

**General Government B**  
Coordinator - Dan Dilworth  
Office of Fiscal Analysis

|  | Page # | Analyst | Actual FY 13         | Governor Estimated FY 14 | Original Appropriation FY 15 | Governor Revised FY 15 | Committee Recommended FY 15 | Difference Comm-Gov FY 15 |
|--|--------|---------|----------------------|--------------------------|------------------------------|------------------------|-----------------------------|---------------------------|
| <b>General Fund</b>                                    |        |         |                      |                          |                              |                        |                             |                           |
| State Treasurer  | 30     | LM      | 3,132,182            | 3,717,017                | 3,839,853                    | 3,841,829              | 3,812,887                   | (28,942)                  |
| Debt Service - State Treasurer                         | 32     | LM      | 1,804,392,545        | 1,719,828,838            | 1,850,352,336                | 1,820,383,526          | 1,816,383,504               | (4,000,022)               |
| State Comptroller                                      | 35     | HW      | 25,168,207           | 27,349,817               | 28,354,003                   | 28,711,951             | 28,487,376                  | (224,575)                 |
| State Comptroller - Miscellaneous                      | 38     | HW      | 5,958,661            | 10,300,000               | 4,100,000                    | 4,100,000              | 4,100,000                   | 0                         |
| State Comptroller - Fringe Benefits                    | 39     | HW      | 2,128,130,282        | 2,396,687,515            | 2,512,413,238                | 2,505,112,050          | 2,507,743,439               | 2,631,389                 |
| Department of Revenue Services                         | 43     | CW      | 61,188,167           | 67,747,003               | 68,638,541                   | 68,491,315             | 67,937,731                  | (553,584)                 |
| Office of Policy and Management                        | 46     | DD      | 258,328,053          | 245,073,247              | 242,808,824                  | 278,512,632            | 283,394,431                 | 4,881,799                 |
| Reserve for Salary Adjustments                         | 51     | KR      | 0                    | 30,424,382               | 36,273,043                   | 36,273,043             | 26,273,043                  | (10,000,000)              |
| Department of Administrative Services                  | 52     | KR      | 114,438,700          | 146,621,319              | 144,670,962                  | 146,836,972            | 145,789,992                 | (1,046,980)               |
| Workers' Compensation Claims - Administrative Services | 57     | HW      | 26,886,810           | 29,987,707               | 27,187,707                   | 29,987,707             | 29,987,707                  | 0                         |
| Department of Construction Services                    | 58     | LM      | 9,337,427            | 0                        | 0                            | 0                      | 0                           | 0                         |
| Attorney General                                       | 59     | LM      | 29,289,009           | 32,810,900               | 34,364,597                   | 34,557,211             | 34,306,225                  | (250,986)                 |
| <b>Total - General Fund</b>                            |        |         | <b>4,466,250,043</b> | <b>4,710,547,745</b>     | <b>4,953,003,104</b>         | <b>4,956,808,236</b>   | <b>4,948,216,335</b>        | <b>(8,591,901)</b>        |
| <b>Special Transportation Fund</b>                     |        |         |                      |                          |                              |                        |                             |                           |
| Debt Service - State Treasurer                         | 32     | LM      | 437,929,123          | 463,814,137              | 483,218,293                  | 476,884,116            | 476,884,116                 | 0                         |
| State Comptroller - Fringe Benefits                    | 39     | HW      | 156,548,606          | 163,661,354              | 189,689,954                  | 191,313,789            | 190,696,641                 | (617,148)                 |
| Reserve for Salary Adjustments                         | 51     | KR      | 0                    | 3,558,297                | 3,661,897                    | 3,661,897              | 1,661,897                   | (2,000,000)               |
| Department of Administrative Services                  | 52     | KR      | 6,271,956            | 7,364,746                | 7,919,913                    | 7,916,382              | 7,916,382                   | 0                         |
| Workers' Compensation Claims - Administrative Services | 57     | HW      | 6,399,473            | 7,144,481                | 6,544,481                    | 7,344,481              | 7,344,481                   | 0                         |
| <b>Total - Special Transportation Fund</b>             |        |         | <b>607,149,158</b>   | <b>645,543,015</b>       | <b>691,034,538</b>           | <b>687,120,665</b>     | <b>684,503,517</b>          | <b>(2,617,148)</b>        |
| <b>Mashantucket Pequot and Mohegan Fund</b>            |        |         |                      |                          |                              |                        |                             |                           |
| Office of Policy and Management                        | 46     | DD      | 61,680,907           | 61,779,907               | 61,779,907                   | 61,779,907             | 61,779,907                  | 0                         |
| <b>Regional Market Operation Fund</b>                  |        |         |                      |                          |                              |                        |                             |                           |
| Debt Service - State Treasurer                         | 32     | LM      | 7,147                | 0                        | 0                            | 0                      | 0                           | 0                         |
| <b>Insurance Fund</b>                                  |        |         |                      |                          |                              |                        |                             |                           |
| Office of Policy and Management                        | 46     | DD      | 342,318              | 398,281                  | 466,242                      | 494,454                | 494,454                     | 0                         |
| <b>Total - Appropriated Funds</b>                      |        |         | <b>5,135,429,573</b> | <b>5,418,268,948</b>     | <b>5,706,283,791</b>         | <b>5,706,203,262</b>   | <b>5,694,994,213</b>        | <b>(11,209,049)</b>       |

## State Treasurer

## OTT14000

## Position Summary

| Account                  | Actual<br>FY 13 | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|--------------------------|-----------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Permanent Full-Time - GF | 48              | 48                             | 48                                 | 48                           | 48                 | 0                               |
| Permanent Full-Time - TF | 1               | 1                              | 1                                  | 1                            | 1                  | 0                               |

## Budget Summary

| Account                            | Actual<br>FY 13 | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|------------------------------------|-----------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Personal Services                  | 2,961,801       | 3,529,167                      | 3,651,385                          | 3,651,385                    | 3,626,114          | (25,271)                        |
| Other Expenses                     | 170,381         | 166,264                        | 166,264                            | 166,264                      | 164,205            | (2,059)                         |
| Equipment                          | 0               | 1                              | 1                                  | 1                            | 1                  | 0                               |
| Nonfunctional - Change to Accruals | 0               | 21,585                         | 22,203                             | 24,179                       | 22,567             | (1,612)                         |
| Agency Total - General Fund        | 3,132,182       | 3,717,017                      | 3,839,853                          | 3,841,829                    | 3,812,887          | (28,942)                        |

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

*Current Services*

## Adjust Funding for Revised Estimated GAAP Requirements

|                                    |          |              |          |              |          |          |
|------------------------------------|----------|--------------|----------|--------------|----------|----------|
| Nonfunctional - Change to Accruals | 0        | 1,976        | 0        | 1,976        | 0        | 0        |
| <b>Total - General Fund</b>        | <b>0</b> | <b>1,976</b> | <b>0</b> | <b>1,976</b> | <b>0</b> | <b>0</b> |

**Background**

Each agency's budget includes a line item account called "Nonfunctional - Change to Accruals." This line item represents the estimate of the difference between an agency's cash-basis budget amount and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

**Governor**

Provide funding of \$1,976 to reflect updated estimates of accruals to comply with GAAP. Across all appropriated funds, there is a net GAAP reduction of \$33.8 million.

**Committee**

Same as Governor

*Policy Revisions*

## Distribute Lapses

|                             |          |          |          |                 |          |                 |
|-----------------------------|----------|----------|----------|-----------------|----------|-----------------|
| Personal Services           | 0        | 0        | 0        | (25,271)        | 0        | (25,271)        |
| Other Expenses              | 0        | 0        | 0        | (2,059)         | 0        | (2,059)         |
| <b>Total - General Fund</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>(27,330)</b> | <b>0</b> | <b>(27,330)</b> |

**Background**

The Governor's Revised FY 15 budget included a bottom line General Lapse of \$14,243,700, a General Other Expenses Lapse of \$4,000,000, and a Statewide Hiring Reduction Lapse of \$6,796,754. These lapse amounts would have been determined and distributed to agencies by OPM at the beginning of FY 15.

**Committee**

Reduce funding by \$15,573 to reflect distribution of the General Lapse, \$1,362 for the General Other Expense Lapse, and \$10,396 for the Statewide Hiring Reduction Lapse.

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

**Adjust Funding for GAAP**

|                                    |          |          |          |                |          |                |
|------------------------------------|----------|----------|----------|----------------|----------|----------------|
| Nonfunctional - Change to Accruals | 0        | 0        | 0        | (1,612)        | 0        | (1,612)        |
| <b>Total - General Fund</b>        | <b>0</b> | <b>0</b> | <b>0</b> | <b>(1,612)</b> | <b>0</b> | <b>(1,612)</b> |

**Committee**

Adjust funding by \$1,612 to reflect changes to GAAP accruals as a result of policy changes.

**Totals**

| Budget Components                  | Governor Revised FY 15 |                  | Committee FY 15 |                  | Difference from Governor |                 |
|------------------------------------|------------------------|------------------|-----------------|------------------|--------------------------|-----------------|
|                                    | Pos.                   | \$               | Pos.            | \$               | Pos.                     | \$              |
| <b>Original Appropriation - GF</b> | <b>48</b>              | <b>3,839,853</b> | <b>48</b>       | <b>3,839,853</b> | <b>0</b>                 | <b>0</b>        |
| Current Services                   | 0                      | 1,976            | 0               | 1,976            | 0                        | 0               |
| Policy Revisions                   | 0                      | 0                | 0               | (28,942)         | 0                        | (28,942)        |
| <b>Total Recommended - GF</b>      | <b>48</b>              | <b>3,841,829</b> | <b>48</b>       | <b>3,812,887</b> | <b>0</b>                 | <b>(28,942)</b> |
| <b>Original Appropriation - TF</b> | <b>1</b>               | <b>0</b>         | <b>1</b>        | <b>0</b>         | <b>0</b>                 | <b>0</b>        |
| <b>Total Recommended - TF</b>      | <b>1</b>               | <b>0</b>         | <b>1</b>        | <b>0</b>         | <b>0</b>                 | <b>0</b>        |

## Debt Service - State Treasurer

### OTT14100

#### Budget Summary

| Account  | Actual<br>FY 13      | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15   | Difference<br>Comm-Gov<br>FY 15 |
|--|----------------------|--------------------------------|------------------------------------|------------------------------|----------------------|---------------------------------|
| Other Expenses                                       | 170,381              | 0                              | 0                                  | 0                            | 0                    | 0                               |
| <b>Other Current Expenses</b>                        |                      |                                |                                    |                              |                      |                                 |
| Debt Service   | 1,561,740,889        | 1,434,000,853                  | 1,554,881,403                      | 1,542,440,589                | 1,538,440,589        | (4,000,000)                     |
| UConn 2000 - Debt Service                            | 116,808,591          | 135,251,409                    | 156,037,386                        | 138,520,121                  | 138,520,121          | 0                               |
| CHEFA Day Care Security                              | 4,286,108            | 5,500,000                      | 5,500,000                          | 5,500,000                    | 5,500,000            | 0                               |
| Pension Obligation Bonds - TRB                       | 121,386,576          | 145,076,576                    | 133,922,226                        | 133,922,226                  | 133,922,226          | 0                               |
| <b>Nonfunctional - Change to Accruals</b>            | <b>0</b>             | <b>0</b>                       | <b>11,321</b>                      | <b>590</b>                   | <b>568</b>           | <b>(22)</b>                     |
| <b>Agency Total - General Fund</b>                   | <b>1,804,392,545</b> | <b>1,719,828,838</b>           | <b>1,850,352,336</b>               | <b>1,820,383,526</b>         | <b>1,816,383,504</b> | <b>(4,000,022)</b>              |
|  |                      |                                |                                    |                              |                      |                                 |
| Debt Service   | 437,929,123          | 463,814,137                    | 483,218,293                        | 476,884,116                  | 476,884,116          | 0                               |
| <b>Agency Total - Special Transportation Fund</b>    | <b>437,929,123</b>   | <b>463,814,137</b>             | <b>483,218,293</b>                 | <b>476,884,116</b>           | <b>476,884,116</b>   | <b>0</b>                        |
|  |                      |                                |                                    |                              |                      |                                 |
| Debt Service   | 7,147                | 0                              | 0                                  | 0                            | 0                    | 0                               |
| <b>Agency Total - Regional Market Operation Fund</b> | <b>7,147</b>         | <b>0</b>                       | <b>0</b>                           | <b>0</b>                     | <b>0</b>             | <b>0</b>                        |
| <b>Total - Appropriated Funds</b>                    | <b>2,242,328,815</b> | <b>2,183,642,975</b>           | <b>2,333,570,629</b>               | <b>2,297,267,642</b>         | <b>2,293,267,620</b> | <b>(4,000,022)</b>              |

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

#### Current Services

##### Reduce General Fund Debt Service to Reflect Actual Issuance

|                             |          |                     |          |                     |          |          |
|-----------------------------|----------|---------------------|----------|---------------------|----------|----------|
| Debt Service                | 0        | (12,440,814)        | 0        | (12,440,814)        | 0        | 0        |
| <b>Total - General Fund</b> | <b>0</b> | <b>(12,440,814)</b> | <b>0</b> | <b>(12,440,814)</b> | <b>0</b> | <b>0</b> |

#### Background

The General Fund debt service requirements reflect: (1) the amount of General Obligation (GO) bonds allocated through the State Bond Commission and (2) the amount of GAAP Conversion bonds issued to finance a portion of the cost for the transition of the state to Generally Accepted Accounting Principles (GAAP), and (3) the FY 14 refinancing of the Economic Recovery Notes (ERNs) issued to fund the 2009 General Fund operating budget deficit.

