



**CITY OF NEW HAVEN, CONNECTICUT  
FINANCIAL PLAN, 2011-2015**

**PREPARED FOR THE FINANCIAL REVIEW AND AUDIT  
COMMITTEE**

**September 25, 2010**



**MANAGEMENT PARTNERS**  
INCORPORATED



City of New Haven, Connecticut  
Financial Plan, 2011-2015  
September 25, 2010

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Mr. Martin O'Connor, Chairman  
and Members of the Financial Review and Audit Committee  
City of New Haven  
165 Church Street  
New Haven, CT 06510

Dear Chairman O'Connor and Members of the Committee:

Management Partners is pleased to provide to you this long-range financial plan for the years 2011 through 2015. This document presents our forecast of the City of New Haven's revenues and expenditures over the next five years, estimates the budget gap for that period, and provides a series of recommended revenue and expenditure strategies which will enable the City to eliminate that gap and build an appropriate fund balance.

The forecasts in this plan use a variety of statistical techniques, from simple linear projection to complex multivariate analysis. To enable you to maintain this forecast into future years, we will provide the City Controller's Office with the electronic files we used to develop the respective forecasts, and we will instruct them in how to modify the files for future use. In this fashion, you will be able to update this plan each year.

We base the revenue and expenditure strategies on several considerations. First, we have conducted a comparative analysis with various jurisdictions in Connecticut, Massachusetts, and Rhode Island. The City's position relative to the peers provides considerable guidance in terms of strategies for financial structures, debt load, capital strategies, schools, and public safety services. Second, we conducted high-level scans of the operations of City departments that represent the bulk of the City's operating costs. While the scans are not sufficient to draw specific conclusions, they do provide guidance regarding possible areas of revenue enhancement and/or cost reduction, based on our experience with many other cities and with applicable industry best practices. *Because these strategies are the result of a high-level scan and not a detailed operations study, it is important that the City accept these strategies as directions for inquiry, not financial absolutes. It is critical that the City take the time to explore in more detail each of the recommended strategies, to validate both the recommendation and the estimated financial impact.*



The starting point for this plan is the City's 2010 end of fiscal year revenue and expenditure estimates. The plan does not mirror the City's 2011 budget. Rather, we provide our estimates of revenues and expenditures based on our forecast models. We, then, adjust the estimates for known revenue and expenditure policy actions that the City proposes to undertake during the year. While we provide expenditure estimates for the City's General Fund, Special Funds, and Capital Fund, the focus of this report is the General Fund. The Special Funds are largely grants driven funds, and will ebb and flow according to discretionary grants. The Capital Fund is a product of the City's debt plans, which we address in the General Fund since it is the General Fund that the City uses to pay its debt obligations.

We are impressed with the efforts of the City to manage its budget during this period of serious economic stress, particularly given the contractual obligations undertaken by the City prior to the economic downturn. Without these prior efforts, maintaining a balanced budget, providing quality services, and achieving fiscal strength would be much more difficult. As it is, the strategies that we recommend in this report represent difficult policy decisions that the City will need to make over the next year. Because any adjustments to revenues and expenditures that are made now will carry forward into all future years, the sooner the City acts, the easier will be the long term financial plan.

Throughout this planning process, our project team has received outstanding support from all of the City personnel with whom we have interacted. We find a deep commitment to quality public service within the constraints. This is an asset not to be understated or overlooked; rather, this is the foundation on which the City builds its future.

The Management Partners project team has thoroughly enjoyed working with the Financial Review and Audit Committee and with the City's staff. As the FRAC and the City move forward on this plan, we stand ready to assist you in any way possible and would certainly welcome the opportunity to do so.

Sincerely,

A handwritten signature in black ink, appearing to read "Gerald E. Newfarmer".

Gerald E Newfarmer  
President and CEO



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## EXECUTIVE SUMMARY

- Over past several years, the City of New Haven has made a concerted effort to enhance its budget:
  - Aggressive pursuit of alternative revenue options.
    - ✓ Enhanced property tax collections.
    - ✓ Use of state grants for capital purposes.
  - Significant cost reduction strategies, for example:
    - ✓ Reductions in public works and parks/recreation costs.
    - ✓ Consolidation of public safety dispatch.
    - ✓ Aggressive cleansing of medical insurance rolls.
    - ✓ Use of new technologies for inspections management, parking enforcement, public works field operations.
- Preliminary gap analysis projects \$82.7 million general fund deficit by end of 2015.
  - Assumes continuation of 2010 and 2011 budget actions.



- Assumes normal growth in School operations expenditures after 2011.
- Assumes no other corrective action.
- Adjusted gap analysis uses policy goal of achieving an unappropriated general fund balance in excess of 5% by 2015.
  - Assumes the City will accomplish its 2011 budget goals.
  - No additional property tax millage rate increase.
  - Recommends numerous revenue enhancements and expenditure reductions.
  - Requires detailed analysis to verify.
    - ✓ Viability of recommendations.
    - ✓ Level of revenue enhancement or revenue reduction to be achieved.
  - Requires difficult policy decisions.
  - Requires changes to collective bargaining agreements.
- Key revenue enhancements include:
  - Parks and recreation fees.
  - Rental property inspection fees.





- Commercial housing inspection program.
- PILOT program for New Haven Housing Authority.
- EMS and Insurance recoveries.
- Key expenditure strategies include:
  - Elimination of longevity pay.
  - Redesign of fire services.
  - Constraint on capital program and debt service, particularly regarding schools.
  - Management of police overtime.
  - Adoption of performance budgeting.
- Identification of revenue and expenditure opportunities based on:
  - Patterns from comparative jurisdiction analysis.
  - High level operational scan of key cost areas.
  - Ideas presented by City staff during interviews.
  - Observations from comparative analysis shown in table below:



- ✓ Items in the cells labeled above average and improvement opportunity are those comparative areas in which New Haven's data are above the average of the comparative group and where a lower value would indicate better performance
- ✓ Items in the cells labeled below average and improvement opportunity are those comparative areas in which New Haven's data are below the average of the group and where a higher value would indicate better performance.
- ✓ Items in the cells labeled above average and a strength are those comparative areas in which New Haven's data are above the group average and this is a positive comparison for the City.
- ✓ Items in the cells labeled below average and a strength are those comparative areas in which New Haven's data are below the group average and this is a positive comparison for the City.



<b>SUMMARY OF MULTI-JURISDICTIONAL COMPARISONS</b>		
<b>Above Average</b>	<ul style="list-style-type: none"> <li>• Overall debt service</li> <li>• Debt service for schools</li> <li>• Debt ratio</li> <li>• Fire staffing, equipment, deployment</li> <li>• Crime activity per officer and per capita</li> <li>• Cost of police and fire overtime</li> <li>• Employee benefits</li> <li>• School operating budget per student</li> <li>• School capital budget per student</li> <li>• Number of schools</li> <li>• Average number of schools per square mile</li> </ul>	<ul style="list-style-type: none"> <li>• Use of fees and permits</li> <li>• Intergovernmental revenue per capita</li> <li>• Intergovernmental revenue as percentage of total revenue</li> <li>• Total revenue per capita</li> </ul>
<b>Below Average</b>	<ul style="list-style-type: none"> <li>• Education as percentage of expenditures</li> <li>• Percentage of unappropriated fund balance</li> <li>• Average students per administrative staff</li> <li>• Average students per total staff</li> <li>• Density of school population</li> </ul>	<ul style="list-style-type: none"> <li>• Millage rate</li> <li>• Reliance on property tax as percentage of budget</li> </ul>
	<b>Areas for Improvement</b>	<b>Strengths</b>



# REVENUE ANALYSIS

## METHODOLOGY

- Divided City revenue into groupings, based on City's budget groups, relative size, and potential for forecast capability.
- Used three techniques for forecasting:
  - Multivariate regression analysis using Microsoft Excel Regression() technique.
    - ✓ Approximately 97% of City revenue amenable to this model.
    - ✓ Used national economic data as the independent variables.
    - ✓ Lack of 10-year revenue history limited economic model to a two-year lead; for example, the model uses 2008 economic data to predict 2010 city revenues.
      - Where appropriate, the economic model is used to forecast 2011 and 2012; beyond that, the current forecast plan uses the Microsoft Growth() function, discussed below.
      - Once the City has a 10-year history, it can expand the forecast model to a three-year lead.
      - While some cities extend beyond three years, it is not recommended.



- Non-linear regression analysis using Microsoft Excel Growth() function.
  - ✓ Used for revenues that are not amenable to economic modeling but which showed linear or geometric trends.
  - ✓ Approximately 2% of City revenue amenable to this model.
- Straight-line projection.
  - ✓ Used for revenues that are either annually fixed revenues or which varied so dramatically from year to year as to not exhibit any statistical trends.
  - ✓ Approximately 1% of City revenue fell into this category.
  - ✓ Forecast revenues for this category come from either known fixed fees or professional judgment relating to future likelihood of continuation.
- The table on the following pages lists each city revenue used in the forecast model and the forecast methodology used.



### Forecast Methodology Used for Each Revenue

Revenue Source	Forecast Model			Revenue Source	Forecast Model		
	Economic Plus Growth	Growth	Straight Line		Economic Plus Growth	Growth	Straight Line
<b>Property Taxes</b>				<b>Interest Income</b>			
All Personal and Real Property	x			Interest Income			x
All Motor Vehicle Taxes	x			<b>Rents and Fines</b>			
All Other Current	x			Rents	x		
<b>State Grants</b>				Fines	x		
<i>Education</i>				<b>Other Revenues</b>	x		
State Education Grants	x			Payments in Lieu of Taxes			
State Construction Grants		x		Regional Water	x		
State Transportation Grants		x		Pilot All Other	x		
State Education Grants All Other		x		<b>Other Taxes &amp; Assessments</b>			
<i>General Government</i>				Real Estate Conveyance		x	
Pilot State Property	x			Yale Pilot	x		
Pilot Colleges and Hospitals	x			Air Rights Garage			x
Pilot Machinery		x		<b>Miscellaneous Revenue</b>			
Pequot Funds	x			Misc Revenue Controller			x
State Grants: Telecommunications Property Tax		x		Off Track Betting	x		
State Grants Roads	x			Misc Revenue - GNHWPCA PILOT			x
State Grants All Others		x		Misc Revenue - All Other			
<b>Licenses and Fees</b>				<b>Other Revenue</b>			
Building Inspection	x			Other Revenue - Non-Profits			x
Traffic and Parking	x			Other Revenue - Total All Other			x
All Other Licenses and Fees	x						



- Model was accurate, in the aggregate, within 0.5% when tested against 2010 final revenue estimates.
- Model does not include Special Funds or Capital Fund.
  - Special Funds:
    - ✓ Revenues are almost exclusively a function of discretionary intergovernmental grants.
    - ✓ Primary driver of Special Funds are expenditures.
    - ✓ Unexpended Special Funds are carried forward to following year.
    - ✓ Special Funds do not rely on fund balances for budget balance or economic cushion.
  - Capital Funds:
    - ✓ Revenue is almost exclusively a function of debt issuance.
    - ✓ Debt service is treated as a general fund expenditure.
- The following table presents the actual General Fund Revenues for 2003-2009, the City's year-end estimate for 2010, and the forecast for 2011 through 2015.



