Expenditures Section

SEAL OF THE CITY OF HARTFORD
POST NUBILA PHŒBUS
CONNECTICUT

HOW TO READ THE EXPENDITURE SECTION

Overview

At the beginning of the budget development process the Mayor establishes expenditure targets for each department based on a combination of factors, including Mayoral goals, City priorities, expected outcomes, current initiatives, fixed costs and contractual obligations, as well as projected revenue required to fund these expenditures. Departments are then required to submit their proposed budget by program and keep it within their expenditure target. Included with their proposed budgets, departments must identify all programs that align with any of the Mayoral Goals, all position requirements, program performance measures, and estimated departmental revenues, if any. If a department wants additional funding for a program or program expense it must submit a Business Case. Through these Business Cases departments present their requests and justification for the increased funding. The Mayor reviews all Business Cases and determines those to be incorporated into the new year's budget.

The operating department budgets include a department overview, strategic plan initiatives, program budget and a balanced scorecard. These items provide key information about city services that assists the Mayor, the Court of Common Council and stakeholders in the budget deliberation and approval process.

The addition of the strategic plan initiatives and department's balanced scorecard illustrated by performance measures is a practice recommended by the Government Finance Officers Association to aid in communicating the links between planned accomplishments and current resources. Performance measurement, when linked to the budget and strategic planning process, can help in assessing accomplishments on an organization-wide basis. When used in the long-term planning and goal setting process and linked to the entity's Mission, Vision, Mayoral Goals, and Department Initiatives, meaningful performance measurements assist government officials and citizens in identifying financial and program results, evaluating past resource decisions and facilitating qualitative improvements in future decisions regarding resource allocation and service delivery. When coupled with performance reporting, this practice enhances transparency and accountability when budgeting for results.

The budgets for the non-operating departments are presented in three general departments; Benefits and Insurances, Debt Service, and Non-Operating Department Expenditures. This format aligns and illustrates similar types of expenditures in non-operating department budget categories.

Operating Department Budget

The department's budget pages are presented in three major sections: the department overview, program budgets and the department balanced scorecard. The overview section presents the department's summary level information, such as department mission, significant features, and budget and staffing summaries. The program section details the department's programs and services, and the department's balanced scorecard highlights, by program, performance measures in tables and charts. Each department's budget pages are organized in the following manner:

Department Overview Section:

Mission Statement clarifies the department's purpose, legal and organizational responsibilities.

Strategic Plan Initiatives highlights the department strategic initiatives planned for in the fiscal year.

Significant Features illustrates the significant expenditure increases or decreases from the previous year.

Department General Fund Budget by Program Chart illustrates the organizational structure of the department and the cost of each program as a percentage of the department's budget.

Department Budget Summary informs the reader how much money was spent in FY 2012-2013 under the heading "Actual" (which may include any expenditure credits from the Board of Education for City services), how much money was legally appropriated for FY 2013-2014 under the heading "Adopted" and any FY 13-14 authorized transfers or appropriations, under the heading "Revised." The Adopted Budget spending level for fiscal year 2014-2015 is under the heading "Adopted". Finally, the last column header is "Forecast". These figures represent the department's forecasted budget for Fiscal Year 2015-2016. All information is presented by Program and Department.

Department Budget Summary continued:

- **FT Positions** represents the department's General Fund Full-time positions.
- **FTE's** represents the Full-time Equivalent **(FTE's)** of a position. A whole year General Fund full-time position is presented as 1.0. However, because all full-time positions may not be budgeted in the General Fund for a complete fiscal year, or may be partially funded by a grant, the value of full-time positions is presented in decimal format. Positions budgeted for less than 1.0 indicate that the full-time position is either split-funded between the general fund and grant funds or, that the full-time position is not planned to be filled until sometime after the start of the fiscal year.
- **Revenue** illustrates the anticipated revenue to be generated and or received.

Fringe Benefits Cost is 59.11% for each employee within a fund in FY 14-15. It is calculated using the **Insurance Base** rate of 30.00%, the actuarially determined blended **Pension Rate** of 23.75%, and **FICA** of 5.36%. Individual bargaining and non-bargaining units' rates may vary.

Program Section:

Program Goal, Program Budget Summary, Program Services and Goals summarize information at the program level and explain the services included in each program. Also indicated is whether or not the service is legally mandated.

Department Balance Scorecard:

Department Performance Measures Charts and Graphs track one or more performance measures and report three years of actuals, current year and revised targets, and a target for the ensuing fiscal year. The measures listed are those determined by the department to be the measures that best depict department or program performance. The performance measures used are categorized as Outputs, Efficiency or Effectiveness.

Output Measures — measure the amount of service provided or units produced by a program.

Examples	# of homeownership units created
	# of youth engaged in workforce activities
	# of lane miles of road paved
	# of mandated fire prevention inspections conducted

Efficiency Measures — measure the cost (whether in dollars or employee hours) per unit of output in providing a service.

Examples	$ cost of road paved per lane mile
	$ cost per square foot to maintain city buildings (custodial)
	# of hours worked per acre to maintain parks, cemeteries, park land with trees and athletic fields
	$ amount of tipping fees avoided per ton through recycling

Effectiveness Measures — measure the result as a percentage of what has been achieved toward accomplishing a desired outcome; or as a score that rates how well a program or service is performing.

Examples	% change of Total Part I Crimes from prior year
	% of business awarded to Hartford vendors
	% of children fully immunized by age 3
	Annual customer focus group rating of athletic fields