



City of Hartford FY2024 Recommended Budget Public Hearing

April 5, 2023

INTRODUCTION



- **Goals of the FY2024 Recommended Budget:**
 - Preserve the property tax rate (mill rate) reduction achieved last year and add relief for seniors
 - Protect Hartford's fiscal strength and sustainability
 - Deliver core services effectively
 - Enhance services and staffing in a responsible and sustainable way
 - Build a budget using careful and accurate projections of expenditures and revenues

INTRODUCTION



- **This Recommended Budget:**
 - Maintains the property tax rate at 68.95 mills and expands elderly tax relief by \$250 to \$1,000
 - Makes targeted investments to increase capacity of departments to meet city needs
 - Funds the cost of contractual increases needed to retain and recruit competitively
 - Maintains current funding for Hartford Public Schools, representing an increase in per pupil spending
 - Does not include any new borrowing or rely on any one-time revenues

TARGETED INCREASES



- **Adds Public Health and Safety Staff**
 - 3 additional Housing Inspectors
 - 4 Fire Marshal's Office Inspectors
 - 4 additional 9-1-1 Dispatchers and 1 Supervisor
- **Expands the Public Works Team**
 - Adds 15 new staff for Blight Remediation, Parks, Facilities, Engineering, Forestry, Street Services, and Waste & Recycling
- **Expands Hours & Programming at Rec Centers**
 - Funds staffing for expanded hours and programming at recreation centers
- **Expands Library Branch Hours**
 - Adds part-time staffing for expanded days and hours of operation at library branches



Overview of the FY2024 Recommended Budget

FY2024 RECOMMENDED BUDGET

OVERVIEW



General Fund:	FY2023 Adopted Budget	FY2024 Recommended Budget	Variance (\$) FY2023 Adopted to FY2024 Recommended	Variance (%) FY2023 Adopted to FY2024 Recommended
Total Revenues	599,574,731	619,171,109	19,596,378	3.27%
Total Expenditures	599,574,731	619,171,109	19,596,378	3.27%
Surplus / (Deficit)	0	0	0	

- Overall spending increases are held to 3.27%
- Provides for contracted wage increases and targeted increases in headcount
- Supports programmatic expansion at City's recreation centers and increased hours at library branches
- Continues necessary investments in equipment, technology, and cybersecurity

REVENUE SUMMARY



Revenue Category	FY23 Budget	FY24 Recommended	\$ Change FY24 vs FY23	% Change FY24 vs FY23
Taxes	294,747,269	300,623,516	5,876,247	2.0%
Licenses and Permits	6,119,612	6,595,671	476,059	7.8%
Fines, Forfeits and Penalties	154,100	153,840	(260)	-0.2%
Interest and Rental Income	1,171,054	7,479,015	6,307,961	538.7%
Intergovernmental	288,532,177	294,045,484	5,513,307	1.9%
Charges for Services	3,149,666	3,777,049	627,383	19.9%
Reimbursements	89,653	89,653	0	0.0%
Other Revenues	55,200	276,081	220,881	400.1%
Other Financing Sources	5,556,000	6,130,800	574,800	10.3%
Total Revenues	599,574,731	619,171,109	19,596,378	3.3%

- Additional property tax revenue projected due to grand list growth
- Scheduled increase in PILOT payments
- Considerable growth in interest income due to interest rates
- Increased revenues from permitting activity, conveyance taxes and parking

EXPENSE SUMMARY



Expenditure Category	FY23 Budget	FY24 Recommended	\$ Change FY24 vs FY23	% Change FY24 vs FY23
Payroll	124,048,205	133,899,419	9,851,214	7.9%
Benefits	98,049,066	101,357,991	3,308,925	3.4%
Debt & Other Capital	15,454,900	17,397,994	1,943,094	12.6%
Library	8,663,336	9,201,354	538,018	6.2%
Metro Hartford Innovation Services	4,392,973	5,075,732	682,759	15.5%
Utilities	30,256,463	30,331,815	75,352	0.2%
Other Non-Personnel	34,696,514	37,893,530	3,197,016	9.2%
Education	284,013,274	284,013,274	0	0.0%
Total General Fund	599,574,731	619,171,109	19,596,378	3.3%

