

# General Government B

Coordinator - Dan Dilworth

## Office of Fiscal Analysis

Description	Page #	Analyst	Governor Estimated FY 13	Governor's Changes		Governor's Recommended	
				FY 14	FY 15	FY 14	FY 15
<b>General Fund</b>							
State Treasurer	1	LM	3,560,639	156,378	279,214	3,717,017	3,839,853
Debt Service - State Treasurer	4	LM	1,870,923,196	(90,094,358)	40,429,140	1,780,828,838	1,911,352,336
State Comptroller	7	DC	26,728,592	801,225	1,905,411	27,529,817	28,634,003
State Comptroller - Miscellaneous	10	HW	4,000,000	29,900,000	29,900,000	33,900,000	33,900,000
State Comptroller - Fringe Benefits	11	HW	2,192,215,333	(24,632,287)	104,297,249	2,167,583,046	2,296,512,582
Department of Revenue Services	17	CW	63,665,035	4,016,743	4,906,357	67,681,778	68,571,392
Office of Policy and Management	21	DD	263,426,545	(50,109,654)	(66,770,897)	213,316,891	196,655,648
Reserve for Salary Adjustments	30	KR	44,121,463	7,124,494	16,128,195	51,245,957	60,249,658
Department of Administrative Services	31	KR	121,952,255	14,229,327	24,910,970	136,181,582	146,863,225
Workers' Compensation Claims - Administrative Services	40	HW	26,964,041	223,666	223,666	27,187,707	27,187,707
Attorney General	42	AS	30,457,314	1,795,180	3,328,078	32,252,494	33,785,392
Department of Construction Services	45	LM	9,940,480	(9,940,480)	(9,940,480)	0	0
<b>Total</b>			<b>4,657,954,893</b>	<b>(116,529,766)</b>	<b>149,596,903</b>	<b>4,541,425,127</b>	<b>4,807,551,796</b>

### Special Transportation Fund

Debt Service - State Treasurer	4	LM	457,974,187	15,839,950	35,244,106	473,814,137	493,218,293
State Comptroller - Fringe Benefits	11	HW	163,065,161	2,054,153	28,378,069	165,119,314	191,443,230
Reserve for Salary Adjustments	30	KR	3,031,683	526,614	630,214	3,558,297	3,661,897
Department of Administrative Services	31	KR	7,335,373	29,373	584,540	7,364,746	7,919,913

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				FY 14	FY 15	FY 14	FY 15
Workers' Compensation Claims - Administrative Services	40	HW	6,544,481	0	0	6,544,481	6,544,481
<b>Total</b>			<b>637,950,885</b>	<b>18,450,090</b>	<b>64,836,929</b>	<b>656,400,975</b>	<b>702,787,814</b>

## Insurance Fund

Office of Policy and Management	21	DD	353,588	44,693	112,654	398,281	466,242
<b>Total</b>			<b>353,588</b>	<b>44,693</b>	<b>112,654</b>	<b>398,281</b>	<b>466,242</b>

## Mashantucket Pequot and Mohegan Fund

Office of Policy and Management	21	DD	61,779,907	(56,429,907)	(56,429,907)	5,350,000	5,350,000
<b>Total</b>			<b>61,779,907</b>	<b>(56,429,907)</b>	<b>(56,429,907)</b>	<b>5,350,000</b>	<b>5,350,000</b>

## Regional Market Operation Fund

Debt Service - State Treasurer	4	LM	7,147	(7,147)	(7,147)	0	0
<b>Total</b>			<b>7,147</b>	<b>(7,147)</b>	<b>(7,147)</b>	<b>0</b>	<b>0</b>

## State Treasurer

### OTT14000

#### Position Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Permanent Full-Time - GF	48	52	52	48	48	0.00
Permanent Full-Time - OF	116	116	116	116	116	0.00
Permanent Full-Time - TF	1	0	0	1	1	0.00