#### Governor

Reduce the GF debt service budget by \$12,440,814 to reflect the combined effect of: (1) the actual issuance of GO bonds, (2) the GAAP Conversion bonds issued in October 2014, and (3) the refinancing of the ERNs in FY 14.

#### Committee

Same as Governor

##### Reduce UConn 2000 Debt Service to Reflect Actual Issuance

|                             |          |                     |          |                     |          |          |
|-----------------------------|----------|---------------------|----------|---------------------|----------|----------|
| UConn 2000 - Debt Service   | 0        | (17,517,265)        | 0        | (17,517,265)        | 0        | 0        |
| <b>Total - General Fund</b> | <b>0</b> | <b>(17,517,265)</b> | <b>0</b> | <b>(17,517,265)</b> | <b>0</b> | <b>0</b> |

#### Background

The infrastructure improvement program at the University of Connecticut is financed through the issuance of UConn 2000 bonds, which are a type of General Obligation (GO) bond. The debt service account for these bonds reflects assumptions about the level of bonds needed to support the infrastructure projects that are currently under construction and the interest rate at which the bonds will be issued.

#### Governor

Reduce the debt service account for UConn 2000 bonds by \$17,517,265 to reflect the issuance of \$172.7 million in UConn 2000 bonds in July 2013 at an interest rate of 4.7%, which was lower than the 5.0% assumed in the adopted FY 15 budget.

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

**Committee**

Same as Governor

**Reduce STF Debt Service to Reflect Actual Issuance**

|  |          |                    |          |                    |          |          |
|--|----------|--------------------|----------|--------------------|----------|----------|
| Debt Service                               | 0        | (6,334,177)        | 0        | (6,334,177)        | 0        | 0        |
| <b>Total - Special Transportation Fund</b> | <b>0</b> | <b>(6,334,177)</b> | <b>0</b> | <b>(6,334,177)</b> | <b>0</b> | <b>0</b> |

**Background**

Special Transportation Fund (STF) debt service reflects the level of Special Tax Obligation (STO) bond issuance needed to support the transportation projects that are currently under construction.

**Governor**

Reduce the STF debt service account by \$6,334,177 to reflect the issuance of \$600 million in STO bonds in October 2013 at an interest rate of 3.7%, which was lower than the 6.0% assumed in the adopted FY 15 budget.

**Committee**

Same as Governor

**Adjust Funding for Revised Estimated GAAP Requirements**

|                                    |          |                 |          |                 |          |          |
|------------------------------------|----------|-----------------|----------|-----------------|----------|----------|
| Nonfunctional - Change to Accruals | 0        | (10,731)        | 0        | (10,731)        | 0        | 0        |
| <b>Total - General Fund</b>        | <b>0</b> | <b>(10,731)</b> | <b>0</b> | <b>(10,731)</b> | <b>0</b> | <b>0</b> |

**Background**

Each agency's budget includes a line item account called "Nonfunctional - Change to Accruals." This line item represents the estimate of the difference between an agency's cash-basis budget amount and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

**Governor**

Reduce funding by \$10,731 to reflect updated estimates of accruals to comply with GAAP. Across all appropriated funds, there is a net GAAP reduction of \$33.8 million.

**Committee**

Same as Governor

**Policy Revisions****Reduce GF Debt Service to Reflect Anticipated Savings**

|                             |          |          |          |                    |          |                    |
|-----------------------------|----------|----------|----------|--------------------|----------|--------------------|
| Debt Service                | 0        | 0        | 0        | (4,000,000)        | 0        | (4,000,000)        |
| <b>Total - General Fund</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>(4,000,000)</b> | <b>0</b> | <b>(4,000,000)</b> |

**Background**

Between FY 02 and FY 13, the General Fund (GF) debt service account lapsed between \$28 million and \$80 million each year due to bond premiums.

**Committee**

Reduce General Fund debt service requirements by \$4 million to reflect anticipated savings from bond refundings, premiums\* and differences between issuance assumptions and actual issuance. (\*Bond purchasers pay a premium to receive a higher interest rate than the one at which the bonds would otherwise have sold.)

**Adjust Funding for GAAP**

|                                    |          |          |          |             |          |             |
|------------------------------------|----------|----------|----------|-------------|----------|-------------|
| Nonfunctional - Change to Accruals | 0        | 0        | 0        | (22)        | 0        | (22)        |
| <b>Total - General Fund</b>        | <b>0</b> | <b>0</b> | <b>0</b> | <b>(22)</b> | <b>0</b> | <b>(22)</b> |

**Committee**

Adjust funding by \$22 to reflect changes to GAAP accruals as a result of policy changes.

**Totals**

| Budget Components                  | Governor Revised FY 15 |               | Committee FY 15 |               | Difference from Governor |             |
|------------------------------------|------------------------|---------------|-----------------|---------------|--------------------------|-------------|
|                                    | Pos.                   | \$            | Pos.            | \$            | Pos.                     | \$          |
| <b>Original Appropriation - GF</b> | 0                      | 1,850,352,336 | 0               | 1,850,352,336 | 0                        | 0           |
| Current Services                   | 0                      | (29,968,810)  | 0               | (29,968,810)  | 0                        | 0           |
| Policy Revisions                   | 0                      | 0             | 0               | (4,000,022)   | 0                        | (4,000,022) |
| <b>Total Recommended - GF</b>      | 0                      | 1,820,383,526 | 0               | 1,816,383,504 | 0                        | (4,000,022) |
| <b>Original Appropriation - TF</b> | 0                      | 483,218,293   | 0               | 483,218,293   | 0                        | 0           |
| Current Services                   | 0                      | (6,334,177)   | 0               | (6,334,177)   | 0                        | 0           |
| <b>Total Recommended - TF</b>      | 0                      | 476,884,116   | 0               | 476,884,116   | 0                        | 0           |

## State Comptroller

## OSC15000

## Position Summary

| Account                  | Actual<br>FY 13 | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|--------------------------|-----------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Permanent Full-Time - GF | 273             | 273                            | 273                                | 276                          | 276                | 0                               |

## Budget Summary

| Account   | Actual<br>FY 13   | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|---|-------------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Personal Services                               | 21,326,147        | 22,884,665                     | 24,043,551                         | 24,392,177                   | 24,228,310         | (163,867)                       |
| Other Expenses                                  | 3,842,060         | 4,241,958                      | 4,141,958                          | 4,141,958                    | 4,089,423          | (52,535)                        |
| Equipment                                       | 0                 | 1                              | 1                                  | 1                            | 1                  | 0                               |
| <b>Other Than Payments to Local Governments</b> |                   |                                |                                    |                              |                    |                                 |
| Governmental Accounting Standards Board         | 0                 | 19,570                         | 19,570                             | 19,570                       | 19,570             | 0                               |
| <b>Nonfunctional - Change to Accruals</b>       | <b>0</b>          | <b>203,623</b>                 | <b>148,923</b>                     | <b>158,245</b>               | <b>150,072</b>     | <b>(8,173)</b>                  |
| <b>Agency Total - General Fund</b>              | <b>25,168,207</b> | <b>27,349,817</b>              | <b>28,354,003</b>                  | <b>28,711,951</b>            | <b>28,487,376</b>  | <b>(224,575)</b>                |

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

*Current Services***Adjust Funding for Revised Estimated GAAP Requirements**

|                                    |          |              |          |              |          |          |
|------------------------------------|----------|--------------|----------|--------------|----------|----------|
| Nonfunctional - Change to Accruals | 0        | 9,322        | 0        | 9,322        | 0        | 0        |
| <b>Total - General Fund</b>        | <b>0</b> | <b>9,322</b> | <b>0</b> | <b>9,322</b> | <b>0</b> | <b>0</b> |

**Background**

Each agency's budget includes a line item account called "Nonfunctional - Change to Accruals." This line item represents the estimate of the difference between an agency's cash-basis budget amount and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

**Governor**

Provide funding of \$9,322 to reflect updated estimates of accruals to comply with GAAP. Across all appropriated funds, there is a net GAAP reduction of \$33.8 million.

**Committee**

Same as Governor

*Policy Revisions***Provide Funding to Reduce Retirement Audit Backlog**

|                             |          |                |          |                |          |          |
|-----------------------------|----------|----------------|----------|----------------|----------|----------|
| Personal Services           | 0        | 123,540        | 0        | 123,540        | 0        | 0        |
| <b>Total - General Fund</b> | <b>0</b> | <b>123,540</b> | <b>0</b> | <b>123,540</b> | <b>0</b> | <b>0</b> |

**Governor**

Provide funding of \$123,540 in Personal Services and two durational positions to assist the Retirement Division retirement audit backlog. The current backlog for the Retirement Division is four years. By statute durational positions may only be for a period of three years. These positions are considered full-time state employees and are eligible for a state employee benefit package.

**Committee**

Same as Governor

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

### Provide Funding to Support Core-CT Expansion

|                             |          |                |          |                |          |          |
|-----------------------------|----------|----------------|----------|----------------|----------|----------|
| Personal Services           | 2        | 160,086        | 2        | 160,086        | 0        | 0        |
| <b>Total - General Fund</b> | <b>2</b> | <b>160,086</b> | <b>2</b> | <b>160,086</b> | <b>0</b> | <b>0</b> |

#### 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 will improve the ability of Core-CT 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. The project is expected to be completed in three years.

#### Governor

Provide funding of \$160,086 in Personal Services and two positions to support OPM's implementation schedule of the Oracle Business Intelligence (OBI) software and installation in Core-CT.

#### Committee

Same as Governor

### Provide Funding for State Innovation Model

|                             |          |               |          |               |          |          |
|-----------------------------|----------|---------------|----------|---------------|----------|----------|
| Personal Services           | 1        | 65,000        | 1        | 65,000        | 0        | 0        |
| <b>Total - General Fund</b> | <b>1</b> | <b>65,000</b> | <b>1</b> | <b>65,000</b> | <b>0</b> | <b>0</b> |

#### Background

The State Innovation Model (SIM) was initiated by the federal Affordable Care Act, through the federal Center for Medicare and Medicaid Innovation (CMMI). The state received a planning grant in March of 2013 to develop a SIM. The state submitted a plan to CMMI in December 2013. The SIM's purpose is to align all healthcare payers in the state (e.g. Medicaid, the state employee and retiree health plan, Medicare, commercial and self-funded plans) around a value-based payment methodology which focuses reimbursement on quality metrics, as opposed to simply volume and cost reduction measures.

#### Governor

Provide funding of \$65,000 in Personal Services and one Health Care Analyst to assist with the implementation of the State Innovation Model.

#### Committee

Same as Governor

### Adjust Funding for GAAP

|                                    |          |          |          |                |          |                |
|------------------------------------|----------|----------|----------|----------------|----------|----------------|
| Nonfunctional - Change to Accruals | 0        | 0        | 0        | (8,173)        | 0        | (8,173)        |
| <b>Total - General Fund</b>        | <b>0</b> | <b>0</b> | <b>0</b> | <b>(8,173)</b> | <b>0</b> | <b>(8,173)</b> |

#### Committee

Adjust funding by \$8,173 in FY 15 to reflect changes to GAAP accruals as a result of policy changes.

### Distribute Lapses

|                             |          |          |          |                  |          |                  |
|-----------------------------|----------|----------|----------|------------------|----------|------------------|
| Personal Services           | 0        | 0        | 0        | (163,867)        | 0        | (163,867)        |
| Other Expenses              | 0        | 0        | 0        | (52,535)         | 0        | (52,535)         |
| <b>Total - General Fund</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>(216,402)</b> | <b>0</b> | <b>(216,402)</b> |

#### Background

The Governor's Revised FY 15 budget included a bottom line General Lapse of \$14,243,700, a General Other Expenses Lapse of \$4,000,000, and a Statewide Hiring Reduction Lapse of \$6,796,754. These lapse amounts would have been determined and distributed to agencies by OPM at the beginning of FY 15.

