

FINANCE ADVISORY COMMITTEE

AGENDA

June 8, 2012

Room 1E, Legislative Office Building - 1:00 P.M.

1. Minutes of the May 14, 2012 meeting.

2. New transactions as follows:

2012-18	Department of Motor Vehicles	\$120,000.00
2012-19	Insurance Department	\$35,000.00
2012-20	Department of Mental Health & Addiction Services	\$600,000.00
2012-21	Department of Transportation	\$6,000,000.00
2012-22	Bureau of Rehabilitation Services	\$3,250.00
2012-23	Department of Education	\$97,000.00
2012-24	Teachers' Retirement Board	\$661,479.00
2012-25	Public Defender Services Commission	\$125,000.00

PAGE \_\_\_\_\_ OF \_\_\_\_\_  
 DOCUMENT NUMBER  
**O 41646**

ALLOTMENT adjustment     APPROPRIATION adjustment     APPROPRIATION adjustment, requiring Finance Advisory Committee action

COMPT. USE ONLY		EFFECTIVE DATE		FAC NUMBER	AGENCY ACRONYM	REQUEST NUMBER
				2012-18	DMV	2012-06
AGENCY NO.	AGENCY NAME					
DMV35000	Department of Motor Vehicles					

F.Y.	FUND	AGENCY	SID	BUD REF	REDUCE *	INCREASE **	ACCOUNT TITLE/PROJECT NUMBER
					<u>Unallotted</u>	<u>Alloted</u>	
2012	12001	35000	10050	2012	\$120,000.00		STF Equipment
2012	12001	35000	10020	2012		\$120,000.00	STF Other Expense

REASON FOR ADJUSTMENT

To transfer available funds from the DMV STF Equipment budget to the DMV STF Other Expense budget to cover deficiencies.

STATUTORY AUTHORITY (for adjustments in appropriations) <b>CGS 4-87</b>	REQUESTING OFFICIAL (Signature) <i>Melody A. Curry</i>	(Title) <b>Commissioner</b>	DATE SIGNED 5/30/12
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UNALLOTTED / AVAILABLE BALANCE	APPROVED (Secretary, Office of Policy and Management)	DATE
REVIEWED BY (Analyst) <i>J. M. [Signature]</i>	APPROVED (Governor)	DATE
RECOMMENDED (Undersecretary, Bud. & Fin. Mgmt.)		

\* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND  
 \*\* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND



STATE OF CONNECTICUT  
*Department of Motor Vehicles*

Melody A. Currey  
*Commissioner*

Telephone: (860) 263-5015  
Fax: (860) 263-5542  
*Melody.Currey@ct.gov*

May 15, 2012

The Honorable Benjamin Barnes  
Secretary  
Office of Policy and Management  
450 Capitol Avenue  
Hartford, CT 06106-1379

**RE: Financial Advisory Committee Request**

Dear Secretary Barnes:

The Department of Motor Vehicles (DMV) respectfully requests to be added to the June 7, 2012, Financial Advisory Committee meeting agenda. DMV requests the transfer of \$120,000 in funding from its Equipment appropriation to its Other Expense appropriation.

The funding is needed to cover expenditures incurred from an emergency replacement of the generator in the Wethersfield office this fiscal year. DMV has the available funds for this requested transfer from the Equipment budget.

Your assistance in this matter would be greatly appreciated. Should you have any questions regarding this request, please contact Ms. Allyson Bruce, Chief Fiscal Officer at 860-263-5021.

