An aerial photograph of the Hartford city skyline, showing a dense cluster of skyscrapers and buildings. The sun is low in the sky, creating long shadows and highlighting the textures of the buildings. A highway interchange is visible in the upper right quadrant. The overall scene is a vibrant, high-angle view of an urban center.

City of

Hartford

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2019

HARTFORD
★ **HAS IT**

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

**CITY OF HARTFORD, CONNECTICUT
MAYOR-COUNCIL FORM OF GOVERNMENT**

For the Fiscal Year

July 1, 2018 to June 30, 2019

PREPARED BY:

DEPARTMENT OF FINANCE

**LEIGH ANN RALLS
DIRECTOR OF FINANCE**

ACKNOWLEDGEMENTS

This report has been prepared by a team of dedicated City employees that on a daily basis provides support throughout the organization on all financial matters and annually undertakes the significant task of developing a concise presentation of the City's finances in an efficient and effective manner. The Department of Finance with the assistance of our external auditors, Blum, Shapiro & Company P.C, has accomplished the production of the City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. The credit belongs with the team whose collective experience allows us to achieve our goals and objectives. The contributions of the entire team at the City of Hartford are sincerely appreciated.

Controller: Kimberly Campagna, CPA

CAFR Team: Rajpaul Singh, Ellen McCreery, CPA, Asha Stapleton, Dalia Ajodhi, Tina Chokas, and Thailisa Clark.

Staff Support: Marlene Fleeting.

Technical Assistance: John Philip, CCMA II, Nancy Raich, Esq., CCMC, Oyekunbi Adekunle, Catherine Holloman, Jose Chamorro, and Cheryl Liebhauser.

Gratitude is extended to the Mayor, the Court of Common Council, and the Treasurer for their leadership of our great City!

CITY OF HARTFORD, CONNECTICUT
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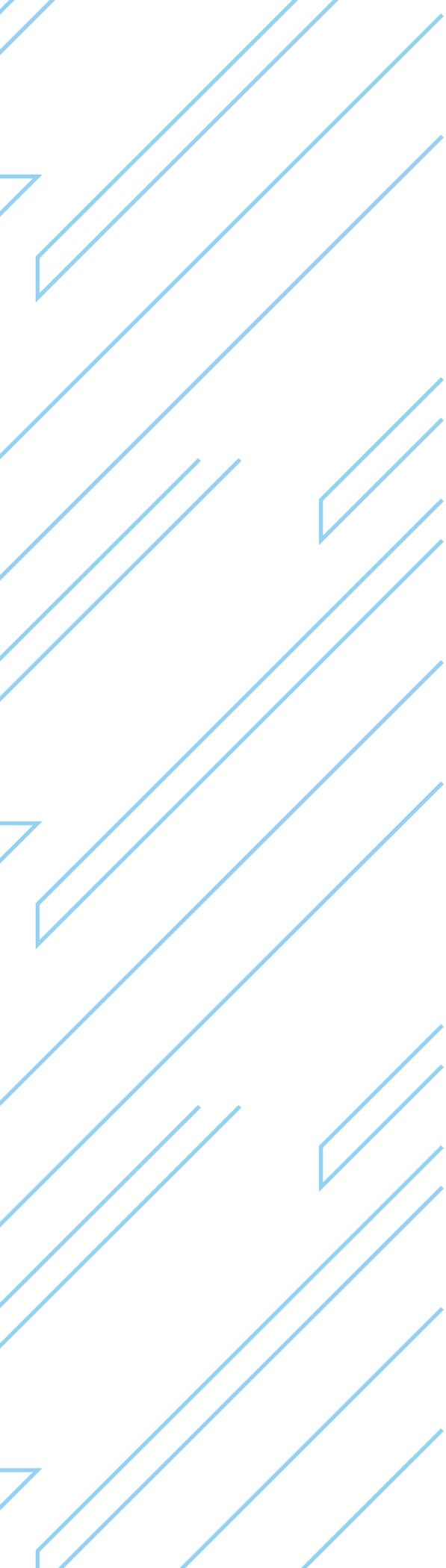
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Introductory Section



CITY OF HARTFORD

DEPARTMENT OF FINANCE
550 Main Street, Room 303
Hartford, CT, 06067

LUKE A. BRONIN
Mayor

Telephone: (860) 757-9600
Fax: (860) 757-6571
www.hartford.gov

LEIGH ANN RALLS
Director of Finance

The Honorable Mayor Luke A. Bronin,
and Court of Common Council
City of Hartford, Connecticut

December 18, 2019

Dear Mayor and Members of Council:

In accordance with Chapter VIII, Section 5. (a)(1)(iv) of the City of Hartford's Charter, I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Hartford (City) for the fiscal year ended June 30, 2019. This report was prepared in its entirety by the Department of Finance. Responsibility for the accuracy of the data and the completeness and fairness of the presentation of the financial statements, supporting schedules and statistical tables rests with the City. To the best of our knowledge and belief, the information provided is accurate in all material respects and is reported to present fairly the financial position of the City as of June 30, 2019. I extend my sincere appreciation and gratitude to our dedicated employees in the Department of Finance and throughout the City for their significant efforts that have resulted in the presentation of this FY2019 CAFR.

The CAFR is designed and prepared in conformance with Generally Accepted Accounting Principles (GAAP) for governmental units as well as the standards of financial reporting promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA) and the laws of the State of Connecticut. This CAFR is consistent with the principles of full disclosure so that the reader may gain the maximum understanding of the City's financial affairs.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the Management Discussion & Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A. The City's MD&A can be found immediately following the Report of the Independent Auditors.

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The City is required to undergo an annual Single Audit in conformity with the provisions of the Federal Single Audit Act and United States Office of Management & Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations". Information related to this Single Audit, including the Schedule of Expenditures of Federal Awards, Findings, Recommendations and Auditors' Reports on the Internal Control over Financial Reporting and Compliance with Applicable Laws and Regulations are issued under separate cover and are not included in this CAFR. The City is also required to undergo a State Single Audit. Information and reporting related to the State Single Audit is also issued under separate cover.

PROFILE OF THE CITY

The City was founded by Thomas Hooker and his followers in 1635 and was incorporated in 1784. The City is the Capital of the State of Connecticut. Hartford has an estimated 123,400 residents in its 18.4 square mile area, and is the employment and cultural center of a metropolitan area with a population of over one million people. The City lies on the west bank of the Connecticut River in the center of the State, midway between New York City and Boston.

The Mayor is the Chief Executive Officer. The Court of Common Council (Council) is comprised of nine members who are elected at large to serve a four-year term in odd numbered years on a partisan basis. The Mayor, who is elected directly to serve a four-year term, acts upon ordinances and resolutions adopted by Council by approving, disapproving or taking no action. The Board of Education (BOE) is composed of nine members; five appointed by the Mayor and four elected by the voters, all to serve a four-year term. The BOE operates independently of the Council. The City Treasurer is independently elected to serve a four-year term and serves without vote as the Secretary of the City's Pension Commission. The Chief Operating Officer (principal administrative aide of the Mayor), Chief Financial Officer, Corporation Counsel, City Clerk, department heads and members of all boards, commissions, agencies and authorities are appointed by the Mayor subject to Council confirmation, with the exception of the Pension Commission.

The City provides a broad range of services including public safety, street and road maintenance, flood control, solid waste collection, health, social services, parks and recreation, education, planning, development, zoning and general administrative services. The services the City provides originate from a variety of departments and offices, as follows:

Mayor's Office

City Treasurer

Hartford Public Schools

Corporation Counsel

Office of the Chief Operating Officer

Families, Children, Youth & Recreation

Development Services

Emergency Services & Telecommunications

Finance

Management, Budget & Grants

Metro Hartford Innovation Services

Court of Common Council

Registrar of Voters

Hartford Public Library

Town and City Clerk

Internal Audit

Public Works

Health & Human Services

Fire

Human Resources

Police

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The services the City provides its residents and businesses also support the seat of State government, several higher education institutions, and the region's health care hub.

CONTRACT ASSISTANCE, MUNICIPAL OVERSIGHT & LONG TERM FINANCIAL PLANNING

Over the past four years, the City has focused on confronting an acute fiscal crisis, achieving fragile fiscal stability, and moving toward long-term fiscal sustainability. Through substantial cuts to services and personnel, renegotiation of labor contracts, and new partnerships with the city's corporate community and the state of Connecticut, the city has adopted a five-year Municipal Recovery Plan for maintaining fiscal stability.

In December 2017, the City of Hartford requested Tier 3 designation under the Municipal Accountability Review Board (MARB) in order to access additional tools in achieving long term fiscal sustainability, in exchange for accountability and oversight. The City was approved as a Tier 3 municipality in 2018. As a Tier 3 municipality under MARB oversight, the City of Hartford is required to submit and present monthly financial reports at a public meeting to ensure the City is operating responsibly consistent with its broader financial plan. The City's General Fund recommended budget must be reviewed by the MARB on an annual basis and the revenue assumptions must be approved by the MARB. Labor agreements or arbitration awards must also be reviewed by the MARB.

In March 2018, the City entered into a Contract Assistance Agreement with the State of Connecticut to service current general obligation debt on an annual basis until such debt is retired. This agreement is backed by the full faith and credit of the State of Connecticut. Under the contract assistance agreement, the City of Hartford has accepted limitations on the issuance of new debt and must fully fund the Municipal Employee Retirement Fund (MERF) actuarially determined employer contribution (ADEC). The City is also precluded from accumulating general fund operating deficits above certain thresholds, as determined by the MARB.

The City of Hartford provided its 5-year Municipal Recovery Plan to the MARB in March 2018, comprised of revenue and expenditures assumptions, contract assistance for debt service, labor savings, economic development goals and initiatives to generate grand list growth, as well as revenue and expenditure initiatives, which together enable a pathway to fiscal balance. The MARB reviewed the Municipal Recovery Plan and approved it in June of 2018. The City will resubmit an updated Municipal Recovery Plan annually in concert with the Mayor's Recommended General Fund Budget.

The City's long-term financial planning is conducted in six primary areas during the annual budget process. The six primary areas are:

General Fund
Internal Service Funds
Pension

Capital
Vehicles and Equipment
Debt

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In the five-year Municipal Recovery Plan, the city has shifted from the use of debt in financing future infrastructure maintenance and enhancements and ongoing construction to a Pay-As-You-Go capital expense program. Bricks and mortar and longer-lived projects are identified and tracked using a five-year Capital Improvement Plan (CIP). Project requests are received and reviewed by a capital planning committee comprised of various department heads or their designees. The five-year CIP, including each individual project, is adopted annually upon the recommendation of the Mayor and approval by Council. The first year of the five-year CIP is adopted and authorized annually as the “Capital Budget.” The second through the fifth year of the five-year Capital Improvement Plan is adopted as “planned” without authorization to spend.

The CIP is comprised of essential capital needs, with priority placed on maintaining and preserving critical infrastructure such as: streets, sidewalks and bridges, educational facilities, municipal facilities, parks, levies and public safety structure and equipment. A close look at the City’s capital infrastructure reveals an extensive network of assets requiring careful consideration to balance priorities. Four main criteria are considered for all projects including: investments that preserve the City’s existing capital assets, items of criticality and those that present a material risk, projects that are essential to government functions or enhancements to quality of life, and projects that prioritize health and safety.

In addition to the selection of individual capital projects included in the five-year Capital Improvement Plan, sources of funding are identified including state and federal grants, as well cash contributions. Simultaneous with the five-year capital plan, a vehicle and equipment replacement plan is formulated and reviewed annually. The requested items are reviewed and approved by the capital planning committee and the appropriate funding sources are identified: cash contributions and/or capital leases.

These discrete planning areas provide inputs for the General Fund long-term planning process. General Fund revenues and expenditures are forecast for five years by both function and category. The long-term planning process is driven not only by affordability, but by the City's core goals and objectives to maintain its infrastructure, provide essential services that support a safe and healthy community for residents, business, and visitors. In addition, the City continuously strives to enhance its fiscal administration by reviewing existing policies and procedures, revising as necessary, and creating new policies and/or procedures that support our evolving environment.

ECONOMIC DEVELOPMENT

As the City works to achieve long-term fiscal sustainability and strength, it has pursued a deliberate and aggressive economic development strategy, focused on the development of residential units in the downtown, a range of mixed use developments and infrastructure improvements in neighborhoods, and the cultivation of a more vibrant innovation ecosystem building on the City’s long-standing strengths in insurance, advanced manufacturing, and healthcare.

Working in partnership with the Capital Region Development Authority (CRDA), the City has pursued the redevelopment and residential conversion of multiple long-vacant commercial buildings in the downtown. Projects that have been completed to date have maintained near full occupancy, and development efforts are now shifting beyond conversions to new ground up development. The objective is to achieve sufficient density of residential development in the downtown area, in order to attract and retain the amenities necessary to sustaining a more vibrant urban center.

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Beyond the downtown, work is underway on the final phase of the redevelopment of the historic Colt armory complex, two postwar housing developments in the Blue Hills neighborhood are being redeveloped, and the rehabilitation of the long vacant Swift factory is nearing completion. In Parkville, construction has begun to transform the old Lyric Theatre into a new library, a market-style food court is being built near the CTfastrak stop, and an affordable housing development has broken ground near Park Terrace.

In addition, public infrastructure projects are underway and planned, including an extensive streetscape project on Albany Avenue, one of the City's most-traveled corridors, and other streetscape projects on Bartholomew Avenue and Farmington Avenue. Weaver High School reopened this fall as the North End's comprehensive high school, and Martin Luther King school is currently being renovated.

Finally, the City, in partnership with private sector stakeholders, CT Next and CT Innovations, has pursued a three-pronged strategy to cultivate an innovation ecosystem that both attracts new employers and encourages existing employers to invest in innovation and growth in Hartford. Over the past year two years, those efforts have built momentum, with major Hartford-based insurers supporting the Hartford InsurTech Hub, and Stanley Black & Decker establishing an advanced manufacturing accelerator and locating the company's innovation team in downtown Hartford. This year, a digital health accelerator launched as well, and Upward Hartford, the City's most prominent co-working space, launched a smart building accelerator called Upward Labs.

Last year, Infosys, a global technology consulting company, made Hartford one of a handful of its innovations hubs in the U.S., which is part of their push to hire 10,000 American workers. And earlier this year, GalaxE.Solutions, another information technology leader, announced its plans to locate an Innovation Center in Hartford as well.

RELEVANT FINANCIAL POLICIES

The Department of Finance encompasses six divisions: Administration, Accounting & Control, Human Relations, Procurement, Tax Assessment, and Tax Collection. The Department's major responsibilities include general accounting and financial reporting, accounts payable, property assessment, tax collection, debt administration, the procurement of goods and services, contract compliance, administrative support for City boards and commissions, and payroll and revenue budget preparation in conjunction with the Office of Management, Budget & Grants. The Director of Finance is an appointee of the Mayor, subject to confirmation by the Council.

Internal Controls

All financial transactions are subject to pre-audit before processing as well as an annual audit by an independent auditing firm selected by the Council. The independent auditor and staff from the Finance Department's Accounting & Control Division monitor financial policies and procedures prescribed by the Director of Finance for the City's various departments. Within this framework, we believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording and reporting of financial activity.

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Budgetary Control

Centralized budgetary control of encumbrances and disbursements against appropriations is maintained by department, by major program or activity and by principal object of expenditure with oversight of the City's Office of Management, Budget & Grants. The BOE budget is controlled only as to its total appropriation. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Council.

Cash Management

During the fiscal year, idle cash was invested in legally permitted investments on a short-term basis by the City Treasurer as the fiduciary for all City funds. Connecticut Statutes restrict the investment of municipal funds to direct and indirect securities of the United States Government and certificates of deposit issued by commercial banks located within the State. Bank certificates of deposit are a component of the City's short-term investment portfolio. However, money market fund investments in a portfolio of United States Treasury securities, and the Short Term Investment Fund (STIF) administered by the Office of the State Treasurer represent the major share of the City's short-term investments.

Risk Management

The City established a risk management program to account for and finance risk of loss for employee benefits, workers' compensation, and general liability, including property damage. Commercial insurance is purchased for claims in excess of amounts determined to be self-insured under the program. Internal service funds are maintained for each of the risk management programs and funding is received from the General Fund. Settlement claims have not exceeded either the self-insured retention or the commercial coverage in any of the past three fiscal years.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2018. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe that this CAFR continues to meet the Certificate of Achievement Program's requirements and will submit it to the GFOA to determine its eligibility for another Certificate of Achievement for Excellence in Financial Reporting.

The preparation of this CAFR would not have been possible without the significant efforts of staff in the Finance Department. I express my sincere appreciation to all the members of the Finance Department, especially the entire Accounting & Control Division who once again have successfully accounted for and reported the financial activities of our City. I also acknowledge the considerable contributions of the Office of Management, Budget, & Grants; Office of the City Treasurer; Hartford Public Schools; Hartford Public Library; and the Hartford Parking Authority.

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Finally, thanks are extended to the City's independent auditors, Blum Shapiro & Company P.C. for their efforts and counsel during the audit, CAFR preparation and submission process.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "L. Ralls". The signature is fluid and cursive, with a large initial "L" and a long, sweeping tail.

Leigh Ann Ralls

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CITY OF HARTFORD, CONNECTICUT
Mayor - Council Form of Government
List of Elected and Principal Officials - As of June 30, 2019

The Honorable Luke A. Bronin, Mayor

The Honorable Adam M. Cloud, Treasurer

The Honorable Court of Common Council
Council President – Glendowlyn L. H. Thames

Thomas J. Clarke II	Larry Deutsch, M.D., M.P.H.
John Q. Gale, Assistant Majority Leader	James B. Sánchez
Wildaliz Bermudez, Minority Leader	Rosezina J. Winch
	Claudine Fox

The Honorable Registrars of Voters

Giselle Feliciano (D)	Sheila N. Hall (R)
-----------------------	--------------------

Appointed and Other Municipal Officials

Chief of Staff and Interim Chief Operating Officer	Thea Montanez
Corporation Counsel	Howard G. Rifkin, Esq.
Interim Town and City Clerk	John V. Bazzano
Director of Finance	Leigh Ann Ralls, CPA
Controller	Kimberly Campagna, CPA
Tax Assessor	John A. Phillip, CCMA
Tax Collector	Nancy S. Raich, Esq., CCMC
Revenue Manager	Jolita Lazauskas
Risk Manager	Tomek Furtak
Procurement Agent	Tara C. Washington
Director of Development Services	Erik Johnson
Interim Director of Management, Budget & Grants	Jolita Lazauskas
Interim Chief of Police	Jason Thody
Fire Chief	Reginald D. Freeman
Director of Health and Human Services	Liany E. Arroyo, MPH, CPH
Director of Human Resources & Labor Relations	Cherese Chery
Director of Public Works	Walter Veselka

Board of Education

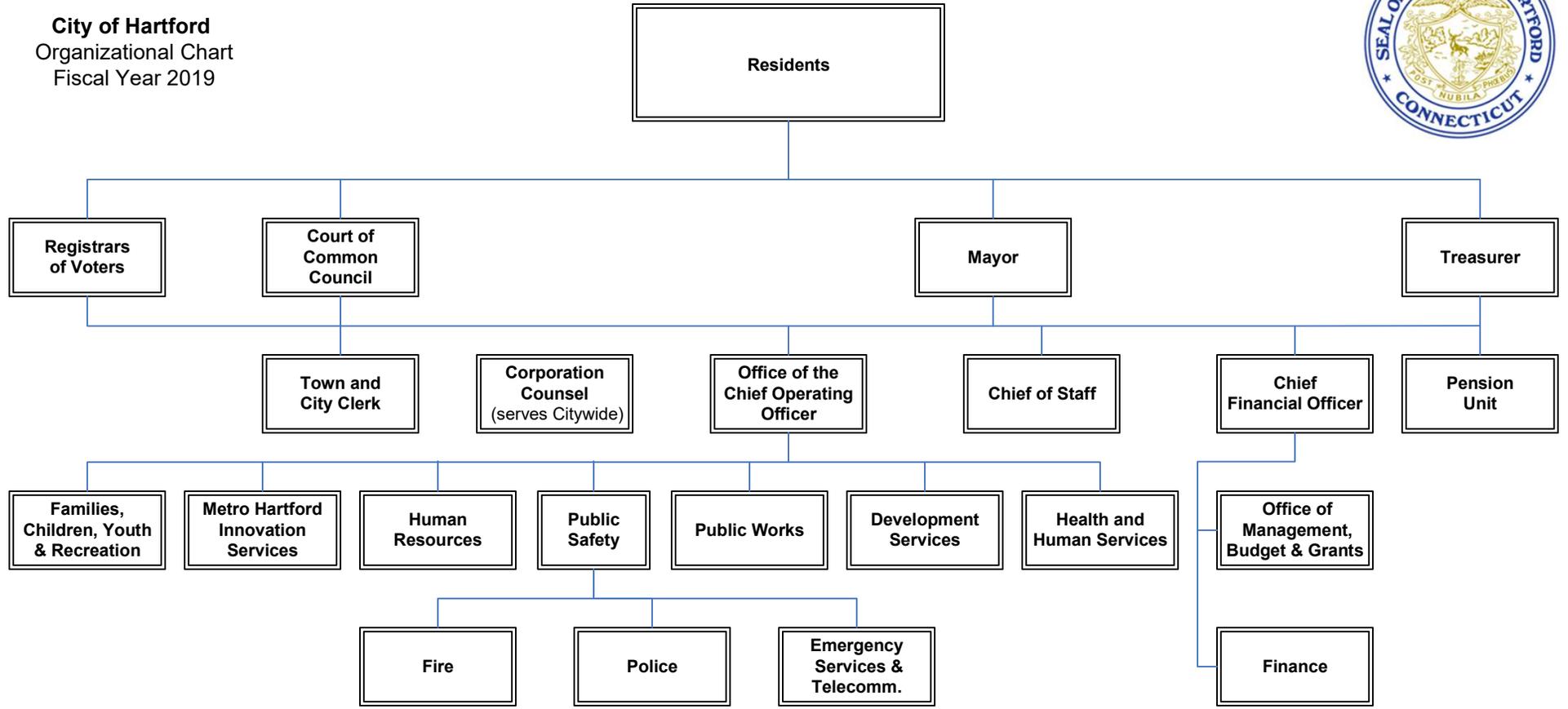
Julio Flores, Chairman

Shontá Browdy	Leslie Paguada
Ayesha Clarke, Secretary	Philip Rigueur
Juan Hernandez, Vice Chair	Craig Stallings
Kimberly Oliver, Second Vice Chair	Karen Taylor

Hartford Public Schools

Leslie Torres-Rodriguez, Ed.D., Superintendent of Schools

City of Hartford
Organizational Chart
Fiscal Year 2019



Boards and Commissions





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

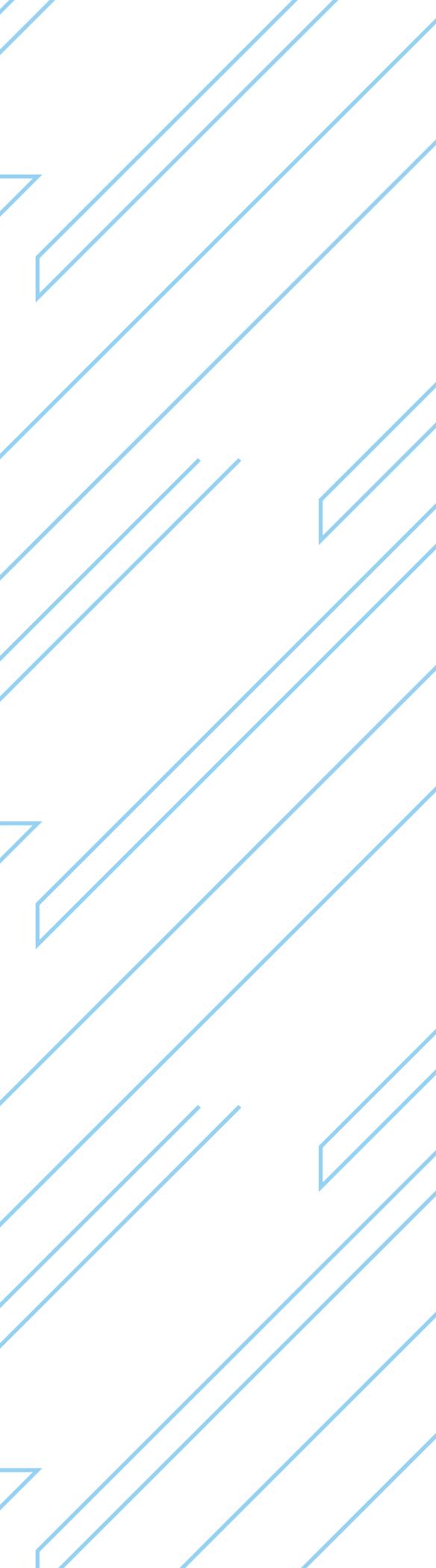
**City of Hartford
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO



Financial Section

Independent Auditors' Report

The Honorable Mayor and Members of the
Court of Common Council
City of Hartford, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Hartford, Connecticut, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Hartford, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Hartford Parking Authority, a component unit of the City of Hartford, Connecticut, which represents 100 percent of the assets, net position, revenues and expenses of the discretely presented component unit. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Hartford Parking Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Hartford, Connecticut, as of June 30, 2019 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Restatement due to Correction of Error

As discussed in Note 16 to the financial statements, the beginning governmental activities net position of the City of Hartford, Connecticut, has been restated due to the recognition of capital assets which were recorded as expenditures in prior periods. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Hartford, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2019 on our consideration of the City of Hartford, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Hartford, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Hartford, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 18, 2019

**CITY OF HARTFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
JUNE 30, 2019**

FINANCIAL HIGHLIGHTS

- The City's total net position increased \$44.9 million as a result of this year's operations. The net position of our governmental activities increased by \$45.1 million, or 11.7%. The net position of our business-type activities decreased by \$0.1 million.
- The City received \$64.4 million in capital grants and contributions related to school building construction grants from the State in support of the City's school renovation and construction projects, and for various public works projects.
- The total cost of the City's programs for the year was \$927.1 million.
- The General Fund reported a fund balance this year of \$12.6 million.
- The revenues available for appropriation and other financing sources were \$9.4 million less than budgeted for the General Fund and expenditures and other financing uses were \$17.1 million less than budgeted amount of \$570.6 million. The total fund balance increased \$7.7 million in the current year on a budget basis.
- Major factor that caused the shortfall of \$9.4 million revenue deficit is decreased tax collections of \$7 million related to tax appeals.
- Major items that contributed to the favorable expenditure budget variance of \$17.1 million are: citywide attrition savings, health claims experience, and \$2.9 million in unspent contribution to Education that was committed in the General Fund to be spent in FY2020.
- The General Fund expended \$24.9 million on capital expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The statement of net position and the statement of activities (Exhibits I and II, respectively) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements are presented in Exhibits III to IX. For governmental activities, these statements detail how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The analysis of the City as a whole begins on Exhibits I and II. The statement of net position and the statement of activities report information about the City as a whole and about its activities for the current period. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are considered regardless of when cash is received or paid.

These two statements report the City's net position and changes. The City's net position, the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. The reader should consider other non-financial factors such as changes in the City's property tax base and the condition of the City's capital assets, to assess the overall financial health of the City.

In the statement of net position and the statement of activities, the City is divided into three types of activities for accounting purposes:

- *Governmental activities* - This is where most of the City's basic services are reported, including education, public safety, public works, development and community affairs, human services, recreation and culture, and general administration. Property taxes, charges for services, and state and federal grants finance most of these activities.
- *Business - type activities* - The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's Hartford Parking Facilities Fund, the Hartford Stadium Authority (a blended component unit) and the Golf Courses are reported here.
- *Component units* - The City includes a separate legal entity in its report; the Hartford Parking Authority. Although legally separate, this "component unit" is reported because the City is financially accountable for them.

Fund Financial Statements

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by Charter. In addition to the Charter required funds, the Finance Department establishes other funds to organize, control and manage financial activities for specific purposes (e.g., Capital Improvement Fund) or to demonstrate that the City is meeting legal responsibilities for using grants, and other money (e.g., Educational Grants, Health Grants and Miscellaneous Grants Funds). The City's funds are divided into three categories for accounting purposes:

- *Governmental funds (Exhibits III and IV)* - Most of the City's basic services are reported in governmental funds, which focus on how resources flow into and out of those funds and the remaining balances at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are greater or fewer financial resources that can be spent in the near future to finance the City's operations and programs. The relationship between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation reported separately from the fund financial statements.
- *Proprietary funds (Exhibits V, VI, and VII)* - When the City charges a fee to customers for the services it provides, whether to other units of the City or non-City individuals or entities, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements, but provide more detail

and additional information, such as cash flows, for proprietary funds. Internal service funds (the other component of proprietary funds) are used to report activities that provide supplies and services for the City's other programs and activities - such as the City's Self-Insurance Internal Service Funds and the City's Metro Hartford Innovation Services Fund.

- *Fiduciary funds (Exhibits VIII and IX)* - The City is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the City's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City's combined net position increased from a year ago by \$44.9 million. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities.

**TABLE I
NET POSITION**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	as Restated 2018	2019	as Restated 2018	2019	as Restated 2018
Current and other assets	\$ 422,777	\$ 370,416	\$ 2,903	\$ 2,592	\$ 425,680	\$ 373,008
Capital assets, net of accumulated depreciation	1,576,979	1,534,302	85,351	87,812	1,662,330	1,622,114
Total assets	<u>1,999,756</u>	<u>1,904,718</u>	<u>88,254</u>	<u>90,404</u>	<u>2,088,010</u>	<u>1,995,122</u>
Deferred outflow of resources	<u>183,738</u>	<u>186,980</u>	<u>-</u>	<u>-</u>	<u>183,738</u>	<u>186,980</u>
Current liabilities	146,018	126,465	1,772	1,773	147,790	128,238
Long-term liabilities outstanding	<u>1,587,930</u>	<u>1,559,678</u>	<u>66,976</u>	<u>68,997</u>	<u>1,654,906</u>	<u>1,628,675</u>
Total liabilities	<u>1,733,948</u>	<u>1,686,143</u>	<u>68,748</u>	<u>70,770</u>	<u>1,802,696</u>	<u>1,756,913</u>
Deferred inflow of resources	<u>16,153</u>	<u>19,644</u>	<u>-</u>	<u>-</u>	<u>16,153</u>	<u>19,644</u>
Net Position:						
Net investments in capital assets	1,007,839	933,475	18,375	18,815	1,026,214	952,290
Restricted	67,554	81,961			67,554	81,961
Unrestricted	<u>(642,000)</u>	<u>(629,525)</u>	<u>1,131</u>	<u>819</u>	<u>(640,869)</u>	<u>(628,706)</u>
Total Net Position	<u>\$ 433,393</u>	<u>\$ 385,911</u>	<u>\$ 19,506</u>	<u>\$ 19,634</u>	<u>\$ 452,899</u>	<u>\$ 405,545</u>

The City's government-wide net position of \$450.4 million represents an increase of \$44.9 million over last year's net position as restated of \$405.5 million. This increase was largely due to an increase in capital assets. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements decreased \$14.6 million over last year. Government activities unrestricted net position decreased \$14.9 million while the unrestricted net position of the City's business-type activities increased \$0.3 million in 2019.

**TABLE 2
STATEMENT OF ACTIVITIES**

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 19,848	\$ 20,907	\$ 6,553	\$ 6,693	\$ 26,401	\$ 27,600
Operating grants and contributions	463,033	389,818			463,033	389,818
Capital grants and contributions	65,874	40,282		4,541	65,874	44,823
General revenues:						
Property taxes	285,346	292,067			285,346	292,067
Grants not restricted to specific programs	114,353	98,102			114,353	98,102
Unrestricted investment earnings	5,469	4,136	63	(3,177)	5,532	959
Other general revenues	12,003	10,861			12,003	10,861
Total revenues	<u>965,926</u>	<u>856,173</u>	<u>6,616</u>	<u>8,057</u>	<u>972,542</u>	<u>864,230</u>
Expenses:						
General government	199,352	127,405			199,352	127,405
Public safety	104,077	72,492			104,077	72,492
Public works	45,617	35,350			45,617	35,350
Development and community affairs	12,459	12,471			12,459	12,471
Human services	59,678	61,015			59,678	61,015
Education	449,116	443,410			449,116	443,410
Recreation and culture	21,757	22,677			21,757	22,677
Interest on long-term debt	25,258	24,218			25,258	24,218
Hartford Parking Facilities			955	822	955	822
Hartford Stadium Authority			2,102	2,284	2,102	2,284
Golf Course			4,817	1,730	4,817	1,730
Total expenses	<u>917,314</u>	<u>799,038</u>	<u>7,874</u>	<u>4,836</u>	<u>925,188</u>	<u>803,874</u>
Change in net position before transfers	48,612	57,135	(1,258)	3,221	47,354	60,356
Transfers	(1,130)	(1,574)	1,130	1,574		
Change in net position	47,482	55,561	(128)	4,795	47,354	60,356
Net Position at Beginning of Year	<u>385,911</u>	<u>293,789</u>	<u>19,634</u>	<u>14,839</u>	<u>405,545</u>	<u>308,628</u>
Restatement		36,561				36,561
Net Position at End of Year	<u>\$ 433,393</u>	<u>\$ 385,911</u>	<u>\$ 19,506</u>	<u>\$ 19,634</u>	<u>\$ 452,899</u>	<u>\$ 405,545</u>

The City's total revenue in 2019 of \$972.5 million represents an increase of \$108.3 million over last year. Capital grants and contributions increased \$21.1 million due to monies received from the State of Connecticut related to school building construction grants. Operating grants and contributions increased \$73.2 million mainly due to an increase in public safety and educational grant funding.

The City's total program expenses of \$927.6 million represent an increase of \$123.7 million over last year. The increase in General Government, Public Works, Public Safety, and Education is related to the receipt of different grants than prior year and overtime.

The analysis below separately considers the operations of governmental and business-type activities.

Governmental Activities

Table 3 presents the cost of each of the City's governmental activities six largest programs - general government, public safety, public works, human services, education, recreation and culture and others (debt service and development and community affairs) - as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

**TABLE 3
GOVERNMENTAL ACTIVITIES**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
General government	\$ 199,352	\$ 127,405	\$ 195,559	\$ 93,017
Public safety	104,077	72,492	85,033	101,241
Public works	45,617	35,350	43,931	22,829
Human services	59,678	61,015	48,964	3,152
Education	449,116	443,410	7,528	149,565
Recreation and culture	21,757	22,677	9,040	8,196
All others	37,717	36,689	(21,496)	24,834
Total	<u>\$ 917,314</u>	<u>\$ 799,038</u>	<u>\$ 368,559</u>	<u>\$ 402,834</u>

Business-Type Activities

Revenues from the Hartford Parking Authority provided to the Hartford Parking Facilities Fund to finance debt service and capital improvement, as well as revenues to the City's General Fund increased by \$0.3 million in FY2019 and expenses (including debt service and depreciation) for the City's dedicated parking facilities remained consistent from FY 2018. The Golf Courses ended FY2019 with a net position of \$3.7 million as a result of the construction of a new clubhouse in FY2018. The Hartford Stadium Authority had an increase to net position of \$0.1 million.

