Sundry

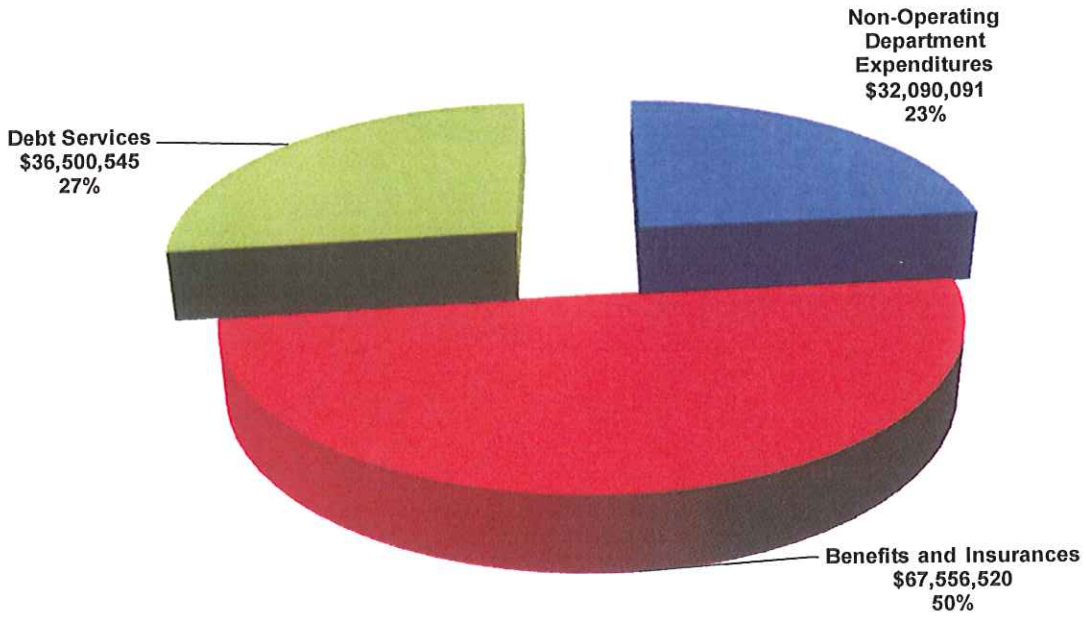
Benefits and Insurances

Debt Service

Non Operating Department Expenditures

*The Hartford Parking Authority

Department Expenditures as a Percentage of Sundry
Total $136,147,156



*** The Hartford Parking Authority is an Enterprise Fund entity and therefore is not funded from the City's General Fund budget.**

SEAL OF THE CITY OF HARTFORD
POST NUBILA PHŒBUS
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Benefits & Insurances

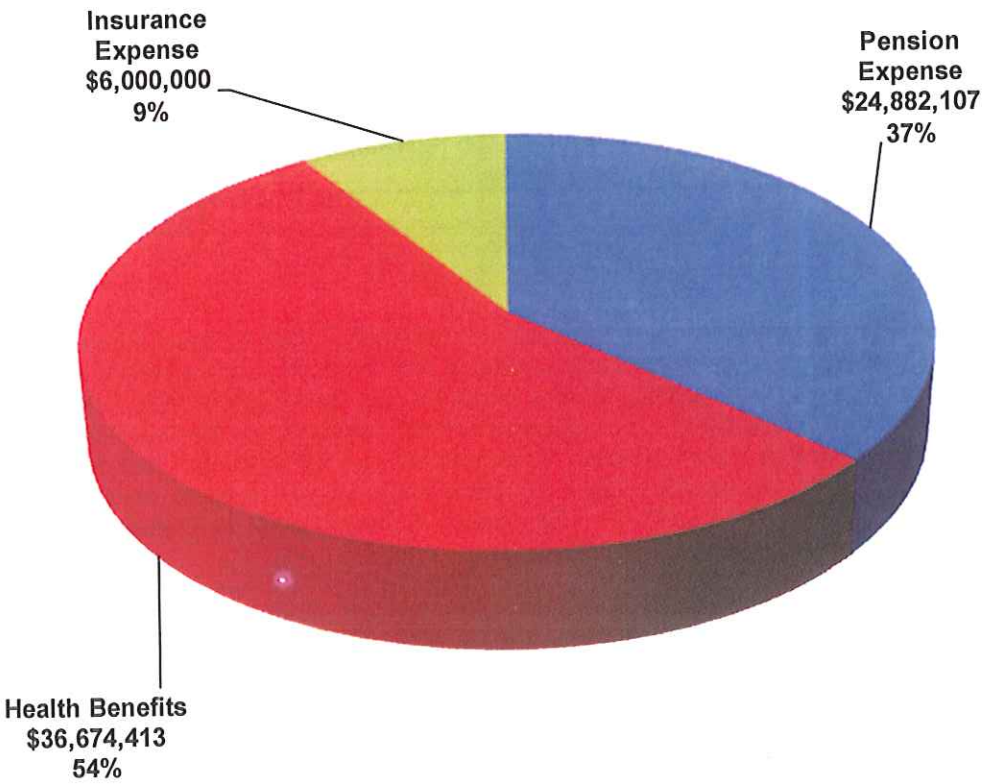
Significant Features:

