

Analysis of Finance Advisory Committee Meeting Items

May 3, 2018 Agenda



OFFICE OF FISCAL ANALYSIS

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FAC 2018-06 Division of Criminal Justice

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Witness Protection	164,148	-	(15,000)	-	149,148
Cold Case Unit	228,213	(901)	(100,000)	-	127,312
Shooting Taskforce	1,034,499	(18,799)	(195,000)	-	820,700
Other Expenses	2,276,404	(113,820)	-	235,000	2,397,584
Expert Witnesses	135,413	-	-	20,000	155,413
Medicaid Fraud Control	1,041,425	(23,102)	-	55,000	1,073,323
TOTAL - General Fund			(310,000)	310,000	

Funding is available for transfer from these accounts due to the following:

- **Witness Protection** - Utilization of this account varies from year to year, dependent on the number and types of trials that might require witness protection. The total expenditures in this account as of April 2018 is approximately \$88,000; total expenditures in this account as of April 2017 was approximately \$123,015. The average cost for each witness protection vendor in FY 17 was \$13,936 while the average cost per vendor in FY 18 is \$10,910.
- **Cold Case Unit** - This account currently has one vacancy.
- **Shooting Taskforce** - This account currently has two vacancies.

Funding is needed in these accounts due to the following:

- **Other Expenses** - The agency is unable to meet the holdback amount of \$113,820. The available balance to this account (after a reduction due to the holdback) is \$2,162,584. The actual expenditures to this account in FY 17 was \$2,356,342. Funding is also needed for approximately \$200,000 for payment of IT Software Maintenance and License Agreements, which were previously paid out of IT grant funds, which are no longer available.
- **Expert Witnesses** - Utilization of this account varies year to year dependent on the number and types of trials that might require expert witnesses. The total expenditures in this account as of April 2018 is \$118,971; total expenditures in this account as of April 2017 was \$82,059.
- **Medicaid Fraud Control** - This account, which receives partial federal funding of 75% of the personal services, fringes, and other expense, was approved for a 12th position by the federal Department of Health and Human Services but the appropriated amount to this account in FY 18 only included funding for 11 positions.

¹ Prior policy actions may include holdbacks (forced lapses), rescissions, and transfers.

FAC 2018-07 Insurance Department

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Personal Services	13,942,472	(153,771)	(200,000)	-	13,588,701
Fringe Benefits	11,055,498	-	(90,000)	-	10,965,498
Other Expenses	1,727,807	-	-	290,000	2,017,807
TOTAL - Insurance Fund			(290,000)	290,000	

Funding is available for transfer from these accounts due to the following:

Personal Services and Fringe Benefits - Lower than budgeted expenditures due to vacancies, retirements and new hires with lower annual salaries than departing employees. During the course of FY 18 there have been two retirements, two other departures and three new employees hired. The amount in annual salary of those three new employees (\$262,151) is 40 % lower than that of the four employees leaving the payroll (\$435,336). Fringe benefit costs are similarly lower.

Funding is needed in this account due to the following:

Other Expenses - Higher than budgeted expenditures due to an increased office lease cost and a timing issue with some travel cost reimbursement. The increase in lease cost resulted from higher real estate taxes which are passed on to the Insurance Department. Travel costs for agency employees conducting field examinations are expected to be at least partially reimbursed by carriers in FY 19, but remain unreimbursed for FY 18.

FAC 2018-08 Department of Mental Health and Addiction Services

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
General Assistance Managed Care	41,449,129	(821,944)	(1,000,000)	-	39,627,185
TBI Community Services	8,779,723	(196,654)	(650,000)	-	7,933,069
Home and Community Based Services	22,168,382	(433,207)	(2,950,000)	-	18,785,175
Professional Services	11,200,697	-	-	2,000,000	13,200,697
Workers' Compensation Claims	11,405,512	-	-	2,600,000	14,005,512
TOTAL - General Fund			(4,600,000)	4,600,000	

Funding is available for transfer from these accounts due to the following:

Home and Community Based Services - Fewer than anticipated clients as well as lower than budgeted expenditures (average monthly costs are approximately 28.3% lower than budgeted). This represents approximately 12.2% of the original appropriation.

