

General Government B
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Office of Fiscal Analysis

	Page #	Analyst	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov - App FY 18
					FY 18	FY 19	FY 18	FY 19	
General Fund									
State Treasurer	3	EMG	3,200,772	3,178,235	3,178,235	3,178,235	2,977,889	2,977,889	(6.30)
Debt Service - State Treasurer	5	EMG	1,967,727,167	2,063,088,166	2,297,154,162	2,254,962,928	2,316,339,291	2,251,060,417	12.28
State Comptroller	7	HW	26,541,126	28,210,255	29,937,920	30,055,418	27,403,951	27,612,769	(2.86)
State Comptroller - Miscellaneous	9	HW	43,911,555	13,392,147	13,392,147	13,392,147	546,139	2,985,705	(95.92)
State Comptroller - Fringe Benefits	11	HW	2,669,556,055	2,817,423,424	3,098,842,543	3,305,613,311	3,081,103,298	3,314,486,991	9.36
Department of Revenue Services	15	CW	65,667,146	64,196,312	64,561,312	64,196,312	63,141,860	61,841,860	(1.64)
Office of Policy and Management	18	DD	267,266,995	251,944,075	255,934,241	258,021,569	187,881,404	188,764,124	(25.43)
Reserve for Salary Adjustments	23	DC	-	18,473,255	-	-	317,050,763	484,497,698	1,616.27
Department of Administrative Services	25	DC	129,225,270	126,035,657	130,992,285	132,268,832	119,356,245	119,661,078	(5.30)
Workers' Compensation Claims - Administrative Services	30	HW	7,235,801	8,105,530	8,105,530	8,105,530	7,605,530	7,605,530	(6.17)
Attorney General	31	EMG	30,574,461	32,368,256	32,368,256	32,368,256	31,292,210	31,292,210	(3.32)
Total - General Fund			5,210,906,346	5,426,415,312	5,934,466,631	6,102,162,538	6,154,698,580	6,492,786,271	13.42
Special Transportation Fund									
Debt Service - State Treasurer	5	EMG	493,938,883	562,993,251	620,432,354	685,237,659	614,679,938	680,223,716	9.18
State Comptroller - Miscellaneous	9	HW	9,029,529	1,629,447	1,629,447	1,629,447	675,402	213,133	(58.55)
State Comptroller - Fringe Benefits	11	HW	184,929,702	204,546,866	207,445,364	218,272,833	206,582,193	222,851,209	1.00
Reserve for Salary Adjustments	23	DC	-	7,301,186	-	-	2,301,186	2,301,186	(68.48)
Department of Administrative Services	25	DC	6,390,246	8,960,575	11,034,298	11,241,290	10,138,240	10,345,232	13.14
Workers' Compensation Claims - Administrative Services	30	HW	6,076,764	7,223,297	7,223,297	7,223,297	6,723,297	6,723,297	(6.92)
Total - Special Transportation Fund			700,365,124	792,654,622	847,764,760	923,604,526	841,100,256	922,657,773	6.11
Mashantucket Pequot and Mohegan Fund									
Office of Policy and Management	18	DD	61,687,907	58,076,612	58,076,612	58,076,612	58,076,612	58,076,612	-
Regional Market Operation Fund									
State Comptroller - Miscellaneous	9	HW	6,176	2,845	2,845	2,845	2,845	2,845	-
Banking Fund									
State Comptroller - Miscellaneous	9	HW	199,530	95,178	95,178	95,178	95,178	95,178	-
Insurance Fund									
State Comptroller - Miscellaneous	9	HW	291,264	116,945	116,945	116,945	116,945	116,945	-
Office of Policy and Management	18	DD	478,802	520,776	520,776	520,776	520,776	520,776	-
Total - Insurance Fund			770,065	637,721	637,721	637,721	637,721	637,721	-
Consumer Counsel and Public Utility Control Fund									

	Page #	Analyst	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov - App FY 18
					FY 18	FY 19	FY 18	FY 19	
State Comptroller - Miscellaneous	9	HW	266,964	89,658	89,658	89,658	89,658	89,658	-
Workers' Compensation Fund									
State Comptroller - Miscellaneous	9	HW	29,886	72,298	72,298	72,298	72,298	72,298	-
Criminal Injuries Compensation Fund									
State Comptroller - Miscellaneous	9	HW	63,293	-	-	-	-	-	n/a
Municipal Revenue Sharing Fund									
Office of Policy and Management	18	DD	-	185,000,000	-	-	330,100,000	339,000,000	78.43
Total - Appropriated Funds			5,974,295,291	6,463,044,246	6,841,205,703	7,084,741,376	7,384,873,148	7,813,418,356	14.26

State Treasurer

OTT14000

Permanent Full-Time Positions

Fund	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
General Fund	45	45	45	45	45	45	-
Special Transportation Fund	1	1	1	1	1	1	-

Budget Summary

Account	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
Personal Services	3,066,325	3,034,513	3,034,513	3,034,513	2,838,478	2,838,478	(6.46)
Other Expenses	134,447	143,722	143,722	143,722	139,411	139,411	(3.00)
Agency Total - General Fund	3,200,772	3,178,235	3,178,235	3,178,235	2,977,889	2,977,889	(6.30)
Additional Funds Available							
Private Contributions & Other Restricted	115,661,736	122,767,004	125,801,750	129,659,420	125,801,750	129,659,420	2.47
Private Contributions	3,998,719	4,118,680	4,242,241	4,369,508	4,242,241	4,369,508	3.00
Agency Grand Total	122,861,227	130,063,919	133,222,226	137,207,163	133,021,880	137,006,817	2.27

Account	Governor Recommended	
	FY 18	FY 19

Policy Revisions

Annualize FY 17 Holdbacks

Personal Services	(91,035)	(91,035)
Other Expenses	(4,311)	(4,311)
Total - General Fund	(95,346)	(95,346)

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in each of FY 18 and FY 19 across various agencies.

Governor

Reduce funding by \$95,346 in each of FY 18 and FY 19 to annualize FY 17 holdbacks.

Reduce Funding for Personal Services

Personal Services	(105,000)	(105,000)
Total - General Fund	(105,000)	(105,000)

Governor

Reduce funding by \$105,000 in each of FY 18 and FY 19 to achieve savings.

Totals

Budget Components	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	3,178,235	3,178,235
Policy Revisions	(200,346)	(200,346)
Total Recommended - GF	2,977,889	2,977,889

Positions	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	45	45
Total Recommended - GF	45	45
FY 17 Appropriation - TF	1	1
Total Recommended - TF	1	1

Debt Service - State Treasurer

OTT14100

Budget Summary

Account	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
Other Current Expenses							
Debt Service	1,682,659,701	1,765,932,976	1,964,574,752	1,925,398,018	1,981,094,017	1,916,204,257	12.18
UConn 2000 - Debt Service	148,249,734	172,057,219	186,860,389	205,664,389	189,526,253	210,955,639	10.15
CHEFA Day Care Security	4,085,086	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	-
Pension Obligation Bonds - TRB	132,732,646	119,597,971	140,219,021	118,400,521	140,219,021	118,400,521	17.24
Agency Total - General Fund	1,967,727,167	2,063,088,166	2,297,154,162	2,254,962,928	2,316,339,291	2,251,060,417	12.28
Debt Service	493,938,883	562,993,251	620,432,354	685,237,659	614,679,938	680,223,716	9.18
Agency Total - Special Transportation Fund	493,938,883	562,993,251	620,432,354	685,237,659	614,679,938	680,223,716	9.18
Total - Appropriated Funds	2,461,666,050	2,626,081,417	2,917,586,516	2,940,200,587	2,931,019,229	2,931,284,133	11.61

Account	Governor Recommended	
	FY 18	FY 19

Current Services

Increase Debt Service

Debt Service	215,161,041	150,271,281
Total - General Fund	215,161,041	150,271,281

Background

Debt service reflects the state's obligation to make payments on services and goods provided in previous years. The State Bond Commission approved the allocation of \$2.4 billion in FY 15 and \$2.9 billion in FY 16 for capital projects.