CITY FUNDS FINANCIAL ANALYSIS

Governmental Funds

The City's combined General Fund reported a fund balance increase of \$7.7 million during 2019 as compared with an increase of \$0.4 million in 2018. This increase is mainly due to expenditure savings. The combined General Fund's unassigned fund balance at June 30, 2018 is \$9.6 million representing 1.7 percent of the General Fund's 2019 amended budgetary appropriations. Actual revenues were \$9.4 million less than the amended budgetary revenue estimate. Expenditures were \$17.1 million less than the final budgeted appropriation of \$570.6 million. Refer to RSI-1 and RSI-2 for details on other favorable and unfavorable variances in comparison to budgetary estimates.

The Capital Improvement Fund reported a fund balance increase of \$3.3 million which is related to the receipt of grant revenues and the General Fund contributions from the new pay as you go CIP funding plan. The City closely managed capital project spending throughout the fiscal year by completing and closing out prior years authorized projects. The departments of public works and development services continued these efforts in FY2019 by focusing on the capital needs mainly related to maintaining and preserving our capital infrastructure.

The Debt Service Fund had a fund balance as of June 30, 2019, of \$29.3 million which represents a decrease due to pay down of the existing restructured debt.

The Education Grant Fund had a decrease in fund balance of \$0.4 million.

The Community Development Loan and Grant Fund had an increase in fund balance of \$0.1 due to multiple home loans that were repaid in full in advance of maturity date.

The City's other governmental funds reported an increase of \$7.0 million in fund balance for the year, mainly due to increased revenues.

Internal Service Funds

The net position of the City's self-insurance programs increased \$0.7 million, decreasing the total net position (deficit) of the City's internal service programs from \$(23.2) million to an \$(22.5) million deficit. The City will continue its efforts to develop a funding plan for its post-retirement benefits liabilities based on the actuaries' estimates.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2019, the City had \$1.6 billion invested in a broad range of capital assets, including land, buildings, park facilities, vehicles and equipment and infrastructure - Table 4.

Capital asset additions during the year totaled \$88.4 million (Note 6 to the financial statements). Construction in progress additions represent the majority of capital additions recorded by the City other than capital activity related to vehicle and equipment purchases and infrastructure. Refer to current period expenditures reported in Exhibit C for a detail of capital expenditures by project in the City's Capital Improvement Fund. The majority of active projects as reported in Exhibit C qualify for capitalization under the City's asset capitalization policy.

**TABLE 4
CAPITAL ASSETS**

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 67	\$ 64	\$ 6	\$ 6	\$ 73	\$ 70
Land improvements	37	20			37	20
Buildings and improvements	1,075	1,029	78	81	1,153	1,110
Machinery and equipment	17	17	1	1	18	18
Infrastructure	208	198			208	198
Construction in progress	173	206			173	206
Total	\$ 1,577	\$ 1,534	\$ 85	\$ 88	\$ 1,662	\$ 1,622

There are 199 active projects in the City's Capital Improvement Fund with appropriations of \$1,213 million, cumulative active project expenditures of \$728.3 million. Total expenditures for all projects during the fiscal year amounted to \$89.5 million. New and supplemental appropriations are reflected in the FY2020 adopted budget.

Additional information about the City's capital assets is presented in Note 6 to the financial statements.

Long-Term Debt

The City did not issue any long-term debt in fiscal year 2019. However, in March 2018 the City entered into a Contract Assistance Agreement with the State of Connecticut to service \$540 million in current general obligation debt service until such debt was retired. This agreement is backed by the full faith and credit of the State of Connecticut. As part of this agreement, the City of Hartford is subject to financial oversight and has accepted limitations on the issuance of new debt. Under the contract assistance agreement, the City must meet certain financial requirements. Lack of compliance with such requirements would trigger a default, thus placing the City in Tier 4 full oversight by the State of Connecticut.

At June 30, 2019, the City had \$536.0 million in bonds outstanding versus \$569.6 million last year – a decrease of 5.9% - as shown in Table 5. The City has approximately \$29 million of restricted cash and investments to offset this debt.

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
General obligation bonds	\$ 536	\$ 570	\$ 2	\$ 2	\$ 538	\$ 572
Special obligation revenue bonds					-	-
Revenue bonds			64	66	64	66
Notes payable					-	-
Total	\$ 536	\$ 570	\$ 66	\$ 68	\$ 602	\$ 638

The State limits the amount of general obligation debt that cities can issue based on a formula detailed in State Statutes based on type of debt and tax base. The City's outstanding general obligation debt is below the formulaic \$1.7 billion state-imposed limit.

Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

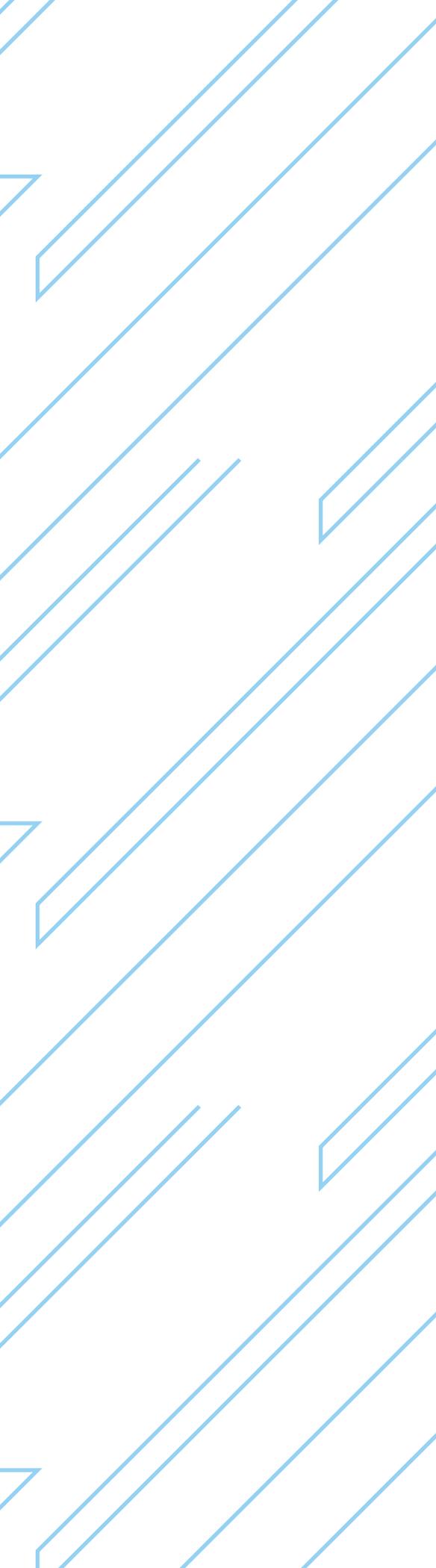
Connecticut's unemployment rate was estimated by the Connecticut Department of Labor to be 3.7% for November 2019 (seasonally adjusted). This is 0.1% higher than October 2019 and 0.4% lower than the November 2018 rate of 4.1%. The November 2019 unemployment rate for Hartford was 5.6%, which is 1.9% higher than the 3.7% reported by the U.S. Bureau of Labor Statistics for November 2019. The Consumer Price Index is 2.1 percent (unadjusted - all items) for the 12-months ended November 2019.

PA 17-2, An Act Concerning the State Budget for the Biennium Ending June 30, 2019, establishes a Municipal Accountability Review Board to support financially distressed municipalities in achieving fiscal sustainability. The State Budget provides a \$28 million Municipal Restructuring appropriation to be allocated by the Municipal Accountability Review Board (MARB). The City of Hartford provided a 5-year Municipal Recovery Plan to the MARB in March 2018, comprised of revenue and expenditures assumptions, contract assistance for debt service, labor concessions, economic development goals and initiatives to generate grand list growth, as well as revenue and expenditure initiatives, the combination of which provided a pathway to fiscal balance. The recovery plan required the City to shift to a Pay-As-You-Go Capital Improvement Program, whereby the capital expenditure program is funded primarily from the General Fund. The recovery plan was reviewed in detail by the full MARB and a subcommittee thereof and approved in June 2018 where the City received \$20 million in restructuring funds. The City is required to submit an updated Municipal Recovery Plan annually in concert with the Mayor's Recommended General Fund Budget.

Over the past three years, in the face of unprecedented fiscal crisis and longstanding structural deficits, the City has worked diligently to achieve long-term sustainability for our Capital City, making dramatic reductions in the size and cost of City government. The City continues to make progress in achieving landmark labor contracts that provide material long term savings. The new labor contracts include several years of wage freezes and structural changes in pension, active employee health and retiree health insurance contributions for current employees and future hires. The significant expenditure reductions, savings combined with structural changes achieved in union contracts, and new tools available in the State Budget, coupled with disciplined management and fiscal prudence, represent significant progress towards long term sustainability. These achievements create opportunities to strengthen the City's finances and achieve long term fiscal health.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide residents, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the monies it receives. If you have questions about this report or need additional financial information, contact the Finance Department, City of Hartford, 550 Main Street, Hartford, Connecticut 06103, or by telephone (860) 757-9665.



Basic Financial Statements

CITY OF HARTFORD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2019
(In Thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Hartford Parking Authority
Assets:				
Cash and cash equivalents	\$ 152,537	\$ 2,231	\$ 154,768	\$ 1,492
Investments	29,096		29,096	
Restricted cash and cash equivalents	245	2,752	2,997	
Restricted investments	28,881		28,881	
Receivables, net:				
Property taxes	89,615		89,615	
Accounts	55,498	66	55,564	2,389
Loans	35,366		35,366	
Intergovernmental	26,511		26,511	
Due from component unit		1,243	1,243	(1,243)
Internal balances	3,389	(3,389)	-	
Other assets	1,639		1,639	
Capital assets, nondepreciable	240,214	6,087	246,301	
Capital assets, net of accumulated depreciation	1,336,765	79,264	1,416,029	
Total assets	<u>1,999,756</u>	<u>88,254</u>	<u>2,088,010</u>	<u>2,638</u>
Deferred Outflows of Resources:				
Deferred charge on refunding	3,649		3,649	
Deferred outflows related to pensions	72,634		72,634	
Deferred outflows related to OPEB	107,455		107,455	
Total deferred outflows of resources	<u>183,738</u>	<u>-</u>	<u>183,738</u>	<u>-</u>
Liabilities:				
Accounts payable and accrued expenses	108,942	1,659	110,601	452
Unearned revenue	37,076	113	37,189	2,186
Noncurrent liabilities:				
Due within one year	61,749	1,687	63,436	
Due in more than one year	1,526,181	65,289	1,591,470	
Total liabilities	<u>1,733,948</u>	<u>68,748</u>	<u>1,802,696</u>	<u>2,638</u>
Deferred Inflows of Resources:				
Advance property tax collections	47		47	
Deferred inflows related to pensions	5,128		5,128	
Deferred inflows related to OPEB	10,978		10,978	
Total deferred inflows of resources	<u>16,153</u>	<u>-</u>	<u>16,153</u>	<u>-</u>
Net Position:				
Net investment in capital assets	1,007,839	18,375	1,026,214	
Restricted:				
Debt service	29,280		29,280	
Housing loans and grants	10,269		10,269	
Trust purposes:				
Expendable	19,647		19,647	
Nonexpendable	8,358		8,358	
Unrestricted	(642,000)	1,131	(640,869)	
Total Net Position	<u>\$ 433,393</u>	<u>\$ 19,506</u>	<u>\$ 452,899</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

**CITY OF HARTFORD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)**

Function/Program Activities	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position			Component Unit Hartford Parking Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-Type Activities		
Primary Government								
Governmental activities:								
General government	\$ 199,352	\$ 1,772	\$ 2,021	\$ -	\$ (195,559)	\$ -	\$ (195,559)	\$ -
Public safety	104,077	8,513	10,531	-	(85,033)	-	(85,033)	-
Public works	45,617	187	-	1,499	(43,931)	-	(43,931)	-
Development and community affairs	12,459	7,107	52,106	-	46,754	-	46,754	-
Human services	59,678	344	10,370	-	(48,964)	-	(48,964)	-
Recreation and Culture	21,757	402	13,827	-	(7,528)	-	(7,528)	-
Education	449,116	1,523	374,178	64,375	(9,040)	-	(9,040)	-
Interest on long term debt	25,258	-	-	-	(25,258)	-	(25,258)	-
Total governmental activities	<u>917,314</u>	<u>19,848</u>	<u>463,033</u>	<u>65,874</u>	<u>(368,559)</u>	<u>-</u>	<u>(368,559)</u>	<u>-</u>
Business-type activities:								
Hartford parking facilities	955	4,109	-	-	-	3,154	3,154	-
Golf course	2,102	1,535	-	-	-	(567)	(567)	-
Hartford Stadium Authority	4,817	909	-	-	-	(3,908)	(3,908)	-
Total business-type activities	<u>7,874</u>	<u>6,553</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,321)</u>	<u>(1,321)</u>	<u>-</u>
Total Primary Government	<u>\$ 925,188</u>	<u>\$ 26,401</u>	<u>\$ 463,033</u>	<u>\$ 65,874</u>	<u>(368,559)</u>	<u>(1,321)</u>	<u>(369,880)</u>	<u>-</u>
Component Unit								
Hartford Parking Authority	<u>\$ 8,564</u>	<u>\$ 8,564</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
General revenues:								
Property taxes	-	-	-	-	285,346	-	285,346	-
Grants and contributions not restricted to specific programs	-	-	-	-	114,353	-	114,353	-
Unrestricted investment earnings	-	-	-	-	5,469	63	5,532	-
Miscellaneous	-	-	-	-	12,003	-	12,003	-
Transfers	-	-	-	-	(1,130)	1,130	-	-
Total general revenues and transfers	-	-	-	-	<u>416,041</u>	<u>1,193</u>	<u>417,234</u>	<u>-</u>
Change in net position	-	-	-	-	47,482	(128)	47,354	-
Net Position at Beginning of Year, as Restated	-	-	-	-	<u>385,911</u>	<u>19,634</u>	<u>405,545</u>	<u>-</u>
Net Position at End of Year	-	-	-	-	<u>\$ 433,393</u>	<u>\$ 19,506</u>	<u>\$ 452,899</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

CITY OF HARTFORD, CONNECTICUT
 BALANCE SHEET - GOVERNMENTAL FUNDS
 JUNE 30, 2019
 (In Thousands)

	General	Capital Improvement Fund	Community Development Loan and Grant	Debt Service	Educational Grants	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 64,770	\$ 18,851	\$ 2,542	\$ -	\$ 26,549	\$ 21,245	\$ 133,957
Restricted cash				245			245
Investments						29,096	29,096
Restricted investments				28,881			28,881
Receivables, net	92,578	57,924	35,459		1,133	19,416	206,510
Prepaid items	1,199						1,199
Due from other funds	3,294	12,468		154			15,916
Inventories and other assets						440	440
Total Assets	\$ 161,841	\$ 89,243	\$ 38,001	\$ 29,280	\$ 27,682	\$ 70,197	\$ 416,244
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ 45,125	\$ 31,834	\$ 113	\$ -	\$ 11,431	\$ 8,041	\$ 96,544
Due to other funds	12,474					53	12,527
Unearned revenue	198	15,909			8,504	12,465	37,076
Total liabilities	57,797	47,743	113	-	19,935	20,559	146,147
Deferred inflows of resources:							
Unavailable revenue - property	88,525						88,525
Unavailable revenue - other receivable	2,887	37,557	35,366			2,711	78,521
Advance property tax collections	47						47
Total deferred inflows of resources	91,459	37,557	35,366	-	-	2,711	167,093
Fund balances:							
Nonspendable						8,798	8,798
Restricted			2,522	29,280	7,747	30,070	69,619
Committed	2,933	3,943				7,536	14,412
Assigned						830	830
Unassigned	9,652					(307)	9,345
Total fund balances	12,585	3,943	2,522	29,280	7,747	46,927	103,004
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 161,841	\$ 89,243	\$ 38,001	\$ 29,280	\$ 27,682	\$ 70,197	\$ 416,244

(Continued on next page)

CITY OF HARTFORD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2019
(In Thousands)

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position:

Amounts reported for governmental activities in the statement of net position (Exhibit I) are
different because of the following:

Fund balances - total governmental funds (Exhibit III)	\$	103,004
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Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds:

Governmental capital assets	\$	2,477,311	
Less accumulated depreciation		(900,332)	
Net capital assets			1,576,979

Other long-term assets and deferred outflows of resources are
not available to pay for current-period expenditures and,
therefore, are deferred in the funds:

Property tax receivables greater than 60 days	54,652
Interest receivable on property taxes	33,873
Housing loans receivable	35,366
Other receivables	43,157
Deferred outflows related to pensions	72,634
Deferred outflows related to OPEB	107,455

Internal service funds are used by management to charge the costs of
risk management to individual funds. The assets and liabilities of
the internal service funds are reported with governmental activities
in the statement of net position.

(22,475)

Long-term liabilities and deferred inflows of resources are not due and payable
in the current period, and, therefore, are not reported in the funds:

Bonds payable	(536,035)
Premium on bonds	(50,744)
Deferred charge on refunding	3,649
Accrued interest payable	(7,995)
HUD Loans	(5,600)
Capital leases	(4,007)
Clean water fund notes	(854)
Compensated absences	(26,227)
Claims and judgements	(3,000)
CMERS prior service cost	(537)
Net OPEB liability	(450,070)
Net pension liability - CMERS	(36,691)
Net pension liability - MERF	(435,175)
Net pension liability - RAF/PBF/FRF	(1,678)
Net pension liability - 415(m)	(182)
Deferred inflows related to pensions	(5,128)
Deferred inflows related to OPEB	(10,978)

Net Position of Governmental Activities (Exhibit I)	\$	<u>433,393</u>
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The accompanying notes are an integral part of the financial statements

**CITY OF HARTFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)**

	General	Capital Improvement Fund	Community Development Loan and Grant	Debt Service	Educational Grants	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:							
Property taxes	\$ 278,967						\$ 278,967
Licenses, permits, and other charges	6,630						6,630
Intergovernmental revenues	327,441	64,663			132,011	107,547	631,662
Charges for services	2,255					10,467	12,722
Use of property	1,153						1,153
Investment income	3,121		96	1,375		1,045	5,637
Miscellaneous	10,380	384	1,398	3		(193)	11,972
Total revenues	<u>629,947</u>	<u>65,047</u>	<u>1,494</u>	<u>1,378</u>	<u>132,011</u>	<u>118,866</u>	<u>948,743</u>
Expenditures:							
Current:							
General government	12,991					922	13,913
Public safety	75,775					14,184	89,959
Public works	13,176					3	13,179
Development and community affairs	3,290		1,387			6,451	11,128
Human services	2,645					57,187	59,832
Education	301,665				134,434	19,244	455,343
Recreation and culture	9,360					12,193	21,553
Benefits and insurance	87,260						87,260
Other	33,525						33,525
Capital outlay		89,480				2,206	91,686
Debt service	401			61,637		2,297	64,335
Total expenditures	<u>540,088</u>	<u>89,480</u>	<u>1,387</u>	<u>61,637</u>	<u>134,434</u>	<u>114,687</u>	<u>941,713</u>
Excess (deficiency) of revenues over expenditures	<u>89,859</u>	<u>(24,433)</u>	<u>107</u>	<u>(60,259)</u>	<u>(2,423)</u>	<u>4,179</u>	<u>7,030</u>
Other Financing Sources (Uses):							
Transfers in from other funds	6,949	27,962		48,384	2,073	10,893	96,261
Transfers out to other funds	(89,107)	(240)				(8,044)	(97,391)
Total other financing sources (uses)	<u>(82,158)</u>	<u>27,722</u>	<u>-</u>	<u>48,384</u>	<u>2,073</u>	<u>2,849</u>	<u>(1,130)</u>
Net Change in Fund Balances	7,701	3,289	107	(11,875)	(350)	7,028	5,900
Fund Balances at Beginning of Year	<u>4,884</u>	<u>654</u>	<u>2,415</u>	<u>41,155</u>	<u>8,097</u>	<u>39,899</u>	<u>97,104</u>
Fund Balances at End of Year	<u>\$ 12,585</u>	<u>\$ 3,943</u>	<u>\$ 2,522</u>	<u>\$ 29,280</u>	<u>\$ 7,747</u>	<u>\$ 46,927</u>	<u>\$ 103,004</u>

(Continued on next page)

CITY OF HARTFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because of the following:

Net change in fund balances - total governmental funds (Exhibit IV)	\$	5,900
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	88,293
Depreciation expense	(45,616)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes collected after 60 days	1,764
Interest income on property taxes	4,615
Housing loans receivable	(769)
Other receivables	20,528
Change in deferred outflows related to pensions	2,131
	(4,993)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bond principal payments	33,551
HUD Loans principal payments	350
Capital lease principal payments	1,657
Clean water fund notes principal payments	97

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Amortization of deferred charges in refunding	(380)
Amortization of premium	3,455
Accrued interest	341
Amortization of CMERS prior service costs	570
Change in long-term compensated absences	2,427
Change in claims and judgements	1,000
Change in net OPEB liability	(26,807)
Change in net pension liability - CMERS	(19,223)
Change in net pension liability - MERF	(25,959)
Change in net pension liability - RAF/PBF/FRF	252
Change in net pension liability - 415(m)	64
Change in deferred inflows related to pensions	2,925
Change in deferred inflows related to OPEB	613

The net expense of the internal service funds is reported with governmental activities.	<u>696</u>
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 47,482</u>
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The accompanying notes are an integral part of the financial statements

CITY OF HARTFORD, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2019
(In Thousands)

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Hartford Stadium Authority	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets:				
Current assets:				
Cash and cash equivalents	\$	\$	\$	\$
Restricted cash	2,752	2,231	2,231	18,580
Receivables, net		66	66	480
Due from other funds	6		6	
Due from component unit		1,243	1,243	
Total current assets	<u>2,758</u>	<u>3,540</u>	<u>6,298</u>	<u>19,060</u>
Noncurrent assets:				
Capital assets:				
Not being depreciated		6,087	6,087	
Being depreciated, net	64,292	14,972	79,264	
Total noncurrent assets	<u>64,292</u>	<u>21,059</u>	<u>85,351</u>	<u>-</u>
Total assets	<u>67,050</u>	<u>24,599</u>	<u>91,649</u>	<u>19,060</u>
Liabilities:				
Current liabilities:				
Accounts payable and other payables	1,253	406	1,659	4,405
Due to other funds		3,395	3,395	
Current maturities of risk management claims				21,780
Current maturities of bonds payable	1,600	87	1,687	
Unearned revenue	113		113	
Total current liabilities	<u>2,966</u>	<u>3,888</u>	<u>6,854</u>	<u>26,185</u>
Noncurrent liabilities:				
Risk management claims				15,350
Bonds payable	63,546	1,743	65,289	
Total noncurrent liabilities	<u>63,546</u>	<u>1,743</u>	<u>65,289</u>	<u>15,350</u>
Total liabilities	<u>66,512</u>	<u>5,631</u>	<u>72,143</u>	<u>41,535</u>
Net Position:				
Net investment in capital assets	(854)	19,229	18,375	
Unrestricted	1,392	(261)	1,131	(22,475)
Total Net Position	<u>\$ 538</u>	<u>\$ 18,968</u>	<u>\$ 19,506</u>	<u>\$ (22,475)</u>

The accompanying notes are an integral part of the financial statements

**CITY OF HARTFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)**

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Hartford Stadium Authority	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating Revenues:				
Charges for services	\$ 909	\$ 5,631	\$ 6,540	\$ 75,151
Employee and pensioners charges for insurance			-	23,599
Other		13	13	3,738
Total operating revenues	<u>909</u>	<u>5,644</u>	<u>6,553</u>	<u>102,488</u>
Operating Expenses:				
Administrative	13		13,000	3,964
Operations		2,040	2,040	5,995
Insurance benefits and claims			-	91,833
Depreciation	1,706	1,009	2,715	
Total operating expenses	<u>1,719</u>	<u>3,049</u>	<u>4,768</u>	<u>101,792</u>
Operating Income (Loss)	<u>(810)</u>	<u>2,595</u>	<u>1,785</u>	<u>696</u>
Nonoperating Revenues (Expenses):				
Interest income	63		63	
Interest expense	(3,098)	(8)	(3,106)	
Total nonoperating revenues (expenses)	<u>(3,035)</u>	<u>(8)</u>	<u>(3,043)</u>	<u>-</u>
Income (Loss) Before Capital Contributions and Transfers	(3,845)	2,587	(1,258)	696
Transfers in	5,094	268	5,362	
Transfers out	<u>(1,123)</u>	<u>(3,109)</u>	<u>(4,232)</u>	
Change in Net Position	126	(254)	(128)	696
Net Position at Beginning of Year	<u>412</u>	<u>19,222</u>	<u>19,634</u>	<u>(23,171)</u>
Net Position at End of Year	<u>\$ 538</u>	<u>\$ 18,968</u>	<u>\$ 19,506</u>	<u>\$ (22,475)</u>

The accompanying notes are an integral part of the financial statements

CITY OF HARTFORD, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Hartford Stadium Authority	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash Flows from Operating Activities:				
City's contribution	\$	\$	\$	\$ 75,151
Receipts from customers and users	1,022	5,510	6,532	27,272
Payments to suppliers	(99)	(2,084)	(2,183)	
Payments for benefits and claims			-	(101,303)
Payments (receipts) for interfund services used	(83)	308	225	
Net cash provided by (used in) operating activities	<u>840</u>	<u>3,734</u>	<u>4,574</u>	<u>1,120</u>
Cash Flows from Capital and Related Financing Activities:				
Transfer in	5,094	268	5,362	
Transfer out	(1,123)	(3,109)	(4,232)	
Principal paid on bonds	(1,525)	(444)	(1,969)	
Interest paid on bonds	(3,098)	(8)	(3,106)	
Purchase of capital assets		(253)	(253)	
Net cash provided by (used in) noncapital financing activities	<u>(652)</u>	<u>(3,546)</u>	<u>(4,198)</u>	<u>-</u>
Cash Flows from Investing Activities:				
Interest on investments	63		63	-
Net Increase (Decrease) in Cash and Cash Equivalents	251	188	439	1,120
Cash and Cash Equivalents at Beginning of Year	2,501	2,043	4,544	17,460
Cash and Cash Equivalents at End of Year	\$ <u>2,752</u>	\$ <u>2,231</u>	\$ <u>4,983</u>	\$ <u>18,580</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating income (loss)	\$ (810)	2,595	\$ 1,785	\$ 696
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	1,706	1,009	2,715	
Change in assets and liabilities:				
(Increase) decrease in accounts receivable		(23)	(23)	(65)
(Increase) decrease in due from other funds	(6)	(207)	(213)	
Increase (decrease) in accounts payable	(86)	(155)	(241)	802
Increase (decrease) in due to other funds	(77)	515	438	
Increase (decrease) in unearned revenue	113		113	
Increase (decrease) in claims payable			-	(313)
Total adjustments	<u>1,650</u>	<u>1,139</u>	<u>2,789</u>	<u>424</u>
Net Cash Provided by (Used in) Operating Activities	\$ <u>840</u>	\$ <u>3,734</u>	\$ <u>4,574</u>	\$ <u>1,120</u>

The accompanying notes are an integral part of the financial statements

CITY OF HARTFORD, CONNECTICUT
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2019
(In Thousands)

	Pension and OPEB Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets:		
Cash and cash equivalents	\$ 63,005	\$ 840
Investments, at fair value:		
U.S. government agencies	13,712	
U.S. government securities	77,842	
Corporate bonds	84,645	
Foreign bonds	3,398	
Municipal bonds	1,271	
Mutual funds	13,191	
Alternative investments	199,293	
Common and collective trusts	335,913	
Land	5,000	
Real estate funds	65,636	
Equities	214,259	
Total investments	<u>1,014,160</u>	<u>-</u>
Receivables:		
Accounts receivable	<u>60,624</u>	
Total assets	<u>1,137,789</u>	<u>840</u>
Liabilities:		
Accounts payable and accrued liabilities	65,915	
Due to student groups and other		<u>840</u>
Total liabilities	<u>65,915</u>	<u>840</u>
Net Position:		
Restricted for Pension and OPEB Benefits	\$ <u>1,071,874</u>	

The accompanying notes are an integral part of the financial statements

**CITY OF HARTFORD, CONNECTICUT
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)**

	<u>Pension and OPEB Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 60,659
Plan members	<u>14,672</u>
Total contributions and other revenues	<u>75,331</u>
Investment income:	
Net increase in fair value of investments	52,103
Interest and dividends	<u>22,812</u>
Total investment income	<u>74,915</u>
Less investment expenses:	
Investment management fees	<u>8,006</u>
Net investment income	<u>66,909</u>
Total additions	<u>142,240</u>
Deductions:	
Benefits	132,941
Administrative expense	<u>2,505</u>
Total deductions	<u>135,446</u>
Change in Net Position	6,794
Net Position at Beginning of Year	<u>1,065,080</u>
Net Position at End of Year	<u>\$ 1,071,874</u>

The accompanying notes are an integral part of the financial statements

CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019
(in thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Hartford was incorporated May 29, 1784 and the City consolidated in April 1896. The City operates under a Mayor-Council form of government and provides a full range of services including public safety, roads, solid waste collection, health, social services, culture and recreation, education, planning, development, zoning and general administrative services.

During the fiscal year ended June 30, 2018, the City was designated a Tier III municipality by the State of Connecticut in accordance with CGS § 7-576c which included oversight by the State of Connecticut Municipal Accountability Review Board (MARB). See Note 15 for additional information.

The accounting policies of the City conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the City's more significant accounting policies:

A. Financial Reporting Entity

The financial reporting entity consists of: a) the primary government, which is the City; b) organizations for which the City is financially accountable and c) other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the City's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the following component units are included in the City's reporting entity because of operational or financial relationship with the City.

Discretely Presented Component Unit

The Hartford Parking Authority (the Parking Authority) has been included in the City's financial statements as a discretely presented component unit. A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City. It is financially accountable to the City, or has a relationship with the City such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. For the discretely presented component unit the potential exists for a financial burden or benefit to be imposed on the City as a result of the existence of the component unit. The Parking Authority was created pursuant to Chapter 100 of the General Statutes of Connecticut and is governed by five members appointed by the Mayor and approved by the Court of Common Council. The purpose of the Parking Authority is to create, establish, finance, maintain, and operate the City of Hartford's dedicated parking facilities, and regulate the uses and parking rates to be charged at other regulated parking facilities. Separately issued financial statements of the Parking Authority are available at www.hartfordparkingauthority.com.

Blended Component Unit

The Hartford Stadium Authority (the Stadium Authority) serves all citizens of the government and is governed by a commission, which consists of five members appointed by the Court of Common Council. The Stadium Authority does not have any other staff members presently, the operational, administrative and legal services for the Stadium Authority will be handled by the City Departments of Finance, Public Works, and the Office of Corporation Council. The City is legally obligated to provide resources in the event there are deficiencies in debt service payments and resources are not available from any other remedies. The Stadium Authority is reported as an enterprise fund and does not issue separate financial statements. The Stadium Authority is reported as a blended component unit as the City is responsible for payment of Stadium Authority debt through a signed lease agreement.

B. Government-Wide Financial Statements

The government wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the primary government as a whole and its component units. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position presents the financial position of the City at the end of its fiscal year. The statement of activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and 3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The City does not allocate indirect expenses to functions in the statement of activities.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. The Agency Fund has no measurement focus but utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019
(in thousands)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes and certain other revenues are considered to be available if collected within 60 days of the fiscal year end. Construction grant revenue is considered to be available if collected within 90 days of year end.

Property taxes associated with the current fiscal period, as well as charges for services and intergovernmental revenues and interest associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period, if available. Licenses and fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from federal and state grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, other post-employment benefit obligations, pension obligations and certain claims payable are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for and reported in another fund.

The **Capital Improvement Fund** accounts for the proceeds of general obligation bonds and grants for various construction projects.

The **Community Development Loan and Grant Fund** accounts for loan and grant activities associated with the housing and development program.

The **Debt Service Fund** accounts for the payment of principal and interest on general long-term debt of the City. This fund also accounts for the amounts held in escrow for future payoff of defeased debt.

The **Educational Grants Fund** accounts for State and Federal grants received and expended for educational purposes.

The City reports the following major proprietary funds:

The **Hartford Stadium Authority Fund** accounts for the operations of the City's Dunkin' Donuts Park, a double A minor league ballpark, which is a blended component unit of the City.

Additionally, the City reports the following fund types:

The **Internal Service Funds** are used to account for the risk management activities of the City and the centralized operations of the Metro Hartford Information Services.

The **Pension and Other Post-Employment Benefit (OPEB) Trust Funds** account for the activities of the Hartford Retirement System, which accumulated resource for pension benefit payment to qualified City employees and the activities of the OPEB Fund, which accounts for the health and other benefits provided to eligible retirees and their spouses.

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The **Agency Funds** are primarily utilized to account for monies held as custodian for outside student and other groups.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between certain City's functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include property taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the enterprise funds and the internal service funds are charges to customers for services. Operating expenses for the Enterprise funds and the internal service funds include the cost of services, administrative expenses, depreciation costs and benefit costs. All revenues and expenses not meeting the definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Deposits, Investments and Risk Disclosure

Cash and Cash Equivalents

Cash and cash equivalents consist of funds deposited in demand deposit accounts and short-term investments with original maturities of less than three months.

The Connecticut State Treasurer's Short-Term Investment Fund is an investment pool managed by the Cash Management Division of the State Treasurer's Office, created by Section 3-27 of the General Statutes of Connecticut. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c through 3-27e. Investment guidelines are adopted by the State Treasurer. The investments in the pool adhere to GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, which accounts for the asset investment. The value of the position the pool is the same as the value of the pool shares. These investments are stated at amortized cost.

Investments

Investments are stated at fair value.

The pension funds allow for investments in certain alternative investments. Alternative investments may include private equity partnerships, hedge and absolute return funds for which there may be no ready market to determine fair value. These investments are valued using the most recent valuation available from the external fund manager that represents the net asset value of these funds. These estimated values do not necessarily represent the amounts that will ultimately be realized upon the disposition of those assets, which may be materially higher or lower than values determined if a ready market for the securities existed.

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Restricted Cash and Investments

Certain assets are classified as restricted because their use is limited. Restricted asset cash and investment are to be used for construction purposes and the repayment of the 2013 and 2015 refunded bonds.

