

Office of Policy and Management

OPM20000

Permanent Full-Time Positions

| Fund | Actual FY 17 | Actual FY 18 | Appropriation FY 19 | Governor Recommended | | Legislative | |
|----------------|-----------------|-----------------|------------------------|----------------------|-------|-------------|-------|
| | | | | FY 20 | FY 21 | FY 20 | FY 21 |
| General Fund | 125 | 125 | 125 | 125 | 125 | 125 | 125 |
| Insurance Fund | 2 | 2 | 2 | 2 | 2 | 2 | 2 |

Budget Summary

| Account | Actual FY 17 | Actual FY 18 | Appropriation FY 19 | Governor Recommended | | Legislative | |
|--|--------------------|--------------------|------------------------|----------------------|--------------------|--------------------|--------------------|
| | | | | FY 20 | FY 21 | FY 20 | FY 21 |
| Personal Services | 10,349,080 | 9,930,029 | 9,728,126 | 10,875,537 | 11,579,172 | 10,975,537 | 11,679,172 |
| Other Expenses | 1,076,636 | 1,073,501 | 1,043,180 | 1,173,684 | 1,173,684 | 1,233,684 | 1,188,684 |
| Other Current Expenses | | | | | | | |
| Litigation Settlement Costs | 345,024 | 150,697 | - | - | - | - | - |
| Automated Budget System and Data Base Link | 25,137 | 16,278 | 26,776 | 26,776 | 26,776 | 26,776 | 26,776 |
| Justice Assistance Grants | 858,401 | 811,401 | 819,440 | 823,001 | 826,328 | 823,001 | 826,328 |
| Criminal Justice Information System | 892,447 | - | - | - | - | - | - |
| Project Longevity | 799,423 | 550,747 | 573,750 | 573,750 | 573,750 | 998,750 | 998,750 |
| Council of Governments | - | 1,856,250 | 4,106,250 | - | - | - | - |
| Other Than Payments to Local Governments | | | | | | | |
| Tax Relief For Elderly Renters | 25,021,326 | 24,034,255 | 25,020,226 | 25,020,226 | 25,020,226 | 25,020,226 | 25,020,226 |
| Private Providers | - | - | 31,037,000 | 3,000,000 | 6,000,000 | 3,000,000 | 6,000,000 |
| MRDA | - | - | - | - | - | 500,000 | 500,000 |
| Grant Payments to Local Governments | | | | | | | |
| Reimbursement to Towns for Loss of Taxes on State Property | 66,730,438 | 50,306,432 | 56,045,788 | 54,944,031 | 54,944,031 | 54,944,031 | 54,944,031 |
| Reimbursements to Towns for Private Tax-Exempt Property | 114,950,767 | 98,377,556 | 105,889,432 | 105,889,434 | 105,889,434 | 109,889,434 | 109,889,434 |
| Reimbursement Property Tax - Disability Exemption | 374,065 | 364,713 | 364,713 | 364,713 | 364,713 | 364,713 | 364,713 |
| Distressed Municipalities | 4,884,698 | - | - | - | - | 1,500,000 | 1,500,000 |
| Property Tax Relief Elderly Circuit Breaker | 19,176,502 | - | - | - | - | - | - |
| Property Tax Relief Elderly Freeze Program | 64,853 | 50,025 | 65,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| Property Tax Relief for Veterans | 2,777,546 | 2,700,685 | 2,708,107 | 2,708,107 | 2,708,107 | 2,708,107 | 2,708,107 |
| Municipal Revenue Sharing | - | 35,221,814 | 36,819,135 | 36,819,135 | 36,819,135 | 36,819,135 | 36,819,135 |
| Municipal Transition | - | 36,000,000 | 30,700,000 | 29,596,908 | 32,331,732 | 29,917,078 | 32,331,732 |
| Municipal Stabilization Grant | - | 55,480,953 | 37,753,335 | 37,753,335 | 37,753,335 | 37,953,335 | 38,253,335 |
| Municipal Restructuring | - | 20,000,000 | 27,300,000 | 7,300,000 | 7,300,000 | 7,300,000 | 7,300,000 |
| Agency Total - General Fund | 248,326,343 | 336,925,336 | 370,000,258 | 316,908,637 | 323,350,423 | 324,013,807 | 330,390,423 |
| Grants To Towns | 58,076,610 | 57,649,850 | 49,942,796 | 49,942,796 | 49,942,796 | 51,472,796 | 51,472,796 |
| Agency Total - Mashantucket Pequot and Mohegan Fund | 58,076,610 | 57,649,850 | 49,942,796 | 49,942,796 | 49,942,796 | 51,472,796 | 51,472,796 |
| Personal Services | 295,305 | 293,553 | 313,882 | 332,056 | 349,339 | 332,056 | 349,339 |
| Other Expenses | 5,797 | 5,358 | 6,012 | 6,012 | 6,012 | 6,012 | 6,012 |
| Fringe Benefits | 184,061 | 187,694 | 200,882 | 236,348 | 251,038 | 236,348 | 251,038 |

