



# CONNECTICUT Policy and Management

## FY 2024-25 MUNICIPAL AUDIT QUESTIONNAIRE

❖ This Questionnaire is required to be submitted to OPM with the audit reports of municipalities and audited agencies (as defined under Section 7-391 of the Connecticut General Statutes).

Name of Auditee \_\_\_\_\_

Fiscal Period under Audit \_\_\_\_\_

\_\_\_\_\_  
(Audit Firm Name)

*Leslie Ann Zoll*  
\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

This Questionnaire was reviewed with and a copy given to:

\_\_\_\_\_  
Name of Municipal Official                      on                      \_\_\_\_\_  
Date

\_\_\_\_\_  
Title of Municipal Official                      \_\_\_\_\_  
Telephone

	<u>YES</u>	<u>NO</u>	<u>NA</u>
1. Did you inform the town, city or Borough clerk of that part of Section 7-394 of the General Statutes which provides that within one week after receiving the audit report he/she shall cause to be published a legal notice in a newspaper having a substantial circulation in the municipality that the report is on file in said clerk's office?	_____	_____	_____
2. Did you obtain a letter from municipal counsel with respect to unpaid or pending judgments and as to any other legal proceeding affecting the municipality's finances?	_____	_____	_____
3. Were financial statements and/or books and records of the entity made available within a reasonable time after the close of the fiscal year?	_____	_____	_____
4. Did the entity issue tax anticipation notes (TANs) or revenue anticipation notes (RANs) during the fiscal year?	_____	_____	_____
5. Was a separate management letter issued in addition to the Internal Control Report? If so, it must be submitted to the Office of Policy and Management with the audit report.	_____	_____	_____
6. Were municipal officials (including the chief elected or executive official and governing body of the municipal entity) made aware of findings and recommendations resulting from the audit?	_____	_____	_____
7. Did you clearly identify in the report each repeated audit finding and identify the fiscal year in which the finding initially occurred?	_____	_____	_____
8. Were there any audit findings repeated from both of the two most prior fiscal year ended audits? (FY2023 and FY2024)?	_____	_____	_____
9. Were municipal officials made aware of section 2(c) of P.A. 23-197 for a public meeting to be held when the OPM Secretary makes certain findings based upon the review of the audit report?	_____	_____	_____
10. Federal Single Audit Act as Amended, 1996; Uniform Guidance for Federal Awards (Title 2 of CFR, 12/26/13)			
(a) Did you conduct a Single Audit of Federal Financial Assistance expended by the entity for FY 2024-25?	_____	_____	_____
(b) Is a copy of the Single Audit included in the reporting package submitted?	_____	_____	_____

YES      NO      NA

11. State Single Audit (SSA) Act as amended by P.A. 24-132;  
Regulations to the SSA Act

(a) Did you conduct a Single Audit of state financial assistance expended by the entity for FY 2024-25 or a program-specific audit of the entity's sole state program?

\_\_\_\_\_

(b) Is a copy of the State Single Audit or program-specific audit included in the reporting package submitted?

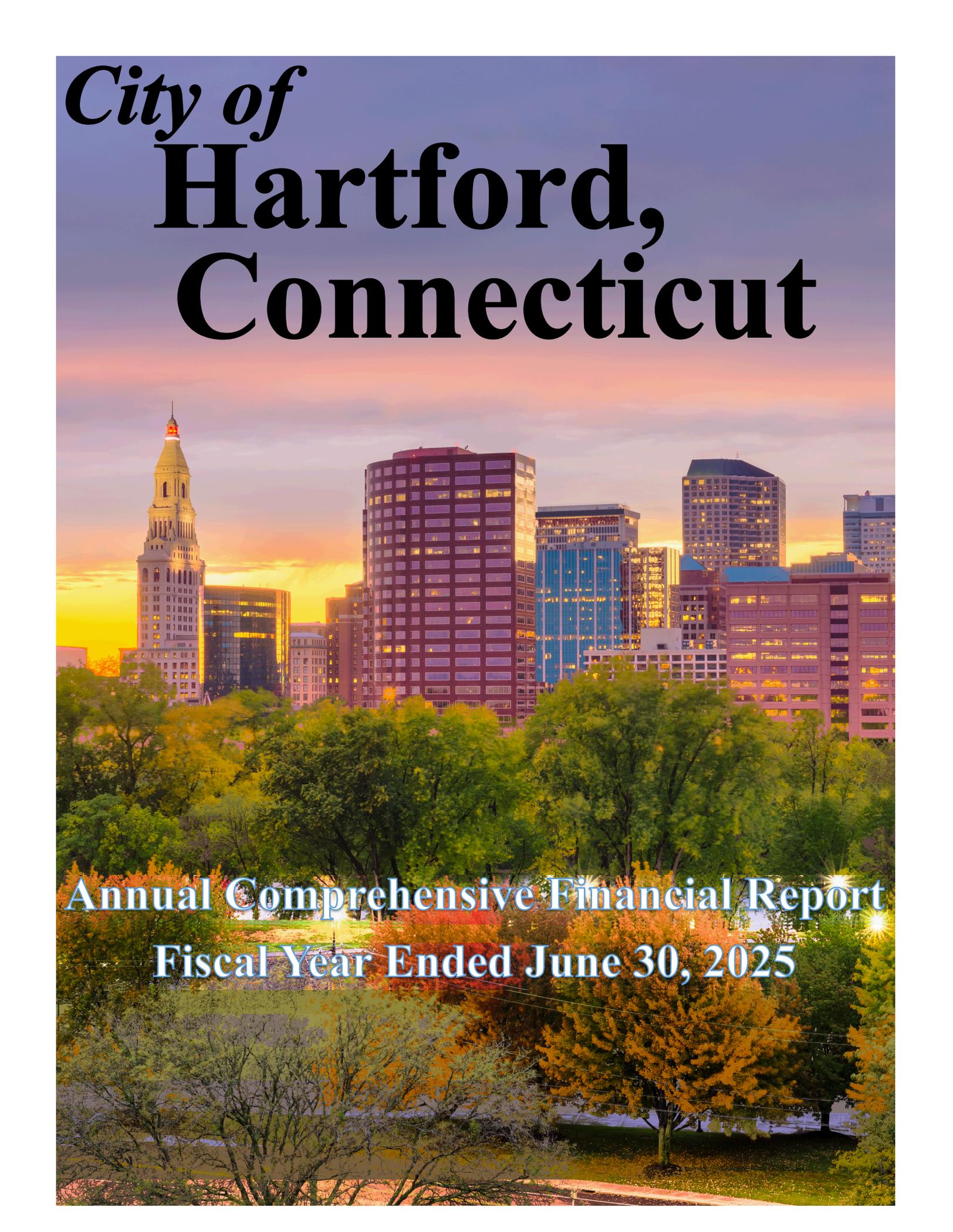
\_\_\_\_\_

(c) If applicable, did officials prepare a Corrective Action Plan (CAP) in sufficient time for inclusion in the audit report package [C.G.S. Sec.4-233(d)] to be filed with OPM as the cognizant state agency?

\_\_\_\_\_

(d) Did you upload the corrective action plan with the audit report package on OPM's Electronic Audit Reporting System?

\_\_\_\_\_

A photograph of the Hartford skyline at sunset. The sky is a mix of purple, orange, and blue. The city buildings are lit up, and the foreground is filled with green trees. The text "City of Hartford, Connecticut" is overlaid on the top half of the image.

# *City of* **Hartford, Connecticut**

**Annual Comprehensive Financial Report**  
**Fiscal Year Ended June 30, 2025**

**CITY OF HARTFORD, CONNECTICUT**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FISCAL YEAR ENDED JUNE 30, 2025**

## ACKNOWLEDGEMENTS

This report has been prepared by a team of dedicated City employees that on a daily basis provides support throughout the organization on all financial matters and annually undertakes the significant task of developing a concise presentation of the City's finances in an efficient and effective manner. The Department of Finance with the assistance of our external auditors, CliftonLarsonAllen LLP, has accomplished the production of the City's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2025. The credit belongs with the team whose collective experience allows us to achieve our goals and objectives. The contributions of the entire team at the City of Hartford are sincerely appreciated.

*Controller:* Constance Reik

*Accounting Supervisor:* Asha Stapleton

*ACFR Team:* Ellen McCreery, CPA, Joaquin Lindsay, Eduardo Elescano, Lincoln Milling and John Majkowski

*Staff Support:* Melinda Gorley and Cheryl Liebhauser

*Technical Assistance:* John Philip, CCMA II, Nancy Raich, Esq. CCMC, Katiria Varela CCMC, Brian Penney, Shawana Bowen, Carla Frett, Sara Lowenthal, Marie Alexander, Andrew Cairn and Michelle Harrison

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

Prepared By:  
Department of Finance  
Leigh Ann Ralls  
CFO/Director of Finance

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## **INTRODUCTORY SECTION**



**CITY OF HARTFORD**

DEPARTMENT OF FINANCE  
550 Main Street, Room 10  
Hartford, CT, 06103

**ARUNAN ARULAMPALAM**  
Mayor

Telephone: (860) 757-9600  
Fax: (860) 752-6034  
[www.hartford.gov](http://www.hartford.gov)

**LEIGH ANN RALLS**  
CFO & Director of  
Finance

The Honorable Mayor Arunan Arulampalam,  
Court of Common Council, and Esteemed Residents of the  
City of Hartford, Connecticut

December 26, 2025

Dear Mayor, Members of Council and Residents:

In accordance with Chapter VIII, Section 5. (a)(1)(iv) of the City of Hartford's Charter, I am pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Hartford (City) for the fiscal year ended June 30, 2025. This report was prepared in its entirety by the Department of Finance. Responsibility for the accuracy of the data and the completeness and fairness of the presentation of the financial statements, supporting schedules and statistical tables rests with the City. To the best of our knowledge and belief, the information provided is accurate in all material respects and is reported to present fairly the financial position of the City as of June 30, 2025. I extend my sincere appreciation and gratitude to our dedicated employees in the Department of Finance and throughout the City for their significant efforts that have resulted in the presentation of this FY2025 ACFR.

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

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

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

## PROFILE OF THE CITY

The City was founded by Thomas Hooker and his followers in 1635 and was incorporated in 1784. The City is the Capital of the State of Connecticut. Hartford has an estimated 121,000 residents in its 18.4 square mile area and is the employment and cultural center of a metropolitan area with a population of over one million people. The City lies on the west bank of the Connecticut River in the center of the State, midway between New York City and Boston.

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

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

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

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

## CONTRACT ASSISTANCE AND MUNICIPAL OVERSIGHT

Over the past several years, the City has stabilized the city's fiscal position following the acute fiscal crises confronted in 2016 and 2017 and continues to work toward long-term fiscal strength. The City's credit rating from S&P Global has been repeatedly upgraded since 2017 to the investment grade level of 'A-' outlook positive and was also upgraded by Moody's Investor Service from Ba2 to Baa3, also considered investment grade. These ratings actions reflected and recognized the city's ongoing commitment to budgetary discipline, expenditure controls, and adherence to its long-term sustainability plan.

From 2018 until late 2023, the City of Hartford held “Tier 3” designation under the State of Connecticut’s Municipal Accountability Review Board (MARB) to access additional tools in achieving long term fiscal sustainability, welcoming the accountability and oversight of the MARB. As a Tier 3 municipality under MARB oversight, the City of Hartford was required to submit and present monthly financial reports at public meetings to ensure the City was operating responsibly and consistent with its broader financial plan. Additionally, Tier 3 status required that the City’s General Fund recommended budget, labor agreements, and arbitration awards be reviewed by the MARB on an annual basis and revenue assumptions approved by the MARB. Furthermore, in March 2018 the City entered into a Contract Assistance Agreement with the State of Connecticut to service current general obligation debt on an annual basis until such debt is retired. This agreement is backed by the full faith and credit of the State of Connecticut.

At its regular meeting on October 5, 2023, the Municipal Accountability Review Board approved a motion to acknowledge and recognize that the City has met all the conditions to be released from Tier III designation and supported the City’s intent to voluntarily continue its relationship with the MARB as a Tier II municipality. On December 13, 2023, in accordance with the process set forth in State statute, the Municipal Finance Advisory Commission voted to support the City’s voluntary request and recommended the City be designated a Tier II municipality.

## **LONG TERM FINANCIAL PLANNING**

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

<i>General Fund</i>	<i>Capital</i>
<i>Internal Service Funds</i>	<i>Vehicles and Equipment</i>
<i>Pension</i>	<i>Debt</i>

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

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

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

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

## **ECONOMIC DEVELOPMENT**

Hartford continues its multi-year strategy of fostering a diverse and strategic portfolio of economic development projects across the city, including residential, multi-use, and commercial property conversion projects downtown along with a renewed focus on strengthening our neighborhood commercial corridors by supporting local businesses, enhancing properties, and improving supporting city services. Increased residential density in downtown Hartford remains a critical economic development priority – the city continues to see strong occupancy demand for its new residential developments citywide.

The City of Hartford is prioritizing several key economic development initiatives designed to foster neighborhood stability, revitalize commercial corridors, and position the city competitively in emerging and advanced technology sectors. A major priority involves advancing the transformation of key corridors outside of the immediate downtown area. This strategy is demonstrated by the commencement of the next phases of Downtown North (DoNo) construction, including the "Arrowhead" parcels, which are crucial for connecting the northern end of Downtown to the Albany Avenue commercial corridor. The City is actively engaging smaller developers to redevelop vacant, City-owned property along upper Albany Avenue, utilizing committed local and federal funds to revitalize blighted and underutilized assets into much-needed housing and commercial units.

To address the evolving commercial landscape post-pandemic, the City is taking proactive steps to re-envision Downtown. We are collaborating with the Capital Region Development Authority (CRDA) and the State Department of Economic and Community Development (DECD) on a comprehensive study and action plan. This effort will inventory and analyze the changing demand for commercial real estate, ultimately to recommend the most viable and optimal scenarios for the adaptive reuse or conversion of underutilized high-rise and mid-rise office assets within the Downtown core.

To drive residential stability and wealth creation, the City has launched a large-scale, new construction homeownership initiative. Leveraging both local and state funding, the City is partnering with area Community Development Finance Institutions (CDFIs) to provide low-interest loans for the construction of owner-occupied housing. This initiative serves the dual goals of promoting neighborhood stability and increasing property values through enhanced homeownership, while strategically returning currently vacant City-owned parcels to the tax rolls, generating sustainable new municipal revenue. Finally, Hartford is actively positioning itself at the forefront of advanced technology among small-to-mid-sized cities. The City is exploring institutional and corporate partnerships, alongside engaging with other

levels of government, to support the development of a state-of-the-art center focused on advanced technology and artificial intelligence.

Hartford's anchor institutions, particularly in the healthcare sector, are a central focus of development. On the south side, approximately \$1 billion in private money is being invested into Hartford Hospital, the Connecticut Children's Hospital, and the neighborhoods and streetscapes surrounding these institutions. Moving to the north end, the City is collaborating with Trinity Healthcare to facilitate the development of surrounding parcels for workforce housing for their staff.

As recently announced by Mayor Arulampalam, the city will be extending the support of the Hart Lift program to our neighborhood businesses, in addition to housing and youth services grants to bolster the communities. The city is taking a very active role in encouraging and promoting small business and entrepreneurial services through supporting groups like the Chamber of Commerce, the NRZs, and emerging merchant coalitions.

Parkville also remains a key area of interest for innovation-led development efforts, as the city pursues extensive redevelopment of vacant industrial spaces in the neighborhood.

## **RELEVANT FINANCIAL POLICIES**

The Department of Finance encompasses five divisions: Administration including Risk & Safety, Accounting & Control, Procurement, Tax Assessment, and Tax Collection. The Department's major responsibilities include general accounting and financial reporting, accounts payable, property assessment, tax collection, debt administration, the procurement of goods and services, contract compliance, payroll and risk management. The Director of Finance is an appointee of the Mayor, subject to confirmation by the Council.

### **Internal Controls**

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

### **Budgetary Control**

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

### **Cash Management**

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

## Risk Management

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

## Tax Abatements

The City participates in tax agreements/abatements as disclosed in the notes to the financial statements. A tax abatement is a contractual agreement between a local government and a property owner that creates a fixed rate at a rate less than the full tax amount in return for improvements to the property. Tax abatements reduce the cost to property owners of new development or renovations to existing developments. This can help new businesses move to the region or help existing businesses expand. In return, the local government gets increased property values that will raise the tax base and possibly provide new jobs.

## **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the fiscal year ended June 30, 2024. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized ACFR that satisfied both GAAP and applicable legal requirements.

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

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

Finally, thanks are extended to the City's independent auditors, Clifton Larson Allen LLP for their efforts and counsel during the audit, ACFR preparation and submission process.

Respectfully submitted,



Leigh Ann Ralls

**CITY OF HARTFORD, CONNECTICUT**  
Mayor - Council Form of Government  
List of Elected and Principal Officials - As of June 30, 2025

**The Honorable Arunan Arulampalam, Mayor**

**The Honorable Carmen Sierra, Treasurer**

**The Honorable Court of Common Council**

Council President – Shirley Surgeon

Marilyn E. Rossetti, Majority Leader

Thomas Clarke II-Assistant Majority Leader

Alex Thomas-Minority Leader

Kelley Bilodeau

John Q. Gale

Amilcar Hernandez

Joshua Michtom

Maly Rosado

**The Honorable Registrars of Voters**

Giselle Feliciano (D)

Michael McGarry (R)

**Appointed and Other Municipal Officials**

Chief Operating Officer

Chief of Staff

Corporation Counsel

Town and City Clerk

Director of Finance/CFO

    Controller

    Tax Assessor

    Tax Collector

    Director of Safety and Risk Management

    Procurement Agent

Director of Development Services

Director of Management, Budget & Grants

Chief Information Officer

Chief of Police

Fire Chief

Director of Office of Community Engagement

Director of Children, Youth, Family and Recreation

Director of Emergency Services

Director of Health and Human Services

Acting Director of Human Resources & Labor Relations

Acting Chief Internal Auditor

Director of Public Works

Olusegun Ajayi

James Woulfe

Jonathan Harding.

Eric Lusa

Leigh Ann Ralls, CPA

Constance M. Reik

John S. Philip, CCMA

Nancy S. Raich, Esq., CCMC

Sara Lowenthal

Michelle Harrison

Jeff Auker

Julian Freund

Charisse Snipes

James Rovella

Rodney L. Barco

Melinda Johnson

Kristina Baldwin

Jeffrey Covello

Ebony Jackson-Shaheed

Marlene Fleeting

Donna Barberi, CPA

Christopher Hayes

**Board of Education**

Jennifer Hockenhill, Chairperson

Francoise Deristel-Leger, Vice Chairperson

Tyrone Walker, Second Vice-Chair

Kory Mills, Secretary

Shonta Browdy

Steven Tatum

Ruth Fortune

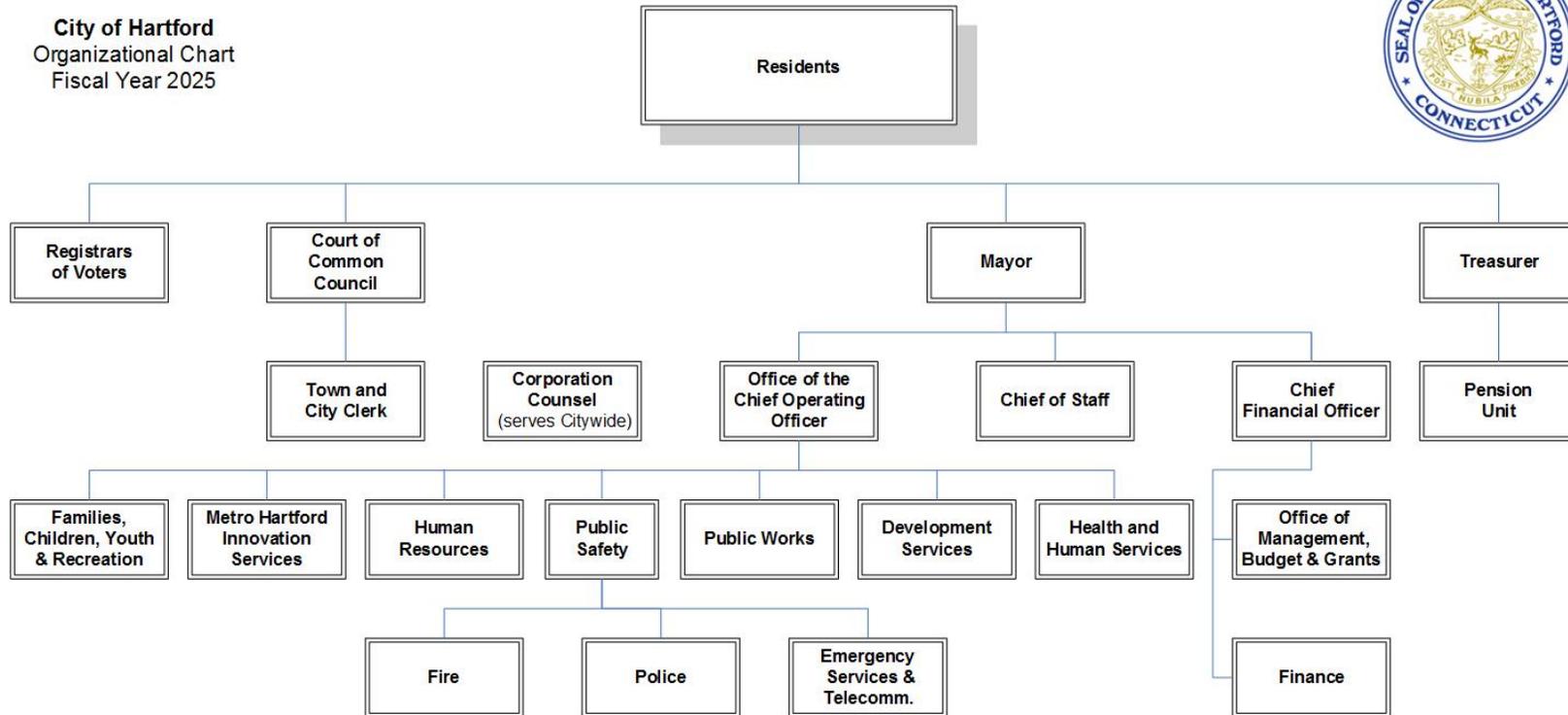
Steven Wilson

Cristher Estrada-Perez

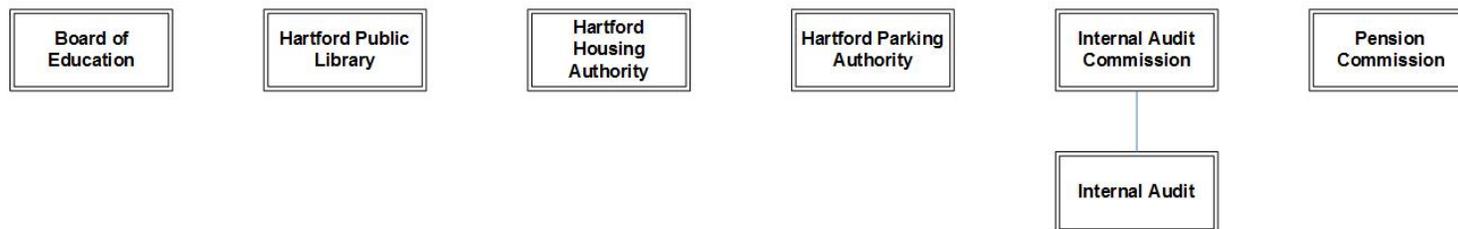
**Hartford Public Schools**

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

**City of Hartford**  
Organizational Chart  
Fiscal Year 2025



**Boards and Commissions**





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Hartford  
Connecticut**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

## INDEPENDENT AUDITORS' REPORT

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

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Hartford, Connecticut, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Hartford, Connecticut's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Hartford, Connecticut, as of June 30, 2025 and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Hartford Parking Authority which represents 100% of the assets, net position, and revenues of the discretely presented component unit as of June 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Hartford Parking Authority, is based solely on the report of the other auditors.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Hartford, Connecticut and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Hartford, Connecticut's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Hartford, Connecticut's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Hartford, Connecticut's ability to continue as a going concern for a reasonable period of time.

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Required Supplementary Information***

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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Hartford, Connecticut's basic financial statements. The combining and individual fund financial statements and schedules including the financial data schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2025, on our consideration of the City of Hartford, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Hartford, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Hartford, Connecticut's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
December 26, 2025

**CITY OF HARTFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2025**

This discussion and analysis of the City of Hartford, Connecticut's (the City) financial performance is provided by management to provide an introduction and overview of the City's financial activities for the fiscal year ended June 30, 2025. Please read this MD&A in conjunction with the transmittal letter and the City's financial statements, exhibits I to IX.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

## **FINANCIAL HIGHLIGHTS**

- On a government wide basis, the City's total net position increased \$165.5 million to \$1,077.5 million including recognition of the OPEB (other post-employment benefits) liability of \$217 million and \$503 million of net pension liability.
- The \$1,077.5 million net position of governmental activities increased by \$165.5 million, or 18.2%. The increase is mainly due to an increase in construction in progress from mainly 5 schools currently under construction, the paydown of bonds payable by reducing long term liabilities by \$43 million as well as a reduction of \$20 million to the OPEB and pension liabilities. The net position of our business-type activities remained consistent.
- The City received \$118.39 million in capital grants and contributions related to construction grants from the State in support of several schools being renovated or under construction. The city also received capital grants related to various public works projects.
- The total cost of the City's programs for the year was \$953 million.
- The General Fund reported a total fund balance this year of \$73.9 million.
- The General Fund's revenues available for appropriation and other financing sources were \$24.3 million more than budgeted and expenditures and other financing uses were \$9.0 million less than the appropriated amount of \$656.4 million. The total fund balance increased \$.5 million in the current year on a budget basis.
- The General Fund expenditures include \$23.8 million of use of assigned fund balance related to youth programming, settlement of tax appeals and ongoing economic development across the City.
- The revenue surplus in the General Fund is primarily due to:
  - increased tax collections over prior year of \$7.1 million,
  - surplus over budget of building and equipment permit revenues due to construction across the City,
  - unplanned interest income due to strong market conditions that exceeded expectations by \$2.2 million
  - an unbudgeted payment in lieu of taxes revenue from the Material Innovation Recycling Authority of \$1.5m revenues that was budgeted for in FY2024 but not received until FY2025.

**CITY OF HARTFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2025**

- The main factors that contributed to the favorable budget variance of \$9.0 million in expenditure in the General Fund was:
  - most departments citywide had payroll savings due to vacant positions,
  - vacancies were partially offset by an increase in overtime.

**Government-Wide Financial Statements**

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

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

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

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

**Fund Financial Statements**

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

**CITY OF HARTFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2025**

- *Governmental funds (Exhibits III and IV)* - Most of the City's basic services are reported in governmental funds, which focus on how resources flow into and out of those funds and the remaining balances at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are greater or fewer financial resources that can be spent in the near future to finance the City's operations and programs. The relationship between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation reported separately from the fund financial statements.
- *Proprietary funds (Exhibits V, VI, and VII)* - When the City charges a fee to customers for the services it provides, whether to other units of the City or non-City individuals or entities, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds. Internal service funds (the other component of proprietary funds) are used to report activities that provide supplies and services for the City's other programs and activities - such as the City's Self-Insurance Internal Service Funds and the City's Metro Hartford Innovation Services Fund.
- *Fiduciary funds (Exhibits VIII and IX)* - The City is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the City's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The City's combined net position increased from a year ago by \$165.4 million. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities.

**CITY OF HARTFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2025**

**TABLE I  
NET POSITION (IN THOUSANDS)**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
<b>Assets:</b>						
Current and Other Assets	\$ 576,793	\$ 636,018	\$ 4,254	\$ 4,272	\$ 581,047	\$ 640,290
Capital Assets, Net of Accumulated Depreciation	1,891,111	1,811,037	70,981	73,335	1,962,092	1,884,372
Total Assets	2,467,904	2,447,055	75,235	77,607	2,543,139	2,524,662
<b>Deferred Outflow of Resources</b>	38,448	55,236	-	-	38,448	55,236
<b>Liabilities:</b>						
Current	149,077	181,928	1,551	1,643	150,628	183,571
Long-Term Liabilities Outstanding	1,119,706	1,246,139	55,016	57,185	1,174,722	1,303,324
Total liabilities	1,268,783	1,428,067	56,567	58,828	1,325,350	1,486,895
<b>Deferred Inflow of Resources</b>	160,068	162,226	-	-	160,068	162,226
<b>Net Position:</b>						
Net investments in Capital Assets	1,558,457	1,438,838	15,965	16,150	1,574,422	1,454,988
Restricted	132,918	122,855	-	-	132,918	122,855
Unrestricted	(613,874)	(649,695)	2,703	2,629	(611,171)	(647,066)
Total Net Position	\$ 1,077,501	\$ 911,998	\$ 18,668	\$ 18,779	\$ 1,096,169	\$ 930,777

The City's government-wide net position of \$1,077.5 million represents an increase of \$165.5 million over last year's net position of \$912.0 million. This increase was largely due to an increase non depreciable capital assets as there are 5 schools currently under construction. Increased school construction grants related to the 5 schools are responsible for much of the increase to unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants. The increased net position is also supported by a reduction of general obligation debt in addition to pension and OPEB liabilities. City business-type activities net position decreased \$0.1 million in 2025. The reasons for the decrease can be found below.

**CITY OF HARTFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2025**

**TABLE 2  
STATEMENT OF ACTIVITIES (IN THOUSANDS)**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 25,588	\$ 29,129	\$ 6,146	\$ 6,240	\$ 31,734	\$ 35,369
Operating Grants and Contributions	486,043	598,772	-	-	486,043	598,772
Capital Grants and Contributions	118,325	69,801	-	91	118,325	69,892
General Revenues:						
Property Taxes	306,897	309,363	-	-	306,897	309,363
Grants Not Restricted to Specific Programs	158,052	163,094	-	-	158,052	163,094
Unrestricted Investment Earnings	14,611	14,696	44	46	14,655	14,742
Other General Revenues	2,904	3,412	-	-	2,904	3,412
Total Revenues	<u>1,112,420</u>	<u>1,188,267</u>	<u>6,190</u>	<u>6,377</u>	<u>1,118,610</u>	<u>1,194,644</u>
<b>Expenses:</b>						
General Government	147,238	157,708	-	-	147,238	157,708
Public Safety	100,379	97,379	-	-	100,379	97,379
Public Works	45,233	43,640	-	-	45,233	43,640
Development and Community Affairs	25,488	30,458	-	-	25,488	30,458
Human Services	95,248	103,693	-	-	95,248	103,693
Education	495,555	537,310	-	-	495,555	537,310
Recreation and Culture	33,737	36,554	-	-	33,737	36,554
Interest on Long-Term Debt	2,590	9,937	-	-	2,590	9,937
Hartford Parking Facilities	-	-	569	994	569	994
Golf Course	-	-	2,529	2,411	2,529	2,411
Hartford Stadium Authority	-	-	4,652	4,584	4,652	4,584
Total Expenses	<u>945,468</u>	<u>1,016,679</u>	<u>7,750</u>	<u>7,989</u>	<u>953,218</u>	<u>1,024,668</u>
<b>Change in Net Position Before Transfers</b>	166,952	171,588	(1,560)	(1,612)	165,392	169,976
Transfers	<u>(1,449)</u>	<u>(1,150)</u>	<u>1,449</u>	<u>1,150</u>	<u>-</u>	<u>-</u>
<b>Change in Net Position</b>	165,503	170,438	(111)	(462)	165,392	169,976
Net Position at Beginning of Year	<u>911,998</u>	<u>741,560</u>	<u>18,779</u>	<u>19,241</u>	<u>930,777</u>	<u>760,801</u>
<b>Net Position at End of Year</b>	<u>\$ 1,077,501</u>	<u>\$ 911,998</u>	<u>\$ 18,668</u>	<u>\$ 18,779</u>	<u>\$ 1,096,169</u>	<u>\$ 930,777</u>

The City's total revenue in 2025 of \$1,118.6 million represents a decrease of \$76.2 million over last year mainly due to operating grants. Operating grants and contributions decreased mainly due to the decreased Education grants because of the end of the Elementary and Secondary School Emergency Relief grant from the Federal government. Also, building and equipment grants decreased by \$5.0 million due to completion of a large renovation project at CT Children's Medical Center. Capital grants and contributions increased by \$48.4 million due to school construction grants from the State of CT for 5 schools in the City.

**CITY OF HARTFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2025**

The City's total program expenses of \$945.5 million represent a decrease of \$71.2 million over last year. The decrease in the Board of Education's Special Funds revenue and expenditures reflects the use of Federal COVID relief fund grants in FY2024. Other departments have decreased expenditures due to the difficulty of filling vacant positions. There was also significant development activity happening City wide in FY2024 because of pandemic recovery and use of the American Rescue Plan Act grants in which that spending reached its peak in FY2024.

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

**Governmental Activities**

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

**TABLE 3  
GOVERNMENTAL ACTIVITIES (IN THOUSANDS)**

	Total Cost of Services		Net Cost of Services	
	2025	2024	2025	2024
General Government	\$ 147,238	\$ 157,708	\$ 137,697	\$ 144,802
Public Safety	100,379	97,379	89,855	85,772
Public Works	45,233	43,640	36,503	29,109
Human Services	95,248	103,693	78,776	83,864
Education	495,555	537,310	25,926	27,305
Recreation and Culture	33,737	36,554	9,657	11,498
All Others	28,078	40,395	(62,902)	(63,373)
Total	<u>\$ 945,468</u>	<u>\$ 1,016,679</u>	<u>\$ 315,512</u>	<u>\$ 318,977</u>

**General Fund Budget**

The City experienced several variances between the adopted budget versus the final budget for the General Fund. For revenues, there was no increase to the adopted budget of \$623.8 million. General Fund expenditures include \$32.6 million of increases to the adopted budget. \$23.8 million is related to the use of assigned fund balance. When using assigned fund balance, there is an increase to the expenditure budget with no correlating increase to the revenues budget. The use of assigned fund balance relates to youth programming, settlement of tax appeals and ongoing economic development across the City.

For expenditures, there was one increase outside of the use of assigned fund balance to the adopted budget of \$8.8 million in Education. The Court of Common Council approved a resolution that appropriated \$8.8 million to Education to cover a budget to actual deficit resulting from increased special education costs and increased transportation costs.

**CITY OF HARTFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2025**

***Business-Type Activities***

Both revenues and expenses from the Hartford Parking Authority provided to the Hartford Parking Facilities Fund to finance debt service and capital improvements incurred losses when compared to the previous year's activity. The Golf Courses ended FY2025 with a deficit of \$51 thousand due to increased operational expenses to maintain the two golf courses. Parking operations had similar results in 2025 as well with less parking revenues and increased operational expenses and capital needs. The Hartford Stadium Authority had an increase to unrestricted net position in FY2025 of \$269 thousand which is comparable to normal activity for the Stadium.