E. Receivables and Payables

Taxes Receivable

The City's property tax is levied each May on the assessed value listed as of the prior October 1 for all taxable real and personal property located in the City. Assessed values are established by the City Assessor at 70% of fair market value for all properties, except residential real estate, on the grand list as of October 1 each year. Residential real estate, defined as three living units or less, is currently assessed at 35% of value. The assessment ratio is calculated annually by the City Assessor. Taxes due for elderly residents who participate in the Elderly Tax Credit program are due in four installments; July 1, October 1, January 1, and April 1. Taxes under \$100 (amount not rounded) are due in one installment July 1; real and personal property taxes of over \$100 (amount not rounded) are due in two installments July 1 and January 1. Motor vehicle taxes in excess of \$100 (amount not rounded) are due in two installments July 1 and January 1. Delinquent taxes are assessed interest of 1.5% per month.

Loans Receivable

The City has also entered into various loan agreements with third parties related to its public housing programs. These loan agreements have been recorded as notes receivable within the Community Development Loan and Grant Fund. Under these agreements, the City has loaned money for the purpose of establishing and/or improving public housing units. The loans are secured by an interest in the property being acquired and/or improved. The programs consist of House Hartford Program, the Home Ownership Appraisal GAP Financing Program, Home Program, Lead Abatement Program, Façade Program, Anti-Blight Program and the Housing Preservation Loan Program. In addition, the City has one outstanding loan under the HUD Section 108 Program.

Other Receivables

All other receivables, including charges for services and intergovernmental receivables, are reported net of an allowance for doubtful accounts, when appropriate.

Allowance for Doubtful Accounts

The allowance for doubtful accounts represents those accounts which are deemed uncollectible is based upon collection history and analysis of creditor's ability to pay. The majority of the amount related to taxes receivable, housing loans (for which the City develops an allowance for doubtful accounts on a loan-by-loan basis) and police special duty charges for services.

Due from/to Other Funds

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

F. Inventories

All inventories are valued at cost on a first-in, first-out basis, and consist of certain expendable supplies held for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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G. Capital Assets

Capital assets, which include land, buildings, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Purchased and constructed assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest is capitalized in accordance with related guidance on enterprise fund and business-type capital assets.

Land and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure of the City as well as the discretely presented component unit, are depreciated using the straight-line method over the following estimated useful lives.

<u>Assets</u>	<u>Years</u>
Land improvements	20
Buildings and building improvements	40
Other structures	15
Office furniture, equipment and PC hardware	5
Computer equipment	5
Shop, playground, and grounds maintenance equipment	10-20
Autos, trucks, construction vehicles	5-15
Infrastructure	20-99

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheet.

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports a deferred charge on refunding in the government-wide statement of net position and deferred outflows for pensions and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB

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results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows of resources for pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees). The City also reports a deferred inflow of resources related to advanced property tax collections in the government-wide statement of net position. Also, for governmental funds, the City reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, interest on property taxes, intergovernmental revenues and charges for services. These amounts are deferred and recognized as an inflow of resources (revenue) in the period that the amounts become available.

I. Compensated Absences

City employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Vacation and sick leave expenses to be paid in future periods are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The general fund is typically used to liquidate this liability.

J. Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, and debt payments, are reported as debt service expenditures.

K. Net Pension Liability

The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

L. Net OPEB Liability

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

M. Fund Equity

Equity in the government-wide financial statements is defined as "net position." Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The components of net position are detailed below:

Net Investment in Capital Assets

The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

Restricted Net Position

These amounts are restricted to specific purposes when constraint placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted

All other amounts that do not meet the definition of "restricted" or "net investment in capital assets."

The equity of the fund financial statements is defined as "fund balance" and is classified in the following categories:

Nonspendable Fund Balance

Includes amounts that cannot be spent because they are either not in spendable form (inventories, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

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Restricted Fund Balance

These amounts are restricted to specific purposes when constraint placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance

This represents amounts constrained prior to year-end for a specific purpose by the City using its highest level of decision-making authority (City of Hartford Court of Common Council). Amounts remain committed until action, in the form of a Resolution, is taken by the Court of Common Council to remove or revise the limitations.

Assigned Fund Balance

For all governmental funds other than the General Fund, this represents any remaining positive amounts not classified as restricted or committed. For the General fund, this includes amounts constrained for the intent to be used for a specific purpose by the Court of the Common Council and Finance Department, who have been delegated authority to assign amounts by City Charter.

Unassigned Fund Balance

In the General Fund, this includes residual positive fund balance which has not been classified within the other abovementioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, the City considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

N. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities.

O. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

P. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is December 18, 2019.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The City adopted the legal budget for the 2018-2019 General Fund in accordance with the procedures summarized below:

By the third Monday in April, the Mayor must submit to the Court of Common Council a recommended operating budget for the fiscal year commencing the following July 1st. The operating budget includes proposed expenditures and the means of financing them.

Through direction of the Mayor and the Court of Common Council, open meetings and public hearings are held to obtain residents' and taxpayers' comments on the recommended budget.

The Court of Common Council modifies the budget by resolution (except revenues, debt service and pension requirements) and then submits the budget as amended to the Mayor for certification no later than May 21.

The Mayor may approve, reduce, and/or disapprove the budget within 48 hours, but no later than May 23.

The General Fund budget, including all components of the property tax and municipal aid assumptions, must be approved by the Municipal Accountability Review Board before final adoption. Each year an updated Municipal Recovery Plan must be submitted to the MARB for approval and such annual budget must be in conformity with the Plan.

Upon action by the Mayor, the Court of Common Council has until May 31 to adopt the budget, the appropriation ordinance and the tax levy ordinance. If it fails to adopt the budget by that date the budget as certified by the Mayor shall be deemed to be the budget of the City for the ensuing fiscal year and expenditures shall be made in accordance therewith (Hartford Municipal Code Sec. 9).

After the budget has been adopted and the new fiscal year begins, an appropriation may be amended. The Mayor may, at any time, transfer any unencumbered balance or portion thereof, from one classification of expenditures to another within the same department.

At the request of the Mayor, but only within the last three months of the fiscal year, the Court of Common Council may transfer by resolution, any unencumbered appropriation balance or portion thereof from one department or agency to another.

Supplemental appropriations are made on the recommendation of the Mayor upon certification by the Director of Finance that there exists an available general fund cash surplus to meet this appropriation.

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Budgets for General Fund are presented on a basis consistent with generally accepted accounting principles except that encumbrances and transfers out are shown as budgetary obligations and transfers in are shown as revenues. State of Connecticut on-behalf contributions are shown as revenues and expenses, and reimbursements to and from other funds are shown as reductions of revenues and expenses.

The General Fund budget is the City’s only legally adopted annual budget. Budgets for Special Revenue and Capital Projects Funds are adopted on a project length basis in accordance with related grant or funding agreements.

The level of control for the General Fund budget is at the department/major activity level which are authorized by ordinance. The level of control for Capital Projects Funds is appropriations at the project level. Total expenditures cannot exceed total appropriations by project, over the length of the project.

The Community Development Block Grant (Special Revenue) project budgets are approved by Court of Common Council. The level of control for all other Special Revenue Funds is at the project or program level in accordance with agreement provisions and various budgetary periods.

All unencumbered and unexpended appropriations lapse at year end for the General Fund. Appropriations do not lapse at year end for Special Revenue Funds. Appropriations for capital projects are carried forward until such time as the project is completed or terminated.

During the fiscal year ended June 30, 2019 there were \$598 in General Fund supplemental budget appropriations.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

B. Fund Deficits

At June 30, 2019, the City reported deficit fund balance/net position for the following funds:

Governmental Funds:	
Nonmajor Funds:	
Miscellaneous Grants	\$ 83
Health Grants	224
Internal Service Funds:	
Workers' Compensation	\$ 19,910
Liability and Property Damage	5,520

The Internal Service Funds deficit will be covered through future charges for services from the General Fund. The grant fund deficits are a result of revenue recognition in accordance with the modified accrual basis of accounting and will be repaid with future grant revenues.

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3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a “qualified public depository” as defined by Statute, or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an “out of state bank”, as defined by the Statutes, which is not a “qualified public depository”.

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: (1) obligations of the United States and its agencies; (2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and (3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds does not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF). The investment pool is under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and is regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. The STIF accounts are recorded at amortized cost.

Deposits

Deposit Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it.

City - The City’s custodial credit risk policy includes policies on the safety of principal, prudence, and financial dealings with institutions designed to mitigate custodial credit risk. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures* \$125,866 of the City’s bank balance of \$127,865 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$	113,106
Uninsured and Collateral held by the pledging bank's trust department, not in the City's name		<u>12,760</u>
Total Amount Subject to Custodial Credit Risk	\$	<u><u>125,866</u></u>

Parking Authority - The Parking Authority follows the City’s deposit policies of safety of principal, prudence, and financial dealings with institutions designed to mitigate custodial credit risk. As of June 30, 2019, \$1,275 of the Parking Authority’s bank balance of \$1,417 was uninsured and uncollateralized.

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Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. As of June 30, 2019, the cash equivalent amounted to \$100,476. The following table provides summary of the City's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard & Poor's</u>
State Short-Term Investment Fund (STIF)	AAAm

Investments

Interest Rate Risk

This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

The City's and the Pension and OPEB Plan's formal investment policy limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The City's formal investment policy includes asset allocation percentage ranges to assist in limiting interest rate risk.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less Than 1 Year</u>	<u>1-10 Years</u>	<u>Over 10 Years</u>
Certificates of Deposit	\$ 248	\$ 248		
U.S. Government Securities	77,937	18	47,056	30,863
U.S. Government Agencies	42,579	18,460	11,671	12,448
Foreign Bonds	3,398		1,084	2,314
Corporate Bonds	85,607	1,210	53,940	30,457
Municipal Bonds	1,271		215	1,056
	211,040	<u>\$ 19,688</u>	<u>\$ 114,214</u>	<u>\$ 77,138</u>
Other Investments:				
Mutual Funds	40,465			
Equities	214,776			
Common and Collective Trusts	335,913			
Land	5,000			
Real Estate Funds	65,636			
Alternative Investments	199,307			
Total Investments	<u>\$ 1,072,137</u>			

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Foreign Currency Risk

The City of Hartford's Municipal Employee Retirement Fund - (MERF)'s formal investment policy limits at any point in time, the exact level of investment in international equities to between 13% and 23% of the total MERF portfolio. The Plan's exposure to foreign currency risk related to equities and fixed income securities as of June 30, 2019, is as follows:

<u>Currency</u>	<u>Fair Value</u>
Australian Dollar	\$ 315,193
Brazilian Real	251,931
Canadian Dollar	1,550,962
Colombian Peso	55,484
Danish Krone	263,491
Euro	14,005,715
Hong Kong Dollar	1,753,404
Indian Rupee	62,134
Indonesian Rupiah	173,066
Israeli Shekel	24,237
Japanese Yen	8,737,618
Malaysian Ringgit	19,854
Mexican Peso	299,538
New Taiwan Dollar	(292,019)
Norwegian Krone	430,812
Peruvian Sol	267,012
Polish Zloty	2,408
Pound Sterling	3,429,682
Russian Ruble	225,687
Singapore Dollar	1,361,285
South African Rand	20,275
South Korean Won	2,238,401
Swedish Krona	1,370,368
Swiss Franc	2,435,956
Thai Baht	529,189
Turkish Lira	50,447

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Credit Risk

Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. The City's and the Pension Plan's investment policy further limits its investment choices including prohibiting investments in derivatives that are not used for the specific purposes identified in the City's Funding and Investment Policy Statement. Other prohibited transactions are identified in Article X of the Funding and Investment Policy Statement. Presented below are the ratings:

<u>Average Rating</u>	<u>U.S. Government Securities</u>	<u>U.S. Government Agencies</u>	<u>Foreign Bonds</u>	<u>Corporate Bonds</u>	<u>Municipal Bonds</u>	<u>Certificate of Deposit</u>	<u>Total</u>
AAA	\$ 77,842	\$	\$	\$ 2,118	\$ 5	\$	\$ 79,965
AA+		8,082		675			8,757
AA			319	867	71		1,257
AA-			218	2,126	119		2,463
Aaa	95	28,867					28,962
A+			10	2,730	49		2,789
A				4,949	533		5,482
A-				7,576			7,576
A2				173			173
A3				196			196
Baa1				222			222
Baa2				124			124
BBB+			716	10,084	174		10,974
BBB			113	8,205			8,318
BBB-			272	6,941			7,213
BB+			20	5,071			5,091
BB				5,858			5,858
BB-			113	7,804			7,917
B+				4,593			4,593
B				5,114			5,114
B-				3,116			3,116
CCC+				1,854			1,854
CCC				190			190
CCC-				51			51
CC				5			5
D				325			325
Unrated		5,630	1,617	4,640	320	248	12,455
	<u>\$ 77,937</u>	<u>\$ 42,579</u>	<u>\$ 3,398</u>	<u>\$ 85,607</u>	<u>1,271</u>	<u>248</u>	<u>\$ 211,040</u>

Concentration of Credit Risk

The City's OPEB and Pension Funds' policy does not allow for an investment in securities that is not readily marketable in any one issuer that is in excess of five percent of the City's total portfolio. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Additionally, investment manager guidelines require that investment be broadly diversified so as to limit the impact of large losses in individual investments on the total portfolio.

The Pension Plan does have a formal policy; however, their practice is to maintain a diversified portfolio to minimize the risk of loss resulting from over-concentration of assets in a specific issuer.

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As of June 30, 2019, the following investments in the pension plans each had fair market values that represented more than 5% of the plan's net position as of June 30, 2019:

Prudential Emerging Markets Blend Debt Fund	\$ 74,181
Walter Scott & Partners Ltd	67,834
Grosvenor Hedge Fund of One	55,887

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the City or that sells investment to or buys them for the City), the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The City's individual investments in fixed income securities, equities, U.S. treasury securities, domestic corporate bonds, foreign bonds, and U.S. government agency securities are uninsured and registered securities held by a counterparty, or by its trust department or agent that in the City's or Pension Plan's name. The City's other investments are held in alternative investment which because they are evidenced by contracts rather than by securities, are not subject to custodial credit risk determination.

Fair Value

The City and its fiduciary funds categorize their fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The City and its fiduciary funds have the following recurring fair value measurements as of June 30, 2019:

	June 30, 2019	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level:				
U.S. Government Securities	\$ 77,937	\$ 77,937	\$	
U.S. Government Agencies	42,579	28,867	13,712	
Foreign Bonds	3,398		3,398	
Corporate Bonds	85,607	961	83,152	1,494
Municipal Bonds	1,271		1,271	
Certificates of Deposit	248	248		
Mutual Funds	40,465	40,378	87	
Equities	214,776	214,776		
Common and Collective Trusts	335,913			335,913
Land	5,000			5,000
Alternative Investments	14	14		
	<u>807,208</u>	<u>\$ 363,181</u>	<u>\$ 101,620</u>	<u>\$ 342,407</u>
Investments Measured at Net Asset Value (NAV):				
Real Estate Funds	65,636			
Alternative Investments	199,293			
	<u>264,929</u>			
Total Investments Measured at NAV	<u>264,929</u>			
Total Investments	<u>\$ 1,072,137</u>			

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Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The alternative investments classified in Level 3 are not actively traded and significant observable inputs are not available; therefore a degree of judgment is necessary to estimate fair value. The valuation process for alternative investments takes into consideration factors such as interest rate changes, movement in credit spreads, default rate assumptions, prepayment assumptions, type and quality of collateral and market dislocation.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (If Currently Eligible)</u>	<u>Redemption Notice Period</u>
Investments Measured using NAV:				
Real estate funds	\$ 65,636	\$ 11,379	Various	Various
Multi-strategy hedge funds	55,887		Quarterly	45 days
Private equity	143,406	54,809	None	None

Real Estate Funds

These funds invest primarily in U.S. commercial real estate. The fair values of the investments have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Some of these investments can be redeemed quarterly and have various redemption notice periods ranging from zero to 90 days. Distributions from each fund will be received as the underlying investments of the funds are liquidated. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Once it has been determined which investments will be sold and whether those investments will be sold individually or in a group, the investments will be sold in an auction process. The investee fund's management is required to approve of the buyer before the sale of the investments can be completed.

Multi-Strategy Hedge Fund

These investments consist of limited partnerships. Hedged equity funds are designed to benefit from the stock market with considerably less risk. They own stakes in companies they expect to outperform and also sell short stocks they expect to underperform. NAV generally represents a Fund's ownership interest in the net assets of each hedge fund.

Private Equity Funds

These funds invest primarily in domestic middle market companies. Distributions are only received through the liquidation of the underlying assets of the fund. If these investments were held, it is expected that the underlying assets of the fund would be liquidated over five to eight years. The fair values are measured using the NAV per share (or its equivalent).

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4. RECEIVABLES

Receivables at June 30, 2019 for the City’s individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for doubtful accounts, consisted of the following:

	<u>General</u>	<u>Capital Improvement Fund</u>	<u>Community Development Loan and Grant Fund</u>	<u>Educational Grants</u>	<u>Aggregate Remaining Funds</u>	<u>Total</u>
Receivables:						
Taxes	\$ 66,511	\$	\$	\$	\$	\$ 66,511
Accrued interest on taxes	45,164					45,164
Intergovernmental	13	20,367		1,300	8,259	29,939
Accounts	8,735	37,557			68,127	114,419
Housing loans			67,854		5,600	73,454
Gross receivables	<u>120,423</u>	<u>57,924</u>	<u>67,854</u>	<u>1,300</u>	<u>81,986</u>	<u>329,487</u>
Less allowance for uncollectibles:						
Taxes	(10,769)					(10,769)
Accrued interest on taxes	(11,291)					(11,291)
Intergovernmental				(167)		(167)
Accounts	(5,785)					(5,785)
Housing loans			(32,395)		(1,400)	(33,795)
	<u>(27,845)</u>	<u>-</u>	<u>(32,395)</u>	<u>(167)</u>	<u>(1,400)</u>	<u>(61,807)</u>
Net Total Receivables	<u>\$ 92,578</u>	<u>\$ 57,924</u>	<u>\$ 35,459</u>	<u>\$ 1,133</u>	<u>\$ 80,586</u>	<u>\$ 267,680</u>

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5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The balances reflected as due from/to other funds at June 30, 2019 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Enterprise Funds	\$ 3,241
	Nonmajor Governmental Funds	53
Capital Improvement Fund	General Fund	12,468
Debt Service Fund	Nonmajor Enterprise Funds	154
Hartford Stadium Authority	General Fund	<u>6</u>
Total		<u>\$ 15,922</u>

The outstanding balances between funds result mainly from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made. All of the balances are expected to be collected in the subsequent year.

Interfund Transfers

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without equivalent flows of assets in return.

	<u>Transfers Out</u>					<u>Total Transfers In</u>
	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Hartford Stadium Authority</u>	<u>Nonmajor Enterprise Funds</u>	
Transfers In:						
General Fund	\$	\$ 240	\$ 2,955	\$ 1,123	\$ 2,631	\$ 6,949
Capital Improvement Fund	24,946		3,016			27,962
Educational Grants Fund			2,073			2,073
Debt Service Fund	48,384					48,384
Nonmajor Governmental Funds	10,878				15	10,893
Hartford Stadium Authority	4,631				463	5,094
Nonmajor Enterprise Funds	<u>268</u>					<u>268</u>
Total Transfers Out	<u>\$ 89,107</u>	<u>\$ 240</u>	<u>\$ 8,044</u>	<u>\$ 1,123</u>	<u>\$ 3,109</u>	<u>\$ 101,623</u>

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Transfers from the General Fund to the Debt Service Fund represent the City's payment towards debt service on outstanding bonds. Transfers from the Hartford Parking facilities enterprise fund to the General Fund represent a portion of net activity derived from the City's parking facilities. Transfers from the Nonmajor Governmental Funds to the General Fund primarily include net income derived from the City's police private duty services program. Transfers from Nonmajor Governmental Funds to the Educational Grants Fund represent monies collected on behalf of the Educational Grants Fund. Transfers to the Capital Improvement Fund are for projects not paid for with bond proceeds. Transfers from the General Fund to the Stadium Authority related to payment of debt while transfers from the Stadium Authority to the General Fund represent operating revenue from the Stadium to offset debt payment.

6. CAPITAL ASSETS

Changes in the City's capital assets are as follows:

	<u>Beginning Balance, as Restated</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 64,011	\$ 3,304	\$ 52	\$ -	\$ 67,263
Construction in progress	206,133	84,058	-	(117,240)	172,951
Total capital assets not being depreciated	<u>270,144</u>	<u>87,362</u>	<u>52</u>	<u>(117,240)</u>	<u>240,214</u>
Capital assets being depreciated:					
Land improvements	43,030	-	-	17,632	60,662
Buildings	1,471,110	-	-	78,598	1,549,708
Other structures	39,082	-	-	2,875	41,957
Furniture and equipment	48,849	56	8,079	2,787	43,613
Rolling equipment	50,350	927	5,219	-	46,058
Infrastructure	479,751	-	-	15,348	495,099
Total capital assets being depreciated	<u>2,132,172</u>	<u>983</u>	<u>13,298</u>	<u>117,240</u>	<u>2,237,097</u>
Less accumulated depreciation for:					
Land improvements	22,836	923	-	-	23,759
Buildings	461,631	35,072	-	-	496,703
Other structures	19,272	945	-	-	20,217
Furniture and equipment	45,269	677	8,079	-	37,867
Rolling equipment	37,509	2,059	5,219	-	34,349
Infrastructure	281,497	5,940	-	-	287,437
Total accumulated depreciation	<u>868,014</u>	<u>45,616</u>	<u>13,298</u>	<u>-</u>	<u>900,332</u>
Total capital assets being depreciated, net	<u>1,264,158</u>	<u>(44,633)</u>	<u>-</u>	<u>117,240</u>	<u>1,336,765</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,534,302</u>	<u>\$ 42,729</u>	<u>\$ 52</u>	<u>\$ -</u>	<u>\$ 1,576,979</u>

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	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 6,087	\$ -	\$ -	\$ -	\$ 6,087
Total capital assets not being depreciated	<u>6,087</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,087</u>
Capital assets being depreciated:					
Land improvements	29				29
Building and improvements	73,431				73,431
Parking garages	20,686	24			20,710
Other structures	3,681	41			3,722
Furniture, fixtures and equipment	618	189	231		576
Total capital assets being depreciated	<u>98,445</u>	<u>254</u>	<u>231</u>	<u>-</u>	<u>98,468</u>
Less accumulated depreciation for:					
Land improvements	18	2			20
Building and improvements	2,820	1,835			4,655
Parking garages	10,406	471			10,877
Other structures	2,939	278			3,217
Furniture, fixtures and equipment	537	129	231		435
Total accumulated depreciation	<u>16,720</u>	<u>2,715</u>	<u>231</u>	<u>-</u>	<u>19,204</u>
Total capital assets being depreciated, net	<u>81,725</u>	<u>(2,461)</u>	<u>-</u>	<u>-</u>	<u>79,264</u>
Business-Type Activities Capital Assets, Net	<u>\$ 87,812</u>	<u>\$ (2,461)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 85,351</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 6,915
Public safety	3,941
Public works	20,915
Development and community affairs	305
Education	13,275
Recreation and culture	265
Total Depreciation Expense - Governmental Activities	<u>\$ 45,616</u>
Business-type activities:	
Golf Course	\$ 210
Stadium Authority	1,706
Hartford parking facilities	799
Total Depreciation Expense - Business-Type Activities	<u>\$ 2,715</u>

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Construction Commitments

The City has various authorized construction projects in the Capital Improvement Fund as of June 30, 2019. The projects include school and general construction and facility improvements, land and structure improvements to parks and cultural facilities, transportation improvement projects, and other capital improvements. At June 30, 2019, the City had outstanding appropriations of approximately \$481 million. The City however is on a pay-as-you-go Capital Improvement Program. Within the authorized \$481 million, the City has committed to spend \$53.05 million over the next five years for specific critical projects, including school construction and renovation, flood control, traffic signalization, bridge repairs, sidewalks and milling and paving. The commitments are being financed with general fund contributions, remaining general obligation bonds previously issued, and state and federal grants.

7. OPERATING LEASES

Lessor

The City leases certain building, land and air space rights to other parties via operating leases. The agreements provide for minimum annual rentals plus contingent rentals based on a percentage of cash flow from the properties. Total rental income from operating leases during the fiscal year ended June 30, 2019 was \$3,300. The cost of the land and buildings associated with these rental income amounts is estimated at \$13,172 with a carrying value of \$6,058. Depreciation expense on these properties was \$230 during the fiscal year ended June 30, 2019.

Lessee

The City entered into a 15-year lease commencing on July 1, 2002 for the rental of office space from Connecticut Constitution Associates, LLC for various City departments and agencies. On July 1, 2017, the City extended this lease an additional 11 years, through June 30, 2028. The base rent shall increase annually by \$0.50 per rentable square foot throughout the term, effective on each anniversary of March 1.

In addition, the City has various lease agreements relating to administrative buildings and parking lots. Future minimum lease payments are projected as follows:

<u>Year Ending June 30,</u>	
2020	\$ 3,253
2021	1,831
2022	1,638
2023	1,677
2024	1,715
Thereafter	6,092

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Lease obligations with Hartford Stadium Authority

The City entered into a lease agreement with the Hartford Stadium Authority (the Authority) dated as of February 1, 2015, by which the City is obligated to make certain lease payments to the Authority. The Authority issued \$62,450 of lease revenue bonds in February 2015 for the construction of a minor league baseball park. Under the lease agreement, the City is required to make semiannual deposits to secure performance of its obligations to pay rent to the Authority which is due on each February 1 and August 1 during the lease term. Each payment of rent is to be in an amount sufficient, together with other money on deposit with the trustee in the bond fund to be credited as rent, to pay the principal and interest due on the bonds issued by the Authority on each principal payment date and interest payment date as shown in the table below.

On March 15, 2016, the Authority issued \$6,195 of additional lease revenue bonds and the Authority and the City entered into a first amendment to lease agreement, dated as of March 1, 2016 which increased the lease payments required pursuant to the lease agreement to pay the principal and interest due on the Authority's series 2016 bonds. The schedule of lease payments due under the lease agreement, as amended by the first amendment to lease agreement, is as follows:

<u>Year Ending June 30,</u>	
2020	\$ 4,643
2021	4,645
2022	4,648
2023	4,647
2024	4,647
2025-2029	23,223
2030-2034	23,277
2035-2039	23,217
2040-2042	13,935

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8. LONG-TERM LIABILITIES

Governmental Activities

The following table summarizes changes in the City's governmental activities' long-term liabilities for the year ended June 30, 2019:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 569,586	\$	\$ 33,551	\$ 536,035	\$ 34,463
Premium	54,199		3,455	50,744	
Total bonds payable	<u>623,785</u>	<u>-</u>	<u>37,006</u>	<u>586,779</u>	<u>34,463</u>
Other long-term liabilities:					
Compensated absences	28,654	773	3,200	26,227	3,443
CWF Serial Note	951		97	854	99
HUD Section 108 loans	5,950		350	5,600	350
Capital leases	5,664		1,657	4,007	1,614
Net OPEB Liability	423,263	26,807		450,070	
Net Pension Liability - CMERS	17,468	19,223		36,691	
Net Pension Liability - MERF	409,216	25,959		435,175	
Net Pension Liability - RAF/PBF/FRF	1,930		252	1,678	
Net Pension Liability - 415(m)	246		64	182	
CMERS prior service costs	1,107		570	537	
Claims and other	4,000		1,000	3,000	
Risk management claims	<u>37,444</u>		<u>314</u>	<u>37,130</u>	<u>21,780</u>
 Total Governmental Activities Long-Term Liabilities	 <u>\$ 1,559,678</u>	 <u>\$ 72,762</u>	 <u>\$ 44,510</u>	 <u>\$ 1,587,930</u>	 <u>\$ 61,749</u>

Governmental activities liabilities for bonds and notes are liquidated by the Debt Service Fund, which is funded primarily by the General Fund. The pension liability, other post-employment benefit liability and compensated absences of the governmental activities are liquidated primarily from the General Fund. Claims are liquidated primarily by the Internal Service Funds.

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General Obligation Bonds

General obligation bonds outstanding as of June 30, 2019 consisted of the following:

<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Balance Outstanding June 30, 2019</u>	<u>Amounts to be Paid From Escrow</u>
2005	2020	4.50-5.00	\$ 29,510	\$ 3,135	\$
2009	2022	2.50-5.00	40,225	21,150	8,460
2010	2029	2.00-4.30	14,000	8,085	735
2011	2024	3.00-5.25	25,000	5,300	1,325
2012	2032	2.00-5.00	50,000	27,500	5,460
2012	2023	2.00-5.00	21,280	8,940	
2013	2033	4.00-5.00	48,160	40,490	2,130
2013	2032	4.00-5.00	124,605	103,485	
2014	2026	2.00-5.00	36,385	29,205	
2014	2034	3.00-5.00	82,000	73,510	9,480
2015	2030	3.00-5.00	20,845	20,845	
2105	2034	4.00-5.00	57,215	54,060	
2015	2035	3.00-5.00	125,000	120,440	
2016	2029	2.00-5.00	26,805	19,890	
				\$ 536,035	\$ 27,590

The annual requirements to amortize all bonded debt outstanding as of June 30, 2019 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 34,463	\$ 23,047	\$ 57,510
2021	34,378	21,845	56,223
2022	34,313	20,268	54,581
2023	35,254	18,628	53,882
2024	34,053	16,977	51,030
2025-2029	179,770	60,268	240,038
2030-2034	151,849	21,989	173,838
2035-2038	31,955	913	32,868
	\$ 536,035	\$ 183,935	\$ 719,970

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Prior Years' Debt Refunding

In prior years, the City refunded general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust account, invested in U.S. Government State and Local Government Series securities, which are not subject to credit risk, to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At June 30, 2019, \$16,682 of prior bonds outstanding are considered defeased, of which \$16,907 is held in escrow.

Also, in prior years, the City refunded general obligation bond by placing the proceeds of the new bonds in an irrevocable trust account, invested in U.S. Government Agencies, which are subject to credit risk, to provide for all future debt service payments on the old bonds. While this transaction qualifies as a statutory defeasance of debt, it does not, however, meet the generally accepted accounting principle definition of an in-substance defeasance due to the portfolio consisting of mostly Government Agency Securities. Accordingly, the trust account assets and the liability for the defeased bonds are included in the City's financial statements. The balance at June 30, 2019, of the bonds was \$27,590 and the amount held in escrow to pay down these bonds was \$28,881.

Contract Assistance

As further disclosed in Note 15, during the prior fiscal year, the City entered into an agreement with the State of Connecticut (the State) to service the general obligation debt until such debt was retired. This agreement is backed by the full faith and credit of the State of Connecticut and is irrevocable. As the City is legally obligated for the debt, it remains a liability of the City. During the year, \$48,566 was paid by the State to the paying agent for City debt service.

Clean Water Fund - Serial Notes Payable

The City has entered into a Clean Water Fund serial note payable to the State of Connecticut as part of the Towner Brook Conduit Extension Project administered by the Metropolitan District Commission. Future annual requirements are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 99	\$ 16
2021	101	14
2022	104	12
2023	106	10
2024	108	8
2025-2028	<u>336</u>	<u>10</u>
	<u>\$ 854</u>	<u>\$ 70</u>

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Housing and Urban Development (HUD) Section 108 Loans

The City has entered into a loan with HUD under the Section 108 Loan Guarantee Program which provides communities with a source of financing for economic development, housing rehabilitation, public facilities and other physical development projects. Future annual requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 350	\$ 165
2021	350	157
2022	350	148
2023	350	139
2024	350	129
2025-2029	1,750	490
2030-2033	<u>2,100</u>	<u>94</u>
	<u>\$ 5,600</u>	<u>\$ 1,322</u>

Capital Leases

The City has entered into a multi-year capital leases for various vehicles and equipment. Future annual requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>
2020	\$ 1,614
2021	1,359
2022	659
2023	<u>552</u>
Total lease payments	4,184
Less amount representing interest	<u>177</u>
Present Value of Minimum Lease Payments	<u>\$ 4,007</u>

CITY OF HARTFORD, CONNECTICUT
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Business-Type Activities

The following table summarizes changes in the City's business-type activities' long-term liabilities for the year ended June 30, 2019:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-Type Activities					
Bonds payable:					
General obligation bonds	\$ 2,274	\$ -	\$ 444	\$ 1,830	\$ 87
Lease Revenue bonds	65,960	-	1,525	64,435	1,600
Premium on bonds	763	-	52	711	-
	<u>763</u>	<u>-</u>	<u>52</u>	<u>711</u>	<u>-</u>
Total Business-Type Activities					
Long-Term Liabilities	\$ <u>68,997</u>	\$ <u>-</u>	\$ <u>2,021</u>	\$ <u>66,976</u>	\$ <u>1,687</u>

General Obligation Bonds

General obligation bonds outstanding as of June 30, 2019 consisted of the following:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Balance Outstanding June 30, 2019</u>
Garage - GO	2015	2030	3.00-5.00	\$ 2,259	\$ <u>1,830</u>
					\$ <u>1,830</u>
Stadium - Lease Revenue A	2015	2025	3.00-5.00	\$ 39,055	\$ 36,550
Stadium - Lease Revenue B	2015	2042	5.375	23,395	22,025
Stadium - Lease Revenue	2016	2042	2.25-3.00	6,195	<u>5,860</u>
					\$ <u>64,435</u>

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The annual requirements to amortize all bonded debt outstanding as of June 30, 2019 are as follows:

Year Ending				
June 30,	Principal	Interest	Total	
2020	\$ 1,687	\$ 3,043	\$ 4,730	
2021	1,772	2,965	4,737	
2022	1,862	2,883	4,745	
2023	2,066	2,797	4,863	
2024	2,162	2,707	4,869	
2025-2029	12,000	12,228	24,228	
2030-2034	14,121	9,217	23,338	
2035-2039	17,825	5,392	23,217	
2040-2043	12,770	1,165	13,935	
	<u>\$ 66,265</u>	<u>\$ 42,397</u>	<u>\$ 108,662</u>	

Legal Debt Limit

The City's indebtedness (including authorized but unissued bonds), net of principal reimbursements expected from the state, does not exceed the legal debt limitation as required by the Connecticut General Statutes as reflected in the following schedule:

	Debt Limit	Indebtedness	Balance
General purpose	\$ 631,955	\$ 458,618	\$ 173,337
Schools	1,263,911	234,967	1,028,944
Sewers	1,053,259	237,774	815,485
Urban renewal	912,824		912,824
Pension deficit	842,607		842,607

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$1.7 billion. The authorized/unissued debt has been reduced by grant proceeds of \$58,228 relative to general purpose and school construction projects.

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Overlapping Debt

The City is a member of the Metropolitan District (MDC) (a quasi-municipal corporation that provides water supply, sewerage collection and disposal facilities for members). Member towns are assessed a percentage of MDC's net outstanding debt. As such, the City's overlapping share of debt issued by the MDC is \$236,920 as of June 30, 2019.

Bonds Authorized but Unissued

As of June 30, 2019, the City had \$118,875 of authorized but unissued debt.