TBI Community Services - Lower than budgeted expenditures (average monthly costs are approximately 7.5% lower than budgeted). This represents approximately 7.4% of the original appropriation.

General Assistance Managed Care - Lower than budgeted expenditures (average monthly costs are approximately 1.1% lower than budgeted). This represents approximately 2.4% of the original appropriation.

Funding is needed in these accounts due to the following:

Workers' Compensation Claims - The department is experiencing higher than budgeted workers' compensation claims, resulting in a transfer amount of approximately 22.8% of the original appropriation.

Professional Services - Increased use of contracted medical services for complex care and lab costs for patients at inpatient facilities. This represents 17.9% of the original appropriation.

Holdbacks and Lapses

The transfer from various accounts (Home and Community Based Services, TBI Community Services, and General Assistance Managed Care) is not anticipated to impact the agency's ability to achieve associated holdbacks totaling \$1,451,805.

FAC 2018-09 Department of Transportation

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Personal Services	175,824,829	(2,539,724)	(21,727,710)	-	151,557,395
Non-ADA Dial-A-Ride Program	1,576,361	-	(1,144,090)	-	432,271
Pay-As-You-Go Transportation Projects	13,629,769	(9,360)	(2,100,000)	-	11,520,409
Rail Operations	173,370,701	(5,619)	-	14,200,000	187,565,082
Bus Operations	156,352,699	-	-	9,771,800	166,124,499
ADA Para-transit Program	38,039,446	-	-	1,000,000	39,039,446
TOTAL - Special Transportation Fund			(24,971,800)	24,971,800	

Funding is available for transfer from these accounts due to the following:

Personal Services - A delay in refilling 426 various vacancies.

Pay-As-You-Go Transportation Projects - Deferring cash-flow for expenditures on existing projects that are recorded as using federal funds.

Non-ADA Dial-A-Ride Program - The Department of Transportation has limited funding to existing agreements for services through March 31st to the four transit districts (Middletown, Hartford, New Haven and Milford).

Funding is needed in these accounts due to the following:

Rail Operations - (1) higher than budgeted New Haven Rail Line subsidy expenses related to lower ridership/ revenue (\$3.7 million) and food and beverage sales (\$1.9 million), (2) unbudgeted claims on the New Haven Rail line (\$4.3 million), (3) unrealized federal funding from the Federal Railroad Administrations Passenger Rail Investment and Improvement Act (PRIIA) (\$4.9 million), (4) Higher than budgeted New Haven Line administrative asset expenditures (\$5.5 million), (5) higher than budgeted Shoreline East Rail Line subsidy expenses related to retroactive PRIIA payments (\$4.9 million), and (6) unbudgeted expenses related to the lease of railcar equipment to support the Hartford Rail Line (\$2.3 million).

ADA Para-transit Program - Higher than budgeted costs associated with the Para Transit program which represents a 2.6% increase over the appropriation across the 15 different operations/operators that provide ADA service.

FAC 2018-10 Department of Education

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Commissioner's Network	10,009,398	-	(1,100,000)	-	8,909,398
Other Expenses	3,261,940	(163,097)	-	1,100,000	4,198,843
TOTAL - General Fund			(1,100,000)	1,100,000	

Funding is available for transfer from this account due to the following:

Commissioner's Network - The FY 18 state share of the cost of various school plans is less than originally budgeted.

Funding is needed in this account due to the following:

Other Expenses- Section 224 of PA 17-2, JSS extends the Alliance District program for an additional five years and expands the number of eligible districts to thirty-three. Based on the calculation of the Alliance District grant, two of the newly eligible districts (Groton and Thompson) do not receive any funding to develop and implement the educational improvements described in their Alliance District plans. This transfer will provide funding of \$600,000 to Groton and \$500,000 to Thompson.