Sincerely,

Melody A. Currey  
Commissioner

MAC/dja

cc: Ms. Allyson Bruce, DMV  
Mr. John Jaramillo, OPM

ALLOTMENT OR APPROPRIATION  
ADJUSTMENT REQUEST  
B-107 REV 3/96

TO: STATE OF CONNECTICUT  
BUDGET AND FINANCIAL MANAGEMENT  
OFFICE OF POLICY AND MANAGEMENT

ALLOTMENT adjustment       APPROPRIATION adjustment       APPROPRIATION adjustment, requiring Finance Advisory Committee action

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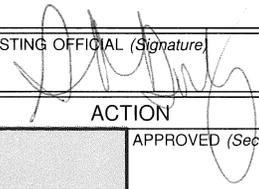
COMPT. USE ONLY	EFFECTIVE DATE	FAC NUMBER	REQUEST NUMBER
		2012-19	12-2
AGENCY NO.	AGENCY NAME		
DOI37500	Connecticut Insurance Department		

F.Y.	FUND	AGENCY	SID	REDUCE*	INCREASE**	ACCOUNT TITLE/PROJECT NUMBER
12	12004	DOI37500	12244	<u>Unencumbered Balance</u> \$35,000.00	<u>Fourth Quarter Allotment</u>	Fringe Benefits
12	12004	DOI37500	10050		\$35,000.00	Equipment

REASON FOR ADJUSTMENT

See Attached Document

Bond Commission Date: \_\_\_\_\_

STATUTORY AUTHORITY (For adjustments in appropriations) 4-87 C.G.S.	REQUESTING OFFICIAL (Signature) 	(Title) Deputy Commissioner	DATE SIGNED 5/10/12
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UNALLOTTED/UNENCUMBERED BALANCE \$	APPROVED (Secretary, Office of Policy and Management)	DATE
REVIEWED BY (Analyst) Linda Kellard CI	APPROVED (Governor)	DATE
RECOMMENDED (Undersecretary, Bud., & Fin. Mgmt.)		

\* USE ONLY UNALLOTTED, UNENCUMBERED, RESOURCES OF FUND  
\*\*USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND

## CID FAC 2012

### Equipment - \$35,000.00

The CID is requesting additional equipment monies of approximately \$35,000.00 for a number of reasons: (1) CID has a number of new employees that have started this fiscal year - \$6,000.00, (2) CID will be purchasing / replacing ORACLE production servers and scanners this year - \$7,300.00, (3) CID's normal refresh rate of every 4 years for desktop PC's is around 30 a year, but this year it will be approximately 50 – for an additional cost of \$19,400.00 and additional laptops for \$2,300.00 Resources are available in the Personal Services Account due to turnover, lower vacation and sick time accumulated leave payout's for retiree's.

ALLOTMENT OR APPROPRIATION  
ADJUSTMENT REQUEST  
B-107 REV 3/96

TO: STATE OF CONNECTICUT  
BUDGET AND FINANCIAL MANAGEMENT  
OFFICE OF POLICY AND MANAGEMENT

ALLOTMENT adjustment     APPROPRIATION adjustment     APPROPRIATION adjustment, requiring Finance Advisory Committee action

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DOC. TYPE	DOCUMENT NUMBER	
	MHA12008	

COMPT. USE ONLY	EFFECTIVE DATE	FAC NUMBER	REQUEST NUMBER
		2012-20	2012-08
AGENCY NO.	AGENCY NAME		
53000	Department of Mental Health and Addiction Services		

F.Y.	FUND	AGENCY	SID	REDUCE *	INCREASE **	ACCOUNT TITLE/PROJECT NUMBER
				<u>Unencumbered Balance</u>	<u>4th Quarter Allotment</u>	
2012	11000	53100	10010	\$600,000.00		Personal Services
2012	11000	53100	12235		\$600,000.00	Workers Compensation Claims
		TOTAL		\$600,000.00	\$600,000.00	

REASON FOR ADJUSTMENT

To make funds available through FAC action for expenditures in the Fourth Quarter.

