



# **City of Hartford FY2020 Recommended Budget Public Hearing, Bulkeley High School**

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April 23, 2019

# INTRODUCTION

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- **Looking back, looking ahead...**
  - Over the last three years, we have worked together to build a foundation for Hartford's future
  - We confronted a fiscal crisis honestly and directly, and we have moved our city from crisis to stability
  - Our fiscal position is still fragile, and this budget protects the progress we have made

# INTRODUCTION

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- **This Recommended Budget...**
  - Does not raise property taxes
  - Does not include any borrowing or new debt
  - Makes investments in public safety and quality of life
  - Protects funding for libraries, rec centers, schools

# FIVE-YEAR PLAN

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- **The Five-Year Plan:**
  - Balanced budget without tax increases
  - Makes necessary capital investments without new debt
  
- **Long-Term Goals:**
  - Reducing the property tax rate
  - Rebuilding fund balance or “rainy day” fund

# FIVE-YEAR PLAN

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- **Long-term Sustainability Depends Upon:**
  - Continued discipline
  - \$10 million annual corporate contribution
  - Maintenance of State agreement
  - Economic growth leading to successful 2021 revaluation



**Overview of the  
FY2020  
Recommended Budget**

# FY2020 RECOMMENDED BUDGET

## ESSENTIAL SERVICES-ONLY BUDGET



<b>General Fund:</b>	<b>FY2019 Adopted Budget</b>	<b>FY2020 Forecast</b>	<b>FY2020 Recommended Budget</b>	<b>Variance (\$)</b>	<b>Variance (%)</b>
Total Revenues	570,041,106	573,280,741	573,280,741	3,239,635	0.6%
Total Expenditures	570,041,106	573,280,741	573,280,741	3,239,635	0.6%
<b>Surplus / (Deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>Expenditures adjusted for:</b>					
Debt & Other Capital Investment	(12,600,000)	(11,400,000)	(11,400,000)		
<b>Base Expenditures Comparison</b>	<b>557,441,106</b>	<b>561,880,741</b>	<b>561,880,741</b>	<b>4,439,635</b>	<b>0.8%</b>

- Total increase of 0.6% spending compared with FY2019
- Excluding capital investment expenditures, the budget is a 0.8% increase compared with FY2019
- The budget is balanced and it does not rely on one-time revenues, assets sales or “kicking the can”

# REVENUE SUMMARY

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Revenue Category	FY2018 Actual	FY2019 Adopted	FY2020 Recomm	Variance (\$)	Variance (%)
General Property Taxes	282,456,413	284,111,323	283,570,266	(541,057)	-0.2%
Licenses And Permits	6,065,824	5,671,406	6,040,406	369,000	6.5%
Fines Forfeits & Penalties	149,601	190,000	190,000	-	0.0%
Revenue Money And Property	2,382,396	1,313,149	4,003,465	2,690,316	204.9%
Intergovernmental Revenues	292,903,825	258,950,890	259,580,413	629,523	0.2%
Charges For Services	3,647,518	2,929,483	2,967,964	38,481	1.3%
Reimbursements	134,317	152,840	135,440	(17,400)	-11.4%
Other Revenues	1,313,009	238,650	238,650	-	0.0%
Other Financing Sources	5,543,864	16,483,365	16,554,137	70,772	0.4%
<b>Total Revenues</b>	<b>594,596,768</b>	<b>570,041,106</b>	<b>573,280,741</b>	<b>3,239,635</b>	<b>0.6%</b>

- Small decrease in general property tax revenue
- Licenses and Permits revenue increase
- Higher earnings through interest and dividends
- Corporate contribution of \$10 million



