



City of Hartford

"Financial Snapshot"

1) Financial Condition

- Independent Assessment by Worcester Regional Research Bureau

2) 3rd Qtr. to 4th Qtr. Variance

3) Year End Overview for FY 08-09 (preview)

- Submission to Council, Sept. 9th as per charter for 1st Meeting in Sept

4) Year End Requested Transfers for FY08-09 (preview)

- Submission to Council, Sept. 9th

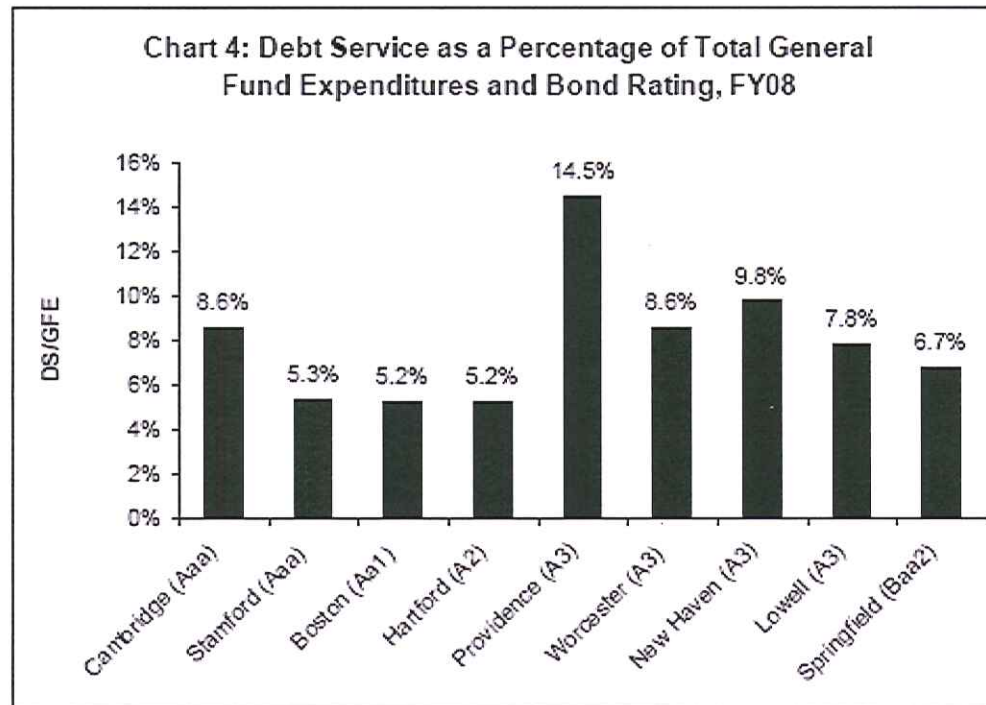
5) Current Concerns for FY 09-10

6) Management Initiatives for FY 09-10



WRRRB Metric: Debt Service

Finding: Hartford (A2 Rating) ranks with Boston as lowest debt service as percent of General Fund

