

City of Hartford

FY2019

Monthly Financial Report to the Municipal Accountability Review Board



November 1, 2018

City of Hartford
Budget and Financial Report
to the Municipal Accountability Review Board

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City of Hartford - FY2019 General Fund Financial Report & Projection

MARB 11/1

Revenue Category	FY2018 UNAUDITED ACTUAL	FY2019 ADOPTED BUDGET	FY2019 REVISED BUDGET	FY2018 ACTUAL (SEPT)	FY2019 ACTUAL (SEPT)	FY2019 PROJECTION	VARIANCE	% COLL.
41 General Property Taxes ¹	(282,456,413)	(284,111,323)	(284,111,323)	(141,475,281)	(142,534,043)	(283,111,323)	1,000,000	50%
42 Licenses & Permits ²	(6,065,824)	(5,671,406)	(5,671,406)	(1,460,232)	(2,004,709)	(5,671,406)	-	35%
43 Fines Forfeits & Penalties ³	(149,601)	(190,000)	(190,000)	(48,709)	(66,642)	(190,000)	-	35%
44 Revenue Money & Property ⁴	(2,382,396)	(1,313,149)	(1,313,149)	(681,043)	(959,755)	(3,533,149)	(2,220,000)	73%
45 Intergovernmental Revenues ^{5 15}	(292,903,825)	(258,950,890)	(258,950,890)	(1,545,801)	(12,513,538)	(258,950,890)	-	5%
46 Charges For Services ⁶	(3,647,518)	(2,929,483)	(2,929,483)	(1,098,198)	(901,074)	(2,729,483)	200,000	31%
47 Reimbursements ⁷	(134,317)	(152,840)	(152,840)	(27,469)	(25,422)	(132,840)	20,000	17%
48 Other Revenues ⁸	(1,312,263)	(238,650)	(238,650)	(356,808)	(220,185)	(238,650)	-	92%
53 Other Financing Sources ⁹	(5,826,481)	(16,483,365)	(16,483,365)	(994,686)	(1,315,567)	(8,816,698)	7,666,667	8%
Total Revenues¹⁶	(594,878,639)	(570,041,106)	(570,041,106)	(147,688,227)	(160,540,934)	(563,374,439)	6,666,667	28%

MARB 11/1

Expenditure Category	FY2018 UNAUDITED ACTUAL	FY2019 ADOPTED BUDGET	FY2019 REVISED BUDGET	FY2018 ACTUAL (SEPT)	FY2019 ACTUAL (SEPT)	FY2019 PROJECTION	VARIANCE	% EXP.
Payroll ¹⁰	102,278,275	108,197,525	108,376,391	23,657,432	21,717,734	103,035,305	5,341,086	20%
Benefits	90,391,231	93,793,869	93,793,869	24,139,069	22,524,589	93,793,869	-	24%
Debt & Other Capital ^{11 15}	58,448,433	17,423,430	17,423,430	19,079,799	1,587,893	17,423,430	-	9%
Library ¹²	8,100,000	8,150,000	8,150,000	2,025,000	371,944	1,483,333	6,666,667	5%
Metro Hartford Innovation Services	2,996,431	3,174,113	3,174,113	749,108	793,528	3,174,113	-	25%
Utilities	22,008,714	23,964,607	23,964,607	4,639,623	4,472,471	23,964,607	-	19%
Other Non-Personnel ¹⁴	26,463,473	31,329,374	31,150,508	7,386,311	3,915,367	34,150,508	(3,000,000)	13%
Education ¹³	284,008,188	284,008,188	284,008,188	71,002,047	24,008,324	284,008,188	-	8%
Total Expenditures¹⁶	594,694,744	570,041,106	570,041,106	152,678,390	79,391,851	561,033,353	9,007,753	14%
Revenues and Expenditures, Net	(183,895)	-	-	4,990,162	(81,149,083)	(2,341,086)		
Council Approved Use of Fund Balance	-	-	-	-	-	-	-	-
Net Surplus/(Deficit)	183,895	0	0	(4,990,162)	81,149,083	2,341,086		

¹ The General Property Tax revenue category is comprised of Current Year Levy, Prior Year Levy, Interest & Liens and Subsequent Lien Sales.
 - Cumulative through September, current year tax levy revenues are 1.6% higher than FY2018, in alignment with budget assumptions.
 - Prior year levy revenues includes adjustments for any appeals settled through the Board of Assessment or the court process. Total adjustments to prior year levy tax collections year to date are consistent with budget projections. However there are 311 parcels that are still being adjudicated through the court process. Based on historical experience, it is estimated that a 20% adjustment on assessment/taxes may occur, resulting in a potential unfavorable variance of \$1.5 million. This is a critical area that is being monitored for budget impact.
 - Interest and liens collections through September are significantly more favorable than FY2018 by approximately \$548K.
 - Revenues from subsequent tax lien sales are not recorded until the 4th quarter of the fiscal year.
 The overall General Property Taxes will continue to be monitored through the second quarter of the fiscal year.