| Account | Actual FY 17 | Actual FY 18 | Appropriation FY 19 | Governor Recommended | | Legislative | |
|--|--------------------|--------------------|------------------------|----------------------|--------------------|--------------------|--------------------|
| | | | | FY 20 | FY 21 | FY 20 | FY 21 |
| Agency Total - Insurance Fund | 485,163 | 486,605 | 520,776 | 574,416 | 606,389 | 574,416 | 606,389 |
| Municipal Revenue Sharing | 184,952,889 | - | - | - | - | - | - |
| Agency Total - Municipal Revenue Sharing Fund | 184,952,889 | - | - | - | - | - | - |
| Total - Appropriated Funds | 491,841,005 | 395,061,791 | 420,463,830 | 367,425,849 | 373,899,608 | 376,061,019 | 382,469,608 |
| Additional Funds Available | | | | | | | |
| Carry Forward Funding | - | - | - | - | - | 9,560,198 | - |
| Federal & Other Restricted Act | - | 6,704,081 | 13,099,297 | 4,514,725 | 3,977,272 | 4,514,725 | 3,977,272 |
| Private Contributions & Other Restricted | - | 1,774,099 | 4,418,778 | 184,278 | 184,278 | 184,278 | 184,278 |
| Agency Grand Total | 491,841,005 | 403,539,971 | 437,981,905 | 372,124,852 | 378,061,158 | 390,320,220 | 386,631,158 |

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 20 | FY 21 | FY 20 | FY 21 | FY 20 | FY 21 |

Policy Revisions

Fund PILOT and Pequot grants at FY 19 levels

| | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|----------|----------|
| Reimbursement to Towns for Loss of Taxes on State Property | (16,755,969) | (16,755,969) | (16,755,969) | (16,755,969) | - | - |
| Reimbursements to Towns for Private Tax-Exempt Property | (53,410,566) | (53,410,566) | (53,410,566) | (53,410,566) | - | - |
| Total - General Fund | (70,166,535) | (70,166,535) | (70,166,535) | (70,166,535) | - | - |
| Grants To Towns | (8,157,204) | (8,157,204) | (8,157,204) | (8,157,204) | - | - |
| Total - Mashantucket Pequot and Mohegan Fund | (8,157,204) | (8,157,204) | (8,157,204) | (8,157,204) | - | - |

Background

State Property PILOT: This is a reimbursement to municipalities for the tax loss resulting from the presence of state property. Towns are reimbursed at 45% of taxes that would have been paid if not for the tax exemption on most state property. Connecticut Valley Hospital in Middletown is reimbursed at 65%. Three types of property are reimbursed at 100%: 1) prison property, 2) the portion of the UConn Health Center used to provide medical care to prisoners, and 3) some land owned by Native American tribes. The grant is proportionately reduced in years in which the appropriation is insufficient to fully fund the grant.