In FY 18, approximately 95 percent of the general fund debt service payment is to repay bonds that were issued prior to FY 17. The payments for FY 18 and FY 19 include \$58 million towards the FY 13 GAAP Deficit Conversation Bonds in each year. The 2009 Economic Recovery Notes are scheduled to be retired after the FY 18 payment of \$179 million.

Governor

Increase in debt service due to increased bond spending in previous years. The decrease from FY 18 to FY 19 reflects retirement of 2009 Economic Recovery Notes in FY 18, which is partially offset by projected issuance of new bonds.

Increase UConn 2000 Debt Service

UConn 2000 - Debt Service	17,469,034	38,898,420
Total - General Fund	17,469,034	38,898,420

Background

The state first established a major bonding program for the University of Connecticut under PA 95-230 (UConn 2000). This program has been extended under the title UConn 21st Century and, most recently, as Next Generation Connecticut (PA 13-233). Since FY 11, over \$1.5 billion has been authorized for UConn bond projects. Under current law, another \$1.3 billion is scheduled to be authorized from FY 18 through FY 24, including \$295 million in FY 18 and \$251 million in FY 19. The Governor's proposal delays \$29.6 million of the previously scheduled FY 18 authorization and \$25.1 million of the FY 19 authorization until after the biennium.

Governor

The increase in debt service for UConn bond programs reflects the increase in bond authorization and spending in previous years.

Account	Governor Recommended	
	FY 18	FY 19

Follow Pension Obligation Bond Repayment Schedule

Pension Obligation Bonds - TRB	20,621,050	(1,197,450)
Total - General Fund	20,621,050	(1,197,450)

Background

In 2008, \$2.3 billion in Pension Obligation Bonds (POBs) were issued by the state. Proceeds of the bond sale were added to the Teachers' Retirement Fund. A repayment schedule was developed when the bonds were issued that requires specific semi-annual payments until the bond is fully repaid in FY 32. While set by the bond covenant, the state's annual contribution to the debt service of the POBs varies from year to year.

Governor

The Governor's proposal follows the POB repayment schedule, which requires an increase of \$20.6 million in FY 18 and a decrease of \$1.2 million in FY 19.

Increase Special Transportation Fund Debt Service

Debt Service	51,686,687	117,230,465
Total - Special Transportation Fund	51,686,687	117,230,465

Background

Debt service reflects the state's obligation to make payments on services and goods provided in previous years. In FY 18, approximately 90 percent of the transportation fund debt service payment is to repay bonds that were issued prior to FY 17. Bonds issued attached to the Special Transportation Fund reflects use of Special Tax Obligation (STO) bonds to support major transportation projects throughout the state. In FY 16, the state began a funding ramp up for capital transportation programs known as Let's Go! CT, including bond authorization for the program of over \$795 million.

Governor

Increase Special Transportation Fund debt service by \$51,686,687 in FY 18 and \$117,230,465 in FY 19 to reflect the increased STO bond issuance in FY 16 and FY 17, along with projected increase in issuances in FY 18 and FY 19.

Totals

Budget Components	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	2,063,088,166	2,063,088,166
Current Services	253,251,125	187,972,251
Total Recommended - GF	2,316,339,291	2,251,060,417
FY 17 Appropriation - TF	562,993,251	562,993,251
Current Services	51,686,687	117,230,465
Total Recommended - TF	614,679,938	680,223,716

State Comptroller OSC15000

Permanent Full-Time Positions

Fund	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
General Fund	276	277	286	286	277	280	-

Budget Summary

Account	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
Personal Services	23,338,261	23,464,017	24,027,398	24,027,398	22,655,097	22,863,915	(3.45)
Other Expenses	5,584,945	4,746,238	5,910,522	6,028,020	4,748,854	4,748,854	0.06
Nonfunctional - Change to Accruals	(2,382,081)	-	-	-	-	-	n/a
Agency Total - General Fund	26,541,126	28,210,255	29,937,920	30,055,418	27,403,951	27,612,769	(2.86)

Account	Governor Recommended	
	FY 18	FY 19

Policy Revisions

Provide Funding for CoreCT Support Staff

Personal Services	-	208,818
Total - General Fund	-	208,818
Positions - General Fund	-	3

Background

The Office of the State Comptroller provides pension services to retired members, and their annuitants, for the State Employees Retirement System (SERS), the Probate Judges and Employees Retirement System, the States Attorney's Retirement System, the Public Defenders Retirement System, retired Family Support Magistrates and Compensation Commissioners and the spouses of deceased State Judges as well as the Municipal Employees Retirement System (MERS). Prior to the implementation of the pension module, administration of these programs was done by separate computer systems.

The Core-CT pension module consolidated all of the Comptroller's pension administration within Core-CT and retired the legacy systems. The project consisted of three major implementation phases, (1) customer relationship management (CRM), (2) SERS pension administration (3) MERS pension administration. The total project cost is approximately \$50 million. The upgrade is scheduled to be completed in February 2017.

In addition to the pension module, all human resource and payroll data for the University of Connecticut will be stored in Core-CT. The information is currently stored in a separate accounting system. The data will include detailed information about employee demographics, jobs, salary, hours worked, rates of pay and leave information. The projected is anticipated to be completed by March of 2017.

Governor

Provide funding of \$208,818 in FY 19 and three positions to support (1) the integration of the University of Connecticut's accounting system in the state accounting system, Core-CT and (2) the pension module enhancements to Core-CT.

Reduce Funding for Personal Services

Personal Services	(105,000)	(105,000)
Total - General Fund	(105,000)	(105,000)

Governor

Reduce funding by \$105,000 in both FY 18 and FY 19 to achieve savings.

Account	Governor Recommended	
	FY 18	FY 19

Annualize FY 17 Holdbacks

Personal Services	(703,920)	(703,920)
Other Expenses	(142,387)	(142,387)
Total - General Fund	(846,307)	(846,307)

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$703,920 in the Personal Services account and \$142,387 in the Other Expenses account in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Current Services

Provide Funding for Additional Software Licenses

Other Expenses	145,003	145,003
Total - General Fund	145,003	145,003

Background

The April 26, 2013 Bond Commission allocated \$1.5 million to the Office of Policy and Management (OPM) to build an Oracle Business Intelligence (OBI) data warehouse. The warehouse was designed to improve the ability of Core-CT (the state's accounting system) users to extract financial, human resources, and other information from the system. These funds were allocated to hire consultants to build the technical infrastructure and to develop initial reports.

Governor

Provide funding of \$145,003 in both FY 18 and FY 19 in the Other Expenses account for additional user licenses for the state's OBI software.