The Recommended Budget for Fiscal Year 2011-2012 is $67,556,520. This represents an increase of $4,763,448 or 7.6% over the FY 10-11 Adopted Budget. The Pension Expense program increased $5,621,568 or 29.2% due to substantial increases in City pension contribution percentages. The Health Benefits program includes funding for comprehensive health and group life insurance, worker's compensation, unemployment compensation, Other Post Employment Benefit (OPEB) liabilities and social security for municipal employees.

The Insurance Expense program showed an increase of $99,691 or 1.7%. This program reflects premium costs and projected claims necessary to cover all Municipal and Library operations, as well as the Hartford Parking Authority against fire, auto liability, fidelity bonds and general liability, among other coverages. During Fiscal Year 2011-2012, Personnel Management policies will be implemented to reduce costs related to attrition thresholds by reviewing the fiscal impact of unfilled vacancies, retirements, separations from employment and potential employee concessions.

The Mayor and Council are confident that, working with employees and union leadership, we will be able to achieve reductions in expenses for benefits, pension contributions and departmental salaries.

Department General Fund Budget by Program
General Fund Total: $67,556,520



Department Budget Summary:

PROGRAM NAME	FY 09-10 ACTUAL	FY 10-11 ADOPTED	FY 10-11 PROJECTED	FY 11-12 RECOMMENDED	FY 12-13 FORECAST
001 Pension Expense	11,744,110	19,260,539	16,160,539	24,882,107	34,140,036
002 Health Benefits	41,316,703	37,632,224	37,232,224	36,674,413	45,781,714
003 Insurance Expense	6,459,408	5,900,309	6,300,309	6,000,000	6,120,000
General Fund Total	**59,520,221**	**62,793,072**	**59,693,072**	**67,556,520**	**86,041,749**

Program Section:

Program: Pension Expense

Program Goal: The goal of the Pension Expense Program is to provide details regarding retirement, disability, and survivorship benefits for retired municipal employees, in accordance with provisions subject to bargaining with unions representing most of the employees. Employee contributions are compulsory for all plans. An actuarial valuation survey is made annually on the City Municipal Employees' Retirement Fund (MERF), and at least every five years for the Police Benefit Fund, the Firemen's Relief Fund, Retirement Allowance Fund, and the cost sharing State of Connecticut Plan (MERF-B). Pension funds also include funding for the excess benefit plan permitted under Internal Revenue Code Section 415. The Pension Expense program also tracks payments made to current employees who retire and have "cashed out" their vacation, sick and/or other benefits.

Program Services:

Name	Goal	Amount	Legal Mandate
Pension	Provides retirement, disability and survivorship benefits for retired municipal employees in accordance with provisions subject to bargaining with unions representing most of the employees. Also includes benefits for 1716 (active and retired) through the State of Connecticut Plan (MERF-B), Police Benefit Fund, the Firemen's Relief Fund and Retirement Allowance Fund	23,382,107	√
Cash-out Payments	Payments to current employees who retire and "cash out" their vacation, sick and/or other benefits.	1,500,000	
	Total	24,882,107	

Program: Health Benefits

Program Goal: The goal of the Health Benefits Program is to include funding for comprehensive health and group life insurance, workers' compensation, unemployment compensation and social security for employees of the City of Hartford, the Hartford Public School System, the Hartford Parking Authority and the Hartford Public Library. The Hartford Public School System and the Hartford Public Library have budgeted Health Insurance in their respective entities. The City has established a self-insurance fund that more accurately reports on and accounts for the total costs associated with active and pensioned employees', which includes Municipal, Hartford Public School System, Hartford Public Library and the Hartford Parking Authority. During FY 11-12, the City intends to rebid health insurance along with other insurance expenses to minimize costs and maximize program efficiencies.