#### Budget Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Personal Services	3,381,288	3,810,671	3,996,937	3,529,167	3,651,385	7.99
Other Expenses	179,350	183,342	188,654	166,264	166,264	(7.30)
Equipment	1	4,500	10,500	1	1	0.00
<b>GAAP Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21,585</b>	<b>22,203</b>	<b>n/a</b>
<b>Agency Total - General Fund</b>	<b>3,560,639</b>	<b>3,998,513</b>	<b>4,196,091</b>	<b>3,717,017</b>	<b>3,839,853</b>	<b>7.84</b>
<b>Additional Funds Available</b>						
Investment Trust Fund	78,686,303	81,046,142	83,476,774	81,046,142	83,476,774	0.06
Private Contributions	19,341,350	19,921,515	20,519,085	19,921,515	20,519,085	0.06
Second Injury Fund	7,249,668	7,466,694	7,690,468	7,466,694	7,690,468	0.06
Unclaimed Property Fund	6,000,000	6,179,702	6,364,794	6,179,702	6,364,794	0.06
<b>Agency Grand Total</b>	<b>114,837,960</b>	<b>118,612,566</b>	<b>122,247,212</b>	<b>118,331,070</b>	<b>121,890,974</b>	<b>6.14</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

#### *Current Services*

#### **Adjust Funding to Reflect Wage & Compensation Related Costs**

Personal Services	0	203,579	0	387,116
<b>Total - General Fund</b>	<b>0</b>	<b>203,579</b>	<b>0</b>	<b>387,116</b>

#### **Governor**

Provide funding of \$203,579 in FY 14 and \$387,116 in FY 15 to reflect current services wage-related adjustments such as annual increments, general wage increases, overtime, annualization, turnover, and other compensation-related adjustments.

#### **Apply Inflationary Increases**

Other Expenses	0	3,992	0	9,304
<b>Total - General Fund</b>	<b>0</b>	<b>3,992</b>	<b>0</b>	<b>9,304</b>

#### **Background**

Applying inflationary factors to current year expenditures provides an estimate of the cost of continuing services into the next year.

#### **Governor**

Increase funding for Other Expenses by \$3,992 in FY 14 and an additional \$5,312 in FY 15 (for a cumulative total of \$9,304 in the second year) to reflect inflationary increases.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Provide Funding for GAAP

Nonfunctional - Change to Accruals	0	27,161	0	27,625
<b>Total - General Fund</b>	<b>0</b>	<b>27,161</b>	<b>0</b>	<b>27,625</b>

#### Background

Each agency's budget will include a new 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 \$27,161 in FY 14 and \$27,625 in FY 15 to reflect the implementation of GAAP in the budget.

## Policy Revisions

### Eliminate Inflationary Increases

Other Expenses	0	(3,992)	0	(9,304)
<b>Total - General Fund</b>	<b>0</b>	<b>(3,992)</b>	<b>0</b>	<b>(9,304)</b>

#### Governor

Reduce Other Expenses by \$3,992 in FY 14 and \$9,304 in FY 15 to reflect the elimination of inflationary increases.

### Remove Funding for Salary Increases of Appointed Officials

Personal Services	0	(55,700)	0	(117,019)
<b>Total - General Fund</b>	<b>0</b>	<b>(55,700)</b>	<b>0</b>	<b>(117,019)</b>

#### Governor

Reduce funding by \$55,700 in FY 14 and \$117,019 in FY 15 to reflect the elimination of salary increases for appointed officials.

### Rollout of FY 13 Rescissions

Other Expenses	0	(8,967)	0	(8,967)
<b>Total - General Fund</b>	<b>0</b>	<b>(8,967)</b>	<b>0</b>	<b>(8,967)</b>

#### Background

The Governor implemented General Fund rescissions in November of 2012 totaling \$170.4 million across state agencies. The Governor's FY 14 and FY 15 budget includes the rollout of \$69.7 million of FY 13 rescissions across various agencies.

#### Governor

Reduce funding of \$8,967 in both FY 14 and FY 15 to reflect the rollout of the Governor's FY 13 rescissions.

### Transfer Funding - Centralize Courier & Mail Services in DAS

Other Expenses	0	(4,119)	0	(4,119)
<b>Total - General Fund</b>	<b>0</b>	<b>(4,119)</b>	<b>0</b>	<b>(4,119)</b>

#### Governor

Transfer funding of \$4,119 in FY 14 and \$4,119 in FY 15 to reflect moving courier and central mail services to the Department of Administrative Services (DAS).

