

Analysis of Finance Advisory Committee Meeting Items

April 1, 2021 Agenda



OFFICE OF FISCAL ANALYSIS

Room 5200, Legislative Office Building
Hartford, CT 06106 • (860) 240-0200

E-Mail: ofa@cga.ct.gov
www.cga.ct.gov/ofa

OFA STAFF

Neil Ayers, Director

Michael Murphy, Section Chief

Eric Michael Gray, Principal Analyst	Bonding, School Construction, Debt Service
William Lederman, Principal Analyst	Income Tax Modeling & Projections, State Personnel Data, Budget Information System
Patrick Mellon, Analyst II	Transportation, Motor Vehicles
Chris Wetzel, Principal Analyst	Tax Policy & Revenue Analysis, Spending Cap, Dept. of Revenue Services, Dept. of Labor
Evelyn Wisnieski, Principal Analyst	Sales Tax, Health Provider Tax, Economic Development, Tourism Fund

Chris Perillo, Section Chief

Don Chaffee, Principal Analyst	Legislative Management, Comm. on Women, Children, Seniors, Equity & Opportunity, Auditors, Dept. of Administrative Services, State Personnel
Rachel Della Pietra, Principal Analyst	Children and Families, Public Health, Office of the Chief Medical Examiner
Christina Gellman, Principal Analyst	Developmental Services, Teachers' Retirement, Aging and Disability Services, Banking
Christopher Perillo, Section Chief	Secretary of the State, Ethics, Elections Enforcement, Freedom of Information
Marcy Ritsick, Principal Analyst	Environment, Agriculture, Agriculture Experiment Station, Attorney General, State Library, Commission on Human Rights and Opportunities

Alan Shepard, Section Chief

Sarah Bourne, Principal Analyst	Elementary Education, Office of Higher Education, Town Education Grants, ECS, Office of Governmental Accountability, Governor's Office, Lieutenant Governor's Office
Dan Dilworth, Associate Analyst	Office of Policy & Management, Municipal Grants, ECS
Anthony Naples, Associate Analyst	Municipal Grants, Town Education Grants, ECS, Consumer Counsel, Energy Funds, State Comptroller, State Employee Fringe Benefits
Janelle Stevens, Principal Analyst	ECS, Board of Regents for Higher Education, UConn, UConn Health Center

Rob Wysock, Section Chief

Lindsey Donston, Analyst II	Social Services, Department of Veterans' Affairs, Workers' Compensation Commission
Mike Ericson, Associate Analyst	Dept. of Consumer Protection, Military, Corrections, Department of Emergency Services & Public Protection, State Police
Michelle Parlos, Analyst II	Budget Information System, Dept. of Housing, Insurance, Office of the Healthcare Advocate
Phoenix Ronan, Principal Analyst	Criminal Justice, Judicial, Public Defender, Probate
Emily Shepard, Principal Analyst	Dept. of Social Services, Mental Health and Addiction Services, Psychiatric Security Review Board, Office of Early Childhood

Administrative Staff

Theresa Kelly, Administrative Assistant III
Tracey Otero, Administrative Assistant V/Fiscal Note Coordinator

Legislative Office Building, Room 5200, Hartford, CT 06106

Phone: (860) 240-0200

E-Mail: ofa@cga.ct.gov; Web: www.cga.ct.gov/ofa

FAC 2021-11 Department of Administrative Services

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Personal Services	51,482,515	(3,969,194)	(851,877)	-	46,661,444
Rents and Moving	10,571,577	(5,960,592)	(2,357,852)	-	2,253,133
Other Expenses	31,181,530	(81,988)	-	809,559	31,909,101
IT Services	16,325,576	(655,367)	-	2,400,170	18,070,379
TOTAL - General Fund			(3,209,729)	3,209,729	

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

- Personal Services - There is \$851,877 available in PS to transfer because DAS has had delays in filling numerous positions.
- Rents and Moving - There is \$2.4 million available in Rents & Moving account to transfer because DAS is ending the office space leases at 55 Elm Street and 765 Asylum Street in Hartford. There is also funding available to transfer because office moving costs were lower than budgeted.

Funding is needed for transfer to these accounts due to the following:

- Other Expenses - Funding of \$809,959 is to support the human resources consolidation. These funds will be utilized for consultants to provide services that perform financial analysis, agency data collection, project management, and workforce development.
- IT Services - IT optimization initiative/statewide IT licenses of \$2,400,170. DAS entered into a Statewide licensing agreement for Microsoft 365, a subscription-based, cloud software. This five-year agreement beginning in FY 19 eliminated a dozen separate agency agreements; resulting in lower licensing costs and eliminated disjointed software upgrades.

Holdbacks and lapses:

As funds were carried forward from FY 20 to provide funding for various statewide initiatives, holdbacks and lapses should have no impact on FY 21's budget.

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

FAC 2021-12 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)	
Personal Services	213,878,173	(2,396,762)	(10,000,000)	-	201,481,411
Home and Community Based Services	22,220,669	(73,430)	(800,000)	-	21,347,239
Other Expenses	25,171,554	(188,787)	-	5,600,000	30,582,767
Professional Services	12,900,697	(96,755)	-	2,200,000	15,003,942
Discharge and Diversion Services	24,216,478	(84,758)	-	3,000,000	27,131,720
TOTAL - General Fund			(10,800,000)	10,800,000	

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

- Personal Services - Delays in hiring and a reduction in overtime. There are currently approximately 368 vacancies within the agency.
- Home and Community Based Services - Fewer referrals and placements due to the COVID-19 pandemic. This represents approximately 3.6% of the original appropriation.