College & Hospital PILOT: This is a reimbursement to municipalities for the tax loss resulting from the presence of private college and hospital property. Towns are reimbursed at 77% of the taxes that would have been paid if not for the tax exemption. The grant is proportionately reduced in years in which the appropriation is insufficient to fully fund the grant.

Sec. 183 of PA 15-244 set minimum reimbursement rates for PILOT grants based on the amount of tax exempt property in a municipality. In the event that the amount appropriated for PILOT grants in a given year was insufficient for full funding, the Act required towns to receive additional PILOT payments necessary to achieve these minimum reimbursement rates.

Pequot Grants to Towns: Towns receive a portion of the slot machine revenue received by the state from Native American gaming casinos. The amount received by towns is equal to the amount appropriated for the grants in a given fiscal year. The grants are distributed based on 1) College & Hospital and State Property PILOT payments, 2) population, 3) equalized net grand list per capita, 4) per capita income, and 5) status as a distressed municipality. Additional funding is distributed to 1) all municipalities in the Southeastern Connecticut Council of Governments, and 2) distressed municipalities in the Northeastern Connecticut Council of Governments.

Governor

Reduce funding by \$78,323,739 in both FY 20 and FY 21 (\$70,166,535 in the General Fund and \$8,157,204 in the Pequot Fund) to reflect funding of State Property PILOT, College & Hospital PILOT, and Pequot Grants to Towns at FY 19 levels.

Legislative

Same as Governor

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 20 | FY 21 | FY 20 | FY 21 | FY 20 | FY 21 |

Adjust Funding Source for Councils of Government

| | | | | | | |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|----------|----------|
| Council of Governments | (3,606,250) | (3,606,250) | (3,606,250) | (3,606,250) | - | - |
| Total - General Fund | (3,606,250) | (3,606,250) | (3,606,250) | (3,606,250) | - | - |

Background

This account provides grants-in-aid to the nine regional Councils of Government (COGs). The distribution of this funding is determined by the Office of Policy Management. The FY 18 appropriation provided each COG with a base grant of \$100,000, with each COG receiving an additional grant of \$0.27 per person.

Governor

Reduce funding for COGs by \$3,606,250 in both FY 20 and FY 21 to reflect funding of these grants via the non-appropriated Regional Planning Incentive Program account (RPIA).

Legislative

Same as Governor.

Sec. 29 of PA 19-117, the FY 20 and FY 21 budget, increases by \$4.1 million in both FY 20 and FY 21 the amount distributed from the RPIA to COGs to offset the elimination of the General Fund appropriation.

Provide Funding for Minimum Wage Impact on Private Providers

| | | | | | | |
|-----------------------------|------------------|------------------|------------------|------------------|----------|----------|
| Private Providers | 3,000,000 | 6,000,000 | 3,000,000 | 6,000,000 | - | - |
| Total - General Fund | 3,000,000 | 6,000,000 | 3,000,000 | 6,000,000 | - | - |

Background

The Governor's budget proposal included a phase in of a minimum wage increase to \$15 per hour by January 1, 2023. PA 19-4 increases the state's minimum hourly wage from its current \$10.10 to \$15.00, phased in as follows: (1) \$11.00 on October 1, 2019; (2) \$12.00 on September 1, 2020; (3) \$13.00 on August 1, 2021; (4) \$14.00 on July 1, 2022; and (5) \$15.00 on June 1, 2023. Beginning January 1, 2024, it indexes future annual minimum wage changes to the federal employment cost index (ECI).

Governor

Provide funding of \$3,000,000 in FY 20 and \$6,000,000 in FY 21 for anticipated increases in private provider contracting costs as a result of increases in the minimum wage.

Legislative

Same as Governor.

Section 28 of PA 19-117, the FY 20 and FY 21 budget, allows the Office of Policy and Management to distribute this funding to affected state agencies.