**CITY FUNDS FINANCIAL ANALYSIS**

***Governmental Funds***

The City's combined General Fund reported an overall fund balance increase of \$400 thousand during 2025 as compared with an increase of \$14.1 million in 2024. This decrease is mainly due to the use of assigned fund balance as stated earlier. When using assigned fund balance, there is an increase in the expenditure budget and actuals with no corresponding increase to revenues to offset. This results in higher expenditures for the fiscal year. Overall, the City experienced increased tax collections over the prior year of \$7 million, unplanned interest income due to strong market conditions that exceeded expectations by \$2.2 million, an increase of building permits of \$2.0 million due to construction throughout the City, and finally a payment in lieu of taxes for Material Innovation Recycling Authority of \$1.5m revenues that was budgeted for in FY2024 but not received until FY2025. In addition to excess revenues, on the expenditure side the City experienced significant savings in salaries and benefits due to vacancies throughout all departments in the City. The combined General Fund's unassigned fund balance on June 30, 2025 is \$48.2 million representing 7.73% of the General Fund's 2025 original budgetary appropriations. The City's existing fund balance policy requires an unassigned fund balance to be 7.5% of the budget's original budgetary appropriations. Refer to RSI-1 and RSI-2 for details on other favorable and unfavorable variances in comparison to budgetary estimates.

The Capital Improvement Fund reported a fund balance deficit of \$8.4 million which is mainly related to increased school construction capital projects and the timing in receiving reimbursements from the State for these projects as well as other grant funded capital improvements. The City shifted to a Pay-As-You-Go Capital Improvement Program, whereby the capital expenditure program is funded primarily from the General Fund. The City closely managed capital project spending throughout the fiscal year by prioritizing projects, completing, and closing out prior years' authorized projects. The Finance Department, Office of Management, Budget & Grants, Director of Capital Projects meet routinely with the staff of public works and development services departments to focus on the capital needs of the City mainly related to maintaining and preserving our capital infrastructure.

The Education Grant Fund had a decrease in fund balance of \$4.8 million. The decrease is due to the timing of the receipt of grant reimbursements.

Miscellaneous grant funds comprise of department specific grants. These are both federal and state grants. The decrease to fund balance in this fund this year is related to timing of FEMA and other grant reimbursements.

**CITY OF HARTFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2025**

The City's other governmental funds reported an increase of \$8.4 million in fund balance for the year, mainly due to increased revenues resulting from General Fund contributions to several projects.

**Internal Service Funds**

The net position of the City's self-insurance and technology programs decreased \$3.7 million due to the use of reserves to fund health care claims by Hartford Public Schools in the active employee's health insurance fund. All other internal service funds remained relatively consistent from the previous year. The City will continue its efforts to develop a funding plan for its post-retirement benefits liabilities based on the actuaries' estimates.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2025, the City had \$1.9 billion invested in a broad range of capital assets, including land, buildings, park facilities, vehicles and equipment and infrastructure - Table 4.

Capital asset additions during the year totaled \$80 million (Note 6 to the financial statements). Construction in progress additions of \$126 million represent the majority of capital additions recorded by the City from the multiple schools under construction or renovation. Most active projects qualify for capitalization under the City's asset capitalization policy.

**TABLE 4  
CAPITAL ASSETS (IN MILLIONS)**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 86	\$ 86	\$ 6	\$ 6	\$ 92	\$ 92
Land Improvements	32	32	-	-	32	32
Buildings and Improvements	903	942	65	67	968	1,009
Machinery and Equipment	21	21	-	-	21	21
Infrastructure	179	182	-	-	179	182
Construction in Progress	667	543	-	-	667	543
Right to use Leased Assets	3	5	-	-	3	5
Total	<u>\$ 1,891</u>	<u>\$ 1,811</u>	<u>\$ 71</u>	<u>\$ 73</u>	<u>\$ 1,962</u>	<u>\$ 1,884</u>

There are approximately 192 active projects in the City's Capital Improvement Fund. Total expenditures for all projects during the fiscal year amounted to \$136.8 million. New and supplemental appropriations are reflected in the FY2025 adopted budget.

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

**CITY OF HARTFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2025**

**Long-Term Debt**

The City did not issue any long-term debt in fiscal year 2025. However, in March 2018 the City entered into a Contract Assistance Agreement with the State of Connecticut to service \$540 million in current general obligation debt service until such debt was retired. This agreement is backed by the full faith and credit of the State of Connecticut. Under the contract assistance agreement, the City must meet certain financial requirements. Lack of compliance with such requirements would trigger a default, thus placing the City in Tier 4 full oversight by the State of Connecticut. As part of this agreement, the City of Hartford is subject to financial oversight, accepts limitations on the issuance of new debt, and must refinance existing debt when the market conditions produce significant savings. On May 21, 2025, in conjunction with the State of Connecticut, the City did refund \$125 million of existing debt producing \$8.1 million of savings.

At June 30, 2025, the City had \$300 million in governmental bonds outstanding versus \$343 million last year, a decrease of 12.5% as shown in Table 5. The City has approximately \$5.9 million in restricted cash and investments to offset this debt.

**TABLE 5 (IN MILLIONS)**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	\$ 300	\$ 343	\$ 1	\$ 1	\$ 301	\$ 344
Revenue Bonds	-	-	54	56	54	56
Total	<u>\$ 300</u>	<u>\$ 343</u>	<u>\$ 55</u>	<u>\$ 57</u>	<u>\$ 355</u>	<u>\$ 400</u>

The State limits the amount of general obligation debt that cities can issue based on a formula detailed in State Statutes based on type of debt and tax base. The City's outstanding general obligation debt is below the formulaic \$2.2 billion state-imposed limit.

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

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Connecticut's unemployment rate was estimated by the Connecticut Department of Labor to be 3.8% for September 2025 (seasonally adjusted). This is 0.6% higher than September 2024 but has remained unchanged for several months. The November 2025 unemployment rate for Hartford of 4.5% is 0.3% lower than October 2024. The Consumer Price Index is 2.7 percent (unadjusted - all items) for the 12-months ended November 2025.

The FY2026 Adopted Budget is consistent with the Municipal Recovery Plan and reflects the City's commitment to fiscal discipline. In 2018, the State of Connecticut through PA 17-2, established a Municipal Accountability Review Board to support financially distressed municipalities in achieving fiscal sustainability. The City of Hartford provided a 5-year Municipal Recovery Plan to the MARB in March 2018 which comprised of revenue and expenditures assumptions, contract assistance for debt service, labor concessions, economic development goals and initiatives to generate grand list growth. The recovery plan required the City to shift to a Pay-As-You-Go Capital Improvement Program, whereby the capital expenditure program is funded primarily from the General Fund. The recovery plan was reviewed in detail by the full MARB and a subcommittee thereof and approved in June 2018 where the

**CITY OF HARTFORD, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2025**

City received \$20 million in restructuring funds. Under the MARB, the City is required to submit an updated Municipal Recovery Plan annually in concert with the Mayor's Recommended General Fund Budget.

At its regular meeting on October 5, 2023, the MARB approved a motion to acknowledge and recognize that the City has met the required conditions to be released from Tier III designation. Furthermore, the motion included support of the City's intent to voluntarily continue its relationship with the MARB as a Tier II municipality. On December 13, 2023, the Municipal Finance Advisory Commission of the State of Connecticut voted to honor the City's request to be designated as Tier II. As a Tier II municipality, the City is now required to submit monthly financial statements and the annual budget to MARB. The revenue assumptions used to create the budget must be approved by MARB annually.

The City was awarded \$112.2 million through the America Rescue Plan Act (ARPA) to assist with the recovery from the direct and indirect impact of the coronavirus pandemic. The America Rescue Plan gave us the resources to make investments that helped the City recover by building a stronger, more equitable and resilient city in the years ahead. The City's administration proposed a multi-year allocation plan including funding for critical investments in the City's youth, the health and wellbeing of our residents and well as expanded economic development in our community. Further details of the City's ARPA plan can be found on the City's website.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide residents, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the monies it receives. If you have questions about this report or need additional financial information, contact the Finance Department, City of Hartford, 550 Main Street, Hartford, Connecticut 06103, or by telephone (860) 757-9670.

## **BASIC FINANCIAL STATEMENTS**

**CITY OF HARTFORD, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Hartford Parking Authority
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 257,691	\$ 4,413	\$ 262,104	\$ 197
Investments	35,433	-	35,433	-
Restricted Cash and Cash Equivalents	-	2,850	2,850	-
Receivables, Net:				
Property Taxes	84,988	-	84,988	-
Accounts	131,175	459	131,634	2,976
Loans	39,970	-	39,970	-
Intergovernmental	18,610	-	18,610	-
Leases	2,492	-	2,492	-
Due from Component Unit	-	18	18	-
Internal Balances	3,486	(3,486)	-	-
Other Assets	443	-	443	10
Net OPEB Asset	2,505	-	2,505	-
Capital Assets, Nondepreciable	753,107	6,087	759,194	-
Capital Assets, Net of Accumulated Depreciation	1,138,004	64,894	1,202,898	-
Total Assets	<u>2,467,904</u>	<u>75,235</u>	<u>2,543,139</u>	<u>3,183</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Outflows Related to Pensions	17,440	-	17,440	-
Deferred Outflows Related to OPEB	21,008	-	21,008	-
Total Deferred Outflows of Resources	<u>38,448</u>	<u>-</u>	<u>38,448</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts Payable and Accrued Expenses	116,573	1,551	118,124	405
Due to Primary Government	-	-	-	18
Unearned Revenue	32,504	-	32,504	2,760
Noncurrent Liabilities:				
Due Within One Year	58,292	2,416	60,708	-
Due in More than One Year	1,061,414	52,600	1,114,014	-
Total Liabilities	<u>1,268,783</u>	<u>56,567</u>	<u>1,325,350</u>	<u>3,183</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Advance Property Tax Collections	2,320	-	2,320	-
Deferred Charge on Refunding	15,744	-	15,744	-
Deferred Inflows Related to Pensions	19,632	-	19,632	-
Deferred Inflows Related to OPEB	119,882	-	119,882	-
Deferred Inflows Related to Leases	2,490	-	2,490	-
Total Deferred Inflows of Resources	<u>160,068</u>	<u>-</u>	<u>160,068</u>	<u>-</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	1,558,457	15,965	1,574,422	-
Restricted:				
Debt Service	162	-	162	-
Education	5,515	-	5,515	-
Grants	88,822	-	88,822	-
OPEB Benefits	2,505	-	2,505	-
Trust Purposes:				
Expendable	27,556	-	27,556	-
Nonexpendable	8,358	-	8,358	-
Unrestricted	<u>(613,874)</u>	<u>2,703</u>	<u>(611,171)</u>	<u>-</u>
Total Net Position	<u>\$ 1,077,501</u>	<u>\$ 18,668</u>	<u>\$ 1,096,169</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**CITY OF HARTFORD, CONNECTICUT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

Function/Program Activities	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position			Component Unit Hartford Parking Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-Type Activities		
<b>PRIMARY GOVERNMENT</b>								
Governmental Activities:								
General Government	\$ 147,238	\$ 1,938	\$ 7,603	\$ -	\$ (137,697)	\$ -	\$ (137,697)	\$ -
Public Safety	100,379	7,769	2,755	-	(89,855)	-	(89,855)	-
Public Works	45,233	425	454	7,851	(36,503)	-	(36,503)	-
Development and Community Affairs	25,488	11,223	79,757	-	65,492	-	65,492	-
Human Services	95,248	319	16,153	-	(78,776)	-	(78,776)	-
Recreation and Culture	33,737	1,763	22,317	-	(9,657)	-	(9,657)	-
Education	495,555	2,151	357,004	110,474	(25,926)	-	(25,926)	-
Interest on Long-Term Debt	2,590	-	-	-	(2,590)	-	(2,590)	-
Total Governmental Activities	945,468	25,588	486,043	118,325	(315,512)	-	(315,512)	-
Business-Type Activities:								
Hartford Parking Facilities	569	2,588	-	-	-	2,019	2,019	-
Golf Course	2,529	2,331	-	-	-	(198)	(198)	-
Hartford Stadium Authority	4,652	1,227	-	-	-	(3,425)	(3,425)	-
Total Business-Type Activities	7,750	6,146	-	-	-	(1,604)	(1,604)	-
Total Primary Government	<u>\$ 953,218</u>	<u>\$ 31,734</u>	<u>\$ 486,043</u>	<u>\$ 118,325</u>	(315,512)	(1,604)	(317,116)	-
<b>COMPONENT UNIT</b>								
Hartford Parking Authority	<u>\$ 7,113</u>	<u>\$ 7,113</u>	<u>\$ -</u>	<u>\$ -</u>				
<b>GENERAL REVENUES</b>								
Property Taxes					306,897	-	306,897	-
Grants and Contributions not Restricted to Specific Programs					158,052	-	158,052	-
Unrestricted Investment Earnings					14,611	44	14,655	-
Miscellaneous					2,904	-	2,904	-
Transfers					(1,449)	1,449	-	-
Total General Revenues and Transfers					<u>481,015</u>	<u>1,493</u>	<u>482,508</u>	-
<b>CHANGE IN NET POSITION</b>								
					165,503	(111)	165,392	-
Net Position - Beginning of Year					<u>911,998</u>	<u>18,779</u>	<u>930,777</u>	-
<b>NET POSITION - END OF YEAR</b>					<u>\$ 1,077,501</u>	<u>\$ 18,668</u>	<u>\$ 1,096,169</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**CITY OF HARTFORD, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2025  
(IN THOUSANDS)**

	General	Capital Improvement Fund	Community Development Loan and Grant	Debt Service	Educational Grants	American Rescue Plan	Miscellaneous Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>									
Cash and Cash Equivalents	\$ 121,113	\$ 31,586	\$ 2,383	\$ -	\$ 9,891	\$ 541	\$ 48,289	\$ 31,468	\$ 245,271
Investments	-	-	-	-	-	-	-	35,433	35,433
Receivables, Net	91,138	120,350	37,188	-	4,376	-	9,695	12,251	274,998
Due from Other Funds	4,017	-	-	162	-	-	-	-	4,179
Other Assets	-	-	-	-	-	-	-	443	443
<b>Total Assets</b>	<b>\$ 216,268</b>	<b>\$ 151,936</b>	<b>\$ 39,571</b>	<b>\$ 162</b>	<b>\$ 14,267</b>	<b>\$ 541</b>	<b>\$ 57,984</b>	<b>\$ 79,595</b>	<b>\$ 560,324</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>									
<b>LIABILITIES</b>									
Accounts Payable and Accrued Liabilities	\$ 52,884	\$ 34,681	\$ 294	\$ -	\$ 12,077	\$ 103	6,203	\$ 5,039	\$ 111,281
Due to Other Funds	-	-	-	-	-	-	-	693	693
Unearned Revenue	174	9,029	-	-	2,160	438	13,024	7,679	32,504
<b>Total Liabilities</b>	<b>53,058</b>	<b>43,710</b>	<b>294</b>	<b>-</b>	<b>14,237</b>	<b>541</b>	<b>19,227</b>	<b>13,411</b>	<b>144,478</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Unavailable Revenue - Property	81,421	-	-	-	-	-	-	-	81,421
Unavailable Revenue - Other Receivable	3,026	120,350	37,149	-	-	-	4,457	4,353	169,335
Deferred Inflows Related to Leases	2,490	-	-	-	-	-	-	-	2,490
Advance Property Tax Collections	2,320	-	-	-	-	-	-	-	2,320
<b>Total Deferred Inflows of Resources</b>	<b>89,257</b>	<b>120,350</b>	<b>37,149</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,457</b>	<b>4,353</b>	<b>255,566</b>
<b>FUND BALANCES</b>									
Nonspendable	-	-	-	-	-	-	-	8,801	8,801
Restricted	-	46,545	2,128	162	30	-	34,300	48,016	131,181
Committed	741	-	-	-	-	-	-	8,046	8,787
Assigned	24,880	-	-	-	-	-	-	-	24,880
Unassigned	48,332	(58,669)	-	-	-	-	-	(3,032)	(13,369)
<b>Total Fund Balances</b>	<b>73,953</b>	<b>(12,124)</b>	<b>2,128</b>	<b>162</b>	<b>30</b>	<b>-</b>	<b>34,300</b>	<b>61,831</b>	<b>160,280</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 216,268</b>	<b>\$ 151,936</b>	<b>\$ 39,571</b>	<b>\$ 162</b>	<b>\$ 14,267</b>	<b>\$ 541</b>	<b>\$ 57,984</b>	<b>\$ 79,595</b>	<b>\$ 560,324</b>

See accompanying Notes to Financial Statements.

**CITY OF HARTFORD, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2025  
(IN THOUSANDS)**

**RECONCILIATION TO THE STATEMENT OF NET POSITION**

Total Fund Balances - Governmental Funds (Exhibit III)	\$	160,280
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Amounts reported for governmental activities in the statement of net position (Exhibit I) are different because of the following:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental Capital Assets		3,056,044
Less: Accumulated Depreciation		(1,164,933)
Net Capital Assets		1,891,111

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

Property Tax Receivables Greater than 60 Days		46,547
Interest Receivable on Property Taxes		34,874
Housing Loans Receivable		37,149
Other Receivables		132,186
Deferred Outflows Related to Pensions		17,440
Deferred Outflows Related to OPEB		21,008
Net OPEB Asset		2,505

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

(24,828)

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

Bonds Payable		(299,699)
Premium on Bonds		(24,997)
Deferred Charge on Refunding		(15,744)
Accrued Interest Payable		(2,267)
HUD Loans		(3,710)
Lease Liability		(3,852)
Clean Water Fund Notes		(226)
Compensated Absences		(28,372)
Claims and Judgements		(3,000)
Net OPEB Liability		(216,568)
Net Pension Liability - CMERS		(41,783)
Net Pension Liability - MERF		(460,391)
Net Pension Liability - RAF/PBF/FRF		(628)
Net Pension Liability - 415(m)		(20)
Deferred Inflows Related to Pensions		(19,632)
Deferred Inflows Related to OPEB		(119,882)
		(119,882)

Net Position of Governmental Activities as Reported on the Statement of Net Position (Exhibit I)

\$ 1,077,501

**CITY OF HARTFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

	General	Capital Improvement Fund	Community Development Loan and Grant	Debt Service	Educational Grants	American Rescue Plan	Miscellaneous Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>									
Property Taxes	\$ 308,537	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 308,537
Licenses, Permits, and Other Charges	9,229	-	-	-	-	-	-	-	9,229
Intergovernmental Revenues	393,497	117,112	-	-	173,356	6,726	29,210	110,994	830,895
Charges for Services	2,547	-	-	-	-	-	7,616	4,307	14,470
Use of Property	1,085	-	-	-	-	-	-	-	1,085
Investment Income	9,856	267	49	168	-	-	-	4,344	14,684
Miscellaneous	1,607	58	857	94	-	-	48	43	2,707
Total Revenues	<u>726,358</u>	<u>117,437</u>	<u>906</u>	<u>262</u>	<u>173,356</u>	<u>6,726</u>	<u>36,874</u>	<u>119,688</u>	<u>1,181,607</u>
<b>EXPENDITURES</b>									
Current:									
General Government	20,239	-	-	-	-	3,540	6,220	932	30,931
Public Safety	98,628	-	-	-	-	-	6,394	128	105,150
Public Works	22,033	-	-	-	-	-	974	21	23,028
Development and Community Affairs	6,452	-	839	-	-	-	12,099	5,131	24,521
Human Services	4,750	-	-	-	-	1,838	-	88,725	95,313
Education	330,298	-	-	-	170,406	-	-	22,840	523,544
Recreation and Culture	10,291	-	-	-	-	-	19,181	4,790	34,262
Benefits and Insurance	109,871	-	-	-	-	-	-	-	109,871
Other	49,407	-	-	-	-	-	-	-	49,407
Capital Outlay	-	136,786	-	-	-	-	-	9,017	145,803
Debt Service	220	-	-	53,923	-	-	-	515	54,658
Total Expenditures	<u>652,189</u>	<u>136,786</u>	<u>839</u>	<u>53,923</u>	<u>170,406</u>	<u>5,378</u>	<u>44,868</u>	<u>132,099</u>	<u>1,196,488</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	74,169	(19,349)	67	(53,661)	2,950	1,348	(7,994)	(12,411)	(14,881)
<b>OTHER FINANCING SOURCES (USES)</b>									
Issuance of Refunding Bonds	-	-	-	116,595	-	-	-	-	116,595
Premium on Refunding Bonds	-	-	-	8,053	-	-	-	-	8,053
Payments to Refunded Bond Escrow Agent	-	-	-	(123,711)	-	-	-	-	(123,711)
Transfers in from Other Funds	15,075	21,426	-	46,634	-	-	19,062	9,683	111,880
Transfers Out to Other Funds	(88,735)	(97)	-	(2,239)	(7,771)	(1,348)	(11,126)	(2,013)	(113,329)
Total Other Financing Sources (Uses)	<u>(73,660)</u>	<u>21,329</u>	<u>-</u>	<u>45,332</u>	<u>(7,771)</u>	<u>(1,348)</u>	<u>7,936</u>	<u>7,670</u>	<u>(512)</u>
<b>NET CHANGE IN FUND BALANCES</b>	509	1,980	67	(8,329)	(4,821)	-	(58)	(4,741)	(15,393)
Fund Balances - Beginning of Year	73,444	(14,104)	2,061	8,491	4,851	-	34,358	66,572	175,673
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 73,953</u>	<u>\$ (12,124)</u>	<u>\$ 2,128</u>	<u>\$ 162</u>	<u>\$ 30</u>	<u>\$ -</u>	<u>\$ 34,300</u>	<u>\$ 61,831</u>	<u>\$ 160,280</u>

See accompanying Notes to Financial Statements.

**CITY OF HARTFORD, CONNECTICUT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

Net Change in Fund Balances - Governmental Funds (Exhibit IV) \$ (15,393)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlay	130,026
Depreciation Expense	(49,847)
Loss on Disposition of Capital Assets	(105)

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

Property Taxes Collected After 60 Days	(2,454)
Interest Income on Property Taxes	814
Housing Loans Receivable	971
Other Receivables	(11,315)
Change in Deferred Outflows Related to Pensions	(6,712)
Change in Deferred Outflows Related to OPEB	(10,076)
Change in Net OPEB Asset	543

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

Premium on Refunding Bonds	(8,053)
Issuance of Refunding Bonds	(116,595)
Payment to Bond Escrow Agent	123,711
Bond Principal Payments	35,804
HUD Loans Principal Payments	385
Clean Water Fund Notes Principal Payments	110
Lease Liability Principal Payments	1,465

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

Amortization of Deferred Charges in Refunding	(5,803)
Amortization of Premium	14,571
Accrued Interest	4,593
Change in Long-Term Compensated Absences	(2,087)
Change in Net OPEB Liability	31,879
Change in Net Pension Liability - CMERS	4,626
Change in Net Pension Liability - MERF	40,438
Change in Net Pension Liability - RAF/PBF/FRF	310
Change in Net Pension Liability - 415(m)	12
Change in Deferred Inflows Related to Pensions	(13,565)
Change in Deferred Inflows Related to OPEB	20,998

The Net Expense of the Internal Service Funds is Reported with Governmental Activities. (3,748)

Change in Net Position of Governmental Activities as Reported on the Statement of Activities (Exhibit II) \$ 165,503

See accompanying Notes to Financial Statements.

**CITY OF HARTFORD, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

	Business-Type Activities			Governmental
	Enterprise Funds			Activities
	Hartford Stadium Authority	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ -	\$ 4,413	\$ 4,413	\$ 12,420
Restricted Cash	2,850	-	2,850	-
Receivables, Net	395	64	459	2,237
Due from Component Unit	-	18	18	-
Total Current Assets	<u>3,245</u>	<u>4,495</u>	<u>7,740</u>	<u>14,657</u>
Noncurrent Assets:				
Capital Assets:				
Not Being Depreciated	-	6,087	6,087	-
Being Depreciated, Net	54,053	10,841	64,894	-
Total Noncurrent Assets	<u>54,053</u>	<u>16,928</u>	<u>70,981</u>	<u>-</u>
Total Assets	57,298	21,423	78,721	14,657
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable and Other Payables	1,113	438	1,551	3,025
Due to Other Funds	125	3,361	3,486	-
Current Maturities of Risk Management Claims	-	-	-	20,965
Current Maturities of Bonds Payable	2,085	331	2,416	-
Total Current Liabilities	<u>3,323</u>	<u>4,130</u>	<u>7,453</u>	<u>23,990</u>
Noncurrent Liabilities:				
Risk Management Claims	-	-	-	15,495
Bonds Payable	51,930	670	52,600	-
Total Noncurrent Liabilities	<u>51,930</u>	<u>670</u>	<u>52,600</u>	<u>15,495</u>
Total Liabilities	55,253	4,800	60,053	39,485
<b>NET POSITION</b>				
Net Investment in Capital Assets	38	15,927	15,965	-
Unrestricted	2,007	696	2,703	(24,828)
Total Net Position	<u>\$ 2,045</u>	<u>\$ 16,623</u>	<u>\$ 18,668</u>	<u>\$ (24,828)</u>

See accompanying Notes to Financial Statements.

**CITY OF HARTFORD, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Hartford Stadium Authority	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 1,227	\$ 4,919	\$ 6,146	\$ 79,395
Employee and Pensioners Charges for Insurance	-	-	-	19,139
Other	-	-	-	6,198
Total Operating Revenues	<u>1,227</u>	<u>4,919</u>	<u>6,146</u>	<u>104,732</u>
<b>OPERATING EXPENSES</b>				
Administrative	323	-	323	8,383
Operations	-	2,392	2,392	10,036
Insurance Benefits and Claims	-	-	-	90,061
Depreciation	1,724	659	2,383	-
Total Operating Expenses	<u>2,047</u>	<u>3,051</u>	<u>5,098</u>	<u>108,480</u>
<b>OPERATING INCOME (LOSS)</b>	(820)	1,868	1,048	(3,748)
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest Income	44	-	44	-
Interest Expense	(2,605)	(47)	(2,652)	-
Total Nonoperating Revenues (Expenses)	<u>(2,561)</u>	<u>(47)</u>	<u>(2,608)</u>	<u>-</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	(3,381)	1,821	(1,560)	(3,748)
Capital Contributions	-	-	-	-
Transfers In	4,645	100	4,745	-
Transfers Out	(995)	(2,301)	(3,296)	-
<b>CHANGE IN NET POSITION</b>	269	(380)	(111)	(3,748)
Net Position - Beginning of Year	<u>1,776</u>	<u>17,003</u>	<u>18,779</u>	<u>(21,080)</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 2,045</u>	<u>\$ 16,623</u>	<u>\$ 18,668</u>	<u>\$ (24,828)</u>

See accompanying Notes to Financial Statements.

**CITY OF HARTFORD, CONNECTICUT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Hartford Stadium Authority	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
City's Contribution	\$ -	\$ -	\$ -	\$ 79,395
Receipts from Customers and Users	1,231	4,877	6,108	24,858
Payments to Suppliers	(340)	(2,512)	(2,852)	-
Payments for Benefits and Claims	-	-	-	(109,034)
Cash Received for Interfund Services	(13)	-	(13)	-
Payments for Interfund Services Used	-	(253)	(253)	-
Net Cash Provided (Used) by Operating Activities	<u>878</u>	<u>2,112</u>	<u>2,990</u>	<u>(4,781)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Transfer In	4,645	100	4,745	-
Transfer Out	(995)	(2,301)	(3,296)	-
Principal Paid on Bonds	(2,010)	(115)	(2,125)	-
Interest Paid on Bonds	(2,605)	(47)	(2,652)	-
Purchase of Capital Assets	-	(28)	(28)	-
Net Cash Used by Capital Financing Activities	<u>(965)</u>	<u>(2,391)</u>	<u>(3,356)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on Investments	<u>44</u>	<u>-</u>	<u>44</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>(43)</u>	<u>(279)</u>	<u>(322)</u>	<u>(4,781)</u>
Cash and Cash Equivalents - Beginning of Year	<u>2,893</u>	<u>4,692</u>	<u>7,585</u>	<u>17,201</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 2,850</u>	<u>\$ 4,413</u>	<u>\$ 7,263</u>	<u>\$ 12,420</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (820)	\$ 1,868	\$ 1,048	\$ (3,748)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation	1,724	659	2,383	-
Change in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	4	(42)	(38)	(479)
(Increase) Decrease in Due from Other Funds	(13)	155	142	-
Increase (Decrease) in Accounts Payable	(17)	(120)	(137)	(697)
Increase (Decrease) in Due to Other Funds	-	(408)	(408)	-
Increase (Decrease) in Unearned Revenue	-	-	-	-
Increase (Decrease) in Claims Payable	-	-	-	143
Total Adjustments	<u>1,698</u>	<u>244</u>	<u>1,942</u>	<u>(1,033)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 878</u>	<u>\$ 2,112</u>	<u>\$ 2,990</u>	<u>\$ (4,781)</u>

See accompanying Notes to Financial Statements.

**CITY OF HARTFORD, CONNECTICUT**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

	<u>Pension and OPEB Trust Funds</u>	<u>Custodial Funds</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 47,535	\$ -
Investments, at Fair Value:		
U.S. Government Agencies	16,109	-
U.S. Government Securities	20,848	-
Corporate Bonds	62,781	-
Foreign Bonds	541	-
Municipal Bonds	1,446	-
Mutual Funds	18,589	-
Alternative Investments	390,951	-
Common and Collective Trusts	318,022	-
Land	5,000	-
Real Estate Funds	66,344	-
Equities	262,751	-
Total Investments	<u>1,163,382</u>	<u>-</u>
Receivables:		
Accounts Receivable	<u>4,348</u>	<u>-</u>
Total Assets	1,215,265	-
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	<u>7,030</u>	<u>-</u>
Total Liabilities	<u>7,030</u>	<u>-</u>
<b>NET POSITION</b>		
Restricted for Pension Benefits	1,178,856	-
Restricted for OPEB Benefits	<u>29,379</u>	<u>-</u>
Total Net Position	<u>\$ 1,208,235</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**CITY OF HARTFORD, CONNECTICUT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

	Pension and OPEB Trust Funds	Custodial Funds
<b>ADDITIONS:</b>		
Contributions:		
Employer	\$ 72,730	\$ -
Plan Members	16,687	-
Collections from Other Governments	39	913
Total Contributions and Other Revenues	<u>89,456</u>	<u>913</u>
Investment Income:		
Net Increase in Fair Value of Investments	100,409	-
Interest and Dividends	20,037	-
Total Investment Income	<u>120,446</u>	<u>-</u>
Less: Investment Expenses		
Investment Management Fees	12,828	-
Net Investment Income	<u>107,618</u>	<u>-</u>
Total Additions	197,074	913
<b>DEDUCTIONS:</b>		
Benefits	138,453	-
Administrative Expense	2,831	-
Payments to Other Governments	-	913
Total Deductions	<u>141,284</u>	<u>913</u>
<b>CHANGE IN NET POSITION</b>	55,790	-
Net Position - Beginning of Year	<u>1,152,445</u>	<u>-</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 1,208,235</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

During the fiscal year ended June 30, 2018, the City was designated a Tier III municipality by the state of Connecticut in accordance with CGS § 7-576c which included oversight by the State of Connecticut Municipal Accountability Review Board (MARB). However, it was determined the City met its requirements under Tier III and voluntarily requested to continue its relationship as a Tier II municipality. The State approved the request on December 13, 2023. See Note 15 for additional information.

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

**A. Financial Reporting Entity**

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the government. These criteria have been considered and have resulted in the inclusion of the component units as detailed below.

Fiduciary Component Units

The City has established three single-employer defined benefit pension plans and a postretirement retiree health plan (OPEB) to provide retirement benefits and postretirement health care benefits to employees and their beneficiaries. The City appoints a majority of the Pension Board and is required to make contributions to the pension and OPEB plans and can impose its will.

The financial statements of the fiduciary component units are reported as Pension and OPEB Trust fund in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component units.

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. Financial Reporting Entity (Continued)**

Discretely Presented Component Unit

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

Blended Component Unit

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

**B. Government-Wide Financial Statements**

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

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Government-Wide Financial Statements (Continued)**

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

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

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

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

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

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

The City reports the following major governmental funds:

**General Fund**

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

**Capital Improvement Fund**

The Capital Improvement Fund accounts for the pay as you go General Fund contributions, proceeds of general obligation bonds and grants for various construction projects.

**Community Development Loan and Grant Fund**

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

**Debt Service Fund**

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

**Educational Grants Fund**

The Educational Grants Fund accounts for state and federal grants received and expended for educational purposes.

**American Rescue Plan Fund**

The American Rescue Plan Fund accounts for the American Rescue Plan Act Federal grant received and expended.

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

**Miscellaneous Grants**

The Miscellaneous Grants Fund accounts for the state and federal grants received and expended for various programs.

The City reports the following major proprietary funds:

**Hartford Stadium Authority Fund**

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

Additionally, the City reports the following fund types:

**Internal Service Funds**

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

**Pension and Other Postemployment Benefit**

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

**Custodial Funds**

The Custodial Funds are primarily utilized to account for monies held as custodian for other governments.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the enterprise funds and the internal service funds are charges to customers for services.

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

**Custodial Funds (Continued)**

Operating expenses for the Enterprise funds and the internal service funds include the cost of services, administrative expenses, depreciation costs and benefit costs. All revenues and expenses not meeting the definition are reported as nonoperating revenues and expenses.

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

**D. Deposits, Investments, and Risk Disclosure**

Cash and Cash Equivalents

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

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

Investments

Investments are stated at fair value.

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

Restricted Cash and Investments

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

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Receivables and Payables**

Taxes Receivable

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

Loans Receivable

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

Other Receivables

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

Allowance for Doubtful Accounts

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

Due from/to Other Funds

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

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Inventories**

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

**G. Capital Assets**

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

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

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

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

Land Improvements	20 Years
Buildings and Building Improvements	40 Years
Other Structures	15 Years
Office Furniture, Equipment, and PC Hardware	5 Years
Computer Equipment	5 Years
Right-to-use Lease Equipment	5 Years
Shop, Playground, and Grounds Maintenance Equipment	10 to 20 Years
Autos, Trucks, and Construction Vehicles	5 to 15 Years
Infrastructure	20 to 99 Years

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

**CITY OF HARTFORD, CONNECTICUT**  
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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports a deferred charge on refunding in the government-wide statement of net position and deferred outflows for pensions and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees).

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

**I. Compensated Absences**

City employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Vacation and sick leave expenses to be paid in future periods are accrued when incurred in the government-wide and proprietary fund financial statements. The general fund is typically used to liquidate this liability.

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I. Compensated Absences (Continued)**

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

**J. Long-Term Obligations**

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

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

**K. Net Pension Liability**

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

**L. Net OPEB Liability**

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

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M. Leases**

Lessee

The City determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statements of net position.

Lease assets represent the City's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the City's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the City will exercise that option.

The City has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the City has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

The City accounts for contracts containing both lease and nonlease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and nonlease components, and it is impractical to estimate the price of such components, the City treats the components as a single lease unit.

Lessor

The City determines if an arrangement is a lease at inception. Leases are included in other current and noncurrent assets and deferred inflows of resources related to leases in the statement of net position.