### Adjust Funding for GAAP

Nonfunctional - Change to Accruals	0	(5,576)	0	(5,422)
<b>Total - General Fund</b>	<b>0</b>	<b>(5,576)</b>	<b>0</b>	<b>(5,422)</b>

#### Governor

Reduce funding by \$5,576 in FY 14 and \$5,422 in FY 15 to reflect changes to GAAP accruals as a result of a policy change.

**Totals**

Budget Components	Governor Recommended			
	FY 14		FY 15	
	Pos.	Amount	Pos.	Amount
<b>Governor Estimated - GF</b>	<b>48</b>	<b>3,560,639</b>	<b>48</b>	<b>3,560,639</b>
Current Services Adjustments	0	234,732	0	424,045
Policy Revisions	0	(78,354)	0	(144,831)
<b>Total Recommended - GF</b>	<b>48</b>	<b>3,717,017</b>	<b>48</b>	<b>3,839,853</b>
<b>Governor Estimated - TF</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>Total Recommended - TF</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>

## Debt Service - State Treasurer

### OTT14100

#### Budget Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
<b>Other Current Expenses</b>						
Debt Service	1,626,307,248	1,717,527,507	1,815,509,866	1,495,000,853	1,615,881,403	(0.64)
UConn 2000 - Debt Service	117,729,372	135,251,409	156,037,386	135,251,409	156,037,386	32.54
CHEFA Day Care Security	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	0.00
Pension Obligation Bonds - TRB	121,386,576	145,076,576	133,922,226	145,076,576	133,922,226	10.33
<b>GAAP Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,321</b>	<b>n/a</b>
<b>Agency Total - General Fund</b>	<b>1,870,923,196</b>	<b>2,003,355,492</b>	<b>2,110,969,478</b>	<b>1,780,828,838</b>	<b>1,911,352,336</b>	<b>2.16</b>
<b>Other Current Expenses</b>						
Debt Service	457,974,187	476,759,515	499,400,798	473,814,137	493,218,293	7.70
<b>Agency Total - Special Transportation Fund</b>	<b>457,974,187</b>	<b>476,759,515</b>	<b>499,400,798</b>	<b>473,814,137</b>	<b>493,218,293</b>	<b>7.70</b>
<b>Other Current Expenses</b>						
Debt Service	7,147	0	0	0	0	(100.00)
<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>(100.00)</b>
<b>Total - Appropriated Funds</b>	<b>2,328,904,530</b>	<b>2,480,115,007</b>	<b>2,610,370,276</b>	<b>2,254,642,975</b>	<b>2,404,570,629</b>	<b>(3.19)</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

#### *Current Services*

#### **Increase Debt Service to Reflect Increased Bond Issuance**

Debt Service	0	38,693,605	0	159,574,155
UConn 2000 - Debt Service	0	17,522,037	0	38,308,014
<b>Total - General Fund</b>	<b>0</b>	<b>56,215,642</b>	<b>0</b>	<b>197,882,169</b>

#### **Background**

General Fund debt service requirements reflect the amount of General Obligation (GO) bonds allocated through the State Bond Commission (SBC). Bond allocations by the SBC increased from \$854 million in FY 11 to \$1.3 billion in FY 12. Year-to-date SBC allocations for FY 13 are \$939 million (as of February 20, 2013.)

#### **Governor**

Increase the General Fund debt service account by \$38,693,605 in FY 14 and \$159,574,155 in FY 15 to reflect a projected increase in the level of FY 13 General Obligation (GO) bond issuance from \$1.3 billion to \$1.5 billion. Increase UConn 2000 debt service by \$17,522,037 in FY 14 and \$38,308,014 in FY 15 to reflect the projected issuance schedule of \$189 million in FY 13 and \$248 million in FY 14.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Adjust Debt Service to Reflect POB Requirements

Pension Obligation Bonds - TRB	0	23,690,000	0	12,535,650
<b>Total - General Fund</b>	<b>0</b>	<b>23,690,000</b>	<b>0</b>	<b>12,535,650</b>

#### Background

In April 2008, \$2.276 billion in taxable Pension Obligation Bonds (POBs) were issued for a term of 25 years at an average interest rate of 5.88%. The bond proceeds were invested in the Teachers Retirement Fund, which currently has an assumed long term return on assets of 8.5%. The issuance was authorized by PA 07-186.