Holdbacks and Lapses:

The transfer does not impact the agency's Other Expenses holdback of \$163,097.

FAC 2018-11 Department of Children and Families

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Child Abuse and Neglect Intervention	11,949,620	-	(2,637,892)	-	9,311,728
Supportive Housing	18,479,526	-	-	1,360,786	19,840,312
Board and Care for Children - Foster	134,738,432	-	-	1,277,106	136,015,538
TOTAL - General Fund			(2,637,892)	2,637,892	

Funding is available for transfer from this account due to the following:

- **Child Abuse and Neglect Intervention** - Funding of approximately \$2.6 million is available due to delayed implementation of Reunification and Therapeutic Family Time, Intensive Family Preservation, and Therapeutic Child Care programming. Contracts could not be established until funding amounts were defined in October pursuant to the FY 18 and FY 19 Biennial Budget.

Funding is needed in these accounts due to the following:

- **Supportive Housing** - The FY 18 account appropriation was approximately 6.4% less than FY 17 actual account expenditures (\$1.2 million). The waitlist for Supportive Housing for Families was 829 in FY 17 and has grown by 90 families in FY 18 to 919.
- **Board and Care for Children - Foster** - Daycare expenditures are projected to be approximately \$1.2 million higher this fiscal year (0.9% of its FY 18 appropriation) than last fiscal year, due to the delay in funding for Priority Group #4 under Care4Kids. Care4Kids under the Office of Early Childhood (OEC) helps low to moderate income families pay for child care costs. During FY 17, OEC stopped accepting applications for the Care4Kids program under Priority Group #4, which includes families fostering DCF children and others whose household income is below 50% of the state median. The FY 18 and FY 19 Biennial Budget did not provide funding to DCF to support costs incurred prior to the reopening of Priority Group #4 intake.

Appendix A: Projected Account Balances for Agencies on this Agenda (After Proposed FAC Transfer(s))

Division of Criminal Justice				
	Original Appropriation ²	Available Funding ³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	44,094,555	41,709,779	41,709,779	-
Other Expenses	2,276,404	2,397,584	2,397,584	-
Witness Protection	164,148	149,148	149,148	-
Training And Education	27,398	27,398	27,398	-
Expert Witnesses	135,413	155,413	155,413	-
Medicaid Fraud Control	1,041,425	1,073,323	1,073,323	-
Criminal Justice Commission	409	409	409	-
Cold Case Unit	228,213	127,312	127,312	-
Shooting Taskforce	1,034,499	820,700	820,700	-
TOTAL - General Fund	49,002,464	46,461,066	46,461,066	-

Insurance Department				
	Original Appropriation ²	Available Funding ³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	13,942,472	13,588,701	13,588,701	-
Other Expenses	1,727,807	2,017,807	2,017,807	-
Equipment	52,500	52,500	52,500	-
Fringe Benefits	11,055,498	10,965,498	10,965,498	-
Indirect Overhead	466,740	466,740	466,740	-
TOTAL - Insurance Fund	27,245,017	27,091,246	27,091,246	-