9. FUND BALANCE

The components of fund balance for the governmental funds as of June 30, 2019 are as follows:

	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Community Development Loan and Grant</u>	<u>Debt Service</u>	<u>Educational Grants</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Nonspendable:							
Permanent funds	\$	\$	\$	\$	\$	8,358	\$ 8,358
Inventories						440	440
Total nonspendable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,798</u>	<u>8,798</u>
Restricted for:							
Development and community affairs			2,522			4,548	7,070
Debt service				29,280			29,280
Recreation and culture						14,871	14,871
Public safety					7,747	2	7,749
Human services						5,065	5,065
Education						5,584	5,584
Total restricted	<u>-</u>	<u>-</u>	<u>2,522</u>	<u>29,280</u>	<u>7,747</u>	<u>30,070</u>	<u>69,619</u>
Committed to:							
Education	2,933						2,933
Capital projects		3,943				7,536	11,479
Total committed	<u>2,933</u>	<u>3,943</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,536</u>	<u>14,412</u>
Assigned to:							
Education						830	830
Unassigned	9,652					(307)	9,345
Total Fund Balances	<u>\$ 12,585</u>	<u>\$ 3,943</u>	<u>\$ 2,522</u>	<u>\$ 29,280</u>	<u>\$ 7,747</u>	<u>\$ 46,927</u>	<u>\$ 103,004</u>

10. TAX ABATEMENTS

As of June 30, 2019, the City provides tax abatements in accordance with Section 8-215 of the Connecticut General Statutes (CGS) and Section 32-12 of the Hartford Municipal Code. The City is authorized to enter into contracts for the abatement of real property taxes for residential properties when such housing is to be occupied solely by low or moderate-income persons or families as defined in Section 8-202 of the CGS or elderly or disabled.

The City also provides tax abatements in accordance with Section 32-666a of the Connecticut General Statutes (CGS). The City is authorized to enter into contracts to fix assessments on improvements for retail, commercial and housing for up to 15 years on City capital projects or Adrian's Landing developments.

The City also provides tax abatements in accordance with Section 12-65 of the Connecticut General Statutes (CGS). The City is authorized to enter into contracts to fix assessments on improvements and defer the increase in the assessed value attributable to the construction/renovation over a period of 7 to 15 years.

A tax abatement agreement is a contractual agreement between the City and the owner of the property that fixes taxes on an annual basis at a rate less than the full tax amount. Typically, the term of the abatement is seven to fifteen years and may be renewed by the contracted property with City approval after a minimum of a one-year lapse between abatements, in which case the owner is expected to pay full tax.

For the fiscal year ended June 30, 2019, taxes abated through these programs totaled \$18,747. There are no provisions to recapture abated taxes under this program. No other commitments have been made by the City to the abatement recipients participating in this program.

11. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Defined Benefit Pension Plans

Description of Plans

There are four defined benefit pension plans for employees of the City of Hartford:

- The City Municipal Employees' Retirement Fund (City MERF), a contributory, single-employer defined benefit plan. The City provides retirement benefits for employees hired since 1947, through the City MERF Plan
- The Retirement Allowance Fund/Police Benevolent Fund/Firemen's Relief Fund Plan (RAF/PBF/FRF), an unfunded, single-employer plan. Employees hired before May 1, 1947 are paid from the RAF/PBF/FRF Plan. There are no remaining active members and the unfunded liability is decreasing rapidly.
- The State of Connecticut Municipal Employee Retirement System (CMERS), a cost sharing multiple-employer plan with the State of Connecticut.

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- The State of Connecticut Teachers Retirement System (CTTRS), a plan with the State of Connecticut for certified teachers at the Board of Education in which the City is a noncontributing employer.

The two single employer plans are administered by the City. The plans provide retirement, disability and survivorship benefits for all retired employees, in accordance with provisions which are subject to bargaining with unions representing most of the employees. Administrative fees are paid through the plans.

The City also administers an excess benefit plan established to fund that portion of certain retirees' pension benefits that exceed the limits permitted under Section 415 of the Federal Internal Revenue Code (IRC)).

An actuarial valuation survey is made annually on the City MERF and the Section 415 Plan, and at least every five years for the RAF/PBF/FRF Plan.

A. City of Hartford Municipal Employees' Retirement Fund (City MERF)

Plan Description

The City MERF was established as part of the City Charter. The city provides retirement benefits for employees hired since May 1, 1947, through the City MERF, a single-employer contributory defined benefit plan.

Management of the City MERF

The City's charter mandates that there shall be a pension commission of three (3) members, none of whom shall hold any other office in the City government and one (1) of whom shall be a fellow or associate of either the Actuarial Society of America or the American Institute of Actuaries, appointed by the Mayor, one (1) each year for a term of three (3) years commencing on the first Monday of February. Vacancies shall be filled by the Mayor for the unexpired portion of the term. The City Treasurer shall act as secretary of the pension commission and the personnel director shall attend all meetings of the pension commission but neither shall have a vote. The pension commission shall continue to administer the retirement system for City employees as provided in Section 233 of "An Act Revising the Charter of the city of Hartford," approved June 24, 1941, as amended, and shall succeed to all the powers and duties of the board of police commissioners as trustees of the police benefit fund and of the board of fire commissioners as member of the board of trustees of the firemen's relief fund. The pension commission shall administer the municipal employees' retirement fund as hereinafter established. In addition to the three (3) voting members, there shall be one (1) nonvoting member of the pension commission elected by members of the municipal employees' retirement fund.

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Actuarial Assumptions and Benefits Provided

The total pension liability was determined by an actuarial valuation as of July 1, 2018, using the following actuarial assumptions that were projected forward to the measurement date of June 30, 2019:

- Actuarial method used: Entry age normal cost method
- Mortality basis: RP-2014, fully projected (projected to the year of decrement), with separate male and female tables and separate rates for annuitants and non-annuitants, with occupational adjustment.
- Mortality improvement: Pre and post-retirement: projected to date of decrement using Scale MP-2018 (generational mortality).
- Investment return: 7.375% per year, net of investment expenses.
- Salary scale: 2.50% for inflationary salary increases plus a percentage for promotion or merit increases as follows:

Age	Police	Fire	BOE	Muni Svc and Lib
25	5.25%	4.0%	3.50%	5.15%
30	4.35%	2.25%	3.00%	3.85%
35	2.79%	1.75%	2.50%	.25%
40	1.76%	1.25%	1.50%	2.00%
45	1.35%	0.75%	1.00%	1.65%
50	1.10%	0.50%	0.75%	1.25%
55+	1.00%	0.50%	0.50%	1.00%

Salaries are adjusted for groups by 2.50% per year and 0% for City groups for the period of each open contract, for one full fiscal year from the measurement date. Any wage increases negotiated beyond the valuation date have been reflected in the projections.

- Salary scale: For Police, final average pay is loaded by a percentage for assumed private duty and overtime as follows: Pre-7/1/1999 hires, 42%; Post 7/1/1999 hires, 19%; for employees remaining in the pre-2012 plan, 27%; for employees moving to the 7/1/2012 plan.

The salary scale assumptions above are based on the results of an actuarial experience study for the period July 1, 2010 through June 30, 2015.

- Retirement dates: Police: 100% retire at age 60, regardless of service, must be age 40 to retire.
 Fire: 100% retire at 30 years of service for all ages.
 Board of Education: 100% retire at age 75.
 Municipal Services and Library: 100% retire at age 75 with less than 20 years of service; or if under age 65, with 35 years of service.

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Disability:	Benefits were explicitly valued using the DP-85 Class 1 male and female disability incidence rate table increased 150% for the police, 200% for fire, 10% for all other groups.
Social security:	Future tax wage bases are developed by projecting the 2018 base of \$128 forward at 4% per year.

Plan Changes

There were changes to mortality since the last valuation.

Funding Policy

The obligations of the plan members, employers and other entities are established by action of the City pursuant to applicable collective bargaining and employment agreements. The required contribution rate of the employer and the members varies depending on the applicable agreement. The City's funding policy is to contribute the actuarial recommended contribution each year. Each year the plan sponsor pays the normal cost plus an amortization of the plan's unfunded actuarial liability. The unfunded liability developed with the July 1, 2016 valuation was frozen and is amortized over a 25-year closed level dollar period. As of July 1, 2018, there are 23 years remaining.

B. RAF/PBF/FRF Plan

Plan Description

The City pays retirement and survivor benefits to pensioners under an unfunded program which covered City employees hired before the current City MERF Plan went into effect on May 1, 1947. These programs are combined into one pension trust fund for reporting purposes in the City's financial statements. Individual stand-alone financial statements are not issued. The unfunded liability for this plan is rapidly decreasing and has no remaining active members.

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Actuarial Assumptions and Benefits Provided

The total pension liability was determined by an actuarial valuation as of July 1, 2018, using the following actuarial assumptions that were projected forward to the measurement date of June 30, 2019:

Investment rate of return:	3.51%
Mortality basis:	RP-2014 fully projected (projected to the year of decrement), with separate male and female tables and separate rates for annuitants and non-annuitants, with occupational adjustment. Mortality improvement based on MP-2018 scale.
Assumed retirement:	Immediate as all are retired.
Survivors benefits:	The actuarial liability and projected pension payments include provision for these benefits based on actual spouse ages and benefit form elected. It was assumed that all policemen without wives will name beneficiaries for special 10-year annuity benefits.
Escalation:	To adjust for the PBF and FRF escalation provisions, the projected figures include estimated annual increases for pensioners (excluding survivors) based on plan provisions and an assumed active pay increase of 2.5% per year. For RAF, the table of projected annual benefits makes no provision for future escalation.

Plan Changes

There were changes to mortality from the previous valuation.

Funding Policy

The City's funding policy is to make contributions equal to the benefit payments for the year. The Plan is unfunded.

C. City of Hartford 415(m) Fund

Plan Description

The Plan is administered by the City and was adopted by the Court of Common Council on March 24, 1997. The Plan was established to fund that portion of certain retirees' pension benefits that exceeded the limits permitted under Section 415 of the Federal Internal Revenue Code.

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Actuarial Assumptions and Benefits Provided

The total pension liability was determined by an actuarial valuation as of July 1, 2018, using the following actuarial assumptions that were projected forward to the measurement date of June 30, 2019:

Investment rate of return:	3.51%
Inflation:	2.50%
Mortality basis:	RP-2014 fully projected (projected to the year of decrement), with separate male and female tables and separate rates for annuitants and non-annuitants, with occupational adjustment.
	Mortality improvement based on MP-2018 scale.
Assumed retirement	Immediate as all are retired.

Plan Changes

There were no significant plan changes since the last valuation.

Funding Policy

The City's funding policy is to make contributions equal to the benefit payments for the year. The Plan is unfunded.

D. City Pension Plans - Combining Information and Financial Statements

The City MERF, RAF/PBF/FRF and 415(m) Plan is considered to be part of the City of Hartford's financial reporting entity and is included in the City's financial statements as a pension trust fund. Individual stand-alone statements are not issued.

As of the actuarial valuation date, July 1, 2018, membership in the City pension plans consisted of:

	(not rounded)		
	<u>City MERF</u>	<u>RAF/PBF/FRF</u>	<u>415(m)</u>
Retirees and beneficiaries currently receiving benefits	3,178	43	8
Active members	2,078		
Inactive plan members entitled to but not yet receiving benefits	<u>241</u>		
Total	<u><u>5,497</u></u>	<u><u>43</u></u>	<u><u>8</u></u>

Summary of Significant Accounting Policies

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting. Employee contributions are recognized as revenues in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

Investments

Investment Policy

The pension plan's policy in regard to the allocation is established and may be amended by the City Retirement Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. See allocation below.

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The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and the best estimates of arithmetic real rates of return for each major asset class as of June 30, 2019 are summarized in the following tables:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Weighted</u>
Large cap equities	10.00 %	4.50 %	0.45 %
Small/mid cap equities	5.00	4.75	0.24
Int'l equities (unhedged)	11.00	5.00	0.55
Emerging int'l equities	6.00	6.50	0.39
Core bonds	5.00	3.89	0.19
High-yield bonds	4.00	2.75	0.11
Unconstrained fixed income	5.00	-0.25	-0.01
EMD (external)	3.00	3.00	0.09
EMD (local currency)	3.00	3.50	0.11
Global TIPS	4.00	1.00	0.04
Long govt/credit	6.50	2.00	0.13
Private equity	5.00	6.50	0.33
Private debt	3.00	5.00	0.15
Real estate (core)	8.00	3.50	0.28
Hedge funds	10.00	3.50	0.35
Global asset allocation	7.00	3.61	0.25
Private real assets	3.00	2.75	0.08
Cash	<u>1.50</u>	0.00	<u>0.00</u>
Total Allocation	<u>100.00 %</u>		3.73 %
Long-term inflation expectation			<u>2.50 %</u>
Long-term Expected Normal Return			<u>6.23 %</u>

Money-Weighted Rate of Return

For the year ended June 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.49%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changes in amounts actually invested.

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Discount Rate Calculation

The discount rate used to measure the total pension liability at June 30, 2019 was as follows:

	<u>City MERF</u>	<u>RAF/PBF/FRF</u>	<u>415(m)</u>
Discount Rate	7.375%	3.51%	3.51%

The long-term expected rate of return on investments may be used to discount liabilities to the extent that the plan's fiduciary net position and future contributions are projected to be sufficient to cover expected benefit payments and administrative expenses for current plan members. Projections of the plan's fiduciary net position incorporate all cash flows for contributions from the employer and employee and administrative expenses.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Net Pension Liability of the City

The components of the net pension liability of the City at June 30, 2019, are as follows:

	<u>City MERF</u>	<u>RAF/PBF/FRF</u>	<u>415(m)</u>
Total pension liability	\$ 1,484,433	\$ 1,678	\$ 182
Fund fiduciary net position	<u>1,049,258</u>		
Net Pension Liability	<u>\$ 435,175</u>	<u>\$ 1,678</u>	<u>\$ 182</u>

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Changes in Net Pension Liability

	City MERF		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2018	\$ 1,453,091	\$ 1,043,875	\$ 409,216
Changes for the year:			
Service cost	19,594		19,594
Interest on total pension liability and actual experience	106,170		106,170
Changes in assumptions	3,062		3,062
Employer contributions		44,455	(44,455)
Member contributions		13,942	(13,942)
Net investment income		65,756	(65,756)
Benefit payments, including refund to employee contributions	(116,283)	(116,283)	-
Administrative expenses		(2,487)	2,487
Net changes	<u>31,342</u>	<u>5,383</u>	<u>25,959</u>
Balances as of June 30, 2019	<u>\$ 1,484,433</u>	<u>\$ 1,049,258</u>	<u>\$ 435,175</u>

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	RAF/PBF/FRF		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2018	\$ 1,930	\$ -	\$ 1,930
Changes for the year:			
Interest on total pension liability	68		68
Differences between expected and actual experience	7		7
Changes in assumptions	29		29
Employer contributions		356	(356)
Benefit payments, including refund to employee contributions	(356)	(356)	-
Net changes	(252)	-	(252)
Balances as of June 30, 2019	\$ 1,678	\$ -	\$ 1,678

	415(m)		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2018	\$ 246	\$ -	\$ 246
Changes for the year:			
Interest on total pension liability	9		9
Differences between expected and actual experience	(45)		(45)
Changes in assumptions	17		17
Employer contributions		45	(45)
Benefit payments, including refund to employee contributions	(45)	(45)	-
Net changes	(64)	-	(64)
Balances as of June 30, 2019	\$ 182	\$ -	\$ 182

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Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the current discount rate, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate, as noted below:

	City MERF		
	1% Decrease to 6.375%	Rate 7.375%	1% Increase to 8.375%
Net Pension Liability	\$ 461,475	\$ 435,175	\$ 409,902
	RAF/PBF/FRF		
	1% Decrease to 2.51%	Rate 3.51%	1% Increase to 4.51%
Net Pension Liability	\$ 1,781	\$ 1,678	\$ 1,587
	415(m)		
	1% Decrease to 2.51%	Rate 3.51%	1% Increase to 4.51%
Net Pension Liability	\$ 188	\$ 182	\$ 176

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2019, the City recognized pension expense (revenue) as follows:

City MERF	\$ 82,388
RAF/PBF/FRF	104
415(m)	<u>(19)</u>
Total	<u>\$ 82,473</u>

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At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>City MERF</u>	<u>RAF/PBF/FRF</u>	<u>415(m)</u>	<u>Total</u>
Deferred Outflows of Resources				
Differences between expected and actual experience	\$ 20,179	\$	\$	\$ 20,179
Changes of assumptions	9,219			9,219
Net difference between projected and actual earning on pension plan investments	<u>20,225</u>			<u>20,225</u>
Total	<u>\$ 49,623</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,623</u>
Deferred Inflows of Resources				
Changes of assumptions	<u>\$ 3,579</u>	<u>\$</u>	<u>\$</u>	<u>\$ 3,579</u>
Total	<u>\$ 3,579</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,579</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>City MERF</u>	<u>RAF/PBF/FRF</u>	<u>415(m)</u>	<u>Total</u>
2020	\$ 28,392	\$	\$	\$ 28,392
2021	4,070			4,070
2022	10,479			10,479
2023	<u>3,103</u>			<u>3,103</u>
	<u>\$ 46,044</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,044</u>

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The combining financial statements for the City pension plans are as follows:

	Pension Trust Funds				Total
	Municipal Employees' Retirement Fund	Retirement Allowance Fund	Fireman's Relief Fund	Police Benevolent Fund	
Assets:					
Cash and cash equivalents	\$ 59,824	\$ _____	\$ _____	\$ _____	\$ 59,824
Investments, at fair value:					
U.S. government agencies	13,712				13,712
U.S. government securities	77,842				77,842
Corporate bonds	84,645				84,645
Foreign bonds	3,398				3,398
Municipal bonds	1,271				1,271
Alternative investments	199,293				199,293
Common and collective trusts	335,913				335,913
Land	5,000				5,000
Real estate funds	65,636				65,636
Equities	208,015				208,015
Total investments	<u>994,725</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>994,725</u>
Receivables					
Accounts	<u>60,624</u>				<u>60,624</u>
Total assets	<u>1,115,173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,115,173</u>
Liabilities:					
Accounts payable	<u>65,915</u>				<u>65,915</u>
Net Position:					
Restricted for Pension Benefits	<u>\$ 1,049,258</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,049,258</u>

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	Pension Trust Funds				
	Municipal Employees' Retirement Fund	Retirement Allowance Fund	Fireman's Relief Fund	Police Benevolent Fund	Total
Additions:					
Contributions:					
Employer - ARC	\$ 44,455	\$ 28	\$ 96	\$ 232	\$ 44,811
Plan members	13,942				13,942
Total contributions	<u>58,397</u>	<u>28</u>	<u>96</u>	<u>232</u>	<u>58,753</u>
Investment earnings:					
Net increase in fair value of investments	51,356				51,356
Interest and dividends	22,398				22,398
Total investment earnings	<u>73,754</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,754</u>
Less investment expenses:					
Investment management fees	7,998				7,998
Net investment income	<u>65,756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,756</u>
Total additions	<u>124,153</u>	<u>28</u>	<u>96</u>	<u>232</u>	<u>124,509</u>
Deductions:					
Benefits	116,283	28	96	232	116,639
Administration	2,487				2,487
Total deductions	<u>118,770</u>	<u>28</u>	<u>96</u>	<u>232</u>	<u>119,126</u>
Change in net position	5,383	-	-	-	5,383
Net Position at Beginning of Year	<u>1,043,875</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,043,875</u>
Net Position at End of Year	<u>\$ 1,049,258</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,049,258</u>

E. Pension Plan - State of Connecticut Municipal Employees' Retirement System (CMERS)

Plan Description

All full-time employees participate in the Municipal Employees' Retirement System (MERS). MERS is a cost-sharing multiple-employer public employee retirement system established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits to employees of participating municipalities. Chapters 7-425 to 7-451 of the State of Connecticut General Statutes, which can be amended by legislative action, establishes MERS benefits, member contribution rates and other plan provisions. MERS is considered to be part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports can be obtained at www.ct.gov.

Benefit Provisions

The plan provides retirement, disability and death benefits and annual cost-of-living adjustments to plan members and their beneficiaries. Employees are eligible to retire at age 55 with 5 years of continuous service, or 15 years of active aggregate service or 25 years of aggregate service. In addition, compulsory retirement is at age 65 for police and fire members. Employees under the age of 55 are eligible to retire with 25 years of service.

Normal Retirement (not rounded)

For members not covered by social security, retirement benefits are calculated as 2% of the average of the three highest paid years of service times the years of service. For members covered by social security, retirement benefits are calculated as 1½% of the average of the three highest paid years of service not in excess of the year's breakpoint plus 2% of average of the three highest paid years of service in excess of the year's breakpoint, times years of service. The year's breakpoint is defined as \$10,700 increased by 6.0% each year after 1982, rounded to the nearest multiple of \$100. Maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually.

Early Retirement

Members must have 5 years of continuous or 15 years of active aggregate service. Benefits are calculated as a service retirement allowance on the basis of the average of the three highest paid years of service to the date of termination. Benefits are deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Disability Retirement - Service Connected

This applies to employees who are totally and permanently disabled and such disability has arisen out of and in the course of employment with the municipality. Disability due to heart and hypertension in the case of fire and police, who began employment prior to July 1, 1996, is presumed to have been suffered in the line of duty. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability with a minimum benefit (including worker's compensation benefits) of 50% of compensation at the time of disability.

Disability Retirement - Non-Service Connected

This applies to employees who have 10 years of service and are totally and permanently disabled. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability.

Pre-Retirement Death Benefit

The plan offers a lump-sum return of contributions with interest or if vested and married, the surviving spouse will receive a lifetime benefit.

Contributions

Member

Contributions for members not covered by social security are 5% of compensation; for members covered by social security, 2¼% of compensation up to the social security taxable wage base plus 5%, if any, in excess of such base.

Employer

Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions. In addition, there is also an annual administrative fee per active and retired member.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the City reports a total liability of \$36,691 for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at June 30, 2018. The actuarial assumptions used in the June 30, 2018 valuation were based on results of an actuarial experience study for the period July 1, 2012 through June 30, 2017. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2019, the City's proportion was 3.84%. The decrease in proportion from June 30, 2018 is 3.20%.

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For the year ended June 30, 2019, the City recognized pension expense of \$4,967. At June 30, 2019, the City reported deferred inflow of resources and deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 5,227	\$
Changes of assumptions	12,500	
Change in proportionate share	219	1,549
City contributions after the measurement date	2,856	
Net difference between projected and actual earning on pension plan investments	<u>2,209</u>	
Total	<u>\$ 23,011</u>	<u>\$ 1,549</u>

Amounts reported as deferred outflows of resources related to City contributions after the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Amounts reported as deferred outflows and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2020	\$ 5,698
2021	4,857
2022	3,731
2023	<u>4,320</u>
	<u>\$ 18,606</u>

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement period:

Inflation	2.50%
Salary increase	3.50-10.00%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on:

RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees.

RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for Police and Fire.

For disabled retirees, the RP-2014 Disabled Mortality Table projected with Scale BB to 2020 was used.

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Future cost-of-living adjustments for members who retire on or after January 1, 2002 are 60% of the annual increase in the CPI up to 6%. The minimum annual COLA is 2.5%; the maximum is 6%.

The long-term expected rate of return on pension plan investments was determined using a statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	20.0%	5.3%
Developed market international	11.0%	5.1%
Emerging market international	9.0%	7.4%
Core fixed income	16.0%	1.6%
Inflation linked bond fund	5.0%	1.3%
Emerging market debt	5.0%	2.9%
High yield bond	6.0%	3.4%
Real estate	10.0%	4.7%
Private equity	10.0%	7.3%
Alternative investments	7.0%	3.2%
Liquidity fund	1.0%	0.9%
Total	100.0%	

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City’s proportionate share of the net pension liability, calculated using the current discount rate, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>1% Decrease (7.00%)</u>	<u>Current Discount Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
City’s proportionate share of the net pension liability	\$ 54,119	\$ 36,691	\$ 22,097

Payable to MERS

The City has also recorded \$537 as a long-term payable to CMERS at June 30, 2019 for prior service costs.

F. Connecticut Teachers Retirement System - Pension

Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers’ Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

Benefit Provisions

The plan provides retirement, disability and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary).

Early Retirement

Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

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Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

Contributions

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the State of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the City reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the City were as follows:

City's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the City		<u>445,642</u>
Total	\$	<u><u>445,642</u></u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. At June 30, 2019, the City has no proportionate share of the net pension liability.

For the year ended June 30, 2019, the City recognized pension expense and revenue of \$50,016 in Exhibit II for on-behalf amounts for the benefits provided by the State.

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Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increase	3.25-6.50%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increased rates (5% for females and 8% for males) over age 80 for the period after service retirement and for dependent beneficiaries as well as for active members. The RPH-2014 Disabled Mortality Table projected to 2017 with Scale BB is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007 and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

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The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap U.S. equities	21.0%	5.8%
Developed non-U.S. equities	18.0%	6.6%
Emerging markets (Non-U.S.)	9.0%	8.3%
Core fixed income	7.0%	1.3%
Inflation linked bond fund	3.0%	1.0%
Emerging market bond	5.0%	3.7%
High yield bonds	5.0%	3.9%
Real estate	7.0%	5.1%
Private equity	11.0%	7.6%
Alternative investments	8.0%	4.1%
Liquidity fund	6.0%	0.4%
Total	100.0%	

Discount Rate

The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The City’s proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued financial statements available at www.ct.gov.

Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the City has no obligation to contribute to the plan.

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G. Aggregated Pension Information

The City recognized the following amounts related to pension plans as of and for the year ended June 30, 2019:

	<u>City</u> <u>MERF</u>	<u>RAF/PBF/FRF</u>	<u>415(m)</u>	<u>CMERS</u>	<u>CTRS</u>	<u>Total</u>
Deferred outflows of resources related to pensions	\$ 49,623	\$	\$	\$ 23,011	\$	\$ 72,634
Net pension liability	435,175	1,678	182	36,691		473,726
Deferred inflows of resources related to pensions	3,579			1,549		5,128
Pension expense (income)	82,388	104	(19)	4,967	50,015	137,455

12. OTHER POST-EMPLOYMENT BENEFITS

A. City and Board of Education Plans

The City, in accordance with various collective bargaining agreements, is committed to provide health and other benefits to eligible retirees and their spouses. Benefits are established and amended through negotiations between the City and the various unions representing City employees. The City pays the full cost of life insurance premiums. The percentage contribution of employees and retirees for medical benefits are negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts towards the cost of receiving benefits under the City's self-insured medical benefits program. The City provides post-retirement benefits through a single-employer defined benefit plan. The post-retirement plan does not issue stand-alone financial reports.

The number of participants as of June 30, 2019 was as follows:

	(not rounded)		
	<u>City</u>	<u>Board of Education</u>	<u>Total</u>
Active Employees	1,312	2,994	4,306
Retired Employees	1,287	247	1,534
	<u>2,599</u>	<u>3,241</u>	<u>5,840</u>

Investments

Investment Policy

The OPEB plan's policy in regard to the allocation of invested assets is established and may be amended by the OPEB Committee which is comprised of the voting members of the Pension Commission together with the City Treasurer, who serves as Secretary, as well as the Mayor and the Superintendent or their designees. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan.

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Funding Policy

The City continues the commitment to meet its obligations for post-employment benefits for retirees entitled to receive benefits through the annual General Fund budget process. The obligations of the plan members are established pursuant to applicable collective bargaining and employment agreements. The City currently contributes to the plan on a pay-as-you-go basis to satisfy current obligations and, when able, contributes to future benefits. The costs of administering the plan are paid by the City.

Money-weighted rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended June 30, 2019, the annual money-weighted rate of return on investments, net of investment expense, was as follows:

City	0.48%
Board of Education	6.11%

Net OPEB Liability of the City

The City's net OPEB liability was measured as of June 30, 2019. The components of the net OPEB liability of the City at June 30, 2019, were as follows:

	<u>City</u>	<u>Education</u>	<u>Total</u>
Total OPEB liability	\$ 430,906	\$ 41,780	\$ 472,686
Plan fiduciary net position	<u>2,642</u>	<u>19,974</u>	<u>22,616</u>
Net OPEB Liability	<u>\$ 428,264</u>	<u>\$ 21,806</u>	<u>\$ 450,070</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.61%	47.81%	4.78%

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Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2017, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date:	7/1/2017
Actuarial cost method:	Entry age normal (level percentage of salary)
Investment rate of return:	City - 3.51%, net of investment related expense BOE - 7.50%, net of investment related expense
Inflation:	2.75%
Mortality:	City Plan - Fire and Police - RP-2014 adjusted to 2006 blue collar mortality table projected to valuation date with scale MP-2017 All Others - RP-2014 Adjusted to 2006 total dataset mortality table projected to valuation date with scale MP-2017
Disabled Mortality:	City Plan - Fire and Police - RP-2014 Adjusted to 2006 disabled retiree mortality table with scale MP-2017 All Others - N/A
Mortality Improvement:	Projected to date of decrement using Scale MP-2017 (generational).

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2010 through June 30, 2015 for all groups except Local 1716, Local 566 and BOE Certified. The actuarial assumptions used in the valuation for Local 1716, Local 566 and BOE Certified were based on assumptions used by the State of Connecticut Municipal Employee Retirement System actuaries, the Connecticut State Teachers' Retirement System actuaries, where applicable and input from the plan sponsor.

There were no significant changes in actuarial assumptions for the City Plan. For the BOE Plan, the July 1, 2017 valuation reflects changes in assumptions related to mortality, retirement, withdrawal and healthcare cost trend rates.

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Rate of Return

The long-term expected rate of return on OPEB plan investments was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Best estimated of the real rates of return for each major asset class are included in the OPEB plan's target asset allocation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2019, and the final investments return assumption for the BOE plan, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Weighting</u>
U.S. Large Cap Equity	17.00 %	4.75 %	0.80 %
U.S. Mid/Small Cap Equity	8.00	5.00	0.40
International Developed Equity	10.00	5.00	0.50
Emerging Markets Equity	5.00	6.75	0.30
Core Bond Fixed Income	20.00	1.25	0.30
High Yield Fixed Income	5.00	3.00	0.20
Emerging Markets Local Fixed Income	2.50	3.75	0.10
Emerging Markets External Fixed Income	2.50	3.00	0.10
REITs	5.00	3.75	0.20
Cash	25.00	0.25	0.10
Total Allocation	<u>100.00 %</u>		3.00
Long Term Inflation Expectation			<u>2.75 %</u>
			<u>5.75</u>

Discount Rate

The discount rate used to measure the total OPEB liability for the City and the BOE was 3.51% and 7.50%, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City/BOE contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Also, based on the net position of the plans and contribution policies, it was assumed the plan's projected fiduciary net position would be sufficient to cover projected benefit payments and administrative expenses indefinitely. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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Changes in the Net OPEB Liability

City Plan	Increase (Decrease)		
	Total Pension	Plan Fiduciary	Net Pension
	Liability	Net Position	Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2018	\$ 404,184	\$ 2,381	\$ 401,803
Changes for the year:			
Service cost	6,468		6,468
Interest on total OPEB liability	15,628		15,628
Differences between expected and actual experience	(2,111)		(2,111)
Changes in assumptions	20,523		20,523
Employer contributions		13,786	(13,786)
Member contributions		249	(249)
Net investment income		12	(12)
Benefit payments	(13,786)	(13,786)	-
Net changes	26,722	261	26,461
Balances as of June 30, 2019	\$ 430,906	\$ 2,642	\$ 428,264

Changes in assumptions within the fiscal year were attributable to a change in the discount rate from 3.87% to 3.51%, refined census data and other assumptions including mortality, retirement, withdrawal disability and healthcare cost trend rates.

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BOE Plan	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2018	\$ 40,284	\$ 18,824	\$ 21,460
Changes for the year:			
Service cost	693		693
Interest on total OPEB liability	2,980		2,980
Differences between expected and actual experience	339		339
Employer contributions		2,062	(2,062)
Contributions - TRB subsidy		481	(481)
Net investment income		1,150	(1,150)
Benefit payments	(2,516)	(2,516)	-
Administrative expenses		(27)	27
Net changes	<u>1,496</u>	<u>1,150</u>	<u>346</u>
Balances as of June 30, 2019	<u>\$ 41,780</u>	<u>\$ 19,974</u>	<u>\$ 21,806</u>

Changes in assumptions within the fiscal year were attributable to a change in the refined census data and other assumptions including mortality, retirement, withdrawal disability and healthcare cost trend rates.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City and the BOE, as well as what the City's and the BOE's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease 2.51%	Current Discount Rate 3.51%	1% Increase 4.51%
Net OPEB Liability - City	\$ <u>494,658</u>	\$ <u>428,264</u>	\$ <u>374,908</u>
	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Net OPEB Liability - BOE	\$ <u>26,014</u>	\$ <u>21,806</u>	\$ <u>18,169</u>

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Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City and the BOE, as well as what the City's and the BOE's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease (6.50% Decreasing to 3.75%)	Healthcare Cost Trend Rates (7.50% Decreasing to 4.75%)	1% Increase (8.50% Decreasing to 5.75%)
Net OPEB Liability - City	\$ <u>367,463</u>	\$ <u>428,264</u>	\$ <u>503,962</u>
	1% Decrease (6.50% Decreasing to 3.75%)	Healthcare Cost Trend Rates (7.50% Decreasing to 4.75%)	1% Increase (8.50% Decreasing to 5.75%)
Net OPEB Liability - BOE	\$ <u>17,473</u>	\$ <u>21,806</u>	\$ <u>26,893</u>

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(in thousands)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the City recognized OPEB expense of \$47,036, \$44,766 for the City Plan and \$2,270 for the BOE Plan. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
City Plan:		
Differences between expected and actual experience	\$ 86,720	\$ 1,753
Changes of assumptions	17,045	9,225
Net difference between projected and actual earnings on OPEB plan investments	93	
BOE Plan:		
Differences between expected and actual experience	2,562	
Changes of assumptions	404	
Net difference between projected and actual earnings on OPEB plan investments	<u>631</u>	
Total	<u>\$ 107,455</u>	<u>\$ 10,978</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>City Plan</u>	<u>BOE Plan</u>
2019	\$ 23,017	\$ 462
2020	23,017	462
2021	23,017	462
2022	21,021	322
2023	2,808	270
Thereafter		<u>1,619</u>
Total	<u>\$ 92,880</u>	<u>\$ 3,597</u>

CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019
(in thousands)

The following schedules present the net position held in trust for OPEB benefits at June 30, 2019 and the changes in net position for the year ended:

	Statement of Net Position
Assets:	
Cash and cash equivalents	\$ 3,181
Investments, at fair value:	
Mutual funds	13,191
Equities	6,244
Total investments	<u>19,435</u>
Total assets	<u>22,616</u>
Net Position:	
Restricted for OPEB Benefits	\$ <u><u>22,616</u></u>
	Statement of Changes in Net Position
Additions:	
Contributions:	
Employer	\$ 15,848
Plan members	730
Total contributions	<u>16,578</u>
Investment earnings:	
Net increase in fair value of investments	747
Interest and dividends	414
Total investment earnings	<u>1,161</u>
Less investment expenses:	
Investment management fees	8
Net investment income	<u>1,153</u>
Total additions	<u>17,731</u>
Deductions:	
Benefits	16,302
Administration	18
Total deductions	<u>16,320</u>
Change in net position	1,411
Net Position at Beginning of Year	<u>21,205</u>
Net Position at End of Year	\$ <u><u>22,616</u></u>

B. Other Post Employment Benefit - Connecticut State Teachers Retirement Plan

Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools plus professional employees at State Schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other post-employment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at www.ct.gov/trb.