² The Licenses and Permits revenue category is primarily comprised of building, electrical, mechanical and plumbing permits, food and milk dealer licenses. The budget was established with conservatism as compared to the historical trend/actuals of \$6.0M in FY2018, \$7.4M in FY2017, \$7.6M in FY2016 and \$6.4M in FY2015. A number of License and Permits fees were updated effective as of 08/06/18. FY2019 revenue is trending favorable to FY2018 through September.

³ The Fines, Forfeits and Penalties revenue line item is primarily comprised of false alarms fines and is trending favorable to prior year.

⁴ Revenue from Money and Property contains lease/rental and short-term investment income. Consistent with prior year actuals, revenue is projected to exceed the Adopted Budget due to a more favorable interest rate environment.

⁵ The FY2019 Intergovernmental Revenues YTD primarily reflect the receipt of the \$11M in Car Tax revenues.

⁶ Charges for Services contains revenues associated with the conveyance tax, transcript/filing of records and special events. This revenue line item varies each year with historical actuals ranging from \$2.8M to \$3.6M. This revenue line item is trending approximately \$200K lower than prior year actuals and will continue to be monitored.

⁷ Reimbursements (primarily Section 8) primarily occur at fiscal year end. This revenue line item is trending relatively in line with FY2018 actuals.

⁸ Other Revenues will vary from year to year based on unanticipated items such as settlements. Due to an unbudgeted one-time settlement in FY2019, this revenue line item could potentially exceed the Adopted Budget and will continue to be monitored.

⁹ The FY2019 projection for Other Financing Sources has been adjusted to reflect the following: 1) reduction in Special Police Private Duty job income of \$800K consistent with prior year actuals; 2) Stadium naming rights revenue was received in August, however there is a delay in DoNo PILOT revenues (\$200K) during the planning and development of the parcels surrounding the stadium and 3) Corporate contribution of \$10M, of which \$3.333M will be provided directly to the City of Hartford General Fund and \$6.667M has been provided directly to the Hartford Public Library. A corresponding appropriation reduction has been noted to reflect this arrangement.

¹⁰ Payroll (FT, PT, OT and Holiday) is projected to be net favorable by \$5.3M through September. The methodology of the full-time payroll projection (detailed in the appendix) reflects 11 weeks of actual payroll expenses with 41.2 weeks remaining. Vacancies are assumed to be refilled with 37.2 weeks remaining in the fiscal year. Police classes of approximately 25 officers respectively are estimated for November, March and June. Vacancy and attrition savings of \$6.1M are offset by a projected shortfall of \$608K in OT and \$176K in Part-time salary expenses. Payroll will continue to be monitored throughout the fiscal year.

¹¹ The FY2019 Adopted Budget for Debt & Other Capital is comprised of \$12.6M towards the City's CapEx plan, \$4.6M for Downtown North principal and interest, and \$180,436 for a Grant in Lieu of Taxes payment, for a total of \$17.423M.

¹² Due to \$6.667M of the Corporate contribution being provided directly to the Hartford Public Library, the annual Library appropriation has been adjusted accordingly.

¹³ Education YTD actuals reflect 3 months of the City's tax supported payment of \$96.0M. The \$188.0M ECS will be recorded as the State allocation is received.

¹⁴ Additional settlement expenses of \$3 million associated with stadium litigation is projected within Other Non-Personnel.

¹⁵ Under the executed Contract Assistance agreement, \$48.57M of General Obligation debt service payments will be made on the City's behalf by the State of Connecticut. Consistent with GAAP rules, the contract assistance payments will be recorded as donated capital revenue. The debt service expenditures will also be recorded in the ledger in the Debt Service line item to properly reflect the retirement of debt. This unbudgeted debt expense will be offset by contract assistance revenue, together of which will net to zero. The financial report at fiscal year end will be adjusted to reflect these entries that have occurred in the ledger. The total YTD revenue and expense recorded through September is approximately \$21.5M.

¹⁶ The City's financial system (Munis) reflects revenues as negative values (credits) and expenditures as positive values. A negative variance for revenues is favorable. A positive variance for revenue is unfavorable.