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M. Leases (Continued)**

Lessor

Lease receivables represent the City's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

The City has elected to recognize payments received for short-term leases with a lease term of twelve months or less as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows of resources related to leases on the statement of net position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the City has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

**N. Fund Equity**

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

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

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Fund Equity (Continued)**

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

*Unrestricted* – All other amounts that do not meet the definition of “restricted” or “net investment in capital assets.”

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

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

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

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

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

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

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

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Fund Equity (Continued)**

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

**O. Encumbrances**

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

**P. Use of Estimates**

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

**Q. Adoption of New Accounting Standards**

Effective July 1, 2024, the City implemented GASB Statement No. 101, *Compensated Absences*. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. The implementation of this standard did not affect beginning net position.

Effective July 1, 2024, the City implemented GASB Statement No. 102, *Certain Risk Disclosures*. This statement requires disclosure of essential information about vulnerabilities due to concentrations and constraints. The implementation of this standard did not have a material effect on the financial statements.

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**(IN THOUSANDS)**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

The City adopted the legal budget for the 2024-2025 General Fund in accordance with the procedures summarized below:

- On or before the second council meeting in March, the Mayor must submit to the Court of Common Council a recommended operating budget as well as a capital budget for the fiscal year commencing the following July 1st. The operating budget includes proposed expenditures and the means of financing them.
- Through direction of the Mayor and the Court of Common Council, open meetings and public hearings are held to obtain residents' and taxpayers' comments on the recommended budget.
- The Court of Common Council modifies the budget by resolution (except revenues, debt service and pension requirements) and then submits the budget as amended to the Mayor for certification no later than May 21.
- The Mayor may approve, reduce, and/or disapprove the budget within 48 hours, but no later than May 23.
- The General Fund budget, including all components of the property tax and municipal aid assumptions, must be approved by the Municipal Accountability Review Board before final adoption. Each year an updated Municipal Recovery Plan must be submitted to the MARB for approval and such annual budget must be in conformity with the Plan.
- Upon action by the Mayor, the Court of Common Council has until 1<sup>st</sup> business day in June to adopt the budget, the appropriation ordinance and the tax levy ordinance. If it fails to adopt the budget by that date the budget as certified by the Mayor shall be deemed to be the budget of the City for the ensuing fiscal year and expenditures shall be made in accordance therewith (Hartford Municipal Code Sec. 9).
- After the budget has been adopted and the new fiscal year begins, an appropriation may be amended. The Mayor may, at any time, transfer any unencumbered balance or portion thereof, from one classification of expenditures to another within the same department.
- At the request of the Mayor, but only within the last three months of the fiscal year, the Court of Common Council may transfer by resolution, any unencumbered appropriation balance or portion thereof from one department or agency to another.

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**A. Budgetary Information (Continued)**

- Supplemental appropriations are made on the recommendation of the Mayor upon certification by the Director of Finance that there exists an available general fund cash surplus to meet this appropriation.
- Budgets for General Fund are presented on a basis consistent with accounting principles generally accepted in the United States of America except that encumbrances and transfers out are shown as budgetary obligations and transfers in are shown as revenues. State of Connecticut on-behalf contributions are shown as revenues and expenses, and reimbursements to and from other funds are shown as reductions of revenues and expenses.
- The General Fund budget is the City's only legally adopted annual budget. Budgets for Special Revenue and Capital Projects Funds are adopted on a project length basis in accordance with related grant or funding agreements.
- The level of control for the General Fund budget is at the department/major activity level which are authorized by ordinance. The level of control for Capital Projects Funds is appropriations at the project level. Total expenditures cannot exceed total appropriations by project, over the length of the project.
- The Community Development Block Grant (Special Revenue) project budgets are approved by Court of Common Council. The level of control for all other Special Revenue Funds is at the project or program level in accordance with agreement provisions and various budgetary periods.
- All unencumbered and unexpended appropriations lapse at year-end for the General Fund. Appropriations do not lapse at year-end for Special Revenue Funds. Appropriations for capital projects are carried forward until such time as the project is completed or terminated.

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

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**(IN THOUSANDS)**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**B. Fund Deficits**

At June 30, 2025, the City reported deficit fund balance/net position for the following funds:

Governmental Funds:

Major Funds:

Capital Improvement Fund	\$	12,124
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Nonmajor Funds:

Section 8	\$	187
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Health Grants		1,351
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Community Development Act		1,174
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Home Program		320
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Internal Service Funds:

Workers' Compensation	\$	22,202
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Liability and Property Damage		4,118
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The Internal Service Funds deficit will be covered through future charges for services from the General Fund. The Capital Improvement Fund and the Nonmajor Fund deficits are a result of revenue recognition in accordance with the modified accrual basis of accounting and will be repaid with future grant revenues.

**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS**

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

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

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF). STIF is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. The investment pool is under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board and is regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. The STIF accounts are recorded at amortized cost.

**A. Deposits**

Deposit Custodial Credit Risk

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

*City* – The City’s custodial credit risk policy includes policies on the safety of principal, prudence, and financial dealings with institutions designed to mitigate custodial credit risk. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures* \$265,079 of the City’s bank balance of \$267,079 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 238,371
Uninsured and Collateral Held by the Pledging Bank’s Trust Department, Not in the City’s Name	26,708
Total Amount Subject to Custodial Credit Risk	\$ 265,079

*Parking Authority* – The Parking Authority follows the City’s deposit policies of safety of principal, prudence, and financial dealings with institutions designed to mitigate custodial credit risk. As of June 30, 2025, \$3,852 of the Parking Authority’s bank balance of \$4,280 was uninsured and uncollateralized.

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**A. Deposits (Continued)**

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. As of June 30, 2025, the cash equivalent amounted to \$82,241. The following table provides summary of the City's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	Standard and Poor's
State Short-Term Investment Fund (STIF)	AAAm

**B. Investments**

Interest Rate Risk

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

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

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less Than 1 Year	1-10 Years	Over 10 Years
Certificate of Deposit	\$ 176	\$ 176	\$ -	\$ -
U.S. Government Securities	16,263	125	7,633	8,505
U.S. Government Agencies	20,848	-	3,536	17,312
Foreign Bonds	541	-	541	-
Corporate Bonds	62,780	4,829	50,278	7,673
Municipal Bonds	1,446	-	1,154	292
Total	102,054	\$ 5,130	\$ 63,142	\$ 33,782
Other Investments:				
Mutual Funds	53,693			
Commn Stock	262,751			
Common and Collective Trusts	318,022			
Land	5,000			
Real Estate Funds	66,344			
Alternative Investments	390,951			
Total Investments	\$ 1,198,815			

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

Foreign Currency Risk (Not in Thousands)

The City of Hartford's Municipal Employee Retirement Fund – (MERF)'s formal investment policy limits at any point in time, the exact level of investment in international equities to between 13% and 23% of the total MERF portfolio. The Plan's exposure to foreign currency risk related to equities and fixed income securities as of June 30, 2025, is as follows:

<u>Currency</u>	<u>Fair Value</u>
Australian Dollar	\$ (10,596)
Canadian Dollar	(269)
Chinese Yuan Renminbi	(98)
Colombian Peso	734
Euro	5,246,925
Indian Rupee	9,680
Indonesian Rupiah	10,163
Japanese Yen	34,501
Mexican Peso	188,898
New Taiwan Dollar	(11,317)
Norwegian Krone	128
Peruvian Sol	(2,233)
Polish Zloty	12,591
Pound Sterling	20,812
South African Rand	11,801
South Korean Won	(10,693)
Swedish Krona	291
Swiss Franc	12,631

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

Credit Risk

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

Average Rating	U.S. Government Securities	U.S. Government Agencies	Foreign Bonds	Corporate Bonds	Municipal Bonds	Certificate of Deposit	Total
AAA	\$ 154	\$ -	\$ -	\$ 524	\$ -	\$ -	\$ 678
AA+	16,109	20,747	-	752	410	-	38,018
AA	-	-	-	438	410	-	848
AA-	-	-	-	399	292	-	691
A+	-	-	-	1,044	-	-	1,044
A	-	-	-	933	-	-	933
A-	-	-	-	5,369	-	-	5,369
BBB+	-	-	-	3,692	-	-	3,692
BBB	-	-	-	3,578	-	-	3,578
BBB-	-	-	-	6,562	-	-	6,562
BB+	-	-	-	5,149	-	-	5,149
BB	-	-	-	5,127	-	-	5,127
BB-	-	-	-	5,650	-	-	5,650
B+	-	-	-	3,608	-	-	3,608
B	-	-	-	5,644	-	-	5,644
B-	-	-	-	3,835	-	-	3,835
CCC+	-	-	-	1,894	-	-	1,894
CCC	-	-	-	577	-	-	577
CCC-	-	-	-	186	-	-	186
D	-	-	-	191	-	-	191
Unrated	-	101	541	7,628	334	176	8,780
Total	<u>\$ 16,263</u>	<u>\$ 20,848</u>	<u>\$ 541</u>	<u>\$ 62,780</u>	<u>\$ 1,446</u>	<u>\$ 176</u>	<u>\$ 102,054</u>

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
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**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

Concentration of Credit Risk

The City's OPEB and Pension Funds' policy does not allow for an investment in securities that is not readily marketable in any one issuer that is in excess of 5% of the City's total portfolio. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Additionally, investment manager guidelines require that investment be broadly diversified so as to limit the impact of large losses in individual investments on the total portfolio.

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

As of June 30, 2025, the following investments in the pension plans each had fair market values that represented more than 5% of the plan's net position as of June 30, 2025:

Grosvenor Hedge Fund	\$	73,323
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Custodial Credit Risk

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

Fair Value

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

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

Fair Value (Continued)

The City and its fiduciary funds have the following recurring fair value measurements as of June 30, 2025:

	June 30, 2025	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Government Securities	\$ 16,263	\$ 16,263	\$ -	\$ -
U.S. Government Agencies	20,848	-	20,848	-
Foreign Bonds	541	-	541	-
Corporate Bonds	62,780	-	61,127	1,653
Municipal Bonds	1,446	-	1,446	-
Mutual Funds	53,693	53,693	-	-
Common Stock	262,751	262,402	233	116
Common and Collective Trusts	318,022	-	-	318,022
Land	5,000	-	-	5,000
Alternative Investments	-	-	-	-
Certificate of Deposit	176	176	-	-
Total Investments by Fair Value Level	741,520	<u>\$ 332,534</u>	<u>\$ 84,195</u>	<u>\$ 324,791</u>
Investments Measured at Net Asset Value (NAV):				
Real Estate Funds	66,344			
Alternative Investments	390,951			
Total Investments Measured at NAV	<u>457,295</u>			
Total Investments	<u>\$ 1,198,815</u>			

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

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025  
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**NOTE 3 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

Fair Value (Continued)

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

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Investments Measured Using NAV:				
Real Estate Funds	\$ 66,344	\$ 9,600	Various	Various
Multi-Strategy Hedge Funds	93,678	-	Quarterly	45 Days
Private Equity	297,273	43,100	None	None

Real Estate Funds

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

Multi-Strategy Hedge Fund

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

Private Equity Funds

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

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 4 RECEIVABLES**

Receivables at June 30, 2025 for the City's individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for doubtful accounts, consisted of the following:

	General	Capital Improvement Fund	Community Development Loan and Grant Fund	Educational Grants	Miscellaneous Grants	Hartford Stadium Authority	Aggregate Remaining Funds	Total
Receivables:								
Taxes	\$ 64,210	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,210
Accrued Interest on Taxes	46,499	-	-	-	-	-	-	46,499
Intergovernmental	8	-	-	7,097	9,695	-	4,531	21,331
Accounts	6,445	120,350	-	-	-	395	11,587	138,777
Housing Loans	-	-	63,439	-	-	-	3,710	67,149
Leases	2,492	-	-	-	-	-	-	2,492
Gross Receivables	119,654	120,350	63,439	7,097	9,695	395	19,828	340,458
Less Allowance for Uncollectibles:								
Taxes	(14,096)	-	-	-	-	-	-	(14,096)
Accrued Interest on Taxes	(11,625)	-	-	-	-	-	-	(11,625)
Intergovernmental	-	-	-	(2,721)	-	-	-	(2,721)
Accounts	(2,795)	-	-	-	-	-	-	(2,795)
Housing Loans	-	-	(26,251)	-	-	-	(928)	(27,179)
Total	(28,516)	-	(26,251)	(2,721)	-	-	(928)	(58,416)
Net Total Receivables	\$ 91,138	\$ 120,350	\$ 37,188	\$ 4,376	\$ 9,695	\$ 395	\$ 18,900	\$ 282,042

**NOTE 5 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The balances reflected as due from/to other funds at June 30, 2025 were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Hartford Stadium Authority	\$ 125
	Nonmajor Enterprise Funds	3,199
	Nonmajor Governmental Funds	693
Debt Service Fund	Nonmajor Enterprise Funds	162
Total		\$ 4,179

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

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 5 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)**

**Interfund Transfers**

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

	Transfers Out									Total Transfers In
	General Fund	Capital Improvement Fund	American Rescue Plan	Educational Grants	Miscellaneous Grants	Debt Service	Nonmajor Governmental Funds	Hartford Stadium Authority	Nonmajor Enterprise Funds	
Transfers In:										
General Fund	\$ -	\$ -	\$ 653	\$ -	\$ 11,126		\$ -	\$ 995	\$ 2,301	\$ 15,075
Capital Improvement Fund	9,403	-	-	7,771	-	2,239	2,013	-	-	21,426
Debt Service Fund	46,634	-	-	-	-	-	-	-	-	46,634
Miscellaneous Grants	18,270	97	695	-	-	-	-	-	-	19,062
Nonmajor Governmental Funds	9,683	-	-	-	-	-	-	-	-	9,683
Hartford Stadium Authority	4,645	-	-	-	-	-	-	-	-	4,645
Nonmajor Enterprise Funds	100	-	-	-	-	-	-	-	-	100
Total Transfers Out	<u>\$ 88,735</u>	<u>\$ 97</u>	<u>\$ 1,348</u>	<u>\$ 7,771</u>	<u>\$ 11,126</u>	<u>\$ 2,239</u>	<u>\$ 2,013</u>	<u>\$ 995</u>	<u>\$ 2,301</u>	<u>\$ 116,625</u>

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

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
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**NOTE 6 CAPITAL ASSETS**

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets Not Being Depreciated or Amortized:					
Land	\$ 86,116	\$ 103	\$ 70	\$ -	\$ 86,149
Construction in Progress	542,606	126,160	-	(1,808)	666,958
Total Capital Assets Not Being Depreciated or Amortized	628,722	126,263	70	(1,808)	753,107
Capital Assets Being Depreciated and Amortized:					
Land Improvements	60,662	-	-	-	60,662
Buildings	1,597,469	21	28	-	1,597,462
Other Structures	50,897	-	-	-	50,897
Furniture and Equipment	30,237	617	-	-	30,854
Rolling Equipment	53,284	3,125	3,135	-	53,274
Infrastructure	499,320	-	-	1,808	501,128
Right-to-Use - Leased Equipment	9,449	-	789	-	8,660
Total Capital Assets Being Depreciated and Amortized	2,301,318	3,763	3,952	1,808	2,302,937
Less Accumulated Depreciation and Amortization for:					
Land Improvements	28,240	870	-	-	29,110
Buildings	680,887	37,113	1	-	717,999
Other Structures	25,285	1,326	-	-	26,611
Furniture and Equipment	23,058	874	-	-	23,932
Rolling Equipment	39,936	2,599	3,127	-	39,408
Infrastructure	317,036	5,497	-	-	322,533
Right-to-Use - Leased Equipment	4,561	1,568	789	-	5,340
Total Accumulated Depreciation	1,119,003	49,847	3,917	-	1,164,933
Total Capital Assets Being Depreciated and Amortized, Net	1,182,315	(46,084)	35	1,808	1,138,004
Governmental Activities Capital Assets, Net	<u>\$ 1,811,037</u>	<u>\$ 80,179</u>	<u>\$ 105</u>	<u>\$ -</u>	<u>\$ 1,891,111</u>

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 6 CAPITAL ASSETS (CONTINUED)**

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-Type Activities:					
Capital Assets Not Being Depreciated:					
Land	\$ 6,087	\$ -	\$ -	\$ -	\$ 6,087
Total Capital Assets Not Being Depreciated	6,087	-	-	-	6,087
Capital Assets Being Depreciated:					
Land Improvements	29	-	-	-	29
Building and Improvements	73,431	-	-	-	73,431
Parking Garages	20,710	-	-	-	20,710
Other Structures	3,699	-	-	-	3,699
Furniture, Fixtures, and Equipment	755	29	30	-	754
Total Capital Assets Being Depreciated	98,624	29	30	-	98,623
Less Accumulated Depreciation for:					
Land Improvements	27	-	-	-	27
Building and Improvements	13,835	1,837	-	-	15,672
Parking Garages	13,234	471	-	-	13,705
Other Structures	3,614	-	-	-	3,614
Furniture, Fixtures, and Equipment	666	75	30	-	711
Total Accumulated Depreciation	31,376	2,383	30	-	33,729
Total Capital Assets Being Depreciated, Net	67,248	(2,354)	-	-	64,894
Business-Type Activities Capital Assets, Net	\$ 73,335	\$ (2,354)	\$ -	\$ -	\$ 70,981

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 6 CAPITAL ASSETS (CONTINUED)**

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

Government Activities:	
General Government	\$ 7,555
Public Safety	4,307
Public Works	22,856
Development and Community Affairs	333
Education	14,506
Recreation and Culture	290
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 49,847</u>
Business-Type Activities:	
Golf Course	\$ 187
Stadium Authority	1,724
Hartford Parking Facilities	472
Total Depreciation Expense - Business-Type Activities	<u>\$ 2,383</u>

**Construction Commitments**

The City has various authorized construction projects in the Capital Improvement Fund as of June 30, 2025. The projects include school and general construction and facility improvements, land and structure improvements to parks and cultural facilities, transportation improvement projects, and other capital improvements. At June 30, 2025, the City had outstanding appropriations of approximately \$677.2 million of which \$249.5 million is encumbered. The City, however, is on a pay-as-you-go Capital Improvement Program. Within the authorized \$677.2 million, the City has committed to spend \$146 million over the next five years for specific critical projects, including school construction and renovation, flood control, traffic signalization, bridge repairs, sidewalks, and milling and paving. The commitments are being financed with general fund contributions, remaining general obligation bonds previously issued, and state and federal grants.

**NOTE 7 LEASES**

**Lessor**

The City leases certain building, land, and air space rights to other parties under long-term noncancellable lease agreements. The agreements provide for minimum annual rentals plus contingent rentals based on a percentage of cash flow from the properties. The leases expire at various dates through 2064 and provide for renewal options ranging from one to five years. During the year ended June 30, 2025, the City recognized \$390 and \$79 in lease revenue and interest revenue, respectively, pursuant to these contracts.

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 7 LEASES (CONTINUED)**

**Lessor (Continued)**

Total future minimum payments to be received under lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 293	\$ 71	\$ 364
2027	207	63	270
2028	123	58	181
2029	132	54	186
2023	115	51	166
2031-2035	592	204	796
2036-2040	489	122	611
2041-2045	251	59	310
2046-2050	121	32	153
2051-2055	53	21	74
2056-2060	62	13	75
2061-2065	54	3	57
Total	<u>\$ 2,492</u>	<u>\$ 751</u>	<u>\$ 3,243</u>

**NOTE 8 LONG-TERM LIABILITIES**

**Governmental Activities**

The following table summarizes changes in the City's governmental activities' long-term liabilities for the year ended June 30, 2025:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 342,619	\$ 116,595	\$ 159,515	\$ 299,699	\$ 33,709
Premium	31,515	8,053	14,571	24,997	-
Total Bonds Payable	<u>374,134</u>	<u>124,648</u>	<u>174,086</u>	<u>324,696</u>	<u>33,709</u>
Other Long-Term Liabilities:					
Compensated Absences	26,285	2,087	-	28,372	1,583
CWF Serial Note	336	-	110	226	112
HUD Section 108 Loans	4,095	-	385	3,710	385
Lease Liability	5,317	-	1,465	3,852	1,538
Net OPEB Liability	248,447	-	31,879	216,568	-
Net Pension Liability - CMERS	46,409	-	4,626	41,783	-
Net Pension Liability - MERF	500,829	-	40,438	460,391	-
Net Pension Liability - RAF/PBF/FRF	938	-	310	628	-
Net Pension Liability - 415(m)	32	-	12	20	-
Claims and Other	3,000	-	-	3,000	-
Risk Management Claims	36,317	90,204	90,061	36,460	20,965
Total Governmental Activities Long-Term Liabilities	<u>\$ 1,246,139</u>	<u>\$ 216,939</u>	<u>\$ 343,372</u>	<u>\$ 1,119,706</u>	<u>\$ 58,292</u>

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 8 LONG-TERM LIABILITIES (CONTINUED)**

**Governmental Activities (Continued)**

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

**General Obligation Bonds**

General obligation bonds outstanding as of June 30, 2025, consisted of the following:

<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Balance Outstanding June 30, 2025</u>
2014	2026	2.00-5.00	\$ 36,385	\$ 7,205
2014	2034	3.00-5.00	82,000	14,570
2015	2034	4.00-5.00	57,215	4,205
2015	2035	3.00-5.00	125,000	45,955
2016	2029	2.00-5.00	26,805	10,884
2023	2033	5.00	124,950	100,285
2025	2035	5.00	116,595	116,595
Total				<u>\$ 299,699</u>

The annual requirements to amortize all bonded debt outstanding as of June 30, 2025, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 33,709	\$ 11,328	\$ 45,037
2027	34,924	11,784	46,708
2028	32,705	10,278	42,983
2029	33,162	8,785	41,947
2030	32,234	7,321	39,555
2031-2035	123,200	15,516	138,716
2036-2040	9,765	183	9,948
Total	<u>\$ 299,699</u>	<u>\$ 65,195</u>	<u>\$ 364,894</u>

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 8 LONG-TERM LIABILITIES (CONTINUED)**

**Debt Refunding**

In May of 2025, the state of Connecticut issued \$116,595 in Special Obligation Refunding Bonds with an interest rate of 5% maturing 2035 in conjunction with their agreement to service the City's general obligation debt. The bonds were issued to advance refund \$31,265, Series 2014B, \$43,420, Series 2015A, \$5,395 Series 2015B, and \$41,765, Series 2015C bonds. The net proceeds of \$123,711 (after an original premium of \$8,053 and payment of \$937 in underwriter's fees and other issuance costs) were deposited with an escrow agent in an irrevocable trust fund. The proceeds were used to buy a portfolio of direct obligation of, or obligations guaranteed by, the United States of America to provide all future debt service payments on the refunded bonds. The refunded bonds of \$90,580 were considered defeased and the liability for those bonds have been removed from the statement of net assets. The transaction generated a cash flow savings of \$7,185 and a present value savings of \$5,944.

**Contract Assistance**

As further disclosed in Note 15, the City entered into an agreement with the state of Connecticut (the State) to service the general obligation debt until such debt was retired. This agreement is backed by the full faith and credit of the State and is irrevocable. As the City is legally obligated for the debt, it remains a liability of the City. During the year, \$46,519 was paid by the State to the paying agent for City debt service.

**Clean Water Fund – Serial Notes Payable**

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 112	\$ 4
2027	114	1
Total	<u>\$ 226</u>	<u>\$ 5</u>

The City's outstanding clean water notes contain a provision that, in event of default, the State may declare, by notice to the City, that the principal of and interest accrued on any outstanding amounts are immediately due and payable in full, automatically, without further notices or demand of any kind.

**Housing and Urban Development (HUD) Section 108 Loans**

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

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 8 LONG-TERM LIABILITIES (CONTINUED)**

**Housing and Urban Development (HUD) Section 108 Loans (Continued)**

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 385	\$ 108
2027	385	98
2028	385	87
2029	385	78
2030	385	65
2030-2031	1,785	29
Total	<u>\$ 3,710</u>	<u>\$ 465</u>

**Lease Liability**

The City leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2028.

Total future minimum lease payments under lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Lease Principal</u>	<u>Lease Interest</u>
2026	\$ 1,538	\$ 87
2027	1,137	51
2028	1,177	16
Total	<u>\$ 3,852</u>	<u>\$ 154</u>

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

	<u>Amount</u>
Equipment	\$ 8,660
Accumulated Depreciation	(5,340)
Net Leased Equipment	<u>\$ 3,320</u>

**Business-Type Activities**

The following table summarizes changes in the City's business-type activities' long-term liabilities for the year ended June 30, 2025:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-Type Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 1,116	\$ -	\$ 115	\$ 1,001	\$ 331
Lease Revenue Bonds	55,600	-	2,010	53,590	2,085
Premium on Bonds	469	-	44	425	-
Total Business-Type Activities					
Long-Term Liabilities	<u>\$ 57,185</u>	<u>\$ -</u>	<u>\$ 2,169</u>	<u>\$ 55,016</u>	<u>\$ 2,416</u>

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 8 LONG-TERM LIABILITIES (CONTINUED)**

**General Obligation Bonds**

General obligation bonds outstanding as of June 30, 2025, consisted of the following:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2025
Garage - GO	2016	2030	3.00-5.00	\$ 2,259	\$ 1,001
Total					<u>\$ 1,001</u>
Stadium - Lease Revenue A	2015	2025	3.00-5.00	\$ 39,055	\$ 30,315
Stadium - Lease Revenue B	2015	2042	5.375	23,395	18,540
Stadium - Lease Revenue	2016	2042	2.25-3.00	6,195	4,735
Total					<u>\$ 53,590</u>

The annual requirements to amortize all bonded debt outstanding as of June 30, 2025, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 2,416	\$ 2,595	\$ 5,011
2027	2,516	2,475	4,991
2028	2,415	2,356	4,771
2029	2,528	2,236	4,764
2030	2,641	2,112	4,753
2031-2035	14,720	8,515	23,235
2036-2040	18,655	4,558	23,213
2041-2042	8,700	591	9,291
Total	<u>\$ 54,591</u>	<u>\$ 25,438</u>	<u>\$ 80,029</u>

**Legal Debt Limit**

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

	<u>Debt Limit</u>	<u>Indebtedness</u>	<u>Balance</u>
General Purpose	\$ 699,003	\$ 278,239	\$ 420,764
Schools	1,398,006	114,600	1,283,406
Sewers	1,165,005	216,589	948,416
Urban Renewal	1,009,671	-	1,009,671
Pension Deficit	932,004	-	932,004

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$2.2 billion. The authorized/unissued debt of \$38,549 has been reduced by grant proceeds relative to general purpose and school construction projects.

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 8 LONG-TERM LIABILITIES (CONTINUED)**

**Overlapping Debt**

The City is a member of the Metropolitan District (MDC) (a quasi-municipal corporation that provides water supply, sewerage collection, and disposal facilities for members). Member towns are assessed a percentage of MDC's net outstanding debt. As such, the City's overlapping share of debt issued by the MDC is \$216,363 as of June 30, 2025.

**Bonds Authorized but Unissued**

As of June 30, 2025, the City had \$20,511 of authorized but unissued debt.

**NOTE 9 FUND BALANCE**

The components of fund balance for the governmental funds as of June 30, 2025, are as follows:

	General Fund	Capital Improvement Fund	Community Development Loan and Grant	Debt Service	Educational Grants	Miscellaneous Grants	Nonmajor Governmental Funds	Total
<b>Nonspendable:</b>								
Permanent Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,358	\$ 8,358
Inventories	-	-	-	-	-	-	443	443
Total Nonspendable	-	-	-	-	-	-	8,801	8,801
<b>Restricted for:</b>								
Development and Community Affairs	-	-	2,128	-	-	-	2,806	4,934
Debt Service	-	-	-	162	-	-	-	162
Recreation and Culture	-	-	-	-	-	34,300	28,670	62,970
Public Safety	-	-	-	-	-	-	2	2
Human Services	-	-	-	-	-	-	7,305	7,305
Education	-	-	-	-	30	-	9,233	9,263
Capital Projects	-	46,545	-	-	-	-	-	46,545
Total Restricted	-	46,545	2,128	162	30	34,300	48,016	131,181
<b>Committed to:</b>								
Education	741	-	-	-	-	-	-	741
Capital Projects	-	-	-	-	-	-	8,046	8,046
Total Committed	741	-	-	-	-	-	8,046	8,787
<b>Assigned to:</b>								
Education	7,600	-	-	-	-	-	-	7,600
Legal Settlement	7,300	-	-	-	-	-	-	7,300
Other	5,580	-	-	-	-	-	-	5,580
Fire Retro	1,000	-	-	-	-	-	-	1,000
Health Claims	3,400	-	-	-	-	-	-	3,400
Total Assigned	24,880	-	-	-	-	-	-	24,880
<b>Unassigned</b>								
	48,332	(58,669)	-	-	-	-	(3,032)	(13,369)
Total Fund Balances	\$ 73,953	\$ (12,124)	\$ 2,128	\$ 162	\$ 30	\$ 34,300	\$ 61,831	\$ 160,280

The City has \$7,600- of education encumbrances reported in the General Fund.

**NOTE 10 TAX ABATEMENTS**

As of June 30, 2025, the City provides tax abatements in accordance with Section 8-215 of the Connecticut General Statutes (CGS) and Section 32-12 of the Hartford Municipal Code. The City is authorized to enter into contracts for the abatement of real property taxes for residential properties when such housing is to be occupied solely by low or moderate-income persons or families as defined in Section 8-202 of the CGS or elderly or disabled.

**CITY OF HARTFORD, CONNECTICUT**  
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**NOTE 10 TAX ABATEMENTS (CONTINUED)**

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

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

A tax abatement agreement is a contractual agreement between the City and the owner of the property that fixes taxes on an annual basis at a rate less than the full tax amount. Typically, the term of the abatement is 10 to 15 years and may be renewed by the contracted property with City approval after a minimum of a one-year lapse between abatements, in which case the owner is expected to pay full tax.

For the fiscal year ended June 30, 2025, taxes abated through these programs totaled \$13,161. There are some provisions to recapture abated taxes under this program. No other commitments have been made by the City to the abatement recipients participating in this program.

**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS**

**Defined Benefit Pension Plans**

Description of Plans

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

The City Municipal Employees' Retirement Fund (City MERF), a contributory, single-employer defined benefit plan. The City provides retirement benefits for employees hired since 1947 through the City MERF Plan.

The Retirement Allowance Fund/Police Benevolent Fund/Firemen's Relief Fund Plan (RAF/PBF/FRF), an unfunded, single-employer plan. Employees hired before May 1, 1947 are paid from the RAF/PBF/FRF Plan. There are no remaining active members, and the unfunded liability is decreasing rapidly.

The State of Connecticut Municipal Employee Retirement System (CMERS), a cost sharing multiemployer plan with the State.

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

**CITY OF HARTFORD, CONNECTICUT**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Defined Benefit Pension Plans (Continued)**

Description of Plans (Continued)

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

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

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

**City of Hartford Municipal Employees' Retirement Fund (City MERF)**

**A. Plan Description**

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

**B. Management of the City MERF**

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

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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Hartford Municipal Employees' Retirement Fund (City MERF) (Continued)**

**C. Actuarial Assumptions and Benefits Provided**

The total pension liability was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions that were projected forward to the measurement date of June 30, 2025:

- Actuarial Method Used: Entry Age Normal Cost Method
- Mortality Basis: RP-2014, fully projected (projected to the year of decrement), with separate male and female tables and separate rates for annuitants and nonannuitants, with occupational adjustment.
- Mortality Improvement: Pre and postretirement: projected to date of decrement using Scale MP-2021 (generational mortality).
- Investment Return: 6.75% per year, net of investment expenses.
- Salary Scale: 2.40% for inflationary salary increases plus a percentage for promotion or merit increases as follows:

<u>Age</u>	<u>Police</u>	<u>Fire</u>	<u>BOE</u>	<u>Muni Svc and Lib</u>
25	6.11%	4.00%	3.50%	4.76%
30	4.23%	2.25%	3.00%	4.00%
35	2.72%	1.75%	2.50%	2.56%
40	1.71%	1.25%	1.50%	1.80%
45	1.31%	0.75%	1.00%	1.49%
50	1.07%	0.50%	0.75%	1.12%
55+	0.97%	0.50%	0.50%	0.82%

Salaries are adjusted for Board of Education groups by 2.40% per year and 0% for City groups for the period of each open contract, for one full fiscal year from the measurement date. Any wage increases negotiated beyond the valuation date have been reflected in the projections.

- Salary Scale: For Police, final average pay is loaded by a percentage for assumed private duty and overtime as follows: Pre-7/1/1999 hires, 67%; Post 7/1/1999 hires, 19%; for employees remaining in the pre-2012 plan, 27%; for employees moving to the 7/1/2012 plan.

The salary scale assumptions above are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2019.

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City of Hartford Municipal Employees' Retirement Fund (City MERF) (Continued)**

**C. Actuarial Assumptions and Benefits Provided (Continued)**

Retirement Dates:	Police: 100% retire at age 65, regardless of service, must be age 45 to retire.  Fire: 100% retire at age 65.  Board of Education: 100% retire at age 75.  Municipal Services and Library: 100% retire at age 75 with less than 20 years of service.
Disability:	Benefits were explicitly valued using the DP-85 Class 1 male and female disability incidence rate table increased 150% for the police, 10% for all other groups.  Benefits were explicitly valued using the DP-85 Class 3 male and female disability incidence rate table for firefighters.
Social Security:	Future tax wage bases are developed by projecting the 2022 base of \$147 forward at 2.40% per year.

**D. Plan Changes**

There were no significant plan changes since the last published valuation.

**E. Funding Policy**

The obligations of the plan members, employers, and other entities are established by action of the City pursuant to applicable collective bargaining and employment agreements. The required contribution rate of the employer and the members varies depending on the applicable agreement. The City's funding policy is to contribute the actuarial recommended contribution each year. Each year the plan sponsor pays the normal cost plus an amortization of the plan's unfunded actuarial liability. The unfunded liability developed with the July 1, 2020 valuation is amortized over a twenty five-year closed level dollar period. As of July 1, 2024, there are twenty one years remaining. Gains and losses after July 1, 2020 will be amortized of a fifteen-year level dollar, open period.

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**RAF/PBF/FRF Plan**

**A. Plan Description**

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

**B. Actuarial Assumptions and Benefits Provided**

The total pension liability was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions that were projected forward to the measurement date of June 30, 2025:

Investment Rate of Return: 5.20%

Mortality Basis: RP-2014 fully projected (projected to the year of decrement), with separate male and female tables and separate rates for annuitants and nonannuitants, with occupational adjustment.

Mortality improvement based on MP-2021 scale.

Assumed Retirement: Immediate as all are retired.

Survivors Benefits: The actuarial liability and projected pension payments include provision for these benefits based on actual spouse ages and benefit form elected. It was assumed that all policemen without wives will name beneficiaries for special 10-year annuity benefits.

Escalation: To adjust for the PBF and FRF escalation provisions, the projected figures include estimated annual increases for pensioners (excluding survivors) based on plan provisions and an assumed active pay increase of 2.4% per year. For RAF, the table of projected annual benefits makes no provision for future escalation.

**C. Plan Changes**

There were no significant plan changes since the last published valuation.