Provide Funding for Distressed Municipalities

| | | | | | | |
|-----------------------------|----------|----------|------------------|------------------|------------------|------------------|
| Distressed Municipalities | - | - | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Total - General Fund | - | - | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |

Background

The Distressed Municipalities Property Tax Reimbursement Program provides a 5-year state reimbursement of a portion of the property tax loss towns sustain as a result of property tax exemptions granted to qualified manufacturing facilities located in designated municipalities. Towns receive up to 50% of the revenue loss due to these exemptions. Reimbursements are prorated, if necessary, to the amount of the appropriation. Payments are made once a year on December 31st.

Legislative

Provide \$1,500,000 in each of FY 20 and FY 21 for the Distressed Municipalities grant program.

Provide Funding for the Municipal Redevelopment Authority

| | | | | | | |
|-----------------------------|----------|----------|----------------|----------------|----------------|----------------|
| MRDA | - | - | 500,000 | 500,000 | 500,000 | 500,000 |
| Total - General Fund | - | - | 500,000 | 500,000 | 500,000 | 500,000 |

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 20 | FY 21 | FY 20 | FY 21 | FY 20 | FY 21 |

Background

Sections 212 to 227 of PA 19-117, the FY 20 and FY 21 budget, establish the Municipal Redevelopment Authority (MRDA) as a quasi-public agency to stimulate economic and transit-oriented development in specified development districts. The responsibilities of MRDA include 1) encouraging residential housing in development districts, 2) managing facilities through contractual agreements, 3) stimulating new development and marketing development districts, and 4) working with municipalities and the Office of Policy and Management to facilitate development or redevelopment efforts.

Municipalities under oversight of the Municipal Accountability Review Board are deemed members of MRDA. Municipalities with a population of over 70,000, or groups of municipalities with a combined population of over 70,000, may opt to join MRDA.

Municipalities that are members of the Capitol Region Development Authority are ineligible to join MRDA. Those towns are Bloomfield, East Hartford, Hartford, Newington, South Windsor, Wethersfield, West Hartford, and Windsor.

Legislative

Provide funding of \$500,000 in both FY 20 and FY 21 for MRDA.

Provide C&H PILOT funding for Middletown

| | | | | | | |
|---|---|---|------------------|------------------|------------------|------------------|
| Reimbursements to Towns for Private Tax-Exempt Property | - | - | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 |
| Total - General Fund | - | - | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 |

Legislative

Provide funding of \$4,000,000 in both FY 20 and FY 21 for the City of Middletown.

Provide Pequot Funding for Various Towns

| | | | | | | |
|---|---|---|------------------|------------------|------------------|------------------|
| Grants To Towns | - | - | 1,530,000 | 1,530,000 | 1,530,000 | 1,530,000 |
| Total - Mashantucket Pequot and Mohegan Fund | - | - | 1,530,000 | 1,530,000 | 1,530,000 | 1,530,000 |

Legislative

Provide Pequot funding of \$1,530,000 in FY 20 and FY 21 for grants to towns as follows: 1) \$500,000 each to Norwich, Montville, and Ledyard, and 2) \$30,000 to Stonington.

Provide Funding for Project Longevity

| | | | | | | |
|-----------------------------|---|---|----------------|----------------|----------------|----------------|
| Project Longevity | - | - | 425,000 | 425,000 | 425,000 | 425,000 |
| Total - General Fund | - | - | 425,000 | 425,000 | 425,000 | 425,000 |

Background

Project Longevity is an initiative to reduce serious violence in three of Connecticut’s major cities: New Haven, Bridgeport, and Hartford. The program uses a combination of community and social services and policing to influence group dynamics.

Legislative

Provide \$425,000 in both FY 20 and FY 21 for Project Longevity. The program is expanded to include the City of Waterbury.

Provide Funding for Groton and Thompson

| | | | | | | |
|-------------------------------|---|---|----------------|----------------|----------------|----------------|
| Municipal Stabilization Grant | - | - | 200,000 | 500,000 | 200,000 | 500,000 |
| Total - General Fund | - | - | 200,000 | 500,000 | 200,000 | 500,000 |

Background

PA 17-2, the FY 18 and FY 19 budget, created the Municipal Stabilization Grant and specified its distribution. The grant was created to mitigate the impact to towns of reductions to other municipal grants.