Benefit Provisions (not in thousands)

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplement Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

**CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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(in thousands)

Eligibility (not in thousands)

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

Credited Service

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, State employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

Normal Retirement

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

Early Retirement

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

No service requirement if incurred in the performance of duty, and 5 years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

Contributions (not in thousands)

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State contributions are not currently actuarially funded. The State appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the State. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the State will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

CITY OF HARTFORD, CONNECTICUT
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(in thousands)

Employees

Each member is required to contribute 1.25% of their annual salary up to \$500,000. Contributions in excess of \$500,000 will be credited to the Retiree Health Insurance Plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2019, the City reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the City was as follows:

City's proportionate share of the net OPEB liability	\$	-
State's proportionate share of the net OPEB liability associated with the City		<u>89,087</u>
Total	\$	<u><u>89,087</u></u>

The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2018. At June 30, 2019, the City has no proportionate share of the net OPEB liability.

For the year ended June 30, 2019, the City recognized OPEB expense and revenue of \$(29,595) in Exhibit II for on-behalf amounts for the benefits provided by the State.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Health care costs trend rate	
Pre-Medicare	5.95% decreasing to 4.75% by 2025
Medicare	5.00% decreasing to 4.75% by 2028
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2019

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increases (5% for females and 8% for males) over age 80. For disabled retirees, mortality rates were based on the RPH-2014 Disabled Mortality Table projected to 2020 using the BB improvement scale.

CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019
(in thousands)

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.27%).

Discount Rate

The discount rate used to measure the total OPEB liability was 3.87%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. No future State contributions were assumed to be made. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2019 and, as a result, the Municipal Bond Index Rate was used in the determination.

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate

The City's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the health care cost trend rate or the discount rate would only impact the amount recorded by the State of Connecticut.

Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the City has no obligation to contribute to the plan. Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at www.ct.gov.

13. CONTINGENCIES, COMMITMENTS AND RISK MANAGEMENT

A. Litigation

The City, its officers and employees, are defendants in various lawsuits including personal injury, property damage, civil rights violations and other miscellaneous claims. The City is insured for damages (see section C. below). Judgments or settlements for less than the deductible are paid from the General Fund. Corporation Counsel expects that none of the cases currently in litigation, if adversely decided would have a material negative impact on the finances of the City. The City has recorded \$2.5 million in the government-wide financial statement to cover probable claims.

B. Contingencies

The City participates in various federal and state grant programs. These programs are subject to program compliance audits pursuant to the Federal and State Single Audit Acts. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City anticipates such amounts, if any, to be immaterial.

C. Contractual Commitments

On July 1, 2017, the City extended an existing service agreement with the Materials Innovation and Recycling Authority (MIRA), for which there is an estimated service fee of \$2.1 million per year for ten years of solid waste processing. The service fee is subject to annual revision based on the net cost of operating the facility.

D. Risk Management

The City has established a risk management program to account for and finance its uninsured risk of loss for employee benefits (including comprehensive life, hospital and major medical benefits), workers' compensation, and liability and property damage. Under this program, primary coverage is provided by the city up to a maximum of \$500,000 in health insurance claims for each individual per claim year, a \$2.0 million self-insurance retention for workers' compensation claims for the City (\$1.0 million for the BOE and Library), \$500,000 self-insurance retention for auto and general liability claims, \$250,000 self-insurance retention for property damage claims, and \$500,000 for public officials' claims. Each of these self-insurance programs was established by Council Ordinance and accounted for in an Internal Service Fund to account for and report on the City's total costs associated with risk management. The General Fund makes monthly payments to the Internal Service Fund based on amounts budgeted as necessary to meet all current and a portion of future claims and administrative expenses. In addition, the City Treasurer and Pension Commission are covered by fiduciary liability insurance.

The City purchases insurance for all legal liabilities in excess of a \$500,000 (not rounded) self-insured retention and public officials' liability in excess of a \$500,000 (not rounded) deductible. All City property is insured for fire and extended coverage with a \$100,000 (not rounded) deductible. Certain settled claims have exceeded the self-insured retention amounts in any one year, but no claims have exceeded the commercial coverage in the past three years.

Workers' compensation salary continuation, if applicable, is initially paid from the employee's respective department budget after which statutory compensation payment is administered by PMA Companies, the City's workers' compensation third-party administrator.

CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019
(in thousands)

Claims Payable

The General Fund makes payments to the Self Insurance Fund based on actuarial or underwriting estimates of the amounts needed to pay current-year claims, additional estimated losses on current claims, and amount to cover incurred but not reported claims and administrative expenses. The claims liability of \$37,130, reported in the fund at June 30, 2019, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Fund’s claims liability amount in fiscal years 2019 and 2018 were:

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>End of Fiscal Year Liability</u>
Self -Insurance Fund				
2017-2018	\$ 37,111	\$ 91,809	\$ 91,477	\$ 37,443
2018-2019	37,443	91,520	91,833	37,130

14. FISCAL AGENT AGREEMENT

During the year, three major taxpayers in the City entered into an agreement with the City (the Agreement), dated June 12, 2018, whereby they committed to contribute \$50,000,000 over a period of five years, as part of a comprehensive sustainable response to the City’s fiscal challenges for the purpose of supporting the City’s public libraries, public safety, and public recreation.

A public foundation will act as the City’s fiscal agent to receive and hold the contributed funds and to disburse such funds to the City, consistent with the charitable purposes of the foundation and the terms of the agreement.

The agreement is subject to certain terms and conditions and may be terminated should the foundation deem that the funds are for any purpose other than the purposes as described above.

15. CONTRACT ASSISTANCE AND MUNICIPAL OVERSIGHT

In December 2017, the City of Hartford requested Tier III designation under the State of Connecticut Municipal Accountability Review Board (MARB) in order to access additional tools in achieving long term fiscal sustainability in exchange for significant accountability and oversight. The City was approved as a Tier III municipality in 2018. As a Tier III municipality under MARB oversight, the City is required to submit and present at a public meeting monthly financial reports to ensure the City is operating with fiscal diligence in conformity with the annual budget and broader financial plan. The City's General Fund recommended budget must be reviewed by the MARB on an annual basis and the revenue assumptions must be approved by the MARB. Any union tentative agreements must also be reviewed by the MARB.

In addition, during March 2018 the City entered into a Contract Assistance Agreement with the State of Connecticut to service the approximately \$540 million in current general obligation debt service until such debt was retired. This agreement is backed by the full faith and credit of the State of Connecticut. As part of this agreement, the City of Hartford is subject to considerable financial oversight and is precluded from going into the bond market for at least the next five years. There are also limitations on the issuance of new debt for a ten-year period following the end of MARB oversight. Under the contract assistance agreement, the City must fully fund the Municipal Employee Retirement Fund (MERF) actuarially determined employer contribution (ADEC), is precluded from accumulating general fund operating deficits above 1% or more of general fund revenue per the most recently completed fiscal year's independent audit or has an operating general fund deficit 1.5% or greater of average general fund revenue over two consecutive years, or has a cumulative unassigned fund balance deficit of 1.5% or more of its general fund revenues and operating transfers in. Lack of compliance with such requirements would trigger a default, thus placing the City in Tier IV full oversight.

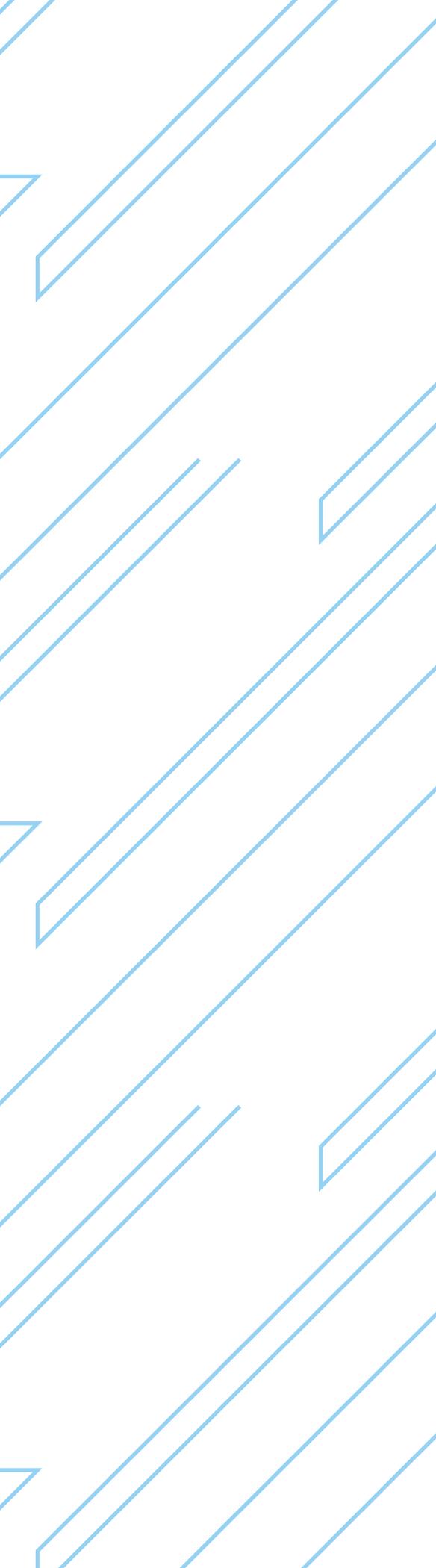
The City provided a 5-year Municipal Recovery Plan to the MARB in March 2018, comprised of revenue and expenditures assumptions, contract assistance for debt service, labor concessions, economic development goals and initiatives to generate grand list growth, as well as revenue and expenditure initiatives, the combination of which provided a pathway to fiscal balance. Such plan required the City to shift to a Pay-As-You-Go Capital Improvement Program, whereby the capital expenditure program is funded primarily from the General Fund. Such plan was reviewed in detail by the full MARB and a subcommittee thereof and approved in June 2018. The City will resubmit an updated Municipal Recovery Plan annually in concert with the Mayor's Recommended General Fund Budget.

CITY OF HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019
(in thousands)

16. PRIOR PERIOD ADJUSTMENT AND RESTATEMENT

The following restatement was recorded to the government activities beginning net position as a result of the recognition of capital assets that were recorded as expenditures in prior periods:

	<u>Government Activities</u>
Net position at June 30, 2018, as previously reported	\$ 349,350
Adjustment:	
Recognize capital assets recorded as expenditures in prior periods	<u>36,561</u>
Net Position at July 1, 2018, as Restated	<u><u>\$ 385,911</u></u>



Required Supplementary Information

CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF GENERAL FUND REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Property Tax:				
Current year's levy	\$ 273,861	\$ 273,861	\$ 268,173	\$ (5,688)
Levy of prior years	5,600	5,600	3,141	(2,459)
Interest and liens	3,900	3,900	4,999	1,099
Proceeds from lien sales	750	750	741	(9)
Total general property tax	<u>284,111</u>	<u>284,111</u>	<u>277,054</u>	<u>(7,057)</u>
Other Local Taxes:				
Current year's levy	<u>1,156</u>	<u>1,156</u>	<u>1,913</u>	<u>757</u>
Licenses, Permits, Fees and Other:				
Street use	<u>17</u>	<u>17</u>	<u>13</u>	<u>(4)</u>
Business Licenses:				
Health licenses	312	312	289	(23)
Police and protection licenses	73	73	41	(32)
Professional and occupational licenses	5	5	6	1
Total business licenses	<u>390</u>	<u>390</u>	<u>336</u>	<u>(54)</u>
Non-Business Licenses and Permits:				
Building structure and equipment permits	5,130	5,130	5,654	524
Other non-business licenses and permits	134	134	377	243
Total business licenses	<u>5,264</u>	<u>5,264</u>	<u>6,031</u>	<u>767</u>
Total licenses, permits, fees and other	<u>5,671</u>	<u>5,671</u>	<u>6,380</u>	<u>709</u>
Fines, Forfeits and Penalties	<u>190</u>	<u>190</u>	<u>249</u>	<u>59</u>
Revenue From Use of Money and Property:				
Income from investments	252	252	3,121	2,869
Income from use of property	462	462	482	20
Income from development properties	599	599	672	73
Total revenue from use of money and property	<u>1,313</u>	<u>1,313</u>	<u>4,275</u>	<u>2,962</u>
Intergovernmental Revenue:				
State of Connecticut:				
Education	188,739	189,337	188,098	(1,239)
Housing	5	5	5	-
Public works	1,195	1,195	1,193	(2)
Payment in lieu of taxes	57,760	57,760	57,907	147
Shared taxes	250	250	207	(43)
Other	11,002	11,002	11,044	42
Total intergovernmental revenue	<u>258,951</u>	<u>259,549</u>	<u>258,454</u>	<u>(1,095)</u>
Charges for Services:				
General government:				
Recording legal instruments	334	334	302	(32)
All other	1,007	1,007	1,545	538
Total general government	<u>1,341</u>	<u>1,341</u>	<u>1,847</u>	<u>506</u>
Public Safety:				
Police charges:	10	10	6	(4)
Fire protection services	<u>267</u>	<u>267</u>	<u>201</u>	<u>(66)</u>
Total public safety	<u>277</u>	<u>277</u>	<u>207</u>	<u>(70)</u>

(Continued on next page)

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF GENERAL FUND REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Works:				
Highways and streets	\$ 1	\$ 1	\$ 1	\$ -
Sanitation	94	94	95	1
Total public works	95	95	96	1
Other:				
Health	19	19	36	17
Recreation	6	6	-	(6)
Miscellaneous	36	36	69	33
Total other	61	61	105	44
Total charges for services	1,774	1,774	2,255	481
Reimbursements:				
Other	61	61	18	(43)
Reimbursements from other funds	92	92	105	13
Total reimbursements	153	153	123	(30)
Other Revenues:				
Settlements	3	3	216	213
Miscellaneous	236	236	233	(3)
Total other revenues	239	239	449	210
Other Financing Sources:				
Transfers in from other funds:				
Capital improvement fund	115	115	240	125
Revenue from Hartford parking authority	2,425	2,425	2,631	206
Downtown North (DONO)	1,194	1,194	1,123	(71)
Special police services	2,750	2,750	2,955	205
Corporate Contribution	10,000	10,000	3,141	(6,859)
Total other financing sources	16,484	16,484	10,090	(6,394)
Total	\$ 570,042	\$ 570,640	561,242	\$ (9,398)
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf pension contributions to the State Teachers' Retirement System for City teachers are not budgeted			50,016	
State of Connecticut on-behalf OPEB contributions to the State Teachers' Retirement System for City teachers are not budgeted			(29,595)	
State of Connecticut contract assistance agreement			48,566	
Effect of GASB Statement No. 54			6,667	
Amount Available from Current Year Operations			\$ 636,896	

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government:				
Mayor	\$ 797	\$ 797	\$ 701	\$ 96
Court of Common Council	507	507	504	3
City Treasurer	559	559	455	104
Registrars of Voters	377	628	582	46
Corporation Counsel	1,545	1,440	1,336	104
Town and City Clerk	795	795	697	98
Internal Audit	507	507	501	6
Chief Operating Officer	811	711	614	97
Metro Hartford Information	3,174	3,188	3,188	-
Finance	3,867	3,514	3,302	212
Personnel	1,247	1,247	1,231	16
Office of Management and Budget	1,014	937	857	80
Office of Young Children	3,393	3,393	3,343	50
Total general government	18,593	18,223	17,311	912
Public Safety:				
Fire	33,268	32,449	32,107	342
Police	46,473	41,064	40,011	1,053
Emergency services and telecommunications	3,825	3,825	3,657	168
Total public safety	83,566	77,338	75,775	1,563
Infrastructure and Leisure Services:				
Public works	13,922	13,612	13,176	436
Development and Community Affairs:				
Development services	4,158	3,627	3,290	337
Human Services:				
Health and human services	5,029	4,205	3,326	879
Education:				
Education	284,008	284,606	281,243	3,363
Benefits and Insurance				
Benefits and insurance	93,794	85,634	84,072	1,562
Sundry:				
Debt service	17,423	29,501	29,406	95
Hartford public library	8,150	8,150	1,483	6,667
Other sundry items	41,400	45,745	44,460	1,285
Total sundry	66,973	83,396	75,349	8,047
Total	\$ 570,043	\$ 570,641	553,542	\$ 17,099
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf pension contributions to the State Teachers' Retirement System for City teachers are not budgeted			50,016	
State of Connecticut on-behalf OPEB contributions to the State Teachers' Retirement System for City teachers are not budgeted			(29,595)	
State of Connecticut contract assistance agreement			48,566	
Encumbrances for purchases and commitments ordered in the previous year, that were received and liquidated in the current year are reported for financial statement reporting purposes.			9	
Encumbrances for purchases and commitments ordered but not received are reported in the in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes			(8)	
Effect of GASB Statement No. 54			6,665	
Amount Available from Current Year Operations			\$ 629,195	

CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
CITY OF HARTFORD MUNICIPAL EMPLOYEES' RETIREMENT FUND (CITY MERF) PLAN
LAST SIX FISCAL YEARS*
(In Thousands)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:						
Service cost	\$ 19,594	\$ 21,250	\$ 21,934	\$ 21,995	\$ 22,612	\$ 21,954
Interest	106,170	105,620	105,283	102,350	99,934	98,033
Change in benefit terms		(627)				
Differences between expected and actual experience	18,799	4,786	6,155	18,454	(11,737)	
Changes of assumptions	3,062	(7,557)	27,543		21,176	
Benefit payments, including refunds of member contributions	(116,283)	(112,768)	(108,145)	(101,778)	(98,654)	(93,683)
Net change in total pension liability	31,342	10,704	52,770	41,021	33,331	26,304
Total pension liability - beginning	1,453,091	1,442,387	1,389,617	1,348,596	1,315,265	1,288,961
Total pension liability - ending	<u>1,484,433</u>	<u>1,453,091</u>	<u>1,442,387</u>	<u>1,389,617</u>	<u>1,348,596</u>	<u>1,315,265</u>
Plan fiduciary net position:						
Contributions - employer	44,455	44,574	37,650	43,891	42,874	42,710
Contributions - member	13,942	14,355	13,175	13,042	13,360	12,816
Net investment income	65,756	59,906	104,204	8,696	20,779	133,645
Benefit payments, including refunds of member contributions	(116,283)	(112,768)	(108,145)	(101,778)	(98,654)	(93,683)
Administrative expense	(2,487)	(2,958)	(2,653)	(2,433)	(2,715)	(2,774)
Other		9	(3,087)			
Net change in plan fiduciary net position	5,383	3,118	41,144	(38,582)	(24,356)	92,714
Plan fiduciary net position - beginning	1,043,875	1,040,757	999,613	1,038,195	1,062,551	969,837
Plan fiduciary net position - ending	<u>1,049,258</u>	<u>1,043,875</u>	<u>1,040,757</u>	<u>999,613</u>	<u>1,038,195</u>	<u>1,062,551</u>
Net Pension Liability - Ending	<u>\$ 435,175</u>	<u>\$ 409,216</u>	<u>\$ 401,630</u>	<u>\$ 390,004</u>	<u>\$ 310,401</u>	<u>\$ 252,714</u>
Plan fiduciary net position as a percentage of the total pension liability	70.68%	71.84%	72.16%	71.93%	76.98%	80.79%
Covered payroll	\$ 145,103	\$ 141,067	\$ 144,122	\$ 151,305	\$ 144,227	\$ 144,648
Net pension liability as a percentage of covered payroll	299.91%	290.09%	278.67%	257.76%	215.22%	174.71%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule:

Assumption Changes:

2019:

Investment rate of return - 7.375%; Prior Valuation: 3.50%

Inflation rate - 2.50%; Prior Valuation: 2.75%

Mortality improvement is based on the Scale MP-2018; Prior Valuation: Scale MP-2017

CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
RAF/PBF/FRF PLAN
LAST SIX FISCAL YEARS*
(In Thousands)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:						
Interest	\$ 68	\$ 122	\$ 119	\$ 228	\$ 218	\$ 238
Change in benefit terms						
Differences between expected and actual experience	7	(1,264)	(134)	(1,124)	(229)	
Changes of assumptions	29	(117)	(671)	414	587	
Benefit payments, including refunds of member contributions	(356)	(452)	(525)	(660)	(755)	(837)
Net change in total pension liability	(252)	(1,711)	(1,211)	(1,142)	(179)	(599)
Total pension liability - beginning	1,930	3,641	4,852	5,994	6,173	6,772
Total pension liability - ending	<u>1,678</u>	<u>1,930</u>	<u>3,641</u>	<u>4,852</u>	<u>5,994</u>	<u>6,173</u>
Plan fiduciary net position:						
Contributions - employer	356	452	525	660	755	837
Benefit payments, including refunds of member contributions	(356)	(452)	(525)	(660)	(755)	(837)
Net change in plan fiduciary net position	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-
Plan fiduciary net position - ending	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Pension Liability - Ending	<u>\$ 1,678</u>	<u>\$ 1,930</u>	<u>\$ 3,641</u>	<u>\$ 4,852</u>	<u>\$ 5,994</u>	<u>\$ 6,173</u>
Plan fiduciary net position as a percentage of the total pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ N/A					
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule:

Assumption Changes:

2019:

Investment rate of return - 3.51%, net of investment-related expenses; Prior Valuation: 3.87%, net of investment-related expenses

Mortality improvement - MP-2018 scale; Prior Valuation - MP-2017 scale

CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
415(m) PLAN
LAST SIX FISCAL YEARS*
(In Thousands)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:						
Interest	\$ 9	\$ 10	\$ 6	\$ 9	\$ 11	\$ 14
Differences between expected and actual experience	(45)		67	66	4	
Changes of assumptions	17	(3)	17	11	(1)	
Benefit payments, including refunds of member contributions	(45)	(58)	(73)	(79)	(79)	(87)
Net change in total pension liability	(64)	(51)	17	7	(65)	(73)
Total pension liability - beginning	246	297	280	273	338	411
Total pension liability - ending	<u>182</u>	<u>246</u>	<u>297</u>	<u>280</u>	<u>273</u>	<u>338</u>
Plan fiduciary net position:						
Contributions - employer	45	58	73	79	79	87
Benefit payments, including refunds of member contributions	(45)	(58)	(73)	(79)	(79)	(87)
Net change in plan fiduciary net position	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-
Plan fiduciary net position - ending	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Pension Liability - Ending	<u>\$ 182</u>	<u>\$ 246</u>	<u>\$ 297</u>	<u>\$ 280</u>	<u>\$ 273</u>	<u>\$ 338</u>
Plan fiduciary net position as a percentage of the total pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ N/A					
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule:

Assumption Changes:

2019:

Investment rate of return - 3.51%; Prior Valuation: 3.87%

Inflation rate - 2.50%; Prior Valuation: 2.75%

Mortality improvement is based on the Scale MP-2018; Prior Valuation: Scale MP-2017

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CITY OF HARTFORD PENSION PLANS
LAST TEN FISCAL YEARS
(In Thousands)**

City of Hartford Municipal Employees' Retirement Fund (City MERF)										
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 44,455	\$ 44,574	\$ 37,650	\$ 43,891	\$ 42,874	\$ 42,710	\$ 34,338	\$ 27,600	\$ 18,846	\$ 9,602
Contributions in relation to the actuarially determined contribution	44,455	44,574	37,650	43,891	42,874	42,710	34,338	27,600	18,846	10,840
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,238)
Covered payroll	\$ 145,103	\$ 141,067	\$ 144,122	\$ 151,305	\$ 144,227	\$ 144,648	\$ 137,919	\$ 136,555	\$ 132,529	\$ 134,143
Contributions as a percentage of covered payroll	30.64%	31.60%	26.12%	29.01%	29.73%	29.53%	24.90%	20.21%	14.22%	8.08%

City of Hartford RAF/PBF/FRF Plan										
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 356	\$ 452	\$ 525	\$ 659	\$ 755	\$ 837	\$ 992	\$ 1,097	\$ 1,354	\$ 1,521
Contributions in relation to the actuarially determined contribution	356	452	525	659	755	837	992	1,097	1,354	1,521
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ N/A									
Contributions as a percentage of covered payroll	N/A									

City of Hartford 415(m) Plan										
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 45	\$ 58	\$ 73	\$ 79	\$ 79	\$ 87	\$ 102	\$ 121	\$ 84	\$ 43
Contributions in relation to the actuarially determined contribution	45	58	73	79	79	87	102	121	84	43
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ N/A									
Contributions as a percentage of covered payroll	N/A									

Valuation date: July 1, 2017
 Measurement date: June 30, 2019
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Remaining amortization period	25 years, level dollar, closed
Asset valuation method	5-year smoothed market
Inflation	2.50% ; 2.75% in the prior year
Salary increases	2.50% for inflationary salary increases; 2.75% in the prior year
Investment rate of return	7.375%, net of investment-related and administrative expenses; 7.50% in the prior year
Retirement age	Police - 100% retire at 60, regardless of service and must be age 40 to retire; Fire - 100% retire at 30 years of service for all ages; BOE 100% retire at age 75; Municipal Services and Library - If less than 20 years of service, 100% retire at 75 or retire at 35 years of service.
Mortality	RP-2014 fully projected with separate male and female tables and separate rates for annuitants and non-annuitants with occupational adjustment

**CITY OF HARTFORD, CONNECTICUT
 SCHEDULE OF INVESTMENT RETURNS
 CITY OF HARTFORD PENSION PLANS
 LAST SIX FISCAL YEARS***

	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense						
City of Hartford MERF	6.49%	5.97%	10.44%	.86%	2.00%	14.05%
City of Hartford RAF/PBF/FRF Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
City of Hartford 415(m) Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF HARTFORD, CONNECTICUT
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM (CMERS)
 LAST FIVE FISCAL YEARS*
 (In Thousands)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability	3.84%	7.04%	6.23%	7.80%	4.00%
City's proportionate share of the net pension liability	\$ 36,691	\$ 17,468	\$ 20,742	\$ 15,062	\$ 10,678
City's covered payroll	\$ 25,156	\$ 27,785	\$ 27,342	\$ 27,342	\$ 27,342
City's proportionate share of the net pension liability as a percentage of its covered payroll	145.85%	62.87%	75.86%	55.09%	39.05%
Plan fiduciary net position as a percentage of the total pension liability	73.60%	91.68%	88.29%	92.72%	90.48%

*Note: This schedule is intended to show information for ten years. Additional information will be added as it becomes available.

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM (CMERS)
LAST TEN FISCAL YEARS
(In Thousands)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Actuarially determined contribution	\$ 2,856	\$ 2,851	\$ 3,162	\$ 3,681	\$ 3,681	\$ 3,539	\$ 3,126	\$ 2,585	\$ 2,116	\$ 1,716
Contributions in relation to the actuarially determined contribution	<u>2,856</u>	<u>2,851</u>	<u>3,162</u>	<u>3,681</u>	<u>3,681</u>	<u>3,539</u>	<u>3,126</u>	<u>2,585</u>	<u>2,116</u>	<u>1,716</u>
Contribution Deficiency (Excess)	\$ <u>-</u>									
Covered payroll	\$ 24,342	\$ 25,156	\$ 27,785	\$ 27,342	\$ 27,342	\$ 27,342	\$ 26,464	\$ 22,952	\$ 19,374	\$ 18,512
Contributions as a percentage of covered payroll	11.73%	11.33%	11.38%	13.46%	13.46%	12.94%	11.81%	11.26%	10.92%	9.27%

Notes to Schedule

Valuation date: June 30, 2018

Measurement date: June 30, 2018

The actuarially determined contributions are calculated as of June 30, each biennium for the fiscal years ending two and three years after the valuation date.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level dollar, closed
Single equivalent amortization period	23 years
Asset valuation method	5 years smoothed market (20% write up)
Inflation	3.25%
Salary increases	4.25% - 11%, including inflation
Investment rate of return	8%, net of investment related expense
Changes in assumptions:	In 2013, rates of mortality, withdrawal, retirement and assumed rates of salary increases were adjusted to more closely reflect actual and anticipated experience.

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST FIVE FISCAL YEARS*
(In Thousands)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%
City's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the City	<u>445,642</u>	<u>528,969</u>	<u>558,067</u>	<u>435,145</u>	<u>401,684</u>
Total	<u>\$ 445,642</u>	<u>\$ 528,969</u>	<u>\$ 558,067</u>	<u>\$ 435,145</u>	<u>\$ 401,684</u>
City's covered payroll	\$ 135,085	\$ 157,332	\$ 161,604	\$ 158,736	\$ 156,312
City's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	57.69%	55.93%	52.26%	59.50%	61.51%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Plan Information

Changes in benefit terms	Beginning January 1, 2018, member contributions increased from 6% to 7% of salary.
Changes of assumptions	During 2016, rates of withdrawal, disability, retirement, mortality and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2015.
Actuarial cost method	Entry age
Amortization method	Level percent of salary, closed
Single equivalent amortization period	17.6 years
Asset valuation method	4-year smoothed market
Investment rate of return	8.00%, net of investment related expense

CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND - CITY PLAN
LAST THREE FISCAL YEARS *
(In Thousands)

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:			
Service cost	\$ 6,468	\$ 12,913	\$ 9,297
Interest	15,628	13,535	14,072
Changes in benefit terms		(96,632)	
Differences between expected and actual experience	(2,111)	131,191	4,640
Changes of assumptions	20,523	(13,956)	51,221
Benefit payments, including refunds of member contributions	<u>(13,786)</u>	<u>(15,981)</u>	<u>(14,303)</u>
Net change in total OPEB liability	26,722	31,070	64,927
Total OPEB liability - beginning	<u>404,184</u>	<u>373,114</u>	<u>308,187</u>
Total OPEB liability - ending	<u>430,906</u>	<u>404,184</u>	<u>373,114</u>
Plan fiduciary net position:			
Contributions - employer	13,786	18,156	14,303
Contributions - member	249	170	36
Net investment income	12		
Benefit payments, including refunds of member contributions	<u>(13,786)</u>	<u>(15,981)</u>	<u>(14,303)</u>
Net change in plan fiduciary net position	261	2,345	36
Plan fiduciary net position - beginning	<u>2,381</u>	<u>36</u>	
Plan fiduciary net position - ending	<u>2,642</u>	<u>2,381</u>	<u>36</u>
Net OPEB Liability - Ending	<u>\$ 428,264</u>	<u>\$ 401,803</u>	<u>\$ 373,078</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.61%	0.59%	0.01%
Covered payroll	\$ 93,221	\$ 90,726	115,952
Net OPEB liability as a percentage of covered payroll	459.41%	442.88%	321.75%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND - BOE PLAN
LAST THREE FISCAL YEARS *
(In Thousands)

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:			
Service cost	\$ 693	\$ 464	\$ 435
Interest	2,980	2,832	2,753
Changes in benefit terms		(2,223)	
Differences between expected and actual experience	339	2,662	333
Changes of assumptions		478	
Benefit payments, including refunds of member contributions	(2,516)	(2,397)	(2,310)
Net change in total OPEB liability	1,496	1,816	1,211
Total OPEB liability - beginning	40,284	38,468	37,257
Total OPEB liability - ending	<u>41,780</u>	<u>40,284</u>	<u>38,468</u>
Plan fiduciary net position:			
Contributions - employer	2,062	1,853	556
TRB subsidy	481	544	621
Net investment income	1,150	662	112
Benefit payments, including refunds of member contributions	(2,516)	(2,397)	(2,310)
Administrative expense	(27)	(25)	
Net change in plan fiduciary net position	1,150	637	(1,021)
Plan fiduciary net position - beginning	18,824	18,187	19,208
Plan fiduciary net position - ending	<u>19,974</u>	<u>18,824</u>	<u>18,187</u>
Net OPEB Liability - Ending	<u>\$ 21,806</u>	<u>\$ 21,460</u>	<u>\$ 20,281</u>
Plan fiduciary net position as a percentage of the total OPEB liability	47.81%	46.73%	47.28%
Covered payroll	\$ 202,917	\$ 197,486	\$ 213,458
Net OPEB liability as a percentage of covered payroll	10.75%	10.87%	9.50%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND - CITY PLAN
LAST THREE FISCAL YEARS *
(In Thousands)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 30,154	\$ 27,025	\$ 26,583
Contributions in relation to the actuarially determined contribution	<u>13,786</u>	<u>18,156</u>	<u>14,303</u>
Contribution Deficiency (Excess)	<u>\$ 16,368</u>	<u>\$ 8,869</u>	<u>\$ 12,280</u>
Covered payroll	\$ 93,221	\$ 90,726	\$ 115,952
Contributions as a percentage of covered payroll	14.79%	20.01%	12.34%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule

Measurement date:

June 30, 2019

Valuation date:

July 1, 2017

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	28 years, closed
Asset valuation method	Market Value
Inflation	2.75%
Healthcare cost trend rates	7.5% for 2017, decreasing .5% per year, to an ultimate rate of 4.75% for 2023 and later
Salary increases	2.75%
Investment rate of return	3.51%
Retirement age	Aged Base Table
Mortality	
Fire and Police	RP-2014 Mortality Table adjusted to 2006 BlueCollar projected to valuation date with Scale MP-2017.
All others	RP-2014 Mortality Table adjusted to 2006 Total Dataset projected to valuation date with Scale MP-2017.

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND - BOE PLAN
LAST THREE FISCAL YEARS *
(In Thousands)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 2,428	\$ 1,973	\$ 1,928
Contributions in relation to the actuarially determined contribution	<u>2,062</u>	<u>1,853</u>	<u>556</u>
Contribution Deficiency (Excess)	<u>\$ 366</u>	<u>\$ 120</u>	<u>\$ 1,372</u>
Covered payroll	\$ 202,917	\$ 197,486	\$ 213,458
Contributions as a percentage of covered payroll	1.02%	0.94%	0.26%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule

Measurement date: June 30, 2019

Valuation date: July 1, 2017

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	28 years, closed
Asset valuation method	Market Value
Inflation	2.75%
Healthcare cost trend rates	7.5% for 2017, decreasing .5% per year, to an ultimate rate of 4.75% for 2023 and later
Salary increases	2.75%
Investment rate of return	7.50%
Retirement age	Aged Base Table
Mortality	RP-2014 Mortality Table adjusted to 2006 Total Dataset projected to valuation date with Scale MP-2017.