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**RAF/PBF/FRF Plan (Continued)**

**D. Funding Policy**

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

**City of Hartford 415(m) Fund**

**A. Plan Description**

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

**B. Actuarial Assumptions and Benefits Provided**

The total pension liability was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions that were projected forward to the measurement date of June 30, 2025:

Investment Rate of Return: 5.20%

Inflation: 2.40%

Mortality Basis: RP-2014 fully projected (projected to the year of decrement), with separate male and female tables and separate rates for annuitants and nonannuitants, with occupational adjustment.

Mortality improvement based on MP-2021 scale.

Assumed retirement: Immediate as all are retired.

**C. Plan Changes**

There were no significant plan changes since the last published valuation.

**D. Funding Policy**

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

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City Pension Plans – Combining Information and Financial Statements**

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

As of the actuarial valuation date, July 1, 2024, membership in the City pension plans consisted of:

	(Not Rounded)		
	City MERF	RAF/PBF/FRF	415(m)
Retirees and Beneficiaries Currently Receiving Benefits	3,156	10	1
Active Members	2,096	-	-
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	268	-	-
Total	5,520	10	1

**A. Summary of Significant Accounting Policies**

Basis of Accounting

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

Method Used to Value Investments

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

**B. Investments**

Investment Policy

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

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City Pension Plans – Combining Information and Financial Statements (Continued)**

**B. Investments (Continued)**

Investment Policy (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and the best estimates of arithmetic real rates of return for each major asset class as of June 30, 2025, are summarized in the following tables:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Weighted
Domestic Equity	25.00 %	4.45 %	1.11 %
International Equity	7.00	4.80	0.34
Emerging Markets Equity	9.00	6.40	0.58
Core Bonds	6.00	2.60	0.16
Long Gov/ Credit	-	3.00	-
High-Yield	6.00	4.70	0.28
TIPS	2.00	2.30	0.05
Emerging Market Debt Local	5.00	3.10	0.16
Private Debt	8.00	6.50	0.52
Private Equity	11.00	6.50	0.72
Hedge Funds	6.00	4.50	0.27
Real Estate - Core	2.00	3.80	0.08
Real Assets	6.00	5.15	0.31
Cash	2.00	0.90	0.02
Non-Core Real Estate	5.00	5.55	0.28
Total Allocation	<u>100.00 %</u>		4.88
Long-Term Inflation Expectation			<u>2.40</u>
Long-Term Expected Normal Return			<u>7.28 %</u>

Money-Weighted Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.52%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changes in amounts actually invested.

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City Pension Plans – Combining Information and Financial Statements (Continued)**

**C. Discount Rate Calculation**

The discount rate used to measure the total pension liability at June 30, 2025 was as follows:

	City MERF	RAF/PBF/FRF	415(m)
Discount Rate	6.75 %	5.20 %	5.20 %

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

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

**D. Net Pension Liability of the City**

The components of the net pension liability of the City at June 30, 2025 are as follows:

	City MERF	RAF/PBF/FRF	415(m)
Total Pension Liability	\$ 1,639,247	\$ 628	\$ 20
Fund Fiduciary Net Position	1,178,856	-	-
Net Pension Liability	\$ 460,391	\$ 628	\$ 20
Fund Fiduciary Net Position as a Percentage of the Total Pension Liability	71.91%	0.00%	0.00%

**CITY OF HARTFORD, CONNECTICUT**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City Pension Plans – Combining Information and Financial Statements (Continued)**

**E. Changes in Net Pension Liability**

	City MERF		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances - July 1, 2024	\$ 1,625,086	\$ 1,124,257	\$ 500,829
Changes for the Year:			
Service Cost	21,452	-	21,452
Interest on Total Pension Liability	107,198	-	107,198
Differences Between Expected and Actual Experience	4,287	-	4,287
Employer Contributions	-	55,044	(55,044)
Member Contributions	-	16,415	(16,415)
Net Investment Income	-	104,546	(104,546)
Benefit Payments, Including Refund to Employee Contributions	(118,776)	(118,776)	-
Administrative Expenses	-	(2,669)	2,669
Other Changes	-	39	(39)
Net Changes	<u>14,161</u>	<u>54,599</u>	<u>(40,438)</u>
Balances - June 30, 2025	<u>\$ 1,639,247</u>	<u>\$ 1,178,856</u>	<u>\$ 460,391</u>

	RAF/PBF/FRF		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances - July 1, 2024	\$ 938	\$ -	\$ 938
Changes for the Year:			
Interest on Total Pension Liability	34	-	34
Differences Between Expected and Actual Experience	(174)	-	(174)
Changes in Assumptions	(53)	-	(53)
Employer Contributions	-	117	(117)
Benefit Payments, Including Refund to Employee Contributions	(117)	(117)	-
Net Changes	<u>(310)</u>	<u>-</u>	<u>(310)</u>
Balances - June 30, 2025	<u>\$ 628</u>	<u>\$ -</u>	<u>\$ 628</u>

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City Pension Plans – Combining Information and Financial Statements (Continued)**

**E. Changes in Net Pension Liability (Continued)**

	415(m)		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances - July 1, 2024	\$ 32	\$ -	\$ 32
Changes for the Year:			
Interest on Total Pension Liability	1	-	1
Differences Between Expected and Actual Experience	(4)	-	(4)
Employer Contributions	-	9	(9)
Benefit Payments, Including Refund to Employee Contributions	(9)	(9)	-
Net Changes	(12)	-	(12)
Balances - June 30, 2025	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ 20</u>

**F. Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

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

	City MERF		
	Current		
	1% Decrease to 5.75%	Discount Rate 6.75%	1% Increase to 7.75%
Net Pension Liability	<u>\$ 639,870</u>	<u>\$ 460,391</u>	<u>\$ 309,677</u>
	RAF/PBF/FRF		
	Current		
	1% Decrease to 4.20%	Discount Rate 5.20%	1% Increase to 6.20%
Net Pension Liability	<u>\$ 669</u>	<u>\$ 628</u>	<u>\$ 591</u>
	415(m)		
	Current		
	1% Decrease to 4.20%	Discount Rate 5.20%	1% Increase to 6.20%
Net Pension Liability	<u>\$ 20</u>	<u>\$ 20</u>	<u>\$ 20</u>

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City Pension Plans – Combining Information and Financial Statements (Continued)**

**G. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2025, the City recognized pension expense (revenue) as follows:

	Pension Expense (Revenue)
City MERF	\$ 28,882
RAF/PBF/FRF	(193)
415(m)	(3)
Total	\$ 28,686

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	City MERF	RAF/PBF/FRF	415(m)	Total
Deferred Outflows of Resources:				
Differences Between Expected and Actual Experience	\$ 3,411	\$ -	\$ -	\$ 3,411
Deferred Inflows of Resources:				
Differences Between Expected and Actual Experience	\$ 1,339	\$ -	\$ -	\$ 1,339
Net Difference Between Projected and Actual Earning on Pension Plan Investments	15,848	-	-	15,848
Total	\$ 17,187	\$ -	\$ -	\$ 17,187

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

Year Ending June 30,	City MERF	RAF/PBF/FRF	415(m)	Total
2026	\$ 22,149	\$ -	\$ -	\$ 22,149
2027	(18,498)	-	-	(18,498)
2028	(11,363)	-	-	(11,363)
2029	(6,064)	-	-	(6,064)
Total	\$ (13,776)	\$ -	\$ -	\$ (13,776)

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City Pension Plans – Combining Information and Financial Statements (Continued)**

**G. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

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

	Pension Trust Funds				Total
	Municipal Employees' Retirement Fund	Retirement Allowance Fund	Fireman's Relief Fund	Police Benevolent Fund	
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 43,301	\$ -	\$ -	\$ -	\$ 43,301
Investments, at Fair Value:					
U.S. Government Agencies	16,109	-	-	-	16,109
U.S. Government Securities	20,848	-	-	-	20,848
Corporate Bonds	62,781	-	-	-	62,781
Foreign Bonds	541	-	-	-	541
Municipal Bonds	1,446	-	-	-	1,446
Alternative Investments	390,951	-	-	-	390,951
Common and Collective Trusts	318,022	-	-	-	318,022
Land	5,000	-	-	-	5,000
Real Estate Funds	66,344	-	-	-	66,344
Equities	254,178	-	-	-	254,178
Total Investments	<u>1,136,220</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,136,220</u>
Receivables:					
Accounts	4,348	-	-	-	4,348
Total Assets	<u>1,183,869</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,183,869</u>
<b>LIABILITIES</b>					
Accounts Payable	5,013	-	-	-	5,013
<b>NET POSITION</b>					
Restricted for Pension Benefits	<u>\$ 1,178,856</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,178,856</u>

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**City Pension Plans – Combining Information and Financial Statements (Continued)**

**G. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

	Pension Trust Funds				Total
	Municipal Employees' Retirement Fund	Retirement Allowance Fund	Fireman's Relief Fund	Police Benevolent Fund	
<b>ADDITIONS</b>					
Contributions:					
Employer - ARC	\$ 55,044	\$ 5	\$ 17	\$ 95	\$ 55,161
Other	39	-	-	-	39
Plan Members	16,415	-	-	-	16,415
Total Contributions	<u>71,498</u>	<u>5</u>	<u>17</u>	<u>95</u>	<u>71,615</u>
Investment Earnings:					
Net Increase in Fair					
Value of Investments	98,128	-	-	-	98,128
Interest and Dividends	19,237	-	-	-	19,237
Total Investment Earnings	<u>117,365</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>117,365</u>
Less Investment Expenses:					
Investment Management					
Fees	12,819	-	-	-	12,819
Net Investment Income	<u>104,546</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>104,546</u>
Total Additions	176,044	5	17	95	176,161
<b>DEDUCTIONS</b>					
Benefits	118,776	5	17	95	118,893
Administration	2,669	-	-	-	2,669
Other	-	-	-	-	-
Total Deductions	<u>121,445</u>	<u>5</u>	<u>17</u>	<u>95</u>	<u>121,562</u>
CHANGE IN NET POSITION	54,599	-	-	-	54,599
Net Position - Beginning of Year	<u>1,124,257</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,124,257</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 1,178,856</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,178,856</u></u>

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Plan – State of Connecticut Municipal Employees’ Retirement System (CMERS)**

**A. Plan Description**

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

**B. Benefit Provisions**

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

**Normal Retirement (Not Rounded)**

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

**Early Retirement**

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

**CITY OF HARTFORD, CONNECTICUT**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Plan – State of Connecticut Municipal Employees’ Retirement System (CMERS) (Continued)**

**B. Benefit Provisions (Continued)**

Disability Retirement – Service Connected

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

Disability Retirement – Nonservice Connected

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

Pre-Retirement Death Benefit

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

**C. Contributions**

Member

Contributions for members not covered by social security are 6% of compensation; for members covered by social security, 3.25% of compensation up to the social security taxable wage base plus 6% of compensation, if any, in excess of such base. City contributions in the year ended June 30, 2024 total \$4,872.

Employer

Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions. In addition, there is also an annual administrative fee per active and retired member. The City’s required contribution rate for the year ended June 30, 2025 was 16.68% of the annual payroll. Contributions to the pension plan from the City were \$5,072 for the year ended June 30, 2025.

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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Plan – State of Connecticut Municipal Employees’ Retirement System (CMERS) (Continued)**

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

At June 30, 2025, the City reports a total liability of \$41,783 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at June 30, 2024. The actuarial assumptions used in the June 30, 2024 valuation were based on results of an actuarial experience study for the period July 1, 2017 through June 30, 2022. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2025, the City’s proportion was 3.18%. The decrease in proportion from the prior year is -0.10%.

For the year ended June 30, 2025, the City recognized pension expense of \$6,875. At June 30, 2025, the City reported deferred inflow of resources and deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 2,722	\$ -
Changes of Assumptions	3,167	-
Change in Proportionate Share	3,068	1,690
City Contributions after the Measurement Date	5,072	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	755
Total	\$ 14,029	\$ 2,445

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

Year Ending June 30,	Amount
2026	\$ 1,584
2027	4,648
2028	596
2029	(344)
2030	28
Total	\$ 6,512

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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Plan – State of Connecticut Municipal Employees’ Retirement System (CMERS) (Continued)**

**E. Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement period:

Inflation	2.50%
Salary Increase	3.50-9.50%, Including Inflation
Investment Rate of Return	7.00%, Net of Pension Plan Investment Including Inflation

Mortality rates were based on:

Pub-2010 Mortality Tables set-forward one year (except Active Employees) are projected generationally with scale MP-2021.

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Plan – State of Connecticut Municipal Employees’ Retirement System (CMERS) (Continued)**

**E. Actuarial Assumptions (Continued)**

Long-Term Expected Rate of Return

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.0 %	6.8 %
Public Credit	2.0	2.9 %
Core Fixed Income	13.0	0.4 %
Liquidity Fund	1.0	(0.4)%
Risk Mitigation	5.0	0.1 %
Private Equity	15.0	11.2 %
Private Credit	10.0	6.1 %
Real Estate	10.0	6.3 %
Infra. and Natural Resources	7.0	7.7 %
Total	100.0 %	

**F. Discount Rate**

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

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Pension Plan – State of Connecticut Municipal Employees’ Retirement System (CMERS) (Continued)**

**G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City’s Proportionate Share of the Net Pension Liability	\$ 60,430	\$ 41,783	\$ 26,220

**Connecticut Teachers Retirement System – Pension**

**A. Plan Description**

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

**B. Benefit Provisions**

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

Normal Retirement

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

Early Retirement

Employees are eligible after twenty five years of credited service with a minimum of twenty years of Connecticut service, or age 55 with twenty years of credited service with a minimum of fifteen years of Connecticut service with reduced benefit amounts.

**CITY OF HARTFORD, CONNECTICUT**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**B. Benefit Provisions (Continued)**

Disability Retirement

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

**C. Contributions**

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

Employer (School Districts)

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

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

For the year ended June 30, 2025, the amount of "on-behalf" contributions made by the State was \$45,646 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

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

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

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

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

At June 30, 2025, the City reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the City were as follows:

City's Proportionate Share of the Net Pension Liability	\$	-
State's Proportionate Share of the Net Pension Liability Associated with the City		463,094
Total		<u><u>\$ 463,094</u></u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. At June 30, 2025, the City has no proportionate share of the net pension liability.

For the year ended June 30, 2025, the City recognized pension expense and revenue of \$53,118 in Exhibit II.

**E. Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increase	3.00-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Pension Plan Investment Expense, Including Inflation

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2019.

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**E. Actuarial Assumptions (Continued)**

Assumption changes since the prior year are as follows:

- There were no changes in assumptions that affected the measurement of the TPL since the prior measurement date.

Benefit changes since the prior year are as follows:

- There were no changes in benefit provisions that affected the measurement of the TPL since the prior measurement date.

**Cost-of-Living Allowance**

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

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

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

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NOTES TO FINANCIAL STATEMENTS  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**E. Actuarial Assumptions (Continued)**

Long-Term Rate of Return

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

Asset Class	Expected Return	Target Allocation
Global Equity	6.80 %	37.00 %
Public Credit	2.90	2.00
Core Fixed Income	0.40	13.00
Liquidity Fund	(0.40)	1.00
Risk Mitigation	0.10	5.00
Private Equity	11.20	15.00
Private Credit	6.10	10.00
Real Estate	6.20	10.00
Infrastructure and Natural Resources	7.70	7.00
Total		100.00 %

**F. Discount Rate**

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

**G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

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

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**H. Pension Plan Fiduciary Net Position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued financial statements available at [www.ct.gov](http://www.ct.gov).

**I. Other Information**

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

**Aggregated Pension Information**

The City recognized the following amounts related to pension plans as of and for the year ended June 30, 2025:

	City MERF	RAF/PBF/ FRF	415(m)	CMERS	CTRS	Total
Deferred Outflows of Resources						
Related to Pensions	\$ 3,411	\$ -	\$ -	\$ 14,029	\$ -	\$ 17,440
Net Pension Liability	460,391	628	20	41,783	-	502,822
Deferred Inflows of Resources						
Related to Pensions	17,187	-	-	2,445	-	19,632
Pension Expense (Income)	28,882	(193)	(3)	6,875	53,118	88,679

**Defined Contribution Plans**

**401(a) Defined Contribution Plan**

The City of Hartford offers a 401(a) defined contribution plan to nonunion City employees. The plan allows eligible employees to contribute between 3% and 7% of tax deferred salary into the plan for which the City will match up to 7%. Employer match contribution has a five-year vesting schedule as follows:

<u>Years of Vesting Service</u>	<u>Vesting Percentage</u>
1	- %
2	20
3	50
4	80
5+	100

Employees will have the right to self-direct their contributions to the defined contribution plan from among the investment options offered by the plan selected by the City.

Total contributions to the plan for the year ended June 30, 2025 were \$343 for employees and \$343 for the City.

**CITY OF HARTFORD, CONNECTICUT**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**Defined Contribution Plans (Continued)**

Deferred Compensation Plan

The City of Hartford adopted an eligible deferred compensation plan under Section 457(b) of the Internal Revenue Code of 1986 (IRC) as amended and restated effective August 1, 2019. Under this plan any employee of the City or Board of Education on either a full-time or part-time basis who is not a participant in another deferred compensation plan can contribute the maximum amount allowed under the Code up to 100% of compensation. Each plan year the City or Board of Education may make employer contributions in accordance with their contract or employment agreements. Participants shall be fully vested at all times for all contributions. Employees will self-direct contributions based on investment vehicles provided by the City. Contributions to this plan from employees and employers are \$7,270 and \$-0-, respectively.

Section 403(b) Retirement Plan

The Hartford Public Schools established a section 403(b) retirement plan as amended and restated effective August 1, 2019 for any employee of Hartford Public Schools who wishes to participate except an employee who provides services as a teacher's aide on a temporary basis while attending school, college, or university on account of performing services described in Code Section 3121(b)(10). Hartford Public Schools shall make nonelective contributions at their discretion and shall equal an amount based on a particular collective bargaining agreement. Contributions to this plan from employees and employers are \$5,818 and \$272, respectively.

**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS**

**City and Board of Education Plans**

**A. Description of Plan**

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

**CITY OF HARTFORD, CONNECTICUT  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City and Board of Education Plans (Continued)**

**A. Description of Plan**

The number of participants as of June 30, 2025 was as follows:

	(Not Rounded)		
City	Board of Education	Total	
Active Employees	1,403	2,927	4,330
Retired Employees	1,459	143	1,602
Total	2,862	3,070	5,932

**B. Investments**

Investment Policy

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

Funding Policy

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

Money-Weighted Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended June 30, 2025, the annual money-weighted rate of return on investments, net of investment expense, was as follows:

City	-2.29%
Board of Education	13.52%

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City and Board of Education Plans (Continued)**

**C. Net OPEB Liability of the City**

The City's net OPEB liability was measured as of June 30, 2025. The components of the net OPEB liability of the City at June 30, 2025 were as follows:

	<u>City</u>	<u>Board of Education</u>	<u>Total</u>
Total OPEB Liability	\$ 219,688	\$ 23,754	\$ 243,442
Plan Fiduciary Net Position	3,120	26,259	29,379
Net OPEB Liability (Asset)	<u>\$ 216,568</u>	<u>\$ (2,505)</u>	<u>\$ 214,063</u>
 Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	 1.42%	 110.55%	 12.07%
Covered Payroll	111,388	200,446	311,834
Net OPEB Liability	194.43%	-1.25%	68.65%

**D. Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of July 1, 2023 rolled forward to June 30, 2025, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date:	July 1, 2023
Actuarial Cost Method:	Entry age normal (level percentage of salary)
Investment Rate of Return:	City – 5.20%, net of investment related expense BOE – 6.75%, net of investment related expense
Inflation:	2.40%
Mortality:	City Plan – Fire and Police – RP-2014 adjusted to 2006 blue collar mortality table projected to valuation date with scale MP-2021  All Others – RP-2014 Adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2021

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City and Board of Education Plans (Continued)**

**D. Actuarial Assumptions (Continued)**

Disabled Mortality: City Plan – Fire and Police – RP-2014 Adjusted to 2006 disabled retiree mortality table with scale MP-2021

All Others – N/A

Mortality Improvement: Projected to date of decrement using Scale MP-2021 (generational)

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2019 for all groups except Local 1716, Local 566 and BOE Certified. The actuarial assumptions used in the valuation for Local 1716, Local 566 and BOE Certified were based on assumptions used by the State of Connecticut Municipal Employee Retirement System actuaries, the Connecticut State Teachers' Retirement System actuaries, where applicable and input from the plan sponsor.

For the City Plan and the BOE Plan, the July 1, 2023 valuation reflects changes in assumptions related to mortality improvement scale, retirement and withdrawal rates for Local 1716 (City plan), retirement and withdrawal rates for Local 566 (BOE Plan), investment rate of return, inflation, and healthcare cost trend rates.

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City and Board of Education Plans (Continued)**

**D. Actuarial Assumptions (Continued)**

Long-Term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Best estimated of the real rates of return for each major asset class are included in the OPEB plan's target asset allocation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2025, and the final investments return assumption for the BOE plan, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Weighting</u>
US Equity	28.00 %	4.40 %	1.23 %
International Equity	15.00	4.60	0.69
Emerging Market Equity	2.00	8.60	0.17
US Aggregate Bond	20.00	4.60	0.92
US High Yield	10.00	6.10	0.61
Emerging Market Debt	5.00	6.10	0.31
Real Assets - REIT	10.00	6.00	0.60
Liquid Real Assets (Multi-Asset)	5.00	6.00	0.30
Cash	5.00	1.50	0.08
Total Allocation	<u>100.00 %</u>		4.91
Long-Term Inflation Expectation			2.40
Total			<u>7.31 %</u>

**E. Discount Rate**

The discount rate used to measure the total OPEB liability for the City and the BOE was 5.20% and 6.75%, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City/BOE contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Also, based on the net position of the plans and contribution policies, it was assumed the plan's projected fiduciary net position would be sufficient to cover projected benefit payments and administrative expenses indefinitely. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City and Board of Education Plans (Continued)**

**F. Changes in the Net OPEB Liability**

	City Plan		
	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances - July 1, 2024	\$ 251,365	\$ 2,918	\$ 248,447
Changes for the Year:			
Service Cost	3,828	-	3,828
Interest on Total OPEB Liability	9,687	-	9,687
Differences Between Expected and Actual Experience	5,355	-	5,355
Changes in Assumptions	(32,978)	-	(32,978)
Employer Contributions	-	17,569	(17,569)
Member Contributions	-	272	(272)
Net Investment Income	-	(70)	70
Benefit Payments	(17,569)	(17,569)	-
Net Changes	(31,677)	202	(31,879)
Balances - June 30, 2025	<u>\$ 219,688</u>	<u>\$ 3,120</u>	<u>\$ 216,568</u>

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

	BOE Plan		
	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a)-(b)
Balances - July 1, 2024	\$ 23,308	\$ 25,270	\$ (1,962)
Changes for the Year:			
Service Cost	479	-	479
Interest on Total OPEB Liability	1,539	-	1,539
Differences Between Expected and Actual Experience	419	-	419
Changes in Assumptions	-	-	-
Employer Contributions	-	-	-
Contributions - TRB Subsidy	-	-	-
Net Investment Income	-	2,980	(2,980)
Benefit Payments	(1,991)	(1,991)	-
Administrative Expenses	-	-	-
Net Changes	446	989	(543)
Balances - June 30, 2025	<u>\$ 23,754</u>	<u>\$ 26,259</u>	<u>\$ (2,505)</u>

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City and Board of Education Plans (Continued)**

**F. Changes in the Net OPEB Liability (Continued)**

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

**G. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

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

	1% Decrease 4.20%	Current Discount Rate 5.20%	1% Increase 6.20%
Net OPEB Liability - City	<u>\$ 241,909</u>	<u>\$ 216,568</u>	<u>\$ 195,156</u>
	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net OPEB Liability - BOE	<u>\$ (358)</u>	<u>\$ (2,505)</u>	<u>\$ (4,382)</u>

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

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

	1% Decrease (6.00% Decreasing to 3.40%)	Healthcare Cost Trend Rates (7.00% Decreasing to 4.40%)	1% Increase (8.00% Decreasing to 5.40%)
Net OPEB Liability - City	<u>\$ 190,456</u>	<u>\$ 216,568</u>	<u>\$ 247,617</u>
	1% Decrease (6.00% Decreasing to 3.40%)	Healthcare Cost Trend Rates (7.00% Decreasing to 4.40%)	1% Increase (8.00% Decreasing to 5.40%)
Net OPEB Liability - BOE	<u>\$ (4,584)</u>	<u>\$ (2,505)</u>	<u>\$ (101)</u>

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City and Board of Education Plans (Continued)**

**I. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2025, the City recognized OPEB expense (revenue) of \$(24,401) for the City Plan and \$(1,374) for the BOE Plan. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City Plan:		
Differences Between Expected and Actual Experience	\$ 5,282	\$ 54,726
Changes of Assumptions	10,824	44,225
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	507	-
BOE Plan:		
Differences Between Expected and Actual Experience	2,064	17,430
Changes of Assumptions	2,331	3,391
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	110
Total	\$ 21,008	\$ 119,882

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

Year Ending June 30,	City Plan	BOE Plan
2026	\$ (33,851)	\$ (1,081)
2027	(24,256)	(2,016)
2028	(12,129)	(1,931)
2029	(9,142)	(1,997)
2030	(2,960)	(1,753)
Thereafter	-	(7,758)
Total	\$ (82,338)	\$ (16,536)

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**City and Board of Education Plans (Continued)**

**I. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

The following schedules present the net position held in trust for OPEB benefits at June 30, 2025 and the changes in net position for the year ended:

	Statement of Net Position
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 4,234
Investments, at Fair Value:	
Mutual Funds	18,589
Equities	8,573
Total Investments	27,162
Total Assets	31,396
<b>LIABILITIES</b>	
Accounts Payable	2,017
<b>NET POSITION</b>	
Restricted for OPEB Benefits	\$ 29,379
	Statement of Changes in Net Position
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 17,569
Plan Members	272
Total Contributions	17,841
Investment Earnings:	
Net Decrease in Fair Value of Investments	2,281
Interest and Dividends	800
Total Investment Earnings	3,081
Less Investment Expenses:	
Investment Management Fees	9
Net Investment Income (Loss)	3,072
Total Additions	20,913
<b>DEDUCTIONS</b>	
Benefits	19,560
Administration	162
Total Deductions	19,722
<b>CHANGE IN NET POSITION</b>	1,191
Net Position - Beginning of Year	28,188
<b>NET POSITION - END OF YEAR</b>	\$ 29,379

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan**

**A. Plan Description**

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

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

**B. Benefit Provisions (Not in Thousands)**

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

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$440 per month may be paid for a retired member, spouse, or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$440 per month towards coverage under a local school district plan.

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

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**B. Benefit Provisions (Not in Thousands) (Continued)**

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

**Survivor Health Care Coverage**

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$220 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

**C. Eligibility (Not in Thousands)**

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

**Credited Service**

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

**Normal Retirement**

Age 60 with twenty years of Credited Service in Connecticut, or thirty five years of Credited Service including at least twenty five years of service in Connecticut.

**Early Retirement**

Age 55 with twenty years of Credited Service including fifteen years of Connecticut service, or twenty five years of Credited Service including twenty years of Connecticut service.

**Pro-Ratable Retirement**

Age 60 with ten years of Credited Service.

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**C. Eligibility (Not in Thousands) (Continued)**

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

**D. Contributions**

State of Connecticut

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

Employer (School Districts)

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

For the year ended June 30, 2025, the amount of "on-behalf" contributions made by the State was \$639 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

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

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

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

At June 30, 2025, the City reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the City was as follows:

City's Proportionate Share of the Net OPEB Liability	\$	-
State's Proportionate Share of the Net OPEB Liability Associated with the City		94,996
Total	\$	94,996

The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2024. At June 30, 2025, the City has no proportionate share of the net OPEB liability.

For the year ended June 30, 2025, the City recognized OPEB expense and revenue of \$1,316 in Exhibit II.

**F. Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Health Care Costs Trend Rate	Local Coverage – 6.25% for 2024, decreasing to an ultimate rate of 4.50% by 2031. Retiree Healthcare – Medicare rates known for 2025, 4.50% increase for all subsequent years
Salary Increases	3.00-6.50%, including inflation
Investment Rate of Return	3.00%, net of OPEB plan investment expense, including inflation
Year Fund Net Position will be Depleted	2027

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Other Postemployment Benefit - Connecticut State Teachers Retirement Plan  
(Continued)**

**F. Actuarial Assumptions (Continued)**

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

The changes in the assumptions since the prior year are as follows:

- Discount rate changed from 3.64% to 3.93%.
- Expected annual per capita claims costs were updated to better reflect anticipated Medical and prescription drug claim experience.
- Assumed election rates for post-65 retirees between the Local School District Coverage Subsidy and CTRB Sponsored Medical Plans were updated to reflect the recent plan expense. Spouse coverage election assumptions were also updated with this change;
- Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense, and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected ten-Year Geometric Real Rate of Return is 1.26%.

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Other Postemployment Benefit - Connecticut State Teachers Retirement Plan  
(Continued)**

**G. Discount Rate**

The discount rate used to measure the total OPEB liability was 3.93%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2024.

In addition to the actuarial methods and assumptions of the June 30, 2024, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Annual State contributions were assumed to be equal to the most recent five-year average of State contributions toward the fund.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2027 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

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

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

**I. OPEB Plan Fiduciary Net Position**

Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report at [www.ct.gov](http://www.ct.gov).

**J. Other Information**

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

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
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**NOTE 13 CONTINGENCIES, COMMITMENTS, AND RISK MANAGEMENT**

**A. Litigation**

The City, its officers, and employees, are defendants in various lawsuits including personal injury, property damage, civil rights violations, and other miscellaneous claims. The City is insured for damages (see section C. below). Judgments or settlements for less than the deductible are paid from the General Fund. Corporation Counsel expects that none of the cases currently in litigation, if adversely decided would have a material negative impact on the finances of the City. The City has recorded \$3.0 million in the government-wide financial statement to cover probable claims.

**B. Contingencies**

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

**C. Contractual Commitments**

On July 1, 2022, the City contracted with Murphy Road Recycling LLC, with a five-year term with two options to extend the term for an additional five years. The fee for the 2025 fiscal year was \$3.3 million with tip fees of \$111.30/ton and \$135.19/ton for Acceptable Solid waste and Non-Processible waste respectively.

**D. Risk Management (Not Rounded)**

The City has established a risk management program to account for and finance its uninsured risk of loss for employee benefits (including comprehensive life, hospital, and major medical benefits), workers' compensation, and liability and property damage. Under this program, primary coverage is provided by the city up to a maximum of \$500,000 in health insurance claims for each individual per claim year, a \$2.0 million self-insurance retention for workers' compensation claims for the City (\$1.5 million for the BOE), \$500,000 self-insurance retention for auto and general liability claims as well as public officials, law enforcement and school board claims, \$250,000 self-insurance retention for property damage claims. In addition, there is a crime policy with multiple deductibles from \$5,000 to \$300,000. Each of these self-insurance programs was established by Council Ordinance and accounted for in an Internal Service Fund to account for and report on the City's total costs associated with risk management. The General Fund makes monthly payments to the Internal Service Fund based on amounts budgeted as necessary to meet all current and a portion of future claims and administrative expenses. In addition, the City Treasurer and Pension Commission are covered by fiduciary liability insurance. The City also has flood coverage as part of the property insurance with a \$250,000 deductible.

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
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(IN THOUSANDS)**

**NOTE 13 CONTINGENCIES, COMMITMENTS, AND RISK MANAGEMENT (CONTINUED)**

**D. Risk Management (Not Rounded) (Continued)**

The City purchases insurance for all legal liabilities in excess of a \$500,000 self-insured retention and public officials' liability in excess of a \$500,000 deductible. All City property is insured for fire and extended coverage with a \$100,000 deductible. Certain settled claims have exceeded the self-insured retention amounts in any one year, but no claims have exceeded our primary layer of insurance coverage. In addition, the City has \$20 million in excess liability coverage.

The City is also insured for pollution liability with a \$250,000 deductible, underground storage tanks with a variable deductible, and cyber liability at a \$500,000 deductible. Smaller policies are also in effect.

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

**Claims Payable**

The General Fund makes payments to the Self Insurance Fund based on actuarial or underwriting estimates of the amounts needed to pay current-year claims, additional estimated losses on current claims, and amount to cover incurred but not reported claims and administrative expenses. The claims liability of \$36,460, reported in the fund at June 30, 2025, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Fund's claims liability amount in fiscal years 2025 and 2024 were:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
Self -Insurance Fund:				
2023-2024	\$ 36,373	\$ 78,330	\$ 78,386	\$ 36,317
2024-2025	36,317	90,061	89,918	36,460

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 14 CONTRACT ASSISTANCE AND MUNICIPAL OVERSIGHT**

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

In addition, during March 2018 the City entered into a Contract Assistance Agreement with the State to service the approximately \$540 million in current general obligation debt service until such debt was retired. This agreement is backed by the full faith and credit of the State. As part of this agreement, the City of Hartford is subject to considerable financial oversight and is precluded from going into the bond market for at least the next five years. There are also limitations on the issuance of new debt for a 10-year period following the end of MARB oversight. Under the contract assistance agreement, the City must fully fund the Municipal Employee Retirement Fund (MERF) actuarially determined employer contribution (ADEC), is precluded from accumulating general fund operating deficits above 1% or more of general fund revenue per the most recently completed fiscal year's independent audit or has an operating general fund deficit 1.5% or greater of average general fund revenue over two consecutive years, or has a cumulative unassigned fund balance deficit of 1.5% or more of its general fund revenues and operating transfers in. Lack of compliance with such requirements would trigger a default, thus placing the City in Tier IV full oversight.