Legislative

Provide funding of \$200,000 in FY 20 and \$500,000 in FY 21 as follows: 1) \$200,000 in both FY 20 and FY 21 for Thompson, and 2) \$300,000 in FY 21 for Groton.

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 20 | FY 21 | FY 20 | FY 21 | FY 20 | FY 21 |

Provide Funding for West Haven Fire Districts

| | | | | | | |
|-----------------------------|---|---|----------------|---|----------------|---|
| Municipal Transition | - | - | 320,170 | - | 320,170 | - |
| Total - General Fund | - | - | 320,170 | - | 320,170 | - |

Background

Municipal Transition Grants, also known as Car Tax grants, reimburse municipalities for the revenue loss resulting from a cap on motor vehicle mill rates. PA 17-2, the FY 18 and FY 19 budget, set the cap at 45 mills for FY 19 and annually thereafter. The act also specified a distribution of grant funding for FY 19 based on estimated FY 18 mill rates, but required the Office of Policy and Management to calculate grants based on actual mill rates in FY 20 and annually thereafter.

Legislative

Provide funding of \$320,170 in FY 20 for three fire districts in the City of West Haven. Funding is provided as follows: 1) \$160,170 for Allingtown Fire District, and 2) \$80,000 each for West Shore and First Center fire districts.

Provide Funding for Various Grants

| | | | | | | |
|-----------------------------|---|---|---------------|---------------|---------------|---------------|
| Other Expenses | - | - | 60,000 | 15,000 | 60,000 | 15,000 |
| Total - General Fund | - | - | 60,000 | 15,000 | 60,000 | 15,000 |

Legislative

Provide funding of \$60,000 in FY 20 and \$15,000 in FY 21. Funding is provided as follows: 1) In FY 20, \$50,000 to South Windsor for tennis court rehabilitation, and \$10,000 to Regional School District No. 8 for the purchase of a drill press, and 2) In FY 21, \$15,000 for a Veteran's Wall in East Windsor.

Annualize FY 2019 Holdback

| | | | | | | |
|-----------------------------|------------------|------------------|------------------|------------------|---|---|
| Council of Governments | (500,000) | (500,000) | (500,000) | (500,000) | - | - |
| Total - General Fund | (500,000) | (500,000) | (500,000) | (500,000) | - | - |

Background

The Office of Policy and Management implemented FY 19 holdbacks totaling \$18.5 million. The Governor's FY 20 and FY 21 Budget annualizes \$7.7 million of these holdbacks in both FY 20 and FY 21 across various agencies.

Governor

Reduce funding by \$500,000 in both FY 20 and FY 21 to annualize this agency's FY 19 holdbacks.

Legislative

Same as Governor

Adjust Funding to Reflect Cellular Services Savings

| | | | | | | |
|-----------------------------|----------------|----------------|----------------|----------------|---|---|
| Other Expenses | (1,846) | (1,846) | (1,846) | (1,846) | - | - |
| Total - General Fund | (1,846) | (1,846) | (1,846) | (1,846) | - | - |

Background

The Governor's FY 20 and FY 21 Budget reduces funding by \$197,555 in both FY 20 and FY 21, across five appropriated funds, to reflect cellular services savings.

Governor

Reduce funding by \$1,846 in both FY 20 and FY 21 to reflect this agency's cellular services savings.