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND
LAST THREE FISCAL YEARS ***

	<u>2019</u>	<u>2018</u>	<u>2017</u>
City Plan:			
Annual money-weighted rate of return, net of investment expense	0.48%	0.00%	0.00%
BOE Plan:			
Annual money-weighted rate of return, net of investment expense	6.11%	3.64%	0.59%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

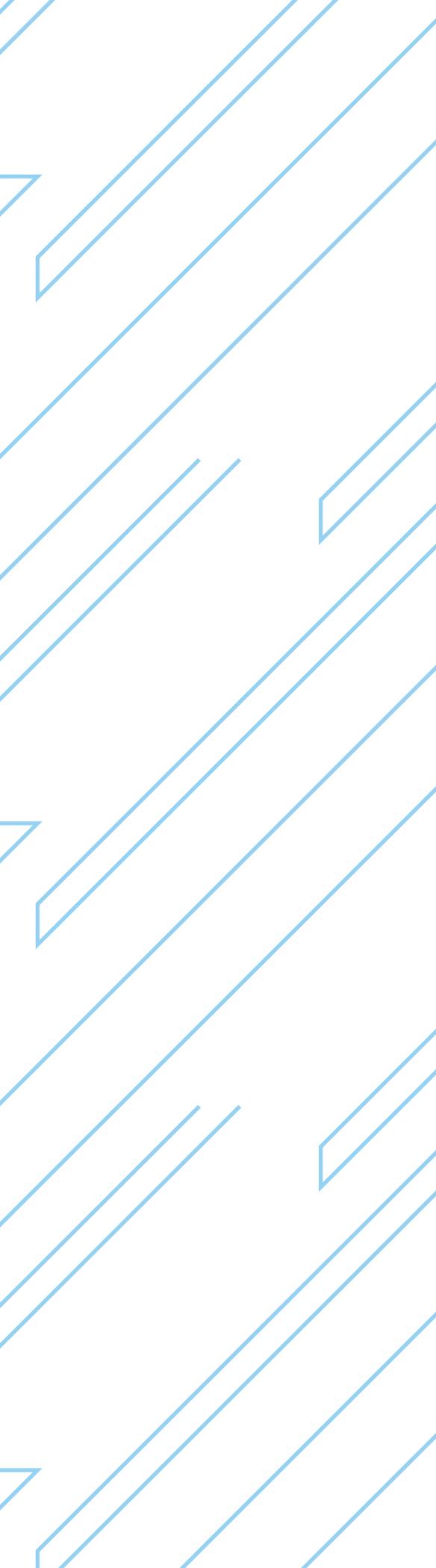
**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS RETIREMENT PLAN
LAST TWO FISCAL YEARS***

	<u>2019</u>	<u>2018</u>
City's proportion of the net OPEB liability	0.00%	0.00%
City's proportionate share of the net OPEB liability	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the City	<u>89,087</u>	<u>136,151</u>
Total	<u>\$ 89,087</u>	<u>\$ 136,151</u>
City's covered payroll	\$ 135,085	\$ 157,332
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	1.49%	1.79%

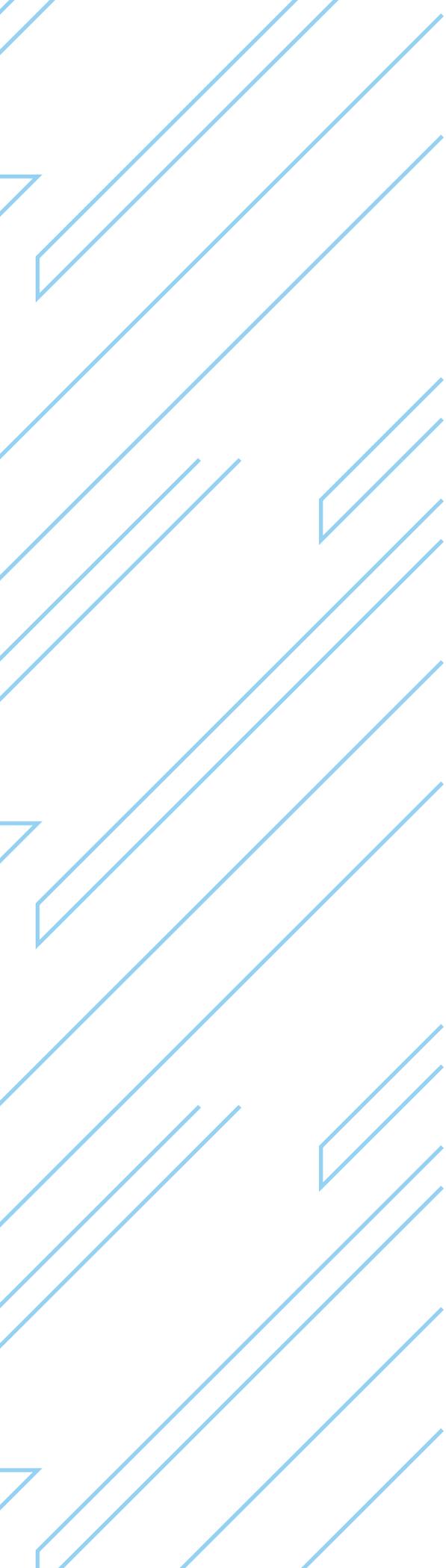
Notes to Schedule

Changes in benefit terms	Effective July 1, 2018, Medicare Advantage Plan was added to available options, changed the base plan to the Medicare Advantage Plan for the purposes of determining retiree subsidies and/or cost sharing amounts, and introduced a two-year waiting period for re-enrollment in a System-sponsored Plan for those who cancel their coverage or choose not to enroll after the effective date.
Changes of assumptions	<p>The expected rate of return on assets was changed from 2.75% to 3.00% to better reflect the anticipated returns on cash and other high quality short-term fixed income investments.</p> <p>Changes were made to the assumed initial per capita health care costs, rates of health care inflation used to project the per capita costs, and the rates of Plan participation based upon recent experience and current expectations.</p> <p>Based on the procedure described in GASB 75, the discount rate used to measure Plan obligations for financial accounting purposes as of June 30, 2018 was updated to equal the Municipal Bond Index Rate as of June 30, 2018. The System selected the 3.87% discount rate used to measure the Total OPEB Liability as of the June 30, 2018 measurement date.</p> <p>Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience both before and after the plan change that became effective on July 1, 2018.</p> <p>The assumed age-related annual percentage increases in expected annual per capita health care claim costs were updated to better reflect the expected differences between the Medicare Supplement and Medicare Advantage Plan amounts as part of the plan change that became effective on July 1, 2018.</p> <p>Long-term health care cost trend rates were updated to better reflect the anticipated impact of changes in medical inflation, utilization, leverage in the plan design, improvements in technology, and fees and charges on expected claims and retiree contributions in future periods.</p> <p>The percentage of retired members who are not currently participating in the Plan, but are expected to elect coverage for themselves and their spouses under a System-sponsored health care plan option in the future, was updated to better reflect anticipated plan experience.</p> <p>The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options, as well as the portion who are expected to migrate to the Medicare Advantage Plan over the next several years, were updated to better reflect anticipated plan experience after the plan change that became effective on July 1, 2018.</p> <p>The post-disability mortality table was updated to extend the period of projected mortality improvements from 2017 to 2020. This change was made to better reflect anticipated post-disablement plan experience.</p> <p>The percentages of deferred, vested members who will become ineligible for future health care benefits because they are expected to withdraw their contributions from the System was updated to better reflect anticipated plan experience.</p>
Actuarial cost method	Entry age
Amortization method	Level percent of payroll
Remaining amortization period	30 years, open
Asset valuation method	Market value of assets
Investment rate of return	4.25%, net of investment related expense including price inflation

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.



**Combining and Individual
Fund Statements and Schedules**



General Fund

GENERAL FUND

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

CITY OF HARTFORD, CONNECTICUT
GENERAL FUND COMBINING BALANCE SHEET SCHEDULE
June 30, 2019
(In Thousands)

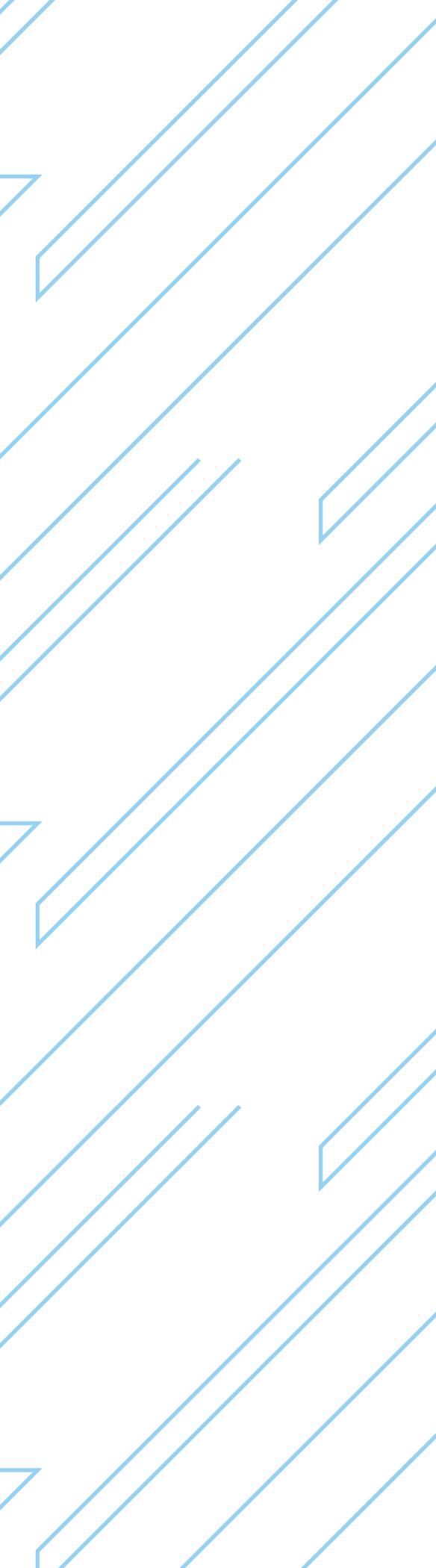
	General Fund	Hartford Public Library	Total
ASSETS			
Cash and cash equivalents	\$ 64,610	\$ 160	\$ 64,770
Receivables, net	92,578		92,578
Prepaid expenses	1,199		1,199
Due from other funds	3,294		3,294
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 161,681</u>	<u>\$ 160</u>	<u>\$ 161,841</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts and other payables	\$ 44,974	\$ 151	\$ 45,125
Unearned revenue	198		198
Due to other funds	12,474		12,474
Total liabilities	<u>57,646</u>	<u>151</u>	<u>57,797</u>
Deferred inflows of resources:			
Unavailable revenue - property	88,525		88,525
Unavailable revenue - other receivable	2,887		2,887
Advance property tax collections	47		47
Total deferred inflows of resources	<u>91,459</u>	<u>-</u>	<u>91,459</u>
Fund balances:			
Committed	2,933		2,933
Unassigned	9,643	9	9,652
Total fund balances	<u>12,576</u>	<u>9</u>	<u>12,585</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 161,681</u>	<u>\$ 160</u>	<u>\$ 161,841</u>

**CITY OF HARTFORD, CONNECTICUT
GENERAL FUND COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)**

	<u>General Fund</u>	<u>Hartford Public Library</u>	<u>Eliminate Interfund Transfers</u>	<u>Total</u>
Revenues:				
Property taxes	\$ 278,967	\$	\$	\$ 278,967
Licenses and permits	6,630			6,630
Intergovernmental	327,441			327,441
Charges for services	2,255			2,255
Use of property	1,153			1,153
Investment income	3,121			3,121
Miscellaneous	3,713	6,667		10,380
Total revenues	<u>623,280</u>	<u>6,667</u>	<u>-</u>	<u>629,947</u>
Expenditures:				
Current:				
General government	12,991			12,991
Public safety	75,775			75,775
Public works	13,176			13,176
Development and community affairs	3,290			3,290
Human services	2,645			2,645
Education	301,665			301,665
Recreation and culture	1,212	8,148		9,360
Benefits and insurance	87,260			87,260
Other	33,525			33,525
Debt service	401			401
Total expenditures	<u>531,940</u>	<u>8,148</u>	<u>-</u>	<u>540,088</u>
Revenues over (under) Expenditures	<u>91,340</u>	<u>(1,481)</u>	<u>-</u>	<u>89,859</u>
Other Financing Sources (uses):				
Transfers in	6,949	1,483	(1,483)	6,949
Transfers out	(90,590)		1,483	(89,107)
Total other financing sources (uses)	<u>(83,641)</u>	<u>1,483</u>	<u>-</u>	<u>(82,158)</u>
Net Change in Fund Balances	7,699	2	-	7,701
Fund Balances at Beginning of Year	<u>4,877</u>	<u>7</u>	<u>-</u>	<u>4,884</u>
Fund Balances at End of Year	<u>\$ 12,576</u>	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ 12,585</u>

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)**

Grand List Year	Taxes Receivable July 1, 2018	Current Levy	Lawful Corrections		Adjusted Tax Levy	Collections				Taxes Receivable June 30, 2019
			Additions	Deletions		Taxes	Interest	Liens	Total	
2017	\$	\$ 293,266	\$ 859	\$ 14,711	\$ 279,414	\$ 266,420	\$ 1,174	\$ 367	\$ 267,961	\$ 12,994
2016	13,403		245	5,945	7,703	250	821	309	1,380	7,453
2015	7,130		50	701	6,479	1,328	578	102	2,008	5,151
2014	5,563		255	256	5,562	500	301	64	865	5,062
2013	4,694		5	27	4,672	264	216	42	522	4,408
2012	4,002		2	22	3,982	203	184	28	415	3,779
2011	3,787		2	32	3,757	146	157	17	320	3,611
2010	3,766		1	29	3,738	306	527	15	848	3,432
2009	3,207			20	3,187	347	553	8	908	2,840
2008	2,752		5	9	2,748	51	69	6	126	2,697
2007	2,060		2	10	2,052	18	57	6	81	2,034
2006	1,898		4	8	1,894	20	44	7	71	1,874
2005	1,623		4	6	1,621	16	56	7	79	1,605
2004	5		1		6	1	5		6	5
	\$ <u>53,890</u>	\$ <u>293,266</u>	\$ <u>1,435</u>	\$ <u>21,776</u>	\$ <u>326,815</u>	\$ <u>269,870</u>	\$ <u>4,742</u>	\$ <u>978</u>	\$ <u>275,590</u>	\$ <u>56,945</u>



Capital Improvement Fund

CAPITAL IMPROVEMENT FUND

The Capital Improvement Fund accounts for the purchase, construction or renovation of major capital assets. These activities are funded primarily from general obligation bonds and intergovernmental revenues.

CITY OF HARTFORD, CONNECTICUT
 SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
 FOR THE YEAR ENDED JUNE 30, 2019

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		Cumulative Total
			Prior to July 1, 2018	Current Period	
D1368	BUS LIVABILITY GRANT (GHTD)	\$ 1,990,048	\$ 1,990,048	\$	\$ 1,990,048
D1390	JOHN E ROGERS - STATE URBAN ACT GRA	1,000,000	751,906		751,906
D1584	STP - ASYLUM ST/SOLDIERS	4,894,981	4,887,521	7,460	4,894,981
D1632	TIGER GRANT - SPRUCE & ASYLUM	626,274	625,134	1,140	626,274
D1862	BARTHOLOMEW AV/ STORM -MDC	1,600,000		66,301	66,301
D1863	BARTHOLOMEW AVE STORM-OPM	2,000,000			
D1865	RIVERFRONT PARK WALK AND BIKE PATH	2,529,494		116,709	116,709
D1909	Main Street Streetscape OPM Grant	450,000			
D1954	COMMUNITY CONNECTIVITY GRANT PROG	400,000			
D1955	NORTH MAIN STREET STREETScape IMPRO	400,000			
D1967	FEDERAL LANDS ACCESS PROGRAMS	135,000			
D1987	MAIN STREET COMPLETE STREETS VISION	450,000			
W1509	Sidewalks	9,150		9,150	9,150
W1510	Albany Avenue Reconstruc	14,000,000			
W1633	Streetscapes	2,250,000	119,760		119,760
W1637	Flood Control	1,200,000		446,059	446,059
W1645	COVENTRY STREET SUBSTATION (D	1,500,000			
W1646	BROAD STREET RECONSTRUCTION	2,956,100	2,545,060	87,630	2,632,691
W1706	Neighborhood Environmental Im	500,000	486,000	14,000	500,000
W1707	Milling and Paving FY2017	4,208	35,343	(31,135)	4,208
W1710	Street Light Conversion to LED	5,000,000		1,558,061	1,558,061
W1723	Emerald Ash Borer Initiative	200,000	61,501	78,058	139,559
W1740	DEEP COLT PARK IMPROVEMENTS	450,000	19,000	87,925	106,925
W1741	DEEP Walter: Doc Hurley Memor	250,000	150,514	99,286	249,800
W1745	INTERSECTION IMPROVEMENTS-MAP	1,406,088	69,890	1,084,298	1,154,188
W1811	Citywide Park Signage	2,000,000	43,000	4,528	47,528
W1812	Sidewalks- Elizabeth/Co	300,000	10,688	260,729	271,416
W1813	Lighting & Sidewalks-Bu	1,000,000		51,377	51,377
W1814	Pope Park Baseball Fiel	750,000		261,994	261,994
W1815	Goodwin Park Tennis Cou	200,000	8,500	191,500	200,000
W1816	Keney Park ADA Improv -	250,000			
W1817	Pond Dredging - Goodwin	2,500,000		37,091	37,091
W1818	Replace Playscapes (6)	2,000,000	239,579	916,108	1,155,687
W1819	Keney Park Gates and Fe	100,000	78,861	19,182	98,043
W1820	Goodwin Park Golf Course	2,500,000	2,500	147,568	150,068
W1821	Park Lighting (6)	1,100,000			

(Continued on next page)

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2019**

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		Cumulative Total
			Prior to July 1, 2018	Current Period	
W1822	Security Cameras (7)	\$ 600,000	\$ 581,822	\$ 13,302	\$ 595,124
W1823	Basketball Courts (6)	450,000	10,500	262,294	272,794
W1824	Auto.Spray-Pads (13) Ir	200,000	290	156,090	156,380
W1825	Park Concessions Improv	600,000			
W1826	Hyland Park "Cal Ripken	500,000			
W1827	Forest Sustainability	100,000			
W1828	Hiking Trails - Keney &	400,000			
W1829	Goodwin Park Entrance	150,000			
W1830	Park Beautification	250,000			
W1833	Milling and Paving	1,000,000			
W1834	Sidewalks	490,850		30,680	30,680
W1846	Municipal Facilities Renovations	188,985		25,614	25,614
W1850	PARK STREET BRANCH LIBRARY	10,700,000		59,106	59,106
W1858	DESIGN OF COMM NETWORK	84,656	52,707	1,843	54,550
W1859	TRAFFIC CONTROLS SIGNAL	336,696	181,624	89,845	271,469
W1860	AID FLOOD CONTROL (SOU	5,000,000	34,444	228,783	263,227
W1861	QUALITY OF LIFE INITIAT	2,500,000	395,257	1,346,656	1,741,913
W1862	Body Worn Cameras and Fleet Cameras	750,501		750,501	750,501
W1901	City Hall Fire Code Compliance	1,000,000		1,000,000	1,000,000
W1908	HPTF-COLT PARK IMPROVEMENTS	300,000			
W1909	HPTF-Tree Fines & Replacement	210,000			
W1940	BOCE BARLOW WAY BRIDGE AND MAIN STR	1,715,280			
W1986	STATE DEPT ENERGY ENVIR PROTDEEP	1,000,000			
W1988	COLT PARK PROJECT	750,000			
W9900	TOWN CLERK'S LOCIP ACCOUNT	208,387	186,782	25,373	212,155
W9910	INTEREST INCOME ON CIP INVESTMENTS	89,896	89,896	239,599	329,495
W9911	SUBROGATION / ACCIDENT REPAIR			57,141	57,141
W9995	YEAR END GAAP			(130,780)	
TOTAL FUND 4029 - Capital Grant Fund		88,476,595	\$ 13,658,126	\$ 9,671,067	\$ 23,459,973
Education Projects:					
QB534	Renovation of Hartford High School Project	225,510,000	112,907,522		112,907,522
QB537	Renovations of Various Hartford Schools	28,766,479	12,834,760		12,834,760
QB546	Renovations and Construction Improvements to Hartford Public Schools	34,518,983	34,518,983		34,518,983
QB549	Sports Science Academy Magnet High School	64,733,118	64,733,118		64,733,118
QB551	Pathways to Technology Magnet School	36,950,400	6,830,665		6,830,665
QB553	University High School for Science	43,000,000	42,068,820		42,068,820
QB554	Capital College Preparatory Magnet	45,650,000	41,219,216		41,219,216
QB556	Annie Fisher Magnet School	83,938,000	44,528,655		44,528,655

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**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2019**

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		
			Prior to July 1, 2018	Current Period	Cumulative Total
QB557	Richard B. Kinsella, Magnet School of Arts	\$ 38,015,000	\$ 38,006,297	\$	\$ 38,006,297
QB559	Mary M. Hooker Environment Studies Magnet School	43,500,000	38,408,520		38,408,520
Q8266	Hartford Public High School Central Admin	1,500,000	1,500,000		1,500,000
Q9902	Student Bathrooms - Bulkeley	518,387	518,387		518,387
Q0904	Roofs/Masonry, Intrusion Alarms	4,901,852	4,830,552	42,819	4,873,371
Q2907	West Middle School	54,600,000	53,791,473	223,743	54,015,216
Q1309 Q1509	Kinsella Magnet School FY13	36,952,000	4,015,125	2,057,092	6,072,218
Q1402 Q1308 Q1502	Weaver High School Renovations FY14	106,564,000	48,118,012	56,501,679	104,619,692
Q1602	Renov. of Martin Luther King School	68,000,000	1,019,760	11,087,521	12,107,281
Q1603	Sands School Roof Renovation	1,000,000		855,950	855,950
Q1700	Replace & Upgrades Various Schools	2,057,500		166,996	166,996
Q1800	Replace & Upgrades Various Schools	1,923,000			
Q1902 (New)	Renovation of Martin Luther King School	17,000,000			
Q1903 (New)	Weaver Lease Payments	987,890		987,890	987,890
Q1904 (New)	Bulkeley BOE Administrative Offices	5,000,000		56,111	56,111
Q1905 (New)	Burns School Roof Replacement	3,000,000		123,067	123,067
Total Education Projects		\$ 948,586,609	\$ 549,849,866	\$ 72,102,868	\$ 621,952,734
GAAP ADJUSTMENTS W9995 Year End GAAP Adj			(2,125,698)	2,890,167	764,469
TOTAL FUND 4030 - Capital Grant Fund		\$ 948,586,609	\$ 547,724,168	\$ 74,993,035	\$ 622,717,203
Facility Services					
Public Works Projects:					
D1379	State/Federal Matching Fund	\$ 900,000	\$ 321,315	\$ (36,901)	\$ 284,415
D1470	Lyric Theater-Library and Cultural Center	990,000	200,020	78,516	278,535
D1471	Project Initiation for Commercial Revitalization	350,000	229,459	6,127	235,586
D1472	Redevelopment Plan Implementation	2,970,000	2,686,169	283,831	2,970,000
D1477	NRZ Improvements	2,722,500	1,033,623	215,500	1,249,123
D1478	State/Federal Matching Fund	193,142	193,142		193,142
D1479	iQuilt Improvement Fund	990,000	580,585	2,040	582,626
D1515	Neighborhood Devel. & Ho	2,970,000	1,013,440		1,013,440
D1645	Neighborhood Dev. Housing Rev	1,000,000	310,255		310,255
D1646	Redevelopment and Implementation	3,000,000	2,888,805	(218,538)	2,670,267
D1649	Emergency Demolition Funds		58,475	(58,475)	
D1650	Document Conversion	297,013	298,485	(1,472)	297,013
D1652	Planning and Economic Develop	500,000	132,191	36,943	169,134
D1725	Redevelopment and Implementation	2,000,000	72,728	(69,925)	2,803
D1728	Participatory Budget	1,000,000	240,912	35,035	275,947
D1852	Redevelopment and Implementation	2,000,000			
D1853	Emergency Demolition Funds	200,000		200,000	200,000

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CITY OF HARTFORD, CONNECTICUT
 SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
 FOR THE YEAR ENDED JUNE 30, 2019

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		Cumulative Total
			Prior to July 1, 2018	Current Period	
D1854	Document Conversion	\$ 22,415	\$ 22,415	\$	\$ 22,415
D1857	Participatory Budget	500,000	37,500	37,500	75,000
D2637	Former Lyric Theater Building	750,000	678,147	71,853	750,000
D2639	Federal/State Matching Fund	200,000	163,099	36,901	200,000
D9584	Neighborhood Development Fund	3,997,459	3,990,459	7,000	3,997,459
W1408	Energy Projects	594,000	502,899		502,899
W1636	Refuse Carts	500,000	481,080		481,080
W1637	Flood Control	18,845,000	4,760,256	735,112	5,495,368
W1639	Roof Replacement	500,000	196,474	29,414	225,888
W1640	Municipal Facilities Renovation	939,484	940,684	(1,200)	939,484
W1643	Building Demolition	250,000	23,816	226,185	250,000
W1711	Traffic Calming	200,000			
W1714	Bridge Repairs	200,000	19,988	12,934	32,922
W1716	Oil Tanks	250,000	10,989	208,332	219,321
W1719	Municipal Facilities Renovations	2,000,000	1,041,462	794,759	1,836,221
W1808	Neighborhood Environmental Improv	1,000,000	329,203	425,928	755,131
W1831	City-Wide ADA Improvements	2,000,000		326,943	326,943
W1832	City-wide Fencing	150,000			
W1833	Milling and Paving	1,000,000		31,135	31,135
W1834	Sidewalks	9,150			
W1835	Street Signage	350,000			
W1836	Street Lights	300,000	240,447	46,735	287,182
W1837	Traffic Calming	250,000			
W1838	Streetscapes	1,250,000			
W1839	Street Signalization	1,200,000		2	2
W1840	Bridge Repairs	500,000			
W1841	Refuse Carts	250,000			
W1842	Flood Control	1,000,000			
W1843	Oil Tanks	250,000			
W1844	City-wide Security	250,000			
W1845	Roof Replacement	500,000			
W1846	Municipal Facilities Renovations	1,211,015		119,524	119,524

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CITY OF HARTFORD, CONNECTICUT
 SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
 FOR THE YEAR ENDED JUNE 30, 2019

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		Cumulative Total
			Prior to July 1, 2018	Current Period	
W1847	Energy Projects	\$ 1,250,000	\$	\$	\$
W1848	Building Demolition	250,000		119,031	119,031
W1849	Library Reno, Improv. & Upgrades	1,500,000			
W1902	Citywide ADA Improvements	2,600,000			
W1903	Citywide Roof Replacement	400,000			
W8202	Energy Projects	1,939,925	1,942,051	(2,126)	1,939,925
Total Public Works Projects		71,241,103	25,640,573	3,698,642	29,339,215
Public Safety Projects:					
W1801	Citywide Radio System Improvements	1,000,000			
W1802	Police Camera Systems and Related Equipment	982,720			
W1803	Vehicles, Technology & Other Equip.	2,819,000			
W1804	Firing Range Renov. & Safety Enhancement	100,000			
Total Public Safety Projects		4,901,720	-	-	-
Recreation and Culture Projects:					
W1506	Dillon Stadium Improvement	8,910,000	1,261,059		1,261,059
W1626	Golf Courses	4,000,000	3,999,274		3,999,274
W1705	Park Improvement & Playground Enhancement	400,000	292,084	82,533	374,617
W1706	Neighborhood Environmental Improv.	199,404	198,039	1,365	199,404
W1805	Citywide Bathroom Buildings - Parks	250,000			
W1806	Colt Park Improvements	450,000			
W1807	Walter "Doc" Hurley Statue	250,000			
W1809	Riverfront Park Walk and Bike Path	1,500,000			
W1810	Colt Park Athletic Fields	1,500,000			
Total Recreation and Culture Projects		17,459,404	5,750,456	83,898	5,834,354
Total Facility Services		93,602,227	31,391,029	3,782,540	35,173,569

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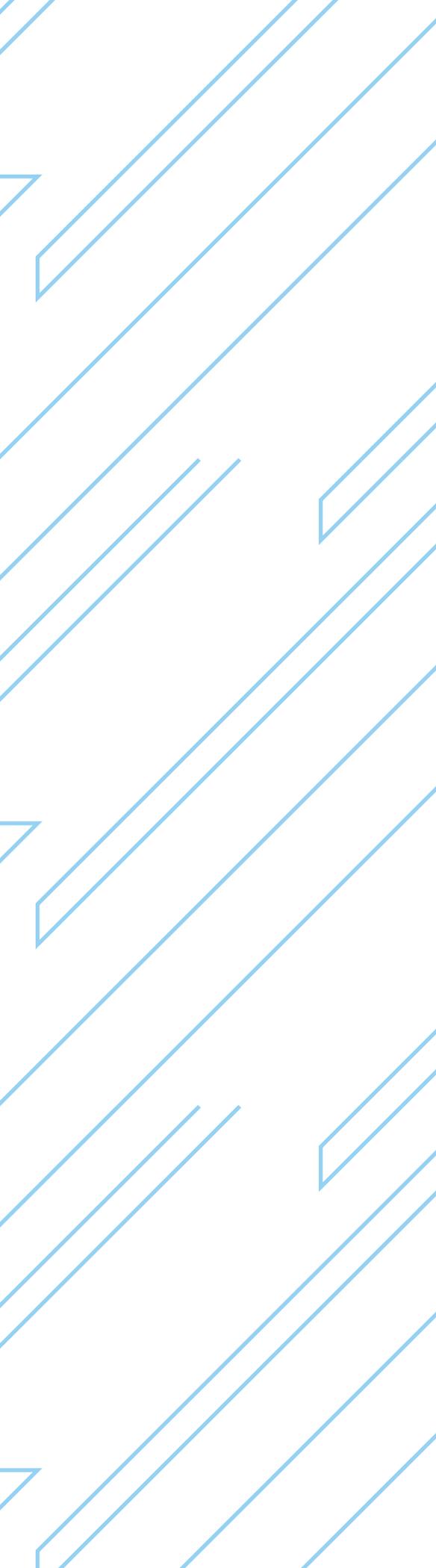
CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2019

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		
			Prior to July 1, 2018	Current Period	Cumulative Total
Engineering Services					
Public Works Projects:					
W1316	Flood Control Design and Improvements	\$ 2,470,537	\$ 2,459,909	\$ 10,629	\$ 2,470,537
W1320	Colt Gateway Streetscape Phase 1	13,900,000	4,569,109	84,575	4,653,684
W1425	Flood Control Design and Improvements	4,050,656	4,008,786	41,870	4,050,656
W1613	Farmington/Broad/Asylum Intersection	3,500,000	13,362		13,362
W1615	Traffic Calming	500,000	467,095	18,119	485,214
W1616	Coltsville Streetscape	849,656	781,921	30,223	812,145
W2629	Flood Control Design & Improvements	2,666,036	2,666,036		2,666,036
W4548	Riverwalk North Project	4,685,762	4,685,762		4,685,762
W8510	Reconstruction of Asylum St. from Main St to Trumbull St	1,066,519	1,066,519		1,066,519
W8523	Extension of Mark Twain Dr.	2,667,798	2,667,798		2,667,798
W8562	Match Funds for State/Federal Infrastructure Grants FYE2008 Appropriation	992,753	1,189,731	(196,978)	992,753
W9511	Streetscape Projects - North & South	2,000,000	1,295,130	498,505	1,793,635
W9562	Match Funds for State/Federal Infrastructure Grants FYE 2009	1,388,016	1,393,855	(5,839)	1,388,016
Total Engineering Services		40,737,732	27,265,014	481,103	27,746,117
Transportation Services					
Public Works Projects:					
W1339	CMAQ-TRAFFIC CONTROL SYSTEM	2,848,835	235,946	27,886	263,832
W1429	Complete Streets - Streetscape	14,900,000	13,758,266	126,060	13,884,326
W1509	Sidewalks	980,850	515,401	428,979	944,380
W1633	Streetscapes	1,750,000	450,377	(450,122)	255
W1634	Street Signalization	1,800,000	1,670,727	129,273	1,800,000
W1713	Street Signalization	430,000	258,151	(37,288)	220,863
W1904	Streetlight Poles and Fixtures	200,000		12,999	12,999
W1905	Maple & Jefferson Traffic Signalization	1,054,566		131,740	131,740
W1906	Roundabout Albany, High and Main	32,905			
W1907	Traffic Signalization	2,000,000			
Total Transportation Services		25,997,156	16,888,867	369,528	17,258,394

(Continued on next page)

**CITY OF HARTFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS - CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2019**

PROJECT NUMBER	DESCRIPTION	Total Budget	Expenditures		Cumulative Total
			Prior to July 1, 2018	Current Period	
Development Services					
D1375	Redevelopment	\$ 500,000	\$ 382,181	\$ 117,819	\$ 500,000
D1850	Neighborhood Anti-Blight & Housing	2,000,000			
D1851	Federal/State Grant Matching Funds	225,000			
D1855	Growing Hartford Businesses	1,500,000			
D1856	Planning and Economic Development	350,000			
D1908	Barthscape	100,000			
D1909	Main Street Streetscape OPM Grant	1,250,000			
D1910	Redevelopment, Planning & Econ Dev	500,000			
Total Development Services		6,425,000	382,181	117,819	500,000
Local Capital Improvement Program					
Public Works Projects:					
W1606	Repair of 12 City Bridges	900,000	143,949	76,565	220,514
W1608	Traffic Signals & Cameras	1,500,000	525,814	42,643	568,457
W2628	Traffic Signalization	750,000	621,553	15,016	636,569
Total Local Capital Improvement Program		3,150,000	1,291,316	134,224	1,425,540
Other:					
W9913	2013 BOND and BAN Sale	1,172,900	1,172,900		1,172,900
W9990	CIP Reserve	1,500,000			
W9995	Year End GAAP Adjustments			(69,278)	
W0000	Other	3,379,118	3,379,118		3,379,118
Total Other		6,052,018	4,552,018	(69,278)	4,552,018
TOTAL FUND 4031 - Capital Grant Fund		\$ 175,964,134	\$ 81,770,424	\$ 4,815,936	\$ 86,655,639
TOTAL CIP (FUNDS 4029-4031)		\$ 1,213,027,338	\$ 643,152,718	\$ 89,480,038	\$ 732,832,815



Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are established in the City pursuant to State Statutes and local ordinance or resolution. Special revenue funds are a governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

Fund	Funding Source	Function
Section 8	Federal grants	Housing assistance
Miscellaneous Grants	State, federal, other grants	Various programs
Food Services Program	State and federal grants, and sales of food	School lunch and breakfast programs
Health Grants	State and federal grants	Health and human services
Library Grants	Grants & contributions	Public library system
Community Development	Federal block grants	Housing and development
Home Program	Federal grants	Affordable housing
Great Path Academy	State grants	Education
Parks & Recreation Trusts	Donation & trust income	Park and recreation
Special Activities	Fees for community use of schools	Education

Capital Projects Funds

Capital Projects Funds are used to account for financial resource to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds or trust funds). The City's three nonmajor capital projects funds include the Redevelopment Fund, Capital Leases and HUD Special Projects Fund. The Redevelopment Fund accounts for the acquisition and improvement of properties for future development. The Capital Leases Fund accounts for the financing and acquisition of city vehicles and heavy equipment. The HUD Special Projects Fund accounts for special project funding used for urban development.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes as defined by the grantor. The City's permanent trust funds include funds for public safety, parks and recreation, human services, and education.