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

**CITY OF HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

**NOTE 14 CONTRACT ASSISTANCE AND MUNICIPAL OVERSIGHT (CONTINUED)**

At its regular meeting on October 5, 2023, the Municipal Accountability Review Board approved a motion to acknowledge and recognize that the City has met all the conditions to be released from Tier III designation and to support the City's intent to voluntarily continue its relationship with the MARB as a Tier II municipality. On December 13, 2023, in accordance with the process set forth in Statute Statute, the Municipal Finance Advisory Commission voted to support the City's voluntary request and to recommend the City be designated a Tier II municipality. As a Tier II municipality, the City is required to submit monthly financial statements and the annual budget to the MARB. The revenue assumptions for the budget must be approved by the MARB annually as well.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF HARTFORD, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2025  
(NONGAAP BUDGETARY BASIS)  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Property Tax:				
Current Year's Levy	\$ 291,130	\$ 291,130	\$ 294,432	\$ 3,302
Levy of Prior Years	4,204	4,204	5,798	1,594
Interest and Liens	4,100	4,100	6,377	2,277
Proceeds from Lien Sales	-	-	215	215
Total General Property Tax	299,434	299,434	306,822	7,388
Other Local Taxes:				
Current Year's Levy	1,600	1,600	1,715	115
Business Licenses:				
Health Licenses	192	192	276	84
Police and Protection Licenses	138	138	256	118
Professional and Occupational Licenses	44	44	29	(15)
Total Business Licenses	374	374	561	187
Non-Business Licenses and Permits:				
Building Structure and Equipment Permits	6,147	6,147	7,719	1,572
Other Non-Business Licenses and Permits	430	430	834	404
Total Business Licenses	6,577	6,577	8,553	1,976
Total Licenses, Permits, Fees, and Other	6,951	6,951	9,114	2,163
Fines, Forfeits, and Penalties	114	114	114	-
Revenue from Use of Money and Property:				
Income from Investments	8,000	8,000	9,856	1,856
Income from Use of Property	383	383	605	222
Income from Development Properties	331	331	479	148
Total Revenue from Use of Money and Property	8,714	8,714	10,940	2,226
Intergovernmental Revenue:				
State of Connecticut:				
Education	188,030	188,030	187,917	(113)
Housing	8	8	-	(8)
Public Works	1,162	1,162	1,162	-
Payment on Lieu of Taxes	101,773	101,773	103,841	2,068
Shared Taxes	166	166	134	(32)
Other	7,623	7,623	7,639	16
Total Intergovernmental Revenue	298,762	298,762	300,693	1,931
Charges for Services:				
General Government:				
Recording Legal Instruments	318	318	321	3
All Other	1,215	1,215	1,811	596
Total General Government	1,533	1,533	2,132	599
Public Safety:				
Police Charges	4	4	1	(3)
Fire Protection Services	194	194	275	81
Total Public Safety	198	198	276	78

**CITY OF HARTFORD, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(NONGAAP BUDGETARY BASIS)  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Works:				
Highways and Streets	\$ 1	\$ 1	\$ 1	\$ -
Sanitation	119	119	92	(27)
Total Public Works	120	120	93	(27)
Other:				
Health	3	3	16	13
Miscellaneous	36	36	30	(6)
Total Other	39	39	46	7
Total Charges for Services	1,890	1,890	2,547	657
Reimbursements:				
Other	3	3	8	5
Reimbursements from Other Funds	87	87	66	(21)
Total Reimbursements	90	90	74	(16)
Other Revenues:				
Settlements	3	3	-	(3)
Miscellaneous	330	330	1,108	778
Total Other Revenues	333	333	1,108	775
Other Financing Sources:				
Transfers in from Other Funds:				
Revenue from Hartford Parking Authority	2,283	2,283	2,301	18
Downtown North (Dono)	913	913	995	82
Special Police Services	2,750	2,750	2,240	(510)
Operating Transfer	-	-	9,539	9,539
Total Other Financing Sources	5,946	5,946	15,075	9,129
Total	\$ 623,834	\$ 623,834	648,202	\$ 24,368

Budgetary revenues are different than GAAP revenues because:

State of Connecticut on-behalf pension contributions to the State Teachers' Retirement System for City teachers are not budgeted

45,646

State of Connecticut on-behalf OPEB contributions to the State Teachers' Retirement System for City teachers are not budgeted

639

State of Connecticut contract assistance agreement

46,519

Effect of GASB Statement No. 54

427

Amount Available from Current Year Operations

\$ 741,433

**CITY OF HARTFORD, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2025  
(NONGAAP BUDGETARY BASIS)  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>General Government:</b>				
Mayor	\$ 853	\$ 853	\$ 846	\$ 7
Court of Common Council	978	978	759	219
City Treasurer	549	549	407	142
Registrars of Voters	597	933	809	124
Corporation Counsel	1,710	1,710	1,484	226
Town and City Clerk	1,076	1,076	933	143
Internal Audit	555	555	526	29
Chief Operating Officer	1,548	1,548	1,260	288
Metro Hartford Information	5,555	5,555	5,555	-
Finance	4,400	4,400	4,272	128
Personnel	2,218	2,218	1,861	357
Office of Management and Budget	1,606	1,606	1,443	163
Office of Young Children	3,400	3,400	2,683	717
Sports and Recreation	2,284	2,284	2,248	36
<b>Total General Government</b>	<b>27,329</b>	<b>27,665</b>	<b>25,086</b>	<b>2,579</b>
<b>Public Safety:</b>				
Fire	41,485	42,605	42,582	23
Police	54,868	54,868	50,984	3,884
Emergency Services and Telecommunications	5,301	5,301	5,062	239
<b>Total Public Safety</b>	<b>101,654</b>	<b>102,774</b>	<b>98,628</b>	<b>4,146</b>
<b>Infrastructure and Leisure Services:</b>				
Public Works	22,373	22,373	22,033	340
<b>Development and Community Affairs:</b>				
Development Services	7,472	7,472	6,452	1,020
<b>Human Services:</b>				
Health and Human Services	6,221	6,221	5,835	386
<b>Education:</b>				
Education	284,013	284,013	284,013	-
<b>Benefits and Insurance</b>				
Benefits and Insurance	99,936	104,478	104,316	162

**CITY OF HARTFORD, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(NONGAAP BUDGETARY BASIS)  
(IN THOUSANDS)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Sundry:				
Debt Service	\$ 16,380	\$ 21,168	\$ 21,168	\$ -
Hartford Public Library	9,513	9,513	9,513	-
Other Sundry Items	48,942	70,766	70,413	353
Total Sundry	<u>74,835</u>	<u>101,447</u>	<u>101,094</u>	<u>353</u>
Total	<u>\$ 623,833</u>	<u>\$ 656,443</u>	647,457	<u>\$ 8,986</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf pension contributions to the State Teachers' Retirement System for City teachers are not budgeted

45,646

State of Connecticut on-behalf OPEB contributions to the State Teachers' Retirement System for City teachers are not budgeted

639

State of Connecticut contract assistance agreement

46,519

Effect of GASB Statement No. 54

663

Amount Available from Current Year Operations

\$ 740,924

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Service Cost	\$ 21,452	\$ 21,203	\$ 21,085	\$ 21,265	\$ 19,268	\$ 18,886	\$ 19,594	\$ 21,250	\$ 21,934	\$ 21,995
Interest	107,198	106,469	106,591	105,599	106,751	106,620	106,170	105,620	105,283	102,350
Change in Benefit Terms	-	-	-	-	-	-	-	(627)	-	-
Differences Between Expected and Actual Experience	4,287	1,074	(11,382)	4,078	6,118	3,945	18,799	4,786	6,155	18,454
Changes of Assumptions	-	-	-	2,514	76,148	14,644	3,062	(7,557)	27,543	-
Benefit Payments, Including Refunds of Member Contributions	(118,776)	(117,629)	(118,806)	(118,333)	(118,123)	(117,332)	(116,283)	(112,768)	(108,145)	(101,778)
Net Change in Total Pension Liability	14,161	11,117	(2,512)	15,123	90,162	26,763	31,342	10,704	52,770	41,021
Total Pension Liability - Beginning	1,625,086	1,613,969	1,616,481	1,601,358	1,511,196	1,484,433	1,453,091	1,442,387	1,389,617	1,348,596
Total Pension Liability - Ending	1,639,247	1,625,086	1,613,969	1,616,481	1,601,358	1,511,196	1,484,433	1,453,091	1,442,387	1,389,617
Plan Fiduciary Net Position:										
Contributions - Employer	55,044	53,528	53,697	55,633	51,040	46,602	44,455	44,574	37,650	43,891
Contributions - Member	16,415	16,264	15,337	15,133	14,017	13,647	13,942	14,355	13,175	13,042
Net Investment Income (Loss)	104,546	99,362	107,825	(129,469)	244,680	21,068	65,756	59,906	104,204	8,696
Benefit Payments, Including Refunds of Member Contributions	(118,776)	(117,629)	(118,806)	(118,333)	(118,123)	(117,332)	(116,283)	(112,768)	(108,145)	(101,778)
Administrative Expense	(2,669)	(2,761)	(2,620)	(2,760)	(2,485)	(2,516)	(2,487)	(2,958)	(2,653)	(2,433)
Other	39	-	-	-	-	-	-	9	(3,087)	-
Net Change in Plan Fiduciary Net Position	54,599	48,764	55,433	(179,796)	189,129	(38,531)	5,383	3,118	41,144	(38,582)
Plan Fiduciary Net Position - Beginning	1,124,257	1,075,493	1,020,060	1,199,856	1,010,727	1,049,258	1,043,875	1,040,757	999,613	1,038,195
Plan Fiduciary Net Position - Ending	1,178,856	1,124,257	1,075,493	1,020,060	1,199,856	1,010,727	1,049,258	1,043,875	1,040,757	999,613
Net Pension Liability - Ending	\$ 460,391	\$ 500,829	\$ 538,476	\$ 596,421	\$ 401,502	\$ 500,469	\$ 435,175	\$ 409,216	\$ 401,630	\$ 390,004
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.91%	69.18%	66.64%	63.10%	74.93%	66.88%	70.68%	71.84%	72.16%	71.93%
Covered Payroll	\$ 166,661	\$ 156,351	\$ 153,334	\$ 148,341	\$ 147,405	\$ 147,709	\$ 145,103	\$ 141,067	\$ 144,122	\$ 151,305
Net Pension Liability as a Percentage of Covered Payroll	276.24%	320.32%	351.18%	402.06%	272.38%	338.82%	299.91%	290.09%	278.67%	257.76%

## Notes to Schedule:

## Assumption Changes:

2025:

Investment Rate of Return  
Mortality6.75% Per Year, Net of Investment Expenses  
Mortality Improvement is Based on the Scale MP-2021

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Interest	\$ 34	\$ 33	\$ 44	\$ 31	\$ 40	\$ 54	\$ 68	\$ 122	\$ 119	\$ 228
Change in Benefit Terms										
Differences Between Expected and Actual Experience	(174)	86	(224)	58	(196)	339	7	(1,264)	(134)	(1,124)
Changes of Assumptions	(53)	(27)	(8)	(115)	(26)	133	29	(117)	(671)	414
Benefit Payments, Including Refunds of Member Contributions	(117)	(134)	(157)	(191)	(202)	(278)	(356)	(452)	(525)	(660)
Net Change in Total Pension Liability	(310)	(42)	(345)	(217)	(384)	248	(252)	(1,711)	(1,211)	(1,142)
Total Pension Liability - Beginning	938	980	1,325	1,542	1,926	1,678	1,930	3,641	4,852	5,994
Total Pension Liability - Ending	628	938	980	1,325	1,542	1,926	1,678	1,930	3,641	4,852
Plan Fiduciary Net Position:										
Contributions - Employer	117	134	157	191	202	278	356	452	525	660
Benefit Payments, Including Refunds of Member Contributions	(117)	(134)	(157)	(191)	(202)	(278)	(356)	(452)	(525)	(660)
Net Change in Plan Fiduciary Net Position	-	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Beginning	-	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending	-	-	-	-	-	-	-	-	-	-
Net Pension Liability - Ending	<u>\$ 628</u>	<u>\$ 938</u>	<u>\$ 980</u>	<u>\$ 1,325</u>	<u>\$ 1,542</u>	<u>\$ 1,926</u>	<u>\$ 1,678</u>	<u>\$ 1,930</u>	<u>\$ 3,641</u>	<u>\$ 4,852</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Assumption Changes:

2025:

Investment Rate of Return  
Mortality

5.20%, Net of Investment-Related Expenses; Prior Valuation: 3.93%, Net of Investment-Related Expenses  
Mortality Improvement is based on the MP-2021 Scale.

**CITY OF HARTFORD, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**415(M) PLAN**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Interest	\$ 1	\$ 2	\$ 4	\$ 3	\$ 3	\$ 6	\$ 9	\$ 10	\$ 6	\$ 9
Differences Between Expected and Actual Experience	(4)	(34)	(51)	34	8	(3)	(45)	-	67	66
Changes of Assumptions	-	-	-	(6)	5	7	17	(3)	17	11
Benefit Payments, Including Refunds of Member Contributions	(9)	(10)	(16)	(28)	(36)	(38)	(45)	(58)	(73)	(79)
Net Change in Total Pension Liability	(12)	(42)	(63)	3	(20)	(28)	(64)	(51)	17	7
Total Pension Liability - Beginning	32	74	137	134	154	182	246	297	280	273
Total Pension Liability - Ending	20	32	74	137	134	154	182	246	297	280
Plan Fiduciary Net Position:										
Contributions - Employer	9	10	16	28	36	38	45	58	73	79
Benefit Payments, Including Refunds of Member Contributions	(9)	(10)	(16)	(28)	(36)	(38)	(45)	(58)	(73)	(79)
Net Change in Plan Fiduciary Net Position	-	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Beginning	-	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending	-	-	-	-	-	-	-	-	-	-
Net Pension Liability - Ending	<u>\$ 20</u>	<u>\$ 32</u>	<u>\$ 74</u>	<u>\$ 137</u>	<u>\$ 134</u>	<u>\$ 154</u>	<u>\$ 182</u>	<u>\$ 246</u>	<u>\$ 297</u>	<u>\$ 280</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Assumption Changes:

2025:

Investment Rate of Return  
Mortality

5.20% Net of Investment-Related Expenses; Prior Valuation: 3.93%  
Mortality Improvement is based on the Scale MP-2021.

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

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 55,045	\$ 53,528	\$ 53,685	\$ 55,633	\$ 51,040	\$ 46,602	\$ 44,455	\$ 44,574	\$ 37,650	\$ 43,891
Contributions in Relation to the Actuarially Determined Contribution	55,044	53,528	53,697	55,633	51,040	46,602	44,455	44,574	37,650	43,891
Contribution Deficiency (Excess)	\$ 1	\$ -	\$ (12)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 166,661	\$ 156,351	\$ 153,334	\$ 148,341	\$ 147,405	\$ 147,709	\$ 145,103	\$ 141,067	\$ 144,122	\$ 151,305
Contributions as a Percentage of Covered Payroll	33.03%	34.24%	35.02%	37.50%	34.63%	31.55%	30.64%	31.60%	26.12%	29.01%

City of Hartford RAF/PBF/FRF Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 117	\$ 134	\$ 157	\$ 191	\$ 202	\$ 278	\$ 356	\$ 452	\$ 525	\$ 659
Contributions in Relation to the Actuarially Determined Contribution	117	134	157	191	202	278	356	452	525	659
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	N/A									
Contributions as a Percentage of Covered Payroll	N/A									

City of Hartford 415(m) Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 9	\$ 10	\$ 16	\$ 28	\$ 36	\$ 38	\$ 45	\$ 58	\$ 73	\$ 79
Contributions in Relation to the Actuarially Determined Contribution	9	10	16	28	36	38	45	58	73	79
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Valuation Date: July 1, 2024  
 Measurement Date: June 30, 2025  
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and Assumptions Used to Determine

Contribution Rates:

- Actuarial Cost Method: Entry Age Normal
- Remaining Amortization Period: 21 Years, Level Dollar, Closed
- Asset Valuation Method: 5-Year Smoothed Market
- Inflation: 2.40%
- Salary Increases: 2.40% for Inflationary Salary Increases
- Investment Rate of Return: 6.75%, Net of Investment-Related and Administrative Expenses
- Retirement Age: Police - 100% retire at 65, regardless of service and must be age 45 to retire; Fire - 100% retire at age 65; BOE 100% retire at age 75; Municipal Services and Library - If less than 20 years of service, 100% retire at 75
- Mortality: RP-2014 fully projected with separate male and female tables and separate rates for annuitants and non-annuitants with occupational adjustment
- Mortality Improvement: Scale MP-2021;

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense:										
City of Hartford MERF	9.52%	9.47%	10.86%	-11.00%	24.91%	2.07%	6.49%	5.97%	10.44%	.86%
City of Hartford RAF/PBF/FRF Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
City of Hartford 415(m) Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**CITY OF HARTFORD, CONNECTICUT**  
**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM (CMERS)**  
**LAST TEN FISCAL YEARS\***  
**(IN THOUSANDS)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's Proportion of the Net Pension Liability	3.18%	3.28%	2.95%	3.17%	3.27%	3.38%	3.84%	7.04%	6.23%	7.80%
City's Proportionate Share of the Net Pension Liability	\$ 41,783	\$ 46,409	\$ 40,508	\$ 22,529	\$ 36,373	\$ 34,903	\$ 36,691	\$ 17,468	\$ 20,742	\$ 15,062
City's Covered Payroll	\$ 31,169	\$ 30,700	\$ 25,380	\$ 25,756	\$ 24,339	\$ 24,342	\$ 25,156	\$ 27,785	\$ 27,342	\$ 27,342
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	134.05%	151.17%	159.61%	87.47%	149.44%	143.39%	145.85%	62.87%	75.86%	55.09%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.85%	69.54%	68.71%	82.59%	71.18%	72.69%	73.60%	91.68%	88.29%	92.72%

## \*Notes:

- The measurement date is one year earlier than the employer's reporting date.

**CITY OF HARTFORD, CONNECTICUT  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM (CMERS)  
 LAST TEN FISCAL YEARS  
 (IN THOUSANDS)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 5,072	\$ 4,872	\$ 4,966	\$ 4,272	\$ 3,849	\$ 3,130	\$ 2,856	\$ 2,851	\$ 3,162	\$ 3,681
Contributions in Relation to the Actuarially Determined Contribution	5,072	4,872	4,966	4,272	3,849	3,130	2,856	2,851	3,162	3,681
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 30,406	\$ 30,739	\$ 28,269	\$ 25,577	\$ 25,756	\$ 24,339	\$ 24,342	\$ 25,156	\$ 27,785	\$ 27,342
Contributions as a Percentage of Covered Payroll	16.68%	15.85%	17.57%	16.70%	14.94%	12.86%	11.73%	11.33%	11.38%	13.46%

Notes to Schedule:

Valuation Date: June 30, 2024  
 Measurement Date: June 30, 2024  
 The actuarially determined contributions are calculated as of June 30, for the fiscal year ending two years after the valuation date.

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level Dollar, Closed
Single Equivalent Amortization Period	Blended 23.4 to 23.5 years depending on Tier
Asset Valuation Method	Market Value on the measurement date. Plan's fiduciary net position also included the present value of receivable initial liability payments established by participating employers upon entry into MERS
Inflation	2.50%
Salary Increases	3.50% - 9.50%, Including Inflation
Investment Rate of Return	7%, Net of Investment Related Expense
Changes in Assumptions	None

**CITY OF HARTFORD, CONNECTICUT**  
**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**TEACHERS RETIREMENT PLAN**  
**LAST TEN FISCAL YEARS\***  
**(IN THOUSANDS)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
City's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the City	463,094	504,961	557,204	471,982	595,931	577,962	445,642	528,969	558,067	435,145
Total	<u>\$ 463,094</u>	<u>\$ 504,961</u>	<u>\$ 557,204</u>	<u>\$ 471,982</u>	<u>\$ 595,931</u>	<u>\$ 577,962</u>	<u>\$ 445,642</u>	<u>\$ 528,969</u>	<u>\$ 558,067</u>	<u>\$ 435,145</u>
City's Covered Payroll	\$ 133,892	\$ 140,389	\$ 137,724	\$ 137,272	\$ 136,709	\$ 135,090	\$ 135,085	\$ 157,332	\$ 161,604	\$ 158,736
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.68%	58.39%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%

Plan Information:

Changes in Benefit Terms	None
Changes of Assumptions	None
Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Pay, Closed, Grading to a Level Dollar Amortization Method for the June 30, 2024 Valuation
Single Equivalent Amortization Period	25.9 Years
Asset Valuation Method	4-Year Smoothed Market
Inflation	2.50%
Salary Increase	3.00%-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Investment-Related Expense

Notes:

- The measurement date is one year earlier than the employer's reporting date.

**CITY OF HARTFORD, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**OTHER POSTEMPLOYMENT BENEFITS TRUST FUND – CITY PLAN**  
**LAST NINE FISCAL YEARS\***  
**(IN THOUSANDS)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:									
Service Cost	\$ 3,828	\$ 4,683	\$ 4,594	\$ 8,957	\$ 8,499	\$ 6,211	\$ 6,468	\$ 12,913	\$ 9,297
Interest	9,687	10,499	10,243	8,725	8,851	15,127	15,628	13,535	14,072
Changes in Benefit Terms	-	-	-	-	-	(8,095)	-	(96,632)	-
Differences Between Expected and Actual Experience	5,355	(50,846)	1,903	(58,705)	(2,899)	(98,041)	(2,111)	131,191	4,640
Changes of Assumptions	(32,978)	11,202	(3,865)	(53,694)	2,672	64,484	20,523	(13,956)	51,221
Benefit Payments, Including Refunds of Member Contributions	(17,569)	(14,165)	(15,137)	(15,888)	(12,429)	(12,427)	(13,786)	(15,981)	(14,303)
Net Change in Total OPEB Liability	(31,677)	(38,627)	(2,262)	(110,605)	4,694	(32,741)	26,722	31,070	64,927
Total OPEB Liability - Beginning	251,365	289,992	292,254	402,859	398,165	430,906	404,184	373,114	308,187
Total OPEB Liability - Ending	219,688	251,365	289,992	292,254	402,859	398,165	430,906	404,184	373,114
Plan Fiduciary Net Position:									
Contributions - Employer	17,569	14,165	15,137	15,888	12,429	12,427	13,786	18,156	14,303
Contributions - Member	272	260	255	249	246	243	249	170	36
Net Investment Income	(70)	(167)	(232)	(217)	(216)	(145)	12	-	-
Benefit Payments, Including Refunds of Member Contributions	(17,569)	(14,165)	(15,137)	(15,888)	(12,429)	(12,427)	(13,786)	(15,981)	(14,303)
Net Change in Plan Fiduciary Net Position	202	93	23	32	30	98	261	2,345	36
Plan Fiduciary Net Position - Beginning	2,918	2,825	2,802	2,770	2,740	2,642	2,381	36	-
Plan Fiduciary Net Position - Ending	3,120	2,918	2,825	2,802	2,770	2,740	2,642	2,381	36
Net OPEB Liability - Ending	\$ 216,568	\$ 248,447	\$ 287,167	\$ 289,452	\$ 400,089	\$ 395,425	\$ 428,264	\$ 401,803	\$ 373,078
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.42%	1.16%	0.97%	0.96%	0.69%	0.69%	0.61%	0.59%	0.01%
Covered Payroll	\$ 111,388	\$ 108,777	\$ 106,695	\$ 104,195	\$ 101,403	\$ 98,930	\$ 93,221	\$ 90,726	\$ 115,952
Net OPEB Liability as a Percentage of Covered Payroll	194.43%	228.40%	269.15%	277.80%	394.55%	399.70%	459.41%	442.88%	321.75%

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

**CITY OF HARTFORD, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**OTHER POSTEMPLOYMENT BENEFITS TRUST FUND – BOE PLAN**  
**LAST NINE FISCAL YEARS\***  
**(IN THOUSANDS)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:									
Service Cost	\$ 479	\$ 445	\$ 426	\$ 1,003	\$ 962	\$ 722	\$ 693	\$ 464	\$ 435
Interest	1,539	1,767	1,714	3,253	3,047	3,096	2,980	2,832	2,753
Changes in Benefit Terms	-	-	-	-	-	-	-	(2,223)	-
Differences Between Expected and Actual Experience	419	(5,066)	569	(16,929)	124	(2,864)	339	2,662	333
Changes of Assumptions	-	1,295	-	(4,949)	-	1,946	-	478	-
Benefit Payments, Including Refunds of Member Contributions	(1,991)	(1,695)	(2,191)	(398)	(2,243)	(2,506)	(2,516)	(2,397)	(2,310)
Net Change in Total OPEB Liability	446	(3,254)	518	(18,020)	1,890	394	1,496	1,816	1,211
Total OPEB Liability - Beginning	23,308	26,562	26,044	44,064	42,174	41,780	40,284	38,468	37,257
Total OPEB Liability - Ending	23,754	23,308	26,562	26,044	44,064	42,174	41,780	40,284	38,468
Plan Fiduciary Net Position:									
Contributions - Employer	-	1,109	1,562	3	1,781	2,093	2,062	1,853	556
TRB Subsidy	-	617	659	423	495	441	481	544	621
Net Investment Income	2,980	1,291	1,912	(2,864)	4,814	142	1,150	662	112
Benefit Payments, Including Refunds of Member Contributions	(1,991)	(1,695)	(2,191)	(398)	(2,243)	(2,506)	(2,516)	(2,397)	(2,310)
Administrative Expense	-	(31)	(30)	(28)	(33)	(27)	(27)	(25)	-
Net Change in Plan Fiduciary Net Position	989	1,291	1,912	(2,864)	4,814	143	1,150	637	(1,021)
Plan Fiduciary Net Position - Beginning	25,270	23,979	22,067	24,931	20,117	19,974	18,824	18,187	19,208
Plan Fiduciary Net Position - Ending	26,259	25,270	23,979	22,067	24,931	20,117	19,974	18,824	18,187
Net OPEB Liability (Asset) - Ending	\$ (2,505)	\$ (1,962)	\$ 2,583	\$ 3,977	\$ 19,133	\$ 22,057	\$ 21,806	\$ 21,460	\$ 20,281
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	110.55%	108.42%	90.28%	84.73%	56.58%	47.70%	47.81%	46.73%	47.28%
Covered Payroll	\$ 200,446	\$ 195,748	\$ 196,692	\$ 192,082	\$ 204,272	\$ 199,289	\$ 202,917	\$ 197,486	\$ 213,458
Net OPEB Liability as a Percentage of Covered Payroll	-1.25%	-1.00%	1.31%	2.07%	9.37%	11.07%	10.75%	10.87%	9.50%

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

**CITY OF HARTFORD, CONNECTICUT  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 OTHER POSTEMPLOYMENT BENEFITS TRUST FUND – CITY PLAN  
 LAST NINE FISCAL YEARS\*  
 (IN THOUSANDS)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially Determined Contribution	\$ 20,644	\$ 24,686	\$ 24,422	\$ 25,983	\$ 25,698	\$ 30,485	\$ 30,154	\$ 27,025	\$ 26,583
Contributions in Relation to the Actuarially Determined Contribution	17,569	14,165	15,137	15,888	12,429	12,428	13,786	18,156	14,303
Contribution Deficiency (Excess)	\$ 3,075	\$ 10,521	\$ 9,285	\$ 10,095	\$ 13,269	\$ 18,057	\$ 16,368	\$ 8,869	\$ 12,280
Covered Payroll	\$ 111,388	\$ 108,777	\$ 106,695	\$ 104,195	\$ 101,403	\$ 98,930	\$ 93,221	\$ 90,726	\$ 115,952
Contributions as a Percentage of Covered Payroll	15.77%	13.02%	14.19%	15.25%	12.26%	12.56%	14.79%	20.01%	12.34%

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

Notes to Schedule:

Measurement Date: June 30, 2025  
 Valuation Date: July 1, 2023  
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Salary
Remaining Amortization Period	22 Years, Closed
Asset Valuation Method	Market Value
Inflation	2.40%
Healthcare Cost Trend Rates	7.00% for 2023, Decreasing 0.2% Each Year, to an Ultimate Rate of 4.40% for 2036 and Later.
Salary Increases	2.40%
Investment Rate of Return	5.20%
Retirement Age	Aged Base Table
Mortality:	
Fire and Police	RP-2014 Mortality Table Adjusted to 2006 Blue Collar Projected to Valuation Date with Scale MP-2021.
All Others	RP-2014 Mortality Table Adjusted to 2006 Total Dataset Projected to Valuation Date with Scale MP-2021.

**CITY OF HARTFORD, CONNECTICUT  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 OTHER POSTEMPLOYMENT BENEFITS TRUST FUND – BOE PLAN  
 LAST NINE FISCAL YEARS\*  
 (IN THOUSANDS)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially Determined Contribution	\$ 279	\$ 664	\$ 645	\$ 2,722	\$ 2,678	\$ 2,462	\$ 2,428	\$ 1,973	\$ 1,928
Contributions in Relation to the Actuarially Determined Contribution	-	1,109	1,562	3	1,781	2,093	2,062	1,853	556
Contribution Deficiency (Excess)	\$ 279	\$ (445)	\$ (917)	\$ 2,719	\$ 897	\$ 369	\$ 366	\$ 120	\$ 1,372
Covered Payroll	\$ 200,446	\$ 195,748	\$ 196,692	\$ 192,082	\$ 204,272	\$ 199,289	\$ 202,917	\$ 197,486	\$ 213,458
Contributions as a Percentage of Covered Payroll	0.00%	0.57%	0.79%	0.00%	0.87%	1.05%	1.02%	0.94%	0.26%

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

Notes to Schedule:

Measurement Date: June 30, 2025  
 Valuation Date: July 1, 2023  
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Salary
Remaining Amortization Period	22 Years, Closed
Asset Valuation Method	Market Value
Inflation	2.40%
Healthcare Cost Trend Rates	7.00% in 2023, Decreasing 0.2% Each Year, to an Ultimate Rate of 4.40% for 2036 and Later.
Salary Increases	2.40%
Investment Rate of Return	6.75%
Retirement Age	Aged Base Table
Mortality	RP-2014 Mortality Table Adjusted to 2006 Total Dataset Projected to Valuation Date with Scale MP-2021.

**CITY OF HARTFORD, CONNECTICUT  
 SCHEDULE OF INVESTMENT RETURNS  
 OTHER POSTEMPLOYMENT BENEFITS TRUST FUND  
 LAST NINE FISCAL YEARS\***

	2025	2024	2023	2022	2021	2020	2019	2018	2017
City Plan:									
Annual Money-Weighted Rate of Return, Net of Investment Expense	-2.29%	-5.69%	-7.95%	-7.52%	-7.57%	-5.28%	0.48%	0.00%	0.00%
BOE Plan:									
Annual Money-Weighted Rate of Return, Net of Investment Expense	13.52%	11.07%	8.69%	-11.47%	24.01%	0.72%	6.11%	3.64%	0.59%

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

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

	2025	2024	2023	2022	2021	2020	2019	2018
City's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
City's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated With the City	94,996	47,308	48,798	51,422	88,883	90,136	89,087	136,151
Total	<u>\$ 94,996</u>	<u>\$ 47,308</u>	<u>\$ 48,798</u>	<u>\$ 51,422</u>	<u>\$ 88,883</u>	<u>\$ 90,136</u>	<u>\$ 89,087</u>	<u>\$ 136,151</u>
City's Covered Payroll	\$ 133,892	\$ 140,389	\$ 137,724	\$ 137,272	\$ 136,709	\$ 135,090	\$ 135,085	\$ 157,332
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	7.40%	11.92%	9.46%	6.11%	2.50%	2.08%	1.49%	1.79%

Notes to Schedule:

Changes in Benefit Terms

There were no changes to benefit terms since the prior Measurement Date

Changes of Assumptions

Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2024 was updated to equal the SEIR of 3.93% as of June 30, 2024; Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience; Assumed election rates for post-65 retirees between the Local School District Coverage Subsidy and CTRB Sponsored Medical Plans were updated to reflect the recent plan expense. Spouse coverage election assumptions were also updated with this change; and Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans.

Actuarial Cost Method  
Amortization Method  
Remaining Amortization Period  
Asset Valuation Method  
Investment Rate of Return  
Price Inflation

Entry Age  
Level Percent of Payroll Over an Open Period  
30-Years  
Market Value of Assets  
3.00%, Net of Investment Related Expense, Including Price Inflation  
2.50%

Notes:

- This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.
- The measurement date is one year earlier than the employer's reporting date.