Department of Mental Health and Addiction Services				
	Original Appropriation ²	Available Funding ³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	185,075,887	176,924,235	181,924,235	(5,000,000)
Other Expenses	24,412,372	23,191,753	25,191,753	(2,000,000)
Housing Supports and Services	23,269,681	22,804,287	22,804,287	-
Managed Service System	56,505,032	55,251,174	55,251,174	-
Legal Services	700,144	700,144	700,144	-
Connecticut Mental Health Center	7,848,323	7,191,357	7,191,357	-
Professional Services	11,200,697	13,200,697	13,200,697	-
General Assistance Managed Care	41,449,129	39,627,185	39,627,185	-
Workers' Compensation Claims	11,405,512	14,005,512	14,005,512	-
Nursing Home Screening	636,352	623,625	623,625	-
Young Adult Services	76,859,968	74,834,429	74,534,429	300,000
TBI Community Services	8,779,723	7,933,069	7,883,069	50,000
Jail Diversion	95,000	-	-	-
Behavioral Health Medications	6,720,754	6,720,754	6,720,754	-
Medicaid Adult Rehabilitation Option	4,269,653	4,184,260	4,184,260	-
Discharge and Diversion Services	24,533,818	24,043,142	24,043,142	-
Home and Community Based Services	22,168,382	18,785,175	18,735,175	50,000
Nursing Home Contract	417,953	409,594	409,594	-
Pre-Trial Account	620,352	-	-	-
Katie Blair House	15,000	-	-	-

² Includes appropriated accounts from all appropriated funds.

³ Includes all anticipated and enacted holdbacks (forced lapses), rescissions, and transfers.

Department of Mental Health and Addiction Services				
	Original Appropriation²	Available Funding³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Forensic Services	10,235,895	10,017,892	10,017,892	-
Grants for Substance Abuse Services	17,788,229	17,432,464	17,432,464	-
Grants for Mental Health Services	65,874,535	64,557,044	64,557,044	-
Employment Opportunities	8,901,815	8,723,779	8,723,779	-
TOTAL - General Fund	609,784,206	591,161,571	597,761,571	(6,600,000)

Department of Transportation				
	Original Appropriation²	Available Funding³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	175,824,829	151,557,395	151,557,395	-
Other Expenses	53,727,023	53,727,023	53,727,023	-
Equipment	1,341,329	1,341,329	1,341,329	-
Minor Capital Projects	449,639	449,639	449,639	-
Highway Planning And Research	3,060,131	3,060,131	3,060,131	-
Rail Operations	173,370,701	187,565,082	205,265,082	(17,700,000)
Bus Operations	156,352,699	166,124,499	166,124,499	-
ADA Para-transit Program	38,039,446	39,039,446	39,039,446	-
Non-ADA Dial-A-Ride Program	1,576,361	432,271	432,271	-
Pay-As-You-Go Transportation Projects	13,629,769	11,520,409	11,520,409	-
Port Authority	400,000	400,000	400,000	-
Transportation to Work	2,370,629	2,370,629	2,370,629	-
TOTAL - Special Transportation Fund	620,142,556	617,587,853	635,287,853	(17,700,000)

Department of Education				
	Original Appropriation²	Available Funding³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	16,264,240	15,625,953	15,625,953	-
Other Expenses	3,261,940	4,198,843	4,198,843	-
Development of Mastery Exams Grades 4, 6, and 8	10,443,016	10,392,717	10,392,717	-
Primary Mental Health	383,653	345,288	345,288	-
Leadership, Education, Athletics in Partnership (LEAP)	462,534	312,211	312,211	-
Adult Education Action	216,149	194,534	194,534	-
Connecticut Writing Project	30,000	20,250	20,250	-
Resource Equity Assessments	134,379	120,941	120,941	-
Neighborhood Youth Centers	650,172	438,866	438,866	-
Longitudinal Data Systems	1,212,945	1,090,176	1,090,176	-
Sheff Settlement	11,027,361	11,017,392	11,017,392	-
Parent Trust Fund Program	395,841	267,193	267,193	-
Regional Vocational-Technical School System	133,875,227	128,354,056	128,354,056	-
Commissioner's Network	10,009,398	8,909,398	8,909,398	-
Local Charter Schools	480,000	432,000	432,000	-
Bridges to Success	40,000	27,000	27,000	-
K-3 Reading Assessment Pilot	2,461,580	2,215,422	2,215,422	-
Talent Development	650,000	644,033	644,033	-
School-Based Diversion Initiative	1,000,000	900,000	900,000	-
Technical High Schools Other Expenses	23,861,660	22,668,577	22,668,577	-
American School For The Deaf	8,257,514	7,432,514	7,432,514	-
Regional Education Services	350,000	262,500	262,500	-
Family Resource Centers	5,802,710	5,802,710	5,802,710	-
Charter Schools	109,821,500	109,821,500	108,521,500	1,300,000