CITY OF HARTFORD, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019
 (In Thousands)

	Special Revenue Funds									
	Section 8	Misc-ellane-ous Grants	Food Service Program	Health Grants	Community Development Act	HOME Program	Library Grants	Parks and Rec-reation Trusts	Great Path Academy	Special Activities
ASSETS										
Cash and cash equivalents	\$ 2,236	\$ 2,400	\$ 2,019	\$ 400	\$ 123	\$	\$ 886	\$	\$ 1,943	\$ 780
Investments								445		
Intergovernmental receivable	3	4,011	2,262	946	907	56	74			
Other receivables, net		5,302		241			34			180
Total Assets	<u>\$ 2,239</u>	<u>\$ 11,713</u>	<u>\$ 4,721</u>	<u>\$ 1,587</u>	<u>\$ 1,030</u>	<u>\$ 56</u>	<u>\$ 994</u>	<u>\$ 445</u>	<u>\$ 1,943</u>	<u>\$ 960</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Bank overdraft	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	49	2,314	400	1,082	682	3	206		394	
Due to other funds						53				
Unearned revenue	2,190	8,787		505			788			
Total liabilities	<u>2,239</u>	<u>11,101</u>	<u>400</u>	<u>1,587</u>	<u>682</u>	<u>56</u>	<u>994</u>	<u>-</u>	<u>394</u>	<u>-</u>
Deferred Inflows of Resources:										
Unavailable revenue		695		224						130
Total deferred inflows of resources	<u>-</u>	<u>695</u>	<u>-</u>	<u>224</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130</u>
Fund Balances:										
Nonspendable			440							
Restricted			3,881		348			445	1,549	
Committed										
Assigned										830
Unassigned		(83)		(224)						
Total fund balances	<u>-</u>	<u>(83)</u>	<u>4,321</u>	<u>(224)</u>	<u>348</u>	<u>-</u>	<u>-</u>	<u>445</u>	<u>1,549</u>	<u>830</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,239</u>	<u>\$ 11,713</u>	<u>\$ 4,721</u>	<u>\$ 1,587</u>	<u>\$ 1,030</u>	<u>\$ 56</u>	<u>\$ 994</u>	<u>\$ 445</u>	<u>\$ 1,943</u>	<u>\$ 960</u>

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CITY OF HARTFORD, CONNECTICUT
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019
 (In Thousands)

	Capital Project Funds			Permanent Funds				Total
	Capital Leases	Redevelopment Fund	HUD Special Projects Fund	Public Safety	Parks and Recreation Trusts	Human Services Trusts	Education Trusts	
ASSETS								
Cash and cash equivalents	\$ 6,789	\$ 3,669	\$	\$	\$	\$	\$	\$ 21,245
Investments				2	23,222	5,262	165	29,096
Intergovernmental receivable			4,200		1,200			8,259
Other receivables, net								11,157
Total Assets	<u>\$ 6,789</u>	<u>\$ 3,669</u>	<u>\$ 4,200</u>	<u>\$ 2</u>	<u>\$ 24,422</u>	<u>\$ 5,262</u>	<u>\$ 165</u>	<u>\$ 70,197</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Bank overdraft	\$	\$	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	1,065				1,846			8,041
Due to other funds								53
Unearned revenue	195							12,465
Total liabilities	<u>1,260</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,846,000</u>	<u>-</u>	<u>-</u>	<u>20,559</u>
Deferred Inflows of Resources:								
Unavailable revenue		1,662						2,711
Total deferred inflows of resources	<u>-</u>	<u>1,662</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,711</u>
Fund Balances:								
Nonspendable					8,150	197	11	8,798
Restricted			4,200	2	14,426	5,065	154	30,070
Committed	5,529	2,007						7,536
Assigned								830
Unassigned								(307)
Total fund balances	<u>5,529</u>	<u>2,007</u>	<u>4,200</u>	<u>2</u>	<u>22,576</u>	<u>5,262</u>	<u>165</u>	<u>46,927</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 6,789</u>	<u>\$ 3,669</u>	<u>\$ 4,200</u>	<u>\$ 2</u>	<u>\$ 24,422</u>	<u>\$ 5,262</u>	<u>\$ 165</u>	<u>\$ 70,197</u>

CITY OF HARTFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019
 (In Thousands)

	Special Revenue Funds									
	Section 8	Misc-ellane-ous Grants	Food Service Program	Health Grants	Community Development Act	HOME Program	Library Grants	Parks and Rec-reation Trusts	Great Path Academy	Special Activities
Revenues:										
Intergovernmental	\$ 47,547	\$ 26,130	\$ 14,227	\$ 8,680	\$ 4,444	\$ 652	\$ 1,177	\$	\$ 4,602	\$
Charges for services		8,384	1,513				312	18		220
Investment income					8			30		7
Other revenues		2								
Total revenues	<u>47,547</u>	<u>34,516</u>	<u>15,740</u>	<u>8,680</u>	<u>4,452</u>	<u>652</u>	<u>1,489</u>	<u>48</u>	<u>4,602</u>	<u>227</u>
Expenditures:										
Current:										
General government		104			651					
Public safety		14,164			20					
Public works		3								
Department and community affairs	1,744	2,121			1,493	652	441			
Human services	45,803			9,337	1,899					
Education			15,172		233				3,836	
Recreation and culture		10,842			149		1,048	4		
Capital outlay										
Debt service										
Total expenditures	<u>47,547</u>	<u>27,234</u>	<u>15,172</u>	<u>9,337</u>	<u>4,445</u>	<u>652</u>	<u>1,489</u>	<u>4</u>	<u>3,836</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>7,282</u>	<u>568</u>	<u>(657)</u>	<u>7</u>	<u>-</u>	<u>-</u>	<u>44</u>	<u>766</u>	<u>227</u>
Other Financing Sources (Uses):										
Transfers in		634		682						
Transfers out		(5,028)								
Total other financing sources (uses)	<u>-</u>	<u>(4,394)</u>	<u>-</u>	<u>682</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	2,888	568	25	7	-	-	44	766	227
Fund Balances at Beginning of Year	-	(2,971)	3,753	(249)	341	-	-	401	783	603
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ (83)</u>	<u>\$ 4,321</u>	<u>\$ (224)</u>	<u>\$ 348</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 445</u>	<u>\$ 1,549</u>	<u>\$ 830</u>

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CITY OF HARTFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019
 (In Thousands)

	Capital Project Funds			Permanent Funds				Total
	Capital Leases	Redevelopment Fund	HUD Special Projects Fund	Public Safety	Parks and Recreation Trusts	Human Services Trusts	Education Trusts	
Revenues:								
Intergovernmental	\$	\$	\$ 88	\$	\$	\$	\$	\$ 107,547
Charges for services		20						10,467
Investment income		40	170	1	479	299	11	1,045
Other revenues	(195)							(193)
Total revenues	<u>(195)</u>	<u>60</u>	<u>258</u>	<u>1</u>	<u>479</u>	<u>299</u>	<u>11</u>	<u>118,866</u>
Expenditures:								
Current:								
General government	167							922
Public safety								14,184
Public works								3
Department and community affairs								6,451
Human services						148		57,187
Education							3	19,244
Recreation and culture					150			12,193
Capital outlay	2,206							2,206
Debt service	1,776		521					2,297
Total expenditures	<u>4,149</u>	<u>-</u>	<u>521</u>	<u>-</u>	<u>150</u>	<u>148</u>	<u>3</u>	<u>114,687</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(4,344)</u>	<u>60</u>	<u>(263)</u>	<u>1</u>	<u>329</u>	<u>151</u>	<u>8</u>	<u>4,179</u>
Other Financing Sources (Uses):								
Transfers in	9,577							10,893
Transfers out					(3,016)			(8,044)
Total other financing sources (uses)	<u>9,577</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,016)</u>	<u>-</u>	<u>-</u>	<u>2,849</u>
Net Change in Fund Balances	5,233	60	(263)	1	(2,687)	151	8	7,028
Fund Balances at Beginning of Year	296	1,947	4,463	1	25,263	5,111	157	39,899
Fund Balances at End of Year	<u>\$ 5,529</u>	<u>\$ 2,007</u>	<u>\$ 4,200</u>	<u>\$ 2</u>	<u>\$ 22,576</u>	<u>\$ 5,262</u>	<u>\$ 165</u>	<u>\$ 46,927</u>



Nonmajor Enterprise Funds

NONMAJOR ENTERPRISE FUNDS

Nonmajor Enterprise Funds are used to account for ongoing organizations and activities which are similar to those found in the private sector.

Hartford Parking Facilities – is used to account for revenues and expenditures related to the Parking Fund.

Golf Course – is used to account for revenues and expenditures related to the City's Golf Courses.

CITY OF HARTFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION - NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2019
(In Thousands)

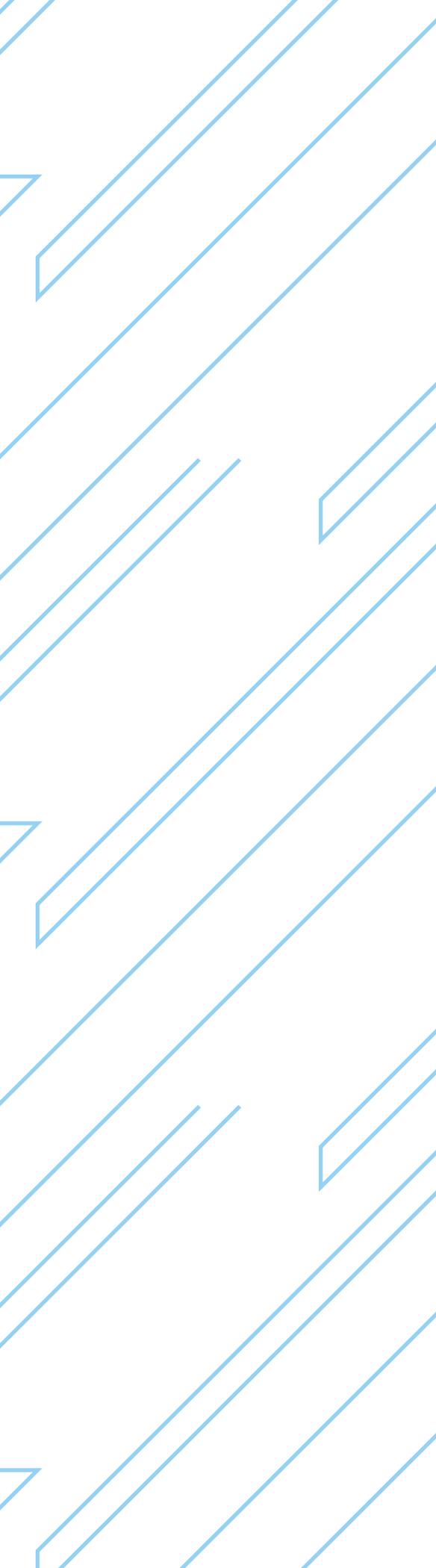
	Hartford Parking Facilities	Golf Course	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 1,967	\$ 264	\$ 2,231
Receivables, net		66	66
Due from component unit	1,243		1,243
Total current assets	3,210	330	3,540
Noncurrent assets:			
Capital assets:			
Not being depreciated	5,935	152	6,087
Being depreciated, net	10,043	4,929	14,972
Total noncurrent assets	15,978	5,081	21,059
Total assets	19,188	5,411	24,599
Liabilities:			
Current liabilities:			
Accounts payable	100	306	406
Due to other funds	1,985	1,410	3,395
Current maturities of bonds payable	87		87
Total current liabilities	2,172	1,716	3,888
Noncurrent liabilities:			
Bonds payable	1,743		1,743
Total noncurrent liabilities	1,743	-	1,743
Total liabilities	3,915	1,716	5,631
Net Position:			
Net investment in capital assets	14,148	5,081	19,229
Unrestricted	1,125	(1,386)	(261)
Total Net Position	\$ 15,273	\$ 3,695	\$ 18,968

**CITY OF HARTFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET POSITION - NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019
 (In Thousands)**

	<u>Hartford Parking Facilities</u>	<u>Golf Course</u>	<u>Total</u>
Operating Revenues:			
Charges for services	\$ 4,096	\$ 1,535	\$ 5,631
Miscellaneous	13		13
Total operating revenues	<u>4,109</u>	<u>1,535</u>	<u>5,644</u>
Operating Expenses:			
Operations	156	1,884	2,040
Depreciation and amortization	799	210	1,009
Total operating expenses	<u>955</u>	<u>2,094</u>	<u>3,049</u>
Operating Income (Loss)	<u>3,154</u>	<u>(559)</u>	<u>2,595</u>
Nonoperating Expenses:			
Interest expense	<u>(8)</u>		<u>(8)</u>
Total nonoperating expenses	<u>(8)</u>	<u>-</u>	<u>(8)</u>
Income (Loss) Before Capital Contributions and Transfers	3,146	(559)	2,587
Transfers in		268	268
Transfers out	<u>(3,109)</u>		<u>(3,109)</u>
Change in Net Position	37	(291)	(254)
Net Position at Beginning of Year	<u>15,236</u>	<u>3,986</u>	<u>19,222</u>
Net Position at End of Year	<u>\$ 15,273</u>	<u>\$ 3,695</u>	<u>\$ 18,968</u>

CITY OF HARTFORD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS - NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)

	Hartford Parking Facilities	Golf Course	Total
Cash Flows from Operating Activities:			
Receipts from customers and users	\$ 3,998	\$ 1,512	\$ 5,510
Payments to suppliers	(156)	(1,928)	(2,084)
Receipts from interfund services used	308		308
Net cash provided by (used in) operating activities	<u>4,150</u>	<u>(416)</u>	<u>3,734</u>
Cash Flows from Capital and Related Financing Activities:			
Transfer in		268	268
Transfer to General Fund	(3,109)		(3,109)
Principal paid on bonds	(444)		(444)
Interest paid on bonds	(8)		(8)
Purchase of capital assets	(253)		(253)
Net cash provided by (used in) noncapital financing activities	<u>(3,814)</u>	<u>268</u>	<u>(3,546)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	336	(148)	188
Cash and Cash Equivalents at Beginning of Year	<u>1,631</u>	<u>412</u>	<u>2,043</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,967</u>	<u>\$ 264</u>	<u>\$ 2,231</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating income (loss)	\$ 3,154	\$ (559)	\$ 2,595
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	799	210	1,009
Change in assets and liabilities:			
(Increase) decrease in accounts receivable		(23)	(23)
(Increase) decrease in due from other funds	(207)		(207)
Increase (decrease) in accounts payable and accrued liabilities	(111)	(44)	(155)
Increase (decrease) in due to other funds	515		515
Total adjustments	<u>996</u>	<u>143</u>	<u>1,139</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 4,150</u>	<u>\$ (416)</u>	<u>\$ 3,734</u>



Internal Service Funds

INTERNAL SERVICE FUNDS

Internal service funds are used to report any activity that provides goods or services to other funds, departments, or agencies of the City, or to other governments, on a cost-reimbursement basis.

The City maintains four (4) internal service funds to account for the risk management program for employee benefits including retirees, actives, workers' compensation, and general liability, including property damage.

An internal service fund is also maintained for the Metro Hartford Information Services Fund (MHIS). The accounting and reporting for the centralized computer services, including communication systems, is maintained through this internal service fund.

CITY OF HARTFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2019
(In Thousands)

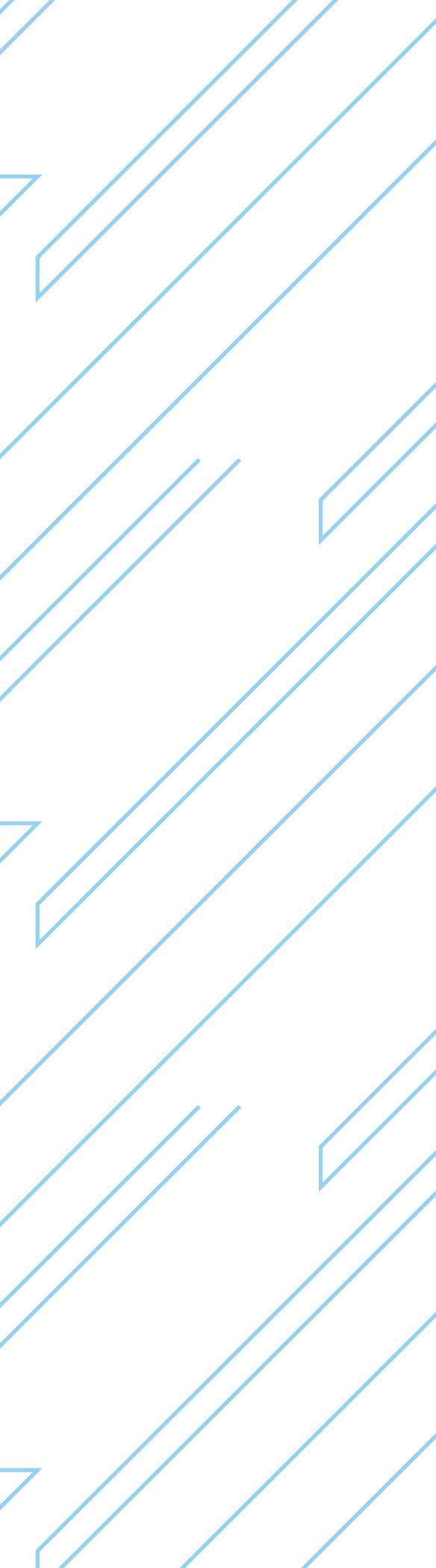
	<u>Workers'</u> <u>Compensation</u>	<u>Liability and</u> <u>Property</u> <u>Damage</u>	<u>Metro Hartford</u> <u>Information</u> <u>Services</u>	<u>Retirees</u>	<u>Actives</u>	<u>Total</u>
Assets:						
Current assets:						
Cash and cash equivalents	\$ 4,467	\$ 578	\$ 135	\$ 1,560	\$ 11,840	\$ 18,580
Accounts receivable, net				268	212	480
Total assets	<u>4,467</u>	<u>578</u>	<u>135</u>	<u>1,828</u>	<u>12,052</u>	<u>19,060</u>
Liabilities:						
Current liabilities:						
Accounts payable and accrued liabilities	377	298	135	514	3,081	4,405
Insurance claims payable	13,150	1,300				14,450
Claims incurred but not reported				1,314	6,016	7,330
Total current liabilities	<u>13,527</u>	<u>1,598</u>	<u>135</u>	<u>1,828</u>	<u>9,097</u>	<u>26,185</u>
Noncurrent liabilities:						
Claims incurred but not reported	<u>10,850</u>	<u>4,500</u>				<u>15,350</u>
Total liabilities	<u>24,377</u>	<u>6,098</u>	<u>135</u>	<u>1,828</u>	<u>9,097</u>	<u>41,535</u>
Net Position:						
Unrestricted	<u>\$ (19,910)</u>	<u>\$ (5,520)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,955</u>	<u>\$ (22,475)</u>

**CITY OF HARTFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET POSITION - INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019
 (In Thousands)**

	<u>Workers' Compensation</u>	<u>Liability and Property Damage</u>	<u>Metro Hartford Information Services</u>	<u>Retirees</u>	<u>Actives</u>	<u>Total</u>
Operating Revenues:						
Charges for services - employer	\$ 8,444	\$ 2,855	\$ 5,696	\$	\$ 58,156	\$ 75,151
Charges for services - employees				8,852	14,747	23,599
Other		23		552	3,163	3,738
Total operating revenues	<u>8,444</u>	<u>2,878</u>	<u>5,696</u>	<u>9,404</u>	<u>76,066</u>	<u>102,488</u>
Operating Expenses:						
Administrative	4	198		1,221	2,541	3,964
Operations			5,995			5,995
Insurance benefits claims paid	7,994	2,680		8,183	72,976	91,833
Total operating expenses	<u>7,998</u>	<u>2,878</u>	<u>5,995</u>	<u>9,404</u>	<u>75,517</u>	<u>101,792</u>
Change in Net Position	446	-	(299)	-	549	696
Net Position at Beginning of Year	<u>(20,356)</u>	<u>(5,520)</u>	<u>299</u>	<u>-</u>	<u>2,406</u>	<u>(23,171)</u>
Net Position at End of Year	<u>\$ (19,910)</u>	<u>\$ (5,520)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,955</u>	<u>\$ (22,475)</u>

**CITY OF HARTFORD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)**

	<u>Workers' Compensation</u>	<u>Liability and Property Damage</u>	<u>Metro Hartford Information Services</u>	<u>Retirees</u>	<u>Actives</u>	<u>Total</u>
Cash Flows from Operating Activities:						
City's contribution	\$ 8,444	\$ 2,855	\$ 5,696	\$	\$ 58,156	\$ 75,151
Cash received from other		23		404	3,246	3,673
Cash received from users				8,852	14,747	23,599
Cash payments for claims and operations	<u>(8,592)</u>	<u>(2,300)</u>	<u>(6,334)</u>	<u>(9,969)</u>	<u>(74,108)</u>	<u>(101,303)</u>
Net cash provided by (used in) operating activities	<u>(148)</u>	<u>578</u>	<u>(638)</u>	<u>(713)</u>	<u>2,041</u>	<u>1,120</u>
Net change in cash	(148)	578	(638)	(713)	2,041	1,120
Cash and Cash Equivalents at Beginning of Year	<u>4,615</u>		<u>773</u>	<u>2,273</u>	<u>9,799</u>	<u>17,460</u>
Cash and Cash Equivalents at End of Year	<u>\$ 4,467</u>	<u>\$ 578</u>	<u>\$ 135</u>	<u>\$ 1,560</u>	<u>\$ 11,840</u>	<u>\$ 18,580</u>
Reconciliation of Income (Loss) from Operations to						
Net Cash Provided by (Used in) Operating Activities:						
Income (loss) from operations	\$ 446	\$	\$ (299)	\$	\$ 549	\$ 696
Adjustments to reconcile income (loss) from operations						
to net cash provided by (used in) operating activities:						
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable				(148)	83	(65)
Increase (decrease) in accounts payable	(194)	278	(339)	(42)	1,099	802
Increase (decrease) in claims payable	<u>(400)</u>	<u>300</u>		<u>(523)</u>	<u>310</u>	<u>(313)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (148)</u>	<u>\$ 578</u>	<u>\$ (638)</u>	<u>\$ (713)</u>	<u>\$ 2,041</u>	<u>\$ 1,120</u>



Fiduciary Funds

FIDUCIARY FUNDS

Pension and Other Post-Employment Benefits Trust Funds

The pension and other post-employment benefits (OPEB) trust funds are used to account for the activities of the Hartford Retirement System, which accumulates resources for pension benefit payments to qualified City employees and the activities of the OPEB trust fund, which accounts for the health and other post-employment benefits provided to eligible retirees and their spouses.

Agency Funds

Agency funds are used to report resources held by the City in a purely custodial capacity (assets equal liabilities).

The City reports student activities, including class events and various other functions of the Hartford Public School System within the School Agency Funds. Additionally, the City collects funds in a custodial capacity through tax collection for Connecticut Green Bank (C-Pace), Park Street Special District Fund, and Downtown Business District Fund.

**CITY OF HARTFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
TRUST FUNDS
JUNE 30, 2019
(In Thousands)**

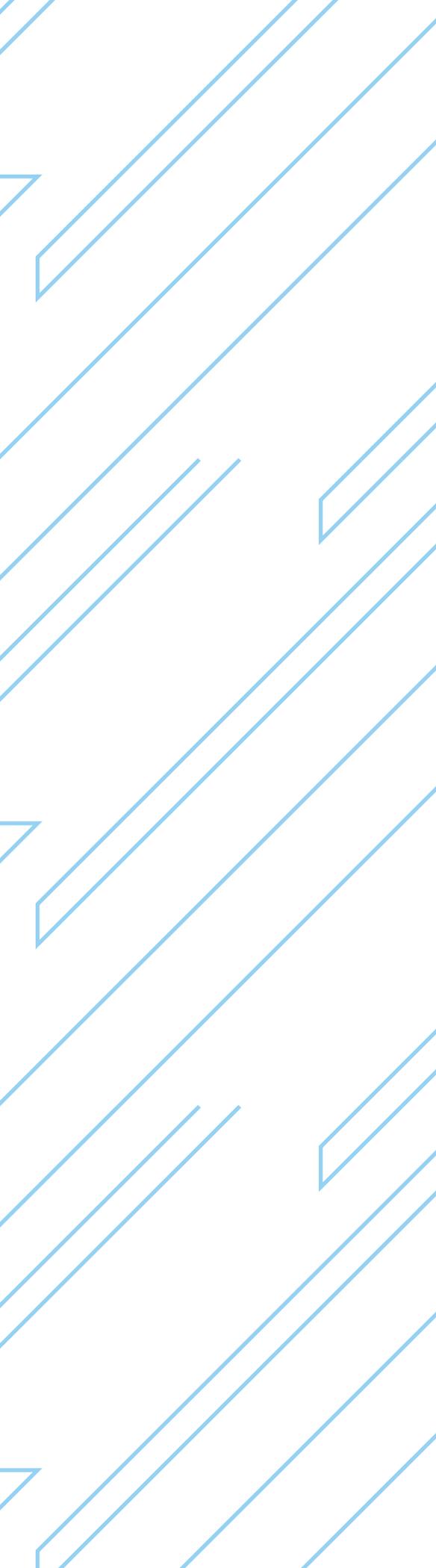
	Pension Trust Funds					Total
	Municipal Employees' Retirement Fund	Retirement Allowance Fund	Fireman's Relief Fund	Police Benevolent Fund	OPEB Trust Fund	
Assets:						
Cash and cash equivalents	\$ 59,824	\$	\$	\$	\$ 3,181	\$ 63,005
Investments, at fair value:						
U.S. government agencies	13,712					13,712
U.S. government securities	77,842					77,842
Corporate bonds	84,645					84,645
Foreign bonds	3,398					3,398
Municipal bonds	1,271					1,271
Mutual funds					13,191	13,191
Alternative investments	199,293					199,293
Common and collective trusts	335,913					335,913
Land	5,000					5,000
Real estate funds	65,636					65,636
Equities	208,015				6,244	214,259
Total investments	<u>994,725</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,435</u>	<u>1,014,160</u>
Receivables:						
Accounts receivable	<u>60,624</u>					<u>60,624</u>
Total assets	<u>1,115,173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,616</u>	<u>1,137,789</u>
Liabilities:						
Accounts payable and accrued liabilities	<u>65,915</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,915</u>
Net Position:						
Restricted for Pension and OPEB Benefits	<u>\$ 1,049,258</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,616</u>	<u>\$ 1,071,874</u>

CITY OF HARTFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2019
(In Thousands)

	Pension Trust Funds					Total
	Municipal Employees Retirement Fund	Retirement Allowance Fund	Fireman's Relief Fund	Police Benevolent Fund	OPEB Trust Fund	
Additions:						
Contributions:						
Employer	\$ 44,455	\$ 28	\$ 96	\$ 232	\$ 15,848	\$ 60,659
Plan members	13,942				730	14,672
Total contributions and other revenue	<u>58,397</u>	<u>28</u>	<u>96</u>	<u>232</u>	<u>16,578</u>	<u>75,331</u>
Investment earnings:						
Net increase in fair value of investments	51,356				747	52,103
Interest and dividends	22,398				414	22,812
Total investment earnings	<u>73,754</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,161</u>	<u>74,915</u>
Less investment expenses:						
Investment management fees	7,998				8	8,006
Net investment income	<u>65,756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,153</u>	<u>66,909</u>
Total additions	<u>124,153</u>	<u>28</u>	<u>96</u>	<u>232</u>	<u>17,731</u>	<u>142,240</u>
Deductions:						
Benefits	116,283	28	96	232	16,302	132,941
Administration	2,487				18	2,505
Total deductions	<u>118,770</u>	<u>28</u>	<u>96</u>	<u>232</u>	<u>16,320</u>	<u>135,446</u>
Change in net position	5,383	-	-	-	1,411	6,794
Net Position at Beginning of Year	<u>1,043,875</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,205</u>	<u>1,065,080</u>
Net Position at End of Year	<u>\$ 1,049,258</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,616</u>	<u>\$ 1,071,874</u>

**CITY OF HARTFORD, CONNECTICUT
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2019
 (In Thousands)**

	<u>Balance July 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2019</u>
Student Activity Fund				
Assets:				
Cash and cash equivalents	\$ <u>910</u>	\$ <u>810</u>	\$ <u>880</u>	\$ <u>840</u>
Liabilities:				
Due to student groups	\$ <u>910</u>	\$ <u>810</u>	\$ <u>880</u>	\$ <u>840</u>
C-PACE Program Fund				
Assets:				
Cash and cash equivalents	\$ <u>2</u>	\$ <u>1,333</u>	\$ <u>1,335</u>	\$ <u>-</u>
Liabilities:				
Fiduciary deposits	\$ <u>2</u>	\$ <u>1,333</u>	\$ <u>1,335</u>	\$ <u>-</u>
Park Street Special District Fund				
Assets:				
Cash and cash equivalents	\$ <u>-</u>	\$ <u>83</u>	\$ <u>83</u>	\$ <u>-</u>
Liabilities:				
Fiduciary deposits	\$ <u>-</u>	\$ <u>83</u>	\$ <u>83</u>	\$ <u>-</u>
Downtown Business District Fund				
Assets:				
Cash and cash equivalents	\$ <u>-</u>	\$ <u>911</u>	\$ <u>911</u>	\$ <u>-</u>
Liabilities:				
Fiduciary deposits	\$ <u>-</u>	\$ <u>911</u>	\$ <u>911</u>	\$ <u>-</u>
Total Agency Funds				
Assets:				
Cash and cash equivalents	\$ <u>912</u>	\$ <u>3,137</u>	\$ <u>3,209</u>	\$ <u>840</u>
Liabilities:				
Fiduciary deposits	\$ <u>912</u>	\$ <u>3,137</u>	\$ <u>3,209</u>	\$ <u>840</u>



Statistical Section

STATISTICAL SECTION INFORMATION

The objectives of the statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to understand and assess economic condition.

Statistical section information is presented in the following categories:

- *Financial trends information* is intended to assist users in understanding and assessing how financial position has changed over time.
- *Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting the ability to generate *own-source revenues* (property taxes, charges for services, etc.).
- *Debt capacity information* is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.
- *Demographic and economic information* is intended (1) to assist users in understanding the socioeconomic environment and (2) to provide information that facilitates comparisons of financial statement information over time and among governments.
- *Operating information* is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

Sources: Unless otherwise noted, the information in the tables is derived from the comprehensive annual financial reports for the relevant year.