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

## **GENERAL FUND**

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

**CITY OF HARTFORD, CONNECTICUT**  
**COMBINING BALANCE SHEET**  
**GENERAL FUND**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

	General Fund	Hartford Public Library	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 121,044	\$ 69	\$ 121,113
Receivables, Net	90,888	250	91,138
Due from Other Funds	4,017	-	4,017
Total Assets	\$ 215,949	\$ 319	\$ 216,268
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts and Other Payables	\$ 52,565	\$ 319	\$ 52,884
Unearned Revenue	174	-	174
Total Liabilities	52,739	319	53,058
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue - Property	81,421	-	81,421
Unavailable Revenue - Other Receivable	3,026	-	3,026
Deferred Inflows Related to Leases	2,490	-	2,490
Advance Property Tax Collections	2,320	-	2,320
Total Deferred Inflows of Resources	89,257	-	89,257
<b>FUND BALANCES</b>			
Committed	741	-	741
Assigned	24,880	-	24,880
Unassigned	48,332	-	48,332
Total Fund Balances	73,953	-	73,953
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 215,949	\$ 319	\$ 216,268

**CITY OF HARTFORD, CONNECTICUT**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE GENERAL FUND**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

	General Fund	Hartford Public Library	Eliminate Interfund Transfers	Total
<b>REVENUES</b>				
Property Taxes	\$ 308,537	\$ -	\$ -	\$ 308,537
Licenses and Permits	9,229	-	-	9,229
Intergovernmental	393,497	-	-	393,497
Charges for Services	2,547	-	-	2,547
Use of Property	1,085	-	-	1,085
Investment Income	9,856	-	-	9,856
Miscellaneous	1,180	427	-	1,607
Total Revenues	<u>725,931</u>	<u>427</u>	<u>-</u>	<u>726,358</u>
<b>EXPENDITURES</b>				
Current:				
General Government	20,239	-	-	20,239
Public Safety	98,628	-	-	98,628
Public Works	22,033	-	-	22,033
Development and Community Affairs	6,452	-	-	6,452
Human Services	4,750	-	-	4,750
Education	330,298	-	-	330,298
Recreation and Culture	115	10,176	-	10,291
Benefits and Insurance	109,871	-	-	109,871
Other	49,407	-	-	49,407
Debt Service	220	-	-	220
Total Expenditures	<u>642,013</u>	<u>10,176</u>	<u>-</u>	<u>652,189</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	83,918	(9,749)	-	74,169
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	15,075	9,513	(9,513)	15,075
Transfers Out	(98,248)	-	9,513	(88,735)
Total Other Financing Sources (Uses)	<u>(83,173)</u>	<u>9,513</u>	<u>-</u>	<u>(73,660)</u>
<b>NET CHANGE IN FUND BALANCES</b>	745	(236)	-	509
Fund Balances - Beginning of Year	<u>73,208</u>	<u>236</u>	<u>-</u>	<u>73,444</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 73,953</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,953</u>

**CITY OF HARTFORD, CONNECTICUT  
 SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTION, AND OUTSTANDING  
 GENERAL FUND  
 YEAR ENDED JUNE 30, 2025  
 (IN THOUSANDS)**

Grand List Year	Taxes Receivable	Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Tax Levy	Collections				Taxes Receivable
	July 1, 2024		Additions	Deletions			Taxes	Interest	Liens	Total	June 30, 2025
2023	\$ -	\$ 314,048	\$ 2,975	\$ 11,270	\$ 7	\$ 305,746	\$ 294,057	\$ 1,299	\$ 8	\$ 295,364	\$ 11,689
2022	14,732	-	276	4,132	12	10,864	3,163	1,890	106	5,159	7,701
2021	7,641	-	24	3,524	30	4,111	(1,155)	1,247	197	289	5,266
2020	5,826	-	239	64	12	5,989	1,002	606	46	1,654	4,987
2019	4,185	-	-	25	18	4,142	362	270	45	677	3,780
2018	4,017	-	-	25	26	3,966	253	225	35	513	3,713
2017	2,995	-	-	19	29	2,947	182	396	21	599	2,765
2016	1,970	-	-	14	13	1,943	86	107	10	203	1,857
2015	1,581	-	-	9	15	1,557	53	104	10	167	1,504
2014	2,191	-	-	13	18	2,160	56	88	14	158	2,104
2013	2,053	-	-	8	5	2,040	31	54	8	93	2,009
2012	1,831	-	1	8	4	1,820	23	43	8	74	1,797
2011	1,821	-	1	11	7	1,804	14	43	5	62	1,790
2010	1,674	-	-	11	72	1,591	15	39	4	58	1,576
2009	1,597	-	-	11	-	1,586	13	51	5	69	1,573
2008	1,674	-	-	1,674	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 55,788</b>	<b>\$ 314,048</b>	<b>\$ 3,516</b>	<b>\$ 20,818</b>	<b>\$ 268</b>	<b>\$ 352,266</b>	<b>\$ 298,155</b>	<b>\$ 6,462</b>	<b>\$ 522</b>	<b>\$ 305,139</b>	<b>\$ 54,111</b>

**NONMAJOR GOVERNMENTAL FUNDS**

## SPECIAL REVENUE FUNDS

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

Fund	Funding Source	Function
Section 8	Federal Grants	Housing Assistance
Food Services Program	State and Federal Grants, and Sales of Food	School Lunch and Breakfast Programs
Health Grants	State and Federal Grants	Health and Human Services
Library Grants	Grants and Contributions	Public Library System
Community Development	Federal Block Grants	Housing and Development
Home Program	Federal Grants	Affordable Housing
Great Path Academy	State Grants	Education
Parks and Recreation Trusts	Donation and Trust Income	Park and Recreation
Special Activities	Fees for Community Use of Schools	Education
Student Activities	Charges for Services for Student Activities	Education
Dillon Stadium	Fees for Community Use of Stadium	Park and Recreation

### Capital Projects Funds

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

### Permanent Funds

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

**CITY OF HARTFORD, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2025  
(IN THOUSANDS)**

	Special Revenue Funds									
	Section 8	Food Service Program	Health Grants	Community Development Act	HOME Program	Library Grants	Parks and Recreation Trusts	Dillon Stadium	Great Path Academy	Special Activities
<b>ASSETS</b>										
Cash and Cash Equivalents	\$ 2,248	\$ 2,536	\$ 896	\$ -	\$ -	\$ 9,069	\$ 74	\$ 82	\$ 3,965	\$ 9
Investments	-	-	-	-	-	-	581	-	-	-
Intergovernmental Receivable	56	2,487	959	553	320	148	-	-	8	-
Other Receivables, Net	364	-	2,374	1,500	-	468	-	200	-	31
Due from Other Funds	-	-	-	-	-	-	-	-	-	-
Other Assets	-	443	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,668</b>	<b>\$ 5,466</b>	<b>\$ 4,229</b>	<b>\$ 2,053</b>	<b>\$ 320</b>	<b>\$ 9,685</b>	<b>\$ 655</b>	<b>\$ 282</b>	<b>\$ 3,973</b>	<b>\$ 40</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>										
<b>LIABILITIES</b>										
Accounts Payable and Accrued Liabilities	\$ 62	\$ 211	\$ 937	\$ 1,337	\$ 10	\$ 448	\$ -	\$ 37	\$ 450	\$ 8
Due to Other Funds	-	-	-	384	309	-	-	-	-	-
Unearned Revenue	2,641	-	2,376	6	1	508	-	-	-	-
<b>Total Liabilities</b>	<b>2,703</b>	<b>211</b>	<b>3,313</b>	<b>1,727</b>	<b>320</b>	<b>956</b>	<b>-</b>	<b>37</b>	<b>450</b>	<b>8</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Unavailable Revenue	152	-	2,267	1,500	320	83	-	-	-	31
<b>Total Deferred Inflows of Resources</b>	<b>152</b>	<b>-</b>	<b>2,267</b>	<b>1,500</b>	<b>320</b>	<b>83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31</b>
<b>FUND BALANCES</b>										
Nonspendable	-	443	-	-	-	-	-	-	-	-
Restricted	-	4,812	-	-	-	8,646	655	-	3,523	-
Committed	-	-	-	-	-	-	-	245	-	1
Unassigned	(187)	-	(1,351)	(1,174)	(320)	-	-	-	-	-
<b>Total Fund Balances</b>	<b>(187)</b>	<b>5,255</b>	<b>(1,351)</b>	<b>(1,174)</b>	<b>(320)</b>	<b>8,646</b>	<b>655</b>	<b>245</b>	<b>3,523</b>	<b>1</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 2,668</b>	<b>\$ 5,466</b>	<b>\$ 4,229</b>	<b>\$ 2,053</b>	<b>\$ 320</b>	<b>\$ 9,685</b>	<b>\$ 655</b>	<b>\$ 282</b>	<b>\$ 3,973</b>	<b>\$ 40</b>

**CITY OF HARTFORD, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 2025  
(IN THOUSANDS)**

	Special Revenue	Capital Project Funds			Permanent Funds				Total
	Student Activities	Capital Equipment	Redevelopment Fund	HUD Special Projects Fund	Public Safety	Parks and Recreation Trusts	Human Services Trusts	Education Trusts	
<b>ASSETS</b>									
Cash and Cash Equivalents	\$ 673	\$ 7,007	\$ 4,479	\$ 23	\$ -		\$ 407	\$ -	\$ 31,468
Investments	-	-	-	-	2	27,519	7,095	236	35,433
Intergovernmental Receivable	-	-	-	-	-	-	-	-	4,531
Other Receivables, Net	-	-	-	2,783	-	-	-	-	7,720
Due from Other Funds	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	443
<b>Total Assets</b>	<b>\$ 673</b>	<b>\$ 7,007</b>	<b>\$ 4,479</b>	<b>\$ 2,806</b>	<b>\$ 2</b>	<b>\$ 27,519</b>	<b>\$ 7,502</b>	<b>\$ 236</b>	<b>\$ 79,595</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>									
<b>LIABILITIES</b>									
Accounts Payable and Accrued Liabilities	\$ -	\$ 1,539	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,039
Due to Other Funds	-	-	-	-	-	-	-	-	693
Unearned Revenue	-	60	2,087	-	-	-	-	-	7,679
<b>Total Liabilities</b>	<b>-</b>	<b>1,599</b>	<b>2,087</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,411</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Unavailable Revenue	-	-	-	-	-	-	-	-	4,353
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,353</b>
<b>FUND BALANCES</b>									
Nonspendable	-	-	-	-	-	8,150	197	11	8,801
Restricted	673	-	-	2,806	2	19,369	7,305	225	48,016
Committed	-	5,408	2,392	-	-	-	-	-	8,046
Unassigned	-	-	-	-	-	-	-	-	(3,032)
<b>Total Fund Balances</b>	<b>673</b>	<b>5,408</b>	<b>2,392</b>	<b>2,806</b>	<b>2</b>	<b>27,519</b>	<b>7,502</b>	<b>236</b>	<b>61,831</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 673</b>	<b>\$ 7,007</b>	<b>\$ 4,479</b>	<b>\$ 2,806</b>	<b>\$ 2</b>	<b>\$ 27,519</b>	<b>\$ 7,502</b>	<b>\$ 236</b>	<b>\$ 79,595</b>

**CITY OF HARTFORD, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Special Revenue Funds									
	Section 8	Food Service Program	Health Grants	Community Development Act	HOME Program	Library Grants	Parks and Recreation Trusts	Dillon Stadium	Great Path Academy	Special Activities
<b>REVENUES</b>										
Intergovernmental	\$ 70,422	\$ 14,865	\$ 14,784	\$ 3,573	\$ 767	\$ 3,134	\$ -	\$ -	\$ 3,344	\$ -
Charges for Services	-	1,757	-	-	-	1,429	14	332	-	351
Investment Income	-	-	-	19	-	-	117	-	-	16
Contribution and Donations	-	-	-	-	-	-	-	25	-	-
<b>Total Revenues</b>	<b>70,422</b>	<b>16,622</b>	<b>14,784</b>	<b>3,592</b>	<b>767</b>	<b>4,563</b>	<b>131</b>	<b>357</b>	<b>3,344</b>	<b>367</b>
<b>EXPENDITURES</b>										
Current:										
General Government	-	-	-	890	-	-	-	-	-	-
Public Safety	-	-	-	128	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-
Development and Community Affairs	1,578	-	-	898	1,033	1,622	-	-	-	-
Human Services	69,031	-	17,303	2,248	-	-	-	-	-	-
Education	-	18,065	-	380	-	-	-	-	3,922	11
Recreation and Culture	-	-	-	213	-	4,092	2	482	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>70,609</b>	<b>18,065</b>	<b>17,303</b>	<b>4,757</b>	<b>1,033</b>	<b>5,714</b>	<b>2</b>	<b>482</b>	<b>3,922</b>	<b>11</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(187)</b>	<b>(1,443)</b>	<b>(2,519)</b>	<b>(1,165)</b>	<b>(266)</b>	<b>(1,151)</b>	<b>129</b>	<b>(125)</b>	<b>(578)</b>	<b>356</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers In	-	-	1,164	-	-	51	-	-	-	-
Transfers Out	-	-	-	(213)	-	-	-	-	-	(2,013)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>1,164</b>	<b>(213)</b>	<b>-</b>	<b>51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,013)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(187)</b>	<b>(1,443)</b>	<b>(1,355)</b>	<b>(1,378)</b>	<b>(266)</b>	<b>(1,100)</b>	<b>129</b>	<b>(125)</b>	<b>(578)</b>	<b>(1,657)</b>
Fund Balances - Beginning of Year	-	6,698	4	204	(54)	9,746	526	370	4,101	1,658
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ (187)</b>	<b>\$ 5,255</b>	<b>\$ (1,351)</b>	<b>\$ (1,174)</b>	<b>\$ (320)</b>	<b>\$ 8,646</b>	<b>\$ 655</b>	<b>\$ 245</b>	<b>\$ 3,523</b>	<b>\$ 1</b>

**CITY OF HARTFORD, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Special Revenue	Capital Project Funds			Permanent Funds					Total
	Student Activities	Capital Equipment	Redevelopment Fund	HUD Special Projects Fund	Public Safety	Parks and Recreation Trusts	Human Services Trusts	Education Trusts	Eliminations	
	\$ -	\$ -	\$ -	\$ 105	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,994
	388	28	8	-	-	-	-	-	-	4,307
	-	-	110	118	-	2,933	1,003	28	-	4,344
<b>REVENUES</b>	-	18	-	-	-	-	-	-	-	43
Intergovernmental Charges for Services	388	46	118	223	-	2,933	1,003	28	-	119,688
Investment Income	-	-	-	-	-	-	-	-	-	-
Contribution and Donations	-	-	-	-	-	-	-	-	-	-
Total Revenues	-	42	-	-	-	-	-	-	-	932
<b>EXPENDITURES</b>	-	-	-	-	-	-	-	-	-	128
Current:	-	21	-	-	-	-	-	-	-	21
General Government	-	-	-	-	-	-	-	-	-	5,131
Public Safety	-	-	-	-	-	-	143	-	-	88,725
Public Works	461	-	-	-	-	-	-	1	-	22,840
Development and Community Affairs	-	-	-	-	-	1	-	-	-	4,790
Human Services	-	9,017	-	-	-	-	-	-	-	9,017
Education	-	-	-	515	-	-	-	-	-	515
Recreation and Culture	-	-	-	-	-	-	-	-	-	-
Capital Outlay	461	9,080	-	515	-	1	143	1	-	132,099
Debt Service	-	-	-	-	-	-	-	-	-	-
Total Expenditures	(73)	(9,034)	118	(292)	-	2,932	860	27	-	(12,411)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	8,681	-	-	-	-	-	-	(213)	9,683
<b>OTHER FINANCING SOURCES (USES)</b>	-	-	-	-	-	-	-	-	213	(2,013)
Transfers In	-	-	-	-	-	-	-	-	-	7,670
Transfers Out	-	8,681	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(73)	(353)	118	(292)	-	2,932	860	27	-	(4,741)
<b>NET CHANGE IN FUND BALANCES</b>	746	5,761	2,274	3,098	2	24,587	6,642	209	-	66,572
Fund Balances - Beginning of Year	\$ 673	\$ 5,408	\$ 2,392	\$ 2,806	\$ 2	\$ 27,519	\$ 7,502	\$ 236	\$ -	\$ 61,831
<b>FUND BALANCES - END OF YEAR</b>										

**CITY OF HARTFORD, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
FINANCIAL DATA SCHEDULE SECTION 8 BALANCE SHEET SUMMARY  
YEAR ENDED JUNE 30, 2025  
(NOT ROUNDED)**

	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.856 Lower Income Assistance Program - Section 8 Moderate	Total
<b>ASSETS</b>				
Cash - Unrestricted	\$ 1,676,044	\$ -	\$ -	\$ 1,676,044
Cash - Other Restricted	-	-	572,215	572,215
Total Cash	<u>1,676,044</u>	<u>-</u>	<u>572,215</u>	<u>2,248,259</u>
Accounts Receivable - PHA Projects	36,586	1,077	18,812	56,475
Accounts Receivable - Other Government	364,012	-	-	364,012
Total Receivable, Net of Allowances for Doubtful Accounts	400,598	1,077	18,812	420,487
Total Current Assets	<u>2,076,642</u>	<u>1,077</u>	<u>591,027</u>	<u>2,668,746</u>
Total Assets and Deferred Outflow of Resources	<u>\$ 2,076,642</u>	<u>\$ 1,077</u>	<u>\$ 591,027</u>	<u>\$ 2,668,746</u>
<b>LIABILITIES</b>				
Accounts Payable <= 90 Days	\$ 42,600	\$ 1,077	\$ 18,812	\$ 62,489
Unearned Revenue	2,068,815	-	572,215	2,641,030
Total Current Liabilities	<u>2,111,415</u>	<u>1,077</u>	<u>591,027</u>	<u>2,703,519</u>
Total Liabilities	<u>2,111,415</u>	<u>1,077</u>	<u>591,027</u>	<u>2,703,519</u>
Deferred Inflow of Resources	-	-	152,382	152,382
Total Equity - Net Assets / Position	<u>(34,773)</u>	<u>-</u>	<u>(152,382)</u>	<u>(187,155)</u>
Total Liabilities, Deferred Inflows of Resources and Equity, Net	<u>\$ 2,076,642</u>	<u>\$ 1,077</u>	<u>\$ 591,027</u>	<u>\$ 2,668,746</u>

**CITY OF HARTFORD, CONNECTICUT  
NONMAJOR GOVERNMENTAL FUNDS  
FINANCIAL DATA SCHEDULE SECTION 8 REVENUE AND EXPENSE SUMMARY  
YEAR ENDED JUNE 30, 2025  
(NOT ROUNDED)**

Line Item	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.856 Lower Income Assistance Program - Section 8 Moderate	Total
<b>REVENUES</b>				
70600 HUD PHA Operating Grants	\$ 66,998,170	\$ 699,380	\$ 1,424,096	\$ 69,121,646
71100 Investment Income - Unrestricted	35,094	-	-	35,094
71400 Fraud Recovery	147,731	-	1,411	149,142
71500 Other Revenue	1,080,514	-	-	1,080,514
72000 Investment Income - Restricted	35,093	-	-	35,093
70000 Total Revenue	<u>68,296,602</u>	<u>699,380</u>	<u>1,425,507</u>	<u>70,421,489</u>
<b>EXPENDITURES</b>				
91100 Administrative Salaries	142,294	50,387	120,625	313,306
91200 Auditing Fees	18,500	-	6,250	24,750
91300 Management Fee	4,943,657	-	-	4,943,657
91500 Employee Benefit contributions - Administrative	130,961	-	-	130,961
91600 Office Expenses	546	-	-	546
91810 Allocated Overhead	-	-	-	-
91900 Other	-	-	19,697	19,697
91000 Total Operating Administrative	<u>5,235,958</u>	<u>50,387</u>	<u>146,572</u>	<u>5,432,917</u>
96200 Other General Expenses	59,251	-	-	59,251
96900 Total Operating Expenses	<u>5,295,209</u>	<u>50,387</u>	<u>146,572</u>	<u>5,492,168</u>
97000 Excess of Operating Revenue over Operating Expenses	63,001,393	648,993	1,278,935	64,929,321
97300 Housing Assistance Payments	62,020,827	648,993	1,431,317	64,101,137
97350 HAP Portability In	1,015,339	-	-	1,015,339
90000 Total Expenses	<u>68,331,375</u>	<u>699,380</u>	<u>1,577,889</u>	<u>70,608,644</u>
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(34,773)	-	(152,382)	(187,155)
11170 Administrative Fee Equity	-	-	-	-
11180 Housing Assistance Payments Equity	-	-	-	-
11190 Unit Months Available	60,852	600	2,076	63,528
11210 Number of Unit Months Leased	56,854	511	1,205	58,570

## **NONMAJOR ENTERPRISE FUNDS**

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

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

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

**CITY OF HARTFORD, CONNECTICUT  
NONMAJOR ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2025  
(IN THOUSANDS)**

	Hartford Parking Facilities	Golf Course	Total
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 3,649	\$ 764	\$ 4,413
Receivables, Net	-	64	64
Due from Component Unit	18	-	18
Total Current Assets	<u>3,667</u>	<u>828</u>	<u>4,495</u>
Noncurrent Assets:			
Capital Assets:			
Not Being Depreciated	5,935	152	6,087
Being Depreciated, Net	7,055	3,786	10,841
Total Noncurrent Assets	<u>12,990</u>	<u>3,938</u>	<u>16,928</u>
Total Assets	16,657	4,766	21,423
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	121	317	438
Due to Other Funds	1,951	1,410	3,361
Current Maturities of Bonds Payable	331	-	331
Total Current Liabilities	<u>2,403</u>	<u>1,727</u>	<u>4,130</u>
Noncurrent Liabilities:			
Bonds Payable	670	-	670
Total Noncurrent Liabilities	<u>670</u>	<u>-</u>	<u>670</u>
Total Liabilities	<u>3,073</u>	<u>1,727</u>	<u>4,800</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	11,989	3,938	15,927
Unrestricted	1,595	(899)	696
Total Net Position	<u>\$ 13,584</u>	<u>\$ 3,039</u>	<u>\$ 16,623</u>

**CITY OF HARTFORD, CONNECTICUT  
NONMAJOR ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Hartford Parking Facilities	Golf Course	Total
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 2,588	\$ 2,331	\$ 4,919
Total Operating Revenues	<u>2,588</u>	<u>2,331</u>	<u>4,919</u>
<b>OPERATING EXPENSES</b>			
Operations	97	2,295	2,392
Depreciation and Amortization	472	187	659
Total Operating Expenses	<u>569</u>	<u>2,482</u>	<u>3,051</u>
<b>OPERATING INCOME (LOSS)</b>	2,019	(151)	1,868
<b>NONOPERATING REVENUE (EXPENSES):</b>			
Interest Expense	(47)	-	(47)
Total Nonoperating Revenue (Expenses)	<u>(47)</u>	<u>-</u>	<u>(47)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	1,972	(151)	1,821
Transfers In		100	100
Transfers Out	<u>(2,301)</u>	<u>-</u>	<u>(2,301)</u>
<b>CHANGE IN NET POSITION</b>	(329)	(51)	(380)
Net Position - Beginning of Year	<u>13,913</u>	<u>3,090</u>	<u>17,003</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 13,584</u>	<u>\$ 3,039</u>	<u>\$ 16,623</u>

**CITY OF HARTFORD, CONNECTICUT  
NONMAJOR ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Hartford Parking Facilities	Golf Course	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers and Users	\$ 2,588	\$ 2,289	\$ 4,877
Payments to Suppliers	(77)	(2,435)	(2,512)
Receipts from Interfund Services Used	(253)	-	(253)
Net Cash Provided (Used) by Operating Activities	<u>2,258</u>	<u>(146)</u>	<u>2,112</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Transfer to General Fund	(2,301)	-	(2,301)
Principal Paid on Bonds	(115)	-	(115)
Interest Paid on Bonds	(47)	-	(47)
Purchase of Capital Assets	(28)	-	(28)
Net Cash Provided (Used) by Capital Financing Activities	<u>(2,491)</u>	<u>100</u>	<u>(2,391)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(233)	(46)	(279)
Cash and Cash Equivalents - Beginning of Year	<u>3,882</u>	<u>810</u>	<u>4,692</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 3,649</u>	<u>\$ 764</u>	<u>\$ 4,413</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 2,019	\$ (151)	\$ 1,868
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	472	187	659
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	-	(42)	(42)
(Increase) Decrease in Due from Other Funds	155	-	155
Increase (Decrease) in Accounts Payable and Accrued Liabilities	20	(140)	(120)
Increase in Due to Other Funds	(408)	-	(408)
Total Adjustments	<u>239</u>	<u>5</u>	<u>244</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,258</u>	<u>\$ (146)</u>	<u>\$ 2,112</u>
<b>NONCASH DISCLOSURE OF INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>			
Capital Assets Contributed by Capital Projects Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## **INTERNAL SERVICE FUNDS**

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

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

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

**CITY OF HARTFORD, CONNECTICUT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2025  
(IN THOUSANDS)**

	Workers' Compensation	Liability and Property Damage	Metro Hartford Information Services	Retirees	Actives	Total
<b>ASSETS</b>						
Current Assets:						
Cash and Cash Equivalents	\$ 4,490	\$ 578	\$ 1,489	\$ 121	\$ 5,742	\$ 12,420
Accounts Receivable, Net	-	-	-	2,013	224	2,237
Total Assets	<u>4,490</u>	<u>578</u>	<u>1,489</u>	<u>2,134</u>	<u>5,966</u>	<u>14,657</u>
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable and Accrued Liabilities	400	296	464	492	1,373	3,025
Insurance Claims Payable	14,197	1,000	-	-	-	15,197
Claims Incurred but Not Reported	-	-	-	1,238	4,530	5,768
Total Current Liabilities	<u>14,597</u>	<u>1,296</u>	<u>464</u>	<u>1,730</u>	<u>5,903</u>	<u>23,990</u>
Noncurrent Liabilities:						
Claims Incurred but Not Reported	<u>12,095</u>	<u>3,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,495</u>
Total Liabilities	<u>26,692</u>	<u>4,696</u>	<u>464</u>	<u>1,730</u>	<u>5,903</u>	<u>39,485</u>
<b>NET POSITION</b>						
Unrestricted	<u>\$ (22,202)</u>	<u>\$ (4,118)</u>	<u>\$ 1,025</u>	<u>\$ 404</u>	<u>\$ 63</u>	<u>\$ (24,828)</u>

**CITY OF HARTFORD, CONNECTICUT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Workers' Compensation	Liability and Property Damage	Metro Hartford Information Services	Retirees	Actives	Total
<b>OPERATING REVENUES</b>						
Charges for Services - Employer	\$ 8,976	\$ 2,148	\$ 9,531	\$ 215	\$ 58,525	\$ 79,395
Charges for Services - Employees	-	-	-	5,562	13,577	19,139
Other	-	1	-	2,228	3,969	6,198
Total Operating Revenues	<u>8,976</u>	<u>2,149</u>	<u>9,531</u>	<u>8,005</u>	<u>76,071</u>	<u>104,732</u>
<b>OPERATING EXPENSES</b>						
Administrative	4	1,213	-	1,010	6,156	8,383
Operations	-	-	9,235	801	-	10,036
Insurance Benefits and Claims	9,092	734	-	7,070	73,165	90,061
Total Operating Expenses	<u>9,096</u>	<u>1,947</u>	<u>9,235</u>	<u>8,881</u>	<u>79,321</u>	<u>108,480</u>
<b>INCOME (LOSS) FROM OPERATIONS</b>	(120)	202	296	(876)	(3,250)	(3,748)
<b>TRANSFERS</b>						
Transfers In	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-
Total Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	(120)	202	296	(876)	(3,250)	(3,748)
Net Position - Beginning of Year	<u>(22,082)</u>	<u>(4,320)</u>	<u>729</u>	<u>1,280</u>	<u>3,313</u>	<u>(21,080)</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ (22,202)</u>	<u>\$ (4,118)</u>	<u>\$ 1,025</u>	<u>\$ 404</u>	<u>\$ 63</u>	<u>\$ (24,828)</u>

**CITY OF HARTFORD, CONNECTICUT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Workers' Compensation	Liability and Property Damage	Metro Hartford Information Services	Retirees	Actives	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
City's Contribution	\$ 8,976	\$ 2,148	\$ 9,531	\$ 215	\$ 58,525	\$ 79,395
Cash Received from Other	-	1	-	1,588	4,130	5,719
Cash Received from Users	-	-	-	5,562	13,577	19,139
Cash Payments for Claims and Operations	(8,731)	(2,334)	(9,261)	(8,908)	(79,800)	(109,034)
Net Cash Provided (Used) by Operating Activities	<u>245</u>	<u>(185)</u>	<u>270</u>	<u>(1,543)</u>	<u>(3,568)</u>	<u>(4,781)</u>
<b>NET CHANGE IN CASH</b>	245	(185)	270	(1,543)	(3,568)	(4,781)
Cash and Cash Equivalents - Beginning of Year	<u>4,245</u>	<u>763</u>	<u>1,219</u>	<u>1,664</u>	<u>9,310</u>	<u>17,201</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 4,490</u></u>	<u><u>\$ 578</u></u>	<u><u>\$ 1,489</u></u>	<u><u>\$ 121</u></u>	<u><u>\$ 5,742</u></u>	<u><u>\$ 12,420</u></u>
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>						
Income (Loss) from Operations	\$ (120)	\$ 202	\$ 296	\$ (876)	\$ (3,250)	\$ (3,748)
Adjustments to Reconcile Income (Loss) from Operations to Net Cash Provided (Used) by Operating Activities:						
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	-	-	-	(640)	161	(479)
Increase (Decrease) in Accounts Payable	245	(187)	(26)	(102)	(627)	(697)
Increase (Decrease) in Claims Payable	120	(200)	-	75	148	143
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 245</u></u>	<u><u>\$ (185)</u></u>	<u><u>\$ 270</u></u>	<u><u>\$ (1,543)</u></u>	<u><u>\$ (3,568)</u></u>	<u><u>\$ (4,781)</u></u>

**FIDUCIARY TRUST FUNDS**

## **FIDUCIARY TRUST FUNDS**

### **PENSION AND OTHER POSTEMPLOYMENT BENEFITS TRUST FUNDS**

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

**CITY OF HARTFORD, CONNECTICUT  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
TRUST FUNDS  
JUNE 30, 2025  
(IN THOUSANDS)**

	Pension Trust Funds					Total
	Municipal Employees' Retirement Fund	Retirement Allowance Fund	Fireman's Relief Fund	Police Benevolent Fund	OPEB Trust Fund	
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 43,301	\$ -	\$ -	\$ -	\$ 4,234	\$ 47,535
Investments, at Fair Value:						
U.S. Government Agencies	16,109	-	-	-	-	16,109
U.S. Government Securities	20,848	-	-	-	-	20,848
Corporate Bonds	62,781	-	-	-	-	62,781
Foreign Bonds	541	-	-	-	-	541
Municipal Bonds	1,446	-	-	-	-	1,446
Mutual Funds	-	-	-	-	18,589	18,589
Alternative Investments	390,951	-	-	-	-	390,951
Common and Collective Trusts	318,022	-	-	-	-	318,022
Land	5,000	-	-	-	-	5,000
Real Estate Funds	66,344	-	-	-	-	66,344
Equities	254,178	-	-	-	8,573	262,751
Total Investments	1,136,220	-	-	-	27,162	1,163,382
Receivables:						
Accounts Receivable	4,348	-	-	-	-	4,348
Total Receivables	4,348	-	-	-	-	4,348
Total Assets	1,183,869	-	-	-	31,396	1,215,265
<b>LIABILITIES</b>						
Accounts Payable and Accrued Liabilities	5,013	-	-	-	2,017	7,030
<b>NET POSITION</b>						
Restricted for Pension and OPEB Benefits	\$ 1,178,856	\$ -	\$ -	\$ -	\$ 29,379	\$ 1,208,235

**CITY OF HARTFORD, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FIDUCIARY NET POSITION  
TRUST FUNDS  
YEAR ENDED JUNE 30, 2025  
(IN THOUSANDS)**

	Pension Trust Funds					Total
	Municipal Employees Retirement Fund	Retirement Allowance Fund	Fireman's Relief Fund	Police Benevolent Fund	OPEB Trust Fund	
<b>ADDITIONS</b>						
Contributions:						
Employer	\$ 55,044	\$ 5	\$ 17	\$ 95	\$ 17,569	\$ 72,730
Plan Members	16,415	-	-	-	272	16,687
Other Revenue	39	-	-	-	-	39
Total Contributions and Other Revenue	<u>71,498</u>	<u>5</u>	<u>17</u>	<u>95</u>	<u>17,841</u>	<u>89,456</u>
Investment Earnings:						
Net Increase in Fair Value of Investments	98,128	-	-	-	2,281	100,409
Interest and Dividends	19,237	-	-	-	800	20,037
Total Investment Earnings	<u>117,365</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,081</u>	<u>120,446</u>
Less Investment Expenses:						
Investment Management Fees	12,819	-	-	-	9	12,828
Net Investment Income	<u>104,546</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,072</u>	<u>107,618</u>
Total Additions	176,044	5	17	95	20,913	197,074
<b>DEDUCTIONS</b>						
Benefits	118,776	5	17	95	19,560	138,453
Administration	2,669	-	-	-	162	2,831
Total Deductions	<u>121,445</u>	<u>5</u>	<u>17</u>	<u>95</u>	<u>19,722</u>	<u>141,284</u>
<b>INCOME BEFORE TRANSFERS</b>	<u>54,599</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,191</u>	<u>55,790</u>
<b>CHANGE IN NET POSITION</b>	54,599	-	-	-	1,191	55,790
Net Position - Beginning of Year	<u>1,124,257</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,188</u>	<u>1,152,445</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 1,178,856</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,379</u>	<u>\$ 1,208,235</u>

## **CUSTODIAL FUNDS**

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

The City collects funds in a custodial capacity through tax collection for Park Street Special District Fund, Columbia District Fund, and Downtown Business District Fund.