# EXPENSE SUMMARY

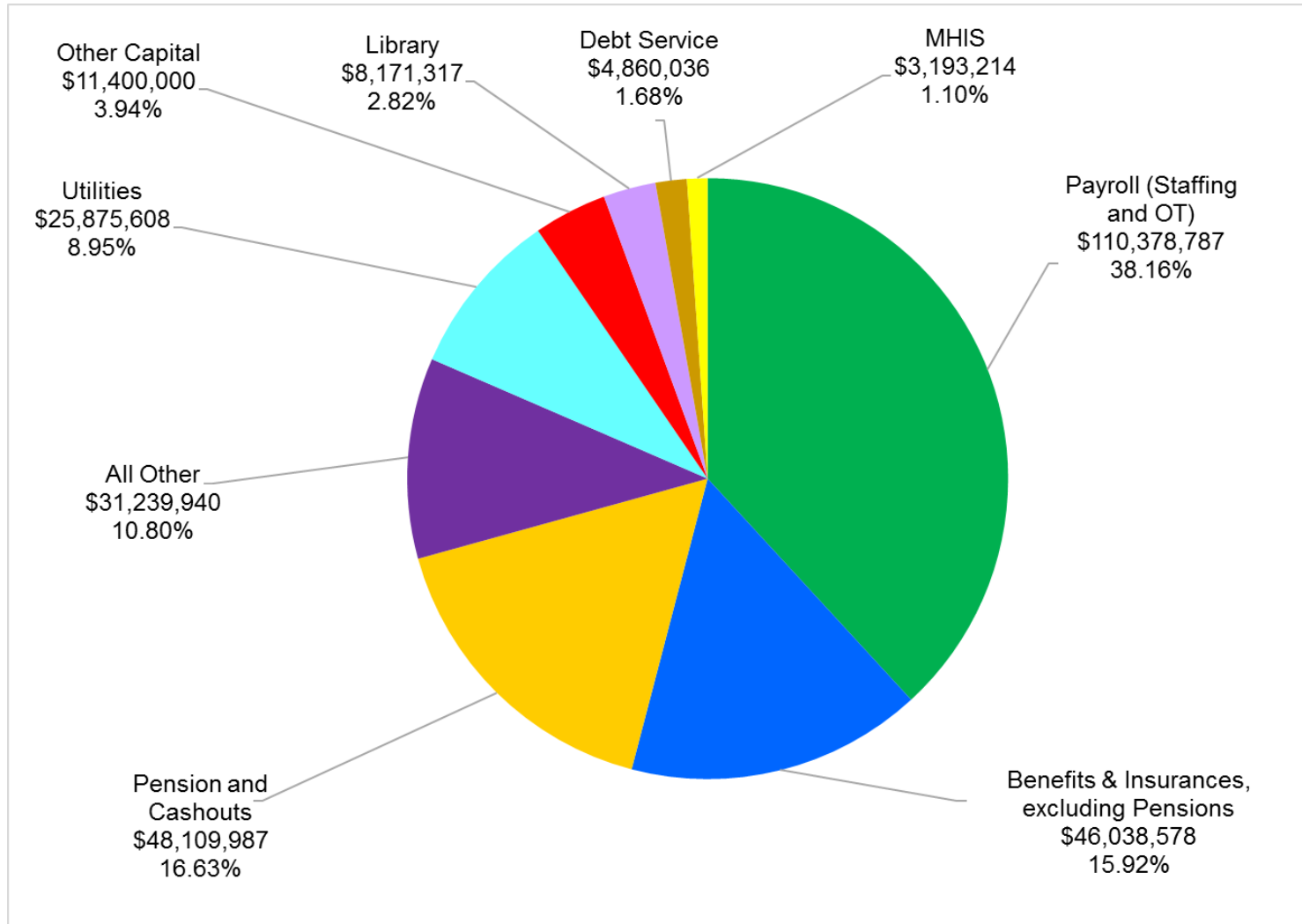


Expenditure Category	FY2018 Actual	FY2019 Adopted	FY2020 Recomm	Variance (\$)	Variance (%)
Payroll	102,266,638	108,197,525	110,378,787	2,181,262	2.0%
Benefits	90,369,281	93,793,869	94,148,565	354,696	0.4%
Debt & Other Capital	58,011,334	17,423,430	16,260,036	(1,163,394)	-6.7%
Library	8,100,000	8,150,000	8,171,317	21,317	0.3%
Metro Hartford Innovation Services	2,996,431	3,174,113	3,193,214	19,101	0.6%
Utilities	22,079,682	23,964,607	25,875,608	1,911,001	8.0%
Other Non-Personnel	26,467,959	31,329,374	31,239,940	(89,434)	-0.3%
Education	283,943,410	284,008,188	284,013,274	5,086	0%
<b>Total Expenditures</b>	<b>594,234,735</b>	<b>570,041,106</b>	<b>573,280,741</b>	<b>3,239,635</b>	<b>0.6%</b>
Debt & Other Capital Investment	(11,888,917)	(12,600,000)	(11,400,000)		
<b>Base Budget excl Debt &amp; Capital</b>	<b>582,345,818</b>	<b>557,441,106</b>	<b>561,880,741</b>	<b>4,439,635</b>	<b>0.8%</b>

- Labor agreements keep benefit growth stable
- Payroll increase reflects quality of life and public safety investments
- Passes all education assistance through to the Board of Education
- Dedicates \$11.4 million to the capital reserve for Capital Investment Program
- Utilities increase due to sewer, tipping fee and fuel cost increases