## REVENUE ESTIMATE – GENERAL FUND

General Fund	Actual Revenues								Estimated Revenues				
	2003	2004	2005	2006	2007	2008	2009	2010 Est	2011	2012	2013	2014	2015
Property Taxes	\$ 146,401,025	\$ 151,484,011	\$ 154,152,809	\$ 171,146,908	\$ 180,637,982	\$ 186,365,020	\$ 203,404,742	\$ 215,255,516	\$ 209,304,301	\$ 215,093,191	\$ 236,609,491	\$ 248,311,164	\$ 260,595,501
State Grants													
Education	\$ 133,729,716	\$ 135,519,737	\$ 136,927,434	\$ 140,480,173	\$ 140,571,451	\$ 146,319,781	\$ 153,383,955	\$ 158,225,519	\$ 156,751,939	\$ 160,162,290	\$ 164,883,011	\$ 168,618,802	\$ 172,446,131
General Government	\$ 52,047,016	\$ 53,531,945	\$ 53,780,871	\$ 53,790,544	\$ 60,502,022	\$ 57,894,302	\$ 55,075,918	\$ 54,442,824	\$ 54,723,884	\$ 59,755,127	\$ 58,756,961	\$ 59,788,537	\$ 60,900,978
Licenses and Fees	\$ 6,918,391	\$ 10,202,935	\$ 8,736,457	\$ 11,883,627	\$ 17,057,976	\$ 15,747,687	\$ 17,319,960	\$ 15,934,173	\$ 12,687,109	\$ 21,607,528	\$ 22,326,893	\$ 24,756,410	\$ 27,472,460
Interest Income	\$ 885,891	\$ 748,993	\$ 1,597,216	\$ 3,258,300	\$ 4,447,214	\$ 2,808,124	\$ 690,339	\$ 125,000	\$ 119,870	\$ 100,928	\$ 173,189	\$ 291,417	\$ 378,239
Rents and Fines	\$ 3,196,490	\$ 2,602,611	\$ 4,054,817	\$ 5,043,840	\$ 5,044,844	\$ 5,737,433	\$ 5,774,800	\$ 6,234,802	\$ 5,884,240	\$ 6,329,970	\$ 7,835,092	\$ 8,569,796	\$ 9,374,839
Other Revenues													
Payments in Lieu of Taxes	\$ 1,276,331	\$ 1,296,475	\$ 1,287,901	\$ 1,367,940	\$ 1,415,916	\$ 1,492,444	\$ 1,536,402	\$ 1,334,149	\$ 1,055,008	\$ 1,572,642	\$ 1,404,908	\$ 1,435,573	\$ 1,471,153
Other Taxes & Assessments	\$ 2,984,070	\$ 3,501,546	\$ 3,911,478	\$ 5,037,956	\$ 5,660,168	\$ 4,089,305	\$ 4,273,696	\$ 5,025,676	\$ 5,107,623	\$ 5,334,420	\$ 5,499,408	\$ 5,710,759	\$ 5,930,700
Miscellaneous Revenue	\$ 3,302,995	\$ 3,081,634	\$ 3,926,186	\$ 2,913,091	\$ 3,892,093	\$ 13,353,516	\$ 9,213,238	\$ 1,303,087	\$ 1,422,475	\$ 1,653,699	\$ 1,391,318	\$ 1,343,758	\$ 1,299,087
Other Revenue	\$ -	\$ -	\$ 9,261,000	\$ 2,965,440	\$ 2,934,841	\$ 2,935,407	\$ 4,405,051	\$ 4,405,051	\$ 4,405,051	\$ 4,405,051	\$ 4,405,051	\$ 4,405,051	\$ 4,405,051
<b>TOTAL</b>	<b>\$ 350,741,925</b>	<b>\$ 361,969,887</b>	<b>\$ 377,636,169</b>	<b>\$ 397,887,819</b>	<b>\$ 422,164,507</b>	<b>\$ 436,743,019</b>	<b>\$ 455,078,101</b>	<b>\$ 459,932,862</b>	<b>\$ 451,461,500</b>	<b>\$ 476,014,845</b>	<b>\$ 503,285,321</b>	<b>\$ 523,231,267</b>	<b>\$ 544,274,139</b>





# EXPENDITURE ANALYSIS

## METHODOLOGY

- Model relies on six years of historic data and uses 2010 estimated year-end expenditures as starting point.
  - Worked with City staff members to develop historical database of line item expenditures with approximately 9,300 lines of data and 293 expenditure account codes.
  - Developed both historical expenditure information and expenditure forecasts distinguishing between general government activities and education spending.
- Developed expenditure forecasts for the following fund categories:
  - General Fund.
  - Special Funds.
  - Capital Funds.
- Separated School expenditures and General Government expenditures:



- Schools represent large portion of General Fund.
- Schools have different expenditure pattern from General Government operations.
- Developed expenditure forecast model that determined future impact based on selection of one of five expenditure scenarios:
  - Five-year average annual % change on the expenditure line.
  - Two-year average annual % change on the expenditure line.
  - Last-year annual % change on the expenditure line.
  - Projected inflation increase (assumes 2.5% per year).
  - Static amount across forecast period.
- Organized expenditures by account groupings rather than by operational department:
  - Ability to see cross-departmental spending patterns.
  - Ability to analyze specific expenditure issues, such as fringe benefits, rents, etc.
  - Consistent with City budget reporting.
  - The following tables present, for each fund, the actual expenditures for 2003-2009, the year-end estimate for 2010, and the forecasted expenditures for 2011 through 2015:



## EXPENDITURE ESTIMATE – GENERAL FUND, TOTAL

General Fund, All Agencies	Actual Expenditures							Forecast Expenditures				
	2004	2005	2006	2007	2008	2009	2010 Est	2011	2012	2013	2014	2015
Personnel Services-Salaries	\$ 180,164,126	\$ 186,198,378	\$ 193,752,248	\$ 197,296,370	\$ 206,901,191	\$ 214,412,193	\$ 215,125,422	\$ 222,983,500	\$ 231,148,861	\$ 239,634,220	\$ 248,452,841	\$ 257,618,561
Personnel Services - Benefits Other than Pension & Health Insurance	\$ 8,247,231	\$ 8,258,954	\$ 8,624,701	\$ 8,815,553	\$ 9,699,621	\$ 10,161,300	\$ 10,244,989	\$ 10,640,789	\$ 11,056,212	\$ 11,492,403	\$ 11,950,591	\$ 12,432,083
Personnel Services - Pension	\$ 19,478,214	\$ 19,763,661	\$ 23,697,604	\$ 24,549,497	\$ 26,838,088	\$ 29,063,880	\$ 29,306,272	\$ 31,719,824	\$ 34,334,567	\$ 37,167,374	\$ 40,236,542	\$ 43,561,912
Personnel Services - Health Insurance	\$ 32,945,284	\$ 36,500,000	\$ 41,181,860	\$ 43,679,345	\$ 45,358,456	\$ 49,463,283	\$ 49,898,560	\$ 54,414,255	\$ 59,338,608	\$ 64,708,604	\$ 70,564,570	\$ 76,950,487
Overtime	\$ 5,440,017	\$ 7,173,361	\$ 8,217,787	\$ 10,856,194	\$ 12,472,816	\$ 11,350,538	\$ 11,433,564	\$ 11,789,850	\$ 12,158,061	\$ 12,538,649	\$ 12,932,086	\$ 13,338,864
Utilities	\$ 13,416,810	\$ 12,970,780	\$ 12,701,003	\$ 15,838,977	\$ 16,907,409	\$ 16,409,405	\$ 16,469,448	\$ 17,165,582	\$ 17,915,501	\$ 18,725,401	\$ 19,602,290	\$ 20,554,091
Allowance and Travel	\$ 512,624	\$ 486,248	\$ 451,798	\$ 527,775	\$ 585,119	\$ 503,123	\$ 503,594	\$ 516,184	\$ 529,089	\$ 542,316	\$ 555,874	\$ 569,771
Equipment (non-capital)	\$ 882,557	\$ 831,516	\$ 745,311	\$ 722,955	\$ 969,810	\$ 814,953	\$ 817,074	\$ 837,501	\$ 858,438	\$ 879,899	\$ 901,896	\$ 924,444
Materials and Supplies	\$ 6,377,797	\$ 6,507,912	\$ 7,141,120	\$ 7,759,765	\$ 8,177,011	\$ 8,005,089	\$ 8,040,712	\$ 8,247,962	\$ 8,460,760	\$ 8,679,267	\$ 8,903,647	\$ 9,134,071
Rentals and Services	\$ 56,241,498	\$ 58,219,318	\$ 60,067,288	\$ 64,812,701	\$ 65,271,628	\$ 65,827,415	\$ 66,043,705	\$ 67,629,905	\$ 69,257,189	\$ 70,926,424	\$ 72,638,759	\$ 74,395,379
Debt Service (Existing Issues)	\$ 39,320,172	\$ 44,587,448	\$ 45,851,542	\$ 50,994,356	\$ 51,648,536	\$ 58,851,808	\$ 62,169,780	\$ 63,725,511	\$ 64,067,278	\$ 65,414,882	\$ 66,149,885	\$ 66,313,214
Debt Service (Future Issues)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,645,000	\$ 7,060,475	\$ 10,102,250	\$ 12,053,250	\$ 13,192,600
Claims and Compensation	\$ 7,548,212	\$ 7,831,546	\$ 8,647,853	\$ 9,680,954	\$ 10,039,731	\$ 10,711,905	\$ 10,799,538	\$ 11,373,363	\$ 11,978,425	\$ 12,616,445	\$ 13,289,244	\$ 13,998,739
Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ (9,049,959)	\$ (11,723,847)	\$ (13,236,578)	\$ (15,068,810)	\$ (18,912,104)	\$ (21,014,323)	\$ (21,014,323)	\$ (21,539,681)	\$ (22,078,173)	\$ (22,630,127)	\$ (23,195,881)	\$ (23,775,778)
<b>TOTAL - General Fund, All Agencies</b>	<b>\$ 361,524,583</b>	<b>\$ 377,605,274</b>	<b>\$ 397,843,538</b>	<b>\$ 420,465,633</b>	<b>\$ 435,957,312</b>	<b>\$ 454,560,570</b>	<b>\$ 459,838,334</b>	<b>\$ 483,149,544</b>	<b>\$ 506,085,291</b>	<b>\$ 530,798,007</b>	<b>\$ 555,035,595</b>	<b>\$ 579,208,438</b>



## EXPENDITURE ESTIMATE – GENERAL FUND, GENERAL GOVERNMENT

General Fund, General Government	Actual Expenditures							Forecast Expenditures				
	2004	2005	2006	2007	2008	2009	2010 Est	2011	2012	2013	2014	2015
Personnel Services-Salaries	\$ 71,283,609	\$ 73,265,008	\$ 74,300,514	\$ 75,914,921	\$ 79,135,050	\$ 81,048,722	\$ 81,761,950	\$ 83,996,141	\$ 86,291,383	\$ 88,649,343	\$ 91,071,736	\$ 93,560,323
Personnel Services - Benefits Other than Pension & Health Insurance	\$ 7,699,496	\$ 7,738,416	\$ 8,032,944	\$ 8,232,115	\$ 9,068,420	\$ 9,510,050	\$ 9,593,739	\$ 9,959,260	\$ 10,342,092	\$ 10,743,154	\$ 11,163,418	\$ 11,603,908
Personnel Services - Pension	\$ 17,344,689	\$ 18,405,904	\$ 22,274,504	\$ 23,151,854	\$ 25,398,856	\$ 27,544,511	\$ 27,786,903	\$ 30,134,292	\$ 32,679,991	\$ 35,440,747	\$ 38,434,727	\$ 41,681,634
Personnel Services - Health Insurance	\$ 32,945,284	\$ 36,500,000	\$ 41,181,860	\$ 43,679,345	\$ 45,358,456	\$ 49,463,283	\$ 49,898,560	\$ 54,414,255	\$ 59,338,608	\$ 64,708,604	\$ 70,564,570	\$ 76,950,487
Overtime	\$ 3,525,420	\$ 4,997,898	\$ 6,277,046	\$ 8,900,640	\$ 10,602,580	\$ 9,434,790	\$ 9,517,816	\$ 9,803,410	\$ 10,097,574	\$ 10,400,565	\$ 10,712,647	\$ 11,034,093
Utilities	\$ 5,121,620	\$ 4,933,848	\$ 5,243,175	\$ 5,982,321	\$ 6,650,521	\$ 6,822,971	\$ 6,883,013	\$ 7,339,487	\$ 7,843,753	\$ 8,401,860	\$ 9,020,659	\$ 9,707,919
Allowance and Travel	\$ 68,063	\$ 68,769	\$ 60,117	\$ 62,496	\$ 85,928	\$ 53,576	\$ 54,048	\$ 55,399	\$ 56,784	\$ 58,204	\$ 59,659	\$ 61,150
Equipment (non-capital)	\$ 329,187	\$ 302,850	\$ 181,933	\$ 232,909	\$ 412,556	\$ 240,946	\$ 243,067	\$ 249,143	\$ 255,372	\$ 261,756	\$ 268,300	\$ 275,008
Materials and Supplies	\$ 2,771,087	\$ 2,801,460	\$ 3,202,792	\$ 3,669,304	\$ 3,865,796	\$ 4,048,071	\$ 4,083,694	\$ 4,192,019	\$ 4,303,419	\$ 4,417,991	\$ 4,535,839	\$ 4,657,069
Rentals and Services	\$ 21,401,037	\$ 21,260,240	\$ 23,481,821	\$ 25,742,616	\$ 24,576,224	\$ 24,578,457	\$ 24,794,748	\$ 25,427,136	\$ 26,076,500	\$ 26,743,062	\$ 27,427,308	\$ 28,129,742
Debt Service (Existing Issues)	\$ 39,320,172	\$ 44,587,448	\$ 45,851,542	\$ 50,994,356	\$ 51,648,536	\$ 58,851,808	\$ 62,169,780	\$ 63,725,511	\$ 64,067,278	\$ 65,414,882	\$ 66,149,885	\$ 66,313,214
Debt Service (Future Issues)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,645,000	\$ 7,060,475	\$ 10,102,250	\$ 12,053,250	\$ 13,192,600
Claims and Compensation	\$ 7,114,733	\$ 7,141,185	\$ 8,364,204	\$ 8,967,746	\$ 9,650,000	\$ 9,958,249	\$ 10,045,882	\$ 10,600,866	\$ 11,186,615	\$ 11,804,840	\$ 12,457,349	\$ 13,146,047
Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL - General Fund, General Government</b>	<b>\$ 208,924,399</b>	<b>\$ 222,003,026</b>	<b>\$ 238,452,453</b>	<b>\$ 255,530,623</b>	<b>\$ 266,452,922</b>	<b>\$ 281,555,435</b>	<b>\$ 286,833,199</b>	<b>\$ 303,541,918</b>	<b>\$ 319,599,844</b>	<b>\$ 337,147,257</b>	<b>\$ 353,919,348</b>	<b>\$ 370,313,194</b>