Revenue Summary - Major Category				
	FY2018 ACTUAL	FY2019 ADOPTED BUDGET	FY2018 ACTUAL (SEPT)	FY2019 ACTUAL (SEPT)
41-TAXES	(282,456,413)	(284,111,323)	(141,475,281)	(142,534,043)
CURRENT YEAR TAX LEVY	(270,362,368)	(273,861,323)	(138,687,495)	(140,970,039)
INTEREST AND LIENS	(3,709,011)	(3,900,000)	(808,797)	(1,357,237)
PRIOR YEAR LEVIES	(6,748,683)	(5,500,000)	(1,965,346)	(200,697)
TAX LIEN SALES	(1,576,115)	(750,000)	-	-
OTHER	(60,237)	(100,000)	(13,644)	(6,070)
42-LICENSES AND PERMITS	(6,065,824)	(5,671,406)	(1,460,232)	(2,004,709)
BUILDING PERMITS	(3,669,844)	(3,442,000)	(787,948)	(1,199,540)
ELECTRICAL PERMITS	(795,555)	(627,000)	(242,680)	(195,840)
FOOD & MILK DEALER LICENSES	(440,293)	(312,000)	(199,975)	(74,500)
MECHANICAL PERMITS	(385,025)	(639,000)	(72,350)	(301,320)
PLUMBING PERMITS	(328,075)	(265,000)	(42,625)	(109,145)
OTHER	(447,032)	(386,406)	(114,654)	(124,363)
43-FINES FORFEITS AND PENALTIES	(149,601)	(190,000)	(48,709)	(66,642)
FALSE ALARM CITATIONS-POL&FIRE	(138,718)	(185,000)	(43,809)	(64,942)
LAPSED LICENSE/LATE FEE	(9,200)	(5,000)	(4,900)	(1,700)
OTHER	(1,683)	-	-	-
44-INTEREST AND RENTAL INCOME	(2,382,396)	(1,313,149)	(681,043)	(959,755)
BILLINGS FORGE	(19,784)	(20,000)	(5,082)	(5,128)
CT CENTER FOR PERFORM ART	(82,193)	(50,000)	(12,500)	(8,333)
DELTAPRO - LANDFILL GAS	(79,146)	(90,294)	(12,981)	(10,202)
INTEREST	(1,403,467)	(252,000)	(171,112)	(680,549)
MIRA SOLAR REVENUE	(23,787)	(50,000)	(15,150)	-
RENT OF PROP-ALL OTHER	(112,839)	(79,600)	(21,717)	(24,487)
RENTAL OF PARK PROPERTY	(70,869)	(54,000)	(21,815)	(20,795)
RENTAL OF PARKING LOTS	(7,800)	(600)	(6,900)	(300)
RENTAL OF PROP-FLOOD COMM	(147,320)	(148,560)	(37,140)	(38,780)
RENTAL-525 MAIN STREET	(27,009)	(17,694)	(5,589)	(5,589)
RENTS FROM TENANTS	(151,060)	(161,257)	(28,637)	(33,062)
SHEPHERD PARK	-	(118,000)	-	-
THE RICHARDSON BUILDING	(220,979)	(235,000)	(74,348)	(114,107)
UNDERWOOD TOWER PILOT	(36,144)	(36,144)	(18,072)	(18,072)
OTHER	-	-	(250,000)	(350)
45-INTERGOVERNMENTAL	(292,903,825)	(258,950,890)	(1,545,801)	(12,513,538)
MUNICIPAL AID	(254,258,371)	(253,763,984)	-	(11,674,631)
CAR TAX SUPPL MRSF REV SHARING	(12,177,213)	(11,078,328)	-	(11,078,328)
EDUCATION COST SHARING	(186,667,434)	(187,969,804)	-	-
HIGHWAY GRANT	(1,194,825)	(1,194,825)	-	(596,303)
MASHANTUCKET PEQUOT FUND	(6,263,314)	(6,136,523)	-	-
MRSA BONDED DISTRIBUTION GRANT	(1,443,052)	(1,419,161)	-	-
MRSF SELECT PILOT	(11,883,205)	(12,422,113)	-	-
MUNICIPAL STABILIZATION GRANT	(4,456,568)	(3,370,519)	-	-
PRIV TAX EXEMPT PROPERTY	(20,009,758)	(20,009,758)	-	-
STATE OWNED PROPERTY	(10,163,003)	(10,162,953)	-	-
OTHER MUNICIPAL AID	(31,888,917)	-	-	-
MUNICIPAL RESTRUCTURING FUNDS	(20,000,000)	-	-	-