#### Committee

Reduce funding by \$114,244 to reflect distribution of the General Lapse, \$34,749 for the General Other Expenses Lapse, and \$67,410 for the Statewide Hiring Reduction Lapse.



**Totals**

| Budget Components             | Governor Revised FY 15 |                   | Committee FY 15 |                   | Difference from Governor |                  |
|-------------------------------|------------------------|-------------------|-----------------|-------------------|--------------------------|------------------|
|                               | Pos.                   | \$                | Pos.            | \$                | Pos.                     | \$               |
| Original Appropriation - GF   | 273                    | 28,354,003        | 273             | 28,354,003        | 0                        | 0                |
| Current Services              | 0                      | 9,322             | 0               | 9,322             | 0                        | 0                |
| Policy Revisions              | 3                      | 348,626           | 3               | 124,051           | 0                        | (224,575)        |
| <b>Total Recommended - GF</b> | <b>276</b>             | <b>28,711,951</b> | <b>276</b>      | <b>28,487,376</b> | <b>0</b>                 | <b>(224,575)</b> |

## State Comptroller - Miscellaneous

### OSC15100

#### Budget Summary

| Account                            | Actual<br>FY 13  | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|------------------------------------|------------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| <b>Other Current Expenses</b>      |                  |                                |                                    |                              |                    |                                 |
| Adjudicated Claims                 | 5,958,661        | 10,300,000                     | 4,100,000                          | 4,100,000                    | 4,100,000          | 0                               |
| <b>Agency Total - General Fund</b> | <b>5,958,661</b> | <b>10,300,000</b>              | <b>4,100,000</b>                   | <b>4,100,000</b>             | <b>4,100,000</b>   | <b>0</b>                        |

#### *Totals*

| Budget Components           | Governor Revised FY 15 |           | Committee FY 15 |           | Difference from Governor |    |
|-----------------------------|------------------------|-----------|-----------------|-----------|--------------------------|----|
|                             | Pos.                   | \$        | Pos.            | \$        | Pos.                     | \$ |
| Original Appropriation - GF | 0                      | 4,100,000 | 0               | 4,100,000 | 0                        | 0  |
| Total Recommended - GF      | 0                      | 4,100,000 | 0               | 4,100,000 | 0                        | 0  |

## State Comptroller - Fringe Benefits

### OSC15200

#### Budget Summary

| Account   | Actual<br>FY 13      | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15   | Difference<br>Comm-Gov<br>FY 15 |
|---|----------------------|--------------------------------|------------------------------------|------------------------------|----------------------|---------------------------------|
| <b>Other Current Expenses</b>                     |                      |                                |                                    |                              |                      |                                 |
| Unemployment Compensation                         | 6,602,414            | 8,275,189                      | 8,643,507                          | 8,643,507                    | 8,643,507            | 0                               |
| State Employees Retirement Contributions          | 721,490,818          | 916,024,145                    | 969,312,947                        | 970,863,047                  | 970,863,047          | 0                               |
| Higher Education Alternative Retirement System    | 16,923,948           | 28,485,055                     | 30,131,328                         | 19,131,328                   | 18,131,328           | (1,000,000)                     |
| Pensions and Retirements - Other Statutory        | 1,570,826            | 1,730,420                      | 1,749,057                          | 1,749,057                    | 1,749,057            | 0                               |
| Judges and Compensation Commissioners Retirement  | 16,005,904           | 16,298,488                     | 17,731,131                         | 17,731,131                   | 17,731,131           | 0                               |
| Insurance - Group Life                            | 8,688,230            | 8,808,780                      | 9,353,107                          | 9,353,107                    | 9,353,107            | 0                               |
| Employers Social Security Tax                     | 206,786,245          | 224,928,273                    | 235,568,631                        | 232,206,531                  | 232,714,573          | 508,042                         |
| State Employees Health Service Cost               | 559,778,575          | 615,897,053                    | 650,960,045                        | 656,542,945                  | 659,547,560          | 3,004,615                       |
| Retired State Employees Health Service Cost       | 587,439,438          | 548,693,300                    | 568,635,039                        | 568,635,039                  | 568,635,039          | 0                               |
| Tuition Reimbursement - Training and Travel       | 2,843,884            | 3,127,500                      | 3,127,500                          | 3,127,500                    | 3,127,500            | 0                               |
| <b>Nonfunctional - Change to Accruals</b>         | <b>0</b>             | <b>24,419,312</b>              | <b>17,200,946</b>                  | <b>17,128,858</b>            | <b>17,247,590</b>    | <b>118,732</b>                  |
| <b>Agency Total - General Fund</b>                | <b>2,128,130,282</b> | <b>2,396,687,515</b>           | <b>2,512,413,238</b>               | <b>2,505,112,050</b>         | <b>2,507,743,439</b> | <b>2,631,389</b>                |
|   |                      |                                |                                    |                              |                      |                                 |
| Unemployment Compensation                         | 198,756              | 237,011                        | 248,862                            | 248,862                      | 248,862              | 0                               |
| State Employees Retirement Contributions          | 107,869,254          | 108,347,033                    | 130,144,053                        | 130,144,053                  | 130,144,053          | 0                               |
| Insurance - Group Life                            | 245,448              | 286,000                        | 292,000                            | 292,000                      | 292,000              | 0                               |
| Employers Social Security Tax                     | 13,509,857           | 15,600,381                     | 16,304,506                         | 16,548,206                   | 16,405,141           | (143,065)                       |
| State Employees Health Service Cost               | 34,725,291           | 38,535,326                     | 40,823,865                         | 42,168,165                   | 41,727,011           | (441,154)                       |
| <b>Nonfunctional - Change to Accruals</b>         | <b>0</b>             | <b>655,603</b>                 | <b>1,876,668</b>                   | <b>1,912,503</b>             | <b>1,879,574</b>     | <b>(32,929)</b>                 |
| <b>Agency Total - Special Transportation Fund</b> | <b>156,548,606</b>   | <b>163,661,354</b>             | <b>189,689,954</b>                 | <b>191,313,789</b>           | <b>190,696,641</b>   | <b>(617,148)</b>                |
| <b>Total - Appropriated Funds</b>                 | <b>2,284,678,888</b> | <b>2,560,348,869</b>           | <b>2,702,103,192</b>               | <b>2,696,425,839</b>         | <b>2,698,440,080</b> | <b>2,014,241</b>                |
| <b>Additional Funds Available</b>                 |                      |                                |                                    |                              |                      |                                 |
| Carry Forward Funding                             | 0                    | 0                              | 0                                  | 0                            | 51,000,000           | 51,000,000                      |
| <b>Agency Grand Total</b>                         | <b>2,284,678,888</b> | <b>2,560,348,869</b>           | <b>2,702,103,192</b>               | <b>2,696,425,839</b>         | <b>2,749,440,080</b> | <b>53,014,241</b>               |

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

#### Current Services

##### Reduce Funding for Higher Education ARP

|  |          |                     |          |                     |          |                    |
|--|----------|---------------------|----------|---------------------|----------|--------------------|
| Higher Education Alternative Retirement System | 0        | (11,000,000)        | 0        | (12,000,000)        | 0        | (1,000,000)        |
| <b>Total - General Fund</b>                    | <b>0</b> | <b>(11,000,000)</b> | <b>0</b> | <b>(12,000,000)</b> | <b>0</b> | <b>(1,000,000)</b> |

#### Background

CGS 5-155a authorizes eligible unclassified employees of the constituent units of the state system of higher education to participate in an alternate retirement program (ARP). The retirement contribution rate for participants is five percent and the State's share is currently fixed at eight percent of salary.

#### Governor

Reduce funding for the Higher Education Alternate Retirement Fund by \$11 million to reflect retirement system costs based on actual experience and plan enrollment.

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

**Committee**

Reduce funding by \$12 million in the Alternative Retirement account to reflect current expenditure trends.

**Reduce Funding for Employers' Social Security Tax**

|                               |          |                    |          |                    |          |          |
|-------------------------------|----------|--------------------|----------|--------------------|----------|----------|
| Employers Social Security Tax | 0        | (5,000,000)        | 0        | (5,000,000)        | 0        | 0        |
| <b>Total - General Fund</b>   | <b>0</b> | <b>(5,000,000)</b> | <b>0</b> | <b>(5,000,000)</b> | <b>0</b> | <b>0</b> |

**Governor**

Reduce funding by \$5.0 million in the Employers' Social Security Tax account in the General Fund to reflect costs based on actual expenditure trends.

**Committee**

Same as Governor

**Adjust Funding for Revised Estimated GAAP Requirements**

|  |          |                 |          |                 |          |          |
|--|----------|-----------------|----------|-----------------|----------|----------|
| Nonfunctional - Change to Accruals         | 0        | (72,088)        | 0        | (72,088)        | 0        | 0        |
| <b>Total - General Fund</b>                | <b>0</b> | <b>(72,088)</b> | <b>0</b> | <b>(72,088)</b> | <b>0</b> | <b>0</b> |
| Nonfunctional - Change to Accruals         | 0        | 35,835          | 0        | 35,835          | 0        | 0        |
| <b>Total - Special Transportation Fund</b> | <b>0</b> | <b>35,835</b>   | <b>0</b> | <b>35,835</b>   | <b>0</b> | <b>0</b> |

**Background**

Each agency's budget includes a line item account called "Nonfunctional - Change to Accruals." This line item represents the estimate of the difference between an agency's cash-basis budget amount and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

**Governor**

Reduce funding by \$72,088 in the General Fund and provide funding of \$35,835 in the Special Transportation Fund to reflect updated estimates of accruals to comply with GAAP. Across all appropriated funds, there is a net GAAP reduction of \$33.8 million.

**Committee**

Same as Governor

**Adjust Funding to Reflect Net Position Technical Changes**

|  |          |                  |          |                  |          |          |
|--|----------|------------------|----------|------------------|----------|----------|
| State Employees Retirement Contributions   | 0        | 1,323,800        | 0        | 1,323,800        | 0        | 0        |
| Employers Social Security Tax              | 0        | 1,491,100        | 0        | 1,491,100        | 0        | 0        |
| State Employees Health Service Cost        | 0        | 4,266,100        | 0        | 4,266,100        | 0        | 0        |
| <b>Total - General Fund</b>                | <b>0</b> | <b>7,081,000</b> | <b>0</b> | <b>7,081,000</b> | <b>0</b> | <b>0</b> |
| Employers Social Security Tax              | 0        | 40,300           | 0        | 40,300           | 0        | 0        |
| State Employees Health Service Cost        | 0        | 122,200          | 0        | 122,200          | 0        | 0        |
| <b>Total - Special Transportation Fund</b> | <b>0</b> | <b>162,500</b>   | <b>0</b> | <b>162,500</b>   | <b>0</b> | <b>0</b> |

**Governor**

Provide funding of \$7,081,000 in the General Fund and \$162,500 in the Special Transportation Fund to reflect the anticipated current service levels for the fringe benefit accounts.

**Committee**

Same as Governor

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

## Policy Revisions

### Adjust Fringe Benefits to Reflect the Addition of Positions

|  |          |                  |          |                  |          |                  |
|--|----------|------------------|----------|------------------|----------|------------------|
| Employers Social Security Tax              | 0        | 174,000          | 0        | 1,007,649        | 0        | 833,649          |
| State Employees Health Service Cost        | 0        | 1,231,000        | 0        | 4,282,115        | 0        | 3,051,115        |
| <b>Total - General Fund</b>                | <b>0</b> | <b>1,405,000</b> | <b>0</b> | <b>5,289,764</b> | <b>0</b> | <b>3,884,764</b> |
| Employers Social Security Tax              | 0        | 203,400          | 0        | 136,835          | 0        | (66,565)         |
| State Employees Health Service Cost        | 0        | 1,222,100        | 0        | 780,946          | 0        | (441,154)        |
| <b>Total - Special Transportation Fund</b> | <b>0</b> | <b>1,425,500</b> | <b>0</b> | <b>917,781</b>   | <b>0</b> | <b>(507,719)</b> |

#### Governor

Provide funding of \$1,405,000 in the General Fund and \$1,425,500 in the Special Transportation Fund to reflect additional requirements for fringe benefits associated with additional personnel in state agencies.

#### Committee

Provide funding of \$5,289,764 in the General Fund and \$917,781 in the Special Transportation Fund to reflect additional requirements for fringe benefits associated with additional personnel in state agencies.