CITY OF HARTFORD, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(in Thousands)

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental Activities:										
Net investment in capital assets	\$ 1,007,839	\$ 933,475	\$ 903,318	\$ 898,847	\$ 939,951	\$ 983,461	\$ 1,006,633	\$ 966,580	\$ 954,780	\$ 956,310
Restricted	67,554	81,961	79,842	73,285	75,640	75,720	73,049	70,155	62,466	63,564
Unrestricted	(642,000)	(629,525)	(380,721)	(317,247)	(247,809)	25,662	36,029	50,814	47,155	36,231
Total Governmental Activities Net Position	\$ <u>433,393</u>	\$ <u>385,911</u>	\$ <u>602,439</u>	\$ <u>654,885</u>	\$ <u>767,782</u>	\$ <u>1,084,843</u>	\$ <u>1,115,711</u>	\$ <u>1,087,549</u>	\$ <u>1,064,401</u>	\$ <u>1,056,105</u>
Business-Type Activities:										
Net investment in capital assets	\$ 18,375	\$ 18,815	\$ 15,792	\$ 15,923	\$ 15,316	\$ 26,732	\$ 33,910	\$ 34,623	\$ 35,417	\$ 36,256
Restricted										
Unrestricted	1,131	819	(953)	(1,552)	(577)	820	1,799	2,400	1,678	684
Total Business-Type Activities Net Position	\$ <u>19,506</u>	\$ <u>19,634</u>	\$ <u>14,839</u>	\$ <u>14,371</u>	\$ <u>14,739</u>	\$ <u>27,552</u>	\$ <u>35,709</u>	\$ <u>37,023</u>	\$ <u>37,095</u>	\$ <u>36,940</u>
Primary Government:										
Net investment in capital assets	\$ 1,026,214	\$ 952,290	\$ 919,110	\$ 914,770	\$ 955,267	\$ 1,010,193	\$ 1,040,543	\$ 1,001,203	\$ 990,197	\$ 992,566
Restricted	67,554	81,961	79,842	73,285	75,640	75,720	73,049	70,155	62,466	63,564
Unrestricted	(640,869)	(628,706)	(381,674)	(318,799)	(248,386)	26,482	37,828	53,214	48,833	36,915
Total Primary Government Net Position	\$ <u>452,899</u>	\$ <u>405,545</u>	\$ <u>617,278</u>	\$ <u>669,256</u>	\$ <u>782,521</u>	\$ <u>1,112,395</u>	\$ <u>1,151,420</u>	\$ <u>1,124,572</u>	\$ <u>1,101,496</u>	\$ <u>1,093,045</u>

**CITY OF HARTFORD, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(in Thousands)**

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses:										
Governmental activities:										
General government	\$ 199,352	\$ 127,405	\$ 106,179	\$ 101,834	\$ 86,715	\$ 69,912	\$ 72,050	\$ 72,165	\$ 58,302	\$ 61,687
Public safety	104,077	72,492	110,468	118,433	114,610	119,995	106,619	101,603	99,448	98,563
Public works	45,617	35,350	42,650	70,219	62,095	37,310	44,280	42,428	37,698	38,215
Development and community affairs	12,459	12,471	56,504	58,474	58,001	61,626	61,652	63,779	61,408	63,475
Human services	59,678	61,015	30,581	31,142	30,652	29,697	27,561	30,146	28,574	31,799
Education	21,757	22,677	558,270	571,999	563,815	544,398	503,475	487,717	472,210	477,009
Recreation and culture	449,116	443,410	10,113	11,858	12,135	10,064	10,106	9,728	9,332	9,632
Interest on long term debt	25,258	24,218	18,733	41,613	20,850	20,665	21,358	14,743	15,322	19,125
Total governmental activities expenses	917,314	799,038	933,498	1,005,572	948,873	893,667	847,101	822,309	782,294	799,505
Business-type activities:										
Hartford Parking Facilities	955	822	933	998	1,850	8,640	3,669	3,729	4,096	4,185
Golf course	2,102	2,284	1,841	1,810	893	200				
Stadium Authority	4,817	1,730	2,153	332	846					
Total business-type activities expenses	7,874	4,836	4,927	3,140	3,589	8,840	3,669	3,729	4,096	4,185
Total Primary Government Expenses	\$ 925,188	\$ 803,874	\$ 938,425	\$ 1,008,712	\$ 952,462	\$ 902,507	\$ 850,770	\$ 826,038	\$ 786,390	\$ 803,690
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 1,772	\$ 1,827	\$ 5,567	\$ 7,568	\$ 9,464	\$ 5,265	\$ 2,150	\$ 3,108	\$ 2,152	\$ 2,241
Public safety	8,513	7,097	2,601	2,977	3,761	6,132	9,119	1,772	2,472	1,739
Public works	187	195	7,157	9,353	9,257	9,289	7,464	10,378	10,770	10,089
Development and community affairs	7,107	9,066			127	861	529	886	1,417	1,633
Human services	344	464	56	2,941	3,669	3,953	501	2,706	3,709	2,315
Education	402	693	4,435	4,293	2,208	2,241	2,819	1,419	1,563	860
Recreation and culture	1,523	1,565	1,844	130	132	139	92	194	95	537
Operating grants and contributions:										
General government	2,021	5,291	7,595	18,618	19,710	7,854	6,849	6,406	1,475	1,439
Public safety	10,531	5,837	6,626	12,820	13,255	20,233	4,390	7,545	7,847	8,113
Public works			1,212	1,568	1,311	1,321	822	2,357	2,696	4,060
Development and community affairs	52,106	51,401	50,403	55,324	53,999	52,744	59,996	52,652	36,823	52,881
Human services	10,370	11,629	22,994	21,546	23,390	23,275	14,869	21,326	19,713	22,152
Education	13,827	14,530	398,812	394,426	389,889	375,369	377,585	353,704	338,665	331,517
Recreation and culture	374,178	301,130	1,861	1,592	1,822	1,952	1,407	1,178	1,398	720
Capital grants and contributions:										
Public works	1,499	17,291	11,452	8,169	5,469	7,053	2,302	4,118	6,665	6,369
Development and community affairs		247				3	2	18	2,997	5,538
Education	64,375	22,744	8,049	28,339	29,544	11,497	63,470	21,776	6,135	84,803
Recreation and culture										248
Total governmental activities program revenues	548,755	451,007	530,664	569,664	567,007	529,181	554,366	491,543	446,592	537,254

(Continued on next page)

CITY OF HARTFORD, CONNECTICUT
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(in Thousands)

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Business-type activities:										
Charges for Services:										
Parking facilities*	\$ 4,109	\$ 3,579	\$ 2,744	\$ 2,561	\$ 3,783	\$ 4,932	\$ 4,511	\$ 4,054	\$ 4,732	\$ 4,791
Golf course	1,535	6,288	2,220	1,453	398	758				
Stadium Authority	909	1,367								
Total business-type activities program revenues	6,553	11,234	4,964	4,014	4,181	5,690	4,511	4,054	4,732	4,791
Total Primary Government Program Revenues	555,308	462,241	535,628	573,678	571,188	534,871	558,877	495,597	451,324	542,045
Net revenues (expenses):										
Governmental activities	(368,559)	(348,031)	(402,834)	(435,908)	(381,866)	(364,486)	(292,735)	(330,766)	(335,702)	(262,251)
Business-type activities	(1,321)	6,398	37	874	592	(3,150)	842	325	636	606
Total Primary Government Net Expense	\$ (369,880)	\$ (341,633)	\$ (402,797)	\$ (435,034)	\$ (381,274)	\$ (367,636)	\$ (291,893)	\$ (330,441)	\$ (335,066)	\$ (261,645)
General Revenues and Other:										
Changes in Net Position:										
Governmental activities:										
Property taxes	\$ 285,346	\$ 292,067	\$ 267,921	\$ 269,989	\$ 260,063	\$ 267,234	\$ 256,943	\$ 290,165	\$ 283,835	\$ 272,939
Grants and contributions not restricted to specific programs	114,353	98,102	75,852	50,758	56,484	55,364	56,696	58,767	55,207	51,975
Unrestricted investment earnings	5,469	4,136	6,854	847	948	5,512	2,781	2,205	3,079	3,319
Other general revenues	12,003	10,861	115	109	128	498	2,317	2,377	1,389	2,367
Transfers	(1,130)	(1,574)	(354)	1,308	16,754	5,010	2,160	400	488	1,350
Total governmental activities	416,041	403,592	350,388	323,011	334,377	333,618	320,897	353,914	343,998	331,950
Business-type activities:										
Unrestricted investment earnings	63	(3,177)	61	66	4	3	4	3	7	1
Other general revenues			16							
Transfers	1,130	1,574	354	(1,308)	(16,754)	(5,010)	(2,160)	(400)	(488)	(1,350)
Special Item - net loss on sale of property					3,345					
Total business-type activities	1,193	(1,603)	431	(1,242)	(13,405)	(5,007)	(2,156)	(397)	(481)	(1,349)
Total Primary Government General Revenues	\$ 417,234	\$ 401,989	\$ 350,819	\$ 321,769	\$ 320,972	\$ 328,611	\$ 318,741	\$ 353,517	\$ 343,517	\$ 330,601
Change in Net Position:										
Governmental activities	\$ 47,482	\$ 55,561	\$ (52,446)	\$ (112,897)	\$ (47,489)	\$ (30,868)	\$ 28,162	\$ 23,148	\$ 8,296	\$ 69,699
Business-type activities	(128)	4,795	468	(368)	(12,813)	(8,157)	(1,314)	(72)	155	(743)
Total Primary Government	\$ 47,354	\$ 60,356	\$ (51,978)	\$ (113,265)	\$ (60,302)	\$ (39,025)	\$ 26,848	\$ 23,076	\$ 8,451	\$ 68,956

**CITY OF HARTFORD, CONNECTICUT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(in Thousands)**

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General fund:										
Reserved	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Unreserved										148
Committed	2,933									18,500
Assigned			583	8,663	1,712	3,859	2,850	4,332	2,525	
Unassigned	9,652	4,884	4,510	5,468	20,214	13,022	27,528	25,781	22,561	
Total General Fund	\$ 12,585	\$ 4,884	\$ 5,093	\$ 14,131	\$ 21,926	\$ 16,881	\$ 30,378	\$ 30,113	\$ 25,086	\$ 18,648
All other governmental funds:										
Reserved	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Unreserved, reported in:										
Special revenue funds										12,258
Debt service fund										146
Capital projects fund										(9,057)
Nonspendable	8,798	8,822	8,882	8,970	8,817	8,712	8,772	8,706	18,583	
Restricted	69,619	82,880	103,321	165,287	137,001	159,398	171,251	31,782	22,004	
Committed	11,479	3,135	2,150	1,867	2,435	2,352	2,620	7,663	31,020	
Assigned	830	603		8,663		3,198	9,467	9,585		
Unassigned	(307)	(3,220)	(10,669)	(775)	(7,425)	(8,495)	(14,379)	(7,522)	(202)	
Total All Other Governmental Funds	\$ 90,419	\$ 92,220	\$ 103,684	\$ 184,012	\$ 140,828	\$ 165,165	\$ 177,731	\$ 50,214	\$ 71,405	\$ 92,714
Total Governmental Funds	\$ 103,004	\$ 97,104	\$ 108,777	\$ 198,143	\$ 162,754	\$ 182,046	\$ 208,109	\$ 80,327	\$ 96,491	\$ 111,362

* The City began to report new fund categories when it implemented GASB Statement No. 54 in fiscal year 2011

CITY OF HARTFORD, CONNECTICUT
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
LAST TEN YEARS
(in Thousands)

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues:										
Property taxes, interest and liens, net	\$ 278,967	\$ 283,758	\$ 260,363	\$ 266,870	\$ 260,640	\$ 256,765	\$ 255,546	\$ 277,245	\$ 274,013	\$ 266,990
Licenses, permits, and other charges	6,630	6,218	5,376	7,613	7,778	6,555	5,661	6,299	4,891	5,608
Intergovernmental	631,662	623,695	579,357	566,745	572,213	539,420	571,249	509,770	475,622	556,756
Charges for services	12,722	11,267	13,013	12,902	17,826	17,827	14,538	9,427	10,742	8,777
Use of property	1,153	979	1,925	2,265	1,920	3,227	2,283	4,574	6,354	4,368
Investment income (loss)	5,637	4,305	6,840	847	948	5,512	2,781	2,204	3,079	3,319
Miscellaneous	11,972	10,708	18,325	18,380	18,238	15,293	15,927	15,867	13,860	17,449
Total revenues	<u>948,743</u>	<u>940,930</u>	<u>885,199</u>	<u>875,622</u>	<u>879,563</u>	<u>844,599</u>	<u>867,985</u>	<u>825,386</u>	<u>788,561</u>	<u>863,267</u>
Expenditures:										
Current:										
General government	13,913	14,047	22,574	41,938	38,877	27,846	40,237	30,021	21,547	21,642
Public safety	89,959	92,543	88,067	93,837	91,413	96,695	85,448	83,308	84,283	79,799
Public works	13,179	12,236	32,342	32,905	31,105	12,329	15,882	21,804	15,282	20,119
Development and community affairs	11,128	11,106	55,131	56,617	56,493	60,155	60,544	62,798	60,501	61,857
Human services	59,832	61,113	29,523	29,585	29,460	28,569	26,702	29,315	27,878	31,256
Education	455,343	497,749	496,259	482,112	488,221	470,445	447,244	435,301	419,099	421,032
Recreation and culture	21,553	22,155	9,901	11,701	10,961	10,127	9,852	9,483	9,477	9,145
Benefits and insurance	87,260	93,366	78,172	81,255	85,690	86,898	66,941	64,501	65,160	55,791
Other	33,525	31,286	33,121	29,969	32,403	21,019	17,858	29,445	26,637	31,042
Capital outlay	91,686	46,650	21,916	93,477	93,969	76,279	125,790	92,879	68,018	119,275
Debit service:										
Principal retirement	33,998	32,276	76,341	35,891	26,575	27,775	27,775	25,100	22,723	20,536
Interest	30,337	36,502	19,488	41,613	22,727	26,543	17,470	14,547	15,471	16,627
Total expenditures	<u>941,713</u>	<u>951,029</u>	<u>962,835</u>	<u>1,030,900</u>	<u>1,007,894</u>	<u>944,680</u>	<u>941,743</u>	<u>898,502</u>	<u>836,076</u>	<u>888,121</u>
Deficiency of Revenues over Expenditures	<u>7,030</u>	<u>(10,099)</u>	<u>(77,636)</u>	<u>(155,278)</u>	<u>(128,331)</u>	<u>(100,081)</u>	<u>(73,758)</u>	<u>(73,116)</u>	<u>(47,515)</u>	<u>(24,854)</u>
Other Financing Sources (Uses):										
Transfers in from other funds	96,261	73,881	40,499	22,279	35,918	38,972	48,277	44,203	43,780	52,233
Transfers out to other funds	(97,391)	(75,455)	(40,853)	(20,971)	(19,164)	(33,962)	(46,117)	(43,803)	(43,292)	(50,883)
Capital leases			2,634	5,917	2,090	2,758	3,990			
Payment to refunded bond escrow agent				(27,653)	(40,169)			(22,493)		(13,244)
Bonds issued				203,010	26,000	10,250	48,160	71,280	25,000	14,000
Refunding bonds issued				24,596	36,385		124,605			12,150
Bond premium				19,358	17,979		22,625	7,765	304	1,796
Section 108 loans and CWF serial notes									7,000	
BANS				(50,000)	50,000	56,000				
Total other financing sources (uses)	<u>(1,130)</u>	<u>(1,574)</u>	<u>2,280</u>	<u>176,536</u>	<u>109,039</u>	<u>74,018</u>	<u>201,540</u>	<u>56,952</u>	<u>32,792</u>	<u>16,052</u>
Net Change in Fund Balances	<u>\$ 5,900</u>	<u>\$ (11,673)</u>	<u>\$ (75,356)</u>	<u>\$ 21,258</u>	<u>\$ (19,292)</u>	<u>\$ (26,063)</u>	<u>\$ 127,782</u>	<u>\$ (16,164)</u>	<u>\$ (14,723)</u>	<u>\$ (8,802)</u>
Debt Service as a Percentage to Noncapital Expenditures	7.54%	7.54%	10.33%	8.26%	5.38%	6.23%	5.51%	4.94%	5.00%	4.76%

**CITY OF HARTFORD, CONNECTICUT
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

(In Thousands)

Fiscal Year	Grand List Year	Land and Buildings	Personal Property	Motor Vehicle	Gross Taxable Grand List	Less Tax Exempt Property	Net Taxable Grand List	Total Direct Tax Rate (in mils)	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual
2019	2017	\$ 7,219,553	\$ 743,698	\$ 330,709	\$ 8,293,960	\$ 4,215,755	\$ 4,078,205	74.29 and 45.00	\$ 7,136,364	(3)
2018	2016	7,048,936	754,836	316,839	8,120,611	4,047,467	4,073,144	74.29 and 45.00	7,150,314	(3)
2017	2015	6,440,703	741,215	307,830	7,489,748	3,787,843	3,701,905	74.29	6,691,444	(3)
2016	2014	6,352,555	732,125	298,349	7,383,029	3,759,957	3,623,072	74.29	6,664,914	(3)
2015	2013	6,309,174	697,908	292,686	7,299,767	3,764,364	3,535,403	74.29	6,640,460	(3)
2014	2012	6,252,718	666,455	284,621	7,203,794	3,716,013	3,487,781	74.29	6,605,457	(3)
2013	2011	6,180,974	636,333	276,070	7,093,377	3,675,437	3,417,940	74.29	6,550,210	(3)
2012	2010	6,454,818	663,558	264,267	7,382,643	3,644,266	3,738,377	71.79	7,739,104	(3)
2011	2009	5,990,870	639,547	257,817	6,888,234	3,314,736	3,573,498	72.79	7,088,777	(3)
2010	2008	5,981,880	639,564	259,922	6,881,366	3,302,820	3,578,546	72.79	7,646,419	(3)

Source: City of Hartford, Assessor's Office

Notes:

- (1) 2006 real property grand list is adjusted to reflect statutory revaluation
- (2) Assessed Value is 70% of Estimated Actual Value from 2001 to 2005
- (3) Beginning in 2006 Assessed Value-not all property at 70%

CITY OF HARTFORD, CONNECTICUT
PRINCIPAL TAXPAYERS
Current Year and Nine Years Ago
(In Thousands)

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Eversource Energy Co.	\$ 178,704	1	4.40%	\$ 119,950	2	3.33%
Hartford Fire Ins. & Twin City Ins.	143,615	2	3.50%	124,492	1	3.45%
Travelers Indemnity Co. Affiliate	129,150	3	3.20%	109,898	4	3.05%
Aetna Life Ins. Co.	110,466	4	2.70%	104,407	5	2.90%
RP Asylum LLC	83,257	5	2.00%			
Mac-State Square LLC	54,052	6	1.30%			
Constitution Plaza Holding LLC	49,383	7	1.20%			
Talcott II Gold, LLC	44,915	8	1.10%	53,674	8	1.49%
Hartford Hospital Medical Building	44,210	9	1.10%			
Hartford Steam Boiler	38,367	10	0.90%			
City Place I LTD Ptnshp				58,120	7	1.61%
Connecticut Constitution LTD				40,784	10	1.10%
State House Financial				60,624	6	1.68%
FGA Trumbull, LLC				47,664	9	1.32%
Northland Properties				113,251	3	3.14%
	<u>\$ 876,119</u>		<u>21.40%</u>	<u>\$ 832,864</u>		<u>23.07%</u>

Source: City of Hartford Assessor's Office

**CITY OF HARTFORD, CONNECTICUT
PROPERTY TAX LEVIES & COLLECTIONS
LAST TEN FISCAL YEARS**
(In Thousands)

Adjusted to reflect Actual Balances per the Tax Collector Reports for each Fiscal Year (State of CT Assessor's M-13)

Fiscal Year Ended June 30	Grand List Year (1)	Adjusted Net Taxable Grand List	Mill Rates	Original Tax Levy	Adjusted Tax Levy	Collected Within the Fiscal Year of the Levy		Total Collections To Date		
						Tax Collections First Year of Levy	Percentage of Adjusted Levy (2)	Tax Collections in Subsequent Years	Total Collections to Date	Percentage of Adjusted Levy (3)
2019	2017	\$ 4,106,248	74.29&45.00	\$ 293,266	\$ 279,414	\$ 268,369	96.05%	\$ 4,586	\$ 272,955	97.69%
2018	2016	4,133,801	74.29&45.00	292,215	282,465	270,517	95.77%	5,787	276,304	97.82%
2017	2015	3,748,677	74.29	264,387	257,563	247,432	96.07%	5,238	252,670	98.10%
2016	2014	3,623,072	74.29	271,647	262,887	253,206	96.32%	5,595	258,801	98.45%
2015	2013	3,520,695	74.29	264,923	253,545	245,520	96.83%	4,881	250,401	98.76%
2014	2012	3,484,647	74.29	262,101	248,851	238,532	95.85%	7,636	246,168	98.92%
2013	2011	3,395,085	74.29	256,455	247,519	234,215	94.63%	12,696	246,911	99.75%
2012	2010	3,743,726	71.79	285,281	278,481	261,285	93.83%	7,680	268,965	96.58%
2011	2009	3,604,167	72.79	277,997	268,745	256,253	95.35%	7,104	263,357	98.00%
2010	2008	3,578,546	72.79	272,065	260,038	249,186	95.83%	7,358	256,544	98.66%

**CITY OF HARTFORD, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE - UNAUDITED
LAST TEN FISCAL YEARS**

(In Thousands)

Fiscal Year	(1) General Obligation Bonds	(2) Hartford Parking Facilities	(3) Debt Payable from Enterprise Revenues	Total Net Primary Government General Obligation Debt	Ratio of Total Net General Bonded Debt to Taxable Grand List	Ratio of Total Net General Bonded Debt per Capita	Percentage of Personal Income
2019	\$ 586,779	\$ 1,830	\$ 65,146	\$ 653,755	15.65%	5.305%	19.318%
2018	623,785	2,274	66,723	692,782	16.64%	5.614%	21.585%
2017	658,861	2,688	68,232	729,781	17.58%	5.921%	22.738%
2016	748,070	3,078	69,516	820,664	20.65%	6.618%	26.793%
2015	613,855	3,970	63,372	681,197	17.44%	5.462%	23.239%
2014	549,987	67,342		617,329	15.78%	4.938%	20.976%
2013	510,399	23,876		534,275	15.03%	4.278%	18.467%
2012	337,607	25,161		362,768	9.02%	2.905%	12.463%
2011	303,116	26,376		329,492	8.41%	2.641%	11.288%
2010	298,901	27,521		326,422	8.35%	2.631%	11.170%

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Revenue bonds refunded in 2005 with the issuance of general obligation refund bonds.

(2) These amounts are the general obligation bonds that are being repaid by the Parking Fund.

(3) These amounts are the general obligation bonds that are being repaid by the Stadium Fund.

CITY OF HARTFORD
STATEMENT OF DEBT LIMITATION - UNAUDITED
JUNE 30, 2019
(In Thousands)

Total Fiscal Year 2018 Tax Collections (Taxes, Interest and Fees)	\$ 280,500
Tax Relief for the Elderly	<u>369</u>
Base for Establishing Debt Limit	<u>\$ 280,869</u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>	<u>Total</u>
Debt Limitation by Purpose						
2.25xbase	\$ 631,955	\$	\$	\$	\$	\$ 631,955
4.50xbase		1,263,911				1,263,911
3.75xbase			1,053,259			1,053,259
3.25xbase				912,824		912,824
3.00xbase					842,607	842,607
Total Debt Limitation	<u>631,955</u>	<u>1,263,911</u>	<u>1,053,259</u>	<u>912,824</u>	<u>842,607</u>	<u>4,704,556</u>
Debt, as defined by statute:						
Bonds Payable	425,889	176,411				602,300
Bonds Authorized-Unissued	56,182	62,693				118,875
Serial Notes Payable			854			854
Overlapping Debt			<u>236,920</u>			<u>236,920</u>
Total Indebtedness	<u>482,071</u>	<u>239,104</u>	<u>237,774</u>	<u>-</u>	<u>-</u>	<u>958,949</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 149,884</u>	<u>\$ 1,024,807</u>	<u>\$ 815,485</u>	<u>\$ 912,824</u>	<u>\$ 842,607</u>	<u>\$ 3,745,607</u>

Note 1 - The authorized/unissued debt has been reduced by grant proceeds of \$58,228 relative to general purpose and school construction projects.

CITY OF HARTFORD, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION - UNAUDITED
LAST TEN FISCAL YEARS

(In Thousands)

	FISCAL YEAR									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt limit	\$ 1,966,083	\$ 1,799,014	\$ 1,799,742	\$ 1,875,615	\$ 1,829,667	\$ 1,804,222	\$ 1,793,687	\$ 1,914,423	\$ 1,869,469	\$ 1,881,467
Total net debt applicable to limit	958,949	1,181,014	846,864	859,443	1,168,278	976,059	800,206	722,204	605,267	588,156
Legal Debt Margin	\$ <u>1,007,134</u>	\$ <u>618,000</u>	\$ <u>952,878</u>	\$ <u>1,016,172</u>	\$ <u>661,389</u>	\$ <u>828,163</u>	\$ <u>993,481</u>	\$ <u>1,192,219</u>	\$ <u>1,264,202</u>	\$ <u>1,293,311</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>48.77%</u>	<u>65.65%</u>	<u>47.05%</u>	<u>45.82%</u>	<u>63.85%</u>	<u>54.10%</u>	<u>44.61%</u>	<u>37.72%</u>	<u>32.38%</u>	<u>31.26%</u>

**CITY OF HARTFORD, CONNECTICUT
STATEMENT OF DIRECT AND OVERLAPPING DEBT
LAST TEN FISCAL YEARS**

(In Thousands)

Fiscal Year	Governmental Activities Total Debt Outstanding	MDC Bonded Debt	MDC Self Funded Debt	MDC Overlapping Debt All Participating Governments	City's Percentage Share of MDC Debt	City's Share of MDC Debt	City's Total Direct Debt	City's Total Overlapping Debt	City's Total Direct and Overlapping Debt	Ratio of Debt to Taxable Assessed Value	Debt per Capita
2019	\$ 586,779	\$ 1,260,606	\$ 495,342	\$ 922,227	26%	\$ 236,736	\$ 586,779	\$ 236,736	\$ 823,515	20.19%	6.682
2018	623,785	1,084,327	526,010	972,976	26%	249,763	623,785	249,763	873,548	21.45%	7.079
2017	658,861	1,041,026	523,917	949,066	26%	249,699	658,861	249,699	908,560	24.54%	7.372
2016	748,070	904,360	497,737	914,104	26%	238,855	748,070	238,855	986,925	27.24%	7.959
2015	613,855	799,951	453,352	601,753	28%	165,482	613,855	165,482	779,337	22.04%	6.249
2014	549,987	493,066	309,625	650,055	29%	186,501	549,987	186,501	736,488	21.12%	5.891
2013	510,399	518,340	273,076	559,041	29%	159,942	510,399	159,942	670,341	19.61%	5.367
2012	337,607	320,803	121,821	419,411	28%	118,609	337,607	118,609	456,216	12.20%	3.654
2011	303,116	301,973	122,780	327,393	28%	91,539	303,116	91,539	394,655	11.04%	3.163
2010	298,901	299,391	92,930	206,461	28%	57,437	298,901	57,437	356,338	10.34%	2.861

Notes:

- (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.
- (2) MDC - Metropolitan District Commission
- (3) MDC's overlapping debt is the net direct debt, primarily sewer infrastructure, supported by the MDC's member municipalities taxing authority
Each member municipality's share of the MDC's overlapping debt is based on percentage share of the overall annual town tax levy

**CITY OF HARTFORD, CONNECTICUT
DEMOGRAPHIC AND EMPLOYMENT STATISTICS
LAST TEN CALENDAR YEARS**

Fiscal Year	Population (1)	School Enrollment (2)	Median Age (1)	Median Family Income (1)	Calendar Year	Labor Force		Percentage Unemployed (3)			
						Employed (3)	Unemployed (3)	City of Hartford	Hartford Labor Market Area (LMA)	State of Connecticut	United States (1)
2019	123,243	19,765	30.0	\$ 33,841	2018	50,467	3,707	11.0%	6.8%	3.6%	3.7%
2018	123,400	20,142	30.6	32,095	2017	50,082	3,462	6.9%	3.8%	4.4%	4.0%
2017	123,243	20,891	30.6	32,095	2016	48,474	5,046	9.4%	5.1%	5.1%	4.7%
2016	124,006	21,463	30.3	30,630	2015	48,459	5,537	10.3%	6.0%	5.5%	5.3%
2015	124,705	21,487	30.1	29,313	2014	47,895	6,649	12.2%	6.6%	6.5%	6.1%
2014	125,017	21,390	29.8	29,430	2013	42,396	7,281	14.7%	7.8%	7.8%	7.4%
2013	124,893	20,879	29.7	28,931	2012	45,452	7,748	15.4%	8.2%	8.1%	7.4%
2012	124,867	20,899	29.7	29,107	2011	43,712	8,031	15.5%	8.5%	8.4%	8.2%
2011	124,775	20,953	29.8	29,190	2010	43,054	8,331	16.4%	9.2%	9.1%	9.2%
2010	124,060	22,069	30.1	29,224	2009	43,627	7,192	14.2%	8.3%	8.2%	9.3%

- (1) U.S. Department of Commerce, Bureau of Census.
- (2) Hartford Board of Education, FYs to 2005/State Department of Education, FY 2010 and forward.
- (3) State of Connecticut, Department of Labor (Calendar Year).

**CITY OF HARTFORD, CONNECTICUT
PRINCIPAL EMPLOYERS
HARTFORD'S MAJOR EMPLOYERS**

Business Name	Nature of Business	Area	Employees
Aetna Inc	Insurance	Hartford	1,000 - 4,999
Connecticut Children's Med Ctr	Hospitals	Hartford	1,000 - 4,999
St. Francis Hospital Medical Ctr	Hospitals	Hartford	1,000 - 4,999
Environmental Protection Dept	Government Offices	Hartford	1,000 - 4,999
Hartford Hospital	Hospitals	Hartford	5,000 - 9,999
Hartford Financial Svc Group	Insurance	Hartford	5,000 - 9,999
Bankboston	Banks	Hartford	1,000 - 4,999
Travelers Indemnity CO	Insurance	Hartford	1,000 - 4,999
Institute of Living	Mental Health Services	Hartford	1,000 - 4,999
The Hartford	Insurance	Hartford	5,000 - 9,999
The City of Hartford	Government Offices	Hartford	1,000 - 4,999

Source: Connecticut Department of Labor, 2016

TABLE 14

**CITY OF HARTFORD, CONNECTICUT
BUDGETED FULL-TIME EQUIVALENT EMPLOYEES
LAST TEN FISCAL YEARS**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
City Department:										
Mayor's Office	11	11	7	8	9	10	10	10	20	23
Court of Common Council	7	7	9	10	10	9	8	7	9	9
Treasurer	9	9	9	10	10	9	9	10	10	10
Registrars of Voters	6	6	6	6	6	5	8	8	8	8
Corporation Counsel	17	16	16	19	20	23	23	22	17	17
Town & City Clerk	11	11	11	13	13	13	15	15	14	15
Internal Audit	5	5	5	5	5	5	5	5	5	5
Office of Chief Operating Officer*	6	6	4	14	13	17	16	17		
Communications & New Media*	0	0	3	7	6	7	8	8		
Metro Hartford Information System	14	14	17	21	21	16	16	17	17	18
Finance	46	46	46	44	45	42	47	46	53	54
Human Resources	13	13	13	17	16	14	15	15	13	13
Office of Human Relations	0	0	0	0	0	0	0	0	8	9
Office of Management, Budget & Grants	11	8	9	8	8	10	11	12	12	11
Fire	362	372	340	361	389	373	393	377	407	391
Police	540	529	523	521	494	523	485	526	525	522
Emergency Services & Telecommunications	49	49	51	52	54	72	77	78	69	69
Public Works	185	178	177	207	209	238	234	232	196	198
Development Services	54	42	42	49	57	63	65	60	54	56
Health & Human Services	31	28	26	39	37	40	43	43	50	52
Office for Young Children *	0	0	0	0	0	0	0	0	3	3
Office for Youth Services	0	0	0	0	0	0	0	0	5	5
Families, Children, Youth and Recreation*	11	11	12	18	17	18	20	18		
Total	1,388	1,361	1,326	1,429	1,439	1,507	1,508	1,526	1,495	1,488
Board of Education:										
Teachers	1,483	1,496	1,570	1,700	1,786	1,709	1,633	1,680	1,658	1,639
Administrators	181	185	194	219	196	154	105	163	156	110
Paraprofessionals	484	479	494	496	473	471	525	380	370	384
Clerical	100	101	103	119	124	123	96	123	129	125
Nurses	49	47	55	55	60	60	48	54	50	49
Security	87	85	96	96	97	92	84	87	89	87
Custodial	206	201	207	207	209	184	156	195	197	202
Guidance Counselors	33	31	30	34	35	36	32	26	29	31
Social Workers	84	84	62	62	62	54	50	45	50	52
Psychologists	19	19	22	21	23	20	15	21	23	21
Support Staff	204	217	215	243	297	367	348	349	321	282
Others	182	176	187	214	129	210	163	1	1	11
Total	3,112	3,121	3,235	3,466	3,488	3,480	3,255	3,124	3,073	2,993
Grand Total	4,500	4,482	4,561	4,895	4,927	4,987	4,763	4,650	4,568	4,481

* Office was established in First Year with reported #'s

**CITY OF HARTFORD, CONNECTICUT
OPERATING INDICATORS BY FUNCTION
LAST FIVE FISCAL YEARS**

<i>General Government</i>	FISCAL YEAR				
	2019	2018	2017	2016	2015
<i>Finance</i>					
Number of bills mailed*	105,236	108,264	108,171	123,691	115,872
Number of invoices approved for payment	55,072	63,781	66,736	69,137	68,673
Number of internal control reviews performed	21	20	21	21	20
* excludes tax bills delivered electronically and second installment mailing					
<i>Assessor</i>					
Number of deeds processed	2,583	2,367	2,147	2,337	2,373
Number of veterans exemptions	1,438	1,385	1,303	1,185	1,137
Board of assessment appeals adjustments	\$ (4,818,555)	\$ (8,876,090)	\$ (2,200,398)	\$ (3,728,457)	\$ (4,078,657)
<i>Personnel</i>					
Number of applications processed	1,097	2,517	1,114	1,838	1,650
Vacancies filled through promotion	141	130	118	124	102
Vacancies filled through new hires	300	232	39	61	110
<i>City Clerk</i>					
Land records recorded	17,274	14,562	13,968	13,105	12,791
Marriage licenses issued	982	1,166	*	*	*
Death certificates issued	15,527	10,814	*	*	*
Birth certificates issued	15,050	19,078	*	*	*
<i>Management Information Systems</i>					
Help desk calls:					
City	3,498	3,065	*	4,346	*
Schools	10,502	8,850	*	8,165	*
Availability, all systems	99%	99%	*	1	*
Federal E-Rate Funds Received	979,398	1,134,345	*	2,774,811	*
<i>Election</i>					
Voters added	5,038	4,814	11,271	*	*
Voters removed	4,447	4,141	10,285	*	*
Voter changes	10,954	5,092	14,862	*	*
Total voters	71,808	69,563	68,958	*	*
<i>Public Safety</i>					
<i>Police</i>					
911 calls	33,150	33,627	31,807 (1)	4,492	3,723
Non-emergency calls	66,003	66,319	72,713	104,114	98,976
DWI Arrests	221	206	424	326	376
<i>Fire</i>					
Fire	523	568	642	731	635
No Fire	12	7	14	7	10
Rescue & Emergency Medical Services	20,487	21,454	20,175	18,110	15,696
Hazardous Conditions	583	609	541	633	611
Service Calls	5,753	3,675	2,719	2,390	2,236
Good Intent Calls	2,333	1,969	1,835	1,700	1,371
False Alarm & False Calls	2,062	1,948	1,912	1,900	1,833
Severe Weather & Natural Disaster	1	-	-	-	-
Special Incident Type	422	422	301	68	60
<i>Public Works</i>					
<i>Engineering & Administration</i>					
Lane miles paved	0	38	38	38	38
<i>Development and Community Affairs</i>					
<i>Development Services</i>					
Housing vouchers, residential assistance (families)	4,992	4,805	4,835	*	55,411
Zoning Board appeals	25	33	30	16	17
Code inspections	4,778	3,586	6,985	6,388	6,264
Citations issued	-	1,153	2,193	*	1,985
<i>Education</i>					
Average Class Size - Kindergarten	*	*	*	*	20.0
Average Class Size - Grade 2	*	*	*	*	18.6
Average Class Size - Grade 5	*	*	*	*	19.5
Average Class Size - Grade 7	*	*	*	*	19.4

(1) *This does not reflect actual nature of event or method of receipt. It only captures the entry made by the call taker in dispatch. The Public Safety Dispatch Center has transitioned to the State's next generation 911 system. The new 911 system is not data logged by current CAD-Bill Hollman, IT Manager.

**CITY OF HARTFORD, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS**

		Fiscal Year									
		2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Function											
<i>Public Safety</i>											
Police	Number of Stations	6	6	6	7	6	6	5	3	3	3
	Vehicles	278	263	269	287	295	312	275	280	283	257
Fire	Number of Stations	12	12	12	12	12	12	12	12	12	12
	Vehicles	87	95	81	95	83	87	88	88	89	81
<i>Public Works</i>											
Infrastructure											
	Concrete road miles	63	63	63	63	63	63	63	63	63	63
	Asphalt road miles	151	151	151	151	151	151	151	151	150	148
	Bridges	9	9	9	9	9	9	9	9	9	8
	Traffic lights	248	248	248	247	245	245	245	245	245	241
	Conduit system (miles)	8	8	8	8	8	8	8	8	8	8
	Street Maintenance Vehicles	38	38	38	38	40	53	66	56	55	38
Parks & Cemeteries											
	Parks	29	29	29	29	29	29	29	29	29	29
	Cemeteries	5	5	5	5	5	5	5	5	5	5
Building Maintenance											
	Parking lots	3	3	3	3	3	3	3	3	3	1
	Parking garages	2	2	2	2	2	2	2	3	3	3
<i>Education</i>	Number of buildings	47	47	47	47	47	47	47	47	48	47
<i>Recreation and Culture</i>											
Recreation											
	Number of athletic fields	73	73	73	73	73	72	79	83	73	88
	Number of playscapes/grounds	22	22	22	22	22	22	29	28	27	27
	Number of Vehicles	77	77	77	77	77	75	75	77	75	75
Library	Number of Branches	7	7	10	10	10	10	10	10	10	10