Totals

Budget Components	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	28,210,255	28,210,255
Policy Revisions	(951,307)	(742,489)
Current Services	145,003	145,003
Total Recommended - GF	27,403,951	27,612,769

Positions	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	277	277
Policy Revisions	-	3
Total Recommended - GF	277	280

State Comptroller - Miscellaneous

OSC15100

Budget Summary

Account	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
Other Current Expenses							
Adjudicated Claims	43,911,555	-	-	-	-	-	n/a
Nonfunctional - Change to Accruals	-	13,392,147	13,392,147	13,392,147	546,139	2,985,705	(95.92)
Agency Total - General Fund	43,911,555	13,392,147	13,392,147	13,392,147	546,139	2,985,705	(95.92)
Nonfunctional - Change to Accruals							
Agency Total - Special Transportation Fund	9,029,529	1,629,447	1,629,447	1,629,447	675,402	213,133	(58.55)
Nonfunctional - Change to Accruals							
Agency Total - Regional Market Operation Fund	6,176	2,845	2,845	2,845	2,845	2,845	-
Nonfunctional - Change to Accruals							
Agency Total - Banking Fund	199,530	95,178	95,178	95,178	95,178	95,178	-
Nonfunctional - Change to Accruals							
Agency Total - Insurance Fund	291,264	116,945	116,945	116,945	116,945	116,945	-
Nonfunctional - Change to Accruals							
Agency Total - Consumer Counsel and Public Utility Control Fund	266,964	89,658	89,658	89,658	89,658	89,658	-
Nonfunctional - Change to Accruals							
Agency Total - Workers' Compensation Fund	29,886	72,298	72,298	72,298	72,298	72,298	-
Nonfunctional - Change to Accruals							
Agency Total - Criminal Injuries Compensation Fund	63,293	-	-	-	-	-	n/a
Total - Appropriated Funds	53,798,196	15,398,518	15,398,518	15,398,518	1,598,465	3,575,762	(89.62)

Account	Governor Recommended	
	FY 18	FY 19

Current Services

Reduce Funding for GAAP Accruals

Nonfunctional - Change to Accruals	(12,846,008)	(10,406,442)
Total - General Fund	(12,846,008)	(10,406,442)

Account	Governor Recommended	
	FY 18	FY 19
Nonfunctional - Change to Accruals	(954,045)	(1,416,314)
Total - Special Transportation Fund	(954,045)	(1,416,314)

Governor

Reduce funding by \$12,846,008 in FY 18 and \$10,406,442 in FY 19 in the General Fund for GAAP accrual payments to reflect current requirements. Reduce funding by \$954,045 in FY 18 and \$1,416,314 in FY 19 in the Special Transportation Fund for GAAP accrual payments to reflect current requirements.

Totals

Budget Components	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	13,392,147	13,392,147
Current Services	(12,846,008)	(10,406,442)
Total Recommended - GF	546,139	2,985,705
FY 17 Appropriation - TF	1,629,447	1,629,447
Current Services	(954,045)	(1,416,314)
Total Recommended - TF	675,402	213,133
FY 17 Appropriation - RF	2,845	2,845
Total Recommended - RF	2,845	2,845
FY 17 Appropriation - BF	95,178	95,178
Total Recommended - BF	95,178	95,178
FY 17 Appropriation - IF	116,945	116,945
Total Recommended - IF	116,945	116,945
FY 17 Appropriation - PF	89,658	89,658
Total Recommended - PF	89,658	89,658
FY 17 Appropriation - WF	72,298	72,298
Total Recommended - WF	72,298	72,298

State Comptroller - Fringe Benefits OSC15200

Budget Summary

Account	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
Other Current Expenses							
Unemployment Compensation	5,068,428	6,348,001	6,348,001	6,348,001	13,479,501	6,348,301	112.34
State Employees Retirement Contributions	1,096,800,201	1,124,661,963	1,180,895,061	1,239,939,814	1,202,148,583	1,327,077,738	6.89
Higher Education Alternative Retirement System	(34,354)	4,924,234	4,924,234	4,924,234	500,000	500,000	(89.85)
Pensions and Retirements - Other Statutory	1,602,498	1,760,804	1,706,796	1,757,248	1,706,796	1,757,248	(3.07)
Judges and Compensation Commissioners Retirement	18,258,707	19,163,487	20,121,661	21,127,744	25,457,910	27,427,480	32.85
Insurance - Group Life	7,754,314	7,867,871	8,171,000	8,387,000	8,111,900	8,355,900	3.10
Employers Social Security Tax	228,290,741	227,723,020	228,042,790	228,053,270	213,998,720	213,886,020	(6.03)
State Employees Health Service Cost	662,862,284	693,865,044	723,777,000	783,387,000	700,685,888	744,535,304	0.98
Retired State Employees Health Service Cost	645,975,176	731,109,000	799,741,000	886,689,000	794,899,000	864,599,000	8.73
Tuition Reimbursement - Training and Travel	2,961,860	-	115,000	-	115,000	-	n/a
Death Benefits For St Employ	16,200	-	-	-	-	-	n/a
Other Post Employment Benefits	-	-	125,000,000	125,000,000	120,000,000	120,000,000	n/a
Agency Total - General Fund	2,669,556,055	2,817,423,424	3,098,842,543	3,305,613,311	3,081,103,298	3,314,486,991	9.36
Unemployment Compensation	287,591	305,000	305,000	305,000	305,000	305,000	-
State Employees Retirement Contributions	122,166,623	129,227,978	135,689,377	142,473,846	134,130,000	146,268,000	3.79
Insurance - Group Life	268,204	285,063	275,000	279,000	275,000	279,000	(3.53)
Employers Social Security Tax	15,498,733	18,178,987	18,178,987	18,178,987	18,327,587	18,346,887	0.82
State Employees Health Service Cost	46,708,551	56,549,838	52,997,000	57,036,000	53,544,606	57,652,322	(5.31)
Agency Total - Special Transportation Fund	184,929,702	204,546,866	207,445,364	218,272,833	206,582,193	222,851,209	1.00
Total - Appropriated Funds	2,854,485,757	3,021,970,290	3,306,287,907	3,523,886,144	3,287,685,491	3,537,338,200	8.79

Account	Governor Recommended	
	FY 18	FY 19

Policy Revisions

Adjust Fringe Benefits to Reflect Reduction of Positions

Unemployment Compensation	6,890,600	-
Employers Social Security Tax	(3,902,600)	(4,063,300)
State Employees Health Service Cost	(10,489,900)	(11,712,400)
Total - General Fund	(7,501,900)	(15,775,700)

Governor

Reduce funding by \$7,501,900 in FY 18 and \$15,775,700 in FY 19 to reflect the reduction of personnel and Personal Services accounts across state agencies.

Account	Governor Recommended	
	FY 18	FY 19

Adjust Fringe Benefits for the Transfer of Positions

Unemployment Compensation	-	300
State Employees Retirement Contributions	(23,100)	245,600
Insurance - Group Life	(100)	900
Employers Social Security Tax	(3,200)	34,200
State Employees Health Service Cost	(124,500)	(5,500)
Total - General Fund	(150,900)	275,500

Governor

Reduce funding by \$150,900 in FY 18 and provide funding of \$275,000 in FY 19 to reflect the net impact to various fringe benefit accounts within the General Fund from the transfer of state personnel.

Provide Funding for Fringe Benefits for Additional Positions

Employers Social Security Tax	23,600	33,500
State Employees Health Service Cost	79,800	124,600
Total - General Fund	103,400	158,100

Governor

Provide funding of \$103,400 in FY 18 and \$158,100 in FY 19 to reflect the addition of positions across state agencies.

Current Services

Adjust Operating Expenses to Reflect Current Requirements

Unemployment Compensation	240,900	-
Higher Education Alternative Retirement System	(4,424,234)	(4,424,234)
Pensions and Retirements - Other Statutory	(54,008)	(3,556)
Insurance - Group Life	244,129	487,129
Employers Social Security Tax	(9,842,100)	(9,841,400)
State Employees Health Service Cost	17,355,444	62,263,560
Retired State Employees Health Service Cost	63,790,000	133,490,000
Total - General Fund	67,310,131	181,971,499
Insurance - Group Life	(10,063)	(6,063)
Employers Social Security Tax	148,600	167,900
State Employees Health Service Cost	(3,005,232)	1,102,484
Total - Special Transportation Fund	(2,866,695)	1,264,321

Governor

Provide funding of \$67,310,131 in FY 18 and \$181,971,499 in FY 19 in the General Fund to reflected anticipated expenditure requirements. Reduce funding by \$2,866,695 in FY 18 and provide funding of \$1,264,321 in FY 19 in the Special Transportation Fund to reflect anticipated expenditures requirements.