Department of Education				
	Original Appropriation²	Available Funding³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Youth Service Bureau Enhancement	648,859	583,973	583,973	-
Child Nutrition State Match	2,354,000	2,354,000	2,354,000	-
Health Foods Initiative	4,101,463	4,101,463	4,101,463	-
Vocational Agriculture	10,228,589	9,972,874	9,972,874	-
Adult Education	20,383,960	19,874,361	19,874,361	-
Health and Welfare Services Pupils Private Schools	3,526,579	3,438,415	3,438,415	-
Education Equalization Grants	1,986,183,701	1,928,243,995	1,928,243,995	-
Bilingual Education	2,848,320	2,777,112	1,907,112	870,000
Priority School Districts	38,103,454	37,150,868	37,150,868	-
Young Parents Program	106,159	71,657	71,657	-
Interdistrict Cooperation	3,050,000	1,537,500	1,537,500	-
School Breakfast Program	2,158,900	2,104,927	2,104,927	-
Excess Cost - Student Based	142,542,860	138,979,288	138,979,288	-
Youth Service Bureaus	2,598,486	2,533,524	2,533,524	-
Open Choice Program	38,090,639	37,138,373	37,138,373	-
Magnet Schools	328,058,158	309,509,936	309,509,936	-
After School Program	4,720,695	4,602,678	4,602,678	-
TOTAL - General Fund	2,930,796,641	2,836,469,018	2,834,299,018	2,170,000

Department of Children and Families				
	Original Appropriation²	Available Funding³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	273,254,796	262,300,893	268,300,893	(6,000,000)
Other Expenses	30,576,026	29,047,225	29,047,225	-
Workers' Compensation Claims	12,578,720	12,578,720	12,578,720	-
Family Support Services	867,677	867,677	867,677	-
Differential Response System	7,809,192	7,809,192	7,809,192	-
Regional Behavioral Health Consultation	1,699,624	1,699,624	1,699,624	-
Health Assessment and Consultation	1,349,199	1,349,199	1,349,199	-
Grants for Psychiatric Clinics for Children	15,046,541	15,046,541	15,046,541	-
Day Treatment Centers for Children	6,815,978	6,815,978	6,815,978	-
Juvenile Justice Outreach Services	5,443,769	5,334,894	5,334,894	-
Child Abuse and Neglect Intervention	11,949,620	9,311,728	9,311,728	-
Community Based Prevention Programs	7,945,305	7,945,305	7,945,305	-
Family Violence Outreach and Counseling	3,061,579	3,061,579	3,061,579	-
Supportive Housing	18,479,526	19,840,312	19,840,312	-
No Nexus Special Education	2,151,861	2,151,861	2,151,861	-
Family Preservation Services	6,133,574	6,133,574	6,133,574	-
Substance Abuse Treatment	9,913,559	9,913,559	13,613,559	(3,700,000)
Child Welfare Support Services	1,757,237	1,757,237	1,757,237	-
Board and Care for Children - Adoption	97,105,408	97,105,408	97,105,408	-
Board and Care for Children - Foster	134,738,432	136,015,538	136,015,538	-
Board and Care for Children - Short-term and Residential	92,819,051	92,819,051	92,819,051	-
Individualized Family Supports	6,523,616	6,523,616	6,523,616	-
Community Kidcare	38,268,191	38,268,191	39,268,191	(1,000,000)
Covenant to Care	136,273	133,548	133,548	-
Total - General Fund	786,424,754	773,830,450	784,530,450	(10,700,000)