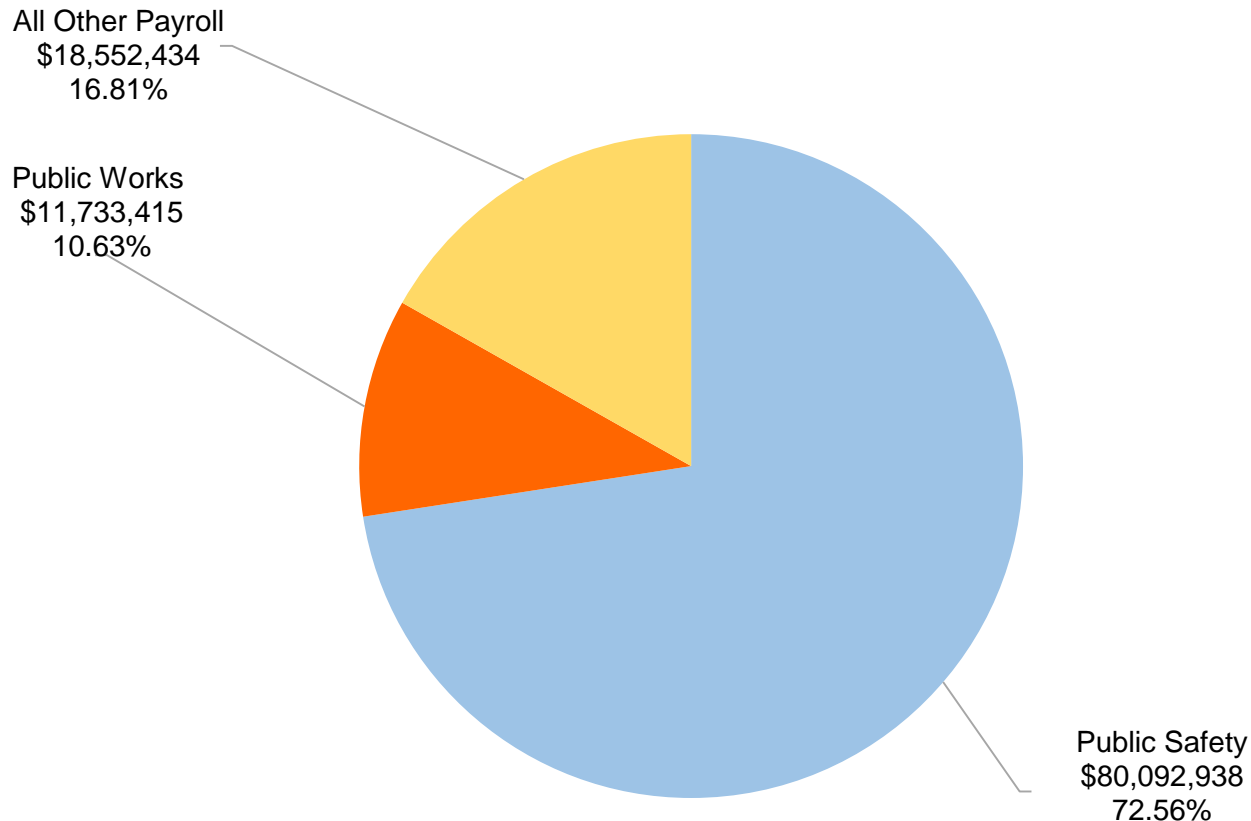
# COMPONENTS OF THE EXPENDITURE BASE

## \$289.3M MUNICIPAL BUDGET



# FY2020 PERSONAL SERVICES / PAYROLL BUDGET