## EXPENDITURE ESTIMATE – GENERAL FUND, EDUCATION

General Fund, Education	Actual Expenditures							Forecast Expenditures				
	2004	2005	2006	2007	2008	2009	2010 Est	2011	2012	2013	2014	2015
Personnel Services-Salaries	\$ 108,880,517	\$ 112,933,370	\$ 119,451,734	\$ 121,381,450	\$ 127,766,142	\$ 133,363,472	\$ 133,363,472	\$ 138,987,358	\$ 144,857,478	\$ 150,984,877	\$ 157,381,105	\$ 164,058,238
Personnel Services - Benefits Other than Pension & Health Insurance	\$ 547,735	\$ 520,538	\$ 591,757	\$ 583,439	\$ 631,201	\$ 651,250	\$ 651,250	\$ 681,530	\$ 714,120	\$ 749,249	\$ 787,173	\$ 828,175
Personnel Services - Pension	\$ 2,133,524	\$ 1,357,757	\$ 1,423,100	\$ 1,397,643	\$ 1,439,232	\$ 1,519,369	\$ 1,519,369	\$ 1,585,531	\$ 1,654,576	\$ 1,726,627	\$ 1,801,815	\$ 1,880,278
Personnel Services - Health Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Overtime	\$ 1,914,596	\$ 2,175,463	\$ 1,940,741	\$ 1,955,554	\$ 1,870,237	\$ 1,915,748	\$ 1,915,748	\$ 1,986,440	\$ 2,060,487	\$ 2,138,085	\$ 2,219,439	\$ 2,304,771
Utilities	\$ 8,295,190	\$ 8,036,932	\$ 7,457,828	\$ 9,856,656	\$ 10,256,888	\$ 9,586,435	\$ 9,586,435	\$ 9,826,096	\$ 10,071,748	\$ 10,323,542	\$ 10,581,630	\$ 10,846,171
Allowance and Travel	\$ 444,560	\$ 417,479	\$ 391,681	\$ 465,279	\$ 499,191	\$ 449,546	\$ 449,546	\$ 460,785	\$ 472,305	\$ 484,112	\$ 496,215	\$ 508,621
Equipment (non-capital)	\$ 553,369	\$ 528,667	\$ 563,379	\$ 490,046	\$ 557,254	\$ 574,007	\$ 574,007	\$ 588,357	\$ 603,066	\$ 618,143	\$ 633,596	\$ 649,436
Materials and Supplies	\$ 3,606,711	\$ 3,706,451	\$ 3,938,328	\$ 4,090,461	\$ 4,311,216	\$ 3,957,018	\$ 3,957,018	\$ 4,055,943	\$ 4,157,342	\$ 4,261,275	\$ 4,367,807	\$ 4,477,002
Rentals and Services	\$ 34,840,461	\$ 36,959,078	\$ 36,585,467	\$ 39,070,084	\$ 40,695,403	\$ 41,248,958	\$ 41,248,958	\$ 42,202,769	\$ 43,180,689	\$ 44,183,362	\$ 45,211,451	\$ 46,265,637
Debt Service (Existing Issues)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service (Future Issues)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Claims and Compensation	\$ 433,479	\$ 690,361	\$ 283,649	\$ 713,208	\$ 389,731	\$ 753,656	\$ 753,656	\$ 772,497	\$ 791,810	\$ 811,605	\$ 831,895	\$ 852,693
Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ (9,049,959)	\$ (11,723,847)	\$ (13,236,578)	\$ (15,068,810)	\$ (18,912,104)	\$ (21,014,323)	\$ (21,014,323)	\$ (21,539,681)	\$ (22,078,173)	\$ (22,630,127)	\$ (23,195,881)	\$ (23,775,778)
<b>TOTAL - General Fund, Education</b>	<b>\$ 152,600,183</b>	<b>\$ 155,602,248</b>	<b>\$ 159,391,085</b>	<b>\$ 164,935,010</b>	<b>\$ 169,504,389</b>	<b>\$ 173,005,135</b>	<b>\$ 173,005,135</b>	<b>\$ 179,607,626</b>	<b>\$ 186,485,447</b>	<b>\$ 193,650,749</b>	<b>\$ 201,116,247</b>	<b>\$ 208,895,245</b>



## EXPENDITURE ESTIMATE – SPECIAL FUNDS, TOTAL

Special Funds, All Agencies	Actual Expenditures							Forecast Expenditures				
	2004	2005	2006	2007	2008	2009	2010 Est	2011	2012	2013	2014	2015
Personnel Services-Salaries	\$ 37,480,960	\$ 37,751,567	\$ 38,082,581	\$ 38,605,053	\$ 40,788,417	\$ 38,508,743	\$ 39,232,244	\$ 40,209,100	\$ 41,210,378	\$ 42,236,687	\$ 43,288,654	\$ 44,366,921
Personnel Services - Benefits Other than Pension & Health Insurance	\$ 5,075,999	\$ 4,763,760	\$ 4,990,974	\$ 5,855,731	\$ 5,214,713	\$ 5,315,086	\$ 5,679,801	\$ 5,821,099	\$ 5,966,102	\$ 6,114,916	\$ 6,267,654	\$ 6,424,429
Personnel Services - Pension	\$ 344,988	\$ 280,113	\$ 254,347	\$ 245,154	\$ 288,095	\$ 227,321	\$ 229,451	\$ 231,754	\$ 234,185	\$ 236,746	\$ 239,437	\$ 242,262
Personnel Services - Health Insurance	\$ 10,129,643	\$ 10,192,389	\$ 10,792,471	\$ 10,437,666	\$ 10,971,773	\$ 10,584,751	\$ 10,804,199	\$ 11,029,160	\$ 11,259,770	\$ 11,496,172	\$ 11,738,510	\$ 11,986,932
Overtime	\$ 938,393	\$ 607,979	\$ 489,098	\$ 499,296	\$ 363,518	\$ 530,192	\$ 547,513	\$ 559,801	\$ 572,396	\$ 585,305	\$ 598,538	\$ 612,102
Utilities	\$ 114,530	\$ 134,813	\$ 131,505	\$ 123,033	\$ 133,936	\$ 124,727	\$ 127,845	\$ 131,041	\$ 134,317	\$ 137,675	\$ 141,117	\$ 144,645
Allowance and Travel	\$ 169,210	\$ 222,437	\$ 172,545	\$ 204,739	\$ 388,230	\$ 251,460	\$ 256,638	\$ 263,054	\$ 269,631	\$ 276,371	\$ 283,281	\$ 290,363
Equipment (non-capital)	\$ 2,311,179	\$ 1,512,139	\$ 1,199,162	\$ 1,173,691	\$ 1,520,339	\$ 1,208,884	\$ 1,015,925	\$ 1,025,073	\$ 1,034,450	\$ 1,044,061	\$ 1,053,913	\$ 1,064,011
Materials and Supplies	\$ 3,820,116	\$ 5,331,788	\$ 4,421,649	\$ 4,944,609	\$ 4,409,071	\$ 8,552,916	\$ 6,966,190	\$ 7,039,945	\$ 7,115,544	\$ 7,193,032	\$ 7,272,458	\$ 7,353,870
Rentals and Services	\$ 46,599,286	\$ 40,189,612	\$ 40,529,170	\$ 39,447,499	\$ 42,800,875	\$ 44,389,519	\$ 39,092,626	\$ 40,048,567	\$ 41,028,406	\$ 42,032,741	\$ 43,062,185	\$ 44,117,364
Debt Service (Existing Issues)	\$ 185,295	\$ 644,251	\$ 569,535	\$ 658,889	\$ 820,563	\$ 604,045	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service (Future Issues)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Claims and Compensation	\$ 4,153,920	\$ 8,012,404	\$ 3,921,164	\$ 4,386,396	\$ 6,568,246	\$ 4,256,769	\$ 3,885,523	\$ 3,970,220	\$ 4,057,062	\$ 4,146,101	\$ 4,237,396	\$ 4,331,002
Capital	\$ 275,082	\$ 685,088	\$ 608,236	\$ 2,029,358	\$ 2,585,407	\$ 356,838	\$ 230,000	\$ 230,000	\$ 230,000	\$ 230,000	\$ 230,000	\$ 230,000
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL - Special Funds, All Agencies</b>	<b>\$ 111,598,600</b>	<b>\$ 110,328,340</b>	<b>\$ 106,162,438</b>	<b>\$ 108,611,113</b>	<b>\$ 116,853,183</b>	<b>\$ 114,911,252</b>	<b>\$ 108,067,956</b>	<b>\$ 110,558,815</b>	<b>\$ 113,112,240</b>	<b>\$ 115,729,810</b>	<b>\$ 118,413,142</b>	<b>\$ 121,163,900</b>



## EXPENDITURE ESTIMATE – SPECIAL FUNDS, GENERAL GOVERNMENT

Special Funds, General Government	Actual Expenditures							Forecast Expenditures				
	2004	2005	2006	2007	2008	2009	2010 Est	2011	2012	2013	2014	2015
Personnel Services-Salaries	\$ 5,576,236	\$ 5,208,696	\$ 5,409,670	\$ 5,707,579	\$ 6,542,098	\$ 5,684,527	\$ 5,834,641	\$ 5,980,307	\$ 6,129,614	\$ 6,282,655	\$ 6,439,521	\$ 6,600,309
Personnel Services - Benefits Other than Pension & Health Insurance	\$ 550,864	\$ 513,060	\$ 537,771	\$ 563,815	\$ 637,726	\$ 551,292	\$ 799,545	\$ 821,537	\$ 844,250	\$ 867,718	\$ 891,976	\$ 917,060
Personnel Services - Pension	\$ 145,430	\$ 98,481	\$ 82,840	\$ 94,071	\$ 93,848	\$ 77,130	\$ 75,869	\$ 74,333	\$ 72,829	\$ 71,355	\$ 69,912	\$ 68,498
Personnel Services - Health Insurance	\$ 1,771,294	\$ 1,587,992	\$ 1,712,491	\$ 1,811,219	\$ 1,788,229	\$ 1,766,203	\$ 1,765,187	\$ 1,764,173	\$ 1,763,158	\$ 1,762,145	\$ 1,761,132	\$ 1,760,119
Overtime	\$ 747,235	\$ 480,065	\$ 422,457	\$ 436,610	\$ 329,316	\$ 470,522	\$ 482,285	\$ 494,343	\$ 506,701	\$ 519,369	\$ 532,353	\$ 545,662
Utilities	\$ 101,721	\$ 117,619	\$ 114,580	\$ 104,009	\$ 132,032	\$ 124,727	\$ 127,845	\$ 131,041	\$ 134,317	\$ 137,675	\$ 141,117	\$ 144,645
Allowance and Travel	\$ 61,311	\$ 62,499	\$ 52,393	\$ 57,683	\$ 156,286	\$ 116,507	\$ 118,311	\$ 121,268	\$ 124,300	\$ 127,408	\$ 130,593	\$ 133,858
Equipment (non-capital)	\$ 1,057,139	\$ 290,585	\$ 249,585	\$ 551,981	\$ 1,174,891	\$ 297,154	\$ 390,925	\$ 400,073	\$ 409,450	\$ 419,061	\$ 428,913	\$ 439,011
Materials and Supplies	\$ 192,406	\$ 197,183	\$ 130,462	\$ 145,010	\$ 173,189	\$ 109,951	\$ 129,160	\$ 132,389	\$ 135,699	\$ 139,091	\$ 142,568	\$ 146,132
Rentals and Services	\$ 26,053,396	\$ 19,820,090	\$ 18,923,941	\$ 15,816,077	\$ 19,818,378	\$ 25,897,706	\$ 19,430,665	\$ 19,906,032	\$ 20,393,283	\$ 20,892,715	\$ 21,404,633	\$ 21,929,349
Debt Service (Existing Issues)	\$ 185,295	\$ 644,251	\$ 569,535	\$ 658,889	\$ 820,563	\$ 604,045	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service (Future Issues)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Claims and Compensation	\$ 3,766,475	\$ 7,415,877	\$ 3,357,306	\$ 3,843,512	\$ 5,937,404	\$ 3,480,137	\$ 3,059,725	\$ 3,124,527	\$ 3,190,975	\$ 3,259,113	\$ 3,328,983	\$ 3,400,629
Capital	\$ 275,082	\$ 685,088	\$ 608,236	\$ 2,008,108	\$ 2,501,794	\$ 323,978	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL - Special Funds, General Government</b>	<b>\$ 40,483,885</b>	<b>\$ 37,121,484</b>	<b>\$ 32,171,269</b>	<b>\$ 31,798,563</b>	<b>\$ 40,105,755</b>	<b>\$ 39,503,879</b>	<b>\$ 32,414,158</b>	<b>\$ 33,150,022</b>	<b>\$ 33,904,577</b>	<b>\$ 34,678,305</b>	<b>\$ 35,471,700</b>	<b>\$ 36,285,271</b>