Bond Commission Date:

STATUTORY AUTHORITY (for adjustments in appropriations)	REQUESTING OFFICIAL (Signature)	(Title)	DATE SIGNED
	<i>Scott Mc...</i>	Budget Director	5/25/12

UNALLOTTED / UNENCUMBERED BALANCE		APPROVED (Secretary, Office of Policy and Management)	DATE
\$			
REVIEWED BY (Analyst)	DATE	APPROVED (Governor)	DATE
<i>J Brown</i>	6-1-12		
RECOMMENDED (Undersecretary, Bud. & Fin. Mgmt.)	DATE		

\* USE ONLY UNALLOTTED, UNENCUMBERED, RESOURCES OF FUND

\*\* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND

ORIGINAL - OPM

ALLOTMENT OR APPROPRIATION

TO:

STATE OF CONNECTICUT

PROPOSED ITEMS FOR APPROVAL  
BY THE FINANCE ADVISORY COMMITTEE  
June 8, 2012

The Department of Mental Health and Addiction Services requests authority to transfer \$600,000 from Personal Services (SID 10010) to cover a projected shortfall in the Workers' Compensation Claims (SID 12235) account. This shortfall is caused by the payment of several large medical bills in March and April. The Department considers these claims to be an anomaly and not a trend. The Department has surplus in Personal Services resulting from hiring delays.

Summary of Transfer:

Workers' Compensation (12235)	\$600,000
Personal Services (10010)	(\$600,000)
<hr/> Total	<hr/> \$0

ALLOTMENT adjustment     APPROPRIATION adjustment     APPROPRIATION adjustment, requiring Finance Advisory Committee action

DOCUMENT NUMBER  
**DOT5319**

COMPT. USE ONLY		EFFECTIVE DATE		FAC NUMBER	AGENCY ACRONYM	REQUEST NUMBER
				2012-21	DOT	10637
AGENCY NO.	AGENCY NAME					
57000	Department of Transportation					

F.Y.	FUND	AGENCY	SID	BUD REF	REDUCE *	INCREASE **	ACCOUNT TITLE/PROJECT NUMBER
					<u>Allotment</u>	<u>Allotment</u>	
2012	12001	DOT57000	10010	2012	\$6,000,000.00		Personal Services
2012	12001	DOT57000	10080	2012		\$6,000,000.00	Highway & Bridge Renewal-Equipment

REASON FOR ADJUSTMENT

See attached

Bond Commission Date:

STATUTORY AUTHORITY (for adjustments in appropriations) <b>Sec. 4-87</b>	REQUESTING OFFICIAL (Signature) <i>Robert C. Cab</i>	(Title) <b>Interim Bureau Chief</b>	DATE SIGNED 5-17-12
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UNALLOTTED / AVAILABLE BALANCE		APPROVED (Secretary, Office of Policy and Management)	DATE
REVIEWED BY (Analyst) <i>J.M. Jaramilla</i>	DATE 5/29/12	APPROVED (Governor)	DATE
RECOMMENDED (Undersecretary, Bud. & Fin. Mgmt.)	DATE		

\* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND  
\*\* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND

**Finance Advisory Committee  
Meeting June 7, 2012**

The Department of Transportation (Department) requests the transfer of \$6,000,000 to its Highway and Bridge Renewal Equipment Appropriation from the Department's Personal Services Appropriation.

The transfer of \$6,000,000 to the Department's Highway and Bridge Renewal Equipment Appropriation is required to enable the Department to purchase replacements for 45 dump/plow trucks that are past their useful life. The Department's fleet of trucks are essential to daily maintenance of the state's highway and bridge systems as well as to responding to emergency situations, including incident management, snow and ice, and other adverse weather conditions, ensuring the safety of the motoring public.

Funds budgeted for Highway and Bridge Renewal Equipment in FY 2012 enabled the Department to purchase 42 new trucks, however as of July 1, 2012 the Department's fleet of 632 trucks will include 219 (34%) that are past their expected useful life of 12 years, and 339 trucks (54%) that are over 10 years old. Major components such as the engine, transmission, axle, etc. are no longer covered by warranty for 345 trucks that are older than 7 years, resulting in higher maintenance and repair costs. In addition, the unreliability of this number of vehicles inhibits the Department's ability to respond promptly and effectively to emergency road conditions and to maintain the state's highway system in a safe and operable manner.