MUNICIPAL BUDGET: \$110.4M<sup>1</sup>

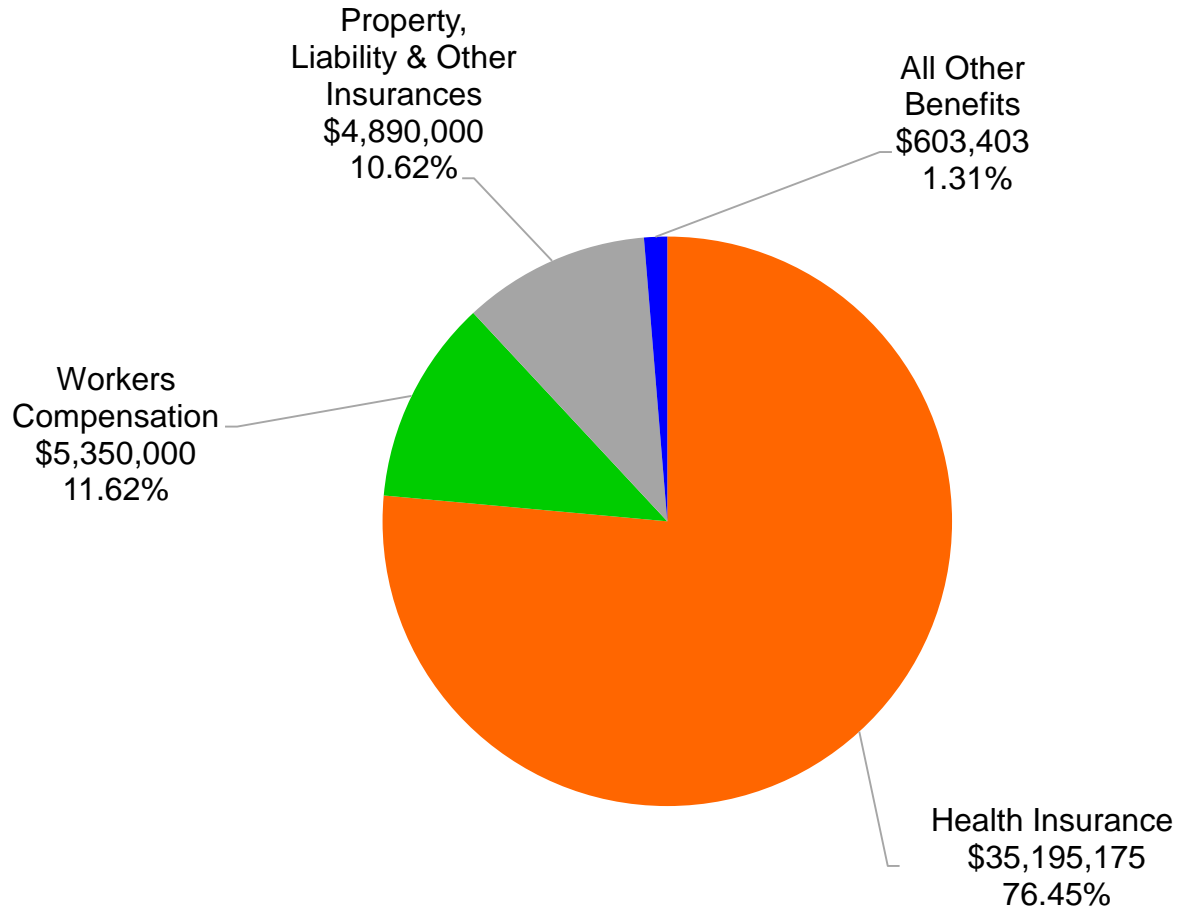


<sup>1</sup> FY2020 Payroll Staffing & OT Budget, excluding Education.