- Increase in payroll driven by contractual increases, programmatic enhancements and measures to ensure competitiveness in labor market
- Increase in contribution to Capital Improvement Plan
- Increase in Non-Personnel to support replacement plans for vehicles and equipment and to continue investment in technology
- Additional technology investments in Metro Hartford Innovation Services

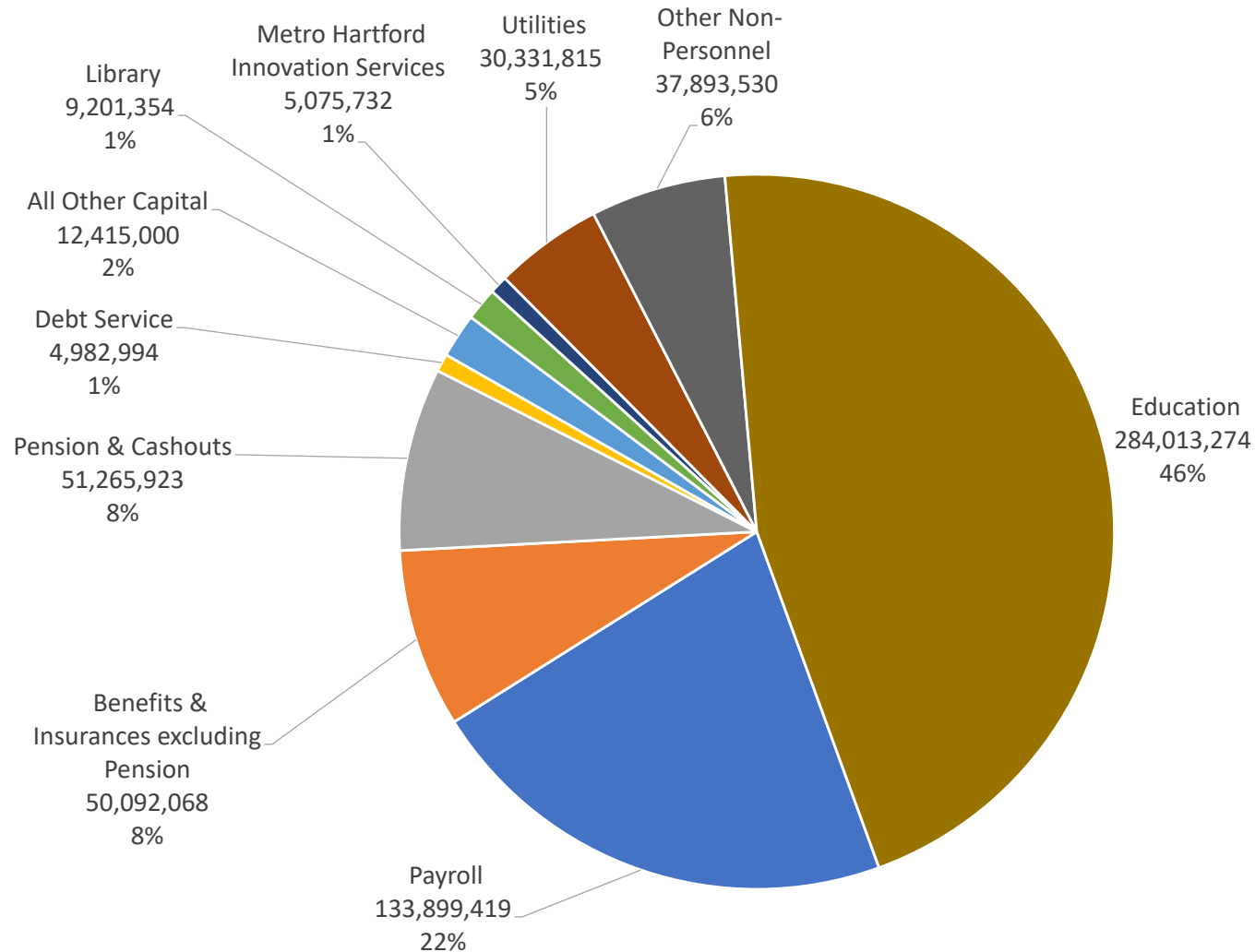
EXPENSE SUMMARY



DEPARTMENT	FY2023 BUDGET	FY2024 RECOMMENDED	\$ Change FY24 vs FY23	% Change FY24 vs FY23
00111 MAYOR'S OFFICE	791,907	823,510	31,603	4.0%
00112 COURT OF COMMON COUNCIL	988,318	978,077	(10,241)	-1.0%
00113 TREASURER	553,375	532,905	(20,470)	-3.7%
00114 REGISTRARS OF VOTERS	507,196	549,635	42,439	8.4%
00116 CORPORATION COUNSEL	1,501,798	1,529,493	27,695	1.8%
00117 TOWN & CITY CLERK	832,927	985,440	152,513	18.3%
00118 INTERNAL AUDIT	523,219	534,412	11,193	2.1%
00119 CHIEF OPERATING OFFICER	1,820,210	1,526,876	(293,334)	-16.1%