STATE CONTRACT ASSISTANCE	(11,888,917)	-	-	-
OTHER STATE REVENUES	(2,515,219)	(879,617)	(801,018)	(31,558)
BOND INT SUB ON SCH PROJ	(46,620)	(46,613)	(26,316)	-
EDUCATION OTHER	(1,307,456)	-	-	-
JUDICIAL BRANCH REV DISTRIB.	(44,931)	(76,000)	(19,068)	(31,558)
MANUFACTURERS' FACILITIES	-	(48,843)	-	-
SCH BUILD GRT-SERIAL	(1,077,079)	(661,445)	(755,634)	-
VETERANS EXEMPTIONS	(39,133)	(46,716)	-	-
PILOTS, MIRA & OTHER INTERGOVERNMENTAL	(4,238,518)	(4,302,289)	(744,784)	(806,710)
DISABIL EXEMPT-SOC SEC	(6,813)	(7,755)	-	-
GR REC TAX-PARI MUTUEL	(215,473)	(250,000)	(37,831)	(59,710)
HEALTH&WELFARE-PRIV SCH	(48,772)	(61,366)	-	-
MATERIALS INNOVATION RECYCLING	(1,500,000)	(1,500,000)	-	-
PHONE ACCESS LN TAX SH	(447,477)	(550,000)	-	-
PILOT CHURCH HOMES INC	(131,112)	(131,112)	(65,556)	(65,556)
PILOT FOR CT CTR FOR PERF	(361,859)	(357,056)	-	-
PILOT FOR HARTFORD 21	(500,000)	(500,000)	(250,000)	(250,000)
PILOT HARTFORD HILTON	(522,483)	(525,000)	(130,621)	(135,062)
PILOT HARTFORD MARRIOTT	(484,529)	(400,000)	(240,776)	(276,382)
PILOT TRINITY COLLEGE	(20,000)	(20,000)	(20,000)	(20,000)
OTHER	(2,800)	(5,000)	-	(640)
CONS NETWORK TRANSP	-	-	-	(40)
STATE REIMBURSEMENTS	(2,800)	(5,000)	-	(600)
46-CHARGES FOR SERVICES	(3,647,518)	(2,929,483)	(1,098,198)	(901,074)
CONVEYANCE TAX	(1,301,512)	(1,155,519)	(412,604)	(279,038)
FILING RECORD-CERTIF FEES	(327,904)	(300,000)	(88,424)	(67,791)
TRANSCRIPT OF RECORDS	(811,703)	(839,250)	(201,974)	(215,345)
OTHER	(1,206,399)	(634,714)	(395,197)	(338,899)
47-REIMBURSEMENTS	(134,317)	(152,840)	(27,469)	(25,422)
ADVERTISING LOST DOGS	(155)	(220)	(27)	(90)
ATM REIMBURSEMENT	(527)	(1,475)	(186)	(399)
DOG ACCT-SALARY OF WARDEN	(1,992)	(2,600)	-	-
OTHER REIMBURSEMENTS	(7,274)	(17,900)	(5,150)	(908)
PRIOR YEAR EXPEND REFUNDS	(10,796)	(17,000)	-	-
REIMB FOR MEDICAID SERVICES	(20,933)	(22,000)	(4,736)	(4,412)
SECTION 8 MONITORING	(78,778)	(85,545)	(16,141)	(19,264)
OTHER	(13,863)	(6,100)	(1,230)	(350)
48-OTHER REVENUES	(1,312,263)	(238,650)	(356,808)	(220,185)
MISCELLANEOUS REVENUE	(139,112)	(169,150)	(5,599)	(4,904)
OVER & SHORT ACCOUNT	(375)	(1,500)	(155)	(112)
SALE CITY SURPLUS EQUIP	(22)	(60,000)	(86)	-
SALE OF DOGS	(3,609)	(5,000)	(910)	(1,498)
SETTLEMENTS - OTHER	(870,008)	(3,000)	(350,000)	(213,100)
OTHER	(299,136)	-	(58)	(571)
53-OTHER FINANCING SOURCES	(5,826,481)	(16,483,365)	(994,686)	(1,315,567)
CORPORATE CONTRIBUTION	-	(10,000,000)	-	-
DOWNTOWN NORTH (DONO)	(933,953)	(1,193,500)	-	(300,000)
REVENUE FROM HTFD PKG AUTHY	(2,652,352)	(2,424,865)	38,000	-
SPECIAL POLICE SERVICES	(2,153,090)	(2,750,000)	(1,032,686)	(1,006,163)
OTHER	(87,086)	(115,000)	-	(9,404)
Grand Total	(594,878,639)	(570,041,106)	(147,688,227)	(160,540,934)

