



Pedro E. Segarra
Mayor

MAYOR SAYS CURRENT FISCAL YEAR BUDGET NO LONGER IN THE RED

---NEWS AND COMMUNITY RELEASE---

(April 13, 2011) --- Just days prior to presenting his first budget to City Council for Fiscal Year 2011-2012, Mayor Pedro E. Segarra today announced that the current fiscal year is no longer in the red.

“Based on current calculations, we are no longer in a deficit. If trends continue, we will end the current fiscal year in the black and my goal is to increase the fund balance by at least 10%,” said Mayor Segarra.

Today’s announcement paints quite a contrast to some other cities and towns looking at potential cuts in services and tax increases. Hartford’s early retirement incentive has resulted in considerable savings; city staff has decreased in size and increased in accountability; there are positive developments in medical claims and pension contributions; procurement improvements and efficiencies have resulted in non-salary account savings; and there’s been greater vigilance monitoring revenue and expenditures.

“Through prudent fiscal management and continual collaboration, we’ve been able to avoid layoffs and maintain our quality of life,” said the Mayor.

More specific savings include:

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| • Personnel Policy for Separations and Vacancies | \$3.5 million |
| • Retirement Incentive/City Reorganization | \$1.4 million |
| • Tax Collections | \$1 million |
| • Rental Agreements | \$600k |
| • City-wide Spending Freeze | \$300k |
| • Property Sales/Billboard | \$250k |
| • Restructuring Debt | \$200k |
| • Rebidding Initiative Savings | \$125k |

This good news is tempered by the on-going state budget discussions for this coming year which are still a concern. If the Governor’s “Plan B” has to be enacted, which severely cuts aid to cities and towns, Mayor Segarra says the results could be “catastrophic.” He is working with Hartford’s Legislative Delegation on a plan that focuses on three main principles: protects residential taxpayers against major increases; provides relief and predictability for the business community; continues to recognize the acute burden small business has had to endure over the years. The Mayor says that any reform must provide simultaneous relief in a balanced and equitable manner.