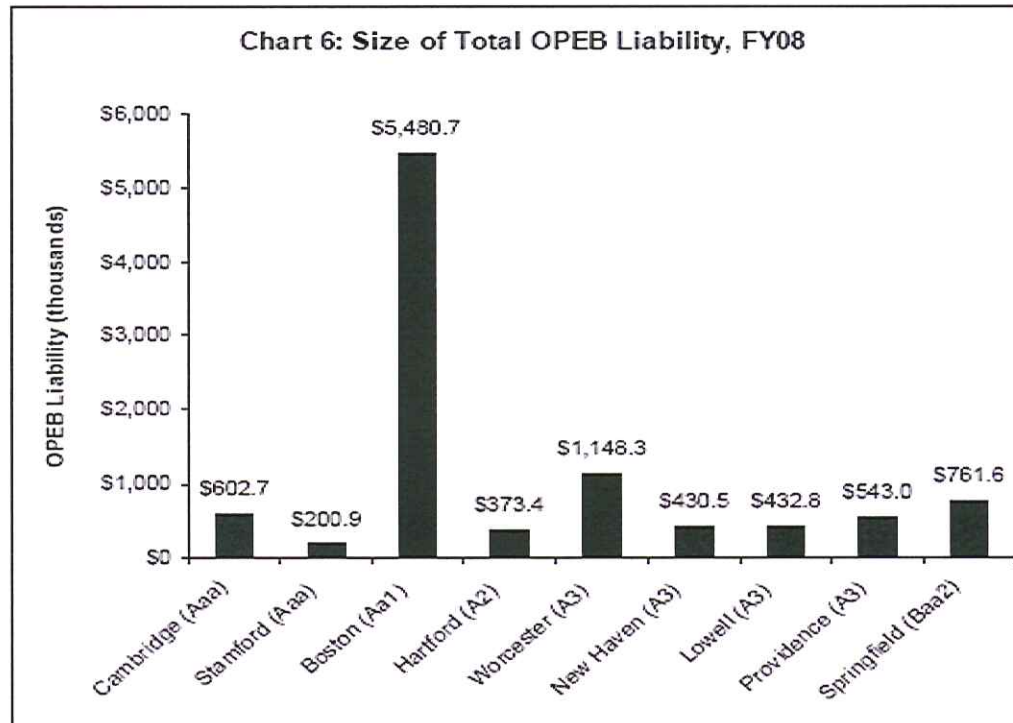


Source:
Benchmarking Municipal Finance July 27, 2009
Worcester Regional Research Bureau



WRRRB Metric: OPED Liability

Finding: Hartford (A2Rating) has second smallest OPED Liability

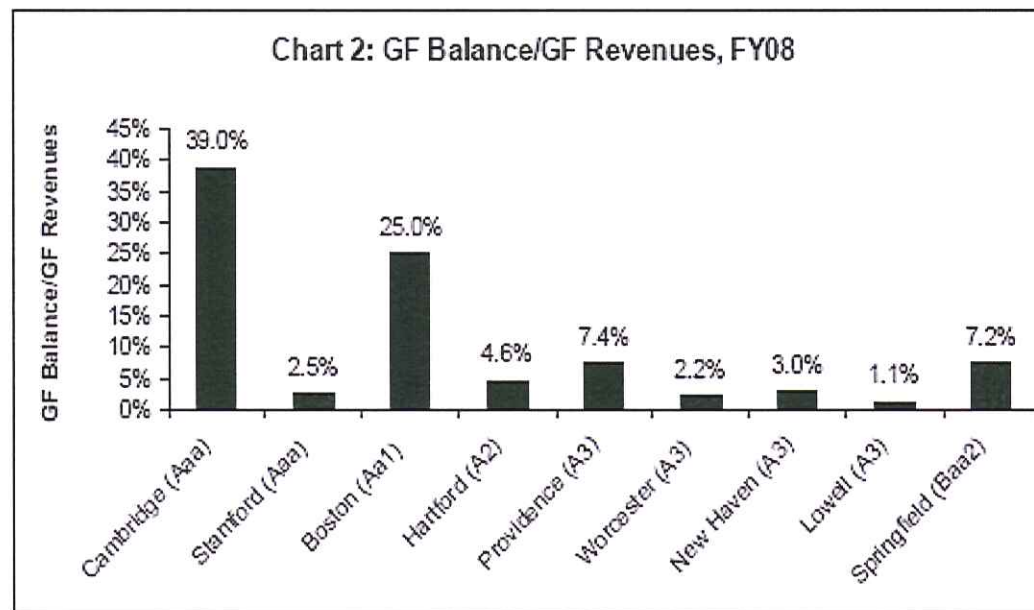


Source:
Benchmarking Municipal Finance July 27, 2009
Worcester Regional Research Bureau



Metric: General Fund Balance vs. General Fund Revenue

Finding: Hartford has highest ratio of Connecticut peer cities. Springfield still benefits from results of a \$52M no interest state loan.