Legislative

Same as Governor

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 20 | FY 21 | FY 20 | FY 21 | FY 20 | FY 21 |

Current Services

Fund PILOT and Pequot Grants at Statutory Levels

| | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|---|---|
| Reimbursement to Towns for Loss of Taxes on State Property | 15,654,212 | 15,654,212 | 15,654,212 | 15,654,212 | - | - |
| Reimbursements to Towns for Private Tax-Exempt Property | 53,410,568 | 53,410,568 | 53,410,568 | 53,410,568 | - | - |
| Total - General Fund | 69,064,780 | 69,064,780 | 69,064,780 | 69,064,780 | - | - |
| Grants To Towns | 8,157,204 | 8,157,204 | 8,157,204 | 8,157,204 | - | - |
| Total - Mashantucket Pequot and Mohegan Fund | 8,157,204 | 8,157,204 | 8,157,204 | 8,157,204 | - | - |

Governor

Provide funding of \$77,221,984 in both FY 20 and FY 21 (\$69,064,780 in the General Fund and \$8,157,204 in the Pequot Fund) to fund the State Property PILOT, College & Hospital PILOT, and Pequot Grants at statutory levels.

Legislative

Same as Governor

Adjust Municipal Transition (Car Tax) Grants for Updated Mill Rates

| | | | | | | |
|-----------------------------|--------------------|------------------|--------------------|------------------|---|---|
| Municipal Transition | (1,103,092) | 1,631,732 | (1,103,092) | 1,631,732 | - | - |
| Total - General Fund | (1,103,092) | 1,631,732 | (1,103,092) | 1,631,732 | - | - |

Governor

Adjust funding in FY 20 (reduce by \$1,103,092) and FY 21 (increase by \$1,631,732) to reflect actual FY 18 mill rates used to calculate FY 20 grants, and actual FY 19 mill rates used to calculate FY 21 grants.

Legislative

Same as Governor

Adjust Funding for the Municipal Restructuring Account

| | | | | | | |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|---|---|
| Municipal Restructuring | (20,000,000) | (20,000,000) | (20,000,000) | (20,000,000) | - | - |
| Total - General Fund | (20,000,000) | (20,000,000) | (20,000,000) | (20,000,000) | - | - |

Background

PA 17-2, the FY 18 and FY 19 budget, established two Municipal Restructuring accounts within the Office of Policy and Management and the Treasurer's Office to provide assistance to certain financially distressed municipalities. The act also established the Municipal Accountability Review Board (MARB) to assess the financial health of municipalities and to provide oversight and assistance to financially distressed municipalities. On March 27, 2018, MARB and the City of Hartford reached a Contract Assistance Agreement for the State to make debt service payments on behalf of the City. Those payments total approximately \$45.7 million in FY 20 and \$56.3 million in FY 21.

Governor

Reduce the Municipal Restructuring account by \$20,000,000 in both FY 20 and FY 21 to reflect the funding of the City of Hartford's debt service payments via the Treasurer's Office. The Municipal Restructuring - Debt Service account within the Treasurer's Office is adjusted accordingly.

Legislative

Same as Governor

Provide Funding for Wage Increases

| | | | | | | |
|-----------------------------|----------------|------------------|----------------|------------------|---|---|
| Personal Services | 654,166 | 1,322,625 | 654,166 | 1,322,625 | - | - |
| Justice Assistance Grants | 3,561 | 6,888 | 3,561 | 6,888 | - | - |
| Total - General Fund | 657,727 | 1,329,513 | 657,727 | 1,329,513 | - | - |

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|-------------------------------|----------------------|---------------|---------------|---------------|--------------------------|----------|
| | FY 20 | FY 21 | FY 20 | FY 21 | FY 20 | FY 21 |
| Personal Services | 18,174 | 35,457 | 18,174 | 35,457 | - | - |
| Total - Insurance Fund | 18,174 | 35,457 | 18,174 | 35,457 | - | - |

Background

The Governor's FY 20 and FY 21 Budget provides funding of \$70.3 million in FY 20 and \$165.9 million in FY 21, across seven appropriated funds, for state employee wages and collective bargaining increases.

Governor

Provide funding of \$675,901 in FY 20 (\$657,727 in the General Fund and \$18,174 in the Insurance Fund) and \$1,364,970 in FY 21 (\$1,329,513 in the General Fund and \$35,457 in the Insurance Fund) to reflect this agency's increased wage costs.