### Adjust Fringe Benefits to Reflect the Reduction of Positions

|  |          |                 |          |                  |          |                  |
|--|----------|-----------------|----------|------------------|----------|------------------|
| Employers Social Security Tax              | 0        | (58,800)        | 0        | (384,407)        | 0        | (325,607)        |
| State Employees Health Service Cost        | 0        | 0               | 0        | (46,500)         | 0        | (46,500)         |
| <b>Total - General Fund</b>                | <b>0</b> | <b>(58,800)</b> | <b>0</b> | <b>(430,907)</b> | <b>0</b> | <b>(372,107)</b> |
| Employers Social Security Tax              | 0        | 0               | 0        | (76,500)         | 0        | (76,500)         |
| <b>Total - Special Transportation Fund</b> | <b>0</b> | <b>0</b>        | <b>0</b> | <b>(76,500)</b>  | <b>0</b> | <b>(76,500)</b>  |

#### Governor

Reduce funding by \$58,800 in the General Fund for the reduction of positions in state agencies.

#### Committee

Reduce funding by \$430,907 in the General Fund and \$76,500 in the Transportation Fund for the reduction of positions in state agencies.

### Adjust Fringe Benefits to Reflect the Transfer of Positions

|  |          |                |          |                |          |          |
|--|----------|----------------|----------|----------------|----------|----------|
| State Employees Retirement Contributions | 0        | 226,300        | 0        | 226,300        | 0        | 0        |
| Employers Social Security Tax            | 0        | 31,600         | 0        | 31,600         | 0        | 0        |
| State Employees Health Service Cost      | 0        | 85,800         | 0        | 85,800         | 0        | 0        |
| <b>Total - General Fund</b>              | <b>0</b> | <b>343,700</b> | <b>0</b> | <b>343,700</b> | <b>0</b> | <b>0</b> |

#### Governor

Provide funding of \$343,700 in the General Fund to reflect position transfers within state agencies which impact the General Fund fringe benefit accounts. The transfer is primarily the result of 37 positions which were formerly funded out of the Casino Fund being transferred to the General Fund.

#### Committee

Same as Governor

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

### Adjust Funding for GAAP

|  |          |          |          |                 |          |                 |
|--|----------|----------|----------|-----------------|----------|-----------------|
| Nonfunctional - Change to Accruals         | 0        | 0        | 0        | 118,732         | 0        | 118,732         |
| <b>Total - General Fund</b>                | <b>0</b> | <b>0</b> | <b>0</b> | <b>118,732</b>  | <b>0</b> | <b>118,732</b>  |
| Nonfunctional - Change to Accruals         | 0        | 0        | 0        | (32,929)        | 0        | (32,929)        |
| <b>Total - Special Transportation Fund</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>(32,929)</b> | <b>0</b> | <b>(32,929)</b> |

#### Committee

Adjust funding by \$118,732 in the General Fund and \$32,929 in the Special Transportation Fund in FY 15 to reflect changes to GAAP accruals as a result of policy changes.

### Carry Forward

#### Carry Forward Funding for Retired State Employee Health

|   |          |          |          |                   |          |                   |
|---|----------|----------|----------|-------------------|----------|-------------------|
| Retired State Employees Health Service Cost | 0        | 0        | 0        | 51,000,000        | 0        | 51,000,000        |
| <b>Total - Carry Forward Funding</b>        | <b>0</b> | <b>0</b> | <b>0</b> | <b>51,000,000</b> | <b>0</b> | <b>51,000,000</b> |

#### Committee

Funding of \$51 million is carried forward from FY 14 into FY 15 in the Medicaid (DSS) account and transferred to the Retired State Employees Health Service Cost account within this agency for retired state employee health service costs. Additional funding is needed predominately due to increased costs attributable to a reduction in the Employer Group Waiver Program (EGWP) subsidy for Medicare eligible pharmacy expenditures and an increase in the retiree health population.

### Totals

| Budget Components                  | Governor Revised FY 15 |                      | Committee FY 15 |                      | Difference from Governor |                  |
|------------------------------------|------------------------|----------------------|-----------------|----------------------|--------------------------|------------------|
|                                    | Pos.                   | \$                   | Pos.            | \$                   | Pos.                     | \$               |
| <b>Original Appropriation - GF</b> | <b>0</b>               | <b>2,512,413,238</b> | <b>0</b>        | <b>2,512,413,238</b> | <b>0</b>                 | <b>0</b>         |
| Current Services                   | 0                      | (8,991,088)          | 0               | (9,991,088)          | 0                        | (1,000,000)      |
| Policy Revisions                   | 0                      | 1,689,900            | 0               | 5,321,289            | 0                        | 3,631,389        |
| <b>Total Recommended - GF</b>      | <b>0</b>               | <b>2,505,112,050</b> | <b>0</b>        | <b>2,507,743,439</b> | <b>0</b>                 | <b>2,631,389</b> |
| <b>Original Appropriation - TF</b> | <b>0</b>               | <b>189,689,954</b>   | <b>0</b>        | <b>189,689,954</b>   | <b>0</b>                 | <b>0</b>         |
| Current Services                   | 0                      | 198,335              | 0               | 198,335              | 0                        | 0                |
| Policy Revisions                   | 0                      | 1,425,500            | 0               | 808,352              | 0                        | (617,148)        |
| <b>Total Recommended - TF</b>      | <b>0</b>               | <b>191,313,789</b>   | <b>0</b>        | <b>190,696,641</b>   | <b>0</b>                 | <b>(617,148)</b> |

## Department of Revenue Services

### DRS16000

#### Position Summary

| Account                  | Actual<br>FY 13 | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|--------------------------|-----------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Permanent Full-Time - GF | 670             | 665                            | 665                                | 665                          | 665                | 0                               |

#### Budget Summary

| Account                                    | Actual<br>FY 13 | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|--|-----------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Personal Services                          | 53,590,380      | 57,919,094                     | 60,513,194                         | 60,238,194                   | 59,823,459         | (414,735)                       |
| Other Expenses                             | 7,623,864       | 9,409,801                      | 7,704,801                          | 7,845,801                    | 7,729,265          | (116,536)                       |
| Equipment                                  | 0               | 1                              | 1                                  | 1                            | 1                  | 0                               |
| <b>Other Current Expenses</b>              |                 |                                |                                    |                              |                    |                                 |
| Collection and Litigation Contingency Fund | (26,077)        | 94,294                         | 94,294                             | 94,294                       | 94,294             | 0                               |
| <b>Nonfunctional - Change to Accruals</b>  | 0               | 323,813                        | 326,251                            | 313,025                      | 290,712            | (22,313)                        |
| <b>Agency Total - General Fund</b>         | 61,188,167      | 67,747,003                     | 68,638,541                         | 68,491,315                   | 67,937,731         | (553,584)                       |
| <b>Additional Funds Available</b>          |                 |                                |                                    |                              |                    |                                 |
| Carry Forward Funding                      | 0               | 0                              | 0                                  | 1,811,000                    | 1,811,000          | 0                               |
| <b>Agency Grand Total</b>                  | 61,188,167      | 67,747,003                     | 68,638,541                         | 70,302,315                   | 69,748,731         | (553,584)                       |

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

#### Current Services

##### Reduce Funding for PS to Reflect Increased Turnover

|                             |   |           |   |           |   |   |
|-----------------------------|---|-----------|---|-----------|---|---|
| Personal Services           | 0 | (275,000) | 0 | (275,000) | 0 | 0 |
| <b>Total - General Fund</b> | 0 | (275,000) | 0 | (275,000) | 0 | 0 |

##### Background

A net adjustment made to the Personal Services account that reflects: (1) the natural reduction made to an agency's payroll due to the loss of employees through voluntary separation, retirements, deaths and transfers; and (2) payroll increases due to the introduction of new employees.

##### Governor

Reduce funding by \$275,000 to reflect increased turnover.

##### Committee

Same as Governor

##### Adjust Funding for Revised Estimated GAAP Requirements

|                                    |   |          |   |          |   |   |
|------------------------------------|---|----------|---|----------|---|---|
| Nonfunctional - Change to Accruals | 0 | (13,226) | 0 | (13,226) | 0 | 0 |
| <b>Total - General Fund</b>        | 0 | (13,226) | 0 | (13,226) | 0 | 0 |

##### Background

Each agency's budget includes a line item account called "Nonfunctional - Change to Accruals." This line item represents the estimate of the difference between an agency's cash-basis budget amount and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

##### Governor

Reduce funding by \$13,226 to reflect updated estimates of accruals to comply with GAAP. Across all appropriated funds, there is a net GAAP reduction of \$33.8 million.

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

**Committee**

Same as Governor

**Policy Revisions****Provide Funding to Eliminate Debit Card Refunds**

|                             |          |                |          |                |          |          |
|-----------------------------|----------|----------------|----------|----------------|----------|----------|
| Other Expenses              | 0        | 141,000        | 0        | 141,000        | 0        | 0        |
| <b>Total - General Fund</b> | <b>0</b> | <b>141,000</b> | <b>0</b> | <b>141,000</b> | <b>0</b> | <b>0</b> |

**Background**

For the 2012 tax season, the Department of Revenue Services (DRS) no longer issued paper checks for income tax refunds under \$5,000. Instead, the State Treasurer and DRS contracted under competitive bid with Chase Bank to issue VISA refund debit cards to taxpayers. A total of 307,261 debit cards were issued to taxpayers totaling \$153,387,538.40 in refunds.

**Governor**

Provide funding of \$141,000 for printing (\$0.099 per check) and mailing (\$0.37 per check) costs associated with issuing paper refund checks rather than debit cards.

**Committee**

Same as Governor

**Distribute Lapses**

|                             |          |          |          |                  |          |                  |
|-----------------------------|----------|----------|----------|------------------|----------|------------------|
| Personal Services           | 0        | 0        | 0        | (414,735)        | 0        | (414,735)        |
| Other Expenses              | 0        | 0        | 0        | (116,536)        | 0        | (116,536)        |
| <b>Total - General Fund</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>(531,271)</b> | <b>0</b> | <b>(531,271)</b> |

**Background**

The Governor's Revised FY 15 budget included a bottom line General Lapse of \$14,243,700, a General Other Expenses Lapse of \$4,000,000, and a Statewide Hiring Reduction Lapse of \$6,796,754. These lapse amounts would have been determined and distributed to agencies by OPM at the beginning of FY 15.

**Committee**

Reduce funding by \$283,581 to reflect distribution of the General Lapse, \$77,082 for the General Other Expense Lapse, and \$170,608 for the Statewide Hiring Reduction Lapse.

**Adjust Funding for GAAP**

|                                    |          |          |          |                 |          |                 |
|------------------------------------|----------|----------|----------|-----------------|----------|-----------------|
| Nonfunctional - Change to Accruals | 0        | 0        | 0        | (22,313)        | 0        | (22,313)        |
| <b>Total - General Fund</b>        | <b>0</b> | <b>0</b> | <b>0</b> | <b>(22,313)</b> | <b>0</b> | <b>(22,313)</b> |

**Committee**

Adjust funding by \$22,313 in FY 15 to reflect changes to GAAP accruals as a result of policy changes.

**Carry Forward****Carry Forward Funding for Tax Refund Administration**

|                                      |          |                  |          |                  |          |          |
|--------------------------------------|----------|------------------|----------|------------------|----------|----------|
| Tax Refund Administration            | 0        | 1,721,000        | 0        | 1,721,000        | 0        | 0        |
| <b>Total - Carry Forward Funding</b> | <b>0</b> | <b>1,721,000</b> | <b>0</b> | <b>1,721,000</b> | <b>0</b> | <b>0</b> |

**Governor**

Section 19 of HB 5030, the Governor's FY 15 Revised Budget, carries forward \$1.7 million from FY 14 into FY 15 for administration of sales and gas tax refunds, including printing and mailing costs, overtime, and computer programming changes. Of this total, \$721,000 is carried forward from the Department of Housing's Tax Relief for the Elderly, \$650,000 is carried forward from the Office of Policy and Management's Personal Services account, and \$350,000 is carried forward from the Department of Revenue Services' Personal Services account and transferred to the Tax Refund Administration account.

**Committee**

Same as Governor



| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

### Carry Forward Funding for CHET Baby Scholars Program

|                                      |          |               |          |               |          |          |
|--------------------------------------|----------|---------------|----------|---------------|----------|----------|
| Other Expenses                       | 0        | 90,000        | 0        | 90,000        | 0        | 0        |
| <b>Total - Carry Forward Funding</b> | <b>0</b> | <b>90,000</b> | <b>0</b> | <b>90,000</b> | <b>0</b> | <b>0</b> |

#### Governor

Section 17 of HB 5030, the Governor's FY 15 Revised Budget, carries forward \$90,000 from FY 14 into FY 15 for modifications to the tax systems and forms related to changes to the CT Higher Education Trust plans and implementation of the CHET Baby Scholars program. This funding is carried forward from the Department of Revenue Services' Personal Services account and is transferred to Other Expenses.