Program Services:

Name	Goal	Amount	Legal Mandate
Employee Life and Health Insurances	Provides life, hospital and major medical insurance for all municipal employees pursuant to various union agreements, Court of Common Council resolutions and State statutes.	25,079,413	√
Workers' Compensation Claims and State Fees	Complies with State and Federal regulations in collecting and remitting required withholding for all its employees.	6,350,000	√
Social Security	Complies with State and Federal regulations in collecting and remitting required withholding for all its employees.	4,000,000	√
Unemployment Compensation	Complies with State and Federal regulations in collecting and remitting required withholding for all its employees.	1,245,000	√
	Total	36,674,413	

Program: Insurance Expense

Program Goal: The goal of the Insurance Premiums Program is to reflect premium costs and projected claims necessary to cover municipal and Library operations, as well as the Hartford Parking Authority against fire, auto liability, fidelity bonds and general liability, among other coverages. During FY 11-12, the City intends to rebid property & liability insurance along with other insurance expenses to minimize costs while maintaining program effectiveness and efficiencies.

Program Services:

Name	Goal	Amount	Legal Mandate
Premiums	Reflect premium expense for various Insurance coverages required by the City of Hartford.	4,300,000	√
Claims	Reflect claims expense related to accidents and other claims against Insurance protection provided by the City of Hartford.	1,700,000	√
	Total	6,000,000	

SEAL OF THE CITY OF HARTFORD
POST NUBILA PHŒBUS
CONNECTICUT

Debt Service

Significant Features:

The Recommended Budget for Fiscal Year 2011-2012 is $36,500,545. This reflects an increase of $2,124,545 or 6.2% over the 2010-2011 Adopted Budget. The increase is the primarily the effect of the new bond and Ban interest payments resulting from the FY 2010-2011 issuance of $25M in bonds and $45.3M in BANs (Bond Anticipation Notes) to finance the City's CIP (Construction Improvement Plan) program. The GILOT (Grant in Lieu of Taxes) debt service relates to a CBRA (Ct. Brownfields Redevelopment Authority) project with the University of Hartford that the City has funded.

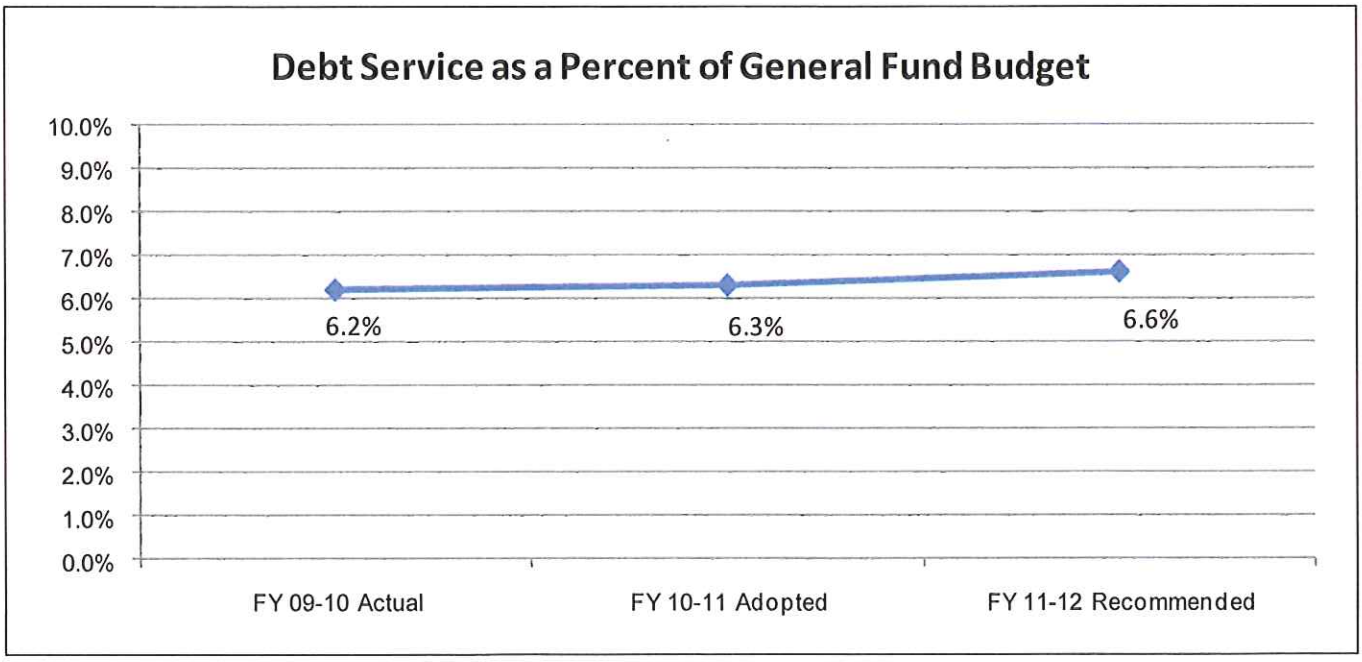
Debt Service is the cost of principal and interest payments on bond maturities and other obligations for the construction and renovation of schools, libraries, streets, public facilities and vehicles.

