

As of May 1, 2023, the Office of Fiscal Analysis is projecting **\$71.5 million** in state agency General Fund shortfalls. The following table reflects the level of funding that is anticipated to be needed by various agencies from the General Fund this fiscal year.

FY 23 General Fund Estimated Deficiency Needs

In Millions of Dollars

Agency	Agency Deficiencies (without release of holdbacks)
State Comptroller - Miscellaneous	44.0
Department of Correction	18.0
Workers' Compensation Claims - Administrative Services	2.8
State Comptroller	2.7
Department of Economic and Community Development	2.0
Connecticut Technical Education and Career System	2.0
TOTAL	71.5

A description of each deficiency is provided below.

Office of the State Comptroller - Adjudicated Claims - \$44 million

There is a projected deficiency of \$44 million within the Adjudicated Claims account of the Office of the State Comptroller. No FY 23 appropriation was made for this account. Through April 25, 2023, approximately \$43.3 million has been expended

Department of Correction - \$18 Million The Department of Correction (DOC) is projected to have a net deficiency of \$18 million from a shortfall of \$28 million in Personal Services (PS), which is partially offset by \$10 million in lapses. The deficit in PS is driven by a delay in the closure of a facility, Covid-19, and the Finance Advisory Committee transfer of \$14 million out of the PS account on April 6, 2023.

The delay in closing a facility is a result of the rise in inmate population, which has increased from 9,422 inmates on January 1, 2022 to 10,039 inmates on April 27, 2023, a 6.5% increase. Additionally, Covid-19 continues to affect overtime costs as DOC employees quarantine after contracting the virus. As of April 21, 2023 there are approximately 100 DOC employees out of work and recovering from Covid-19.

The projected lapses are \$6 million in Inmate Medical Services due to lower than anticipated medical services costs and \$4 million in Community Support Services due to the inability to secure additional contracts.

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

Worker's Compensation Claims within the Department of Administrative Services is projected to have a net deficiency of \$2.8 million. Workers' compensation claims within the Department of Correction, which are projected \$4.3 million above budget, is the primary reason for the projected deficiency. This deficiency is partially offset by net lapses among other accounts.

Office of the State Comptroller - Personal Services - \$2.7 million

There is a projected deficiency of \$2.7 million within the Personal Services account of the Office of the State Comptroller resulting from a \$4 million transfer from the Personal Services Account to the Connecticut Premium Pay Account earlier this month through Finance Advisory Committee (FAC) action.

Department of Economic and Community Development - \$2 million

The agency's projected net deficiency of \$2 million is the result of (1) a shortfall of \$2.25 million in the Capital Region Development Authority (CRDA) account and (2) a \$247,000 uncollectable overpayment in the Other Expenses account. The deficiencies are partially offset by a total of \$450,000 in lapses in various accounts.

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

The deficiency is partially offset by projected lapses in the following accounts: \$400,000 in Personal Services and \$50,000 in the Office of Military Affairs. Expenditures in these accounts to date have trended lower than budgeted.

Connecticut Technical Education and Career System - \$2 million

The Connecticut Technical and Education Career System is projected to have a net deficiency of \$2 million. The Other Expenses account has a projected deficiency of \$5 million, which is driven by increased energy costs. The \$5 million deficiency in Other Expenses is partially offset by a \$3 million lapse in Personal Services, which is a result of vacant positions.