#### Committee

Same as Governor

### Totals

| Budget Components                  | Governor Revised FY 15 |                   | Committee FY 15 |                   | Difference from Governor |                  |
|------------------------------------|------------------------|-------------------|-----------------|-------------------|--------------------------|------------------|
|                                    | Pos.                   | \$                | Pos.            | \$                | Pos.                     | \$               |
| <b>Original Appropriation - GF</b> | <b>665</b>             | <b>68,638,541</b> | <b>665</b>      | <b>68,638,541</b> | <b>0</b>                 | <b>0</b>         |
| Current Services                   | 0                      | (288,226)         | 0               | (288,226)         | 0                        | 0                |
| Policy Revisions                   | 0                      | 141,000           | 0               | (412,584)         | 0                        | (553,584)        |
| <b>Total Recommended - GF</b>      | <b>665</b>             | <b>68,491,315</b> | <b>665</b>      | <b>67,937,731</b> | <b>0</b>                 | <b>(553,584)</b> |

## Office of Policy and Management

## OPM20000

## Position Summary

| Account                  | Actual<br>FY 13 | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|--------------------------|-----------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Permanent Full-Time - GF | 146             | 124                            | 124                                | 125                          | 125                | 0                               |
| Permanent Full-Time - IF | 2               | 2                              | 2                                  | 2                            | 2                  | 0                               |

## Budget Summary

| Account  | Actual<br>FY 13    | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|--|--------------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Personal Services  | 10,726,313         | 11,518,762                     | 11,962,512                         | 12,106,755                   | 12,024,274         | (82,481)                        |
| Other Expenses   | 1,209,212          | 2,117,001                      | 1,817,001                          | 1,817,001                    | 1,790,783          | (26,218)                        |
| Equipment  | 0                  | 1                              | 1                                  | 1                            | 1                  | 0                               |
| <b>Other Current Expenses</b>                              |                    |                                |                                    |                              |                    |                                 |
| Litigation Settlement Costs                                | (176,351)          | 0                              | 0                                  | 0                            | 0                  | 0                               |
| Automated Budget System and Data Base Link                 | 7,520              | 49,706                         | 49,706                             | 49,706                       | 49,706             | 0                               |
| Cash Management Improvement Act                            | 0                  | 91                             | 91                                 | 91                           | 91                 | 0                               |
| Justice Assistance Grants                                  | 910,722            | 1,076,943                      | 1,078,704                          | 1,078,704                    | 1,074,151          | (4,553)                         |
| Innovation Challenge Grant Program                         | 0                  | 375,000                        | 375,000                            | 0                            | 0                  | 0                               |
| Revenue Maximization                                       | 100,000            | 0                              | 0                                  | 0                            | 0                  | 0                               |
| Criminal Justice Information System                        | 1,497,266          | 1,856,718                      | 482,700                            | 482,700                      | 482,700            | 0                               |
| Main Street Investment Fund Administration                 | 33,427             | 0                              | 0                                  | 0                            | 0                  | 0                               |
| Youth Services Prevention                                  | 0                  | 3,500,000                      | 3,500,000                          | 3,500,000                    | 3,500,000          | 0                               |
| <b>Other Than Payments to Local Governments</b>            |                    |                                |                                    |                              |                    |                                 |
| Tax Relief For Elderly Renters                             | 24,814,656         | 0                              | 0                                  | 28,409,269                   | 28,409,269         | 0                               |
| Regional Planning Agencies                                 | 200,000            | 475,000                        | 475,000                            | 0                            | 0                  | 0                               |
| <b>Other Than Payments to Local Governments</b>            |                    |                                |                                    |                              |                    |                                 |
| Reimbursement to Towns for Loss of Taxes on State Property | 73,641,646         | 73,641,646                     | 73,641,646                         | 73,641,646                   | 78,641,646         | 5,000,000                       |
| Reimbursements to Towns for Private Tax-Exempt Property    | 115,431,737        | 115,431,737                    | 115,431,737                        | 123,431,737                  | 123,431,737        | 0                               |
| Reimbursement Property Tax - Disability Exemption          | 400,000            | 400,000                        | 400,000                            | 400,000                      | 400,000            | 0                               |
| Distressed Municipalities                                  | 5,800,000          | 5,800,000                      | 5,800,000                          | 5,800,000                    | 5,800,000          | 0                               |
| Property Tax Relief Elderly Circuit Breaker                | 20,505,900         | 20,505,900                     | 20,505,900                         | 20,505,900                   | 20,505,900         | 0                               |
| Property Tax Relief Elderly Freeze Program                 | 225,442            | 235,000                        | 235,000                            | 171,400                      | 171,400            | 0                               |
| Property Tax Relief for Veterans                           | 2,970,098          | 2,970,098                      | 2,970,098                          | 2,970,098                    | 2,970,098          | 0                               |
| Focus Deterrence   | 30,465             | 475,000                        | 475,000                            | 475,000                      | 475,000            | 0                               |
| Municipal Aid Adjustment                                   | 0                  | 4,467,456                      | 3,608,728                          | 3,608,728                    | 3,608,728          | 0                               |
| <b>Nonfunctional - Change to Accruals</b>                  | <b>0</b>           | <b>177,188</b>                 | <b>0</b>                           | <b>63,896</b>                | <b>58,947</b>      | <b>(4,949)</b>                  |
| <b>Agency Total - General Fund</b>                         | <b>258,328,053</b> | <b>245,073,247</b>             | <b>242,808,824</b>                 | <b>278,512,632</b>           | <b>283,394,431</b> | <b>4,881,799</b>                |
| Grants To Towns  | 61,680,907         | 61,779,907                     | 61,779,907                         | 61,779,907                   | 61,779,907         | 0                               |
| <b>Agency Total - Mashantucket Pequot and Mohegan Fund</b> | <b>61,680,907</b>  | <b>61,779,907</b>              | <b>61,779,907</b>                  | <b>61,779,907</b>            | <b>61,779,907</b>  | <b>0</b>                        |
| Personal Services  | 208,226            | 232,048                        | 291,800                            | 291,800                      | 291,800            | 0                               |
| Other Expenses   | 393                | 500                            | 500                                | 500                          | 500                | 0                               |
| Fringe Benefits  | 133,699            | 162,434                        | 169,260                            | 195,858                      | 195,858            | 0                               |
| <b>Nonfunctional - Change to Accruals</b>                  | <b>0</b>           | <b>3,299</b>                   | <b>4,682</b>                       | <b>6,296</b>                 | <b>6,296</b>       | <b>0</b>                        |
| <b>Agency Total - Insurance Fund</b>                       | <b>342,318</b>     | <b>398,281</b>                 | <b>466,242</b>                     | <b>494,454</b>               | <b>494,454</b>     | <b>0</b>                        |
| <b>Total - Appropriated Funds</b>                          | <b>320,351,278</b> | <b>307,251,435</b>             | <b>305,054,973</b>                 | <b>340,786,993</b>           | <b>345,668,792</b> | <b>4,881,799</b>                |

March 27, 2014

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

**Current Services****Eliminate Regional Planning Agency Grants**

|                             |          |                  |          |                  |          |          |
|-----------------------------|----------|------------------|----------|------------------|----------|----------|
| Regional Planning Agencies  | 0        | (475,000)        | 0        | (475,000)        | 0        | 0        |
| <b>Total - General Fund</b> | <b>0</b> | <b>(475,000)</b> | <b>0</b> | <b>(475,000)</b> | <b>0</b> | <b>0</b> |

**Background**

PA 13-247, the FY 14 and FY 15 budget, eliminated the Regional Planning Agency account. Funding for grants-in-aid to Regional Planning Agencies, formerly provided by this account, is now provided through the non-appropriated Regional Performance Incentive Account.

**Governor**

Reduce funding of \$475,000 to reflect the elimination of the Regional Planning Agency account.

**Committee**

Same as Governor

**Reduce Funding for Freeze Tax Relief**

|  |          |                 |          |                 |          |          |
|--|----------|-----------------|----------|-----------------|----------|----------|
| Property Tax Relief Elderly Freeze Program | 0        | (63,600)        | 0        | (63,600)        | 0        | 0        |
| <b>Total - General Fund</b>                | <b>0</b> | <b>(63,600)</b> | <b>0</b> | <b>(63,600)</b> | <b>0</b> | <b>0</b> |

**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.

**Governor**

Reduce funding by \$63,600 to reflect reduced caseload for the Freeze Tax Relief Program.

**Committee**

Same as Governor

**Adjust Funding for Revised Estimated GAAP Requirements**

|                                    |          |               |          |               |          |          |
|------------------------------------|----------|---------------|----------|---------------|----------|----------|
| Nonfunctional - Change to Accruals | 0        | 63,896        | 0        | 63,896        | 0        | 0        |
| <b>Total - General Fund</b>        | <b>0</b> | <b>63,896</b> | <b>0</b> | <b>63,896</b> | <b>0</b> | <b>0</b> |
| Nonfunctional - Change to Accruals | 0        | 1,614         | 0        | 1,614         | 0        | 0        |
| <b>Total - Insurance Fund</b>      | <b>0</b> | <b>1,614</b>  | <b>0</b> | <b>1,614</b>  | <b>0</b> | <b>0</b> |

**Background**

Each agency's budget includes a line item account called "Nonfunctional - Change to Accruals." This line item represents the estimate of the difference between an agency's cash-basis budget amount and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

**Governor**

Provide funding of \$65,510 (\$63,896 in the General Fund and \$1,614 in the Insurance Fund) to reflect updated estimates of accruals to comply with GAAP. Across all appropriated funds, there is a net GAAP reduction of \$33.8 million.

**Committee**

Same as Governor

**Adjust Fringe Benefits and Indirect Overhead**

|                               |          |               |          |               |          |          |
|-------------------------------|----------|---------------|----------|---------------|----------|----------|
| Fringe Benefits               | 0        | 26,598        | 0        | 26,598        | 0        | 0        |
| <b>Total - Insurance Fund</b> | <b>0</b> | <b>26,598</b> | <b>0</b> | <b>26,598</b> | <b>0</b> | <b>0</b> |

**Background**

Non-General Fund agencies are budgeted directly for employee fringe benefits and indirect overhead.

**Governor**

Provide funding of \$26,598 to ensure sufficient funds for fringe benefits and indirect overhead.

March 27, 2014

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

**Committee**

Same as Governor

**Policy Revisions****Provide Funding for Colleges & Hospitals PILOT**

|   |          |                  |          |                  |          |          |
|---|----------|------------------|----------|------------------|----------|----------|
| Reimbursements to Towns for Private Tax-Exempt Property | 0        | 8,000,000        | 0        | 8,000,000        | 0        | 0        |
| <b>Total - General Fund</b>                             | <b>0</b> | <b>8,000,000</b> | <b>0</b> | <b>8,000,000</b> | <b>0</b> | <b>0</b> |

**Background**

This program provides a payment in lieu of local property taxes (PILOT) to municipalities for private colleges, general hospitals, and free standing chronic disease hospitals. These facilities are exempt from payment of local property taxes. The PILOT payment is equal to 77% of the amount of taxes that would have been paid if the property were not exempt from taxation.

**Governor**

Provide funding of \$8 million to increase grants to towns that experience a loss of property tax due to the presence of private colleges and hospitals.

**Committee**

Same as Governor

**Provide Funding for State Property PILOT**

|  |          |          |          |                  |          |                  |
|--|----------|----------|----------|------------------|----------|------------------|
| Reimbursement to Towns for Loss of Taxes on State Property | 0        | 0        | 0        | 5,000,000        | 0        | 5,000,000        |
| <b>Total - General Fund</b>                                | <b>0</b> | <b>0</b> | <b>0</b> | <b>5,000,000</b> | <b>0</b> | <b>5,000,000</b> |

**Background**

This program provides a payment in lieu of local property taxes (PILOT) to municipalities for state property owned by the State of Connecticut. The payment is equal to a percentage of the amount of taxes that would be paid if the property were not exempt from taxation. The payment percentages are 100% for facilities used as a correctional facility, 100% Mashantucket Pequot Tribal land taken into trust by federal government on or after June 8, 1999, 100% for any town in which more than 50% of all property in the town is state-owned real property, 65% for the Connecticut Valley Hospital facility, and 45% for all other property. Payment is made only for real property and does not include payment for tax loss on exempt personal property owned by these facilities or property used for highway purposes. Payments are prorated in the event that appropriations are insufficient to provide full grant payments to towns.