Legislative

Same as Governor

Annualize Funding to Meet Various Statutory Requirements

| | | | | | | |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Personal Services | 493,245 | 528,421 | 593,245 | 628,421 | 100,000 | 100,000 |
| Other Expenses | 132,350 | 132,350 | 132,350 | 132,350 | - | - |
| Total - General Fund | 625,595 | 660,771 | 725,595 | 760,771 | 100,000 | 100,000 |

Governor

Provide funding of \$625,595 in FY 20 (\$493,245 in Personal Services and \$132,350 in Other Expenses) and \$660,771 in FY 21 (\$528,421 in Personal Services and \$132,350 in Other Expenses) to meet various statutory requirements. This includes annualized salaries for positions filled in FY 19, and additional funding for 1) the CT Data Portal, 2) the municipal Uniform Chart of Accounts, and 3) the Municipal Accountability Review Board.

Legislative

Provide funding of \$725,595 in FY 20 (\$593,245 in Personal Services and \$132,350 in Other Expenses) and \$760,771 in FY 21 (\$628,421 in Personal Services and \$132,350 in Other Expenses) to meet various statutory requirements.

Adjust Funding for Property Tax Relief Elderly Freeze

| | | | | | | |
|--|-----------------|-----------------|-----------------|-----------------|----------|----------|
| Property Tax Relief Elderly Freeze Program | (25,000) | (25,000) | (25,000) | (25,000) | - | - |
| Total - General Fund | (25,000) | (25,000) | (25,000) | (25,000) | - | - |

Background

The Freeze Tax Relief Program was established with the 1967 Grand List program year to provide real property tax relief to resident property owners or tenants for life age sixty-five or over (or surviving spouse over fifty) with annual taxable income of \$6,000 or less. Elderly and disabled persons who applied and qualified for tax relief had their property tax frozen at that year's net benefit level. No new applicants have been allowed since the 1978 program year.

Governor

Reduce funding by \$25,000 for the Elderly Tax Freeze program in both FY 20 and FY 21 to reflect reduced caseload.

Legislative

Same as Governor

Reduce Funding for Private Provider COLA and Wage Increases to Reflect FY 19 Distribution to State Agencies

| | | | | | | |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|----------|----------|
| Private Providers | (31,037,000) | (31,037,000) | (31,037,000) | (31,037,000) | - | - |
| Total - General Fund | (31,037,000) | (31,037,000) | (31,037,000) | (31,037,000) | - | - |

Background

In FY 19, funding of \$31,037,000 appropriated in OPM's private provider account was distributed : (1) to provide a 1% cost-of-living adjustment (COLA) to private provider employees who provide state-administered human services in the Departments of Correction, Housing, Public Health, Social Services, Children and Families, Rehabilitation Services and Mental Health and Addiction Services, the Office of Early Childhood and the Judicial Department and, (2) to increase wages of certain employees who provide services to consumers of the Department of Developmental Services by increasing the minimum wage paid to employees to not less than \$14.75 per hour and providing a wage increase of up to 5% to employees earning not less than \$14.76 and not more than \$30.00 per hour, effective January 1, 2019.

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 20 | FY 21 | FY 20 | FY 21 | FY 20 | FY 21 |

Governor

Reduce funding of \$31,037,000 in both FY 20 and FY 21 for cost of living adjustments and wage increases for private providers of human services to reflect FY 19 distribution to state agencies.

Legislative

Same as Governor

Adjust Fringe Benefits and Indirect Overhead

| | | | | | | |
|-------------------------------|---------------|---------------|---------------|---------------|----------|----------|
| Fringe Benefits | 35,466 | 50,156 | 35,466 | 50,156 | - | - |
| Total - Insurance Fund | 35,466 | 50,156 | 35,466 | 50,156 | - | - |

Background

The fringe benefit costs for employees supported by funds other than the General Fund are budgeted for within their respective agencies, as opposed to the fringe benefit accounts within the Office of the State Comptroller. In addition, this agency is charged indirect overhead costs by the State Comptroller for utilizing certain centralized state agency services.