Debt Service Distribution

FUNCTION	Principal	Interest	Total
Municipal	11,963,524	8,665,855	20,629,379
GILOT - Tax	111,415		111,415
Education	10,086,203	5,673,549	15,759,752
Total	22,161,142	14,339,404	36,500,546

Department Budget Summary:

	Program	FY 09-10 ACTUAL	FY 10-11 ADOPTED	FY 10-11 PROJECTED	FY 11-12 RECOMMENDED	FY 12-13 FORECAST
821000	Debt Service	33,002,830	34,376,000	34,376,000	36,500,545	35,956,102
	General Fund Total	**33,002,830**	**34,376,000**	**34,376,000**	**36,500,545**	**35,956,102**



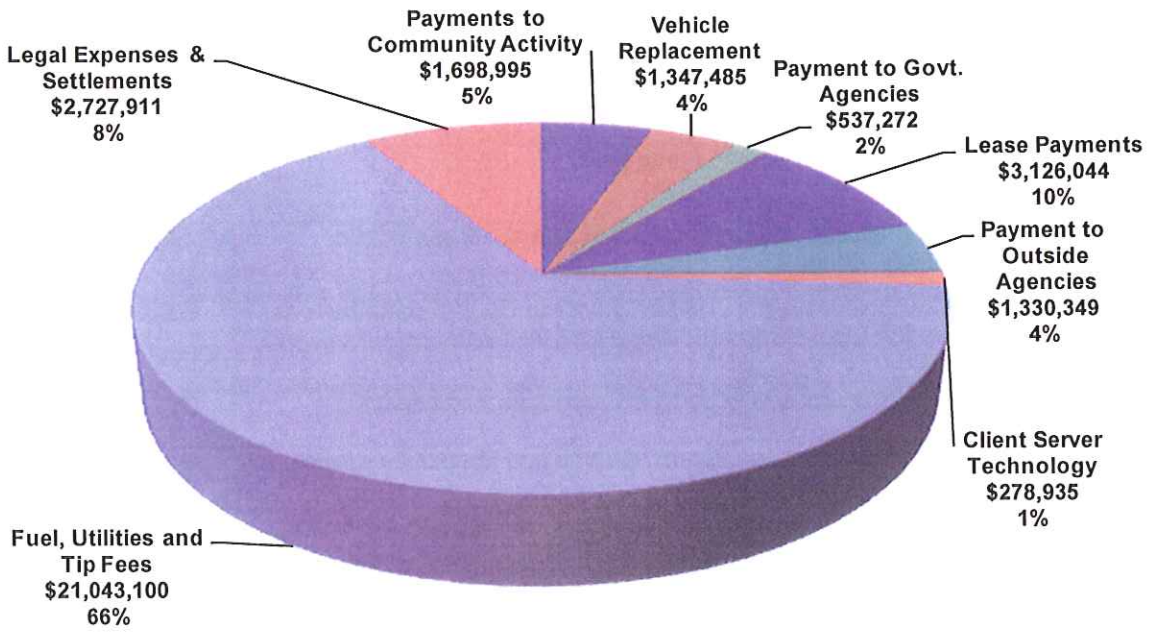
SEAL OF THE CITY OF HARTFORD
POST NUBILA PHŒBUS
CONNECTICUT

Non-Operating Department Expenditures

Significant Features:

The Recommended Budget for Fiscal Year 2011-2012 is $32,090,091. This reflects a decrease of $1,222,992 or 3.6% compared to Adopted Budget for Fiscal Year 2010-2011. The net decrease is the result of transferring Special Events Overtime to operating departments, completing lease payments and reducing legal expenses by handling more in house legal services, offset by utilities increases.

