



CITY OF HARTFORD

OFFICE OF THE TREASURER

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CITY TREASURER

Below is an excerpt of the code of ordinance related to the Hartford Parks Trust Fund. Under the Hartford City Charter, the Treasurer is the custodian of all city funds including the Hartford Parks Trust Fund. For the benefit of the public I wanted to share the ordinance that provides for how the trust is administered and to provide the summary of the investment returns and dispersal of the income to date from the fund:

There is hereby established a permanent endowment fund known as the Hartford Parks Trust Fund. Such fund is established under authority of the General Statutes and pursuant to [section 2-484](#) for the exclusive purpose of funding capital improvements and nonrecurring expenses in the parks and cemeteries of the City including the acquisition of replacement land for park purposes.

- (1) Capital improvements shall include but not be limited to the following:
 - a. Purchase price;
 - b. Construction cost;
 - c. Professional fees, including but not limited to architectural, legal, and accounting fees;
 - d. Transportation costs, such as freight charges;
 - e. Legal claims directly attributable to the asset acquisition;
 - f. Title fees;
 - g. Closing costs;
 - h. Appraisal and negotiation fees;
 - i. Surveying fees;
 - j. Damage payments;
 - k. Land preparation costs;
 - l. Demolition and remediation costs;
 - m. Insurance premiums during the construction phase;
 - n. Capitalized interest.

- (2) The principal of the Hartford Parks Trust Fund shall consist of the following:
- a. The proceeds of any sale of any portion of Batterson Park consummated prior to July 11, 1988, which proceeds were not previously deposited in the capital improvements fund and the proceeds of any future sale of any portion of Batterson Park;
 - b. Any gifts or grants made to the City and designated for park or cemetery improvement purposes;
 - c. The proceeds of any sale, conveyance or taking of any park land owned by the City;
 - d. Any funds from any source designated by the council to be added to this permanent endowment fund.
- (3) The principal of the Hartford Parks Trust Fund shall be permanent and nonexpendable and shall be invested as follows:
- a. Such funds are to be invested under a trust agreement with a trust company as a managing agent in accordance with [section 2-484](#);
 - b. The investment of such funds shall be with the objective of generating income and growth of income over time consistent with preservation of capital.
- (4) Investment income, including capital gains and dividends, is to be expended in the following manner:
- a. Upon recommendation of the mayor and with the approval of the council, the investment income from the fund may be transferred to the capital improvements fund and appropriated for capital improvements, and nonrecurring expenses in the parks and cemeteries of the City, including the acquisition, development, improvement, maintenance and expansion of park, cemetery and recreation lands, provided that the mayor, in consultation with the city treasurer, determines that sufficient funds remain in the trust fund, after the transfer, to preserve the true value of the principal and to continue to provide a sustainable level of income for the fund into the future.
 - b. The mayor is authorized to expend annually an amount not to exceed twenty-five (25) percent of the investment income from the fund for acquisition, erection, installation, maintenance, improvement, repair and replacement of park or recreation facilities and equipment, any other capital or nonrecurring expenditure incurred for park or recreational

- purposes or cemeteries.
- c. The mayor is authorized to expend annually up to five (5) percent of the investment income for the Hartford Tree Account, pursuant to [section 28-164](#).
 - d. Any remaining investment income shall be held in reserve for future transfer and appropriation.
 - e. Each year, the mayor shall recommend a priority list of capital improvement projects and nonrecurring expenses for the approval of the council. This list may be amended as the need arises, provided the amendments are also approved by the council. A primary factor in establishing such a priority list shall be the frequency of use by the public of the existing resource to be improved, or, in the instance of a proposed new project, the frequency of use by the public of the park or cemetery in which the proposed new project would be located. No funds allocated to or generated by the fund shall be appropriated or spent until the priority list, as may be amended, has been approved by the council.
- (5) No funds allocated to or generated by this permanent endowment shall be used for normal operating expenses or routine maintenance or repairs.
- (6) No budget proposed or approved or appropriation made for park or recreational purposes or cemetery maintenance shall be reduced, ratably or otherwise, in consideration of any moneys in the fund.

As always, please do not hesitate to contact my office should you have any further questions regarding this or any other trust fund within the City.