#### Governor

Increase the POB account by \$23,690,000 in FY 14 and \$12,535,650 in FY 15 to reflect the increase in the amount of bond principal that will be paid off in FY 14 and FY 15. The amount of principal paid off in each year during the term of the bonds was established when the bonds were issued.

### Adjust Debt Service to Reflect Current Requirements

Debt Service	0	15,839,950	0	35,244,106
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>15,839,950</b>	<b>0</b>	<b>35,244,106</b>

#### Background

Special Transportation Fund debt service reflects the level of Special Tax Obligation (STO) bond issuance needed to support the transportation projects that are currently under construction. The FY 13 debt service budget originally assumed that \$550 million in STO bonds would be issued in June 2012, but due to: (1) delays in the production and delivery of rail cars and (2) the use of cash received from the American Recovery and Reinvestment Act of 2009 (ARRA), the 2012 issuance was reduced to \$300 million.

#### Governor

Adjust Special Transportation Fund debt service to reflect increased issuance of Special Tax Obligation (STO) bond issuance. The original debt service budget assumed that \$550 million in STO bonds would be issued in FY 13. The actual amount issued in December 2012 was \$627 million.

### Adjust Debt Service to Reflect Repayment of Bonds

Debt Service	0	(7,147)	0	(7,147)
<b>Total - Regional Market Operation Fund</b>	<b>0</b>	<b>(7,147)</b>	<b>0</b>	<b>(7,147)</b>

#### Governor

Eliminate debt service for the Regional Market Operations Fund to reflect final amortization (repayment) of the bonds.

## Policy Revisions

### Reduce Debt Service to Reflect Anticipated Bond Premiums

Debt Service	0	(20,000,000)	0	(20,000,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(20,000,000)</b>	<b>0</b>	<b>(20,000,000)</b>

#### Background

Between FY 02 and FY 13, the General Fund debt service account lapsed between \$4 million and \$75 million per year due to premiums received on General Obligation (GO) bonds issuances. (Bond purchasers pay a premium to receive a higher rate of interest than the one at which the bonds would otherwise have sold.)

#### Governor

Reduce the debt service account by \$20 million in each of FY 14 and FY 15 to reflect anticipated bond premiums on GO bonds. Premiums are expected to continue because the Federal Reserve is maintaining interest rates at very low levels, which creates an economic environment that encourages bond buyers to purchase tax-exempt bonds at a premium.

### Reduce Debt Service to Reflect ERN Refunding

Debt Service	0	(150,000,000)	0	(150,000,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(150,000,000)</b>	<b>0</b>	<b>(150,000,000)</b>

#### Background

The FY 09 deficit of \$947.6 million was financed through the November 2009 issuance of Economic Recovery Notes (ERNs), which were authorized by PA 09-2 of the June Special Session.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

**Governor**

Reduce the General Fund debt service account by \$150 million in each of FY 14 and FY 15 to reflect the anticipated refinancing of the ERNs, which the Governor has proposed as part of a larger bond issuance of \$750 million at 3% over 15 years. The goal of the ERN refinancing is to achieve \$150 million in debt service savings in each year of the biennium.

**Adjust Funding for GAAP**

Nonfunctional - Change to Accruals	0	(7,068)	0	8,281
<b>Total - General Fund</b>	<b>0</b>	<b>(7,068)</b>	<b>0</b>	<b>8,281</b>

**Governor**

Reduce funding by \$7,068 in FY 14 and increase funding by \$8,281 in FY 15 to reflect changes to GAAP accruals as a result of a policy change.