Department General Fund Budget by Program
General Fund Total: $32,090,091



Department Budget Summary:

PROGRAM NAME	FY 09-10 ACTUAL	FY 10-11 ADOPTED	FY 10-11 PROJECTED	FY 11-12 RECOMMENDED	FY 12-13 FORECAST
001 Special Events	881,580	550,000	550,000	0	0
002 Pmts. to Community Activities	2,547,156	1,698,995	1,698,995	1,698,995	1,698,995
003 Vehicle Replacement	1,500,000	1,347,485	1,347,485	1,347,485	1,347,485
004 Payment to Govt. Agencies	521,068	537,272	537,272	537,272	537,272
005 Lease Payments	3,447,899	3,102,962	3,102,962	3,126,044	3,126,044
006 Payment to Outside Agencies	1,129,577	1,516,849	1,516,849	1,330,349	1,332,349
007 Client Server Technology	1,042,586	850,802	850,802	278,935	278,935
008 Fuel, Utilities and Tip Fees	18,674,555	20,680,807	20,680,807	21,043,100	22,096,262
009 Legal Expenses & Settlements	5,173,260	3,027,791	3,027,911	2,727,911	2,755,190
General Fund Total	**34,917,682**	**33,313,083**	**33,313,083**	**32,090,091**	**33,172,532**

Program: Payment to Community Activities

Program Goal: The goal of the Payment to Community Activities Program is to provide funding to civic and cultural events in Hartford.

Program Services:

Name	Goal	Amount	Legal Mandate
Albany Ave/Main St. Block by Block	Provide street sweeping services.	25,000	
Hartford Access Public Television	Provide resources to support the Hartford Access Public Television station.	60,000	
City Contributions Toward Public Programs	Provide resources for Court of Common Council contributions to support local civic and cultural activities and program events.	300,000	
Hartford Arts Council	Provide resources to support art programs and services.	650,000	
Hartford Guides	Provide resources to support security and hospitality services in downtown Hartford.	50,000	
First Night	Provide resources to support Hartford's First Night celebration.	50,000	
Carousel Operations	Provide resources to offset the cost of continued operation of the carousel in Bushnell Park.	120,520	√
Knox Parks Foundation	Provide resources to support horticultural beautification programs and services throughout the City and city-wide graffiti removal.	160,000	
Journey Home	Provide resources to support the ten year plan by the Hartford Commission to End Homelessness in the Capitol Region.	150,000	
Hartford Preservation Alliance	Provide resources to support the preservation and revitalization of unique architecture in Hartford.	50,000	
Coalition for Justice in Education Funding	Provide resources to support the goal of a school funding system that is driven by the educational needs of students.	20,000	
Riverfront Recapture	Provide resources to support an accessible and attractive riverfront.	63,475	
	Total	1,698,995	

Program: Vehicle Replacement

Program Goal: The goal of the Vehicle Replacement Program is to fund existing vehicle loans.

Program Services:

Name	Goal	Amount	Legal Mandate
Vehicle Replacement	Provide funding for prior year vehicle loans.	1,347,485	√
	Total	1,347,485	

Program: Payment to Government Agencies

Program Goal: The goal of the Payment to Government Agencies Program is to provide funding to governmental organizations that provide services to the City of Hartford.

Program Services:

Name	Goal	Amount	Legal Mandate
Capitol Region Council of Governments (CRCOG)	Provide community development and support funds to the Capitol Region Council of Governments (CRCOG), a voluntary regional planning and policy organization for central Connecticut that is controlled by its twenty-nine member cities and towns.	93,265	
Greater Hartford Transit District	Provide a membership contribution to the Greater Hartford Transit District, a regional and regulatory body in transit-related matters providing standards for transit systems under Connecticut State Statutes. The City's contribution leverages the District's requests for additional federal funds that extend transit services to Hartford residents.	15,804	
Probate Court	Provide the City's payment of operating costs for the Probate Court per State Statute.	58,000	√
Connecticut Conference of Municipalities	Provide funding for the Connecticut Conference of Municipalities which lobbies for resources for locally run programs that benefit city and town residents.	83,910	
National League of Cities	Provide membership payment to the National League of Cities, which is based in Washington D.C. and lobbies on behalf of municipalities on the national level.	8,161	
Windsor/Wethersfield Golf	Provide a payment in lieu of taxes for Keney and Goodwin Golf courses.	59,840	√
U.S. Conference of Mayors	Provide funding for the U.S. Conference of Mayors, which is located in Washington D.C. and hosts a variety of conferences and seminars addressing subjects related to municipal government.	12,242	
Sister City International	Provide funding for Sister City International, which networks with nine cities through this organization designed to help foster economic development.	6,050	
Business Improvement District	Provide an annual contribution to the Business Improvement District (BID), which is comprised of property owners in the downtown area that agree to form and manage the District and contribute additional resources to fund enhanced amenities and services.	200,000	√
	Total	537,272	

Program: Lease Payments

Program Goal: The goal of the Lease Payments Program is to fund contractual payments for Constitution Plaza, other facilities, technology and equipment.

Program Services:

Name	Goal	Amount	Legal Mandate
Constitution Plaza	Fund contractual payments for Constitution Plaza.	2,331,276	√
Lease Payments	Fund existing contractual payments for technology and copier equipment.	794,768	√
	Total	3,126,044	

Program: Payment to Outside Agencies

Program Goal: The goal of the Payment to Outside Agencies Program is to fund temporary employees, summer youth internships, the contingency reserve, employee development and legislative, grant and audit services.

Program Services:

Name	Goal	Amount	Legal Mandate
Seasonal Employees	Provide resources for summer youth and the city-wide internship program.	50,000	
Employee Development	Provide funds for professional staff development city-wide.	223,757	
Contract Compliance	Provide investigative services for citizen complaints.	200,000	√
Contingency	Provide funds for unforeseen or emergency expenditures.	150,000	
Legislative Services	Represent the City's policy interests at the federal level.	160,000	
Grant Management Services	Provide grant seeking and writing services to offset General Fund expenditures.	50,000	
Single Audit Financial Services	Produce the City's yearly external audit.	128,000	√
Learning Corridor	Provide energy fixed costs to the Learning Corridor.	368,592	√
	Total	1,330,349	

Program: Client Server Technology

Program Goal: The goal of the Client Server Technology Program is to provide technological infrastructure.

Program Services:

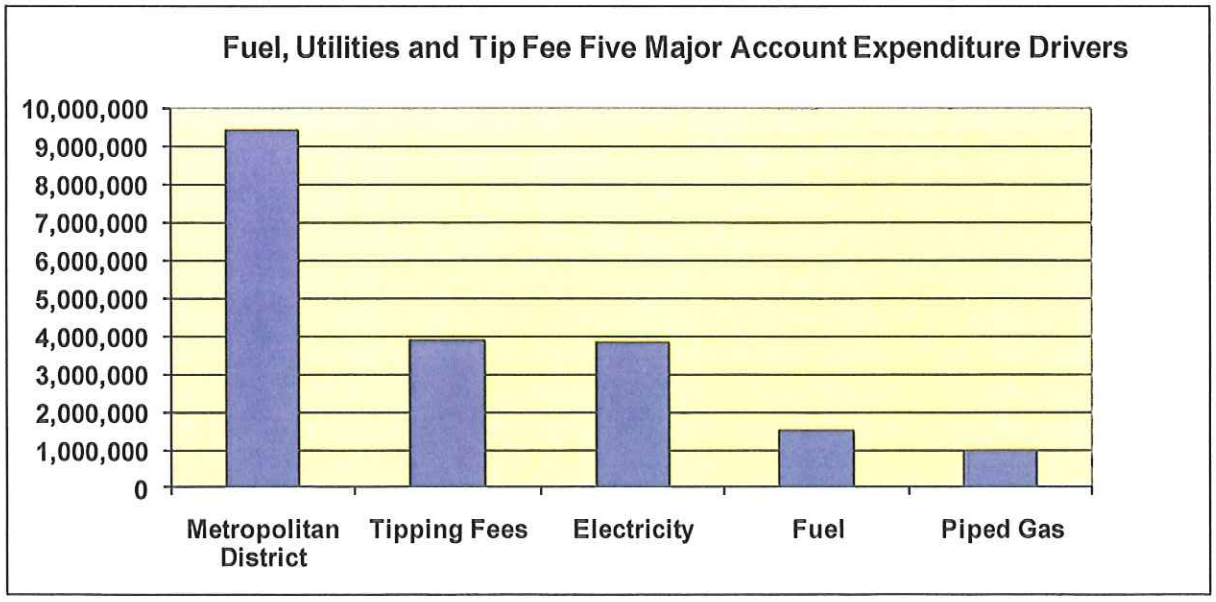
Name	Goal	Amount	Legal Mandate
Technology Support	Ensure the planning, support and maintenance for software programs and technologies.	50,000	
Computer Equipment	Provide the necessary Computer Equipment to maintain accuracy and production.	50,000	
MUNIS	Munis System Software	178,935	
	Total	278,935	