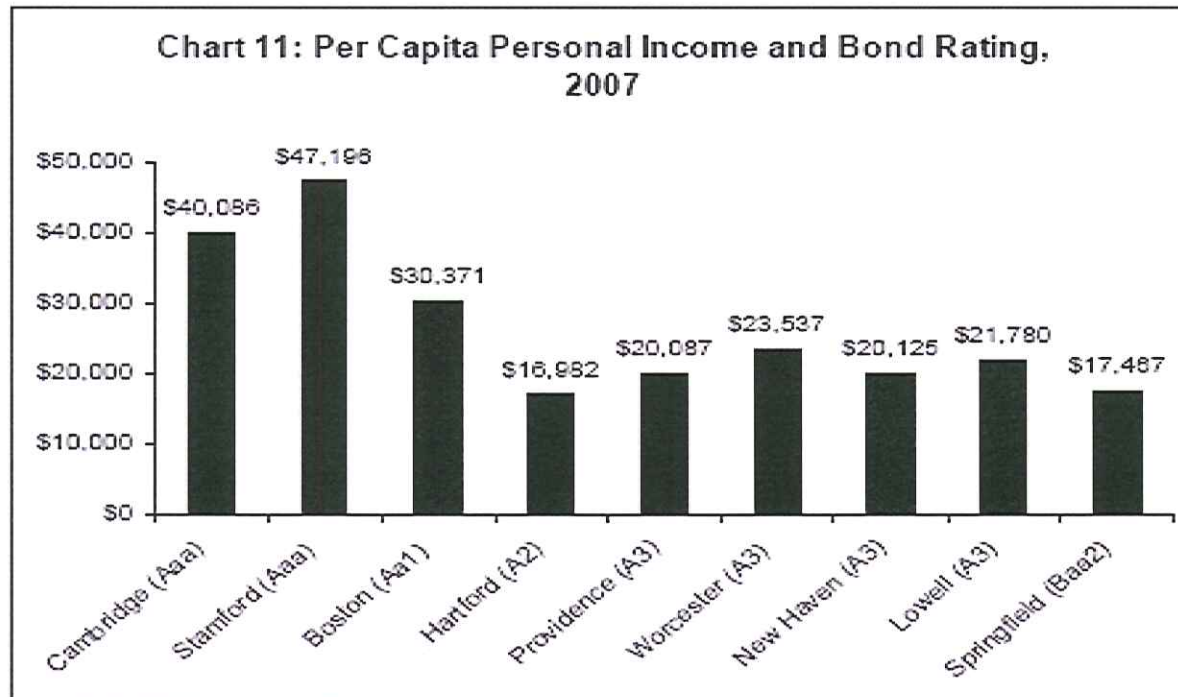


Source:
Benchmarking Municipal Finance July 27, 2009
Worcester Regional Research Bureau



Metric: Capita Personal Income & Bond Rating

Finding: Hartford has lowest per capita income relative to A2 ranked bond rating.