Fund the Actuarial Determined Employer Contribution for SERS

State Employees Retirement Contributions	77,509,720	202,170,175
Total - General Fund	77,509,720	202,170,175
State Employees Retirement Contributions	4,902,022	17,040,022
Total - Special Transportation Fund	4,902,022	17,040,022

Background

The State Employees' Retirement System (SERS) is the state's defined benefit plan for approximately 50,000 active state employees and 48,000 retired state employees. SERS is currently funded using an actuarial reserve funding method, whereby the normal cost and past service liability are calculated in order to determine the state's annual actuarial determined employer contribution (ADEC, formerly known as the actuarially required contribution (ARC)) (CGS 5-156a). SERS is a collectively bargained benefit. The current agreement governing pension benefits was last revised in 2011 and is effective until 2022. On February 1, 2017,

Account	Governor Recommended	
	FY 18	FY 19

HR8/SR7, a *Resolution Proposing Approval of an Agreement Between the State of Connecticut and the State Employees' Bargaining Agency Coalition*, was approved in the House and the Senate. These resolutions made modifications to actuarial methodologies and assumptions. In addition, in a separate, but related action, on December 19, 2016, the state's Retirement Commission decreased the discount rate for SERS from 8% to 6.9%. These changes to the actuarial methods and assumptions impact the state's ADEC.

Governor

Provide funding of \$82,411,742 in FY 18 and \$219,210,197 in FY 19 to fund the General Fund and Special Transportation Fund's portion of the actuarial determined employer contribution in the biennium.

Fund the Actuarial Determined Employer Contribution for JRS

Judges and Compensation Commissioners Retirement	6,294,423	8,263,993
Total - General Fund	6,294,423	8,263,993

Background

The Judges, Family Support Magistrates, and Compensation Commissioners Retirement System (JRS) is the state's defined benefit plan for approximately 204 active and 250 retired Judges, Family Support Magistrates, and Compensation Commissioners. JRS is currently funded using an actuarial reserve funding method, whereby the normal cost and past service liability are calculated in order to determine the state's annual actuarial determined employer contribution (ADEC, formerly known as the actuarially required contribution (ARC)). On February 1, 2017, HR8/SR7, a *Resolution Proposing Approval of an Agreement Between the State of Connecticut and the State Employees' Bargaining Agency Coalition*, was approved in the House and the Senate. These resolutions made modifications to actuarial methodologies and assumptions for the State Employees' Retirement System. The majority of the changes were adopted by the Retirement Commission for JRS. In addition, in a separate, but related action, on December 19, 2016, the state's Retirement Commission decreased the discount rate for JRS from 8% to 6.9%. These changes to the actuarial methods and assumptions impact the state's ADEC.

Governor

Provide funding of \$6,294,423 in FY 18 and \$8,263,993 in FY 19 to fund the actuarial determined employer contribution for the biennium.

Provide for Employer Matching Funds for OPEB

Other Post Employment Benefits	120,000,000	120,000,000
Total - General Fund	120,000,000	120,000,000

Background

The 2011 agreement between the state and the State Employees' Bargaining Agent Coalition governing pension and health benefits, including retiree health included a provision requiring all state employees to contribute 3% of their salary towards retiree health, for a period of 10 years. This was an expansion of the provision contained in the 2009 agreement, which only required new hires to make the 3% contribution. In addition, the 2011 agreement required the state to match employee contributions to retiree health in the Other Post Employment Benefit Fund (OPEB) beginning in FY 18.

Governor

Provide funding of \$120 million in both FY 18 and FY 19 to reflect the state's matching contribution to the OPEB Fund for retiree health pursuant to the SEBAC 2011 Agreement.

Provide Tuition and Training Funds for Settled Contracts

Tuition Reimbursement - Training and Travel	115,000	-
Total - General Fund	115,000	-

Background

Pursuant to individual collective bargaining contracts, funding is provided for the Tuition Reimbursement - Training and Travel account. This is a non-lapsing account within the General Fund. Historically, this account is approximately \$3.1 million, with average annual expenditures of approximately an equivalent amount. For unsettled contracts, tuition and training funding is budgeted in the Reserve for Salary Adjustment (RSA) account under the purview of the Office of Policy and Management.

Governor

Provide funding of \$115,000 in FY 18 in the Tuition Reimbursement - Training and Travel account for the NP 1 - State Police bargaining unit, whose contract is effective until June 30, 2018 (end of FY 18). This funding was previously budgeted within the RSA account.

Totals

Budget Components	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	2,817,423,424	2,817,423,424
Policy Revisions	(7,549,400)	(15,342,100)
Current Services	271,229,274	512,405,667
Total Recommended - GF	3,081,103,298	3,314,486,991
FY 17 Appropriation - TF	204,546,866	204,546,866
Current Services	2,035,327	18,304,343
Total Recommended - TF	206,582,193	222,851,209

Department of Revenue Services

DRS16000

Permanent Full-Time Positions

Fund	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
General Fund	660	660	660	660	660	660	-

Budget Summary

Account	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
Personal Services	57,801,853	57,419,820	57,419,820	57,419,820	55,180,743	55,010,743	(3.90)
Other Expenses	7,865,293	6,776,492	7,141,492	6,776,492	7,961,117	6,831,117	17.48
Agency Total - General Fund	65,667,146	64,196,312	64,561,312	64,196,312	63,141,860	61,841,860	(1.64)
Additional Funds Available							
Federal Funds	(5,331)	35,000	35,000	35,000	35,000	35,000	-
Private Contributions & Other Restricted	1,260,216	1,259,826	1,187,700	1,187,700	1,187,700	1,187,700	(5.73)
Agency Grand Total	66,922,031	65,491,138	65,784,012	65,419,012	64,364,560	63,064,560	(1.72)

Account	Governor Recommended	
	FY 18	FY 19

Policy Revisions

Provide Funding for the Connecticut Fresh Start Initiative

Personal Services	200,000	30,000
Other Expenses	1,450,000	320,000
Total - General Fund	1,650,000	350,000

Background

Section 2 of SB 787, AAC Revenue Items to Implement the Governor's Budget, establishes a Fresh Start initiative which consists of two main components: 1) incentives (including penalty and interest reductions) to taxpayers who are non-filers, under-reporters, or unregistered in exchange for self-reporting and paying taxes; and 2) a compliance strategy including audits focused on specific segments of the taxpayer population using new tools and techniques to make it easier for those taxpayers to become compliant. This initiative is estimated to result in a revenue gain of \$60 million in FY 18 and \$25 million in FY 19.

Governor

Provide funding of \$1,650,000 in FY 18 and \$350,000 in FY 19 to implement the Fresh Start initiative. This includes \$200,000 in FY 18 and \$30,000 in FY 19 in Personal Services for temporary employees and overtime, and \$1,450,000 in FY 18 and \$320,000 in FY 19 in Other Expenses for professional/expert services, travel for audits, marketing, information technology, and postage and printing costs.

Eliminate Biennial Tax Incidence Study

Other Expenses	(197,100)	-
Total - General Fund	(197,100)	-

Background

Section 30 of HB 7051, AA Implementing the Governor's Budget Recommendations for General Government, repeals the statutory requirement that the Department of Revenue Services provide a biennial Tax Incidence Report.

Account	Governor Recommended	
	FY 18	FY 19

Governor

Remove funding of \$197,100 in FY 18 only to reflect the elimination of the biennial Tax Incidence Report and associated costs.

Transfer Funding for MSA Enforcement to Tobacco Account

Personal Services	(716,483)	(716,483)
Other Expenses	(62,081)	(62,081)
Total - General Fund	(778,564)	(778,564)

Background

In May of 2013, Connecticut joined 21 other states in a partial settlement with the major tobacco companies of a dispute dating from 2006 regarding payments to the states under the 1998 tobacco Master Settlement Agreement (MSA), from which Connecticut received approximately \$63 million. Sections 110-112 of PA 13-184 specify that: (1) up to \$40 million of the funds be used to reduce the state's GAAP deficit, (2) up to \$10 million be transferred to the General Fund for FY 14, and (3) a total of \$13 million be transferred to a nonlapsing account to fund enforcement activity related to the agreement by the Department of Revenue Services and the Office of the Attorney General.