**CITY OF HARTFORD, CONNECTICUT**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**

	Park Street Special District Fund	Downtown Business District Fund	Columbia District Fund	Total
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
<b>LIABILITIES</b>				
Due to Other Governments	-	-	-	-
<b>NET POSITION</b>				
Restricted for Other Governments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF HARTFORD, CONNECTICUT**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FIDUCIARY NET**  
**POSITION**  
**CUSTODIAL FUNDS**  
**YEAR ENDED JUNE 30, 2025**  
**(IN THOUSANDS)**

	Park Street Special District Fund	Downtown Business District Fund	Columbia District Fund	Total
<b>ADDITIONS</b>				
Property Tax Collections for Other Governments	\$ 93	\$ 802	\$ 18	\$ 913
<b>DEDUCTIONS</b>				
Payments of Property Taxes to Other Governments	93	802	18	913
<b>CHANGE IN NET POSITION</b>	-	-	-	-
Net Position - Beginning of Year	-	-	-	-
<b>NET POSITION - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATISTICAL SECTION**

## STATISTICAL SECTION INFORMATION

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

Statistical section information is presented in the following categories:

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

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

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

**CITY OF HARTFORD, CONNECTICUT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities:										
Net Investment in Capital Assets	\$ 1,558,457	\$ 1,438,838	\$ 1,327,948	\$ 1,291,944	\$ 1,241,108	\$ 1,158,555	\$ 1,007,839	\$ 933,475	\$ 903,318	\$ 898,847
Restricted	132,918	122,855	105,843	104,012	106,199	40,124	67,554	81,961	79,842	73,285
Unrestricted	(613,874)	(649,695)	(692,231)	(700,817)	(711,968)	(639,593)	(642,000)	(629,525)	(380,721)	(317,247)
Total Governmental Activities Net Position	<u>\$ 1,077,501</u>	<u>\$ 911,998</u>	<u>\$ 741,560</u>	<u>\$ 695,139</u>	<u>\$ 635,339</u>	<u>\$ 559,086</u>	<u>\$ 433,393</u>	<u>\$ 385,911</u>	<u>\$ 602,439</u>	<u>\$ 654,885</u>
Business-Type Activities:										
Net Investment in Capital Assets	\$ 15,965	\$ 16,150	\$ 16,260	\$ 16,591	\$ 17,130	\$ 17,769	\$ 18,375	\$ 18,815	\$ 15,792	\$ 15,923
Unrestricted	2,703	2,629	2,981	2,279	1,842	1,214	1,131	819	(953)	(1,552)
Total Business-Type Activities Net Position	<u>\$ 18,668</u>	<u>\$ 18,779</u>	<u>\$ 19,241</u>	<u>\$ 18,870</u>	<u>\$ 18,972</u>	<u>\$ 18,983</u>	<u>\$ 19,506</u>	<u>\$ 19,634</u>	<u>\$ 14,839</u>	<u>\$ 14,371</u>
Primary Government:										
Net Investment in Capital Assets	\$ 1,574,422	\$ 1,454,988	\$ 1,344,208	\$ 1,308,535	\$ 1,258,238	\$ 1,176,324	\$ 1,026,214	\$ 952,290	\$ 919,110	\$ 914,770
Restricted	132,918	122,855	105,843	104,012	106,199	40,124	67,554	81,961	79,842	73,285
Unrestricted	(611,171)	(647,066)	(689,250)	(698,538)	(710,126)	(638,379)	(640,869)	(628,706)	(381,674)	(318,799)
Total Primary Government Net Position	<u>\$ 1,096,169</u>	<u>\$ 930,777</u>	<u>\$ 760,801</u>	<u>\$ 714,009</u>	<u>\$ 654,311</u>	<u>\$ 578,069</u>	<u>\$ 452,899</u>	<u>\$ 405,545</u>	<u>\$ 617,278</u>	<u>\$ 669,256</u>

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

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>EXPENSES</b>										
Governmental Activities:										
General Government	\$ 147,238	\$ 157,708	\$ 195,904	\$ 187,195	\$ 162,805	\$ 156,557	\$ 199,352	\$ 127,405	\$ 106,179	\$ 101,834
Public Safety	100,379	97,379	105,822	100,698	109,800	103,228	104,077	72,492	110,468	118,433
Public Works	45,233	43,640	35,254	44,023	32,006	33,310	45,617	35,350	42,650	70,219
Development and Community Affairs	25,488	30,458	46,414	17,687	12,173	12,845	12,459	12,471	56,504	58,474
Human Services	95,248	103,693	95,573	75,391	66,840	64,917	59,678	61,015	30,581	31,142
Education	495,555	537,310	513,630	485,354	454,754	438,226	449,116	443,410	558,270	571,999
Recreation and Culture	33,737	36,554	30,502	25,862	21,999	21,402	21,757	22,677	10,113	11,858
Interest on Long-Term Debt	2,590	9,937	15,260	17,646	18,579	20,532	25,258	24,218	18,733	41,613
Total Governmental Activities Expenses	<u>945,468</u>	<u>1,016,679</u>	<u>1,038,359</u>	<u>953,856</u>	<u>878,956</u>	<u>851,017</u>	<u>917,314</u>	<u>799,038</u>	<u>933,498</u>	<u>1,005,572</u>
Business-Type Activities:										
Hartford Parking Facilities	569	994	714	590	658	816	955	822	933	998
Golf Course	2,529	2,411	2,328	2,131	2,389	2,429	2,102	2,284	1,841	1,810
Stadium Authority	4,652	4,584	4,736	4,628	4,731	4,742	4,817	1,730	2,153	332
Total Business-Type Activities Expenses	<u>7,750</u>	<u>7,989</u>	<u>7,778</u>	<u>7,349</u>	<u>7,778</u>	<u>7,987</u>	<u>7,874</u>	<u>4,836</u>	<u>4,927</u>	<u>3,140</u>
Total Primary Government Expenses	<u>\$ 953,218</u>	<u>\$ 1,024,668</u>	<u>\$ 1,046,137</u>	<u>\$ 961,205</u>	<u>\$ 886,734</u>	<u>\$ 859,004</u>	<u>\$ 925,188</u>	<u>\$ 803,874</u>	<u>\$ 938,425</u>	<u>\$ 1,008,712</u>
<b>PROGRAM REVENUES</b>										
Governmental Activities:										
Charges for Services:										
General Government	\$ 1,938	\$ 1,561	\$ 1,471	\$ 1,458	\$ 1,706	\$ 1,536	\$ 1,772	\$ 1,827	\$ 5,567	\$ 7,568
Public Safety	7,769	7,732	6,431	5,898	8,532	8,643	8,513	7,097	2,601	2,977
Public Works	425	408	376	342	190	171	187	195	7,157	9,353
Development and Community Affairs	11,223	16,271	10,628	7,937	10,539	4,222	7,107	9,066	-	-
Human Services	319	234	316	305	229	183	344	464	56	2,941
Education	1,763	597	971	176	139	305	402	693	4,435	4,293
Recreation and Culture	2,151	2,326	2,217	2,245	2,152	1,767	1,523	1,565	1,844	130
Operating Grants and Contributions:										
General Government	7,603	11,345	26,540	39,707	10,926	5,426	2,021	5,291	7,595	18,618
Public Safety	2,755	3,501	5,210	3,784	5,537	8,498	10,531	5,837	6,626	12,820
Public Works	454	-	-	-	-	603	-	-	1,212	1,568
Development and Community Affairs	79,757	87,497	74,512	65,403	54,759	53,107	52,106	51,401	50,403	55,324
Human Services	16,153	19,595	18,995	18,176	15,030	13,563	10,370	11,629	22,994	21,546
Education	22,317	24,459	25,704	18,014	14,044	15,004	13,827	14,530	398,812	394,426
Recreation and Culture	357,004	452,375	406,281	395,917	356,426	351,131	374,178	301,130	1,861	1,592
Capital Grants and Contributions:										
Public Safety	-	374	823	3	344	3,371	-	-	-	-
Public Works	7,851	14,123	14,893	11,149	9,584	12,043	1,499	17,291	11,452	8,169
Development and Community Affairs	-	-	-	-	-	-	-	247	-	-
Education	110,474	55,304	11,559	12,718	25,170	106,131	64,375	22,744	8,049	28,339
Total Governmental Activities	<u>629,956</u>	<u>697,702</u>	<u>606,927</u>	<u>583,232</u>	<u>515,307</u>	<u>585,704</u>	<u>548,755</u>	<u>451,007</u>	<u>530,664</u>	<u>569,664</u>

**TABLE 2  
(CONTINUED)**

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

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>PROGRAM REVENUES (CONTINUED)</b>										
Business-Type Activities:										
Charges for Services:										
Parking Facilities	\$ 2,588	\$ 3,024	\$ 3,082	\$ 2,680	\$ 2,390	\$ 3,123	\$ 4,109	\$ 3,579	\$ 2,744	\$ 2,561
Golf Course	2,331	2,124	2,134	1,784	2,356	1,894	1,535	6,288	2,220	1,453
Stadium Authority	1,227	1,183	1,166	1,138	950	792	909	1,367	-	-
Total Business-Type Activities										
Program Revenues	6,146	6,331	6,382	5,602	5,696	5,809	6,553	11,234	4,964	4,014
Total Primary Government										
Program Revenues	636,102	704,033	613,309	588,834	521,003	591,513	555,308	462,241	535,628	573,678
Net Revenues (Expenses):										
Governmental Activities	(315,512)	(318,977)	(431,432)	(370,624)	(363,649)	(265,313)	(368,559)	(348,031)	(402,834)	(435,908)
Business-Type Activities	(1,604)	(1,658)	(1,396)	(1,747)	(2,082)	(2,178)	(1,321)	6,398	37	874
Total Primary Government										
Net Expense	<u>\$ (317,116)</u>	<u>\$ (320,635)</u>	<u>\$ (432,828)</u>	<u>\$ (372,371)</u>	<u>\$ (365,731)</u>	<u>\$ (267,491)</u>	<u>\$ (369,880)</u>	<u>\$ (341,633)</u>	<u>\$ (402,797)</u>	<u>\$ (435,034)</u>
<b>GENERAL REVENUES AND OTHER</b>										
Changes in Net Position:										
Governmental Activities:										
Property Taxes	\$ 306,897	\$ 309,363	\$ 310,908	\$ 289,609	\$ 295,201	\$ 285,052	\$ 285,346	\$ 292,067	\$ 267,921	\$ 269,989
Grants and Contributions Not										
Restricted to Specific Programs	158,052	163,094	153,101	141,576	121,640	111,748	114,353	98,102	75,852	50,758
Unrestricted Investment Earnings	14,611	14,696	12,457	(1,776)	10,680	3,235	5,469	4,136	6,854	847
Other General Revenues	2,904	3,412	3,107	2,611	13,523	(7,429)	12,003	10,861	115	109
Transfers	(1,449)	(1,150)	(1,720)	(1,596)	(2,016)	(1,600)	(1,130)	(1,574)	(354)	1,308
Total Governmental Activities	481,015	489,415	477,853	430,424	439,028	391,006	416,041	403,592	350,388	323,011
Business-Type Activities:										
Unrestricted Investment Earnings	44	46	47	49	50	55	63	(3,177)	61	66
Other General Revenues	-	-	-	-	5	-	-	-	16	-
Transfers	1,449	1,150	1,720	1,596	2,016	1,600	1,130	1,574	354	(1,308)
Special Item - Net Loss on Sale of Property	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	1,493	1,196	1,767	1,645	2,071	1,655	1,193	(1,603)	431	(1,242)
Total Primary Government										
General Revenues	<u>\$ 482,508</u>	<u>\$ 490,611</u>	<u>\$ 479,620</u>	<u>\$ 432,069</u>	<u>\$ 441,099</u>	<u>\$ 392,661</u>	<u>\$ 417,234</u>	<u>\$ 401,989</u>	<u>\$ 350,819</u>	<u>\$ 321,769</u>
<b>CHANGE IN NET POSITION</b>										
Governmental Activities	\$ 165,503	\$ 170,438	\$ 46,421	\$ 59,800	\$ 75,379	\$ 125,693	\$ 47,482	\$ 55,561	\$ (52,446)	\$ (112,897)
Business-Type Activities	(111)	(462)	371	(102)	(11)	(523)	(128)	4,795	468	(368)
Total Primary Government	<u>\$ 165,392</u>	<u>\$ 169,976</u>	<u>\$ 46,792</u>	<u>\$ 59,698</u>	<u>\$ 75,368</u>	<u>\$ 125,170</u>	<u>\$ 47,354</u>	<u>\$ 60,356</u>	<u>\$ (51,978)</u>	<u>\$ (113,265)</u>

**CITY OF HARTFORD, CONNECTICUT  
FUND BALANCES – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund:										
Committed	\$ 741	\$ 741	\$ 5,680	\$ 5,680	\$ 5,680	\$ 5,680	\$ 2,933	\$ -	\$ -	\$ -
Assigned	24,880	29,380	17,300	-	-	5,262	-	-	583	8,663
Unassigned	48,332	43,323	36,403	33,045	26,166	18,880	9,652	4,884	4,510	5,468
Total General Fund	<u>\$ 73,953</u>	<u>\$ 73,444</u>	<u>\$ 59,383</u>	<u>\$ 38,725</u>	<u>\$ 31,846</u>	<u>\$ 29,822</u>	<u>\$ 12,585</u>	<u>\$ 4,884</u>	<u>\$ 5,093</u>	<u>\$ 14,131</u>
All Other Governmental Funds:										
Nonspendable	\$ 8,801	\$ 8,982	\$ 8,966	\$ 9,034	\$ 8,816	\$ 9,090	\$ 8,798	\$ 8,822	\$ 8,882	\$ 8,970
Restricted	131,181	97,342	123,121	95,654	60,350	47,782	69,619	82,880	103,321	165,287
Committed	8,046	10,063	6,085	30,945	17,763	8,408	11,479	3,135	2,150	1,867
Assigned	-	-	-	-	-	1,008	830	603	-	8,663
Unassigned	(61,701)	(14,158)	(1,695)	(660)	(230)	(3,977)	(307)	(3,220)	(10,669)	(775)
Total All Other Governmental Funds	<u>\$ 86,327</u>	<u>\$ 102,229</u>	<u>\$ 136,477</u>	<u>\$ 134,973</u>	<u>\$ 86,699</u>	<u>\$ 62,311</u>	<u>\$ 90,419</u>	<u>\$ 92,220</u>	<u>\$ 103,684</u>	<u>\$ 184,012</u>
Total Governmental Funds	<u>\$ 160,280</u>	<u>\$ 175,673</u>	<u>\$ 195,860</u>	<u>\$ 173,698</u>	<u>\$ 118,545</u>	<u>\$ 92,133</u>	<u>\$ 103,004</u>	<u>\$ 97,104</u>	<u>\$ 108,777</u>	<u>\$ 198,143</u>

TABLE 4

**CITY OF HARTFORD, CONNECTICUT**  
**REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**  
**(UNAUDITED)**

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>REVENUES</b>										
Property Taxes, Interest, and Liens, Net	\$ 308,537	\$ 310,348	\$ 307,851	\$ 297,771	\$ 299,217	\$ 280,410	\$ 278,967	\$ 283,758	\$ 260,363	\$ 266,870
Licenses, Permits, and Other Charges	9,229	13,364	10,466	6,419	8,459	6,579	6,630	6,218	5,376	7,613
Intergovernmental	830,895	843,728	770,973	744,282	643,409	697,761	655,506	596,632	579,357	566,745
Charges for Services	14,470	12,715	11,197	10,408	12,867	12,593	12,722	11,267	13,013	12,902
Use of Property	1,085	904	805	413	694	943	1,153	979	1,925	2,265
Investment Income (Loss)	14,684	15,142	13,044	(1,627)	10,835	3,397	5,637	4,305	6,840	847
Miscellaneous	2,707	3,411	3,029	2,545	13,646	11,973	11,972	10,708	18,325	18,380
<b>Total Revenues</b>	<b>1,181,607</b>	<b>1,199,612</b>	<b>1,117,365</b>	<b>1,060,211</b>	<b>989,127</b>	<b>1,013,656</b>	<b>972,587</b>	<b>913,867</b>	<b>885,199</b>	<b>875,622</b>
<b>EXPENDITURES</b>										
Current:										
General Government	30,931	31,179	32,454	41,448	16,457	14,336	13,913	14,047	22,574	41,938
Public Safety	105,150	104,146	99,667	98,253	93,484	92,575	89,959	92,543	88,067	93,837
Public Works	23,028	22,355	18,586	18,353	17,679	14,193	13,179	12,236	32,342	32,905
Development and Community Affairs	24,521	30,841	46,946	16,142	12,834	11,660	11,128	11,106	55,131	56,617
Human Services	95,313	103,703	95,618	75,738	66,913	65,112	59,832	61,113	29,523	29,585
Education	523,544	570,040	546,353	513,696	479,934	471,435	479,187	470,686	496,259	482,112
Recreation and Culture	34,262	36,551	30,031	25,851	21,710	21,280	21,553	22,155	9,901	11,701
Benefits and Insurance	109,871	81,910	72,936	70,963	88,895	81,326	87,260	93,366	78,172	81,255
Other	49,407	50,815	40,923	37,265	33,294	30,668	33,525	31,286	33,121	29,969
Capital Outlay	145,803	136,268	55,278	46,258	72,009	153,375	91,686	46,650	21,916	93,477
Debit Service:										
Principal Retirement	160,010	34,111	172,465	37,726	34,829	41,258	33,998	32,276	76,341	35,891
Interest	(105,352)	16,730	(115,923)	21,769	23,535	25,709	30,337	36,502	19,488	41,613
<b>Total Expenditures</b>	<b>1,196,488</b>	<b>1,218,649</b>	<b>1,095,334</b>	<b>1,003,462</b>	<b>961,573</b>	<b>1,022,927</b>	<b>965,557</b>	<b>923,966</b>	<b>962,835</b>	<b>1,030,900</b>
<b>SURPLUS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(14,881)</b>	<b>(19,037)</b>	<b>22,031</b>	<b>56,749</b>	<b>27,554</b>	<b>(9,271)</b>	<b>7,030</b>	<b>(10,099)</b>	<b>(77,636)</b>	<b>(155,278)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in from Other Funds	111,880	123,128	131,039	183,336	122,278	90,676	96,261	73,881	40,499	22,279
Transfers Out to Other Funds	(113,329)	(124,278)	(132,759)	(184,932)	(124,294)	(92,276)	(97,391)	(75,455)	(40,853)	(20,971)
Leases	-	-	789	-	-	-	-	-	2,634	5,917
Payment to Refunded Bond Escrow Agent	(123,711)	-	(137,784)	-	-	-	-	-	-	(27,653)
Bonds Issued	-	-	-	-	-	-	-	-	-	203,010
Refunding Bonds Issued	116,595	-	124,950	-	-	-	-	-	-	24,596
Bond Premium	-	-	-	-	-	-	-	-	-	19,358
Refunding Premium	8,053	-	13,896	-	-	-	-	-	-	-
BANS	-	-	-	-	-	-	-	-	-	(50,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(512)</b>	<b>(1,150)</b>	<b>131</b>	<b>(1,596)</b>	<b>(2,016)</b>	<b>(1,600)</b>	<b>(1,130)</b>	<b>(1,574)</b>	<b>2,280</b>	<b>176,536</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (15,393)</b>	<b>\$ (20,187)</b>	<b>\$ 22,162</b>	<b>\$ 55,153</b>	<b>\$ 25,538</b>	<b>\$ (10,871)</b>	<b>\$ 5,900</b>	<b>\$ (11,673)</b>	<b>\$ (75,356)</b>	<b>\$ 21,258</b>
Debt Service as a Percentage to Noncapital Expenditures	5.13%	4.73%	5.42%	6.19%	6.55%	7.81%	7.54%	7.77%	10.33%	8.26%

**CITY OF HARTFORD, CONNECTICUT  
 ASSESSED VALUE AND ESTIMATED ACTUAL OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 (IN THOUSANDS)  
 (UNAUDITED)**

Fiscal Year	Grand List Year	Land and Buildings	Personal Property	Motor Vehicle	Gross Taxable Grand List	Less Tax Exempt Property	Net Taxable Grand List	Total Direct Tax Rate (in mils)	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2025	2023	\$ 8,344,651	\$ 934,444	\$ 505,205	\$ 9,784,300	\$ 4,964,478	\$ 4,819,822	68.95 and 32.46	\$ 8,575,638	56.20%
2024	2022	8,427,612	913,469	542,043	9,883,124	4,917,436	4,965,688	68.95 and 32.46	8,719,147	(1)
2023	2021	8,403,176	844,866	488,338	9,736,380	4,939,198	4,797,182	68.95 and 32.46	8,542,604	(1)
2022	2020	7,072,867	836,131	378,953	8,287,951	4,142,711	4,145,240	68.95 and 45.00	7,249,752	(1)
2021	2019	7,042,012	803,564	359,307	8,204,883	4,146,935	4,057,948	74.29 and 45.00	7,223,797	(1)
2020	2018	7,082,967	753,638	346,519	8,183,124	4,152,825	4,030,299	74.29 and 45.00	7,186,704	(1)
2019	2017	7,219,553	743,698	330,709	8,293,960	4,215,755	4,078,205	74.29 and 45.00	7,136,364	(1)
2018	2016	7,048,936	754,836	316,839	8,120,611	4,047,467	4,073,144	74.29 and 45.00	7,150,314	(1)
2017	2015	6,440,703	741,215	307,830	7,489,748	3,787,843	3,701,905	74.29	6,691,444	(1)
2016	2014	6,352,555	732,125	298,349	7,383,029	3,759,957	3,623,072	74.29	6,664,914	(1)

Source: City of Hartford, Assessor's Office

Note:

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

**CITY OF HARTFORD, CONNECTICUT  
PRINCIPAL TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(IN THOUSANDS)  
(UNAUDITED)**

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Eversource Energy Co. (formerly CLP)	\$ 242,492	1	5.00 %	\$ 166,181	1	5.00 %
Travelers Indemnity Co. & Standard Fire Ins.	147,806	2	3.10	119,991	3	3.00
Hartford Fire Ins. & Twin City Ins.	110,193	3	2.30	125,000	2	3.00
Aetna Life Ins. Co.	102,698	4	2.10	108,230	4	3.00
Shelburne Entities	79,638	5	1.70			
RP Asylum LLC	53,997	6	1.10			
Talcott II Gold LLC	48,901	7	1.00	45,398	6	1.00
Constitution Plaza Holding LLC	47,484	8	1.00			
Hartford Hospital	45,334	9	0.90	34,853	8	1.00
LS Gold, LLC	39,182	10	0.80			
HUB Properties	-		-	48,978	5	1.00
Mac-State Square LLC				44,450	7	1.00
Conn Natural Gas	-		-	33,439	9	1.00
FGA Trumbull, LLC	-		-	32,592	10	1.00
<b>Total</b>	<b>\$ 917,725</b>		<b>19.00 %</b>	<b>\$ 759,112</b>		<b>20.00 %</b>

Source: City of Hartford Assessor's Office

**CITY OF HARTFORD, CONNECTICUT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

Fiscal Year Ended June 30	Grand List Year (1)	Adjusted Net Taxable Grand List	Mill Rates	Original Tax Levy	Adjusted Tax Levy	Collected Within the Fiscal Year of the Levy		Tax Collections in Subsequent Years	Total Collections To Date	
						Tax Collections First Year of Levy	Percentage of Adjusted Levy (2)		Total Collections to Date (4)	Percentage of Adjusted Levy (3)
2025	2023	\$ 4,815,992	68.95 and 32.46	\$ 314,048	\$ 305,745	\$ 295,733	96.73 %	\$ 5,908	\$ 301,641	98.66 %
2024	2022	4,954,044	68.95 and 32.46	318,827	308,095	294,058	95.44	10,010	304,068	98.69
2023	2021	4,843,500	68.95 and 32.46	313,146	307,510	292,363	95.07	4,528	296,892	96.55
2022	2020	4,214,077	68.95 and 45.00	299,459	293,764	282,280	96.09	10,757	293,037	99.75
2021	2019	4,109,294	74.29 and 45.00	292,708	287,960	276,963	96.18	11,931	288,894	100.32
2020	2018	4,109,294	74.29 and 45.00	292,708	284,124	270,217	95.11	4,181	274,398	96.58
2019	2017	4,106,248	74.29 and 45.00	293,266	279,414	268,369	96.05	4,586	272,955	97.69
2018	2016	4,133,801	74.29 and 45.00	292,215	282,465	270,517	95.77	5,787	276,304	97.82
2017	2015	3,748,677	74.29	264,387	257,563	247,432	96.07	5,238	252,670	98.10
2016	2014	3,623,072	74.29	271,647	262,887	253,206	96.32	5,595	258,801	98.45

Source: City of Hartford Tax Collector's Office, Nancy Raich, CCMC Acting Tax Collector, Audited Tax Collector Reports

- Notes:
- (1) Taxes are collectible in the year after they are levied.
  - (2) Percentage of adjusted levy - amounts for prior years was recalculated using adjusted levy.
  - (3) Includes collections of tax written off.
  - (4) Tax Collections are taxes only.

**CITY OF HARTFORD, CONNECTICUT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

Fiscal Year	Governmental Activities					Business Type Activities							
	General Obligation Bonds (1)	Loans and Notes Payable	Capital Leases	Lease Liability	Total Outstanding Debt Governmental Activities	Ratio of Total Net from Gov Activities Bonded Debt to Taxable Grand List	Ratio of Total Net General Bonded Debt for Gov Activities per Capita	Hartford Parking Facilities (2)	Debt Payable from Enterprise Revenues (3)	Total Outstanding Debt Business Type Activities	Ratio of Total Net from Gov Activities Bonded Debt to Taxable Grand List	Ratio of Total Net General Bonded Debt for Gov Activities per Capita	Percentage of Personal Income
2025	324,696	3,936		3,852	332,484	6.90%	2.78	1,001	54,015	55,016	1.14%	0.46	1.00
2024	374,134	4,431		5,317	383,882	7.75%	3.21	1,116	56,069	57,185	1.15%	0.48	1.37
2023	412,249	4,924		6,948	424,121	8.76%	3.51	1,338	58,055	59,393	1.23%	0.49	1.58
2022	463,869	5,640	-	7,502	477,011	11.32%	3.96	1,554	59,952	61,506	1.46%	0.51	1.70
2021	504,492	5,553	5,959	5,959	521,963	12.70%	4.31	1,651	61,765	63,416	1.54%	0.52	1.56
2020	542,381	6,004	2,479	2,479	553,343	13.58%	4.51	1,743	63,495	65,238	1.60%	0.53	1.90
2019	586,779	6,454	4,007	4,007	601,247	14.64%	4.88	1,830	65,146	66,976	1.63%	0.54	1.98
2018	623,785	6,901	5,664	5,664	642,014	15.53%	5.20	2,274	66,723	68,997	1.67%	0.56	2.15
2017	658,861	7,346	12,551	12,551	691,309	18.44%	5.61	2,688	68,232	70,920	1.89%	0.58	2.21
2016	748,070	8,005	7,444	7,444	770,963	21.28%	6.22	3,078	69,516	72,594	2.00%	0.59	2.37
2015	613,855	8,652	10,111		632,618	17.97%	5.07	3,970	63,372	67,342	1.91%	0.54	2.30
2014	549,987	8,932	7,879		566,798	16.27%	4.53	67,342	-	67,342	1.93%	0.54	2.29
2013	510,399	13,680	4,181		528,260	15.56%	4.23	23,876	-	23,876	0.70%	0.19	0.83

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

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

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

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

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

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

**CITY OF HARTFORD, CONNECTICUT**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**JUNE 30, 2025**  
**(IN THOUSANDS)**  
**(UNAUDITED)**

Total Fiscal Year 2024 Tax Collections (Taxes, Interest, and Fees)	\$ 310,298					
Tax Relief for the Elderly	370					
	<u>310,668</u>					
Base for Establishing Debt Limit	<u>\$ 310,668</u>					
	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit	Total
Debt Limitation by Purpose						
2-1/4 Times Base	\$ 699,003	\$ -	\$ -	\$ -	\$ -	\$ 699,003
4-1/2 Times Base	-	1,398,006	-	-	-	1,398,006
3-3/4 Times Base	-	-	1,165,005	-	-	1,165,005
3-1/4 Times Base	-	-	-	1,009,671	-	1,009,671
3 Times Base	-	-	-	-	932,004	932,004
Total Debt Limitation	<u>699,003</u>	<u>1,398,006</u>	<u>1,165,005</u>	<u>1,009,671</u>	<u>932,004</u>	<u>5,203,689</u>
Debt, as Defined by Statute:						
Bonds Payable	256,176	98,114	-	-	-	354,290
Bonds Authorized-Unissued	22,063	16,486	-	-	-	38,549
Serial Notes Payable	-	-	226	-	-	226
Overlapping Debt	-	-	216,363	-	-	216,363
Total Indebtedness	<u>278,239</u>	<u>114,600</u>	<u>216,589</u>	<u>-</u>	<u>-</u>	<u>609,428</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 420,764</u>	<u>\$ 1,283,406</u>	<u>\$ 948,416</u>	<u>\$ 1,009,671</u>	<u>\$ 932,004</u>	<u>\$ 4,594,261</u>

Note 1: In no case shall total indebtedness exceed seven times annual receipts from taxation.

\$ 2,174,676

**CITY OF HARTFORD, CONNECTICUT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Debt Limit	\$ 2,174,676	\$ 2,139,977	\$ 2,097,025	\$ 2,097,025	\$ 1,974,520	\$ 1,974,368	\$ 1,966,083	\$ 1,799,014	\$ 1,799,742	\$ 1,875,615
Total Net Debt Applicable to Limit	<u>609,428</u>	<u>663,348</u>	<u>699,720</u>	<u>667,921</u>	<u>784,560</u>	<u>832,435</u>	<u>958,949</u>	<u>1,181,014</u>	<u>846,864</u>	<u>859,443</u>
Legal Debt Margin	<u>\$ 1,565,248</u>	<u>\$ 1,476,629</u>	<u>\$ 1,397,305</u>	<u>\$ 1,429,104</u>	<u>\$ 1,189,960</u>	<u>\$ 1,141,933</u>	<u>\$ 1,007,134</u>	<u>\$ 618,000</u>	<u>\$ 952,878</u>	<u>\$ 1,016,172</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>28.02%</u>	<u>31.00%</u>	<u>33.37%</u>	<u>31.85%</u>	<u>39.73%</u>	<u>42.16%</u>	<u>48.77%</u>	<u>65.65%</u>	<u>47.05%</u>	<u>45.82%</u>

**CITY OF HARTFORD, CONNECTICUT  
STATEMENT OF DIRECT AND OVERLAPPING DEBT  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

Fiscal Year	Governmental Activities Total Debt Outstanding	MDC Bonded Debt	MDC Self Funded Debt	MDC Overlapping Debt All Participating Governments	City's Percentage Share of MDC Debt	City's Share of MDC Debt	City's Total Direct Debt	City's Total Overlapping Debt	City's Total Direct and Overlapping Debt	Ratio of Debt to Taxable Assessed Value	Debt per Capita
2025	\$ 332,484	\$ 1,565,436	\$ 734,359	\$ 831,078	26 %	\$ 216,496	\$ 332,484	\$ 216,496	\$ 548,980	11.39 %	\$ 4,591
2024	383,882	1,404,365	129,214	864,215	26	225,128	383,882	225,128	609,010	12.26	5,046
2023	437,123	1,376,440	652,278	862,267	26	226,173	437,123	226,173	663,296	13.83	5,496
2022	477,011	1,376,090	651,611	794,313	27	210,493	477,011	210,493	687,504	16.59	5,701
2021	504,492	1,286,621	587,726	866,704	26	221,703	504,492	221,703	726,195	18.83	6,304
2020	542,381	1,298,107	505,059	903,187	25	228,687	542,381	228,687	771,068	18.91	6,256
2019	586,779	1,260,606	495,342	922,227	26	236,736	586,779	236,736	823,515	20.20	6,684
2018	623,785	1,084,327	526,010	972,976	26	249,763	623,785	249,763	873,548	21.45	7,079
2017	658,861	1,041,026	523,917	949,066	26	249,699	658,861	249,699	908,560	24.54	7,372
2016	748,070	904,360	497,737	914,104	26	238,855	748,070	238,855	986,925	27.24	7,959

Notes:

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

**CITY OF HARTFORD, CONNECTICUT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN CALENDAR YEARS  
(UNAUDITED)**

Fiscal Year	Population (1)	School Enrollment (2)	Median Age (1)	Median Family Income (1)	Calendar Year	Labor Force		Percentage Unemployed (3)			
						Employed (3)	Unemployed (3)	City of Hartford	Hartford Labor Market Area (LMA)	State of Connecticut	United States (1)
2025	119,583	16,434	33.4	\$ 41,841	2024	52,987	3,827	6.7 %	3.9 %	3.8 %	4.5 %
2024	119,626	16,443	32.4	41,841	2023	51,745	3,004	5.8	3.7	3.8	3.6
2023	120,686	17,874	33.0	37,477	2022	49,527	3,464	6.5	4.2	4.2	3.8
2022	120,593	16,757	32.9	36,154	2021	48,966	3,144	6.0	4.9	5.0	4.9
2021	121,203	17,304	32.1	40,540	2020	45,341	5,695	11.2	7.8	6.1	5.2
2020	122,587	18,880	31.5	34,338	2019	48,165	7,554	13.6	7.3	7.8	7.9
2019	123,243	19,765	30.0	33,841	2018	50,467	3,707	11.0	6.8	3.6	3.7
2018	123,400	20,142	30.6	32,095	2017	50,082	3,462	6.9	3.8	4.4	4.0
2017	123,243	20,891	30.6	32,095	2016	48,474	5,046	9.4	5.1	5.1	4.7
2016	124,006	21,463	30.3	30,630	2015	48,459	5,537	10.3	6.0	5.5	5.3

(1) U.S. Department of Commerce, Bureau of Census.

(2) State Department of Education

(3) State of Connecticut, Department of Labor (Calendar Year).

**CITY OF HARTFORD, CONNECTICUT  
PRINCIPAL EMPLOYERS  
2025 AND 2016  
(UNAUDITED)**

Business Name	Nature of Business	2025		2016	
		Employees	Percentage of Total Town Employment	Employees	Percentage of Total Town Employment
Aetna Inc.	Insurance	1,000 - 4,999	2.05 %	1,000 - 4,999	2.06 %
Connecticut Children's Med Ctr	Hospitals	1,000 - 4,999	2.05	1,000 - 4,999	2.06
St. Francis Hospital Medical Ctr	Hospitals	1,000 - 4,999	2.05	1,000 - 4,999	2.06
State of Connecticut	Government Offices	5,000 - 9,999	10.24	5,000 - 9,999	10.32
Hartford Hospital	Hospitals	5,000 - 9,999	10.24	5,000 - 9,999	10.32
Hartford Financial Svc Group	Insurance	5,000 - 9,999	10.24	5,000 - 9,999	10.32
Travelers Indemnity Co	Insurance	1,000 - 4,999	2.05	1,000 - 4,999	2.06
Institute of Living	Mental Health Services	1,000 - 4,999	2.05	1,000 - 4,999	2.06
Cib/Neat	Restaurants	1,000 - 4,999	2.05	1,000 - 4,999	2.06
The City of Hartford	Government Offices	1,000 - 4,999	2.05	1,000 - 4,999	2.06
Lincoln Waste Solutions	Waste Reduction	1,000 - 4,999	2.05	1,000 - 4,999	2.06

Source: Connecticut Department of Labor  
US Department of Census

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>City Department (General Fund Only):</b>										
Mayor's Office	8	8	8	8	7	11	11	11	7	8
Court of Common Council	7	9	9	9	7	7	7	7	9	10
Treasurer	9	9	9	9	9	9	9	9	9	10
Registrars of Voters	7	7	7	7	7	7	6	6	6	6
Corporation Counsel	15	15	15	15	16	16	17	16	16	19
Town & City Clerk	12	12	11	11	10	10	11	11	11	13
Internal Audit	5	5	5	5	5	5	5	5	5	5
Office of Chief Operating Officer*	16	16	17	17	14	6	6	6	4	14
Communications & New Media*	-	-	-	-	-	-	-	-	3	7
Metro Hartford Information System	20	19	18	17	14	14	14	14	17	21
Finance	48	48	46	45	44	45	46	46	46	44
Human Resources	17	16	16	16	14	13	13	13	13	17
Office of Management, Budget & Grants	12	12	13	13	13	13	11	8	9	8
Fire	375	375	370	366	365	368	362	372	340	361
Police	527	517	515	512	507	537	540	529	523	521
Emergency Services & Telecommunications	57	57	52	51	51	49	49	49	51	52
Public Works	234	232	217	211	206	197	185	178	177	207
Development Services	70	66	63	61	56	52	54	42	42	49
Health & Human Services	39	38	37	37	34	33	31	28	26	39
Sports and Recreation	8									
Families, Children, Youth and Recreation*	10	14	15	15	12	11	11	11	12	18
<b>Total</b>	<b>1,496</b>	<b>1,475</b>	<b>1,443</b>	<b>1,425</b>	<b>1,391</b>	<b>1,403</b>	<b>1,388</b>	<b>1,361</b>	<b>1,326</b>	<b>1,429</b>
<b>Board of Education:</b>										
Teachers	1,312	1,416	1,455	1,582	1,455	1,338	1,483	1,496	1,570	1,700
Administrators	120	132	141	199	182	176	181	185	194	219
Paraprofessionals	417	380	378	474	425	422	484	479	494	496
Clerical	95	101	101	107	103	95	100	101	103	119
Nurses	64	65	60	46	46	46	49	47	55	55
Security	126	138	148	118	103	88	87	85	96	96
Custodial	221	228	242	218	205	206	206	201	207	207
Guidance Counselors	39	43	37	39	36	36	33	31	30	34
Social Workers	90	101	101	110	92	81	84	84	62	62
Psychologists	18	28	19	22	19	18	19	19	22	21
Support Staff	311	337	327	301	234	222	204	217	215	243
Others	603	572	515	159	166	161	182	176	187	214
<b>Total</b>	<b>3,416</b>	<b>3,541</b>	<b>3,524</b>	<b>3,375</b>	<b>3,066</b>	<b>2,889</b>	<b>3,112</b>	<b>3,121</b>	<b>3,235</b>	<b>3,466</b>
<b>Grand Total</b>	<b>4,912</b>	<b>5,016</b>	<b>4,967</b>	<b>4,800</b>	<b>4,457</b>	<b>4,292</b>	<b>4,500</b>	<b>4,482</b>	<b>4,561</b>	<b>4,895</b>

