

## SUBSTITUTE



**Pedro E. Segarra**  
Mayor

May 14, 2012

Honorable Shawn T. Wooden, Council President, and  
Members of the Court of Common Council  
City of Hartford  
550 Main Street  
Hartford, CT 06103

**RE: General Fund Appropriation Ordinance**

Dear Council President Wooden:

In light of the recent events at the State Capitol, my staff and I have reviewed the estimates of revenues and the submitted expenditures for FY12-13. In order to minimize the impact on the mill rate, I have taken a hard look at each item of expenditure. I have outlined below additional items of expenditure to further reduce the City's operating budget. Reductions beyond those recommended below include layoffs and further reductions in the areas of public works, the library, and public safety. I am hereby submitting to Council a substitute General Fund Appropriation Ordinance which reduces expenditures by \$2.65 million. In addition, under separate cover, I am submitting a substitute for the Ordinance concerning the Tax Levy currently pending before the Council, including an increase in revenue of \$3,000,000.

In the days that follow, I will continue to confer with the Governor, legislative delegation and business community in an effort to bring about a lasting compromise that stabilizes our tax policy for the foreseeable future and can be incorporated into law. While I remain optimistic that an actionable compromise can be achieved, it may not be achieved in time for us to adopt the budget for the coming fiscal year. To that end, I am advising the Council that we need to act now without regard to such legislation and review our position at a later date if the State legislature does act. If I am unable to obtain that compromise, I will have made the necessary and needed cuts to balance the budget.

Regarding our expenditures, the attached substitute ordinance outlines an additional \$2,650,000 worth of cuts, predominantly in the non-operating department expenditures. In addition, my staff and I will be reviewing additional options and potential reductions, such as a 3% cut to all non-personnel expenditures, additional reductions to the Municipal Employees Retirement Fund, and layoffs and reductions in the level of service delivery which I mentioned above.

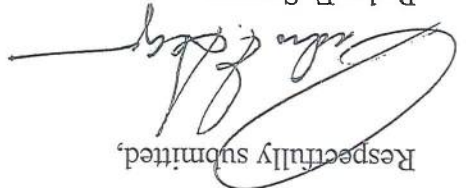
550 Main Street  
Hartford, Connecticut 06103  
Telephone (860) 757-9500  
Facsimile (860) 722-6606

The substitute ordinance contains reductions in the following items of expenditure

Total Reductions	\$2,650,000
• Health Claims	\$1,000,000 (leaves 18,598,095)
• Recording Fees	\$ 100,000 (leaves \$100,000)
• Summer Youth	\$ 500,000 (covered by Walmart grant) (leaves \$1M)
• MHIS Budget	\$ 240,000 (reserve fund 90,000 & budget error 150,000)
• Innovation Fund	\$ 150,000 (zeros the account)
• Delay Firefighter Class	\$ 150,000 (from January to March)
• Payment to 3rd Parties	\$ 130,000 (minus legally obligated) (leaves \$1,188,995)
• Lobbyists	\$ 80,000 (leaves \$80,000)
• Employee Recruitment	\$ 25,000 (zeros the account)
• Employee Development	\$ 25,000 (leaves \$100,000)
• Seasonal City Hall	\$ 25,000 (leaves \$25,000)
• Reduce Vehicles	\$ 200,000 (stagers payments over fiscal year)
• Reduce BID	\$ 25,000 (leaves \$175,000)

This substitute ordinance results in a recommended FY 12-13 General Fund Budget of \$543,990,339, which is a reduction of \$1,953,882 from the FY 2011-12 budget. Working with the Council, I anticipate that we will be able to make the needed choices now and over the course of the next year. By exercising my responsibilities in partnership with you, we will ensure that these targets can be met.

