

OFFICE OF FISCAL ANALYSIS

Connecticut General Assembly

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TO:

FROM: Michael Murphy

SUBJECT: General Fund Growth Calculations, Including the Impact of
Borrowing

You asked for calculations of General Fund expenditures, including the impact of borrowing. Please see the following two tables in response to your question.

I hope that you find this information helpful. Please contact me if you have any questions or need further assistance.

Table 1. General Fund Spending Growth (\$s in millions)

| FY | Expenditures (1) | Expenditures Growth (2) | Bond Premiums used to Supplant Appropriations (3) | Operating Budget Programs Shifted to Bonding (4) | Other Borrowing (5) | Total Impact of Borrowing | Expenditures Including Borrowing | Expenditures Growth, including Borrowing (2) | Differences in Expenditures Growth |
|-----------|------------------|-------------------------|---|--|---------------------|---------------------------|----------------------------------|--|------------------------------------|
| 2000 | \$ 12,138.5 | | \$ 2.4 | \$ - | \$ - | \$ 2.4 | \$ 12,140.9 | | |
| 2001 | \$ 12,783.2 | 5.31% | \$ 16.2 | \$ - | \$ - | \$ 16.2 | \$ 12,799.4 | 5.42% | 0.11% |
| 2002 | \$ 13,285.3 | 3.93% | \$ 23.7 | \$ - | \$ - | \$ 23.7 | \$ 13,309.0 | 3.98% | 0.05% |
| 2003 | \$ 13,165.0 | 1.35% | \$ 39.5 | \$ - | \$ - | \$ 39.5 | \$ 13,504.5 | 1.47% | 0.12% |
| 2004 | \$ 12,546.9 | -6.82% | \$ 47.2 | \$ - | \$ - | \$ 47.2 | \$ 12,594.1 | -6.74% | 0.08% |
| 2005 | \$ 13,333.7 | 6.27% | \$ 45.0 | \$ - | \$ - | \$ 45.0 | \$ 13,378.7 | 6.23% | -0.04% |
| 2006 | \$ 14,499.6 | 8.74% | \$ 42.6 | \$ - | \$ - | \$ 42.6 | \$ 14,542.2 | 8.70% | -0.05% |
| 2007 | \$ 15,293.7 | 5.48% | \$ 30.8 | \$ - | \$ - | \$ 30.8 | \$ 15,324.5 | 5.38% | -0.10% |
| 2008 | \$ 16,627.4 | 8.72% | \$ 32.0 | \$ - | \$ - | \$ 32.0 | \$ 16,659.4 | 8.71% | -0.01% |
| 2009 | \$ 17,234.9 | 3.65% | \$ 37.4 | \$ - | \$ - | \$ 37.4 | \$ 17,272.3 | 3.68% | 0.03% |
| 2010 | \$ 17,208.0 | -0.16% | \$ 27.6 | \$ - | \$ - | \$ 27.6 | \$ 17,235.6 | -0.21% | -0.06% |
| 2011 | \$ 17,845.1 | 3.70% | \$ 74.6 | \$ - | \$ - | \$ 74.6 | \$ 17,919.7 | 3.97% | 0.27% |
| 2012 | \$ 18,781.6 | 5.25% | \$ 81.4 | \$ - | \$ - | \$ 81.4 | \$ 18,863.0 | 5.26% | 0.02% |
| 2013 | \$ 19,025.8 | 1.30% | \$ 99.1 | \$ 19.0 | \$ - | \$ 118.1 | \$ 19,143.9 | 1.49% | 0.19% |
| 2014 | \$ 16,980.0 | 4.98% | \$ 76.7 | \$ 125.4 | \$ 188.6 | \$ 390.7 | \$ 17,370.7 | 6.37% | 1.39% |
| 2015 | \$ 17,119.7 | 2.59% | \$ 90.5 | \$ 128.9 | \$ 131.8 | \$ 351.2 | \$ 17,770.9 | 2.30% | -0.29% |
| 2016 est. | \$ 18,283.9 | 4.96% | \$ 145.4 | \$ 109.0 | \$ 22.0 | \$ 276.4 | \$ 18,560.3 | 4.44% | -0.52% |
| 2017 est. | \$ 18,864.8 | 3.18% | \$ 126.2 | \$ 100.0 | \$ - | \$ 226.2 | \$ 19,091.0 | 2.86% | -0.32% |

(1) Actuals per the Annual Reports of the State Comptroller. Estimates per OFA's Nov 2015 Statement. All figures include carry forward spending.
 (2) In order to make the bases for the FY 14 growth rates comparable to FY 13, a \$2,993.0 million adjustment is made to reflect the amount that would have been spent in FY 14 if the policy to fund Medicaid on a gross basis had continued. This adjustment impacts the FY 14 growth rates, only.
 (3) Includes Bond Premiums used to cover Capitalized Interest Costs per Federal Law and Excess Premiums used to cover other Debt Service on outstanding bonds per CGS Sec. 3-20(f). The FY 15 amount reflects the use of \$61.1 million in bond premiums used to reduce debt by paying off a portion of the 2009 Economic Recovery Notes rather than refinancing the entire amount outstanding.
 (4) See Table 2 for details.
 (5) Reflects reductions in appropriations during fiscal years 2013-2015 enabled by a refinancing (and delay) of retiring outstanding debt from the 2009 Economic Recovery Notes.