Program: Fuel, Utilities and Tip Fees

Program Goal: The goal of the Fuel, Utilities and Tip Fees Program is to provide energy sources for city operations and pay waste disposal fees.

Program Services:

Name	Goal	Amount	Legal Mandate
Fuel	Ensure vehicles, facilities and machinery refuel.	1,500,000	
Utilities	Ensure city facilities have electricity, piped heat, fuel oil, piped gas and water.	15,638,600	
Tipping Fees	Pay fees for the disposal of solid waste.	3,904,500	
	Total	21,043,100	



Program: Legal Expenses and Settlements

Program Goal: The goal of the Legal Expenses and Settlements Program is to provide the City with specialized legal counsel, refund tax appeals and pay Court of Common Council approved settlements.

Program Services:

Name	Goal	Amount	Legal Mandate
Litigation Expenses	Utilize outside legal counsel for specialized legal matters and settle legal claims and tax appeals. The Corporation Counsel's Office represents the City in claims brought against it and may, with the approval of the Court of Common Council, compromise and settle any such claims.	1,827,911	√
Tax Refund	Provide personal property audit services.	900,000	√
	Total	2,727,911	

Hartford Parking Authority

The Hartford Parking Authority ("Authority") is a quasi-public agency that was created in December 1998 by the Court of Common Council pursuant to Chapter 100 of the Connecticut General Statutes. The Authority's purpose is "to create, establish, finance, maintain, and operate the City-owned parking facilities and to manage and operate other regulated parking facilities." It is the Authority's mission to enhance existing and future land uses, support economic growth opportunities, and safeguard the City's investments in its parking facilities.

The Authority's adopted operating budget for Fiscal Year 2011-2012 reflects the Authority's strategic vision for the year. The adopted budget was prepared in accordance with the Authority's budget and fiscal policies and in cooperation with the City's Finance Department and the Office of Management & Budget, and has been approved by the Authority's Board of Commissioners.

The Authority's adopted budget for Fiscal Year 2011-2012 shows operating income of $4.2 million, an increase of $795,769, or 23.3%, from the prior year's budgeted operating income of $3.4 million.

The Authority's Adopted Fiscal Year 2011-2012 budget looks to build on the success of FY 2010-2011 marketing efforts. Incentive rates for monthly parkers at the Morgan Street Garage were implemented as well as three pilot programs (Freebie Days, Loyalty Reward and Refer a Friend) designed to increase the awareness and usage of the Authority's garages and support downtown businesses. Strategic marketing efforts will continue in order to increase the number of corporate and validation accounts and to capture a greater share of short term and event parking. The Authority also plans to initiate dialogue with neighborhood commercial districts to see how on-street metering and enforcement could support business growth. In addition, the Authority will continue the on-street scofflaw enforcement program this coming year in conjunction with the Hartford Police Department. The program is aimed at repeat offenders and has proven to be an effective tool in improving collections and compliance.

A brief discussion of the major changes in the past year for each of the Authority's facilities follows.

Morgan Street Garage

Morgan Street Garage, the Authority's largest parking garage (2,290 spaces), has experienced a steady decline in the number of monthly customers over the past five years with monthly parking revenue falling from $2.0 million in Fiscal Year 2005-2006 to less than $300,000 (projected) in Fiscal Year 2010-2011. The move of the Morgan Street Garage's largest customer UnitedHealth Group from 450 Columbus Boulevard to City Place in June 2010 resulted in the loss of close to eight hundred (800) parkers at the Morgan Street Garage although a number of these are now parking at the Church Street Garage.