*This budget projects a total City workforce that is 43% smaller than the workforce of thirty years ago (FY1990). Excluding public-safety personnel, the workforce in FY2020 will be 11% smaller than the workforce in FY2015.*

# BENEFITS AND INSURANCES

## EXCLUDING PENSIONS (TOTAL \$46.0M)





## Spotlight on Key Priorities

# FY2020 RECOMMENDED BUDGET

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## SPOTLIGHT ON KEY PRIORITIES



- **Key Investments in Public Safety**
  - Provides for two new police classes (total 64 officers)
  - Funds Fire Department Tour Commander position
  - Funds additional crime analyst to support C4

# FY2020 RECOMMENDED BUDGET

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## SPOTLIGHT ON KEY PRIORITIES



- **Key Investments in Quality of Life**
  - Funds two additional Rodent Control Inspectors
  - Funds forestry unit (staff and equipment)
  - Funds additional staff in DPW streets division
  - Makes necessary investment in traffic control to improve pedestrian and vehicular safety

# FY2020 RECOMMENDED BUDGET

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## SPOTLIGHT ON KEY PRIORITIES



- **Education, Libraries, Youth & Recreation**
  - Passes through 100% of any increase in municipal education funding to the Board of Education
  - Returns any end-of-year Board of Education surplus to the Board of Education
  - Maintains funding for Hartford Public Library
  - Continues to fund Youth Violence Intervention work
  - Funds expanded summer Rec Center Hours



# FY2020 RECOMMENDED BUDGET

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## SPOTLIGHT ON KEY PRIORITIES



- **Pension Funding**
  - Fully funds the pension obligation (Actuarial Determined Employer Contribution, or ADEC)
  - Decreases the return assumption to 7.375%



# **Capital Improvement Program**

# **FY2020 RECOMMENDED BUDGET**

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## **CAPITAL IMPROVEMENT PROGRAM**



- **Making Capital Investments Without New Debt**
  - Total anticipated capital spend of \$32 Million
  - Funding comes from Capital Reserve, General Fund, State Grants & Reimbursements
  
- **Prioritizes Schools & Critical Infrastructure**
  - Funds Weaver, MLK, BOE Administrative Offices
  - Funds Critical Infrastructure Projects

# FY2020 RECOMMENDED BUDGET

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## CAPITAL IMPROVEMENT PROGRAM



- **Critical Infrastructure Projects Include:**
  - Citywide ADA compliance
  - Milling and paving
  - Sidewalk replacement
  - Traffic signal improvements
  - Flood control
  - Bridge repairs
  - Public safety equipment
  - Renovation of Metzner Center (Early Learning Ctr)

# FY2020 RECOMMENDED BUDGET

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## CAPITAL IMPROVEMENT PROGRAM



- **Hartford Parks Trust Fund:**
  - Playscape replacements (Keney, Goodwin, Pope, Rocky Ridge, Bushnell Parks)
  - Park Paths (Colt, Sigourney, Elizabeth Parks)
  - Renovations to athletic facilities, including basketball courts, tennis courts, and baseball fields (Pope, Goodwin, Hyland, Brackett, Colt Parks)
  - Improvements to splash pads at various parks
  - Pond dredging (Goodwin Park)

# FY2020 RECOMMENDED BUDGET

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## Neighborhood Development



- **Neighborhood Projects Underway or In Development Without City of Hartford Taxpayer Dollars (Examples):**
  - Renovation of Former Quirk Middle School
  - Albany Avenue Streetscape
  - Maple Avenue Streetscape
  - Parkville Market
  - Swift Factory
  - Dillon Stadium\*
  - South End Boys & Girls Club
  - Farmington Avenue Streetscape

**CITY OF HARTFORD**

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# **Public Comment**