The FY 2013 budget for Highway Equipment of \$7,000,000 will fund replacement of 30 dump/plow trucks, (along with other essential heavy bridge and highway equipment). This will still leave the fleet with 189 trucks past their expected useful life. With this proposed FAC transfer of funds, the purchase of 45 trucks will not bring the Department's entire fleet in line with the recommended replacement schedule, however it will be critical in assisting the Department from falling further behind in its equipment replacement program.

<u>TRUCKS PAST DUE FOR REPLACEMENT</u>	<u># of trucks</u>
As of 7/1/2011	205
Purchased FY2012	-42
Additional coming due for replacement 7/1/2012	56
Overdue for replacement as of 7/1/2012	219
To be purchased with FY2013 budgeted funds	-30
Trucks overdue for replacement	189
Proposed FAC purchase	-45
Remaining trucks overdue for replacement	144

Funding is available in the Personal Services appropriation due to retirements, delays in hiring, and savings in overtime resulting from the mildness of the winter season.

<u>FUND - SID</u> <u>Appropriation Title</u>	<u>Transfer Amount</u>
12001 - 10080 Highway and Bridge Renewal-Equipment	<u>\$ 6,000,000</u>
Total Transfers In	\$ 6,000,000
12001 - 10010 Personal Services	<u>\$(6,000,000)</u>
Total Transfers Out	\$(6,000,000)

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**ESB 0015**

ALLOTMENT adjustment     APPROPRIATION adjustment     APPROPRIATION adjustment, requiring Finance Advisory Committee action

COMPT. USE ONLY		EFFECTIVE DATE		FAC NUMBER	AGENCY ACRONYM	REQUEST NUMBER
				2012-22		FY12-63
AGENCY NO.	AGENCY NAME					
ESB 65000	Bureau of Rehabilitative Services					

F.Y.	FUND	AGENCY	SID	BUD REF	REDUCE *	INCREASE *	ACCOUNT TITLE/PROJECT NUMBER
					<u>Allotment</u>	<u>Allotment</u>	
2012	12001	ESB65000	10010	2012	\$3,250.00		Personal Services
2012	12001	ESB65000	10020	2012		\$3,250.00	Other Expenses

REASON FOR ADJUSTMENT

Funding will be used to meet anticipated expenditures to end of year. (See attached)

Bond Commission Date:

STATUTORY AUTHORITY (for adjustments in appropriations)	REQUESTING OFFICIAL (Signature)	(Title)	DATE SIGNED
4-87	<i>V. Jean Meador</i>	Dir. Of Fiscal & Admin. Svcs.	5/29/12

UNALLOTTED / AVAILABLE BALANCE	ACTION	APPROVED (Secretary, Office of Policy and Management)	DATE
REVIEWED BY (Analyst)	DATE	APPROVED (Governor)	DATE
<i>J. Davis</i>	5-29-12		
RECOMMENDED (Undersecretary, Bud. & Fin. Mgmt.)	DATE		

\* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND

ORIGINAL - OPM

BRS63500

BRS FAC Justification

June 7, 2012

The Bureau of Rehabilitative Services is requesting funds be transferred from the Personal Services account to the Other Expenses (Special Transportation Fund) account to cover an anticipated shortfall resulting from unbudgeted expenses related to transfer of an additional position to support the Driver Training Program for People with Disabilities. This position was identified as critical to the success of the program and was transferred in January of 2012. This transfer did not include funds to cover expenses related to the individual's vehicle gasoline and maintenance costs and cell phone. These expenses include a monthly vehicle lease of \$401, monthly fuel charges averaging \$200 and monthly cell phone charges averaging \$50. While the agency has been able to make up a small portion of these expenses, there is still a shortfall of \$3,250 which is the amount being requested in this FAC action.