**Totals**

Budget Components	Governor Recommended			
	FY 14		FY 15	
	Pos.	Amount	Pos.	Amount
<b>Governor Estimated - GF</b>	<b>0</b>	<b>1,870,923,196</b>	<b>0</b>	<b>1,870,923,196</b>
Current Services Adjustments	0	79,912,710	0	210,420,859
Policy Revisions	0	(170,007,068)	0	(169,991,719)
<b>Total Recommended - GF</b>	<b>0</b>	<b>1,780,828,838</b>	<b>0</b>	<b>1,911,352,336</b>
<b>Governor Estimated - TF</b>	<b>0</b>	<b>457,974,187</b>	<b>0</b>	<b>457,974,187</b>
Current Services Adjustments	0	15,839,950	0	35,244,106
<b>Total Recommended - TF</b>	<b>0</b>	<b>473,814,137</b>	<b>0</b>	<b>493,218,293</b>
<b>Governor Estimated - RF</b>	<b>0</b>	<b>7,147</b>	<b>0</b>	<b>7,147</b>
Current Services Adjustments	0	(7,147)	0	(7,147)
<b>Total Recommended - RF</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## State Comptroller

### OSC15000

#### Position Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Permanent Full-Time - GF	273	273	273	273	273	0.00

#### Budget Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Personal Services	22,690,975	23,245,954	24,447,688	22,884,665	24,043,551	5.96
Other Expenses	4,018,046	4,742,437	4,681,778	4,421,958	4,421,958	10.05
Equipment	1	6,500	0	1	1	0.00
<b>Other Than Payments to Local Governments</b>						
Governmental Accounting Standards	19,570	0	0	19,570	19,570	0.00
GAAP Adjustments	0	0	0	203,623	148,923	n/a
<b>Agency Total - General Fund</b>	<b>26,728,592</b>	<b>27,994,891</b>	<b>29,129,466</b>	<b>27,529,817</b>	<b>28,634,003</b>	<b>7.13</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

#### *Current Services*

#### Adjust Funding to Reflect Wage & Compensation Related Costs

Personal Services	0	1,343,718	0	2,557,678
<b>Total - General Fund</b>	<b>0</b>	<b>1,343,718</b>	<b>0</b>	<b>2,557,678</b>

#### **Governor**

Provide funding of \$1,343,718 in FY 14 and \$2,557,678 in FY 15 to reflect current services wage-related adjustments such as annual increments, general wage increases, overtime, annualization, turnover, and other compensation-related adjustments.

#### Adjust for FY 13 Deficiency

Personal Services	0	(1,100,000)	0	(1,100,000)
Other Expenses	0	(600,000)	0	(600,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(1,700,000)</b>	<b>0</b>	<b>(1,700,000)</b>

#### **Background**

HB 6351, An Act Making Deficiency Appropriations for the Fiscal Year Ending June 30, 2013 (the Governor's Deficiency bill), results in a net increase to the General Fund of \$192 million. Increases of \$337.2 million are offset by reductions of \$145.2 million. The bill includes \$1.1million in deficiency funding in FY 13 for Personal Services and \$600,000 for Other Expenses. This funding is required due to deficit mitigation initiatives as well as contractual obligations.

#### **Governor**

A current services adjustment of \$1.7 million is made in FY 14 and FY 15 to recognize the deficiency in FY 13 as being one-time in nature.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Apply Inflationary Increases

Other Expenses	0	74,168	0	175,443
<b>Total - General Fund</b>	<b>0</b>	<b>74,168</b>	<b>0</b>	<b>175,443</b>

#### Background

Applying inflationary factors to current year expenditures provides an estimate of the cost of continuing services into the next year.

#### Governor

Increase funding in Other Expenses by \$74,168 in FY 14 and an additional \$101,275 in FY 15 (for a cumulative total of \$175,443 in the second year) to reflect inflationary increases.

### Adjust Operating Expenses to Reflect Current Requirements

Other Expenses	0	1,006,000	0	1,006,000
<b>Total - General Fund</b>	<b>0</b>	<b>1,006,000</b>	<b>0</b>	<b>1,006,000</b>

#### Governor

Provide funding of \$1,006,000 in FY 14 and in FY 15 in Other Expenses to reflect FY 14 and FY 15 anticipated expenditure requirements. These costs include IT hardware maintenance and support, management consulting services and training.

