



Eddie A. Perez
Mayor

BUDGET WORKSHOP FOCUSES ON EXPENSES

---NEWS AND COMMUNITY RELEASE---

(February 4, 2010)--- Expenditures took center stage of the budget discussions as the Committee of the Whole once again adopted a workshop format to promote early dialogue and exchange of ideas. This cooperative effort--- facilitated by Leadership Greater Hartford--- is the continuation of a process to build a consensus budget to be presented at public hearings.

Mayor Eddie Perez said, “As we listen to the presentation, and ask questions for further insight and analysis, we need to keep a few key points in mind. First, the Governor’s proposed budget appears to maintain current state funding levels. Secondly, the BOE is already looking at ways to reduce projected increases in expenditures. Thirdly, the City has already reduced its expenditures in including achieving energy savings and greater productivity through technology.”

The presentation on expenditures started by answering the question, “Where does the money go?” Last year, \$284.5 million or 53% was invested in education; \$7.9 million (less than 2%) was delegated to the Hartford Public Library; Municipal services cost \$242.3 million or 45%. Last year’s General Fund Budget was \$535,768,191.

The financial forecast for FY 10-11 is to close a gap of \$42.9 million in order to present a balanced budget, which is required by Charter. The five major expenditure increases include:

1. Municipal employer pension contribution: \$7.8 million
2. Municipal operating departments: \$4.5 million (primarily in public safety)
3. Employee benefits program: \$4.1 million (health insurance etc)
4. Debt service: \$3.0 million
5. Utilities: \$1.0 million

Ideas that have been proposed to close the gap include:

1. Mergers: combine City/BOE functions like finance, human resources, and public works;
2. Regional solutions: potential formation of regional school district and shared services;
3. Budgets: reduce departmental expenditures and review proposed capital improvement projects;
4. Staffing: enlist community groups to perform functions like management of pools, provide employee incentives to reduce waste, and examine less expensive benefit options;
5. Miscellaneous expenses: extend school day to shorten calendar; defer pension payments, and structure legal settlements that don’t require immediate payment;
6. Technology: purchase new phone system and invest in energy conservation technology;
7. Community: make housing affordable to artists and musicians to energize City;
8. Employees: provide professional development to improve staff expertise.

The budget workshops air on Government Cable Access TV Channel 96 (streaming live on www.hartford.gov). The next COW meeting will focus on Hartford Public Schools and will take place in City Council Chambers on Thursday, February 18th at 5:30 PM. By charter, the Mayor must present his budget to Council by Monday, April 19th at 5:30 PM.