CITY OF HARTFORD
PROPERTY TAX COLLECTIONS REPORT FOR FY18 AND FY19
PROPERTY TAX COLLECTION REPORT THROUGH SEPTEMBER 30, 2018

Month	Current Year Taxes		Prior Year Taxes		Interest		Liens Sales		Total Collections	
	Actual FY 18 ¹	Actual FY 19	Actual FY 18	Actual FY 19	Actual FY 18	Actual FY 19	Actual FY 18	Actual FY 19	FY 18	FY 19
July	72,052,947	96,451,948	563,438	(342,432) ²	164,879	251,077	-	-	72,781,264	96,360,592
August	63,826,289	42,246,468	840,437	525,224	345,654	387,653	-	-	65,012,380	43,159,346
September	2,808,259	2,271,622	561,471	17,906 ⁴	298,264	718,507	-	-	3,667,993	3,008,035
October	1,796,685		433,128		257,399		-	-	2,487,212	-
November	1,178,908		431,214		250,517		-	-	1,860,639	-
December	12,652,433		607,524		328,728		-	-	13,588,686	-
January	81,413,149		335,485		180,300		-	-	81,928,934	-
February	27,186,117		611,128		405,089		-	-	28,202,334	-
March	2,598,384		406,746		437,264		-	-	3,442,395	-
April	1,928,088		409,219		333,732		-	-	2,671,040	-
May	1,905,402		273,259		369,281		379,002	-	2,926,943	-
June	1,015,705		253,766		337,902		1,197,113	-	2,804,487	-
Total Collections	270,362,368	140,970,039	5,726,813	200,697	3,709,011	1,357,237	1,576,115	-	281,374,307	142,527,973
60 Day Collections (Year End entry)			1,021,870						1,021,870	-
Adjusted Total Collections	270,362,368	140,970,039	6,748,683	200,697	3,709,011	1,357,237	1,576,115	-	282,396,177	142,527,973

¹ FY18 is not finalized until we complete the annual audit as there may be reconciliation and audit adjustments.

² July's negative balance is due to adjustments as a result of tax appeal settlements and PY overpayments.

⁴ September's reduced collections is due to a large adjustment from tax appeal settlements.

	Current Year Taxes		Prior Year Taxes		Interest		Liens Sales		Total Collections	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
Total Budget	266,698,436	273,861,323	7,416,725	5,500,000	4,450,000	3,900,000	1,500,000	750,000	280,065,161	284,011,323
Total Adjusted Levy at July 1st³	292,142,980	289,991,265	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Collections through September	138,687,495	140,970,039	1,965,346	200,697	808,797	1,357,237	-	-	141,461,638	142,527,973
Outstanding Receivable at 9/30/18	144,560,320	142,013,294	45,556,019	51,131,362	n/a	n/a	n/a	n/a	n/a	n/a
% of Budget Collected	52.00%	51.47%	26.50%	3.65%	18.18%	34.80%	0.00%	0.00%	50.51%	50.18%
% of Adjusted Levy Collected	47.47%	48.61%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mill Rate Real Estate	74.29	74.29								
Mill Rate Personal Property	74.29	74.29								
Mill Rate Motor Vehicle	32	39								

³ The final adjusted levy at 6/30 for FY2018 totaled \$291,086,166. Changes from the levy at 7/1 to 6/30 are mainly due to tax appeals and abatements finalized throughout the fiscal year.