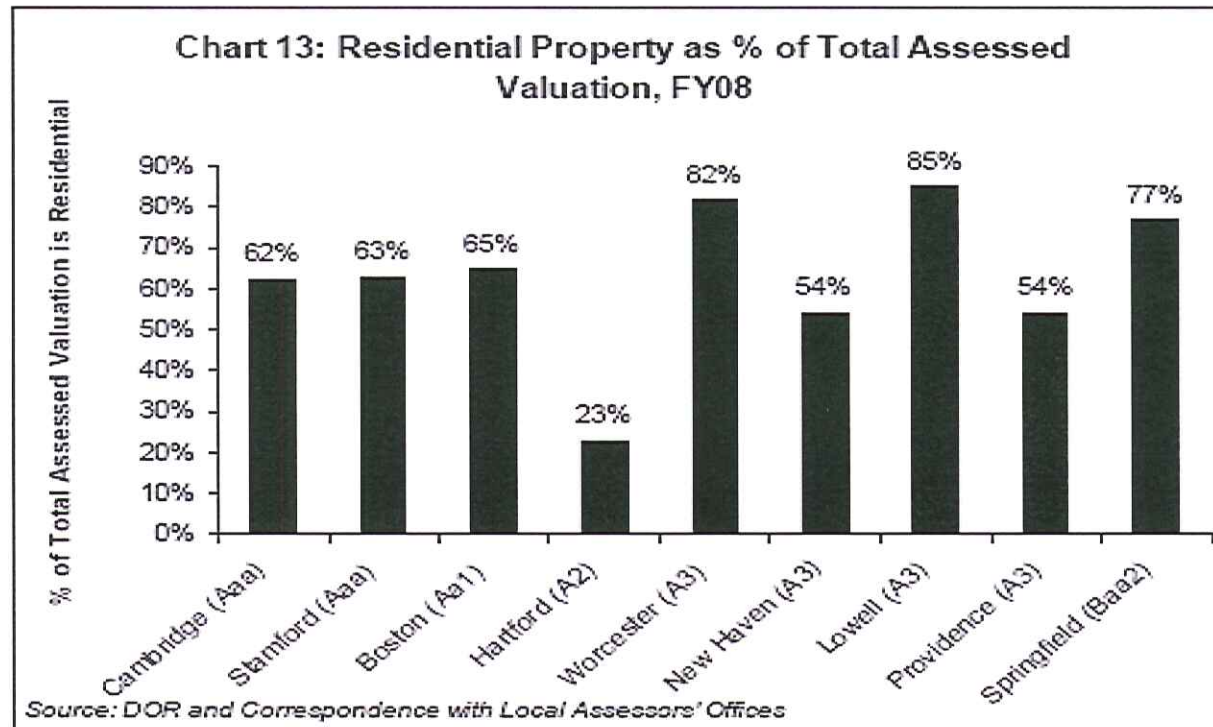


Source:
Benchmarking Municipal Finance July 27, 2009
Worcester Regional Research Bureau



Metric: Residential Property as % of Total Valuation, FY08

Finding: Hartford (A2 rated) has smallest residential burden.



Source:
Benchmarking Municipal Finance July 27, 2009
Worcester Regional Research Bureau



3rd Qtr to 4th Qtr Variance - General Fund

	<u>3rd QTR</u>			<u>4th QTR</u>		
	<u>Revenues</u>	<u>Expenditures</u>	<u>Projected Variance</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Actual Variance</u>
(Dollars in Millions)						
Adopted Budget for FY 2008-09	547.6	547.6	0.0			
Projected Year-End Per 3 rd Qtr Report (March 09)	517.1	544.3	(27.2)	517.1	544.3	
Revenue Management Strategies						
Property tax initiatives - Lien sale	12.1		12.1	10.1		(2.0)
Tax Revenue				1.1		1.1
Other Revenue				1.4		1.3
Sale of City -owned properties	5.7		5.7	0.0		(5.7)
Expenditure Management Strategies		(0.6)			(2.8)	
Net	534.9	543.7	(8.8)	529.6	541.5	(11.9)
Variance 3rd Qtr to 4th Qtr Report						(3.1)



Material Reasons for Variance

- **Decreased Revenues**
 - **Sale of City Owned Property**
 - Did not conclude , various negotiations continue
 - Transactions will be brought before Council
 - **Tax Lien sales**
 - available liens less than anticipated
- **Expenditure Controls Mitigation**
 - Payroll Savings/Retirement Incentive Strategy 2.7 M (Net)
 - Employee Pension and Benefits Savings 1.8 M (Net)
 - Postpone Spring 09 Police Class 0.2 M (Net)
 - MDC - Expenditure Credit 1.2 M (Net)
 - Vehicle Replacement Fund 0.2 M (Net)