**Committee**

Provide funding of \$5 million to increase grants to towns that experience a loss of property taxes due to the presence of state-owned property.

**Transfer Renters' Rebate Program to OPM**

|                                |          |                   |          |                   |          |          |
|--------------------------------|----------|-------------------|----------|-------------------|----------|----------|
| Personal Services              | 1        | 69,243            | 1        | 69,243            | 0        | 0        |
| Tax Relief For Elderly Renters | 0        | 28,409,269        | 0        | 28,409,269        | 0        | 0        |
| <b>Total - General Fund</b>    | <b>1</b> | <b>28,478,512</b> | <b>1</b> | <b>28,478,512</b> | <b>0</b> | <b>0</b> |

**Background**

The Renters' Rebate Program is a reimbursement program for renters who are elderly or totally disabled, and whose income does 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. The renters' rebate amount is based on a graduated income scale, and the amount of rent and utility payments (excluding telephone) made in a calendar year prior to the year in which the renter applies.

**Governor**

Transfer funding of \$28,478,512 and one position to the Office of Policy and Management (OPM) to reflect the transfer of the Renters' Rebate program from the Department of Housing to OPM.

**Committee**

Same as Governor

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

### Eliminate Funding for Innovation Challenge grant

|                                    |          |                  |          |                  |          |          |
|------------------------------------|----------|------------------|----------|------------------|----------|----------|
| Innovation Challenge Grant Program | 0        | (375,000)        | 0        | (375,000)        | 0        | 0        |
| <b>Total - General Fund</b>        | <b>0</b> | <b>(375,000)</b> | <b>0</b> | <b>(375,000)</b> | <b>0</b> | <b>0</b> |

#### Background

This account provides a grant to the Innovation Network, a freestanding not-for-profit that acts as a one-stop connection to resources for technology entrepreneurs to start and build a business. The Innovation Network includes: entrepreneurs, mentors, incubators, financing sources, access to unique equipment, access to university researchers, administrative services, and temporary assistance.

#### Governor

Reduce funding by \$375,000 to reflect elimination of the Innovation Challenge Grant Program.

#### Committee

Same as Governor

### Provide Funding for Fraud Reduction Initiative

|                             |          |               |          |               |          |          |
|-----------------------------|----------|---------------|----------|---------------|----------|----------|
| Personal Services           | 0        | 75,000        | 0        | 75,000        | 0        | 0        |
| <b>Total - General Fund</b> | <b>0</b> | <b>75,000</b> | <b>0</b> | <b>75,000</b> | <b>0</b> | <b>0</b> |

#### Background

In December 2013, the Department of Social Services (DSS) and the Office of Policy and Management (OPM) entered into a contract with 21CT, Inc. to implement a program to detect waste, fraud, and abuse in the DSS Medical Assistance Program.

#### Governor

Provide funding of \$75,000 for one staff person to coordinate interagency efforts related to the Fraud Reduction Initiative.

#### Committee

Same as Governor

### Distribute Lapses

|                             |          |          |          |                  |          |                  |
|-----------------------------|----------|----------|----------|------------------|----------|------------------|
| Personal Services           | 0        | 0        | 0        | (82,481)         | 0        | (82,481)         |
| Other Expenses              | 0        | 0        | 0        | (26,218)         | 0        | (26,218)         |
| Justice Assistance Grants   | 0        | 0        | 0        | (4,553)          | 0        | (4,553)          |
| <b>Total - General Fund</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>(113,252)</b> | <b>0</b> | <b>(113,252)</b> |

#### Background

The Governor's Revised FY 15 budget included a bottom line General Lapse of \$14,243,700, a General Other Expenses Lapse of \$4,000,000, and a Statewide Hiring Reduction Lapse of \$6,796,754. These lapse amounts would have been determined and distributed to agencies by OPM at the beginning of FY 15.

#### Committee

Reduce funding by \$61,980 to reflect distribution of the General Lapse, \$17,342 for the General Other Expense Lapse, and \$33,930 for the Statewide Hiring Reduction Lapse.

### Adjust Funding for GAAP

|                                    |          |          |          |                |          |                |
|------------------------------------|----------|----------|----------|----------------|----------|----------------|
| Nonfunctional - Change to Accruals | 0        | 0        | 0        | (4,949)        | 0        | (4,949)        |
| <b>Total - General Fund</b>        | <b>0</b> | <b>0</b> | <b>0</b> | <b>(4,949)</b> | <b>0</b> | <b>(4,949)</b> |

#### Committee

Adjust funding by \$4,949 in FY 15 to reflect changes to GAAP accruals as a result of policy changes.

**Totals**

| Budget Components                  | Governor Revised FY 15 |                    | Committee FY 15 |                    | Difference from Governor |                  |
|------------------------------------|------------------------|--------------------|-----------------|--------------------|--------------------------|------------------|
|                                    | Pos.                   | \$                 | Pos.            | \$                 | Pos.                     | \$               |
| <b>Original Appropriation - GF</b> | <b>124</b>             | <b>242,808,824</b> | <b>124</b>      | <b>242,808,824</b> | <b>0</b>                 | <b>0</b>         |
| Current Services                   | 0                      | (474,704)          | 0               | (474,704)          | 0                        | 0                |
| Policy Revisions                   | 1                      | 36,178,512         | 1               | 41,060,311         | 0                        | 4,881,799        |
| <b>Total Recommended - GF</b>      | <b>125</b>             | <b>278,512,632</b> | <b>125</b>      | <b>283,394,431</b> | <b>0</b>                 | <b>4,881,799</b> |
| <b>Original Appropriation - MF</b> | <b>0</b>               | <b>61,779,907</b>  | <b>0</b>        | <b>61,779,907</b>  | <b>0</b>                 | <b>0</b>         |
| <b>Total Recommended - MF</b>      | <b>0</b>               | <b>61,779,907</b>  | <b>0</b>        | <b>61,779,907</b>  | <b>0</b>                 | <b>0</b>         |
| <b>Original Appropriation - IF</b> | <b>2</b>               | <b>466,242</b>     | <b>2</b>        | <b>466,242</b>     | <b>0</b>                 | <b>0</b>         |
| Current Services                   | 0                      | 28,212             | 0               | 28,212             | 0                        | 0                |
| <b>Total Recommended - IF</b>      | <b>2</b>               | <b>494,454</b>     | <b>2</b>        | <b>494,454</b>     | <b>0</b>                 | <b>0</b>         |

## Reserve for Salary Adjustments

### OPM20100

#### Budget Summary

| Account   | Actual<br>FY 13 | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|---|-----------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| <b>Other Current Expenses</b>                     |                 |                                |                                    |                              |                    |                                 |
| Reserve For Salary Adjustments                    | 0               | 30,424,382                     | 36,273,043                         | 36,273,043                   | 26,273,043         | (10,000,000)                    |
| <b>Agency Total - General Fund</b>                | <b>0</b>        | <b>30,424,382</b>              | <b>36,273,043</b>                  | <b>36,273,043</b>            | <b>26,273,043</b>  | <b>(10,000,000)</b>             |
| Reserve For Salary Adjustments                    | 0               | 3,558,297                      | 3,661,897                          | 3,661,897                    | 1,661,897          | (2,000,000)                     |
| <b>Agency Total - Special Transportation Fund</b> | <b>0</b>        | <b>3,558,297</b>               | <b>3,661,897</b>                   | <b>3,661,897</b>             | <b>1,661,897</b>   | <b>(2,000,000)</b>              |
| <b>Total - Appropriated Funds</b>                 | <b>0</b>        | <b>33,982,679</b>              | <b>39,934,940</b>                  | <b>39,934,940</b>            | <b>27,934,940</b>  | <b>(12,000,000)</b>             |

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

#### *Policy Revisions*

#### Reduce Funding to Reflect Anticipated Expenditures

|  |          |          |          |                     |          |                     |
|--|----------|----------|----------|---------------------|----------|---------------------|
| Reserve For Salary Adjustments             | 0        | 0        | 0        | (10,000,000)        | 0        | (10,000,000)        |
| <b>Total - General Fund</b>                | <b>0</b> | <b>0</b> | <b>0</b> | <b>(10,000,000)</b> | <b>0</b> | <b>(10,000,000)</b> |
| Reserve For Salary Adjustments             | 0        | 0        | 0        | (2,000,000)         | 0        | (2,000,000)         |
| <b>Total - Special Transportation Fund</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>(2,000,000)</b>  | <b>0</b> | <b>(2,000,000)</b>  |

#### **Committee**

Reduce funding by \$12 million (\$10 million in GF and \$2 million in STF) to reflect anticipated expenditures.

#### *Totals*

| Budget Components                  | Governor Revised FY 15 |                   | Committee FY 15 |                   | Difference from Governor |                     |
|------------------------------------|------------------------|-------------------|-----------------|-------------------|--------------------------|---------------------|
|                                    | Pos.                   | \$                | Pos.            | \$                | Pos.                     | \$                  |
| <b>Original Appropriation - GF</b> | <b>0</b>               | <b>36,273,043</b> | <b>0</b>        | <b>36,273,043</b> | <b>0</b>                 | <b>0</b>            |
| Policy Revisions                   | 0                      | 0                 | 0               | (10,000,000)      | 0                        | (10,000,000)        |
| <b>Total Recommended - GF</b>      | <b>0</b>               | <b>36,273,043</b> | <b>0</b>        | <b>26,273,043</b> | <b>0</b>                 | <b>(10,000,000)</b> |
| <b>Original Appropriation - TF</b> | <b>0</b>               | <b>3,661,897</b>  | <b>0</b>        | <b>3,661,897</b>  | <b>0</b>                 | <b>0</b>            |
| Policy Revisions                   | 0                      | 0                 | 0               | (2,000,000)       | 0                        | (2,000,000)         |
| <b>Total Recommended - TF</b>      | <b>0</b>               | <b>3,661,897</b>  | <b>0</b>        | <b>1,661,897</b>  | <b>0</b>                 | <b>(2,000,000)</b>  |

## Department of Administrative Services

### DAS23000

#### Position Summary

| Account                  | Actual<br>FY 13 | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|--------------------------|-----------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Permanent Full-Time - GF | 540             | 650                            | 650                                | 658                          | 655                | (3)                             |

#### Budget Summary

| Account   | Actual<br>FY 13    | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|---|--------------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Personal Services                                 | 36,369,520         | 48,997,323                     | 51,845,696                         | 52,373,572                   | 51,827,323         | (546,249)                       |
| Other Expenses                                    | 29,843,365         | 35,865,292                     | 38,408,346                         | 35,473,599                   | 35,029,427         | (444,172)                       |
| Equipment   | 0                  | 1                              | 1                                  | 1                            | 1                  | 0                               |
| <b>Other Current Expenses</b>                     |                    |                                |                                    |                              |                    |                                 |
| Tuition Reimbursement - Training and Travel       | 550,336            | 382,000                        | 382,000                            | 382,000                      | 382,000            | 0                               |
| Labor - Management Fund                           | 0                  | 75,000                         | 75,000                             | 75,000                       | 75,000             | 0                               |
| Management Services                               | 4,324,017          | 4,741,484                      | 4,753,809                          | 4,753,809                    | 4,753,809          | 0                               |
| Loss Control Risk Management                      | 98,662             | 114,854                        | 114,854                            | 114,854                      | 114,854            | 0                               |
| Employees' Review Board                           | 19,401             | 22,210                         | 22,210                             | 22,210                       | 22,210             | 0                               |
| Surety Bonds for State Officials and Employees    | 70,913             | 63,500                         | 5,600                              | 5,600                        | 5,600              | 0                               |
| Quality of Work-Life                              | 15,300             | 350,000                        | 350,000                            | 350,000                      | 350,000            | 0                               |
| Refunds Of Collections                            | 20,615             | 25,723                         | 25,723                             | 25,723                       | 25,723             | 0                               |
| Rents and Moving                                  | 10,332,341         | 12,183,335                     | 12,100,447                         | 17,221,693                   | 17,221,693         | 0                               |
| Capitol Day Care Center                           | 127,237            | 120,888                        | 120,888                            | 120,888                      | 120,888            | 0                               |
| W. C. Administrator                               | 5,250,000          | 5,250,000                      | 5,250,000                          | 5,250,000                    | 5,250,000          | 0                               |
| Hospital Billing System                           | 114,950            | 0                              | 0                                  | 0                            | 0                  | 0                               |
| Connecticut Education Network                     | 2,654,830          | 3,268,712                      | 3,291,857                          | 3,291,857                    | 3,291,857          | 0                               |
| Claims Commissioner Operations                    | 245,277            | 0                              | 0                                  | 0                            | 0                  | 0                               |
| State Insurance and Risk Mgmt Operations          | 11,428,384         | 20,643,063                     | 13,345,386                         | 13,345,386                   | 13,345,386         | 0                               |
| IT Services                                       | 12,973,552         | 13,783,670                     | 13,849,251                         | 13,666,539                   | 13,666,539         | 0                               |
| <b>Nonfunctional - Change to Accruals</b>         | <b>0</b>           | <b>734,264</b>                 | <b>729,894</b>                     | <b>364,241</b>               | <b>307,682</b>     | <b>(56,559)</b>                 |
| <b>Agency Total - General Fund</b>                | <b>114,438,700</b> | <b>146,621,319</b>             | <b>144,670,962</b>                 | <b>146,836,972</b>           | <b>145,789,992</b> | <b>(1,046,980)</b>              |
| State Insurance and Risk Mgmt Operations          | 6,271,956          | 7,364,543                      | 7,916,074                          | 7,916,074                    | 7,916,074          | 0                               |
| <b>Nonfunctional - Change to Accruals</b>         | <b>0</b>           | <b>203</b>                     | <b>3,839</b>                       | <b>308</b>                   | <b>308</b>         | <b>0</b>                        |
| <b>Agency Total - Special Transportation Fund</b> | <b>6,271,956</b>   | <b>7,364,746</b>               | <b>7,919,913</b>                   | <b>7,916,382</b>             | <b>7,916,382</b>   | <b>0</b>                        |
| <b>Total - Appropriated Funds</b>                 | <b>120,710,656</b> | <b>153,986,065</b>             | <b>152,590,875</b>                 | <b>154,753,354</b>           | <b>153,706,374</b> | <b>(1,046,980)</b>              |



| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

**Current Services****Adjust Funding for Revised Estimated GAAP Requirements**

|  |          |                  |          |                  |          |          |
|--|----------|------------------|----------|------------------|----------|----------|
| Nonfunctional - Change to Accruals         | 0        | (365,653)        | 0        | (365,653)        | 0        | 0        |
| <b>Total - General Fund</b>                | <b>0</b> | <b>(365,653)</b> | <b>0</b> | <b>(365,653)</b> | <b>0</b> | <b>0</b> |
| Nonfunctional - Change to Accruals         | 0        | (3,531)          | 0        | (3,531)          | 0        | 0        |
| <b>Total - Special Transportation Fund</b> | <b>0</b> | <b>(3,531)</b>   | <b>0</b> | <b>(3,531)</b>   | <b>0</b> | <b>0</b> |

**Background**

Each agency's budget includes a line item account called "Nonfunctional - Change to Accruals." This line item represents the estimate of the difference between an agency's cash-basis budget amount and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

**Governor**

Reduce funding by \$369,184 (\$365,653 in GF and \$3,531 in STF) to reflect updated estimates of accruals to comply with GAAP. Across all appropriated funds, there is a net GAAP reduction of \$33.8 million.

**Committee**

Same as Governor

**Policy Revisions****Provide Funding for Maintenance and Utility Costs**

|                             |          |                  |          |                  |          |          |
|-----------------------------|----------|------------------|----------|------------------|----------|----------|
| Other Expenses              | 0        | 1,924,335        | 0        | 1,924,335        | 0        | 0        |
| Rents and Moving            | 0        | 1,600,000        | 0        | 1,600,000        | 0        | 0        |
| <b>Total - General Fund</b> | <b>0</b> | <b>3,524,335</b> | <b>0</b> | <b>3,524,335</b> | <b>0</b> | <b>0</b> |

**Governor**

Provide funding of \$3,524,335 to support: 1) the expenses (\$1.6 million in Rents and Moving) of moving the new state data center from East Hartford to Groton; and 2) utility, security services, and cleaning costs (\$1,924,335 in Other Expenses) at 450 Columbus Boulevard.

**Committee**

Same as Governor

**Transfer Funding to DECD for XL Center Lease**

|                             |          |                    |          |                    |          |          |
|-----------------------------|----------|--------------------|----------|--------------------|----------|----------|
| Rents and Moving            | 0        | (1,000,000)        | 0        | (1,000,000)        | 0        | 0        |
| <b>Total - General Fund</b> | <b>0</b> | <b>(1,000,000)</b> | <b>0</b> | <b>(1,000,000)</b> | <b>0</b> | <b>0</b> |

**Background**

The City of Hartford owns the XL Center and leases the facility to the Capital Region Development Authority. The new 10 year agreement between the City of Hartford and the state requires the state to provide \$3 million in lease payments in the first two years of the agreement.

**Governor**

Transfer funding of \$1 million from DAS to the Department of Economic and Community Development to support the lease of the XL Center. The remaining \$2 million will be funded with an increased appropriation to the Capital Region Development Authority account.

**Committee**

Same as Governor

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

### Transfer Funding of Payments for Rents and Taxes

|                             |          |             |          |             |          |          |
|-----------------------------|----------|-------------|----------|-------------|----------|----------|
| Other Expenses              | 0        | (4,640,614) | 0        | (4,640,614) | 0        | 0        |
| Rents and Moving            | 0        | 4,640,614   | 0        | 4,640,614   | 0        | 0        |
| <b>Total - General Fund</b> | <b>0</b> | <b>0</b>    | <b>0</b> | <b>0</b>    | <b>0</b> | <b>0</b> |

#### Governor

Transfer funding of \$4,640,614 from the Other Expenses account to the Rents and Moving account to properly align utility costs. Utilities for leased buildings under DAS control are paid out of the Rents and Moving account. Prior to the merger of the Bureau of Enterprise Services (BEST) into DAS, utility costs within BEST were paid out of Other Expenses.

#### Committee

Same as Governor

### Reduce Funding for Workers' Comp. Commission Properties

|                             |          |                  |          |                  |          |          |
|-----------------------------|----------|------------------|----------|------------------|----------|----------|
| Other Expenses              | 0        | (218,468)        | 0        | (218,468)        | 0        | 0        |
| Rents and Moving            | 0        | (119,368)        | 0        | (119,368)        | 0        | 0        |
| <b>Total - General Fund</b> | <b>0</b> | <b>(337,836)</b> | <b>0</b> | <b>(337,836)</b> | <b>0</b> | <b>0</b> |

#### Background

The Workers' Compensation Commission (WCC) currently leases space for its eight district offices throughout the state. In general, the WCC either pays the leaser directly for lease expenses or reimburses the Department of Administrative Services for spaces where DAS manages the lease.

#### Governor

Reduce funding by \$337,836 (\$218,468 in Other Expenses and \$119,368 in Rents and Moving) to reflect WCC reimbursing DAS for the rental of the WCC Hartford Office.

#### Committee

Same as Governor

### Provide Funding for School Safety Infrastructure

|                             |          |                |          |                |            |                 |
|-----------------------------|----------|----------------|----------|----------------|------------|-----------------|
| Personal Services           | 3        | 168,477        | 2        | 107,477        | (1)        | (61,000)        |
| <b>Total - General Fund</b> | <b>3</b> | <b>168,477</b> | <b>2</b> | <b>107,477</b> | <b>(1)</b> | <b>(61,000)</b> |

#### Background

PA 13-3 created the School Safety Infrastructure Council (SSIC) to develop school safety infrastructure standards for: (1) the existing school construction projects program; and (2) a new school security infrastructure competitive grant program. The new standards must be submitted to the Department of Emergency Services and Public Protection (DESPP), the education commissioner, the School Building Projects Advisory Council, and the Public Safety and Education committees by January 1, 2014 and annually every year after. The council is chaired by the Commissioner of Construction Services and the administrative staff of the Department of Construction Services (DCS), now DAS, serves as staff to the council.

#### Governor

Provide funding of \$168,477 for three positions (two Architect/Design Reviewers and one Accounts Examiner) to implement the SSIC recommendations.

#### Committee

Provide funding of \$107,477 for two positions (one Architect/Design Reviewers and one Accounts Examiner) to implement the SSIC recommendations.

### Reduce Funding for IT Services

|                             |          |                  |          |                  |          |          |
|-----------------------------|----------|------------------|----------|------------------|----------|----------|
| IT Services                 | 0        | (182,712)        | 0        | (182,712)        | 0        | 0        |
| <b>Total - General Fund</b> | <b>0</b> | <b>(182,712)</b> | <b>0</b> | <b>(182,712)</b> | <b>0</b> | <b>0</b> |

#### Governor

Reduce funding by \$182,712 to reflect savings associated with combining and renegotiating license agreements with private IT vendors and contractors as a result of the mergers of the DCS and BEST into DAS.

#### Committee

Same as Governor

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

### Provide Funding for Core-CT Expansion

|                             |          |                |          |                |          |          |
|-----------------------------|----------|----------------|----------|----------------|----------|----------|
| Personal Services           | 2        | 165,000        | 2        | 165,000        | 0        | 0        |
| <b>Total - General Fund</b> | <b>2</b> | <b>165,000</b> | <b>2</b> | <b>165,000</b> | <b>0</b> | <b>0</b> |

#### 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 will improve the ability of Core-CT 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. The project is expected to be completed in three years.

#### Governor

Provide funding of \$165,000 for two Fiscal Administrative Officers (\$82,500 per position) to support OPM's implementation schedule of the OBI software and installation in Core-CT.

#### Committee

Same as Governor

### Provide Funding to Support the Chief Medical Examiner

|                             |          |                |          |          |            |                  |
|-----------------------------|----------|----------------|----------|----------|------------|------------------|
| Personal Services           | 2        | 134,399        | 0        | 0        | (2)        | (134,399)        |
| <b>Total - General Fund</b> | <b>2</b> | <b>134,399</b> | <b>0</b> | <b>0</b> | <b>(2)</b> | <b>(134,399)</b> |

#### Governor

Provide funding of \$134,399 in Personal Services for two positions (one Accountant and one Fiscal Administrative Officer) to support the Office of the Chief Medical Examiner (OCME) business office.

#### Committee

Do not provide funding of \$134,399 or two positions to support OCME.

### Provide Funding for Certification of Minority Businesses

|                             |          |               |          |               |          |          |
|-----------------------------|----------|---------------|----------|---------------|----------|----------|
| Personal Services           | 1        | 60,000        | 1        | 60,000        | 0        | 0        |
| <b>Total - General Fund</b> | <b>1</b> | <b>60,000</b> | <b>1</b> | <b>60,000</b> | <b>0</b> | <b>0</b> |

#### Background

PA 13-304 made certain changes to the State's small and minority business set-aside program (also called the supplier diversity program). The act allows the Department of Administrative Services (DAS), which administers the set-aside program, to adopt regulations to implement its requirements.

#### Governor

Provide funding of \$60,000 for one License & Application Analyst position to support the new small and minority business set-aside requirements.

#### Committee

Same as Governor

### Distribute Lapses

|                             |          |          |          |                  |          |                  |
|-----------------------------|----------|----------|----------|------------------|----------|------------------|
| Personal Services           | 0        | 0        | 0        | (350,850)        | 0        | (350,850)        |
| Other Expenses              | 0        | 0        | 0        | (444,172)        | 0        | (444,172)        |
| <b>Total - General Fund</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>(795,022)</b> | <b>0</b> | <b>(795,022)</b> |

#### Background

The Governor's Revised FY 15 budget included a bottom line General Lapse of \$14,243,700, a General Other Expenses Lapse of \$4,000,000, and a Statewide Hiring Reduction Lapse of \$6,796,754. These lapse amounts would have been determined and distributed to agencies by OPM at the beginning of FY 15.

#### Committee

Reduce funding by \$356,897 to reflect distribution of the General Lapse, \$293,797 for the General Other Expense Lapse, and \$144,327 for the Statewide Hiring Reduction Lapse.

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

**Adjust Funding for GAAP**

|                                    |          |          |          |                 |          |                 |
|------------------------------------|----------|----------|----------|-----------------|----------|-----------------|
| Nonfunctional - Change to Accruals | 0        | 0        | 0        | (56,559)        | 0        | (56,559)        |
| <b>Total - General Fund</b>        | <b>0</b> | <b>0</b> | <b>0</b> | <b>(56,559)</b> | <b>0</b> | <b>(56,559)</b> |

**Committee**

Adjust funding by \$56,559 in FY 15 to reflect changes to GAAP accruals as a result of policy changes.