### Provide Funding for GAAP

Nonfunctional - Change to Accruals	0	210,382	0	94,897
<b>Total - General Fund</b>	<b>0</b>	<b>210,382</b>	<b>0</b>	<b>94,897</b>

#### Background

Each agency's budget will include a new 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 \$210,382 in FY 14 and \$94,897 in FY 15 to reflect the implementation of GAAP in the budget.

## Policy Revisions

### Eliminate Inflationary Increases

Other Expenses	0	(74,168)	0	(175,443)
<b>Total - General Fund</b>	<b>0</b>	<b>(74,168)</b>	<b>0</b>	<b>(175,443)</b>

#### Governor

Reduce Other Expenses by \$74,168 in FY 14 and \$175,443 in FY 15 to reflect the elimination of inflationary increases.

### Remove Funding for Salary Increases of Appointed Officials

Personal Services	0	(50,028)	0	(105,102)
<b>Total - General Fund</b>	<b>0</b>	<b>(50,028)</b>	<b>0</b>	<b>(105,102)</b>

#### Governor

Reduce funding by \$50,028 in FY 14 and \$105,102 in FY 15 to reflect the elimination of salary increases for appointed officials.

### Transfer Funding - Centralize Courier & Mail Services in DAS

Other Expenses	0	(2,088)	0	(2,088)
<b>Total - General Fund</b>	<b>0</b>	<b>(2,088)</b>	<b>0</b>	<b>(2,088)</b>

#### Governor

Transfer funding of \$2,088 in FY 14 and in FY 15 to reflect moving courier and central mail services to the Department of Administrative Services (DAS).

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Adjust Funding for GAAP

Nonfunctional - Change to Accruals	0	(6,759)	0	54,026
<b>Total - General Fund</b>	<b>0</b>	<b>(6,759)</b>	<b>0</b>	<b>54,026</b>

#### Governor

Reduce funding by \$6,759 in FY 14 and increase funding by \$54,026 in FY 15 to reflect changes to GAAP accruals as a result of policy changes.

### Totals

Budget Components	Governor Recommended			
	FY 14		FY 15	
	Pos.	Amount	Pos.	Amount
<b>Governor Estimated - GF</b>	<b>273</b>	<b>26,728,592</b>	<b>273</b>	<b>26,728,592</b>
Current Services Adjustments	0	934,268	0	2,134,018
Policy Revisions	0	(133,043)	0	(228,607)
<b>Total Recommended - GF</b>	<b>273</b>	<b>27,529,817</b>	<b>273</b>	<b>28,634,003</b>

## State Comptroller - Miscellaneous

### OSC15100

#### Budget Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
<b>Other Current Expenses</b>						
Adjudicated Claims	4,000,000	6,000,000	6,000,000	4,100,000	4,100,000	2.50
Amortize GAAP Deficit	0	0	0	29,800,000	29,800,000	n/a
<b>Agency Total - General Fund</b>	<b>4,000,000</b>	<b>6,000,000</b>	<b>6,000,000</b>	<b>33,900,000</b>	<b>33,900,000</b>	<b>747.50</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### *Policy Revisions*

#### **Amortize the GAAP Deficit**

Amortize GAAP Deficit	0	29,800,000	0	29,800,000
<b>Total - General Fund</b>	<b>0</b>	<b>29,800,000</b>	<b>0</b>	<b>29,800,000</b>

#### **Governor**

Provide funding of \$29,800,000 in both FY 14 and FY 15 to support the amortization, over 15 years, of the estimated cumulative GAAP deficit as of June 30, 2013, which is anticipated to be reduced from approximately \$1.2 billion to \$447 million as a result of debt restructuring.

#### **Transfer Claims Costs from DAS**

Adjudicated Claims	0	100,000	0	100,000
<b>Total - General Fund</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>

#### **Background**

Under current law the Claims Commissioner has the authority to order immediate payment of any just claim against the state in an amount not exceeding \$7,500. If a claim against the state has merit, but damages exceed \$7,500, a claimant must either get approval from the General Assembly for a higher award, or must pursue their claim through the Judicial Branch. The claims which the Commissioner orders for immediate payment is paid out of this account, while larger claims are paid out of the OSC's Adjudicated Claims account.