## EXPENDITURE ESTIMATE – SPECIAL FUNDS, EDUCATION

Special Funds, Education	Actual Expenditures							Forecast Expenditures				
	2004	2005	2006	2007	2008	2009	2010 Est	2011	2012	2013	2014	2015
Personnel Services-Salaries	\$ 31,904,724	\$ 32,542,871	\$ 32,672,912	\$ 32,897,474	\$ 34,246,319	\$ 32,824,216	\$ 33,397,604	\$ 34,228,794	\$ 35,080,764	\$ 35,954,033	\$ 36,849,133	\$ 37,766,612
Personnel Services - Benefits Other than Pension & Health Insurance	\$ 4,525,135	\$ 4,250,700	\$ 4,453,203	\$ 5,291,916	\$ 4,576,988	\$ 4,763,794	\$ 4,880,256	\$ 4,999,563	\$ 5,121,852	\$ 5,247,198	\$ 5,375,678	\$ 5,507,370
Personnel Services - Pension	\$ 199,557	\$ 181,632	\$ 171,507	\$ 151,082	\$ 194,247	\$ 150,191	\$ 153,582	\$ 157,421	\$ 161,357	\$ 165,391	\$ 169,525	\$ 173,763
Personnel Services - Health Insurance	\$ 8,358,349	\$ 8,604,397	\$ 9,079,979	\$ 8,626,447	\$ 9,183,544	\$ 8,818,548	\$ 9,039,012	\$ 9,264,987	\$ 9,496,612	\$ 9,734,027	\$ 9,977,378	\$ 10,226,812
Overtime	\$ 191,158	\$ 127,915	\$ 66,640	\$ 62,686	\$ 34,202	\$ 59,670	\$ 65,227	\$ 65,458	\$ 65,694	\$ 65,937	\$ 66,185	\$ 66,440
Utilities	\$ 12,809	\$ 17,194	\$ 16,926	\$ 19,023	\$ 1,904	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Allowance and Travel	\$ 107,899	\$ 159,938	\$ 120,152	\$ 147,056	\$ 231,944	\$ 134,954	\$ 138,328	\$ 141,786	\$ 145,330	\$ 148,964	\$ 152,688	\$ 156,505
Equipment (non-capital)	\$ 1,254,040	\$ 1,221,555	\$ 949,576	\$ 621,711	\$ 345,448	\$ 911,730	\$ 625,000	\$ 625,000	\$ 625,000	\$ 625,000	\$ 625,000	\$ 625,000
Materials and Supplies	\$ 3,627,710	\$ 5,134,606	\$ 4,291,186	\$ 4,799,598	\$ 4,235,882	\$ 8,442,965	\$ 6,837,031	\$ 6,907,556	\$ 6,979,845	\$ 7,053,941	\$ 7,129,890	\$ 7,207,737
Rentals and Services	\$ 20,545,890	\$ 20,369,522	\$ 21,605,230	\$ 23,631,422	\$ 22,982,497	\$ 18,491,813	\$ 19,661,961	\$ 20,142,535	\$ 20,635,123	\$ 21,140,026	\$ 21,657,552	\$ 22,188,016
Debt Service (Existing Issues)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service (Future Issues)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Claims and Compensation	\$ 387,444	\$ 596,527	\$ 563,858	\$ 542,884	\$ 630,842	\$ 776,632	\$ 825,799	\$ 845,694	\$ 866,086	\$ 886,988	\$ 908,413	\$ 930,373
Capital	\$ -	\$ -	\$ -	\$ 21,250	\$ 83,612	\$ 32,860	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL - Special Funds, Education</b>	<b>\$ 71,114,715</b>	<b>\$ 73,206,856</b>	<b>\$ 73,991,169</b>	<b>\$ 76,812,550</b>	<b>\$ 76,747,428</b>	<b>\$ 75,407,372</b>	<b>\$ 75,653,798</b>	<b>\$ 77,408,793</b>	<b>\$ 79,207,663</b>	<b>\$ 81,051,505</b>	<b>\$ 82,941,442</b>	<b>\$ 84,878,628</b>





## EXPENDITURE ESTIMATE – CAPITAL FUNDS, TOTAL

Capital Funds, All Agencies	Actual Expenditures							Forecast Expenditures				
	2004	2005	2006	2007	2008	2009	2010 Est	2011	2012	2013	2014	2015
Personnel Services-Salaries	\$ 1,045,981	\$ 989,543	\$ 1,123,364	\$ 1,307,784	\$ 1,341,503	\$ 1,304,473	\$ 1,368,947	\$ 1,436,608	\$ 1,507,614	\$ 1,582,128	\$ 1,660,326	\$ 1,742,389
Personnel Services - Benefits Other than Pension & Health Insurance	\$ 86,244	\$ 69,711	\$ 84,893	\$ 100,136	\$ 101,794	\$ 99,557	\$ 103,040	\$ 106,647	\$ 110,382	\$ 114,249	\$ 118,255	\$ 122,402
Personnel Services - Pension	\$ 22,983	\$ 22,222	\$ 18,582	\$ 20,435	\$ 21,222	\$ 21,778	\$ 22,493	\$ 23,233	\$ 23,996	\$ 24,785	\$ 25,599	\$ 26,441
Personnel Services - Health Insurance	\$ 312,776	\$ 193,912	\$ 215,481	\$ 266,022	\$ 269,514	\$ 296,576	\$ 313,608	\$ 331,618	\$ 350,663	\$ 370,801	\$ 392,095	\$ 414,613
Overtime	\$ 8,140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Allowance and Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment (non-capital)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials and Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rentals and Services	\$ 125,839	\$ 182,466	\$ 122,853	\$ 82,853	\$ 179,694	\$ 461,976	\$ 815,385	\$ 826,145	\$ 837,173	\$ 848,478	\$ 860,065	\$ 871,941
Debt Service (Existing Issues)	\$ -	\$ -	\$ -	\$ -	\$ 6,000,000	\$ 1,361,536	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service (Future Issues)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Claims and Compensation	\$ 22,283,662	\$ 2,010,185	\$ (6,317,573)	\$ 1,877,720	\$ 8,523,994	\$ 2,874,151	\$ 5,249,228	\$ 5,314,209	\$ 5,380,814	\$ 5,449,085	\$ 5,519,062	\$ 5,590,788
Capital	\$ 145,692,422	\$ 141,989,897	\$ 154,296,168	\$ 144,817,904	\$ 147,656,263	\$ 169,087,400	\$ 181,422,774	\$ 185,526,468	\$ 189,732,755	\$ 194,044,199	\$ 198,463,429	\$ 202,993,140
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL - Capital Funds, All Agencies</b>	<b>\$ 169,578,045</b>	<b>\$ 145,457,935</b>	<b>\$ 149,543,769</b>	<b>\$ 148,472,853</b>	<b>\$ 164,093,985</b>	<b>\$ 175,507,447</b>	<b>\$ 189,295,476</b>	<b>\$ 193,564,928</b>	<b>\$ 197,943,397</b>	<b>\$ 202,433,725</b>	<b>\$ 207,038,831</b>	<b>\$ 211,761,714</b>



## EXPENDITURE ESTIMATE – CAPITAL FUNDS, GENERAL GOVERNMENT

Capital Funds, General Government	Actual Expenditures							Forecast Expenditures				
	2004	2005	2006	2007	2008	2009	2010 Est	2011	2012	2013	2014	2015
Personnel Services-Salaries	\$ 1,045,981	\$ 988,460	\$ 1,124,447	\$ 1,307,784	\$ 1,341,503	\$ 1,304,473	\$ 1,368,947	\$ 1,436,608	\$ 1,507,614	\$ 1,582,128	\$ 1,660,326	\$ 1,742,389
Personnel Services - Benefits Other than Pension & Health Insurance	\$ 86,244	\$ 69,631	\$ 84,973	\$ 100,136	\$ 101,794	\$ 99,557	\$ 103,040	\$ 106,647	\$ 110,382	\$ 114,249	\$ 118,255	\$ 122,402
Personnel Services - Pension	\$ 22,983	\$ 22,222	\$ 18,582	\$ 20,435	\$ 21,222	\$ 21,778	\$ 22,493	\$ 23,233	\$ 23,996	\$ 24,785	\$ 25,599	\$ 26,441
Personnel Services - Health Insurance	\$ 312,776	\$ 193,527	\$ 215,866	\$ 266,022	\$ 269,514	\$ 296,576	\$ 313,608	\$ 331,618	\$ 350,663	\$ 370,801	\$ 392,095	\$ 414,613
Overtime	\$ 8,140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Allowance and Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment (non-capital)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials and Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rentals and Services	\$ 125,839	\$ 182,466	\$ 122,853	\$ 82,853	\$ 179,694	\$ 461,976	\$ 374,010	\$ 383,360	\$ 392,944	\$ 402,768	\$ 412,837	\$ 423,158
Debt Service (Existing Issues)	\$ -	\$ -	\$ -	\$ -	\$ 6,000,000	\$ 1,361,536	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service (Future Issues)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Claims and Compensation	\$ 8,735,554	\$ 2,010,179	\$ (6,317,566)	\$ 1,877,720	\$ 8,523,993	\$ 2,686,323	\$ 2,686,728	\$ 2,687,646	\$ 2,688,588	\$ 2,689,552	\$ 2,690,541	\$ 2,691,555
Capital	\$ 30,382,893	\$ 40,322,790	\$ 44,027,870	\$ 23,187,696	\$ 27,363,054	\$ 35,369,480	\$ 29,391,774	\$ 29,696,818	\$ 30,009,489	\$ 30,329,976	\$ 30,658,475	\$ 30,995,187
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL - Capital Funds, General Government</b>	<b>\$ 40,720,407</b>	<b>\$ 43,789,274</b>	<b>\$ 39,277,025</b>	<b>\$ 26,842,645</b>	<b>\$ 43,800,774</b>	<b>\$ 41,601,699</b>	<b>\$ 34,260,601</b>	<b>\$ 34,665,931</b>	<b>\$ 35,083,675</b>	<b>\$ 35,514,260</b>	<b>\$ 35,958,129</b>	<b>\$ 36,415,745</b>