Respectfully submitted,



Pedro E. Segarra

Mayor

# SUBSTITUTE

## GENERAL FUND APPROPRIATION ORDINANCE

Introduced by: Mayor Pedro E. Segarra

THE COURT OF COMMON COUNCIL  
CITY OF HARTFORD  
May 24, 2012

### BE IT ORDAINED BY THE COURT OF COMMON COUNCIL OF THE CITY OF HARTFORD:

That the following appropriations for Fiscal Year beginning July 1, 2012 are hereby made in the General Fund

	<u>Appropriation</u>
<b>General Government:</b>	
Mayor's Office	700,008
Court of Common Council	616,070
City Treasurer	522,266
Registrars of Voters	763,909
Corporation Counsel	1,934,218
Town and City Clerk	876,123
Internal Audit	488,281
Chief Operating Office	1,231,928
Communications & New Media	877,954
Metro Hartford Information Services	3,247,793
Finance	3,692,599
Human Resources	1,266,698
Management and Budget	938,728
Children, Families and Recreation	5,511,142
<b>Total of General Government:</b>	<u>22,667,717</u>
<b>Public Safety:</b>	
Fire	32,367,260
Police	37,018,817
Emergency Services and Telecommunications	5,020,777
<b>Total Public Safety:</b>	<u>74,406,854</u>
<b>Infrastructure:</b>	
Public Works	<u>13,873,385</u>
<b>Development Services:</b>	
Development Services	<u>5,223,441</u>
<b>Health and Human Services:</b>	
Health and Human Services	<u>5,622,512</u>
<b>Benefits and Insurances:</b>	
Benefits and Insurances	<u>60,601,678</u>
<b>Debt Service:</b>	
Debt Service	<u>36,620,545</u>
<b>Non-Operating Department Expenditures:</b>	
Non-Operating Department Expenditures	<u>32,751,019</u>
<b>Municipal Total</b>	<u>251,767,151</u>
<b>Education Total</b>	<u>284,008,188</u>
<b>Hartford Public Library Total</b>	<u>8,215,000</u>
<b>General Fund Total</b>	<u>543,990,339</u>

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Julio C. Molleda, Director of Finance

ATTEST:

\_\_\_\_\_  
Pedro E. Segarra, Mayor

\_\_\_\_\_  
John V. Bazzano, Town & City Clerk

Adopted by the Court of Common Council at a regular meeting held May 24, 2012 by roll-call vote to and approved by the Mayor, June 1, 2012.

Attest:

John V. Bazzano  
Town and City Clerk

Copies to: Mayor, Chief Operating Office, Corporation Council, Director of Finance, Director of Management and Budget, Municipal Code, Superintendent of Schools, Director of Public Works, City Treasurer, Development Services, Economic Development, Emergency Services and Telecommunications, Fire Chief, Grants Management, Hartford Board of Education, Hartford parking Authority, Director of Health and Human Services, Housing, Director of Human Resources, Internal Audit, Library, Metro Hartford Information Services, Office of Children Family Recreation, Police Chief, Probabte Court, Registrars of Voters, Tax Collector/Assessor, and Town and City Clerk.



# SUBSTITUTE



**Pedro E. Segarra**  
Mayor

May 14, 2012

Honorable Shawn T. Wooden, Council President, and  
Members of the Court of Common Council  
City of Hartford  
550 Main Street  
Hartford, CT 06103

**RE: Tax Levy Ordinance**

Dear Council President Wooden:

In light of the recent events at the State Capitol, my staff and I have reviewed the estimates of revenues and the submitted expenditures for FY12-13. In order to minimize the impact on the mill rate, I have taken a hard look at each expenditure and the potential for increased revenues. While further options remain for discussion, I am hereby submitting to Council a substitute Ordinance Concerning the Tax Levy and, under separate cover, a substitute General Fund Appropriation Ordinance.

While, over the following days, as our local deliberations continue, I will be conferring with the Governor, our State legislative delegation, and business community, in an effort to bring about a lasting compromise that puts this City on a stable tax policy for the foreseeable future and can be incorporated into law, and while I remain optimistic that an actionable compromise can be achieved, it may not be achieved in time for us as we establish the budget for the coming fiscal year. To that end, I am advising the Council that we must act without regard to such legislation and modify our position if indeed the State legislature does act. As reflected in my substitute Tax Levy Ordinance and General Fund Appropriation Ordinance (submitted under separate cover), I am prepared to make the necessary and needed action to balance the FY12-13 budget.