#### **Governor**

The payment of small claims against the state is consolidated into the OSC's Adjudicated Claims account from DAS; \$100,000 is transferred in both FY 14 and FY 15 from DAS to the Office of the State Comptrollers Adjudicated Claims account to handle the payment of these claims.

### *Totals*

Budget Components	Governor Recommended			
	FY 14		FY 15	
	Pos.	Amount	Pos.	Amount
<b>Governor Estimated - GF</b>	<b>0</b>	<b>4,000,000</b>	<b>0</b>	<b>4,000,000</b>
Policy Revisions	0	29,900,000	0	29,900,000
<b>Total Recommended - GF</b>	<b>0</b>	<b>33,900,000</b>	<b>0</b>	<b>33,900,000</b>

## State Comptroller - Fringe Benefits

### OSC15200

#### Budget Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
<b>Other Current Expenses</b>						
Unemployment Compensation	8,901,932	8,101,800	8,506,890	8,281,017	8,643,507	(2.90)
State Employees Retirement Contributions	721,490,818	1,268,934,570	1,379,188,150	766,459,148	809,719,439	12.23
Higher Education Alternative Retirement System	31,155,127	36,463,774	38,651,600	5,459,845	5,021,069	(83.88)
Pensions and Retirements - Other Statutory	1,842,652	1,730,420	1,749,057	1,730,420	1,749,057	(5.08)
Judges and Compensation Commissioners Retirement	16,005,904	16,273,425	17,702,938	16,298,488	17,731,131	10.78
Insurance - Group Life	8,754,807	8,790,410	9,323,083	8,200,382	8,702,069	(0.60)
Employers Social Security Tax	221,956,828	235,274,237	249,390,692	181,485,873	189,243,610	(14.74)
State Employees Health Service Cost	568,012,615	836,000,000	891,000,000	452,791,340	490,222,104	(13.70)
Retired State Employees Health Service Cost	614,094,650	740,000,000	785,000,000	699,329,721	745,152,150	21.34
Tuition Reimbursement - Training and Travel	0	3,127,500	3,127,500	3,127,500	3,127,500	n/a
<b>GAAP Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24,419,312</b>	<b>17,200,946</b>	<b>n/a</b>
<b>Agency Total - General Fund</b>	<b>2,192,215,333</b>	<b>3,154,696,136</b>	<b>3,383,639,910</b>	<b>2,167,583,046</b>	<b>2,296,512,582</b>	<b>4.76</b>
Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
<b>Other Current Expenses</b>						
Unemployment Compensation	644,928	237,011	248,862	237,011	248,862	(61.41)
State Employees Retirement Contributions	107,869,254	0	0	108,327,000	130,124,000	20.63
Insurance - Group Life	334,000	366,297	372,923	286,000	292,000	(12.57)
Employers Social Security Tax	17,800,089	18,868,857	20,000,989	15,864,800	16,538,000	(7.09)
State Employees Health Service Cost	36,416,890	0	0	39,748,900	42,363,700	16.33
<b>GAAP Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>655,603</b>	<b>1,876,668</b>	<b>n/a</b>
<b>Agency Total - Special Transportation Fund</b>	<b>163,065,161</b>	<b>19,472,165</b>	<b>20,622,774</b>	<b>165,119,314</b>	<b>191,443,230</b>	<b>17.40</b>
<b>Total - Appropriated Funds</b>	<b>2,355,280,494</b>	<b>3,174,168,301</b>	<b>3,404,262,684</b>	<b>2,332,702,360</b>	<b>2,487,955,812</b>	<b>(0.96)</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Current Services

#### Increase Funding for State Employees Retirement System

State Employees Retirement Contributions	0	190,921,352	0	241,847,752
<b>Total - General Fund</b>	<b>0</b>	<b>190,921,352</b>	<b>0</b>	<b>241,847,752</b>
State Employees Retirement Contributions	0	457,746	0	22,254,746
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>457,746</b>	<b>0</b>	<b>22,254,746</b>

#### Background

Under the provisions of CGS 5-156a, the State Employees Retirement System (SERS) is funded on an actuarial reserve basis. Actuarial valuations are prepared at least every two years to determine the state's annual required contribution. The most recent valuation was prepared on June 30, 2012. Membership in one of the four tiers depends upon employee hire date. Tier I and IIA and Tier III require member contributions while Tier II is non-contributory.