## EXPENDITURE ESTIMATE – CAPITAL FUNDS, EDUCATION

Capital Funds, Education	Actual Expenditures							Forecast Expenditures				
	2004	2005	2006	2007	2008	2009	2010 Est	2011	2012	2013	2014	2015
Personnel Services-Salaries	\$ -	\$ 1,083	\$ (1,083)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel Services - Benefits Other than Pension & Health Insurance	\$ -	\$ 80	\$ (80)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel Services - Pension	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel Services - Health Insurance	\$ -	\$ 384	\$ (384)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Allowance and Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment (non-capital)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Materials and Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rentals and Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 441,375	\$ 442,784	\$ 444,229	\$ 445,710	\$ 447,227	\$ 448,783
Debt Service (Existing Issues)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service (Future Issues)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Claims and Compensation	\$ 13,548,108	\$ 7	\$ (7)	\$ -	\$ 2	\$ 187,828	\$ 2,562,500	\$ 2,626,563	\$ 2,692,227	\$ 2,759,532	\$ 2,828,521	\$ 2,899,234
Capital	\$ 115,309,529	\$ 101,667,107	\$ 110,268,298	\$ 121,630,209	\$ 120,293,209	\$ 133,717,920	\$ 152,031,000	\$ 155,829,650	\$ 159,723,266	\$ 163,714,223	\$ 167,804,953	\$ 171,997,952
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL - Capital Funds, Education</b>	<b>\$ 128,857,637</b>	<b>\$ 101,668,661</b>	<b>\$ 110,266,744</b>	<b>\$ 121,630,209</b>	<b>\$ 120,293,210</b>	<b>\$ 133,905,748</b>	<b>\$ 155,034,875</b>	<b>\$ 158,898,997</b>	<b>\$ 162,859,722</b>	<b>\$ 166,919,465</b>	<b>\$ 171,080,701</b>	<b>\$ 175,345,969</b>



# GAP ANALYSIS

	2010 Est	2011	2012	2013	2014	2015
<b>Starting Fund Balance</b>	\$ 16,025,789	\$ 16,107,696	\$ 5,052,438	\$ (15,885,222)	\$ (34,265,121)	\$ (56,936,663)
<b>Estimated Revenue</b>	\$ 459,932,862	\$ 451,461,500	\$ 476,014,845	\$ 503,285,321	\$ 523,231,267	\$ 544,274,139
<b>Known Adjustments to 2011 Budget</b>		\$ 12,132,786	\$ 9,132,786	\$ 9,132,786	\$ 9,132,786	\$ 9,132,786
<b>Estimated Expenditures</b>	\$ 459,850,955	\$ 483,149,544	\$ 506,085,291	\$ 530,798,007	\$ 555,035,595	\$ 579,208,438
<b>Known Adjustments to 2011 Budget</b>		\$ 8,500,000				
<b>Estimated Ending Fund Balance</b>	\$ 16,107,696	\$ 5,052,438	\$ (15,885,222)	\$ (34,265,121)	\$ (56,936,663)	\$ (82,738,176)
<b>Fund Balance Goal Percentage</b>	3.50%	3.50%	4.00%	4.50%	4.75%	5.00%
<b>Fund Balance Goal</b>	\$ 16,097,650	\$ 15,801,152	\$ 19,040,594	\$ 22,647,839	\$ 24,853,485	\$ 27,213,707
<b>Goal Shortfall</b>	\$ (10,046)	\$ 10,748,714	\$ 34,925,816	\$ 56,912,960	\$ 81,790,148	\$ 109,951,883
<b>Known Revenue Adjustments to 2011 Budget</b>						
1.4% Millage Increase		\$ 2,930,260	\$ 2,930,260	\$ 2,930,260	\$ 2,930,260	\$ 2,930,260
\$2 Average Increase in Building Fees		\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000
Estimated Increase in Parking Meter Revenue		\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Increase in Non-Profit Fees		\$ 2,202,526	\$ 2,202,526	\$ 2,202,526	\$ 2,202,526	\$ 2,202,526
Increase in Parking Authority PILOT		\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Sale of Assets (1-time)		\$ 3,000,000				
<b>Known Expenditure Adjustments to 2011 Budget</b>						
Monetization/IBB (City shows as revenue)		\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000
Increase in Self-Insurance Fund		\$ (1,500,000)	\$ (1,500,000)	\$ (1,500,000)	\$ (1,500,000)	\$ (1,500,000)
Reduction of Police Overtime		\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000



## COMPARATIVE ANALYSIS

- Cities included in comparative analysis:
  - New Haven, CT
  - Bridgeport, CT
  - Hartford, CT
  - Stamford, CT
  - Waterbury, CT
  - Providence, RI
  - Springfield, MA
- Data obtained from City budgets and financial reports for 2009 (last full year of actual data), Connecticut Fiscal Indicators Report for 2009, Connecticut Department of Education data for 2008, Connecticut Fire Marshall, Massachusetts Fire Marshall, FBI Annual Uniform Crime Reports, government web sites.
- Not all data were available for all cities.
- Analyses included:
  - General financial reporting.



- Education.
- Fire Services.
- Police Services.
- While the operational scan of New Haven included all principal cost-center departments, most were excluded from the comparative analysis:
  - With few exceptions, the departments scanned appear to be operating at or above generally accepted best industry standards.
  - Lack of consistent data among comparative jurisdictions, both for costs and operational reporting.
- Comparative data relative to full time equivalent employment is not included:
  - Each jurisdiction treats education employment differently.
  - No standardized reporting that incorporates, or fully separates, general government and education staffing or budgets.
- The following tables present the comparative data analysis



## GRAND LIST AND MILLAGE

**2008 Grand List and Millage**  
(Source: 2009 Connecticut Municipal Fiscal Indicators)

	<b>New Haven</b>	<b>Bridgeport</b>	<b>Hartford</b>	<b>Stamford</b>	<b>Waterbury</b>
Equalized Net Grand List	\$ 6,370,284,874	\$ 11,835,219,911	\$ 5,617,517,672	\$ 13,438,345,880	\$ 8,097,150,675
Equalized Mill Rate	\$ 29.18	\$ 18.78	\$ 39.42	\$ 26.51	\$ 24.35
Net Grand List	\$ 4,406,546,092	\$ 5,413,924,658	\$ 3,334,666,569	\$ 9,361,731,391	\$ 3,534,261,722
Mill Rate	\$ 42.21	\$ 41.28	\$ 63.39	\$ 27.03	\$ 55.49



## FINANCIAL ANALYSIS

### Ratios of Comparative Revenues, General Fund (Source: 2009 Financial Reports)

	New Haven	Bridgeport	Hartford	Stamford	Waterbury	Providence	Springfield
Population	127,401	137,912	124,512	118,475	108,000	171,557	150,640
Total Revenue Per Capita	\$ 3,682	\$ 3,512	\$ 4,345	\$ 3,873	\$ 3,576	\$ 2,373	\$ 3,645
Property Taxes Per Capita	\$ 1,597	\$ 1,804	\$ 2,013	\$ 3,264	\$ 1,945	\$ 1,653	\$ 1,046
Intergovernmental Per Capita	\$ 1,774	\$ 1,554	\$ 2,169	\$ 337	\$ 1,440	\$ 312	\$ 2,299
Licenses, Permits, Charges Per Capita	\$ 136	\$ 117	\$ 81	\$ 233	\$ 62	\$ -	\$ 4
All Other Revenue Per Capita	\$ 175	\$ 37	\$ 82	\$ 39	\$ 128	\$ 407	\$ 296
Property Taxes as Pct of Revenue	43.36%	51.36%	46.34%	84.27%	54.41%	69.67%	28.69%
Intergovernmental as Pct of Revenue	47.78%	81.41%	52.73%	9.43%	42.28%	17.85%	65.57%
Licenses, Permits, Charges as Pct of Rev	3.69%	3.32%	1.87%	6.01%	1.72%	0.00%	0.12%
All Other Revenue as Pct of Revenue	4.76%	1.06%	1.88%	1.02%	3.59%	17.17%	8.13%





**Ratios of Comparative Expenditures, General Fund  
 (Source: 2009 Financial Reports)**

	<b>New Haven</b>	<b>Bridgeport</b>	<b>Hartford</b>	<b>Stamford</b>	<b>Waterbury</b>	<b>Providence</b>	<b>Springfield</b>
Population	127,401	137,912	124,512	118,475	108,000	171,557	150,640
Total Expenditures (Less Capital) Per Capita	\$ 3,713	\$ 1,909	\$ 4,113	\$ 3,575	\$ 3,407	\$ 1,749	\$ 3,505
Capital Expenditures Per Capita	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Principal Per Capita	\$ 293	\$ 225	\$ -	\$ -	\$ -	\$ 204	\$ 174
Debt Interest Per Capita	\$ 169	\$ 302	\$ -	\$ -	\$ -	\$ 106	\$ 103
Total Debt Service Per Capita	\$ 462	\$ 526	\$ -	\$ -	\$ -	\$ 310	\$ 277
Debt Principal as Pct of Expenditures	7.88%	11.76%				11.67%	4.97%
Debt Interest as Pct of Expenditures	4.56%	15.80%				6.07%	2.94%
Total Debt Service as Pct of Expenditures	12.44%	27.55%				17.74%	7.92%
Employee Benefits as Pct of Expenditures	19.34%		11.32%				9.09%
Education as Pct of Expenditures (Less Capital)	40.59%		59.64%	57.39%	45.96%		59.79%
Education as Pct of Expenditures Incl Capital)	40.59%		59.64%	57.39%	45.96%		59.79%



**Ratios of Comparative Revenues, Combined Funds  
 (Source: 2009 Financial Reports)**

	<b>New Haven</b>	<b>Bridgeport</b>	<b>Hartford</b>	<b>Stamford</b>	<b>Waterbury</b>	<b>Providence</b>	<b>Springfield</b>
Population	127,401	137,912	124,512	118,475	108,000	171,557	150,640
Total Revenue Per Capita	\$ 5,441	\$ 4,556	\$ 6,374	\$ 4,696	\$ 4,285	\$ 4,111	\$ 4,526
Property Taxes Per Capita	\$ 1,597	\$ 1,804	\$ 2,013	\$ 3,264	\$ 1,945	\$ 1,653	\$ 1,046
Intergovernmental Per Capita	\$ 3,408	\$ 2,577	\$ 4,056	\$ 978	\$ 2,082	\$ 1,741	\$ 3,106
Licenses, Permits, Charges Per Capita	\$ 172	\$ 117	\$ 141	\$ 398	\$ 105	\$ -	\$ 15
All Other Revenue Per Capita	\$ 264	\$ 58	\$ 164	\$ 56	\$ 153	\$ 717	\$ 359
Property Taxes as Pct of Revenue	29.34%	39.59%	31.58%	69.50%	45.40%	40.21%	23.10%
Intergovernmental as Pct of Revenue	56.82%	52.10%	58.68%	19.27%	47.21%	40.81%	70.66%
Licenses, Permits, Charges as Pct of Rev	3.16%	2.56%	2.21%	8.48%	2.44%	0.00%	0.34%
All Other Revenue as Pct of Revenue	4.85%	1.28%	2.58%	1.19%	3.56%	17.43%	7.93%



**Ratios of Comparative Expenditures, Combined Funds  
 (Source: 2009 Financial Reports)**

	<b>New Haven</b>	<b>Bridgeport</b>	<b>Hartford</b>	<b>Stamford</b>	<b>Waterbury</b>	<b>Providence</b>	<b>Springfield</b>
Population	127,401	137,912	124,512	118,475	108,000	171,557	150,640
Total Expenditures (Less Capital) Per Capita	\$ 4,962	\$ 4,340	\$ 6,005	\$ 4,525	\$ 4,059	\$ 4,221	\$ 4,396
Capital Expenditures Per Capita	\$ 1,037	\$ 607	\$ 908	\$ 552	\$ 352	\$ 46	\$ -
Debt Principal Per Capita	\$ 331	\$ 225	\$ 307	\$ 248	\$ 66	\$ 215	\$ 174
Debt Interest Per Capita	\$ 170	\$ 302	\$ -	\$ 122	\$ 42	\$ 120	\$ 103
Total Debt Service Per Capita	\$ 501	\$ 526	\$ 307	\$ 369	\$ 107	\$ 335	\$ 277
Debt Principal as Pct of Expenditures	5.51%	4.54%	4.43%	4.88%	1.49%	5.04%	3.97%
Debt Interest as Pct of Expenditures	2.84%	6.10%	0.00%	2.40%	0.94%	2.81%	2.35%
Total Debt Service as Pct of Expenditures	8.35%	10.63%	4.43%	7.28%	2.43%	7.86%	6.31%
Employee Benefits as Pct of Expenditures	11.97%	0.00%	6.74%	0.00%	0.00%	0.00%	7.24%
Education as Pct of Expenditures (Less Capital)	17.51%	32.11%	33.40%	34.19%	36.90%	50.91%	62.63%
Education as Pct of Expenditures (Incl Capital)	34.79%	44.38%	46.53%	45.06%	44.88%	51.99%	62.63%



**Ratio of Debt to Debt Limits  
 (includes authorized but unissued debt)  
 (Source: 2009 Financial Reports)**

	New Haven	Bridgeport	Hartford	Stamford	Waterbury	Providence	Springfield
Ratio of Debt Limit - General Government	44.22%	52.55%	59.19%	46.28%		4.26%	30.71%
Ratio of Debt Limit - Schools	52.23%	15.66%	11.12%	20.16%			