In order to stem the tide, the HPA will employ a long-term parking strategy at the Morgan Street facility that involves refunding non-taxable bonds with taxable bonds. This will allow the HPA to engage in long-term parking contracts with larger tenants in the downtown area. Currently, it can only engage in month-to-month deals. This strategy has the objective of filling the MSG garage's vacant spaces and returning the facility to profitability.

The Authority's marketing efforts have met with some success in the past year with small increases in the number of monthly parkers as well as the new short-term parkers. Efforts will continue in the upcoming year to attract greater numbers of monthly and short-term parkers.

Church Street Garage

Constructed in 1954, the Church Street Garage is the Authority's oldest but most active parking facility. As stated above, the Church Street Garage added a little more than seven hundred (700) UnitedHealth Group monthly parkers in June 2010 upon its move from 450 Columbus Boulevard to City Place. Church Street Garage will have monthly parkers in excess of stated capacity (1,438 monthly parkers as of March 1, 2011 compared to capacity of 1,299 spaces) and remains the Authority's key event based garage given its location next to the XL Center.

MAT Garage

The MAT Garage, named for its location between Main and Trumbull Streets, was built in 1975, and has a capacity of 907 vehicles, a reduction of 27 spaces following the expansion of the Hartford Stage Company within the structure. The MAT Garage has seen reduced monthly parking revenue over the past two years as parking demand from 20 Church Street (One Corporate Center) has declined. The Hartford Stage's closure during construction also impacted revenue in 2010. However, MAT Garage still has monthly parkers in excess of stated capacity (1,027 monthly parkers as of March 1, 2011 compared to capacity of 907 spaces).

On-Street Parking

The Authority's Pay-and-Display parking meters have generally been well received since their installation in October 2008. As an indication of the success of the Pay-and-Display parking meters, meter revenue has recovered to its level before rates were decreased 33% in 2007.

Hartford Parking Authority Budget Summary for Fiscal Year 2011-2012

	Fiscal 2010-11 Adopted Budget	Fiscal 2010-11 Projected Budget	Fiscal 2011-12 Recommended Budget
Administrative			
Income	0	0	0
Expenses	(1,619,113)	(1,514,239)	(1,761,800)
Operating Income	(1,619,113)	(1,514,239)	(1,761,800)
Morgan Street Garage			
Income	1,152,726	945,386	1,143,400
Expenses	(855,600)	(794,033)	(775,800)
Operating Income	297,126	151,353	367,600
MAT Garage			
Income	2,195,094	1,989,642	2,181,300
Expenses	(794,500)	(785,701)	(937,500)
Operating Income	1,400,594	1,203,941	1,243,800
Church Street Garage			
Income	2,268,000	2,375,695	2,375,700
Expenses	(859,865)	(890,510)	(916,500)
Operating Income	1,408,135	1,485,185	1,459,200
On-Street Parking			
Income	3,645,000	3,414,881	3,414,900
Expenses	(1,141,057)	(1,037,385)	(1,057,600)
Operating Income	2,503,943	2,377,496	2,357,300
Commercial Space			
Income	79,200	79,200	0
Expenses	0	0	0
Operating Income	79,200	79,200	0
Surface Parking Lots			
Income	35,000	25,000	35,000
Expenses	0	(14,800)	0
Operating Income	35,000	10,200	35,000
Library Garage			
Income	15,000	13,802	13,800
Expenses	(16,050)	(15,250)	(15,300)
Operating Income	(1,050)	(1,448)	(1,500)
Renewal & Replacement Reserve	(684,004)	(684,004)	516,000
Total			
Income	9,390,020	8,843,606	9,164,100
Expenses	(5,970,189)	(5,735,922)	(4,948,500)
Operating Income	3,419,831	3,107,684	4,215,600
Debt Service on Parking System Bonds	(2,769,832)	(2,769,832)	(2,265,600)
Net Income	649,999	337,852	1,950,000 *

Note: 1. Payment-in-kind for City Employees who Park in Morgan Street Garage 280,200

2. Debt Service on Parking System Bonds includes (both interest & principal):
   - Refund Series A 2005 1,760,700
   - Related Tax Refunding (500,000)
   - Refund Series B 2005 1,004,900

*FY12 net income (returned to GF) is $1.95M per Finance Department analysis

SEAL OF THE CITY OF HARTFORD
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