Governor

Transfer funding of \$778,564 in both FY 18 and FY 19 to the nonlapsing Tobacco Revenue Enforcement account within the Department of Revenue Services to fund staffing costs associated with enforcement of the MSA.

Annualize FY 17 Holdbacks

Personal Services	(1,722,594)	(1,722,594)
Other Expenses	(203,294)	(203,294)
Total - General Fund	(1,925,888)	(1,925,888)

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$1,925,888 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Current Services**Provide Funding for Biennial Tax Incidence Study**

Other Expenses	197,100	-
Total - General Fund	197,100	-

Background

CGS Sec. 12-7c requires the Department of Revenue Services, by February 15, 2018 and biennially thereafter, to provide a Tax Incidence Report covering all major state and local taxes.

Governor

Provide funding of \$197,100 in FY 18 only for consulting and information technology costs associated with the Tax Incidence Report due February 15, 2018.

Totals

Budget Components	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	64,196,312	64,196,312
Policy Revisions	(1,251,552)	(2,354,452)
Current Services	197,100	-
Total Recommended - GF	63,141,860	61,841,860

Positions	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	660	660
Total Recommended - GF	660	660

Office of Policy and Management

OPM20000

Permanent Full-Time Positions

Fund	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
General Fund	125	125	125	125	125	125	-
Insurance Fund	2	2	2	2	2	2	-

Budget Summary

Account	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
Personal Services	11,244,909	11,390,132	11,390,132	11,390,132	11,092,895	11,092,895	(2.61)
Other Expenses	1,482,071	923,822	923,822	923,822	1,100,084	1,100,084	19.08
Other Current Expenses							
Litigation Settlement Costs	1,177,151	-	-	-	-	-	n/a
Automated Budget System and Data Base Link	9,134	40,894	40,894	40,894	39,668	39,668	(3.00)
Justice Assistance Grants	732,653	938,648	938,648	938,648	910,489	910,489	(3.00)
Criminal Justice Information System	1,671,049	920,048	2,704,248	3,018,571	-	-	(100.00)
Project Longevity	940,000	885,000	885,000	885,000	550,000	550,000	(37.85)
Other Than Payments to Local Governments							
Tax Relief For Elderly Renters	26,287,142	27,300,000	29,553,187	31,326,192	25,220,568	26,103,288	(7.62)
Grant Payments to Local Governments							
Reimbursement to Towns for Loss of Taxes on State Property	71,356,484	66,730,441	66,730,441	66,730,441	66,730,441	66,730,441	-
Reimbursements to Towns for Private Tax-Exempt Property	122,919,655	114,950,770	114,950,770	114,950,770	59,122,160	59,122,160	(48.57)
Reimbursement Property Tax - Disability Exemption	400,000	374,065	374,065	374,065	374,065	374,065	-
Distressed Municipalities	5,549,101	5,423,986	5,423,986	5,423,986	5,423,986	5,423,986	-
Property Tax Relief Elderly Circuit Breaker	20,505,900	19,176,502	19,176,502	19,176,502	14,474,502	14,474,502	(24.52)
Property Tax Relief Elderly Freeze Program	94,757	112,221	65,000	65,000	65,000	65,000	(42.08)
Property Tax Relief for Veterans	2,896,990	2,777,546	2,777,546	2,777,546	2,777,546	2,777,546	-
Agency Total - General Fund	267,266,995	251,944,075	255,934,241	258,021,569	187,881,404	188,764,124	(25.43)
Grants To Towns	61,687,907	58,076,612	58,076,612	58,076,612	58,076,612	58,076,612	-
Agency Total - Mashantucket Pequot and Mohegan Fund	61,687,907	58,076,612	58,076,612	58,076,612	58,076,612	58,076,612	-
Personal Services	294,370	313,882	313,882	313,882	313,882	313,882	-
Other Expenses	5,355	6,012	6,012	6,012	6,012	6,012	-
Fringe Benefits	179,077	200,882	200,882	200,882	200,882	200,882	-
Agency Total - Insurance Fund	478,802	520,776	520,776	520,776	520,776	520,776	-
Municipal Revenue Sharing	-	185,000,000	-	-	330,100,000	339,000,000	78.43
Agency Total - Municipal Revenue Sharing Fund	-	185,000,000	-	-	330,100,000	339,000,000	78.43
Total - Appropriated Funds	329,433,704	495,541,463	314,531,629	316,618,957	576,578,792	586,361,512	16.35
Additional Funds Available							

Account	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
Federal Funds	6,472,561	9,386,464	7,100,783	3,735,325	7,100,783	3,735,325	(24.35)
Private Contributions & Other Restricted	10,896,391	4,451,204	4,111,001	4,351,001	4,111,001	4,351,001	(7.64)
Private Contributions	130,180	1,349,544	1,311,013	46,013	1,311,013	46,013	(2.86)
Agency Grand Total	346,932,836	510,728,675	327,054,426	324,751,296	589,101,589	594,493,851	15.35

Account	Governor Recommended	
	FY 18	FY 19

Policy Revisions

Adjust Funding Source for MRSA/MRSF Grants

Municipal Revenue Sharing	330,100,000	339,000,000
Total - Municipal Revenue Sharing Fund	330,100,000	339,000,000

Background

The Municipal Revenue Sharing Fund (MRSF) is an appropriated fund created in PA 16-2, the Revised FY 17 budget, to provide \$185.0 million in funding in FY 17 to municipalities and regional councils of government, via a revenue transfer from the General Fund. Funding is provided for 1) supplemental PILOT grants to towns with high levels of tax exempt property, 2) grants to towns that experience a revenue loss as a result of the mill rate cap on motor vehicles, 3) additional general state aid, 4) supplemental Education Cost Sharing grants, and 5) grants to regional councils of government.

Governor

Provide funding of \$330,100,000 in FY 18 and \$339 million in FY 19 for the Municipal Revenue Sharing Fund. This funding replaces a scheduled diversion of sales tax revenue (of the same amount in each of FY 18 and FY 19) into the non-appropriated Municipal Revenue Sharing Account (MRSA) for the same grant programs.

Reduce Funding for College & Hospital PILOT

Reimbursements to Towns for Private Tax-Exempt Property	(55,828,610)	(55,828,610)
Total - General Fund	(55,828,610)	(55,828,610)

Background

The College & Hospital (C&H) PILOT grant is a payment in lieu of local property taxes to municipalities for private colleges, general hospitals, and free standing chronic disease hospitals that are exempt from property taxes. The grant is equal to 77% of the amount of taxes that would have been paid if the property were not exempt from taxation. The grant may be prorated in years in which the appropriation is not sufficient to fully fund the grant, provided no town receives less funding than it received in FY 15.

Governor

Reduce funding by \$55,828,610 in each of FY 18 and FY 19 to reflect the removal of private hospital property from the calculation of C&H PILOT grants. The Governor's budget proposal allows municipalities to fully tax real property owned by hospitals. This is estimated to generate approximately \$212.2 million in revenue to municipalities.

Reduce Funding for Elderly Circuit Breaker

Property Tax Relief Elderly Circuit Breaker	(4,702,000)	(4,702,000)
Total - General Fund	(4,702,000)	(4,702,000)

Background

State law provides a property tax credit program for Connecticut owners in residence of real property, who are elderly (65 and over) or totally disabled, and whose annual incomes do not exceed certain limits. The credit amount is calculated by the local assessor and applied by the tax collector to the applicant's real property tax bill. The amount of the credit that may be granted is up to \$1,250 for married couples and \$1,000 for single persons. About 38,500 people in all 169 municipalities and six other special taxing districts receive this tax credit. The grant provides a partial reimbursement to municipalities for the revenue loss associated with the Circuit Breaker program.

Governor

Reduce funding by \$4,702,000 in each of FY 18 and FY 19 to achieve savings. This results in a 24.5% reduction in grant funding to municipalities. It does not impact the tax credits received by program participants.