**Unappropriated Fund Balances  
 (Source: 2009 Financial Reports)**

	New Haven	Bridgeport	Hartford	Stamford	Waterbury	Providence	Springfield
General Fund Expenditures	\$ 473,037,191	\$ 263,325,693	\$ 512,114,000	\$423,539,873	\$ 367,926,000	\$ 300,008,000	\$ 528,049,123
General Fund Ending Balance	\$ 16,025,789	\$ 10,752,753	\$ 16,313,000	\$ 8,362,372	\$ 21,082,000	\$ 17,361,000	\$ 58,034,618
Fund Balance per Capita	\$ 125.79	\$ 77.97	\$ 131.02	\$ 70.58	\$ 195.20	\$ 101.20	\$ 385.25
Fund Balance per FTE	\$ 4,106.02	\$ 7,332.26	\$ 11,058.16	\$ 6,888.28	\$ 6,340.45	\$ 3,413.49	\$ 10,190.09
Fund Balance as Pct of Annual Expenditures	<b>3.39%</b>	<b>4.08%</b>	<b>3.19%</b>	<b>1.97%</b>	<b>5.73%</b>	<b>5.79%</b>	<b>10.99%</b>



**Relative New Haven Rank in Financial Measures  
 (Source: 2009 Financial Reports)**

Evaluative Criteria	General Fund		All Funds	
	New Haven Rank	Number of Cities Reporting	New Haven Rank	Number of Cities Reporting
FTE Per Capita			3	7
Total Revenue Per Capita	2	7	1	7
Property Taxes Per Capita	6	7	6	7
Intergovernmental Per Capita	3	7	2	7
Licenses, Permits, Charges Per Capita	2	6	1	6
All Other Revenue Per Capita	3	7	3	7
Property Taxes as Pct of Revenue	6	7	6	7
Intergovernmental as Pct of Revenue	4	7	3	7
Licenses, Permits, Charges as Pct of Revenue	2	6	2	6
All Other Revenue as Pct of Revenue	3	7	3	7
Total Expenditures (Less Capital) Per Capita	2	7	2	7
Capital Expenditures Per Capita			1	6
Debt Principal Per Capita	1	4	1	7
Debt Interest Per Capita	2	4	2	6
Total Debt Service Per Capita	2	4	2	7
Debt Principal as Pct of Expenditures	3	4	1	7
Debt Interest as Pct of Expenditures	3	4	2	6
Total Debt Service as Pct of Expenditures	3	4	2	7
Employee Benefits as Pct of Expenditures	1	3	1	3
Education as Pct of Expenditures (Less Capital)	5	5	7	7
Education as Pct of Expenditures Incl Capital)	5	5	7	7
Ratio of Debt Limit - General Government			4	6
Ratio of Debt Limit - Schools			1	4
Percentage of Unappropriated Fund Balance	5	7		



## EDUCATION

### 2008 Education Data (Source: Connecticut Department of Education)

	New Haven	Bridgeport	Hartford	Waterbury
<b>STAFF</b>				
General Education				
Teachers and Instructors	1274.9	1185.2	1427.05	1122.33
Paraprofessional Instructor Assistants	302	135	183	151.52
Special Education				
Teachers and Instructors	197.45	221.5	268.15	197.02
Paraprofessional Instructor Assistants	152	178	307	305
Library/Media Specialists and Assistants	37	40	44	42.05
Staff Devoted to Adult Education	21	2	18	1
Adminstrators, Coordinators, and Department Chairs				
District Central Office	38	32	29	22
School Level	109	70	99	72.06
Subject Area Specialists	69.2	65.5	81.5	18
Counselors, Social Workers, and School Psychologists	96.2	119.4	121.7	79.1
School Nurses	32.1	20	42	31.25
Other Staff Providing Non-Instructionl Services and Support	966	860.9	660.2	776.31
<b>Total Staff</b>	<b>3294.85</b>	<b>2929.5</b>	<b>3280.6</b>	<b>2817.64</b>
Total operating budget	\$ 296,702,000	\$ 258,698,000	\$ 360,053,000	\$ 219,986,000
Total capital budget	\$ 126,086,000	\$ 40,747,000	\$ 91,184,000	\$ 3,576,000
Total enrolled students, K-12	19,851	20,821	22,360	18,304
Total number of schools	43	33	39	28
Municipal Land Area	18.9	16.0	33.0	22.8
Municipal Population	127,401	137,912	124,512	108,000



**Analysis of 2008 Education Data**  
**(Source: Connecticut Department of Education)**

	<b>New Haven</b>	<b>Bridgeport</b>	<b>Hartford</b>	<b>Waterbury</b>
Operating Budget per student	\$ 14,946.45	\$ 12,424.86	\$ 16,102.55	\$ 12,018.47
Capital Budget per student	\$ 6,351.62	\$ 1,957.01	\$ 4,078.00	\$ 195.37
Total Budget per student	\$ 21,298.07	\$ 14,381.87	\$ 20,180.55	\$ 12,213.83
Average students per total staff	6.02	7.11	6.82	6.50
Average students per academic and student support staff	9.19	10.60	9.04	9.40
Average students per administrative and non-instructional staff	17.84	21.62	28.37	21.03
Average density of school population	461.65	630.94	573.33	653.71
Average number of schools per square mile	2.28	2.06	1.18	1.23



# FIRE SERVICES

## 2009 Fire Response History (Source: Connecticut Fire Marshall, Massachusetts Fire Marshall)

	New Haven		Bridgeport		Hartford		Stamford		Waterbury		Springfield	
	Incidents	Pct of Total	Incidents	Pct of Total	Incidents	Pct of Total	Incidents	Pct of Total	Incidents	Pct of Total		
<b>FIRE CALLS</b>												
Building Fire	221		94		480		221		243		687	
Vehicle Fires	99		60		149		36		82		104	
Other Fires	238		57		272		98		155		347	
Subtotal of Fires	<b>558</b>	<b>3.20%</b>	<b>211</b>	<b>5.60%</b>	<b>901</b>	<b>4.90%</b>	<b>355</b>	<b>4.40%</b>	<b>480</b>	<b>7.20%</b>	<b>1,138</b>	
<b>RESCUE CALLS</b>												
Emergency Medical Calls	12,022		1,529		11,158		4,503		3,360			
Other Rescue/EMS Calls	404		154		593		288		346			
Subtotal of Rescue Calls	<b>12,426</b>	<b>70.50%</b>	<b>1,683</b>	<b>45.00%</b>	<b>11,751</b>	<b>64.00%</b>	<b>4,791</b>	<b>58.70%</b>	<b>3,706</b>	<b>55.40%</b>		
<b>OTHER CALLS</b>												
Overpressure Ruptures, Explosion, Overhead	82		12		20		24		11			
Hazardous Conditions	431		357		678		524		654			
Service Calls	409		577		2,054		376		499			
Good Intent	1,669		177		954		875		412			
Severe Weather/Natural Disaster	3		2		2		8		20			
Special Incident	32		8		208		19		14			
Unknown Incident Type	0		0		0		0		0			
Subtotal of Other Calls	<b>2,626</b>	<b>14.90%</b>	<b>1,133</b>	<b>30.30%</b>	<b>3,916</b>	<b>21.30%</b>	<b>1,826</b>	<b>22.40%</b>	<b>1,610</b>	<b>24.10%</b>		
<b>FALSE CALLS</b>												
Malicious Calls	138		85		316		63		125			
System/Detector Malfunction	793		230		754		361		374			
Unintentional Detector Operation	965		285		643		759		389			
Other False Calls	132		114		75		4		1			
Subtotal of False Calls	<b>2,028</b>	<b>11.50%</b>	<b>714</b>	<b>19.10%</b>	<b>1,788</b>	<b>9.70%</b>	<b>1,187</b>	<b>14.50%</b>	<b>889</b>	<b>13.30%</b>	<b>3456,131</b>	
<b>GRAND TOTAL OF CALLS</b>	<b>17,638</b>	<b>100%</b>	<b>3,741</b>	<b>100%</b>	<b>18,356</b>	<b>100%</b>	<b>8,159</b>	<b>100%</b>	<b>6,685</b>	<b>100%</b>	<b>19,609</b>	
Population	127,401		137,912		124,512		118,475		108,000		150,640	
Land Area (Square Miles)	18.85		16.00		33.03		37.75		28.57		32.10	
Number of Fire Stations	10		8				9		8			
Number of Fire Personnel	397		310		346		290		240		261	
Number of Apparatus	26		19				20		22			
Reported Overtime	\$3,353,983		\$3,216,113				\$2,261,397		\$1,393,037			





### Analysis of 2009 Fire Response

(Data Source: Connecticut Fire Marshall, Massachusetts Fire Marshall)

	New Haven	Bridgeport	Hartford	Stamford	Waterbury	Springfield
Population Density	6,759	8,620	3,770	3,138	3,780	4,693
Building Fires Per Square Mile	11.72	5.88	14.53	5.85	8.51	21.4
Total Fires Per Square Mile	47.61	35.88	62.01	60.68	56.4	53.18
Building Fires Per 1000 Persons Per Square Mile	32.7	10.9	127.32	70.43	64.29	146.39
Total Fires Per 1000 Persons Per Square Mile	82.56	24.48	238.99	113.13	126.98	242.49
EMS/Rescue Calls Per Square Mile	659.2	105.19	355.77	126.91	129.72	
EMS/Rescue Calls Per 1000 Population	97.53	12.2	94.38	40.44	34.31	
Fire Calls Per Sworn Personnel	1.41	0.68	2.6	1.22	2	
EMS/Rescue Calls Per Sworn Personnel	31.3	5.43	33.96	16.52	15.44	
Total Calls Per Sworn Personnel	44.43	12.07	53.05	28.13	27.85	
Fire Stations Per Square Mile	0.53	0.5	0	0.24	0.28	
Sworn Personnel Per Square Mile	21.06	19.38	10.48	7.68	8.4	
Sworn Personnel Per 1000 Population	3.12	2.25	2.78	2.45	2.22	
Overtime Per Sworn Personnel	\$8,448.32	\$10,374.56	\$0.00	\$7,797.92	\$5,804.32	



# POLICE SERVICES

## Analysis of 2008 Crime Data (Data Source: FBI 2008 Uniform Crime Reports)

City	Population	Sworn Officers	Total Personnel	Violent crime	Murder and Nonnegligent Manslaughter	Forcible Rape	Robbery	Aggravated Assault	Property Crime	Burglary	Larceny-Theft	Motor Vehicle Theft	Arson
<b>REPORTED DATA</b>													
Waterbury	107,157	278	348	384	5	19	170	190	5,658	651	4,575	432	0
Stamford	118,597	285	349	390	5	27	172	186	2,131	325	1,590	216	8
New Haven	123,659	388	488	2,218	23	65	905	1,225	8,070	1,688	5,011	1,371	24
Hartford	124,610	422	521	1,503	31	61	629	782	6,374	1,000	4,048	1,326	97
Bridgeport	136,327	423	525	1,638	20	58	737	823	6,174	1,269	3,768	1,137	61
Springfield	151,249	467	568	1,898	14	117	567	1,200	7,336	2,002	4,432	902	61
Providence	170,965	484	581	1,162	12	44	498	608	9,063	1,875	5,701	1,487	31
<b>AVERAGE PER 1000 POPULATION</b>													
Waterbury		2.59	3.25	4.81	0.06	0.24	2.13	2.38	70.94	8.16	57.36	5.42	0.00
Stamford		2.40	2.94	4.89	0.06	0.34	2.16	2.33	26.72	4.08	19.94	2.71	0.10
New Haven		3.14	3.95	27.81	0.29	0.82	11.35	15.36	101.19	21.17	62.83	17.19	0.30
Hartford		3.39	4.18	18.85	0.39	0.76	7.89	9.81	79.92	12.54	50.76	16.63	1.22
Bridgeport		3.10	3.85	20.54	0.25	0.73	9.24	10.32	77.41	15.91	47.25	14.26	0.76
Springfield		3.43	4.17	23.80	0.18	1.47	7.11	15.05	91.98	25.10	55.57	11.31	0.76
Providence		3.55	4.26	14.57	0.15	0.55	6.24	7.62	113.64	23.51	71.48	18.65	0.39
<b>AVERAGE PER SWORN OFFICER</b>													
Waterbury				1.38			0.61	0.68	20.35	2.34	16.46	1.55	
Stamford				1.37			0.60	0.65	7.48	1.14	5.58	0.76	
New Haven				5.72			2.33	3.16	20.80	4.35	12.91	3.53	
Hartford				3.56			1.49	1.85	15.10	2.37	9.59	3.14	
Bridgeport				3.87			1.74	1.95	14.60	3.00	8.91	2.69	
Springfield				4.49			1.34	2.84	17.34	4.73	10.48	2.13	
Providence				2.75			1.18	1.44	21.43	4.43	13.48	3.52	



## SUMMARY OF COMPARATIVE ANALYSIS

- Strengths:
  - Millage rate below comparative average.
  - Less reliance on property taxes.
  - Greater use of intergovernmental funds.
  - Lower costs per employee.
  - Greater use of fees and permits.
- Areas for improvement:
  - Debt service, particularly relating to schools.
  - Size of workforce.
  - Employee benefits.
  - School costs, particularly relating to facilities.
  - Fire costs.
  - Public safety overtime.