Expenditure Summary - Departments

	FY2018 UNAUDITED ACTUAL	FY2019 ADOPTED BUDGET	FY2019 REVISED BUDGET	FY2018 ACTUAL (SEPT)	FY2019 ACTUAL (SEPT)	FY2019 PROJECTION	VARIANCE
00111 MAYOR'S OFFICE	690,350	797,134	797,134	154,925	158,218	776,192	20,942
00112 COURT OF COMMON COUNCIL	481,167	506,800	506,800	109,874	101,138	504,038	2,762
00113 TREASURER	409,328	558,509	558,509	81,778	94,705	556,611	1,898
00114 REGISTRARS OF VOTERS	457,848	377,365	627,694	73,843	187,149	624,109	3,585
00116 CORPORATION COUNSEL	1,439,903	1,544,801	1,544,801	306,807	303,789	1,520,341	24,460
00117 TOWN & CITY CLERK	707,994	794,739	794,739	139,846	162,991	794,739	0
00118 INTERNAL AUDIT	464,197	507,132	507,132	107,720	107,811	504,779	2,353
00119 CHIEF OPERATING OFFICER	774,567	811,006	811,006	170,046	172,162	781,695	29,311
00122 METRO HARTFORD INNOVATION SERV	2,996,431	3,174,113	3,174,113	749,108	793,528	3,174,113	0
00123 FINANCE	3,283,736	3,866,529	3,866,529	675,067	674,478	3,757,421	109,108
00125 HUMAN RESOURCES	1,008,374	1,246,526	1,246,526	194,399	232,300	1,192,276	54,250
00128 OFFICE OF MANAGEMENT & BUDGET	666,029	1,013,945	1,013,945	124,144	178,591	949,809	64,136
00132 CHILDREN FAMILY RECREATION	3,079,173	3,392,778	3,392,778	1,607,490	1,423,221	3,378,483	14,295
00211 FIRE	38,443,976	33,267,580	33,267,580	8,440,824	6,949,785	33,168,136	99,444
00212 POLICE	39,178,236	46,473,493	46,473,493	9,088,455	8,945,601	41,930,270	4,543,223
00213 EMERGENCY SERVICES & TELECOMM. ¹	3,614,141	3,824,904	3,824,904	951,951	956,377	4,093,912	(269,008)
00311 PUBLIC WORKS	12,500,049	13,922,330	13,922,330	2,679,535	2,713,737	13,611,240	311,090
00420 DEVELOPMENT SERVICES	3,379,450	4,157,700	4,157,700	724,810	679,632	3,997,801	159,899
00520 HEALTH AND HUMAN SERVICES	4,103,079	5,028,529	5,028,529	605,333	653,695	4,859,192	169,337
00711 EDUCATION	284,008,188	284,008,188	284,008,188	71,002,047	24,008,324	284,008,188	0
00721 HARTFORD PUBLIC LIBRARY ²	8,100,000	8,150,000	8,150,000	2,025,000	371,944	1,483,333	6,666,667
00820 BENEFITS & INSURANCES	90,391,231	93,793,869	93,793,869	24,139,069	22,524,589	93,793,869	0
00821 DEBT SERVICE ³	58,448,433	17,423,430	17,423,430	19,079,799	1,587,893	17,423,430	0
00822 NON OP DEPT EXPENDITURES ⁴	36,068,864	41,399,706	41,149,377	9,446,518	5,410,190	44,149,377	(3,000,000)
Grand Total	594,694,744	570,041,106	570,041,106	152,678,390	79,391,851	561,033,353	9,007,753

¹ The projected deficit of \$269K in Emergency Services and Telecommunications is attributable to overtime costs net of vacancy savings (7 of 40 dispatch positions are vacant). Vacancies are under recruitment.

² Library is favorable due to a Corporate contribution of \$10M, of which \$6.667M has been provided directly to the Hartford Public Library.

³ The FY2019 Adopted Budget for Debt & Other Capital is comprised of \$12.6M towards the City's CapEx plan, \$4.6M for Downtown North principal and interest, and \$180,436 for a Grant in Lieu of Taxes payment, for a total of \$17.423M. Under the executed Contract Assistance agreement, \$48.57M of General Obligation debt service payments will be made on the City's behalf by the State of Connecticut. Consistent with GAAP rules, the contract assistance payments will be recorded as donated capital revenue. The debt service expenditures will also be recorded in the ledger in the Debt Service line item to properly reflect the retirement of debt. This unbudgeted debt expense will be offset by contract assistance revenue, together of which will net to zero. The financial report at fiscal year end will be adjusted to reflect these entries that have occurred in the ledger. The total YTD revenue and expense recorded through September is approximately \$21.5M.

⁴ Projection includes potential Stadium related settlement expenses.