Account	Governor Recommended	
	FY 18	FY 19

Transfer CJIS from OPM to DESPP

Criminal Justice Information System	(2,392,840)	(2,739,398)
Total - General Fund	(2,392,840)	(2,739,398)

Background

Connecticut's Criminal Justice Information System (CJIS) is the umbrella term for the agencies with criminal justice responsibilities. CJIS was created to enhance communication and information sharing across criminal justice agencies. The primary responsibility of CJIS is the development and management of the Connecticut Information Sharing System, the information technology system which allows for electronic information sharing across agencies.

Governor

Reduce funding for CJIS by \$2,392,840 in FY 18 and \$2,739,398 in FY 19 to reflect the transfer of this funding to the Department of Emergency Services and Public Protection.

Reduce Funding for Elderly Renters' Rebate

Tax Relief For Elderly Renters	(1,964,809)	(2,062,889)
Total - General Fund	(1,964,809)	(2,062,889)

Background

State law provides a reimbursement program for renters who are totally disabled, and whose incomes do not exceed certain limits. Persons renting an apartment or room, or living in cooperative housing or a mobile home may be eligible for this program. Renters' rebates can be up to \$900 for married couples and \$700 for single persons. About 48,500 people in all 169 municipalities participate in this program.

Governor

Reduce funding by \$1,964,809 in FY 18 and \$2,062,889 in FY 19 for Elderly Renters' Tax Relief to reflect a 10% reduction in renters' rebates.

Reduce Funding for Project Longevity

Project Longevity	(308,450)	(308,450)
Total - General Fund	(308,450)	(308,450)

Background

Project Longevity is a comprehensive initiative involving law enforcement officials, social service providers, and community members to reduce gun violence in large communities.

Governor

Reduce funding by \$308,450 in each of FY 18 and FY 19 for Project Longevity to achieve savings.

Provide Funding for Municipal Finance Review Board

Personal Services	215,319	215,319
Other Expenses	2,000	2,000
Total - General Fund	217,319	217,319

Background

The Governor's proposed FY 18 and FY 19 budget includes the creation of the Municipal Accountability Review Board. This board will have a varying degree of oversight of municipal budgets and finances, depending on the financial health of the municipality.

Governor

Provide funding of \$217,319 (\$215,319 in Personal Services and \$2,000 in Other Expenses) in each of FY 18 and FY 19 for staffing for the Municipal Accountability Review Board.

Annualize FY 17 Holdbacks

Personal Services	(512,556)	(512,556)
Other Expenses	(9,238)	(9,238)
Automated Budget System and Data Base Link	(1,226)	(1,226)
Justice Assistance Grants	(28,159)	(28,159)
Criminal Justice Information System	(27,601)	(27,601)
Project Longevity	(26,550)	(26,550)
Tax Relief For Elderly Renters	(837,476)	(837,476)
Total - General Fund	(1,442,806)	(1,442,806)

Account	Governor Recommended	
	FY 18	FY 19

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$1,442,806 in each of FY 18 and FY 19 to annualize FY 17 holdbacks.

Current Services

Reflect Change in Funding Source for MRSF/MRSA Grants

Municipal Revenue Sharing	(185,000,000)	(185,000,000)
Total - Municipal Revenue Sharing Fund	(185,000,000)	(185,000,000)

Governor

Eliminate the General Fund revenue transfer to the Municipal Revenue Sharing Fund (MSRF) in each of FY 18 and FY 19 to reflect the funding of MSRF grants via a sales tax diversion into the non-appropriated Municipal Revenue Sharing Account (MRSA).

Provide Funding for Criminal Justice Information System

Criminal Justice Information System	1,500,393	1,846,951
Total - General Fund	1,500,393	1,846,951

Governor

Provide funding of \$1,500,393 in FY 18 and \$1,846,951 in FY 19 to meet the current contractual and technological requirements of CJIS.

Provide Funding for Elderly Renters' Rebate program

Tax Relief For Elderly Renters	722,853	1,703,653
Total - General Fund	722,853	1,703,653

Governor

Provide funding of \$722,853 in FY 18 and \$1,703,653 in FY 19 to reflect an anticipated 3.5 percent increase in the cost to fully fund renters' rebates.

Provide Funding for the Open Data Portal

Other Expenses	183,500	183,500
Total - General Fund	183,500	183,500

Background

The Open Data Portal initiative began in 2014 and is intended to provide researchers and the general public access to a wide range of information concerning state government finances, demographic information, and other statistical and economic data.

Governor

Provide funding of \$183,500 in each of FY 18 and FY 19 for contractual obligations.

Reduce Funding for Elderly Tax Freeze Program

Property Tax Relief Elderly Freeze Program	(47,221)	(47,221)
Total - General Fund	(47,221)	(47,221)

Background

The Freeze Tax Relief Program was established with the 1967 Grand List program year. 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. There are 51 participants in this program across 30 municipalities and three special taxing districts.

Governor

Reduce funding by \$47,221 in each of FY 18 and FY 19 to reflect a reduction in caseload.

Totals

Budget Components	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	251,944,075	251,944,075
Policy Revisions	(66,422,196)	(66,866,834)
Current Services	2,359,525	3,686,883
Total Recommended - GF	187,881,404	188,764,124
FY 17 Appropriation - MF	58,076,612	58,076,612
Total Recommended - MF	58,076,612	58,076,612
FY 17 Appropriation - IF	520,776	520,776
Total Recommended - IF	520,776	520,776
FY 17 Appropriation - MU	185,000,000	185,000,000
Policy Revisions	330,100,000	339,000,000
Current Services	(185,000,000)	(185,000,000)
Total Recommended - MU	330,100,000	339,000,000

Positions	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	125	125
Total Recommended - GF	125	125
FY 17 Appropriation - IF	2	2
Total Recommended - IF	2	2

Reserve for Salary Adjustments OPM20100

Budget Summary

Account	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
Other Current Expenses							
Reserve For Salary Adjustments	-	18,473,255	-	-	317,050,763	484,497,698	1,616.27
Agency Total - General Fund	-	18,473,255	-	-	317,050,763	484,497,698	1,616.27
Reserve For Salary Adjustments	-	7,301,186	-	-	2,301,186	2,301,186	(68.48)
Agency Total - Special Transportation Fund	-	7,301,186	-	-	2,301,186	2,301,186	(68.48)
Total - Appropriated Funds	-	25,774,441	-	-	319,351,949	486,798,884	1,139.03

Account	Governor Recommended	
	FY 18	FY 19

Current Services

Provide Funding for Wage Increases

Reserve For Salary Adjustments	300,591,650	468,216,721
Total - General Fund	300,591,650	468,216,721

Background

All collective bargaining contracts, with the exception of the State Police (NP-1) contract, expired June 30, 2016.

Governor

Provide funding of \$300,591,650 in FY 18 and \$468,216,721 in FY 19 to reflect anticipated wage increases, primarily for unsettled collective bargaining contracts. The \$300.6 million in FY 18 funding is anticipated to cover collective bargaining wage increases in FY 17 (retroactive) and FY 18. The \$468.2 million in FY 19 includes the FY 17 and FY 18 wage increases, plus an additional \$167.2 million for anticipated wage increases in FY 19.

Provide Funding for General Fund Accrual Payouts

Reserve For Salary Adjustments	6,579,444	6,286,308
Total - General Fund	6,579,444	6,286,308

Governor

Provide funding of \$6,579,444 in FY 18 and \$6,286,308 in FY 19 for General Fund accrual payouts.

Transfer Funding from RSA to DESPP for NP-1 Contract Costs

Reserve For Salary Adjustments	(8,593,586)	(8,478,586)
Total - General Fund	(8,593,586)	(8,478,586)

Background

In FY 17, \$8,478,586 was transferred from the Reserve for Salary Adjustment to the Department of Emergency Services and Public Protection (DESPP) for the settlement of the NP-1 contract.