ALLOTMENT adjustment     APPROPRIATION adjustment     APPROPRIATION adjustment, requiring Finance Advisory Committee action

DOCUMENT NUMBER  
**SDE0160**

COMPT. USE ONLY		EFFECTIVE DATE		FAC NUMBER	AGENCY ACRONYM	REQUEST NUMBER
				2012-23		2012-29
AGENCY NO.	AGENCY NAME					
SDE64000	Department of Education					

F.Y.	FUND	AGENCY	SID	BUD REF	REDUCE *	INCREASE **	ACCOUNT TITLE/PROJECT NUMBER
					<u>Unencumbered</u>	<u>Allotment</u>	
2012	11000	SDE64000	12171	2012	\$97,000.00		Development of Mastery Exams Grades 4, 6 & 8
2012	11000	SDE64000	16212	2012		\$97,000.00	Health Foods Initiative

REASON FOR ADJUSTMENT

The State Department of Education requests Finance Advisory Committee action on June 7, 2012, to transfer \$97,000 from the Development of Mastery Exams account to the Health Foods Initiative account.

Deficit: The Health Foods Initiative appropriation is not sufficient to cover the mandate of ten cents per meal, which is due to the addition of 11 new participants this year.

Surplus: Development of Mastery Exams Grades 4, 6, & 8 will surplus this year due, in part, to: 1) amendments to payment schedules of existing testing and assessment contracts, and 2) expenditures coming in lower than budgeted amounts for development activities associated with Connecticut's involvement in the Program for International Student Assessments (PISA).

**Budget Reference 2012**

Bond Commission Date:

STATUTORY AUTHORITY (for adjustments in appropriations)	REQUESTING OFFICIAL (Signature)	(Title)	DATE SIGNED
	<i>[Signature]</i>	Chief Financial Officer	5/16/12

ACTION

UNALLOTTED / AVAILABLE BALANCE	APPROVED (Secretary, Office of Policy and Management)	DATE
REVIEWED BY (Analyst)	DATE	APPROVED (Governor)
<i>[Signature]</i>	5/16/12	
RECOMMENDED (Undersecretary, Bud. & Fin. Mgmt.)	DATE	DATE

\* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND

\*\* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND

ALLOTMENT adjustment     APPROPRIATION adjustment     APPROPRIATION adjustment, requiring Finance Advisory Committee action

DOCUMENT NUMBER  
**TRB0005**

COMPT. USE ONLY		EFFECTIVE DATE		FAC NUMBER	AGENCY ACRONYM	REQUEST NUMBER
				2012-24	TRB77500	2012-01
AGENCY NO.	AGENCY NAME					
TRBM1	Teachers' Retirement Board					

F.Y.	FUND	AGENCY	SID	BUD REF	REDUCE *	INCREASE **	ACCOUNT TITLE/PROJECT NUMBER
					<u>Unallotted</u>	<u>Allotment</u>	
12	11000	TRB77500	10010	2012	\$265,627.00		Personal Services
12	11000	TRB77500	10020	2012	\$15,852.00		Other Expenses
12	11000	TRB77500	16023	2012		\$281,479.00	Retiree Health Service Cost
					<u>Allotment</u>	<u>Allotment</u>	
12	11000	TRB77500	10010	2012	\$60,000.00		Personal Services
12	11000	TRB77500	10020	2012	\$320,000.00		Other Expenses
12	11000	TRB77500	16023	2012		\$380,000.00	Retirees Health Service Cost

REASON FOR ADJUSTMENT

The TRB health plan experienced higher enrollment than planned, causing a \$2.6 million deficiency in the retirees health service cost account. The agency deferred several planned tasks into the future hoping that we could offset part of this deficiency through the savings achieved by these deferrals, as well as savings achieved through wage freezes by SEBAC.