00122 METRO HARTFORD INNOVATION SERV	4,392,973	5,075,732	682,759	15.5%
00123 FINANCE	3,900,809	4,154,432	253,623	6.5%
00125 HUMAN RESOURCES	1,920,345	1,971,324	50,979	2.7%
00128 OFFICE OF MANAGEMENT & BUDGET	1,288,894	1,515,173	226,279	17.6%
00132 CHILDREN FAMILY RECREATION	3,663,453	4,999,654	1,336,201	36.5%
00211 FIRE	40,371,325	41,693,957	1,322,632	3.3%
00212 POLICE	49,586,238	53,136,477	3,550,239	7.2%
00213 EMERGENCY SERVICES & TELECOMMU	4,405,552	5,231,157	825,605	18.7%
00311 PUBLIC WORKS	19,124,731	21,253,825	2,129,094	11.1%
00420 DEVELOPMENT SERVICES	6,268,086	6,825,654	557,568	8.9%
00520 HEALTH AND HUMAN SERVICES	5,467,402	5,758,563	291,161	5.3%
00711 EDUCATION	284,013,274	284,013,274	-	0.0%
00721 HARTFORD PUBLIC LIBRARY	8,663,336	9,201,354	538,018	6.2%
00820 BENEFITS & INSURANCES	98,049,066	101,357,991	3,308,925	3.4%
00821 DEBT SERVICE	15,454,900	17,397,994	1,943,094	12.6%
00822 NON OP DEPT EXPENDITURES	45,485,397	48,124,200	2,638,803	5.8%
Grand Total	599,574,731	619,171,109	19,596,378	3.3%