Governor

Transfer funding of \$8,593,586 in FY 18 and \$8,478,586 in FY 19 to (DESPP) for the wage and compensation costs of the settled NP-1 contract.

Account	Governor Recommended	
	FY 18	FY 19

Reduce Funding for Transportation Fund Accrual Payouts

Reserve For Salary Adjustments	(5,000,000)	(5,000,000)
Total - Special Transportation Fund	(5,000,000)	(5,000,000)

Governor

Reduce funding by \$5 million in both FY 18 and FY 19 to reflect anticipated STF accrual payouts.

Totals

Budget Components	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	18,473,255	18,473,255
Current Services	298,577,508	466,024,443
Total Recommended - GF	317,050,763	484,497,698
FY 17 Appropriation - TF	7,301,186	7,301,186
Current Services	(5,000,000)	(5,000,000)
Total Recommended - TF	2,301,186	2,301,186

Department of Administrative Services

DAS23000

Permanent Full-Time Positions

Fund	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
General Fund	663	665	665	665	663	663	(0.30)

Budget Summary

Account	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
Personal Services	48,541,367	49,794,514	49,794,514	49,794,514	48,300,679	48,300,679	(3.00)
Other Expenses	31,246,877	30,154,345	32,706,803	32,867,642	29,392,481	29,653,689	(2.53)
Other Current Expenses							
Tuition Reimbursement - Training and Travel	438,334	-	-	-	-	-	n/a
Management Services	4,177,121	3,089,993	3,125,056	3,139,236	-	-	(100.00)
Loss Control Risk Management	98,934	102,927	102,927	102,927	92,634	92,634	(10.00)
Employees' Review Board	15,476	18,155	18,155	18,155	17,611	17,611	(3.00)
Surety Bonds for State Officials and Employees	125,367	65,026	67,900	149,475	65,949	147,524	1.42
Quality of Work-Life	24,300	-	-	-	-	-	n/a
Refunds Of Collections	21,650	22,116	22,116	22,116	21,453	21,453	(3.00)
Rents and Moving	10,999,900	10,421,930	11,967,277	12,723,533	10,562,692	11,318,952	1.35
W. C. Administrator	4,908,333	4,480,774	5,134,422	5,134,422	5,000,000	5,000,000	11.59
Insurance Recovery	6,500	-	-	-	-	-	n/a
Connecticut Education Network	2,764,393	1,100,000	1,100,000	1,100,000	952,907	-	(13.37)
State Insurance and Risk Mgmt Operations	11,942,226	13,585,462	13,651,371	13,915,068	12,292,825	12,556,522	(9.51)
IT Services	13,914,492	13,200,415	13,301,744	13,301,744	12,657,014	12,552,014	(4.12)
Agency Total - General Fund	129,225,270	126,035,657	130,992,285	132,268,832	119,356,245	119,661,078	(5.30)
State Insurance and Risk Mgmt Operations	6,390,246	8,960,575	11,034,298	11,241,290	10,138,240	10,345,232	13.14
Agency Total - Special Transportation Fund	6,390,246	8,960,575	11,034,298	11,241,290	10,138,240	10,345,232	13.14
Total - Appropriated Funds	135,615,516	134,996,232	142,026,583	143,510,122	129,494,485	130,006,310	(4.08)
Additional Funds Available							
Federal Funds	2,858,796	2,431,597	2,431,597	2,431,597	2,431,597	2,431,597	-
Private Contributions & Other Restricted	8,032,562	8,008,882	7,784,788	7,784,788	7,784,788	7,784,788	(2.80)
Private Contributions	68,199,521	66,738,576	66,738,516	66,738,516	66,738,516	66,738,516	-
Agency Grand Total	214,706,395	212,175,287	218,981,484	220,465,023	206,449,386	206,961,211	(2.70)

Account	Governor Recommended	
	FY 18	FY 19

Policy Revisions

Reduce Funding to Reflect Unoccupied State Office Building

Other Expenses	(2,288,112)	(2,208,372)
Total - General Fund	(2,288,112)	(2,208,372)

Background

The State Office Building, at 165 Capitol Avenue, will be unoccupied during FY 18 and FY 19 while undergoing major renovations.

Governor

Reduce funding by \$2,288,112 in FY 18 and \$2,208,372 in FY 19 to reflect building maintenance savings from unoccupied State Office Building. The Department of Administrative Services' (DAS) will continue to incur certain operational costs, such as snow removal.

Provide Funding for e-Licensing Expansion

IT Services	190,000	85,000
Total - General Fund	190,000	85,000

Background

The Connecticut e-License web portal provides real-time access to over 600 credentials including licenses, registrations, permits or certifications for individuals, organizations and facilities.

Governor

Provide funding of \$190,000 in FY 18 and \$85,000 in FY 19 to expand the state's e-Licensing platform to enhance certain capabilities for the Department of Public Health's drinking water e-Licensing, as well as programs for other state agencies.

Reduce Various Accounts

Other Expenses	(205,752)	(205,752)
Loss Control Risk Management	(7,205)	(7,205)
Rents and Moving	(79,686)	(79,686)
Total - General Fund	(292,643)	(292,643)

Governor

Reduce various accounts to reflect current spending requirements:

- Reduce Other Expenses by \$205,752 in both FY 18 and FY 19 for training, travel and other discretionary expenses;
- Reduce Loss Control by \$7,205 in both FY 18 and FY 19;
- Reduce Rents and Moving by \$79,686 in both FY 18 and FY 19 to terminate a lease at 999 Asylum Avenue.

Reduce Funding to Reflect Decreased Use of Mainframe

IT Services	(337,389)	(337,389)
Total - General Fund	(337,389)	(337,389)

Background

The Department of Social Services is anticipated to complete rollout of the ImpaCT project in FY 17 which will reduce the load on the DAS mainframe environment.

Governor

Reduce funding by \$337,389 in both FY 18 and FY 19 as DAS expects to renegotiate vendor contracts to reflect current mainframe requirements.

Reduce the Insurance and Risk Management Account

State Insurance and Risk Mgmt Operations	(1,222,692)	(1,222,692)
Total - General Fund	(1,222,692)	(1,222,692)
State Insurance and Risk Mgmt Operations	(896,058)	(896,058)
Total - Special Transportation Fund	(896,058)	(896,058)

Account	Governor Recommended	
	FY 18	FY 19

Governor

Reduce funding by \$1,222,692 in the General Fund and \$896,058 in the Transportation Fund in both FY18 and FY 19 to reflect anticipated spending requirements.

Transfer Ownership of 25 Sigourney to DOT

Other Expenses	(912,800)	(912,800)
Total - General Fund	(912,800)	(912,800)

Governor

Transfer funding of \$912,800 in both FY 18 and FY 19 to reflect the transfer of ownership of the 25 Sigourney Street building from DAS to the Department of Transportation (DOT).

Eliminate 25 Sigourney Street Maintenance Costs

Other Expenses	(945,394)	(945,394)
Total - General Fund	(945,394)	(945,394)

Governor

Reduce funding by \$945,394 in both FY 18 and FY 19 to reflect that DAS no longer is responsible for the maintenance of 25 Sigourney Street. DOT will assume care and control of the property.

Provide Funding for Utility Costs at Data Center

Rents and Moving	102,000	102,000
Total - General Fund	102,000	102,000

Governor

Provide funding of \$102,000 in both FY 18 and FY 19 for to pay certain utility costs at the state data center in Groton.

Reduce Funding for CEN

Connecticut Education Network	(114,093)	(1,067,000)
Total - General Fund	(114,093)	(1,067,000)

Background

Connecticut Education Network (CEN) is part of the State's secure 'Nutmeg Network', whose purpose is to deliver reliable, high-speed internet access, data transport services to its members throughout Connecticut.

Governor

Reduce funding by \$114,093 in FY 18 and \$1,067,000 in FY 19 to reflect the phasing out of DAS financial support for CEN.