Funding is needed for transfer to these accounts due to the following:

- Other Expenses - Facility maintenance and contracted labor costs as well as facility maintenance costs that were carried forward from FY 20. In addition, the FY 21 appropriation does not account for prior year deficiency funding needs.
- Professional Services - Costs for contracted doctors and nurses while the agency recruits for full-time staff.
- Discharge and Diversion Services - Costs associated with community placements for individuals ready for discharge from inpatient settings.

Holdbacks and Lapses

The transfers from Personal Services and Home and Community Based Services will not affect the agency's ability to achieve holdbacks to these line items (\$300,000 and \$73,430, respectively). The transfers to Other Expenses, Professional Services and Discharge and Diversion Services will enable the agency to achieve associated holdbacks (\$188,787, \$96,755, and \$84,758, respectively).

FAC 2021-13 Department of Transportation

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Personal Services	196,012,288	(4,545,700)	(2,900,000)	-	188,566,588
Equipment	1,341,329	-	-	900,000	2,241,329
Pay-As-You-Go Transportation Projects	13,676,378	-	-	2,000,000	15,676,378
TOTAL - Special Transportation Fund			(2,900,000)	2,900,000	

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

- Personal Services - A delay in refilling vacant positions. As of March 11, 2021, 322 positions were vacant out of a total authorized count of 3,387.

Funding is needed for transfer to this account due to the following:

- Pay-As-You-Go Transportation Projects - Unbudgeted emergency efforts to combat the statewide tree mortality issue partly due to the emerald ash borer beetle and gypsy moth infestations for which contract services are needed.
- Equipment - Critical laptop/tablet replacements that have exceeded the available budgeted amount.

Holdbacks and lapses:

The transfers decrease the Personal Services funds available to lapse from \$9 million to \$6.1 million. There are no holdbacks associated with these accounts.

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

Department of Administrative Services				
	Original Appropriation²	Available Funding³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	51,482,515	46,661,444	46,661,444	-
Other Expenses	31,181,530	31,909,101	31,909,101	-
Tuition Reimbursement - Training and Travel	-	397,000	-	397,000
Labor - Management Fund	-	75,000	-	75,000
Loss Control Risk Management	92,634	88,003	88,003	-
Employees' Review Board	17,611	17,611	17,611	-
Surety Bonds for State Officials and Employees	73,500	69,825	69,825	-
Quality of Work-Life	-	200,000	-	200,000
Refunds Of Collections	21,453	20,381	20,381	-
Rents and Moving	10,571,577	2,253,133	2,253,133	-
W. C. Administrator	5,000,000	5,000,000	5,000,000	-
State Insurance and Risk Mgmt Operations	12,239,855	12,239,855	12,239,855	-
IT Services	16,325,576	18,070,379	18,070,379	-
Firefighters Fund	400,000	400,000	400,000	-
TOTAL - General Fund	127,406,251	117,401,732	116,729,732	672,000

Department of Mental Health and Addiction Services				
	Original Appropriation²	Available Funding³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	213,878,173	201,481,411	201,481,411	-
Other Expenses	25,171,554	30,582,767	30,582,767	-
Housing Supports and Services	22,966,163	22,885,781	22,885,781	-
Managed Service System	56,333,880	56,138,146	56,138,146	-
Legal Services	706,179	706,179	706,179	-
Connecticut Mental Health Center	7,848,323	7,848,323	7,848,323	-
Professional Services	12,900,697	15,003,942	18,703,942	(3,700,000)
General Assistance Managed Care	40,722,054	40,580,733	40,580,733	-
Workers' Compensation Claims	15,021,165	15,021,165	18,021,165	(3,000,000)
Nursing Home Screening	652,784	652,784	652,784	-
Young Adult Services	77,970,521	77,702,158	77,702,158	-
TBI Community Services	8,452,441	8,423,093	8,423,093	-
Behavioral Health Medications	6,720,754	6,720,754	6,720,754	-
Medicaid Adult Rehabilitation Option	4,184,260	4,169,615	4,169,615	-
Discharge and Diversion Services	24,216,478	27,131,720	27,131,720	-
Home and Community Based Services	22,220,669	21,347,239	21,147,239	200,000
Nursing Home Contract	409,594	409,594	409,594	-
Katie Blair House	15,150	15,150	15,150	-
Forensic Services	10,275,522	10,240,014	10,240,014	-
Grants for Substance Abuse Services	17,913,225	17,850,529	17,850,529	-
Grants for Mental Health Services	66,316,598	66,084,490	66,084,490	-
Employment Opportunities	8,791,514	8,760,744	8,760,744	-
TOTAL - General Fund	643,687,698	639,756,331	646,256,331	(6,500,000)

² Includes appropriated accounts from all appropriated funds.

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

Department of Transportation				
	Original Appropriation²	Available Funding³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	196,012,288	188,566,588	182,466,588	6,100,000
Other Expenses	53,346,796	58,217,496	58,217,496	-
Equipment	1,341,329	2,241,329	2,241,329	-
Minor Capital Projects	449,639	449,639	449,639	-
Highway Planning And Research	3,060,131	3,060,131	3,060,131	-
Rail Operations	215,927,417	215,927,417	215,927,417	-
Bus Operations	201,522,710	201,522,710	201,522,710	-
ADA Para-transit Program	44,819,461	44,819,461	44,819,461	-
Non-ADA Dial-A-Ride Program	576,361	576,361	576,361	-
Pay-As-You-Go Transportation Projects	13,676,378	15,676,378	15,676,378	-
Port Authority	400,000	400,000	400,000	-
Transportation to Work	2,370,629	2,370,629	2,370,629	-
Total - Special Transportation Fund	733,503,139	733,828,139	727,728,139	6,100,000