Governor

Reduce funding by \$35,466 in FY 20 and \$50,156 in FY 21 to reflect revised fringe benefits and indirect overhead costs.

Legislative

Same as Governor

Carry Forward**Carry Forward for Litigation Settlement**

| | | | | | | |
|--------------------------------------|----------|----------|------------------|----------|------------------|----------|
| Litigation Settlement Costs | - | - | 2,439,647 | - | 2,439,647 | - |
| Total - Carry Forward Funding | - | - | 2,439,647 | - | 2,439,647 | - |

Legislative

Pursuant to CGS 4-89(e), \$2,439,647 is carried forward into FY 20 for litigation settlement.

Carry Forward for Procurement Streamlining

| | | | | | | |
|--------------------------------------|----------|----------|----------------|----------|----------------|----------|
| Other Expenses | - | - | 500,000 | - | 500,000 | - |
| Total - Carry Forward Funding | - | - | 500,000 | - | 500,000 | - |

Legislative

Pursuant to PA 19-117, the FY 20 and FY 21 budget, \$500,000 is carried forward into FY 20 for procurement streamlining efforts.

Carry Forward for Municipal Restructuring

| | | | | | | |
|--------------------------------------|----------|----------|------------------|----------|------------------|----------|
| Municipal Restructuring | - | - | 6,000,000 | - | 6,000,000 | - |
| Total - Carry Forward Funding | - | - | 6,000,000 | - | 6,000,000 | - |

Legislative

Pursuant to CGS 7-576i, \$6,000,000 is carried forward into FY 20 to provide assistance to certain financially distressed municipalities.

Carry Forward for Other Expenses

| | | | | | | |
|--------------------------------------|----------|----------|----------------|----------|----------------|----------|
| Other Expenses | - | - | 620,551 | - | 620,551 | - |
| Total - Carry Forward Funding | - | - | 620,551 | - | 620,551 | - |

Legislative

Pursuant to CGS 4-89c, \$620,551 is carried forward into FY 20 for various projects, including 1) implementation of PA 19-25, the Paid Family Medical Leave Act, 2) support for the Payroll Commission pursuant to Sec. 385 of PA 19-117, 3) review of agency restructuring and operational efficiencies, 4) a stress test on the state's financial remodeling, and 5) retaining a consultant for various labor relations matters.

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 20 | FY 21 | FY 20 | FY 21 | FY 20 | FY 21 |

Totals

| Budget Components | Governor Recommended | | Legislative | | Difference from Governor | |
|-------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------------|------------------|
| | FY 20 | FY 21 | FY 20 | FY 21 | FY 20 | FY 21 |
| FY 19 Appropriation - GF | 370,000,258 | 370,000,258 | 370,000,258 | 370,000,258 | - | - |
| Policy Revisions | (71,274,631) | (68,274,631) | (64,269,461) | (61,334,631) | 7,005,170 | 6,940,000 |
| Current Services | 18,183,010 | 21,624,796 | 18,283,010 | 21,724,796 | 100,000 | 100,000 |
| Total Recommended - GF | 316,908,637 | 323,350,423 | 324,013,807 | 330,390,423 | 7,105,170 | 7,040,000 |
| FY 19 Appropriation - MF | 49,942,796 | 49,942,796 | 49,942,796 | 49,942,796 | - | - |
| Policy Revisions | (8,157,204) | (8,157,204) | (6,627,204) | (6,627,204) | 1,530,000 | 1,530,000 |
| Current Services | 8,157,204 | 8,157,204 | 8,157,204 | 8,157,204 | - | - |
| Total Recommended - MF | 49,942,796 | 49,942,796 | 51,472,796 | 51,472,796 | 1,530,000 | 1,530,000 |
| FY 19 Appropriation - IF | 520,776 | 520,776 | 520,776 | 520,776 | - | - |
| Current Services | 53,640 | 85,613 | 53,640 | 85,613 | - | - |
| Total Recommended - IF | 574,416 | 606,389 | 574,416 | 606,389 | - | - |