My staff and I have digested the Third Quarter results (also submitted today to Council) and have looked for every opportunity for additional revenue that can be realized in the coming fiscal year. In doing so, it has been my goal to maintain, as much as possible, the mill rate currently before the Council. I have been, therefore, able to revise my estimate of revenues to incorporate an additional three million dollars (\$3,000,000) which will be generated by the increases in the following revenue categories:

550 Main Street  
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## Revenue Increases

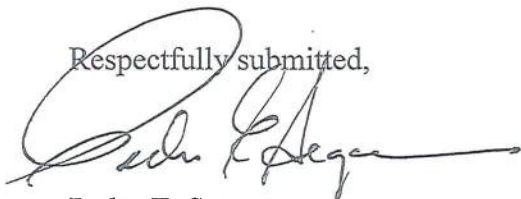
1) General Property Taxes	\$ 1,000,000
2) Licenses and Permits	\$ 575,000
3) Revenue Money and Property	\$ 38,000
4) Intergovernmental Revenues	\$ 1,375,000
5) Reimbursements	\$ 19,734
Total	\$ 3,007,734

The additional General Property Taxes of \$ 1,000,000 will be generated from tax lien sales. The additional \$ 575,000 in Licenses and Permits will be derived from building permit revenue. The additional \$ 38,000 in Revenue from Money and Property will come from an increase from Shepherd Park. The additional Intergovernmental Revenue of \$ 1,375,000 will come from an increase of \$ 1,000,000 in school construction reimbursements, \$ 100,000 from the State for reimbursement of the tax abatement program, \$ 150,000 from the State PILOT for moderate rental housing, \$ 100,000 from telephone access line tax share, and \$ 25,000 from the gross receipts tax from off-track betting. The Reimbursements category will be increasing by \$ 19,734 for fringe benefits associated with capital projects.

Together these additional revenues amount to \$ 3,007,734. This figure, combined with recommended expenditure reductions of \$2,650,000, results in a remaining gap of \$ 2,575,623. In order to provide for these additional costs, a mill rate of 76.1 or an additional 0.8 over the pending 3.51 mill increase, will be required. This will result in an increase for single family residential properties of 2%, or 3% less than previously predicted, and, as a class, residential property will see a drop of approximately 4%, while commercial properties will continue to see a substantial reduction of nearly 18%.

In submitting these substitute resolutions, I note that the recommended FY 12-13 General Fund Budget is \$543,990,339, a year-over-year reduction of \$ 1,953,882. Working with the Council, I anticipate our making the needed choices now and over the course of the next year. By exercising my responsibilities in partnership with you, we will ensure that these targets can be met.

Respectfully submitted,



Pedro E. Segarra  
Mayor

**SUBSTITUTE**

*Introduced by:* Mayor, Pedro E. Segarra

HEADING  
AND  
PURPOSE

AN ORDINANCE CONCERNING THE TAX LEVY FOR THE FISCAL YEAR BEGINNING  
JULY 1, 2012

COURT OF COMMON COUNCIL,  
CITY OF HARTFORD

April 16, 2012

Be It Ordained by the Court of Common Council of the City of Hartford that:

On the City October 1, 2011 Grand List, there be and is hereby granted a tax of seventy-six with 0.1 of a mill (76.1) mills on the dollar to be levied upon the ratable estate within the City of Hartford of the inhabitants of said City and all others liable to pay taxes therein, including all estates situated or taxable within the territory added to the limits of the City by any Acts or Resolutions of the General Assembly heretofore passed. Said taxes shall become due on July first, two thousand twelve (July 1, 2012) and payable on said date in whole or in equal semi-annual installments from that date, namely: July first, two thousand twelve (July 1, 2012) and January first, two thousand thirteen (January 1, 2013), except that any tax not in excess of one hundred dollars (\$100) shall be due and payable in full on the first day of July, two thousand twelve (July 1, 2012). If any installment of such tax shall not be paid on or before the first day of the month next succeeding that in which it shall be due and payable, the whole or such part of such installment as is unpaid shall thereupon be delinquent and shall be subject to the addition of interest at the rate and in the manner provided for in the General Statutes of the State of Connecticut. The total amount of any such tax may be paid at the time when the first installment thereof shall be payable.

Julio C. Molleda, Director of Finance

ATTEST:

Pedro E. Segarra  
Mayor

John V. Bazzano  
Town and City Clerk

Adopted by the Court of Common Council at a regular meeting held May 24, 2012 by roll-call vote \_ to \_ and approved by the Mayor, June 1, 2012.

Attest:

John V. Bazzano  
Town and City Clerk

Copies to: Mayor, Chief Operating Office, Corporation Council, Director of Finance, Director of Management and Budget, and City Treasurer.