## REVENUE STRATEGIES

- This section identifies several strategies to increase general fund revenues during the 2011-2015 period.
- Revenue estimates are based on observed trends, industry standard norms, and projections based on cursory data analysis.
- Management Partners recommends that the City of New Haven conduct further analysis to ratify the viability of the revenue sources and to affirm or modify the estimated revenue potential.



## PARKS AND RECREATION FEES

- A revenue recovery goal of 25% of operating costs would result in parks and recreation fees of approximately \$1.25 million per year.
  - An increase of this magnitude will almost certainly require a multi-year phase in.
  - The revenue strategy uses a \$100,000 increase in 2011, followed by \$150,000 per year increments in the following years.
  - It would be appropriate to develop a cost support system to assist the lowest income users.
- Overview of the Parks and Recreation Department indicates that the Department is performing at or above national standards except in cost recovery.
- Budgeted fee revenue in 2011 for parks and recreation is \$235,000, against total budgeted expenditures of \$5,101,560, a recovery rate of less than five percent, compared to normal industry goals of 25% to 40%.
- Insufficient user-based revenues will detract from any potential growth in customer service or ability to maintain existing infrastructure.



## RENTAL HOUSING INSPECTION PROGRAM FEES

- A full cost recovery fee program based on a per-unit basis could be expected to yield an additional \$100,000 per year in revenues.
- Interviews indicate that a large number of rental units are not included in the program.
- Current fees are based on a per property basis.
- The revenue increase assumes:
  - Expansion of the number of properties in the rental program.
  - Since inspectors currently inspect all units, switching from a per property to a per unit fee would not require any additional staff for existing units.
- Additional revenues could be generated through a more aggressive enforcement and lien recovery program.



## COMMERCIAL PROPERTIES INSPECTION PROGRAM

- A commercial properties inspection program similar to the rental property inspections would be expected to net as much as \$250,000 per year in fees and fines.
- New Haven has sound fire safety code inspection program and zoning code enforcement program and is developing a rental property inspection program.
- There does not appear to be any commercial property inspection program.
- Aggressive commercial property inspection program would provide improved level of property maintenance and yield additional revenues.
- An operations study will enable the City to identify the number of properties to be included, the service scope, required staffing, and net return.



## INSURANCE PAYMENTS FOR HEALTH SERVICES

- It is expected that an aggressive annual Medicaid recovery program in the Health Department and Schools should be able to yield at least approximately \$200,000 per year.
- The Schools annually charge for Medicare and Medicaid cost recovery for eligible health care provided to students, using City nurses.
  - Annual recovery in the Schools was \$78,000 in 2010.
  - By comparison, Springfield, MA, recovers nearly \$5,000,000 per year in School-based healthcare recovery.
- The City's Health clinics provide a variety of services which may be eligible for insurance recovery.
  - The Department estimates that it currently secures about \$845,000 annually in revenues for its Charge Clinics.
  - Interviews indicate that the City does not seek insurance or federal cost recovery for potentially eligible services.
- A revenue maximization study by a qualified recovery firm is necessary to determine eligible recoveries and to assist in setting up a billing program.





## HOUSING AUTHORITY PAYMENTS IN LIEU OF TAXES (PILOT)

- The forecast estimates that an annual PILOT of \$750,000 is a reasonable starting estimate, to be achieved during the 2011 fiscal year.
- The City does not currently charge the Housing Authority for payments in lieu of taxes.
- It does charge all other constituent agencies.
- While recognizing the inherent value of providing housing for the City's low-income residents, it is still reasonable that the negotiation of a PILOT agreement based on the value of the Housing Authority's properties is appropriate.



## EMERGENCY MEDICAL SERVICES RECOVERY

- For planning purposes, the revenue strategy includes an additional \$250,000 per year in cost recovery, beginning in 2012, following a full study and reorientation of the Fire Department to an EMS model.
- Under State license, a private provider is charged with providing emergency medical services first responder and transport services.
- The City currently provides some first responder services with the Fire Department and provides paramedic ride-along services.
- The City provides its costs to the provider, who processes all billing, and then reimburses the City.
  - In 2010, the City incurred an approximately \$1,460,000 in C-Med expenses and approximately \$1,524,000 in revenue, reported in Special Funds.
  - In 2010, the City also reported \$97,250 in general fund revenue from Emergency Response, compared to budgeted revenue of \$320,000.
  - Interviews and data analysis indicate that the City does not recover its full eligible costs, but this is not verifiable without detailed cost analysis.
  - Cost recoveries are inconsistent with the number of emergency medical service responses of the Fire Department.
- A cost analysis will determine the appropriate cost recovery.



## FIRE APPARATUS

- The revenue forecast anticipates a one-time revenue of \$1,000,000 for sale of surplus equipment, based on current market values for used fire equipment, to be achieved in 2012.
- The expenditure strategies in this report recommend a thorough operational review and redesign of the Fire Department, with the purpose of realigning the Department's personnel and equipment to the more modern mission of rescue and emergency services.
- This change will enable the City to remove several pieces of expensive apparatus from its vehicle inventory.



## FLEET

- The expenditure chapter of this report recommends full consolidation of fleet maintenance, including the culling of excess equipment and implementation of life-cycle costing.
- The revenue estimates include one-time revenues of \$250,000 each in 2011 and 2012 for the disposal of fleet determined to be excess through improved fleet management policies.
- In addition, the expenditure chapter recommends that the City secure designation as a warranty repair shop for its primary models.
  - This enables the City to be reimbursed for warranty repairs performed by existing mechanics
  - Under the warranty program, the vehicle manufacturers would reimburse the City for warranty repair work.
  - While a full fleet analysis is needed to determine the precise yield this would achieve, this report includes an estimate of \$75,000 in 2011 and \$100,000 per year in 2012 and beyond in additional revenue by being designated as a warranty repair shop.



## EXPENDITURE STRATEGIES

- This section identifies several strategies to reduce general fund expenditures during the 2011-2015 period.
- Savings estimates are based on observed trends, industry standard norms, and projections based on cursory data analysis.
- We identify each strategy that might require modifications to existing labor contracts.
- Our observations of the City's primary operational cost centers indicates that most City departments are functioning at a level of productivity that meets, or exceeds, industry standards.
  - Not all departments were scanned during the project.
  - Of the departments reviewed, we identified notable performance in Public Works, Parks and Recreation, and Traffic and Parking.
- Management Partners recommends that the City of New Haven conduct specific operational analyses to ratify the viability of the expenditure reductions and to affirm or modify the estimated cost savings potential.



## EMPLOYEE LONGEVITY PAY

- 2009 Expenditures for employee longevity and perfect attendance pay were \$1,950,000, all but about 1% for longevity pay.
- Longevity pay has become an expensive anachronism that most local governments are abandoning as quickly as possible.
- The expenditure forecast assumes elimination of this pay supplement beginning with the 2012 budget.
- This will require modification to the City's labor contracts.



## FIRE DEPARTMENT

- The expenditure strategy for Fire Services is based on a realignment of the Department to actual service demand.
- The comparative data and a cursory overview of the Fire Department indicate the following:
  - The service demand for the Fire Department is becoming increasingly emergency medical service and rescue response.
  - The staffing, equipment, and deployment model of the Department is predicated on a fire suppression model, even though that represents only a small, and declining, part of the Department's current demand.
  - Current staffing and equipment appears to exceed that of any of the peer jurisdictions when normalized for geographic area, population, and demands for service.
- An operations study of the Fire Department would be expected to result in recommendations for reduction in the number of personnel, a shift in skill sets to paramedic capabilities, a reduction in total apparatus with an increased emphasis on paramedic response units, and a realignment of current station deployment
- Based on such a study being conducted, this forecast estimates the following reductions:
  - De-authorization of current vacancies (no expenditure savings since the positions are not currently funded).



- Further reduction of fire personnel by attrition by fourteen persons (estimated cost savings of \$1,050,000 in 2012) and twenty personnel in 2013 for an estimated annual savings of \$2,250,000 by 2013), assuming an average cost of \$150,000 per position for salary, benefits, overtime, recruitment and training costs.
- Annual savings of \$250,000 per year in the reduction of fire houses, including maintenance costs and reduction in supervisory personnel who will no longer be necessary:
  - ✓ This assumes the possibility of closing or consolidating at least two stations.
  - ✓ It should be noted that the City may need to construct or otherwise acquire replacement stations as part of a redeployment strategy to assure continuing fire and EMS response consistent with national standards.
- A one-time savings of \$1,000,000 for the disposal of excess fire apparatus (included in the listing of new revenues).
- Annual new expenditures of \$1,000,000 per year for new paramedic units.
- An annual increase of \$250,000 per year in annual revenues for additional EMS recoveries, also included in the revenue strategy.
- There is interest in the City's assuming first responder and transport responsibilities from the private provider.
  - Significant redirection in Department focus and responsibilities.





- Much larger increase in revenue recovery than what is included in this report would be expected.
- City should pursue this strategy; however, the implications of the Statewide licensure system renders this as a difficult option that will require considerable time to achieve.
- These strategies will require modification to the City's labor contracts.



## POLICE DEPARTMENT

- A complete operations review of the Department would be expected to result in an objective determination of the department's personnel needs, a reduction in patrol management districts, an improved deployment of personnel, and an effective overtime management policy.
- Based on the expected results of such a study, the expenditure model anticipates the following actions:
  - Determination of best deployment of sworn personnel to address crime activity and determination of necessary force size.
  - Reduction of the management districts, with attendant reduction in management costs, estimated at \$200,000 in annual savings.
  - Reduction of police overtime to 5% of salaries, an annual savings of \$1,500,000.
  - Consolidation of motor fleet management with the Department of Public Works, with an estimated annual savings of \$100,000, based on elimination of duplicate management and economies of scale in fleet servicing.
- The comparative department analysis using the FBI National Crime Information System (NCIS) shows that New Haven has the highest rate of crime activity of the peer departments.
- In terms of normalized staffing and budget ratios, the Department has a higher level of staffing and cost than most of the peer departments.



- The Department uses a data-driven approach to police management, one of the most contemporary concepts of urban policing.
- The Department uses a shift schedule designed to provide maximum staffing at traditional peak demand periods.
  - Deployment is divided among ten police districts, which can result in officers not being able to concentrate in high demand areas.
  - The Department has not conducted a full deployment analysis recently, so it is not possible to determine whether the current time and district alignments are consistent with demands for service.
- There is an unusually high overtime rate for the Department.
  - This is caused in part by the use of overtime to offset personnel vacancies under the current staffing and deployment model.
  - High overtime is also indicative of a lack of rigorous management of overtime.
- Another significant cost center for the Department is the fleet, which is managed by the Police Department.
  - As with the rest of the City, the Department does not use a life cycle costing approach for the acquisition and disposition of the fleet.
  - A fleet maintenance system that is independent from the other City fleet function almost universally results in cost duplication and the loss of scalar efficiency.



- These recommendations may require changes to the City's labor contracts, particularly with regard to deployment, management districts, and fleet.



## INFORMATION TECHNOLOGY INTERNAL SERVICE FUND

- Consolidation of the City's technology services into a single department, structured as an internal service fund, can be expected to result in cost reductions of up to \$150,000 per year based on typical industry estimates of economies of scale.
  - Information technology expenses are not reported separately, so it is difficult to establish a true cost base-line.
  - City departments are not charged for information technology services.
  - Technology initiatives are department-driven as opposed to being guided by a city-wide strategic plan.
  - The Schools operate a separate technology unit.
- Typical results from technology consolidation that other governments experience include:
  - Reduced staffing requirements.
  - Reduced costs for technology acquisition.
  - Improved use of technology for service improvements.
- Benefits of a technology internal service fund includes:



- Use of a cost strategy to control technology expenditures.
- Recovery of costs from non-general fund departments.
- Planned replacement of equipment without resort to capital bonding.
- Consolidation of general government and school information technology functions may require modifications to the City's labor contracts; no other information technology recommendations would have an effect on the City's labor contracts.