Executive Summary

3rd Qtr to 4th Qtr Variance Summary

Dollars in Millions

	3 rd Qtr	4Qtr	Variance
Fund Balance	27,900,000	27,900,000	0
Net Deficit	8,798,999	11,813,885	(3,014,886)
Fund Balance	19,101,001	16,086,115	(3,014,886)

Subject to external auditors review



Year End Close-out Summary for FY 08-09

Dollars in Millions

	Adopted	Year End	Surplus/(Deficit)
Revenue	\$547.6	\$529.6	(\$18.0)
Expense	\$547.6	\$541.5	\$6.1
			<hr/>
			(\$11.9)
			<hr/>
FY08-09 Fund Balance			\$27.9
			<hr/>
FY09-10 Beginning Fund Balance			\$16.0

Subject to external auditor review



Preview

FY 08-09 Year End Close-out

*Departments that will require a 4th Qtr. Transfer for Fiscal Year FY 08-09

Status	Department	T0	From	Explanation
1)	Mayor's Office	\$ 102,942		Capital Improvement Program (CIP) employees and the Energy Manager expenditures is offset by CIP revenue
	Property and Casualty Insurance		\$ 102,942	Savings realized due to less actual claims paid-out in the Property and Casualty Insurance account
2) Passed by OMB committee on 8/13/09	Registrars of Voters	\$ 114,627		General Elections costs
	Property and Casualty Insurance		\$ 114,627	Savings realized due to less actual claims paid-out in the Property and Casualty Insurance account
3)	Town Clerk	\$ 21,652		Payment to the State of CT for marriage license surcharge this expenditure is offset by the revenue generated
	Property and Casualty Insurance		\$ 21,652	Savings realized due to less actual claims paid-out in the Property and Casualty Insurance account
4)	Office for Youth Services	\$ 76,757		8K union retroactive payments - 19K HPS collaboration for grant monitoring - 50K from HHS for Summer Youth Initiative
	Property and Casualty Insurance		\$ 76,757	Savings realized due to less actual claims paid-out in the Property and Casualty Insurance account



Preview

FY 08-09 Year End Close-out

5)	Public Works	\$ 213,361		Snow Overtime
	Property and Casualty Insurance		\$ 213,361	Savings realized due to less actual claims paid-out in the Property and Casualty Insurance account
6)	Library	\$ 50,000		Budget appropriation increase approved by City Council
			\$ 50,000	Reduction to the City Council's Civic and Cultural contribution account.
7)	Settlements	\$ 560,587		Outside Counsel Services
	Property and Casualty Insurance		\$ 560,587	Savings realized due to less actual claims paid-out in the Property and Casualty Insurance account
8)	Other Sundry Items	\$ 122,554		Net=Fuel, Utilities and Tipping Fees
	Property and Casualty Insurance		\$ 122,554	Savings realized due to less actual claims paid-out in the Property and Casualty Insurance account
	Grand Total	\$ 1,262,480	\$ 1,262,480	

*Subject to external auditor review

Estimated Impact of State Budget

State Budget vs. City's FY09-10 Revenue Budget

State Revenue	State Budget	City Budget	Variance
Education Cost Sharing - ECS	187,974,890	187,974,890	0
Public School Transportation	3,170,337	3,170,337	0
Non-Public School Transportation	37,966	37,966	0
Town Aid Road	550,207	551,286	(1,079)
Mashantucket Pequot	8,685,851	8,919,623	(233,772)
PILOT - colleges and hospitals	23,481,481	23,481,481	0
PILOT - state owned properties	11,488,639	11,488,639	0



FY09-10 Budget Risk Factors

- Energy Budget \$1,250,000
 - Electricity
- Employee Incentives \$3,200,000
- Overtime Accounts
- Snow Removal
- Settlements
- Employee Benefits
- Tax Lien Sales



FY09-10 Initiatives

- Full Implementation of MUNIS
- Sale of Surplus Property
- Utilization of City Owned/Leased Property
- HartStat Program Improvements
- Personnel Review Committee
- Legislative Initiatives
- Tax Collections