Expenditure Summary - Major Expenditure Category

	FY2018 UNAUDITED ACTUAL	FY2019 ADOPTED BUDGET	FY2019 REVISED BUDGET	FY2018 ACTUAL (SEPT)	FY2019 ACTUAL (SEPT)	FY2019 PROJECTION	VARIANCE
PAYROLL	102,278,275	108,197,525	108,376,391	23,657,432	21,717,734	103,035,305	5,341,086
FT ¹	78,892,839	92,203,755	92,199,581	17,742,985	17,516,522	86,074,028	6,125,553
HOL ¹	2,519,149	2,445,733	2,445,733	367,733	369,190	2,445,733	0
OT ¹	19,235,576	12,132,529	12,132,529	4,981,921	3,128,635	12,740,682	(608,153)
PT ¹	1,630,712	1,415,508	1,598,548	564,793	703,386	1,774,862	(176,314)
BENEFITS	90,391,231	93,793,869	93,793,869	24,139,069	22,524,589	93,793,869	0
HEALTH	34,536,346	35,882,979	35,882,979	9,561,561	6,906,713	35,882,979	0
MITIGATION ²	0	(500,000)	(500,000)	0	0	0	(500,000)
PENSION ³	45,565,981	45,755,045	45,755,045	9,847,570	11,450,401	45,755,045	0
INSURANCE	4,538,075	4,890,000	4,890,000	2,666,807	2,685,316	4,890,000	0
CONCESSIONS ⁴	464,076	(1,000,000)	(1,000,000)	0	0	(800,000)	(200,000)
FRINGE REIMBURSEMENTS ⁵	(4,020,980)	(2,750,000)	(2,750,000)	(554,170)	(933,573)	(3,350,000)	600,000
LIFE INSURANCE	252,536	315,652	315,652	62,559	64,113	315,652	0
OTHER BENEFITS	4,254,156	4,900,193	4,900,193	1,027,743	1,001,619	4,900,193	0
WAGE ⁶	0	900,000	900,000	0	0	800,000	100,000
WORKERS COMP	4,801,040	5,400,000	5,400,000	1,527,000	1,350,000	5,400,000	0
DEBT	58,448,433	17,423,430	17,423,430	19,079,799	1,587,893	17,423,430	0
DEBT	58,448,433	17,423,430	17,423,430	19,079,799	1,587,893	17,423,430	0
LIBRARY	8,100,000	8,150,000	8,150,000	2,025,000	371,944	1,483,333	6,666,667
LIBRARY ⁷	8,100,000	8,150,000	8,150,000	2,025,000	371,944	1,483,333	6,666,667
MHIS	2,996,431	3,174,113	3,174,113	749,108	793,528	3,174,113	0
MHIS	2,996,431	3,174,113	3,174,113	749,108	793,528	3,174,113	0
UTILITY	22,008,714	23,964,607	23,964,607	4,639,623	4,472,471	23,964,607	0
UTILITY	22,008,714	23,964,607	23,964,607	4,639,623	4,472,471	23,964,607	0
OTHER	26,463,473	31,329,374	31,150,508	7,386,311	3,915,367	34,150,508	(3,000,000)
COMMUNITY ACTIVITIES	2,672,623	2,578,776	2,578,776	1,016,127	894,282	2,578,776	0
CONTINGENCY	329,799	4,435,019	4,332,734	4,080	0	4,332,734	0
CONTRACTED SERVICES	3,416,930	3,809,682	3,892,897	364,942	562,145	3,892,897	0
ELECTIONS	71,296	208,044	0	0	0	0	0
GOVT AGENCY & OTHER	750,000	0	0	0	0	0	0
LEASES - OFFICES PARKING COPIER	976,678	1,942,984	1,942,984	757,410	354,976	1,942,984	0
LEGAL EXPENSES & SETTLEMENTS ⁸	6,488,146	2,616,500	2,616,500	197,500	194,671	5,616,500	(3,000,000)
OTHER	3,139,075	4,319,822	4,319,387	848,343	776,216	4,319,387	0
OUT AGENCY	0	0	0	0	0	0	0
POSTAGE	193,625	231,419	231,419	60,000	75,000	231,419	0
SUPPLY	3,532,268	4,236,320	4,264,755	374,516	735,927	4,264,755	0
TECH, PROF & COMM BASED SERVICES	1,425,354	1,976,350	1,996,598	295,713	317,572	1,996,598	0
VEHICLE & EQUIP	3,467,680	4,974,458	4,974,458	3,467,680	4,578	4,974,458	0
EDUCATION	284,008,188	284,008,188	284,008,188	71,002,047	24,008,324	284,008,188	0
EDUCATION	284,008,188	284,008,188	284,008,188	71,002,047	24,008,324	284,008,188	0
Grand Total	594,694,744	570,041,106	570,041,106	152,678,390	79,391,851	561,033,353	9,007,753

¹ Payroll (FT, PT, OT and Holiday) is projected to be net favorable by \$5.3M through September. The methodology of the full-time payroll projection (detailed in the appendix) reflects 11 weeks of actual payroll expenses with 41.2 weeks remaining. Vacancies are assumed to be refilled with 37.2 weeks remaining in the fiscal year. Police classes of approximately 25 officers respectively are estimated for November, March and June. Vacancy and attrition savings of \$6.1M are offset by a projected shortfall of \$608K in OT and \$176K in Part-time salary expenses. The overtime shortfall is primarily in Emergency Services (\$484K). Emergency Services' overtime is due to the significant number of Dispatch vacancies. Payroll will continue to be monitored throughout the fiscal year.

