



PEDRO E. SEGARRA
MAYOR

In accordance with the Charter of the City of Hartford, I submit for your review and consideration the Recommended Budget for Fiscal Year 2011-2012. This budget represents our commitment to ensure that the City of Hartford is fiscally responsible, held accountable and achieves results that advance the City's interest. It is essential to safeguard the health, cleanliness and safety of the community in ways that reflect the wants and needs of the people who live, work and visit Hartford. We will create jobs, maintain a high quality-of-life, and improve the quality of education for Hartford's children and adults. We must also pursue opportunities to accelerate and expand the economic vitality of Hartford's business community and neighborhoods.

In accordance with all legal requirements and current administrative practice, this budget contains:

- A General Fund Budget appropriation ordinance for fiscal year 2011-2012 of \$547,694,221, which equals an increase of \$3,252,066, or 0.6%. The Recommended Budget provides a projected balanced relationship between total anticipated revenues and total estimated expenditures.
- A tax ordinance requiring a 72.79 mill rate on all taxable property, which represents no increase in the mill rate as compared to the FY 10-11 mill rate.
- A contribution of \$23,382,107 to the Municipal Employees' Retirement Fund (MERF), including Local 1716 for active and retired municipal employees. This contribution is a \$6,861,568, or 41.5%, increase over the current year. Throughout the budget approval process we will continue to communicate and collaborate with the City Council, City Treasurer and the Pension Commission, as we did during the Committee of the Whole workshop process, to determine what, if any, opportunities exist to reduce the FY 11-12 pension fund contribution.
- A ten-year recommended Capital Improvement Program for fiscal years 2011-2012 through 2021-2022; totaling \$1,651,319,785. The total cost of the first year of the program is \$25,420,000. A Capital Improvement Fund Appropriation Ordinance for FY 11-12 to approve funding for these projects is included in the Legal Documents section. Sustaining our City's construction projects is critical to retaining and creating needed jobs for Hartford residents, as well as providing opportunities for women and minority owned businesses through our construction program.
- A parking strategy to enhance the competitive position of the HPW to attract downtown office users, eliminate duplicative reserves and return the HPA to profitability.
- A consolidation of our public service requests under one management structure; 3-1-1 and 9-1-1 are now both part of the Emergency Service & Technology Department, enhancing accountability and responsiveness.
- The alignment of our development and capital improvement programs with One City, One Plan; calls for a dedicated development director; and provides for a focus on marketing Hartford as the cultural, arts and sports hub.

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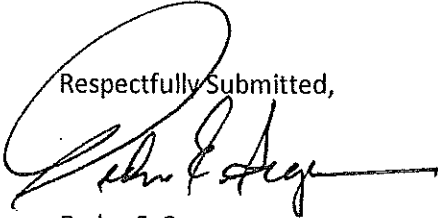
- An increase in the Summer Youth Employment Program in the amount of \$500,000 for a total program allocation of \$1,500,000.
- Creation of a grants management division under Office of Management & Budget in order to maximize grant opportunities, ensure full allowable offsets to the operating budget, and diversify the revenue sources for the City of Hartford, while also ensuring full compliance with Federal, State and grantor requirements. The addition to the Operating Budget for the Office of Management and Budget is \$220,790. The corresponding fringe benefits cost is included in the Benefits and Insurances.
- Creation of a new Department of Children, Families and Recreation, which integrates the Office for Young Children, the Office for Youth Services, and the recreation program in the Health and Human Services Department under one umbrella. The net cost of this new department is \$269,080 plus fringe benefits. The total cost for these three major programs is \$5,986,142.
- Creation of an Office of Communications and New Media to serve all departments and improve our community outreach.
- A Police recruit class of 30 starting at the beginning of March, 2012 to ensure that our Police department maintains the level of staffing that has produced dramatic and sustained crime reduction since the adoption of the Community Policing Plan. This recruit class positions the department to continue its high level of effectiveness for FY11-12 and beyond. This new recruit class is in addition to the FY10-11 class.
- A Fire recruit class of 25 starting at the beginning of FY11-12 to maintain the Fire Department's fire suppression and emergency medical response capability, as well as ensure the Department's adherence to its contractual obligations.
- These new classes will also assist us in managing overtime costs in a time of increasing attrition, as more police officers and firefighters reach retirement age.
- A General Fund appropriation for the Hartford Public Schools in the amount of \$283,365,643 which includes employee fringe benefit costs. An indirect appropriation for educational debt and in-kind services for a total of \$20,349,751 is further included in the Municipal Operating Budget. In addition, the Hartford Public Schools receives funding from state and federal grants, private foundations and other sources. These funds, categorized as the Special Funds Budget, are projected at \$112,429,186. The combined preliminary amount from all sources brings the total budget for the Hartford Public Schools to \$416,144,580.
- A General Fund appropriation of \$7,915,000 to the Hartford Public Library, which represents no increase to the FY10-11 Appropriation and includes employee fringe benefit costs.
- To meet the City's obligation to repay bond holders for the construction and renovation of schools, libraries, streets, public facilities and fleet replacements, a Debt Service payment of \$36,500,545 is included in FY11-12 budget. This represents an increase of \$2,124,545, or 6.2% over the FY10-11 Adopted Budget.
- The FY11-12 Mayor's Recommended Budget includes funds for a comprehensive, long-term parks, recreation, and cultural strategy.

Even though total projected revenues for FY11-12 in the Operating Budget are expected to increase to \$547,694,221 or \$ 3,252,066 over the current year adopted revenues of \$544,244,155, the City continues to face substantial increases in the fringe benefits lines, which include medical claims and pension contributions, as well as increases in the debt service payments. My team will move aggressively to identify cost savings in the areas of insurance, benefits, procurement and other operating areas.

The FY 11-12 Mayor's Recommended Budget presents a balanced relationship between total anticipated revenues and total estimated expenditures including the mitigation strategies that include: operating efficiencies, pension review, workers' compensation and medical benefits, request for proposals, and employee concessions.

As Mayor, I have already convened a town meeting to listen and understand the priorities of Hartford's residents and, as we continue this budget process, I welcome the input of the City Council and other concerned stakeholders.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Pedro E. Segarra", with a large, stylized initial "P" and a long horizontal flourish extending to the right.

Pedro E. Segarra
Mayor