## CONSOLIDATION OF FLEET OPERATIONS

- Consolidation of the City's fleet operations into a single department, structured as an internal service fund, can be expected to result in cost reductions of up to \$150,000 per year based on typical industry estimates of economies of scale.
- The Department of Public Works has been seeking to achieve consolidation of civilian fleet operations in the City.
  - Fire and police fleet operations remain separate.
  - The Schools retain a separate fleet operation, but have a relatively small fleet.
  - The Parking and Housing Authorities have separate fleet operations, but the DPW is currently proposing to assume those operations.
- Consolidation reduces management overhead and allows for better utilization of fleet personnel.
- Consolidation would also enable city-wide development of vehicle replacement strategies based on life-cycle costs.
  - Life-cycle costing enables the City to remove vehicles from use before the loss of resale value and the rapid increase of maintenance costs.
  - Planned replacement of motor vehicles results in overall reduction in maintenance costs.
- Benefits of a fleet internal service fund includes:



- Use of a cost strategy to control fleet expenditures.
- Recovery of costs from non-general fund departments.
- Planned replacement of equipment without resort to capital bonding.
- Consolidation of the fleet operations may have some impact on the City's labor contracts.





## ASSESSMENT OF SCHOOL FACILITY NEEDS

- A comprehensive plan to determine the number, size, and distribution of school facilities throughout the City can be expected to result in a reduction of facilities that can achieve as much as \$3,500,000 in annual savings, based on a two percent reduction in overall spending.
- Comparative assessment indicates that, relative to the jurisdictions included in the study, the City has a large number of schools.
- Interviews indicate that the City has focused on the rehabilitation of facilities, encouraged by substantial State support for construction programs.
- Interviews do not indicate that the City has conducted a comprehensive analysis of the number, size, and distribution of school facilities throughout the City.
- There remain many different schools that have not yet been rehabilitated; prior to initiating any new rehabilitation projects, a comprehensive facilities plan would enable the City to make sound decisions on how to distribute its capital program.



## CONSTRAINT IN NEW CAPITAL DEBT

- Reduction of planned capital debt by half in 2011 can result in \$1,822,000 in reduced costs for each of the five years in the forecast window.
- Reduction of the planned capital debt for 2012 can result in additional \$2,619,000 in annual costs each year through the forecast period,
- The capital debt reduction strategy would place the City in a favorable position for a debt refinancing in 2013, with the feasibility of an additional \$1,900,000 in savings from the refinancing each year beginning in 2013.
- Removal of information technology and fleet from the debt plan would have some cost reduction impact.
- The primary cost reduction can be achieved through reduction in the school capital program.
- In addition to reducing annual costs, constraint in new capital debt during 2011 and 2012 can be expected to have other potential benefits:
  - Reduced debt load typically will be reflected in improved credit ratings.
  - An improved credit rating will enable the City to achieve lower debt service costs in future issuances.
  - This will position the City to look at a debt refinancing in 2012 or 2013, which will enable further reduction in debt service costs.



## PERFORMANCE MANAGEMENT AND BUDGETING

- The City has endorsed establishment of a performance budget for 2012, and we believe that the use of performance management and budgeting will have substantial impact on the City's long-term fiscal health.
- The advantages of performance management and budgeting include:
  - Ability to monitor and adjust work activities in prompt response to, or in anticipation of, unforeseen operating issues.
  - Ability to manage operations in a more cost effective manner by associating costs to expected performance.
  - Improved public policy analysis and development.
- Local governments which have implemented performance management and budgeting have found that benefits include:
  - Cost reductions of between one and two percent through more effective management decision making.
  - Cost reductions by identifying and eliminating or altering cost ineffective programs.
  - Departments do not currently have effective program identification or performance measures on which to base performance budgeting.
  - City will need to adapt its budgeting processes and documents to different format.



- Effective management of a performance budgeting system requires appropriate analytical support staff.
- Because the City has not begun implementation of this initiative, we do not provide a cost savings estimate in our adjusted gap analysis.



## REGIONALIZATION INITIATIVES

- In addition to the recommended revenue and expenditure strategies, there are other several regionalization initiatives which the City should consider.
  - These initiatives have proven to have significant cost and/or revenue benefits over the long term.
  - Because of the long lead-time for these initiatives, we do not include cost/revenue benefit estimates in our projections.
  - Each initiative will require substantial operational analysis and cooperative negotiation with other jurisdictions.
- Regional initiatives we recommend for City consideration include:
  - Emergency communications
    - ✓ City has now completed internal consolidation.
    - ✓ There is large amounts of federal funding for this initiative.
    - ✓ Sharing of incremental costs would reduce the City's overall net costs for emergency communications.
  - Parks and Recreation



- ✓ The City provides several large, regional parks and other recreational facilities
- ✓ Regionalization would result in shared costs and recognize the regional attraction of users



## IMPACT ON GAP REDUCTION

- The following table presents the estimated impact of the recommended revenue enhancements and expenditure reductions on the City's projected five-year general fund gap analysis.
  - The starting point is the City's 2011 budget; any 2011 general fund balance different than that projected as the starting point, has a total impact of that amount times each of the following years.
  - Some recommendations can be implemented in 2011.
  - Most recommendations cannot be undertaken in 2012 due to the need for further operational analysis, renegotiation of contractual commitments, and essential lead time for implementation.
  - The gap reduction strategy is designed to achieve the goal of a 5% unappropriated fund balance.
    - ✓ This goal is considered to be a minimum industry standard.
    - ✓ Governments with fund balances at the 5% goal or better usually are able to obtain improved credit ratings, resulting in reduced debt service costs, with attendant further reduction in costs.



## ADJUSTED GAP ANALYSIS, WITH REVENUE AND EXPENDITURE STRATEGIES

	2010 Est.	2011	2012	2013	2014	2015
<b>Starting Fund Balance</b>	\$ 16,025,789	\$ 16,107,696	\$ 13,576,949	\$ 21,692,789	\$ 34,517,587	\$ 43,178,243
<b>Estimated Revenue</b>	\$ 459,932,862	\$ 451,461,500	\$ 476,014,845	\$ 503,274,071	\$ 523,197,517	\$ 544,217,805
<b>Known Adjustments to 2011 Budget</b>		\$ 20,132,786	\$ 17,132,786	\$ 17,132,786	\$ 17,132,786	\$ 17,132,786
<b>Recommended Revenue Adjustments</b>		\$ 1,600,000	\$ 2,900,000	\$ 2,050,000	\$ 2,200,000	\$ 2,350,000
<b>Estimated Expenditures</b>	\$ 459,850,955	\$ 483,149,544	\$ 506,085,291	\$ 530,798,007	\$ 555,035,595	\$ 579,208,438
<b>Known Adjustments to 2011 Budget</b>		\$ (5,602,011)	\$ (5,602,012)	\$ (5,602,013)	\$ (5,602,014)	\$ (5,602,015)
<b>Recommended Expenditure Adjustments</b>		\$ (1,822,500)	\$ (12,551,488)	\$ (15,563,934)	\$ (15,563,934)	\$ (15,563,934)
<b>Estimated Ending Fund Balance</b>	\$ 16,107,696	\$ 13,576,949	\$ 21,692,789	\$ 34,517,587	\$ 43,178,243	\$ 48,836,345
<b>Fund Balance Goal Percentage</b>	3.50%	3.50%	4.00%	4.50%	4.75%	5.00%
<b>Fund Balance Goal</b>	\$ 16,097,650	\$ 15,801,152	\$ 19,040,594	\$ 22,647,333	\$ 24,851,882	\$ 27,210,890
<b>Goal Shortfall</b>	\$ (10,046)	\$ 2,224,203	\$ (2,652,195)	\$ (11,870,254)	\$ (18,326,361)	\$ (21,625,455)
<b>Known Revenue Adjustments to 2011 Budget</b>						
1.4% Millage Increase		\$ 2,930,260	\$ 2,930,260	\$ 2,930,260	\$ 2,930,260	\$ 2,930,260
\$2 Average Increase in Building Fees		\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000
Estimated Increase in Parking Meter Revenue		\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Increase in Non-Profit Fees		\$ 2,202,526	\$ 2,202,526	\$ 2,202,526	\$ 2,202,526	\$ 2,202,526
Increase in Parking Authority PILOT		\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Sale of Assets (1-time)		\$ 3,000,000				
Monetization/IBB Revenues		\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000
<b>Known Expenditure Adjustments to 2011 Budget</b>						
IBB Reductions		\$ 5,100,000	\$ 5,100,000	\$ 5,100,000	\$ 5,100,000	\$ 5,100,000
Increase in Self-Insurance Fund		\$ (1,500,000)	\$ (1,500,000)	\$ (1,500,000)	\$ (1,500,000)	\$ (1,500,000)
Reduction of Police Overtime		\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000





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	2010 Est.	2011	2012	2013	2014	2015
<b>Recommended Revenue Adjustments</b>						
Parks and Recreation Fee Increases		\$ 100,000	\$ 250,000	\$ 400,000	\$ 550,000	\$ 700,000
Rental Housing Inspection Fees		\$ 50,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Commercial Properties Inspection-Net			\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Insurance Recovery on Health Services		\$ 50,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Public Housing PILOT		\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
EMS Recovery		\$ 75,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Disposal of Fire Apparatus (2-time)		\$ 250,000	\$ 750,000			
Disposal of Excess Fleet (2-time)		\$ 250,000	\$ 250,000			
Fleet Warranty Designation		\$ 75,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<b>Subtotal of Revenue Adjustments</b>		<b>\$ 1,600,000</b>	<b>\$ 2,900,000</b>	<b>\$ 2,050,000</b>	<b>\$ 2,200,000</b>	<b>\$ 2,350,000</b>
<b>Recommended Expenditure Adjustments</b>						
Elimination of Longevity and Attendance Pay			\$ 1,950,000	\$ 1,950,000	\$ 1,950,000	\$ 1,950,000
Realignment of Fire Department Mission			\$ 2,100,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
Fire Station Closure			\$ 100,000	\$ 250,000	\$ 250,000	\$ 250,000
Acquisition of Paramedic Units			\$ (1,000,000)	\$ (1,000,000)	\$ (1,000,000)	\$ (1,000,000)
Reduction of Police Overtime			\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Closure of Police Substations			\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Fleet Management Consolidation			\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Information Technology Service Fund			\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
School Consolidation			\$ 3,460,000	\$ 3,460,000	\$ 3,460,000	\$ 3,460,000
Defer Half of 2011 New Debt Issuance		\$ 1,822,500	\$ 1,822,500.0	\$ 1,822,500	\$ 1,822,500	\$ 1,822,500
Defer Half of 2012 New Debt Issuance			\$ 2,618,988.0	\$ 2,618,988	\$ 2,618,988	\$ 2,618,988
Debt Refinance in 2012 (3% reduction in P&I)				\$ 1,962,446	\$ 1,962,446	\$ 1,962,446
Implementation of Performance Budgeting						
<b>Subtotal of Expenditure Adjustments</b>		<b>\$ 1,822,500</b>	<b>\$ 12,551,488</b>	<b>\$ 15,563,934</b>	<b>\$ 15,563,934</b>	<b>\$ 15,563,934</b>



## CONCLUSION

- The City of New Haven has vigorously pursued budget management strategies.
- The values of a long-term financial plan:
  - Enables the City to anticipate future revenue-expenditure gaps and begin planning well in advance.
  - Establishes a performance goal for financial management.
  - Identifies future strategies.
- The City faces a large fund deficit over the next five years, but the deficit can be managed by early action and difficult decisions.
  - The starting point is the 2011 general fund budget.
  - If the City achieves its 2011 fiscal goals, the effect will be to increase the starting fund balance each succeeding year, making accomplishment of the fiscal plan easier to accomplish.
  - If the City does not achieve its 2011 fiscal goals, the effect will be to decrease the starting fund balance each succeeding year, making accomplishment of the fiscal plan more difficult.
- The revenue and expenditure strategies recommended in this report are based on a high-level analysis; over the next several months, the City needs to conduct more detailed operational analysis to validate the strategies, confirm potential benefits, and develop specific implementation plans.



- The City's commitment to the development of a performance budget reflects its continued efforts to use state-of-the-art methods of public management; however, the City needs to begin quickly the budget model in order to implement the technique in the 2012 fiscal year.