

As of March 27, 2023, the Office of Fiscal Analysis is projecting **\$61.1 million** in state agency General Fund shortfalls. The following table reflects the level of funding that is anticipated to be needed by various agencies from the General Fund this fiscal year.

**FY 23 General Fund Estimated Deficiency Needs**

In Millions of Dollars

Agency	Agency Deficiencies (without release of holdbacks)
State Comptroller - Miscellaneous	42.0
Department of Correction	14.0
Workers' Compensation Claims - Administrative Services	2.8
Department of Economic and Community Development	2.0
Office of the Chief Medical Examiner	0.3
<b>TOTAL</b>	<b>61.1</b>

A description of each deficiency is provided below.

**Office of the State Comptroller – Adjudicated Claims - \$42 million**

There is a projected deficiency of \$42 million within the Adjudicated Claims account of the Office of the State Comptroller. No FY 23 appropriation was made for this account. Through March 20, 2023, approximately \$29.8 million has been expended. The estimate is inclusive of a \$12 million claim to settle a child welfare case.

**Department of Correction - \$14 Million**

The Department of Correction (DOC) is projected to have a net deficiency of \$14 million from shortfalls of \$12 million in Personal Services (PS) and \$10 million in Other Expenses (OE), which is partially offset by \$8 million in lapses.

The deficit in PS is driven by a delay in the closure of a facility and Covid-19. The delay is in response to a rise in the inmate population, which has increased from 9,422 inmates on January 1, 2022 to 10,045 inmates on January 23, 2023, a 6.6% increase. Additionally, Covid-19 continues to affect overtime costs as DOC employees quarantine after contracting the virus. As of February 22, 2023 there are approximately 110 DOC employees out of work and recovering from Covid-19.

The deficit in OE is being caused by large increases in utility prices (specifically electricity<sup>1</sup>),

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<sup>1</sup> Due to higher rates from the service provider, the January 2023 electric bill for the agency increased by over 300% from the January 2022 bill, resulting in a large increase to the OE deficit.

higher than anticipated building repair costs, and high clothing and food costs due to the rises in inflation and the inmate population.

The projected lapses are \$1 million in the Board of Pardons and Parole due to a delay in refilling vacancies, \$3 million in Inmate Medical Services due to lower than anticipated medical services costs, and \$4 million in community support services due to the inability to secure additional contracts.

**Workers' Compensation Claims - Administrative Services (DAS-WC) - \$2.8 million**

Workers' Compensation Claims within the Department of Administrative Services is projected to have a net deficiency of \$2.8 million. Workers' compensation claims within the Department of Correction, which are projected \$5.5 million above budget, is the primary reason for the projected deficiency. This deficiency is partially offset by net lapses among other accounts.

**Department of Economic and Community Development - \$2 million**

The agency's projected net deficiency of \$2 million is the result of a shortfall of \$2.25 million in the Capital Region Development Authority (CRDA) account that is partially offset by a total lapse of \$250,000 in various accounts.

The \$2.25 million CRDA deficiency is due to anticipated operating shortfalls of \$850,000 at Rentschler Field and \$1.4 million at the XL Center.

The deficiency is partially offset by projected lapses in the following accounts: \$200,000 in Personal Services and \$50,000 in the Office of Military Affairs. Expenditures in these accounts to date have trended lower than budgeted.

**Office of the Chief Medical Examiner - \$320,000**

The \$320,000 deficiency in the Office of the Chief Medical Examiner is due to a shortfall of \$125,000 in its Personal Services account due overtime costs, and a shortfall of \$195,000 in its Other Expenses account due to unbudgeted, contractual security services costs.