**CITY OF HARTFORD, CONNECTICUT  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government:										
Finance										
Number of Bills Mailed*	104,634	108,996	99,239	103,130	102,798	109,185	105,236	108,264	108,171	123,691
Number of Invoices Approved for Payment	63,264	67,200	62,987	60,496	55,016	57,300	55,072	63,781	66,736	69,137
Number of Internal Control Reviews Performed	14	15	20	20	18	18	21	20	21	21
* Excludes Tax Bills Delivered Electronically and Second Installment Mailing										
Assessor										
Number of Deeds Processed	2,568	2,990	5,186	3,251	2,586	2,426	2,583	2,367	2,147	2,337
Number of Veterans Exemptions	1,153	1,146	1,168	1,123	1,504	1,482	1,438	1,385	1,303	1,185
Board of Assessment Appeals Adjustments	\$ (5,496,295)	\$ (2,837,369)	\$ (11,269,220)	\$ 264	\$ (5,694,809)	\$ (4,728,705)	\$ (4,818,555)	\$ (8,876,090)	\$ (2,200,398)	\$ (3,728,457)
Personnel										
Number of Applications Processed	3,977	3,602	2,413	2,492	2,032	2,852	1,097	2,517	1,114	1,838
Vacancies Filled through Promotion	71	77	103	144	62	108	141	130	118	124
Vacancies Filled through New Hires	218	211	225	199	100	166	300	232	39	61
City Clerk										
Land Records Recorded	14,106	16,566	15,758	20,550	16,490	16,333	17,274	14,562	13,968	13,105
Marriage Licenses Issued	2,964	2,497	1,273	1,090	990	804	982	1,166	*	*
Death Certificates Issued	1,489	1,793	2,096	3,343	15,229	13,118	15,527	10,814	*	*
Birth Certificates Issued	15,451	15,318	13,954	11,255	11,509	10,513	15,050	19,078	*	*
Management Information Systems										
Help Desk Calls:										
City	5,074	3,557	2,731	3,195	7,178	3,990	3,498	3,065	*	4,346
Schools	10,985	8,668	6,849	8,170	13,538	9,216	10,502	8,850	*	8,165
Availability, All Systems	99.0%	100.0%	99.9%	98.5%	97.2%	99%	99%	99%	*	1
Federal E-Rate Funds Received	998,648	1,016,686	2,358,279	2,358,279	1,844,755	726,958	979,398	1,134,345	*	2,774,811
Election										
Voters Added	8,950	9,008	5,182	5,399	1,240	11,429	5,038	4,814	11,271	*
Voters Removed	10,870	20,190	9,022	12,015	5,490	8,833	4,447	4,141	10,285	*
Voter Changes	13,254	8,297	8,537	24,287	2,456	14,779	10,954	5,092	14,862	*
Total Voters	64,181	66,428	62,389	62,961	64,733	70,425	71,808	69,563	68,958	*
Public Safety:										
Police										
911 Calls	130,701	138,400	140,136	142,057	111,491	32,946	33,150	33,627	31,807	4,492
Non-Emergency Calls	470,360	364,621	276,360	356,402	305,145	58,601	66,003	66,319	72,713	104,114
DWI Arrests	54	92	295	133	264	279	221	206	424	326
Fire										
Fire	477	418	603	570	546	627	523	568	642	731
No Fire	-	16	-	7	6	4	12	7	14	7
Rescue and Emergency Medical Services	22,441	22,559	19,376	19,718	18,968	20,273	20,487	21,454	20,175	18,110
Hazardous Conditions	380	442	279	467	413	540	583	609	541	633
Service Calls	4,493	5,016	4,182	4,321	3,724	3,713	5,753	3,675	2,719	2,390
Good Intent Calls	2,319	2,517	1,965	2,316	1,919	2,039	2,333	1,969	1,835	1,700
False Alarm and False Calls	2,676	2,634	2,346	2,349	1,827	2,034	2,062	1,948	1,912	1,900
Severe Weather and Natural Disaster	-	-	-	1	-	-	1	-	-	-
Special Incident Type	20	161	161	74	41	60	58	422	301	68

CITY OF HARTFORD, CONNECTICUT  
OPERATING INDICATORS BY FUNCTION (CONTINUED)  
LAST TEN FISCAL YEARS  
(UNAUDITED)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Public Works:										
Engineering and Administration										
Lane Miles Paved	16	28	24	24	28	41	-	38	38	38
Development and Community Affairs:										
Development Services										
Housing Vouchers, Residential Assistance (Families)	-	-	5,100	5,002	5,002	4,992	4,992	4,805	4,835	*
Zoning Board Appeals	18	20	6	13	25	37	25	33	30	16
Code Inspections	22,358	24,121	20,499	15,802	11,758	3,026	4,778	3,586	6,985	6,388
Citations Issued	162	139	42	148	-	-	-	1,153	2,193	*
Education:										
Average Class Size - Kindergarten	16.9	18.4	17.6	15.9	*	*	*	*	*	*
Average Class Size - Grade 2	19.8	19.0	18.6	17.6	*	*	*	*	*	*
Average Class Size - Grade 5	21.3	21.2	21.6	18.1	*	*	*	*	*	*
Average Class Size - Grade 7	23.5	19.1	19.6	17.9	*	*	*	*	*	*

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

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

Function/Program	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Public Safety:										
Police:										
Number of Stations	6	6	6	6	6	6	6	6	6	7
Vehicles	269	269	355	294	272	241	278	263	269	287
Fire:										
Number of Stations	11	11	11	11	12	12	12	12	12	12
Vehicles	97	97	95	92	92	87	87	95	81	95
Public Works:										
Infrastructure:										
Concrete Road Miles	63	63	63	63	63	63	63	63	63	63
Asphalt Road Miles	151	151	151	151	151	151	151	151	151	151
Bridges	15	15	15	15	15	15	9	9	9	9
Traffic Lights	248	248	248	248	248	248	248	248	248	247
Conduit System (Miles)	8	8	8	8	8	8	8	8	8	8
Street Maintenance Vehicles	66	66	66	63	69	38	38	38	38	38
Parks and Cemeteries:										
Parks	29	29	29	29	29	29	29	29	29	29
Cemeteries	5	5	5	5	5	5	5	5	5	5
Building Maintenance:										
Parking Lots	3	3	3	3	3	3	3	3	3	3
Parking Garages	2	2	2	2	2	2	2	2	2	2
Education:										
Number of Buildings	41	41	41	41	47	47	47	47	47	47
Recreation and Culture:										
Recreation:										
Number of Athletic Fields	76	76	76	74	73	73	73	73	73	73
Number of Playscapes/Grounds	22	22	22	22	22	22	22	22	22	22
Number of Vehicles	30	30	30	30	26	31	77	77	77	77
Library:										
Number of Branches	7	7	7	7	7	7	7	7	10	10

**CITY OF HARTFORD, CONNECTICUT  
FEDERAL SINGLE AUDIT REPORT  
JUNE 30, 2025**



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JUNE 30, 2025**

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,  
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

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

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Hartford, Connecticut's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Hartford, Connecticut's major federal programs for the year ended June 30, 2025. The City of Hartford, Connecticut's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Hartford, Connecticut complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Hartford, Connecticut and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Hartford, Connecticut's compliance with the compliance requirements referred to above.

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

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City of Hartford, Connecticut's federal programs.

***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Hartford, Connecticut's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Hartford, Connecticut's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Hartford, Connecticut's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City of Hartford, Connecticut's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Hartford, Connecticut's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Hartford, Connecticut, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Hartford, Connecticut's basic financial statements. We have issued our report thereon dated December 26, 2025, which contained unmodified opinions on the financial statements. Our report included a reference to other auditors who audited the financial statements of the discretely presented component unit, as described in our report on the City's financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
December 26, 2025

**CITY OF HARTFORD, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>United States Department of Agriculture</b>				
<i>Passed Through the State of Connecticut Department of Education:</i>				
Child Nutrition Cluster:				
National School Lunch Program	10.555	12060-SDE64370-20560		\$ 993,637
National School Lunch Program	10.555	12060-SDE64370-20560		10,657,672
School Breakfast Program	10.553	12060-SDE64370-20508		3,617,081
Summer Food Service Program for Children	10.559	12060-SDE64370-20540		261,037
Summer Food Service Program for Children	10.559	12060-SDE64370-20548		26,897
Summer Food Service Program for Children	10.559	12060-SDE64370-23292		<u>76,943</u>
				\$ 15,633,267
Child and Adult Care Food Program	10.558	12060-SDE64370-20514		86,604
Child and Adult Care Food Program	10.558	12060-SDE64370-20518		1,389,553
Child and Adult Care Food Program	10.558	12060-SDE64370-20544		<u>72,663</u>
				1,548,820
<i>Passed Through the State of Connecticut Department of Public Health:</i>				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	N/A		2,598,119
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	12060-DPH48872-20892	\$ -	<u>1,228,932</u>
				3,827,051
Total United States Department of Agriculture			-	<u>21,009,138</u>
<b>United States Department of Transportation</b>				
<i>Direct:</i>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600			82,240
State and Community Highway Safety	20.600			32,289
<i>Passed Through the State of Connecticut Department of Transportation:</i>				
State and Community Highway Safety	20.600	12062-DOT57513-20559	10,490	<u>95,179</u>
				209,708
Highway Planning and Construction	20.205	12062-DOT57191-22108		61,780
Highway Planning and Construction	20.205	12062-DOT57141-22108		689,042
Highway Planning and Construction	20.205	12062-DOT57141-22108		<u>5,975</u>
				756,797
Alcohol Open Container Requirements	20.607	12062-DOT57513-22091		<u>147,018</u>
Total United States Department of Transportation			10,490	<u>1,113,523</u>
<b>United States Department of Education</b>				
<i>Passed Through the State of Connecticut Department of Education:</i>				
Special Education Cluster (IDEA):				
Special Education - Grants to States	84.027	12060-SDE64370-20977-2025		4,829,827
Special Education - Grants to States	84.027	12060-SDE64370-20977-2024		2,975,282
Special Education - Preschool Grants	84.173	12060-SDE64370-20983-2025		33,825
Special Education - Preschool Grants	84.173	12060-SDE64370-20983-2024		<u>215,651</u>
				8,054,585
Education Stabilization Fund:				
COVID-19 American Rescue Plan - Emergency	84.425W	12060-SDE64370-29650-2025		250,906
COVID-19 American Rescue Plan - Emergency	84.425U	12060-SDE64370-29636-2025		<u>121,853</u>
				372,759
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2025		11,874,895
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2024		3,179,549
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2025		2,140,313
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2024		562,699
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2023		<u>15,871</u>
				17,773,327
Career and Technical Education -- Basic Grants to States	84.048	12060-SDE64370-20742-2025		679,408
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2025		922,227
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2024		<u>162,807</u>
				1,085,034

**CITY OF HARTFORD, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

<b>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Passed Through to Subrecipients</b>	<b>Total Federal Expenditures</b>
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2025	\$ 300,165	
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2024	306,591	
English Language Acquisition State Grants	84.365	12060-SDE64370-20868-2024	<u>9,000</u>	\$ 615,756
Education for Homeless Children and Youth	84.196	12060-SDE64370-20770-2024	27,344	
Education for Homeless Children and Youth	84.196	12060-SDE64370-20770-2023	<u>5,043</u>	32,387
Title IV - Student Support	84.424A	12060-SDE64370-22854-2025	532,241	
Title IV - Student Support	84.424A	12060-SDE64370-22854-2024	647,325	
Title IV - Student Support	84.424A	12060-SDE64370-23275-2024	<u>337,871</u>	1,517,437
Adult Education - Basic Grants to States	84.002	12060-SDE64370-20784-2025	47,682	
<i>Direct:</i>				
Adult Education - Basic Grants to States	84.002A		125,000	
Adult Education - Basic Grants to States	84.002A		<u>75,000</u>	247,682
Fund for the Improvement of Education	84.215			180,470
Pooled Service Community Schools	84.215J			351,910
<i>Passed Through the North Hartford Ascend Pipeline:</i>				
Promise Neighborhoods	84.215N		\$ -	1,658,047
Total United States Department of Education			-	<u>32,568,802</u>
<b>United States Department of Justice</b>				
<i>Direct:</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738		44,951	
Edward Byrne Memorial Justice Assistance Grant Program	16.738		117,230	
Edward Byrne Memorial Justice Assistance Grant Program	16.738		94,338	
<i>Passed Through the State of Connecticut Department of Emergency Services and Public Protection:</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	12060-DPS32521-23290	<u>11,290</u>	267,809
<i>Direct:</i>				
Equitable Sharing Program	16.922			82,829
<i>Passed Through the State of Connecticut Department of Emergency Services and Public Protection:</i>				
Federal Asset Forfeiture-DOT	16.000	12060-DPS32515-20493	225	
Federal Asset Forfeiture-DOT	16.000	12060-DPS32562-20493	225	
Federal Asset Forfeiture-DOT	16.000	12060-DPS32566-20493	225	
Federal Asset Forfeiture-DOT	16.000	12060-DPS32576-20493	450	
Federal Asset Forfeiture-DOT	16.000	12060-DPS32593-20493	<u>675</u>	1,800
<i>Direct:</i>				
Project Safe Neighborhoods	16.609			886
Public Safety Partnership and Community Policing Grants	16.710			290,306
Community Based Violence Intervention and Prevention	16.045			625,013
Congressionally Recommended Awards	16.753			<u>453,994</u>
Total United States Department of Justice			-	<u>1,722,637</u>

**CITY OF HARTFORD, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

<b>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Passed Through to Subrecipients</b>	<b>Total Federal Expenditures</b>
<b>United States Department of Housing and Urban Development</b>				
<i>Direct:</i>				
Section 8 Project-Based Cluster:				
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856		\$ 134,452	
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856		737,442	
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856		96,780	
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856		1,316	
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856		<u>607,897</u>	
				\$ 1,577,887
Housing Voucher Cluster:				
Section 8 Housing Choice Vouchers	14.871		699,380	
Section 8 Housing Choice Vouchers	14.871		63,095,417	
Section 8 Housing Choice Vouchers	14.871		<u>4,943,657</u>	
				68,738,454
CDBG - Entitlement/Special Purpose Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218			3,068,236
Emergency Solutions Grant Program	14.231			269,558
Home Investment Partnerships Program				
Home Investment Partnerships Program	14.239		45,405	
Home Investment Partnerships Program	14.239		753,983	
Home Investment Partnerships Program	14.239		93,833	
Home Investment Partnerships Program	14.239		<u>140,548</u>	
				1,033,769
Riverfront Recapture (HUD)	14.251			445,885
Housing Opportunities for Persons with AIDS	14.241			1,632,185
Lead Hazard Reduction Demonstration Grant Program	14.905		\$ -	289,815
Total United States Department of Housing and Urban Development			-	<u>77,055,789</u>
<b>United States Department of Health and Human Services</b>				
<i>Passed Through the State of Connecticut Department of Public Health:</i>				
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)				
	93.758	12060-DPH48882-22664	5,000	94,430
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	12060-DPH48553-29582	5,500	176,564
Immunization Cooperative Agreements	93.268	12060-DPH48664-29632	96,883	96,883
Immunization Cooperative Agreements	93.268	12060-DPH48664-29654	167,961	<u>217,807</u>
				314,690
Healthy Start Initiative	93.926	12060-DPH48831-22348	1,960	2,841
Maternal and Child Health Services Block Grant to the States	93.994	12060-DPH48832-21531		125,000
HIV Prevention Activities - Health Department Based	93.940	12060-DPH48852-22511		120,550
<i>Passed Through Aids United:</i>				
Special Projects of National Significance	93.928			48,595
<i>Direct:</i>				
Injury Prevention and Control Research and State and Community Based Programs				
	93.136		424,386	661,572
Racial and Ethnic Approaches to Community Health	93.304			334,315
Community Programs to Improve Minority Health Grant Program	93.137		28,960	116,259
Community Programs to Improve Minority Health Grant Program	93.137		<u>285,479</u>	
				401,738
HIV Emergency Relief Project Grants	93.914		1,824,164	1,999,447
HIV Emergency Relief Project Grants	93.914		<u>652,797</u>	
				<u>2,652,244</u>

**CITY OF HARTFORD, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

<b>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Passed Through to Subrecipients</b>	<b>Total Federal Expenditures</b>
<b>United States Department of Homeland Security</b>				
<i>Direct:</i>				
Emergency Management Performance Grants	97.042			\$ 61,700
Homeland Security Grant Program	97.067	12060-DPS32160-21877		90,000
<i>Direct:</i>				
Citizenship Education and Training	97.010		\$ 38,548	
Citizenship Education and Training	97.010		213,140	
				251,688
CTFTF - CT Financial	97.134		\$ -	4,715
Total United States Department of Homeland Security			-	408,103
<b>United States National Endowment for the Humanities</b>				
<i>Direct:</i>				
Promotion of the Arts Grants to Organizations and Individuals	45.024			854
National Leadership Grants	45.312			143,720
Total United States National Endowment for the Humanities			-	144,574
<b>United States Department of the Treasury</b>				
<i>Passed Through the State of Connecticut Department of Education:</i>				
COVID-19 ARPA - Learner Engagement LEAP	21.027	12060-SDE64370-28089		592,158
COVID-19 ARPA - Dual Enrollment	21.027	12060-SDE64370-28090		4,348
COVID-19 ARPA - FAFSA Completion	21.027	12060-SDE64370-28092		13,080
COVID-19 ARPA - School Mental Health Services	21.027	12060-SDE64370-28096		32,049
COVID-19 ARPA - ParaEducational PD	21.027	12060-SDE64370-28098		33,000
COVID-19 ARPA - Right to Read	21.027	12060-SDE64370-29732		650,713
COVID-19 ARPA - Faith Acts PSDs	21.027	12060-SDE64370-29733		377,171
<i>Passed Through the State of Connecticut Department of Children and Families:</i>				
COVID-19 ARPA - Private Providers	21.027	12060-DCF91178-29773		6,073
<i>Passed Through the State of Connecticut Department of Public Health:</i>				
COVID-19 ARPA - Private Provider One Time	21.027	12060-DPH48615-28236		9,973
<i>Passed Through the State of Connecticut Department of Emergency Services and Public Protection:</i>				
COVID-19 ARPA - Gun Tracing Task Force	21.027	12060-DPS32521-28121		39,922
<i>Passed Through the State of Connecticut Economic and Community Development:</i>				
COVID-19 ARPA - Farmington Ave Hartford	21.027	12060-ECD46820-28287		170,075
COVID-19 ARPA - Upper Albany Economic Development	21.027	12060-ECD46820-28375		61,160
COVID-19 ARPA - Bushnell Park Dredging	21.027	12060-ECD46820-28288		566,613
<i>Passed Through the State of Connecticut Office of Early Childhood:</i>				
COVID-19 ARPA - School Readiness	21.027	12060-OEC64845-28227		26,925
COVID-19 ARPA - School Readiness	21.027	12060-OEC64845-28227		432,629
COVID-19 ARPA - Parents Fees - Childcare	21.027	12060-OEC64845-29769		140,965
COVID-19 ARPA - Parents Fees - Childcare	21.027	12060-OEC64845-29769		1,124

**CITY OF HARTFORD, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

<b>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Passed Through to Subrecipients</b>	<b>Total Federal Expenditures</b>
<i>Passed Through the State of Connecticut Office of Policy and Management:</i>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	12060-OPM20600-29669		\$ 6,725,531
COVID-19 ARPA - Two Zoning Enforcement	21.027	12060-OPM20600-28503		<u>25,954</u>
				\$ 9,909,463
<i>Direct:</i>				
Federal Seized & Forfeited Property	21.016		-	<u>188,389</u>
Total United States Department of the Treasury			\$ -	<u>10,097,852</u>
<b>United States Department of the Interior</b>				
<i>Direct:</i>				
Cultural Resources Management	15.946			<u>89,805</u>
Total United States Department of the Interior			-	<u>89,805</u>
			<u>\$ 2,565,304</u>	<u>\$ 149,142,762</u>

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Hartford, Connecticut, under programs of the federal government for the year ended June 30, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Because the Schedule presents only a selected portion of the operations of the City of Hartford, Connecticut, it is not intended to, and does not, present the financial position, changes in fund balance, changes in net position, or cash flows of the City of Hartford, Connecticut

**Basis of Accounting**

Expenditures reported on the Schedule are reported using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance. Under these principles certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 2 INDIRECT COST RECOVERY**

The State of Connecticut Department of Education has approved a maximum allowable indirect cost rate for the period of July 1, 2023, through June 30, 2024, as 1.37% for restricted grants and 8.31% for unrestricted grants in accordance with the July 2023 LEA Indirect Cost Handbook.

The City of Hartford, Connecticut, has elected not to use the 10% de minimis indirect cost rate provided under Section 200.414 of the Uniform Guidance for all other grants.

**NOTE 3 NONCASH AWARDS**

Donated commodities in the amount of \$993,637 are included in the Department of Agriculture's National School Lunch Program, Federal Assistance Listing Number 10.555. The amount represents the market value of commodities received.

Donated commodities in the amount of \$2,598,119 are included in the Department of Agriculture's WIC Program, Federal Assistance Listing Number 10.557.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Hartford, Connecticut, as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the City of Hartford, Connecticut's basic financial statements, and have issued our report thereon dated December 26, 2025. Our report includes a reference to other auditors who audited the financial statements of the Hartford Parking Authority, as described in our report on the City of Hartford, Connecticut's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Hartford, Connecticut's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Hartford, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Hartford, Connecticut's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Hartford, Connecticut's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Hartford, Connecticut's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Hartford, Connecticut's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
December 26, 2025

**CITY OF HARTFORD, CONNECTICUT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2025**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
2. Type of auditors’ report issued on compliance for federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes        x   no

**Identification of Major Federal Programs**

<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program or Cluster</b>
14.871	Housing Voucher Cluster
14.218	CDBG – Entitlement/Special Purpose Grants Cluster
84.027, 84.173	Special Education Cluster (IDEA)

Dollar threshold used to distinguish between Type A and Type B programs: \$   3,000,000  

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes        x   no

**CITY OF HARTFORD, CONNECTICUT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

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***Section II – Financial Statement Findings***

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



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**CITY OF HARTFORD, CONNECTICUT**  
**STATE SINGLE AUDIT REPORT**  
**JUNE 30, 2025**



CPAs | CONSULTANTS | WEALTH ADVISORS

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**CITY OF HARTFORD, CONNECTICUT  
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT**

Board of Finance  
City of Hartford, Connecticut

**Report on Compliance for Each Major State Program**

***Opinion on Each Major State Program***

We have audited the City of Hartford, Connecticut's compliance with the types of compliance requirements identified as subject to audit in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the City of Hartford, Connecticut's major state programs for the year ended June 30, 2025. City of Hartford, Connecticut's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Hartford, Connecticut complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2025.

***Basis for Opinion on Each Major State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of the State Single Audit Act (C.G.S Sections 4-230 to 4-236). Our responsibilities under those standards and the State Single Audit Act are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Hartford, Connecticut and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the City of Hartford, Connecticut's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City of Hartford, Connecticut's state programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Hartford, Connecticut's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the State Single Audit will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Hartford, Connecticut's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the State Single Audit Act, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Hartford, Connecticut's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City of Hartford, Connecticut's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of the City of Hartford, Connecticut's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Hartford, Connecticut, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Hartford, Connecticut's basic financial statements. We have issued our report thereon dated December 26, 2025, which contained unmodified opinions on the financial statements. Our report included a reference to other auditors who audited the financial statements of the discretely presented component unit, as described in our report on the City's financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
December 26, 2025

**CITY OF HARTFORD, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 2025**

<u>State Grantor/Pass-Through Grantor/ Program Title</u>	<u>State Grant Program Core-CT Number</u>	<u>Passed Through to Subrecipients</u>	<u>Expenditures</u>
<b>Department of Education</b>			
Sheff Settlement	11000-SDE64180-12457	\$ 443,160	
Sheff Settlement	11000-SDE64185-12457	4,996	
Sheff Settlement	11000-SDE64370-12457	2,748,406	
Sheff Settlement	11000-SDE64370-12457	<u>223,800</u>	
			\$ 3,420,362
Commissioner's Network	11000-SDE64370-12547		1,177,365
Talent Development	11000-SDE64370-12552		29,460
Family Resource Centers	11000-SDE64370-16110		556,815
Child Nutrition State Match	11000-SDE64370-16211		116,106
Health Foods Initiative	11000-SDE64370-16212		220,950
Adult Education	11000-SDE64370-17030	1,663,756	
Adult Education	11000-SDE64370-17030	<u>121,041</u>	
			1,784,797
Health & Welfare-Private School Pupils	11000-SDE64370-17034		52,344
Education Equalization Grants	11000-SDE64370-17041		326,258
Alliance District	11000-SDE64370-17041-82164		35,820,176
Bilingual Education	11000-SDE64370-17042		346,057
Priority School Districts	11000-SDE64370-17043-82052		4,448,791
School Breakfast Program	11000-SDE64370-17046		117,150
Open Choice Program	11000-SDE64370-17053	124,847	
Open Choice Program	11000-SDE64370-17053	<u>119,892</u>	
			244,739
Magnet Schools	11000-SDE64370-17057		11,635
Extended School Hours	11000-SDE64370-17108		332,660
School Accountability	11000-SDE64370-17109		386,284
Low Performing Schools SB1502	12052-SDE64370-43728		5,232
English Learning Success	11000-SDE64370-17084		74,706
Magnet School Operating	11000-SDE64370-12653-82062		51,278,309
Education Finance Reform	11000-SDE64370-12653-82010		5,175,000
Total Department of Education		<u>\$ -</u>	<u>105,925,196</u>
<b>Department of Administrative Services</b>			
Digital Equity	12060-DAS25587-23350		21,092
Total Department of Administrative Services		<u>-</u>	<u>21,092</u>
<b>Department of Children and Families</b>			
Juvenile Review Boards	11000-DCF91178-16280		254,089
Community Based Prevent Program	11000-DCF91185-16092		35,343
Youth Service Bureaus	11000-DCF91185-17052		258,786
Youth Service Bureau - Enhancement	11000-DCF91185-17107		17,078
Total Department of Children and Families		<u>-</u>	<u>565,296</u>

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

**CITY OF HARTFORD, CONNECTICUT**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (CONTINUED)**  
**YEAR ENDED JUNE 30, 2025**

<u>State Grantor/Pass-Through Grantor/ Program Title</u>	<u>State Grant Program Core-CT Number</u>	<u>Passed Through to Subrecipients</u>	<u>Expenditures</u>	
<b>Department of Energy and Environmental Protection</b>				
Community Conservation & Development	13019-DEP43310-41239		\$	197,285
Community Conservation & Development	13019-DEP43310-41239			119,512
Community Conservation & Development	13019-DEP43720-41239			99,282
Colt Park & Pope Park	13019-DEP43153-41239			1,979
				<u>418,058</u>
Keney Park Trail Connectivity	12052-DEP44321-43314			3,377
Batterson Park Rehabilitation	11000-DEP43310-10020			3,484,414
Total Department of Energy and Environmental Protection		\$ -		<u>3,905,849</u>
<b>Department of Housing</b>				
Housing / Homeless Services	11000-DOH46920-16149	512,912		512,912
Housing / Homeless Services	11000-DOH46920-17038	407,088		407,088
Sustainable Housing Solutions	12064-DOH46915-40237			99,757
Total Department of Housing		<u>920,000</u>		<u>1,019,757</u>
<b>Department of Transportation</b>				
Town Aid Road Grants	12001-DOT57131-17036			1,162,089
Bus Operations	12001-DOT57342-12175	60,869	60,869	
Bus Operations	12001-DOT57931-12175		206,809	
				<u>267,678</u>
Traffic Signalization - Proj 63-718	17DOT0099AA 63-718			288,086
Impasylum and Sigourney Prok 63-720	14DOT0061AA			362,702
Design of Communication Network	13033-DOT57191-41404			1,640
Total Department of Transportation		<u>60,869</u>		<u>2,082,195</u>
<b>Department of Public Health</b>				
Local & District Departments of Health	11000-DPH48558-17009	63,400		209,214
School Based Health Clinics	11000-DPH48832-17019			933,292
Needle & Syringe Exchange Prog	12004-DPH48852-12100	71,224	71,224	
Needle & Syringe Exchange Prog	12004-DPH48852-12100	406,290	458,093	
				<u>529,317</u>
Aids Services	12004-DPH48852-12236	571,178	615,695	
Aids Services	12004-DPH48854-12236	134,699	260,534	
				<u>876,229</u>
Ryan White Part B	12004-DPH48854-12236	173,912		205,504
Ryan White II Rebate Revenue	12060-DPH48854-30401	948,998		948,998
Total Department of Public Health		<u>2,369,701</u>		<u>3,702,554</u>
<b>Department of Emergency Services and Public Protection</b>				
Other Expenses	11000-DPS32251-10020			2,176
Drug Asset Forfeiture Revenue Account DF	12060-DPS32155-35142			53,146
Enhanced 911 Telecommunication Fund	12060-DPS32741-35190		823,509	
Enhanced 911 Telecommunication Fund	12060-DPS32741-35190		17,078	
				<u>840,587</u>
Total Department of Emergency Services and Public Protection		-		<u>895,909</u>
<b>Economic and Community Development</b>				
Various Grants	11000-ECD46830-16275			200,000
Brownfield Remediation & Development	12060-ECD46260-35533			12,415
Urban Act Grant-OPM	13019-ECD46250-41240		5,000,000	
Bace Barlow Way and North Main Street	13019-ECD46250-41240		200,108	
Quality of Life Initiatives	13019-ECD46210-41240		147,873	
Farmington AV Streetscape Imp & Dev	13019-ECD46210-41240		4,063,893	
				<u>9,411,874</u>
Total Economic and Community Development		-		<u>9,624,289</u>

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

**CITY OF HARTFORD, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

<u>State Grantor/Pass-Through Grantor/ Program Title</u>	<u>State Grant Program Core-CT Number</u>	<u>Passed Through to Subrecipients</u>	<u>Expenditures</u>
<b>Judicial Branch</b>			
Youth Services Prevention Program	11000-JUD96114-12559		1,300
Youth Services Prevention Program	11000-JUD96114-12559		<u>30,000</u>
			31,300
Total Judicial Branch		<u>-</u>	<u>31,300</u>
<b>Office of Early Childhood</b>			
Hartford Child Daycare Services	11000-1CCDFBD0-16158		332
Parent Outreach Project Grant (POP)	11000-OEC64806-10020		26,132
School Readiness in Priority School District	11000-OEC64845-16274-83014	7,956,224	9,615,478
Child Day Care	11000-OEC64841-16274-83012	4,375,374	4,375,374
Child Day Care	11000-OEC64841-16274-83012	56,147	<u>61,500</u>
			4,436,874
Early Care and Education	11000-OEC64841-16274-83004	1,809,788	1,809,788
Early Care and Education	11000-OEC64841-16274-83004		<u>389,130</u>
Total Office of Early Childhood		<u>14,197,533</u>	16,277,734
<b>Office of Policy and Management</b>			
Reimbursement Property Tax - Disability Ex	11000-OPM20600-17011		6,435
Property Tax Relief For Veterans	11000-OPM20600-17024		13,412
Tiered PILOT	12002-OPM20600-17111		60,397,596
Local Capital Improvement	12050-OPM20600-40254		1,751,734
Municipal Purposes & Projects	12052-OPM20600-43587		1,419,161
HFTD-Infrastructure Projects	12052-OPM20870-43472		91,345
OPM Emergency Dispatch & Radio	12052-OPM20870-43472		<u>5</u>
Total Office of Policy and Management		<u>-</u>	<u>63,679,688</u>
<b>Department of Social Services</b>			
Medicaid	11000-DSS60000-16020		<u>675,198</u>
Total Department of Social Services		<u>-</u>	<u>675,198</u>
<b>Connecticut State Library</b>			
Historic Documents - STCT SLB	12060-CSL66094-35150		<u>6,967</u>
Total Connecticut State Library		<u>-</u>	<u>6,967</u>
<b>Office of Higher Education</b>			
CT Path Grant	12060-DHE66580-28233		<u>7,020</u>
Total Office of Higher Education		<u>-</u>	<u>7,020</u>
Total State Financial Assistance Before Exempt Programs		17,548,103	208,420,044

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

**CITY OF HARTFORD, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

<u>State Grantor/Pass-Through Grantor/ Program Title</u>	<u>State Grant Program Core-CT Number</u>	<u>Passed Through to Subrecipients</u>	<u>Expenditures</u>
<b>Exempt Programs</b>			
<b>Department of Education</b>			
Education Cost Sharing	11000-SDE64370-17041-82010		\$ 187,796,262
Excess Cost - Student Based	11000-SDE64370-17047	\$ 2,238,752	
Excess Cost - Student Based	11000-SDE64370-17047	<u>8,253,504</u>	10,492,256
Excess Cost funds per SA 25-1	12060-SDE64370-34822		<u>2,319,527</u>
Total Department of Education		<u>-</u>	<u>200,608,045</u>
<b>Department of Administrative Services</b>			
School Construction Progress	13010-DAS27635-43744		86,136,139
Total Department of Administrative Services		<u>-</u>	<u>86,136,139</u>
<b>Office of Policy and Management</b>			
Supplemental Revenue Sharing	12002-OPM20600-17102		15,792,632
Motor Vehicle Tax Grants	12002-OPM20600-17103		22,770,460
Mashantucket Pequot and Mohegan Fund	12009-OPM20600-17005-13045		6,136,523
Total Office of Policy and Management		<u>-</u>	<u>44,699,615</u>
Total Exempt Programs		<u>-</u>	<u>331,443,799</u>
Total State Financial Assistance		<u>\$ 17,548,103</u>	<u>\$ 539,863,843</u>

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

**CITY OF HARTFORD, CONNECTICUT  
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state grant activity of the City of Hartford, Connecticut, under programs of the state of Connecticut for the year ended June 30, 2025. Various departments and agencies of the state of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. Because the Schedule presents only a selected portion of the operations of the City of Hartford, Connecticut, it is not intended to, and does not, present the financial position, changes in fund balance, changes in net position or cash flows of the City of Hartford, Connecticut.

**Basis of Accounting**

The accounting policies of the City of Hartford, Connecticut, conform to accounting principles generally accepted in the United States of America as applicable to governmental organizations. The information in the Schedule is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Expenditures reported on the Schedule are presented on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity and, accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule.

**NOTE 2 LOAN PROGRAMS**

In accordance with Section 4-236-23(a)(4)(F) of the Regulations to the State Single Audit Act, the notes to the schedule of expenditures of state financial assistance shall include loans and loan activities. The following is a summary of the various loan program activity for the year ended June 30, 2025:

Department of Energy and Environmental Protection

Clean Water Funds:

<u>Issue Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance Beginning</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance Ending</u>
6/30/2008	2%	\$ 1,921,859	\$ 336,282	\$ -	\$ 109,861	\$ 226,421



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Finance  
City of Hartford, Connecticut

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Hartford, Connecticut, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Hartford, Connecticut's basic financial statements, and have issued our report thereon dated December 26, 2025. Our report includes a reference to other auditors who audited the financial statements of the Hartford Parking Authority, as described in our report on the City of Hartford's financial statements. This report does not include the results of the other auditors' testing of internal controls and other matters that are reported on separately by those auditors.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered City of Hartford, Connecticut's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Hartford, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Hartford, Connecticut's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Hartford, Connecticut's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
December 26, 2025

**CITY OF HARTFORD, CONNECTICUT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2025**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**State Financial Assistance**

1. Internal control over major programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
2. Type of auditors’ report issued on compliance for major programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? \_\_\_\_\_ yes        x   no

The following schedule reflects the major programs included in the audit:

<u>State Grantor and Program</u>	<u>State Core-CT Number</u>	<u>Expenditures</u>
Department of Economic and Community Development:		
Urban Act Grant-OPM	13019-ECD46250-41240	\$ 5,000,000
Bace Barlow Way and North Main Street	13019-ECD46250-41240	200,108
Quality of Life Initiatives	13019-ECD46210-41240	147,873
Farmington AV Streetscape Imp & Dev	13019-ECD46210-41240	4,063,893
Department of Education:		
Alliance District	11000-SDE64370-17041-82164	35,820,176
Office of Policy and Management:		
Tiered PILOT	11000-OPM20600-17111	60,397,596

Dollar threshold used to distinguish between Type A and Type B programs: \$ 6,252,601

**CITY OF HARTFORD, CONNECTICUT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

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***Section II – Financial Statement Findings***

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Findings and Questioned Costs – State Financial Assistance***

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Our audit did not disclose any matters required to be reported in accordance with the State Single Audit Act.



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