**Totals**

| Budget Components                  | Governor Revised FY 15 |                    | Committee FY 15 |                    | Difference from Governor |                    |
|------------------------------------|------------------------|--------------------|-----------------|--------------------|--------------------------|--------------------|
|                                    | Pos.                   | \$                 | Pos.            | \$                 | Pos.                     | \$                 |
| <b>Original Appropriation - GF</b> | <b>650</b>             | <b>144,670,962</b> | <b>650</b>      | <b>144,670,962</b> | <b>0</b>                 | <b>0</b>           |
| Current Services                   | 0                      | (365,653)          | 0               | (365,653)          | 0                        | 0                  |
| Policy Revisions                   | 8                      | 2,531,663          | 5               | 1,484,683          | (3)                      | (1,046,980)        |
| <b>Total Recommended - GF</b>      | <b>658</b>             | <b>146,836,972</b> | <b>655</b>      | <b>145,789,992</b> | <b>(3)</b>               | <b>(1,046,980)</b> |
| <b>Original Appropriation - TF</b> | <b>0</b>               | <b>7,919,913</b>   | <b>0</b>        | <b>7,919,913</b>   | <b>0</b>                 | <b>0</b>           |
| Current Services                   | 0                      | (3,531)            | 0               | (3,531)            | 0                        | 0                  |
| <b>Total Recommended - TF</b>      | <b>0</b>               | <b>7,916,382</b>   | <b>0</b>        | <b>7,916,382</b>   | <b>0</b>                 | <b>0</b>           |

## Workers' Compensation Claims - Administrative Services

### DAS23100

#### Budget Summary

| Account   | Actual<br>FY 13   | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|---|-------------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| <b>Other Current Expenses</b>                     |                   |                                |                                    |                              |                    |                                 |
| Workers' Compensation Claims                      | 26,886,810        | 29,987,707                     | 27,187,707                         | 29,987,707                   | 29,987,707         | 0                               |
| <b>Agency Total - General Fund</b>                | <b>26,886,810</b> | <b>29,987,707</b>              | <b>27,187,707</b>                  | <b>29,987,707</b>            | <b>29,987,707</b>  | <b>0</b>                        |
|   |                   |                                |                                    |                              |                    |                                 |
| Workers' Compensation Claims                      | 6,399,473         | 7,144,481                      | 6,544,481                          | 7,344,481                    | 7,344,481          | 0                               |
| <b>Agency Total - Special Transportation Fund</b> | <b>6,399,473</b>  | <b>7,144,481</b>               | <b>6,544,481</b>                   | <b>7,344,481</b>             | <b>7,344,481</b>   | <b>0</b>                        |
| <b>Total - Appropriated Funds</b>                 | <b>33,286,283</b> | <b>37,132,188</b>              | <b>33,732,188</b>                  | <b>37,332,188</b>            | <b>37,332,188</b>  | <b>0</b>                        |

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

#### Current Services

#### Adjust Funding to Reflect the FY 14 Deficiency

|  |          |                  |          |                  |          |          |
|--|----------|------------------|----------|------------------|----------|----------|
| Workers' Compensation Claims               | 0        | 2,800,000        | 0        | 2,800,000        | 0        | 0        |
| <b>Total - General Fund</b>                | <b>0</b> | <b>2,800,000</b> | <b>0</b> | <b>2,800,000</b> | <b>0</b> | <b>0</b> |
| Workers' Compensation Claims               | 0        | 800,000          | 0        | 800,000          | 0        | 0        |
| <b>Total - Special Transportation Fund</b> | <b>0</b> | <b>800,000</b>   | <b>0</b> | <b>800,000</b>   | <b>0</b> | <b>0</b> |

#### Background

HB 5034, An Act Making Deficiency Appropriations for the Fiscal Year Ending June 30, 2014 (the Governor's deficiency bill), results in no net increase to the General or Transportation Funds. Funding increases of \$44.3 million in the General Fund and \$0.6 million in the Transportation Fund are offset by funding reductions in various accounts.

The bill includes \$2.8 million in the General Fund and \$600,000 in the Special Transportation Fund for deficiency funding in FY 14 for this agency in the Workers' Compensation Claims accounts. This funding is required due to: (1) increased utilization of services, (2) employees remaining on workers' compensation longer, and (3) increasing medical expenditures.

#### Governor

Provide funding of \$2.8 million in the General Fund and \$800,000 in the Special Transportation Fund to reflect the annualization of the agency's FY 14 deficiency. The FY 15 original appropriation did not include funding for this deficiency, therefore the increased funding in FY 15 reflects the annualization of this deficiency.

#### Committee

Same as Governor

#### Totals

| Budget Components                  | Governor Revised FY 15 |                   | Committee FY 15 |                   | Difference from Governor |          |
|------------------------------------|------------------------|-------------------|-----------------|-------------------|--------------------------|----------|
|                                    | Pos.                   | \$                | Pos.            | \$                | Pos.                     | \$       |
| <b>Original Appropriation - GF</b> | <b>0</b>               | <b>27,187,707</b> | <b>0</b>        | <b>27,187,707</b> | <b>0</b>                 | <b>0</b> |
| Current Services                   | 0                      | 2,800,000         | 0               | 2,800,000         | 0                        | 0        |
| <b>Total Recommended - GF</b>      | <b>0</b>               | <b>29,987,707</b> | <b>0</b>        | <b>29,987,707</b> | <b>0</b>                 | <b>0</b> |
| <b>Original Appropriation - TF</b> | <b>0</b>               | <b>6,544,481</b>  | <b>0</b>        | <b>6,544,481</b>  | <b>0</b>                 | <b>0</b> |
| Current Services                   | 0                      | 800,000           | 0               | 800,000           | 0                        | 0        |
| <b>Total Recommended - TF</b>      | <b>0</b>               | <b>7,344,481</b>  | <b>0</b>        | <b>7,344,481</b>  | <b>0</b>                 | <b>0</b> |

## Department of Construction Services

### DCS28000

#### Position Summary

| Account                  | Actual<br>FY 13 | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|--------------------------|-----------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Permanent Full-Time - GF | 94              | 0                              | 0                                  | 0                            | 0                  | 0                               |

#### Budget Summary

| Account                            | Actual<br>FY 13  | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|------------------------------------|------------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Personal Services                  | 8,436,470        | 0                              | 0                                  | 0                            | 0                  | 0                               |
| Other Expenses                     | 900,957          | 0                              | 0                                  | 0                            | 0                  | 0                               |
| <b>Agency Total - General Fund</b> | <b>9,337,427</b> | <b>0</b>                       | <b>0</b>                           | <b>0</b>                     | <b>0</b>           | <b>0</b>                        |

## Attorney General

### OAG29000

#### Position Summary

| Account                  | Actual<br>FY 13 | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|--------------------------|-----------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Permanent Full-Time - GF | 298             | 303                            | 303                                | 303                          | 303                | 0                               |

#### Budget Summary

| Account                                   | Actual<br>FY 13   | Governor<br>Estimated<br>FY 14 | Original<br>Appropriation<br>FY 15 | Governor<br>Revised<br>FY 15 | Committee<br>FY 15 | Difference<br>Comm-Gov<br>FY 15 |
|---|-------------------|--------------------------------|------------------------------------|------------------------------|--------------------|---------------------------------|
| Personal Services                         | 27,942,807        | 31,469,627                     | 33,015,870                         | 33,015,870                   | 32,790,529         | (225,341)                       |
| Other Expenses                            | 1,346,202         | 1,141,319                      | 1,139,319                          | 1,339,319                    | 1,325,185          | (14,134)                        |
| Equipment                                 | 0                 | 1                              | 1                                  | 1                            | 1                  | 0                               |
| <b>Nonfunctional - Change to Accruals</b> | <b>0</b>          | <b>199,953</b>                 | <b>209,407</b>                     | <b>202,021</b>               | <b>190,510</b>     | <b>(11,511)</b>                 |
| <b>Agency Total - General Fund</b>        | <b>29,289,009</b> | <b>32,810,900</b>              | <b>34,364,597</b>                  | <b>34,557,211</b>            | <b>34,306,225</b>  | <b>(250,986)</b>                |

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |
|         |                        |    |                 |    |                          |    |

#### *Current Services*

#### Adjust Funding for Revised Estimated GAAP Requirements

|                                    |          |                |          |                |          |          |
|------------------------------------|----------|----------------|----------|----------------|----------|----------|
| Nonfunctional - Change to Accruals | 0        | (7,386)        | 0        | (7,386)        | 0        | 0        |
| <b>Total - General Fund</b>        | <b>0</b> | <b>(7,386)</b> | <b>0</b> | <b>(7,386)</b> | <b>0</b> | <b>0</b> |

#### **Background**

Each agency's budget includes a line item account called "Nonfunctional - Change to Accruals." This line item represents the estimate of the difference between an agency's cash-basis budget amount and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

#### **Governor**

Reduce funding by \$7,386 to reflect updated estimates of accruals to comply with GAAP. Across all appropriated funds, there is a net GAAP reduction of \$33.8 million.

#### **Committee**

Same as Governor

#### *Policy Revisions*

#### Provide Funding for False Claims Act Litigation Expenses

|                             |          |                |          |                |          |          |
|-----------------------------|----------|----------------|----------|----------------|----------|----------|
| Other Expenses              | 0        | 200,000        | 0        | 200,000        | 0        | 0        |
| <b>Total - General Fund</b> | <b>0</b> | <b>200,000</b> | <b>0</b> | <b>200,000</b> | <b>0</b> | <b>0</b> |

#### **Background**

The 2005 federal Deficit Reduction Act permits state that adopt their own False Claims Act (FCA) to keep a greater share of any Medicaid funds they recover under it. Connecticut adopted FCA legislation in 2009. In November 2013, a contractor was engaged by the state to create and implement a detection system to identify fraud, waste and abuse perpetrated against state programs such as Medicaid. The adopted FY 2015 budget assumes \$104 million in savings through enhanced efforts to curtail fraud.

#### **Governor**

Provide funding of \$200,000 for potential litigation associated with the expansion of the scope of the FCA in SB 22, "An Act Concerning the Prevention of Fraud in Government Programs". The bill extends the application of the FCA to: (1) all health and human service agencies and programs, and (2) state payments made for employee and retiree health and state-paid Workers' Compensation medical claims. This will expand the FCA to make it consistent with the scope of the work included in the anti-fraud contract.

#### **Committee**

Same as Governor

| Account | Governor Revised FY 15 |    | Committee FY 15 |    | Difference from Governor |    |
|---------|------------------------|----|-----------------|----|--------------------------|----|
|         | Pos.                   | \$ | Pos.            | \$ | Pos.                     | \$ |

### Distribute Lapses

|                             |          |          |          |                  |          |                  |
|-----------------------------|----------|----------|----------|------------------|----------|------------------|
| Personal Services           | 0        | 0        | 0        | (225,341)        | 0        | (225,341)        |
| Other Expenses              | 0        | 0        | 0        | (14,134)         | 0        | (14,134)         |
| <b>Total - General Fund</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>(239,475)</b> | <b>0</b> | <b>(239,475)</b> |

#### Background

The Governor's Revised FY 15 budget included a bottom line General Lapse of \$14,243,700, a General Other Expenses Lapse of \$4,000,000, and a Statewide Hiring Reduction Lapse of \$6,796,754. These lapse amounts would have been determined and distributed to agencies by OPM at the beginning of FY 15.

#### Committee

Reduce funding by \$137,429 to reflect distribution of the General Lapse, \$9,349 for the General Other Expense Lapse, and \$92,697 for the Statewide Hiring Reduction Lapse.

### Adjust Funding for GAAP

|                                    |          |          |          |                 |          |                 |
|------------------------------------|----------|----------|----------|-----------------|----------|-----------------|
| Nonfunctional - Change to Accruals | 0        | 0        | 0        | (11,511)        | 0        | (11,511)        |
| <b>Total - General Fund</b>        | <b>0</b> | <b>0</b> | <b>0</b> | <b>(11,511)</b> | <b>0</b> | <b>(11,511)</b> |

#### Committee

Adjust funding by \$11,511 to reflect changes to GAAP accruals as a result of policy changes.

### Totals

| Budget Components                  | Governor Revised FY 15 |                   | Committee FY 15 |                   | Difference from Governor |                  |
|------------------------------------|------------------------|-------------------|-----------------|-------------------|--------------------------|------------------|
|                                    | Pos.                   | \$                | Pos.            | \$                | Pos.                     | \$               |
| <b>Original Appropriation - GF</b> | <b>303</b>             | <b>34,364,597</b> | <b>303</b>      | <b>34,364,597</b> | <b>0</b>                 | <b>0</b>         |
| Current Services                   | 0                      | (7,386)           | 0               | (7,386)           | 0                        | 0                |
| Policy Revisions                   | 0                      | 200,000           | 0               | (50,986)          | 0                        | (250,986)        |
| <b>Total Recommended - GF</b>      | <b>303</b>             | <b>34,557,211</b> | <b>303</b>      | <b>34,306,225</b> | <b>0</b>                 | <b>(250,986)</b> |