4,440,636
822009 LEGAL EXPENSES AND SETTLEMNTS	4,690,000	4,742,500	4,796,575	4,852,272	4,909,640
534010 LEGAL SERVICES	1,750,000	1,802,500	1,856,575	1,912,272	1,969,640
589371 SETTLEMENTS	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
589373 PY TAX REFUNDS	850,000	850,000	850,000	850,000	850,000
590040 FEES-CRT RECORD LICEN INS	90,000	90,000	90,000	90,000	90,000
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	46,784,206	47,417,942	50,518,156	52,190,689	53,939,641

APPENDIX

Hartford Public Schools

Short-Term Budget Mitigation Measures

The Hartford Public Schools' plan for addressing its structural deficit includes direct funding from the City and State as well as administrative and formula-setting measures that would provide budgetary relief. For the most part, these measures may take one or more years to implement and execute. In addition to the long-term structural issues outlined in the HPS plan, the district and the City have collaborated to identify several budget mitigation measures that can be pursued in the near term. While more modest in financial impact compared to the structural measures in the HPS plan, these near-term measures may generate budgetary favorability within the next fiscal year.

School Transportation:

Rising school transportation costs are projected to reach \$40M in FY2027. Much of the increase in recent years has been driven by the cost of providing transportation to students attending out-of-district schools through Open Choice, and especially for door-to-door transportation to students with special needs. Strategies for moderating transportation costs will be explored, including:

- RFP for Transportation Services: Currently, one vendor provides both general student transportation services as well as transportation for students requiring door-to-door services. An RFP will be issued for transportation services that allows for the possibility of engaging separate vendors if it is determined to be more cost efficient.
- Transportation Waiver/Stipend: An analysis will be conducted to determine if offering a stipend to parents/guardians who waive transportation services would generate savings.

School Facilities Analysis:

An analysis is currently underway to provide an in-depth assessment of the current and projected operational and service demands and capacity of HPS schools. The assessment will consider the age, condition, capacity and utilization rates of each school, safety and security measures, land use, utilities, and technology. An inventory of classroom size, cafeteria capacity, common meeting areas, and the like will also be included. The study will make determinations regarding the feasibility and likely savings from potential school consolidations and/or reallocation of resources.

Medical Billing:

A consultant analysis determined that the City could generate additional revenues by implementing a more systematic process to bill for reimbursement of eligible health care services provided through the Department of Health & Human Services. The City has funded resources to build a medical billing infrastructure and included an estimated \$400,000 per year in revenues from that initiative.

The consultant making the recommendation indicated that expanding on current medical billing efforts by HPS could also generate additional revenue. While HPS has had a structure and system for claiming Medicaid reimbursements for many years, reimbursement for eligible transportation services for students with disabilities has not been sought. Further analysis will be conducted to determine the extent to which eligible transportation services are being provided and any procedural adjustments that may be needed in order to begin billing for those services. The potential cost recovery was conservatively estimated to be between \$285,000 to \$1,400,000 annually by the consultant.

Special Education Tuition Billing:

HPS currently bills for special education services to the sending districts of non-Hartford resident students who attend HPS magnet or open choice schools. This currently generates \$5M per year in revenue. HPS will explore the current special education tuition rates, to see if they are commensurate with surrounding school operators, and the feasibility of increasing rates to generate additional revenue.

Grant Prospecting/Application Support:

The City Office of Central Grants Administration will collaborate with the HPS Office of the CFO to identify grant opportunities, particularly those that may provide some relief to the HPS operating budget.

Salary Assumptions:

The vast majority of salaries in HPS are tied to years of experience. HPS will conduct an analysis of the current and future projected workforce by years of experience to analyze the changes in projected salaries over time and inform upcoming union negotiations related to salary increases.