Transfer Management Services to Other Expenses

Other Expenses	3,072,794	3,086,905
Management Services	(3,072,794)	(3,086,905)
Total - General Fund	-	-

Background

DAS has been utilizing two separate accounts to pay for lease expenditures, utility costs, and property management expenses based on a property's proximity to Hartford.

Governor

Transfer funding of \$3,072,794 in FY 18 and \$3,086,905 in FY 19 from Management Services to Other Expenses to place all leasing, utility and property management funding into one account.

Transfer Two Positions to Watchdog Agencies

Personal Services	-	-
Total - General Fund	-	-
Positions - General Fund	(2)	(2)

Background

DAS provided the services of an HR Specialist and a Fiscal Administrative Assistant to the watchdog agencies in FY 17 based on an MOU.

Account	Governor Recommended	
	FY 18	FY 19

Governor

Transfer one Human Resources position to the Freedom of Information Commission, and one Fiscal Administration position to the Office of State Ethics.

Annualize FY 17 Holdbacks

Personal Services	(1,493,835)	(1,493,835)
Other Expenses	(301,543)	(301,543)
Management Services	(30,899)	(30,899)
Loss Control Risk Management	(3,088)	(3,088)
Employees' Review Board	(544)	(544)
Surety Bonds for State Officials and Employees	(1,951)	(1,951)
Refunds Of Collections	(663)	(663)
Rents and Moving	(312,658)	(312,658)
W. C. Administrator	(134,422)	(134,422)
Connecticut Education Network	(33,000)	(33,000)
State Insurance and Risk Mgmt Operations	(135,854)	(135,854)
IT Services	(396,012)	(396,012)
Total - General Fund	(2,844,469)	(2,844,469)

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$2,844,469 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Current Services**Annualize Costs of Occupancy at 450 Columbus Blvd**

Other Expenses	656,461	656,461
Total - General Fund	656,461	656,461

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation.

Governor

Provide funding of \$656,461 in both FY 18 and FY 19 to reflect full year funding for the occupancy costs at 450 Columbus Boulevard.

Provide Funding for Various Adjustments

Other Expenses	162,482	329,839
Management Services	13,700	27,811
Surety Bonds for State Officials and Employees	2,874	84,449
Rents and Moving	431,106	1,187,366
State Insurance and Risk Mgmt Operations	65,909	329,606
Total - General Fund	676,071	1,959,071

Governor

Provide Funding of \$431,106 in FY 18 and \$1,187,366 in FY 19 for lease increases; \$179,573 in FY 18 and \$364,524 in FY 19 for contractual increases for security guards; \$65,909 in FY 18 and \$329,606 in FY 19 for insurance premium increases; and \$2,874 in FY 18 and \$84,449 surety bond renewal increases.

Account	Governor Recommended	
	FY 18	FY 19

Provide Funding for the Third Party Administrator

W. C. Administrator	653,648	653,648
Total - General Fund	653,648	653,648

Background

The Workers' Compensation Administrator account provides funding for the third party administrator (TPA) contract for workers' compensation claims administration and medical case management.

Governor

Provide funding of \$653,648 in both FY 18 and FY 19 to reflect the current TPA contractual obligation.

Provide Funding for Rail Line Insurance

State Insurance and Risk Mgmt Operations	2,073,723	2,280,715
Total - Special Transportation Fund	2,073,723	2,280,715

Background

Beginning in FY18, the Insurance and Risk management board will be required to purchase insurance for the new rail line from New Haven to Springfield.

Governor

Provide funding of \$2,073,723 in FY 18 and \$2,280,715 in FY 19 to purchase insurance for the new rail line.

Totals

Budget Components	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	126,035,657	126,035,657
Policy Revisions	(8,665,592)	(9,643,759)
Current Services	1,986,180	3,269,180
Total Recommended - GF	119,356,245	119,661,078
FY 17 Appropriation - TF	8,960,575	8,960,575
Policy Revisions	(896,058)	(896,058)
Current Services	2,073,723	2,280,715
Total Recommended - TF	10,138,240	10,345,232

Positions	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	665	665
Policy Revisions	(2)	(2)
Total Recommended - GF	663	663

Workers' Compensation Claims - Administrative Services

DAS23100

Budget Summary

Account	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
Other Current Expenses							
Workers' Compensation Claims	7,235,801	8,105,530	8,105,530	8,105,530	7,605,530	7,605,530	(6.17)
Agency Total - General Fund	7,235,801	8,105,530	8,105,530	8,105,530	7,605,530	7,605,530	(6.17)
Workers' Compensation Claims	6,076,764	7,223,297	7,223,297	7,223,297	6,723,297	6,723,297	(6.92)
Agency Total - Special Transportation Fund	6,076,764	7,223,297	7,223,297	7,223,297	6,723,297	6,723,297	(6.92)
Total - Appropriated Funds	13,312,565	15,328,827	15,328,827	15,328,827	14,328,827	14,328,827	(6.52)

Account	Governor Recommended	
	FY 18	FY 19

Policy Revisions

Reduce Claims Account to Reflect Expenditure Trends

Workers' Compensation Claims	(500,000)	(500,000)
Total - General Fund	(500,000)	(500,000)
Workers' Compensation Claims	(500,000)	(500,000)
Total - Special Transportation Fund	(500,000)	(500,000)

Governor

Reduce Workers' Compensation Claims account in the General Fund and the Special Transportation Fund by \$500,000 in both FY 18 and FY 19 to reflect expenditure trends.

Totals

Budget Components	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	8,105,530	8,105,530
Policy Revisions	(500,000)	(500,000)
Total Recommended - GF	7,605,530	7,605,530
FY 17 Appropriation - TF	7,223,297	7,223,297
Policy Revisions	(500,000)	(500,000)
Total Recommended - TF	6,723,297	6,723,297

Attorney General OAG29000

Permanent Full-Time Positions

Fund	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
General Fund	303	303	303	303	303	303	-

Budget Summary

Account	Actual FY 16	Appropriation FY 17	Agency Requested		Governor Recommended		% Diff Gov-App FY 18
			FY 18	FY 19	FY 18	FY 19	
Personal Services	29,582,649	31,369,385	31,369,385	31,369,385	30,323,304	30,323,304	(3.33)
Other Expenses	991,811	998,871	998,871	998,871	968,906	968,906	(3.00)
Agency Total - General Fund	30,574,461	32,368,256	32,368,256	32,368,256	31,292,210	31,292,210	(3.32)
Additional Funds Available							
Federal Funds	95,274	-	-	-	-	-	n/a
Private Contributions & Other Restricted	2,591,229	2,620,000	2,648,000	2,660,000	2,648,000	2,660,000	1.07
Private Contributions	177,103	260,000	360,000	360,000	360,000	360,000	38.46
Agency Grand Total	33,438,067	35,248,256	35,376,256	35,388,256	34,300,210	34,312,210	(2.69)

Account	Governor Recommended	
	FY 18	FY 19

Policy Revisions

Annualize FY 17 Holdbacks

Personal Services	(941,081)	(941,081)
Other Expenses	(29,965)	(29,965)
Total - General Fund	(971,046)	(971,046)

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in each of FY 18 and FY 19 across various agencies.

Governor

Reduce funding by \$971,046 in each of FY 18 and FY 19 to annualize FY 17 holdbacks.

Reduce Funding for Personal Services

Personal Services	(105,000)	(105,000)
Total - General Fund	(105,000)	(105,000)

Governor

Reduce funding by \$105,000 in each of FY 18 and FY 19 to achieve savings.

Totals

Budget Components	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	32,368,256	32,368,256
Policy Revisions	(1,076,046)	(1,076,046)
Total Recommended - GF	31,292,210	31,292,210

Positions	Governor Recommended	
	FY 18	FY 19
FY 17 Appropriation - GF	303	303
Total Recommended - GF	303	303