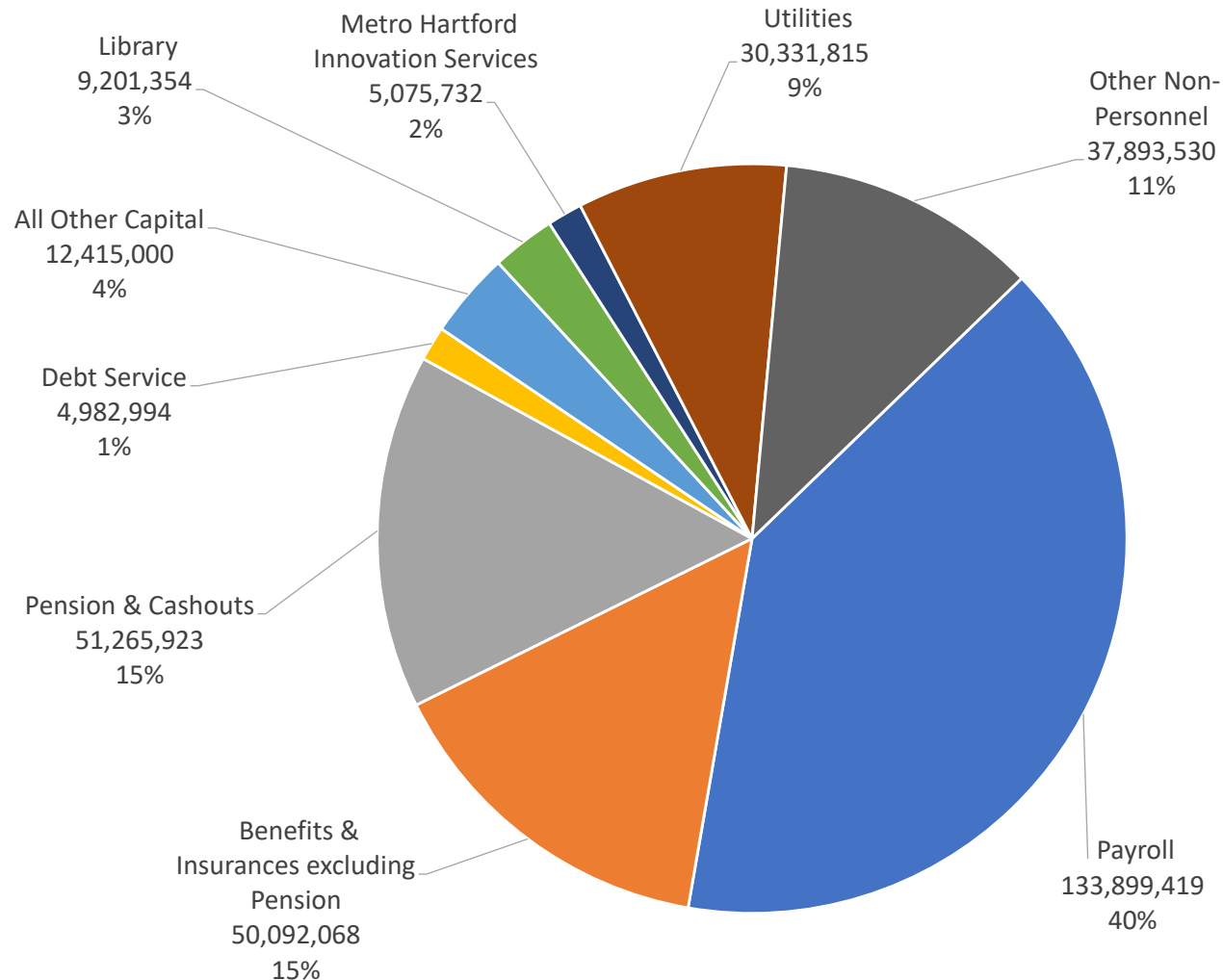
COMPONENTS OF THE EXPENDITURE BASE

\$619.17 M GENERAL FUND BUDGET



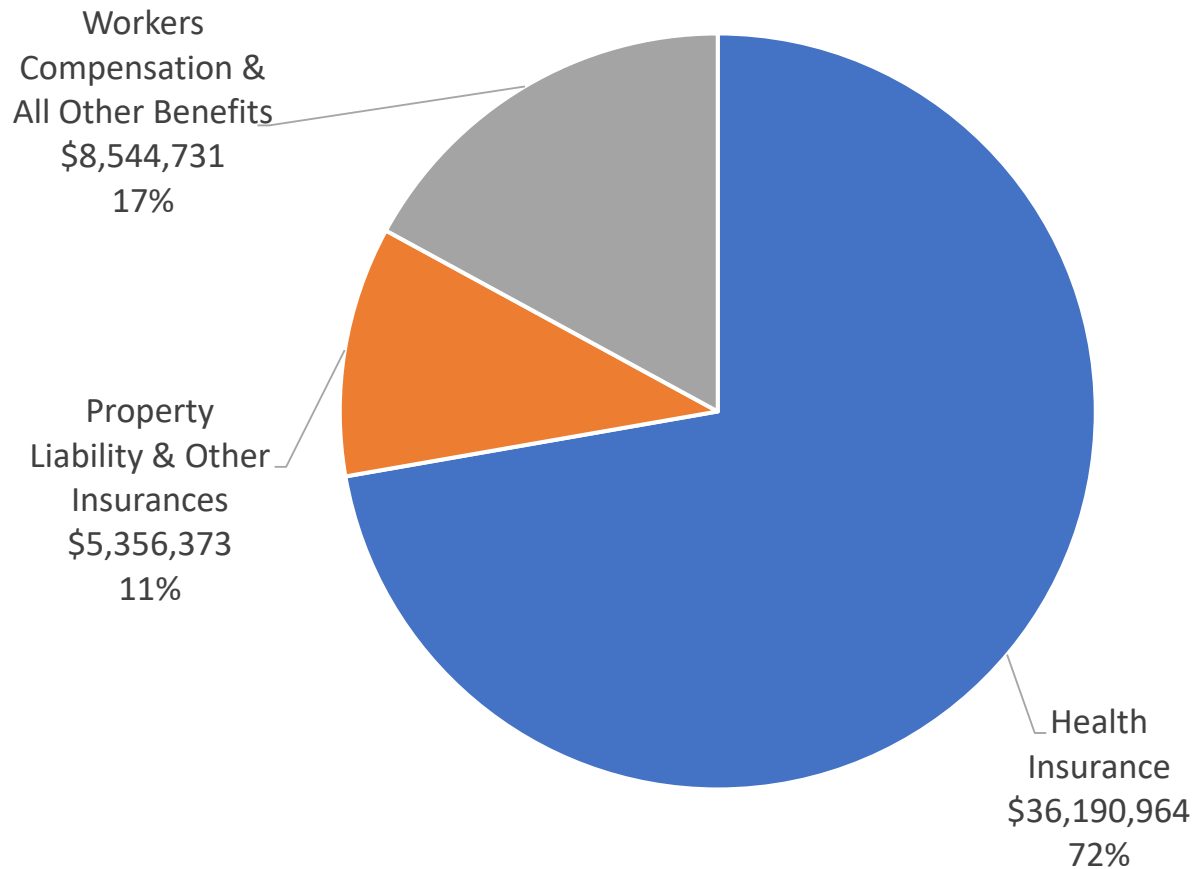
COMPONENTS OF THE EXPENDITURE BASE

\$335.2 M MUNICIPAL BUDGET



BENEFITS AND INSURANCES

EXCLUDING PENSIONS (TOTAL \$50.1M)



FY2024 RECOMMENDED BUDGET

ADDITIONAL KEY POINTS



- Continues the City's policy since 2016 of not issuing new general obligation debt
- Funds the projected annual pension obligation (Actuarial Determined Employer Contribution, or ADEC)
- Does not utilize American Rescue Plan funding to balance the budget, allowing for investment in recovery priorities jointly identified by Mayor & City Council in 2021
- Continues to build fiscal capacity, positioning the City for additional credit ratings upgrades

FIVE-YEAR PLAN and LONG-TERM SUSTAINABILITY



- **Long-Term Sustainability Depends Upon:**
 - Aggressively attracting investment and growth
 - Staying disciplined in our spending
 - Working to improve quality of life for residents in every neighborhood
 - Continuing to fund capital improvements with operating funds and grant funds rather than borrowing
 - Protecting the stability of large commercial tax base through continued focus on downtown residential density
 - Using American Rescue Plan funding to meet community needs while building a foundation for a strong recovery



Capital Improvement Program

FY2024 RECOMMENDED BUDGET

CAPITAL IMPROVEMENT PROGRAM



- **\$42.34 million Capital Plan makes investments in:**
 - School Construction
 - Traffic Safety Improvements
 - Flood Control & Drainage
 - City-Wide ADA Improvements to Sidewalks and Buildings
 - Neighborhood Environmental Improvements, Tree Planting, and Parks
 - Public Health & Public Safety

CITY OF HARTFORD



Public Comment