² Mitigation of \$500K reflects non-Public Safety budgeted attrition and vacancy savings. The Police and Fire departments respectively include \$1.17M and \$1.56M in budgeted attrition and vacancy savings. In total, \$3.23M is budgeted for attrition city-wide.

³ The total MERF Pension Actuarial Defined Employer Contribution (ADEC) for the City of Hartford is \$44.22M. This includes the BOE and Library ADEC of \$4.78M and \$925K respectively, which are separately budgeted in the BOE and Library line items. The City's total ADEC for Police, Fire and Municipal workers of \$38.50M is fully budgeted and will be incurred in full compliance with the contract assistance agreement.

⁴ The outcome of the arbitration award for HMEA is anticipated no earlier than March/April 2019. The MLA (Lawyers) contract is currently in mediation. Concessions savings have been adjusted accordingly.

⁵ Fringe reimbursements for grant funded employees are projected to be favorable due to Police and Fire grants.

⁶ Wage reserve has been adjusted to reflect maximum exposure in FY2019.

⁷ Library is favorable due to a Corporate contribution of \$10M, of which \$6.667M has been provided directly to the Hartford Public Library.

⁸ Settlements is projected to be unfavorable by \$3.0M due to potential Stadium related expenses.

Appendix

FY2019 Full-time Payroll Projection (through September)

Row Labels	Budgeted HC	Budgeted Annual Amount	YTD thru check issue 9/21 (11 weeks)		YTD thru 9/21 plus Projection (41.2 weeks)		Remaining Estimated Steps	Total Projection	Variance (Budgeted to Projected)
				Projection (41.2 weeks)		(41.2 weeks)			
111-Mayor	11	721,078	142,865	542,165	685,030	1,106	686,136	34,942	
112-CCC	7	351,504	71,309	277,433	348,742	0	348,742	2,762	
113- Treas	9	478,697	94,527	379,150	473,677	3,122	476,799	1,898	
114- ROV	6	285,985	61,793	220,607	282,400	0	282,400	3,585	
116-Corp Counsel	17	1,486,746	295,054	1,154,733	1,449,786	0	1,449,786	36,960	
117- Clerk	11	675,645	132,937	529,603	662,540	1,488	664,028	11,617	
118-Audit	5	503,254	106,310	394,591	500,901	0	500,901	2,353	
119-COO	6	470,676	69,767	369,538	439,305	2,060	441,365	29,311	
123- FIN	46	3,500,910	663,321	2,711,979	3,375,300	16,502	3,391,802	109,108	
125- HR	13	925,781	162,659	707,027	869,686	1,845	871,531	54,250	
128-OMBG	11	905,375	134,857	703,428	838,285	2,954	841,239	64,136	
132-FCYR	11	821,271	172,972	630,153	803,125	3,851	806,976	14,295	
211- Fire	362	26,982,318	5,162,271	19,877,657	25,039,928	273,608	25,313,536	1,668,782	
212- Police	540	38,005,529	6,265,265	25,735,276	32,000,541	224,569	32,225,109	5,780,420	
213- EST	49	3,030,454	502,341	2,275,268	2,777,609	14,188	2,791,797	238,657	
311- DPW	185	9,632,739	1,630,302	7,452,406	9,082,707	75,520	9,158,227	474,512	
420- Devel Serv	54	4,001,061	659,009	3,137,324	3,796,333	24,829	3,821,162	179,899	
520- HHS	31	2,085,679	339,430	1,557,491	1,896,921	19,421	1,916,342	169,337	
Grand Total	1,374	94,864,702	16,666,989	68,655,828	85,322,817	665,061	85,987,878	8,876,824	

FT- Fire and Police Attrition	(2,731,271)
FT- Development Services Attrition	(20,000)
FT- Net other payroll (stand-by & longevity)	86,150
FT- Total Revised Budget	92,199,581

FT- Fire and Police Attrition	(2,731,271)	(2,731,271)
FT- Development Services Attrition	(20,000)	(20,000)
FT- Subtotal Variance	83,236,607	6,125,553
Non-Sworn Attrition (within Benefits)	(500,000)	(500,000)
Total Variance (favorable)	82,736,607	5,625,553

Assumptions

- 1) Analysis is based on year-to-date actuals from check date 9/21/18, which includes 11 pay periods, and projects filled positions for 41.2 future weeks
- 2) Non-sworn vacancies are projected for 37.2 future weeks (Projection includes 3.45 million of planned vacancies)
- 3) Assumes three Police classes (22 in November, 25 in March, and 25 in June)
- 4) Assumes one Fire class (10 in October)
- 5) Adopted head count is 1388 with 14 MHIS positions funded in the MHIS internal service fund