Bond Commission Date:

STATUTORY AUTHORITY (for adjustments in appropriations) <b>PA 11-61</b>	REQUESTING OFFICIAL (Signature) <i>Darlene Pucy</i>	(Title) Administrator	DATE SIGNED 5/16/12
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ACTION

UNALLOTTED / AVAILABLE BALANCE		APPROVED (Secretary, Office of Policy and Management)	DATE
REVIEWED BY (Analyst) <i>K. Allen</i>	DATE 5/17/12	APPROVED (Governor)	DATE
RECOMMENDED (Undersecretary, Bud. & Fin. Mgmt.)	DATE		

\* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND  
\*\* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND

## Teacher's Retirement Board FAC Request

The Teacher's Retirement Board (TRB) is requesting through FAC a transfer of the anticipated lapses in the Personal Services and Other Expenses accounts into the Retirees Health Service Cost account.

TRB sponsors a Medicare supplement health insurance plan for eligible retirees and spouses. Currently, the basic health plan premium is funded one-third by the state, one-third by the retired member and one-third by the TRB health fund. A deficiency of approximately \$3 million is projected in this account due to the dramatic increase in the number of members enrolled in the health plan. The FY 2012 appropriation for this account was based on just over 17,000 members enrolled in the plan however the enrollment statistics for May 2012 now exceed 19,100.

The lapse in the Personal Services account is mainly due to the SEBAC/labor management savings. In addition to the transfer of the lapses, the account will receive a deficiency appropriation of \$2.6 million. This amount plus the transfers in this FAC request should be sufficient for the state to meet its statutory obligation under 10-183t(a) to fund the TRB health plan.

ALLOTMENT OR APPROPRIATION  
ADJUSTMENT REQUEST  
B-107 REV 3/96

TO: STATE OF CONNECTICUT  
BUDGET AND FINANCIAL MANAGEMENT  
OFFICE OF POLICY AND MANAGEMENT

ALLOTMENT adjustment     APPROPRIATION adjustment     APPROPRIATION adjustment, requiring Advisory Committee action

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COMPT. USE ONLY	EFFECTIVE DATE	FAC NUMBER	REQUEST NUMBER
		2012-25	12-7

AGENCY NO.	AGENCY NAME
PDS98500	PUBLIC DEFENDER SERVICES COMMISSION

F.Y.	FUND	AGENCY	SID	REDUCE*	INCREASE **	ACCOUNT TITLE/PROJECT NUMBER
				ALLOTTED BALANCE	ALLOTTED BALANCE	
2012	11000	PDS98500	12417	(125,000)		CONTRACTED ATTORNEYS
2012	11000	PDS98500	10020		125,000	OTHER EXPENSES

REASON FOR ADJUSTMENT

Transfer is necessary in the Other Expenses due to increased overall caseloads, including capital, appellate and habeas cases, which has forced increased expenditures in many of these line items, i.e., printing of legal briefs, increased volume of postage, record storage, mileage reimbursement, etc.

Funds are available for transfer in the Contracted Attorneys account due to savings realized from converting from hourly compensation for child protection attorneys to a flat-rate payment system.

Bond Commission Date: \_\_\_\_\_

STATUTORY AUTHORITY (for adjustments in appropriations)	REQUESTING OFFICIAL (Signature)	(Title)	DATE SIGNED
	<i>Suzanne Storey</i>	Chief Public Defender	5/15/2012

ACTION

UNALLOTTED / UNENCUMBERED BALANCE	APPROVED (Secretary, Office of Policy and Management)	DATE
REVIEWED BY (Analyst)	APPROVED (Governor)	DATE
<i>Chun Lo May</i>		
DATE		
5/17/12		
RECOMMENDED (Undersecretary, Bud. & Fin. Mgmt)		
DATE		

\* USE ONLY UNALLOTTED, UNENCUMBERED, RESOURCES OF FUND  
\*\* USE ONLY UNALLOTTED, ALLOTMENT, RESOURCES OF FUND