#### Governor

Increase funding by \$190,921,352 in FY 14 and \$241,847,752 in FY 15 in the General Fund and by \$457,746 in FY 14 and \$22,254,746 in FY 15 in the Special Transportation Fund for the SERS contribution to reflect the full actuarially required contribution.

#### Increase Funding for Higher Education Alternative Retirement

Higher Education Alternative Retirement System	0	2,312,873	0	3,343,873
<b>Total - General Fund</b>	<b>0</b>	<b>2,312,873</b>	<b>0</b>	<b>3,343,873</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. The retirement contribution rate for participants is five percent and the State's share is eight percent of salary.

#### Governor

Provide funding of \$2,312,873 in FY 14 and \$3,343,873 in FY 15 to reflect the provision of the statutorily required state contribution.

#### Increase Funding For Judge's Retirement System

Judges and Compensation Commissioners Retirement	0	292,584	0	1,725,227
<b>Total - General Fund</b>	<b>0</b>	<b>292,584</b>	<b>0</b>	<b>1,725,227</b>

#### Background

CGS 51-49 through 51-50b, inclusive and CGS 51-51 provide a retirement system for judges, family support magistrates and compensation commissioners. Funding for the system is provided by General Fund contributions and participant payroll deductions at a percentage rate of salary. CGS 51-49d provides that the system be funded on an actuarial reserve basis with actuarial valuations performed at least every two years. The most recent valuation was prepared as of June 30, 2012.

#### Governor

Provide funding of \$292,584 in FY 14 and \$1,725,227 in FY 15 to reflect the provision of the actuarially required contribution.

#### Increase Funding for Other Statutory Pensions & Retirements

Pensions and Retirements - Other Statutory	0	(112,232)	0	(93,595)
<b>Total - General Fund</b>	<b>0</b>	<b>(112,232)</b>	<b>0</b>	<b>(93,595)</b>

#### Governor

Reduce funding by \$112,232 in FY 14 and \$93,595 in FY 15 to reflect anticipated contribution requirements.

#### UConn Health Center Fringe Differential

Unemployment Compensation	0	91,317	0	91,317
State Employees Retirement Contributions	0	3,632,008	0	3,632,008

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$
Higher Education Alternative Retirement System	0	2,207,055	0	2,207,055
Insurance - Group Life	0	18,370	0	18,370
Employers Social Security Tax	0	1,893,674	0	1,893,674
State Employees Health Service Cost	0	5,655,100	0	5,655,100
<b>Total - General Fund</b>	<b>0</b>	<b>13,497,524</b>	<b>0</b>	<b>13,497,524</b>

#### Background

University of Connecticut Health Center (UCHC) employees, including those at John Dempsey Hospital, are state employees and are entitled to the state fringe benefit package. The costs of fringe benefits for certain UCHC employees are paid from the Office of the State Comptroller (OSC) fringe benefit accounts, while other UCHC employees' fringes are covered by the hospital's revenues. Section 42 of PA 11-6 (2011-13 Biennial Budget) requires the OSC to fund up to \$13.5 million of fringe costs for certain UCHC employees, which otherwise would have been covered by hospital revenue, out of the resources of the OSC. The funding is intended to offset the differential between the state fringe benefit rate and the average rate for Connecticut acute care hospitals.

#### Governor

Provide funding of \$13,497,524 in both FY 14 and FY 15 to reflect UConn fringe benefit cost differential being covered by the General Fund.

### Increase Health Service Cost Funding Due to Federal Fees

State Employees Health Service Cost	0	3,350,000	0	6,700,000
Retired State Employees Health Service Cost	0	3,350,000	0	6,700,000
<b>Total - General Fund</b>	<b>0</b>	<b>6,700,000</b>	<b>0</b>	<b>13,400,000</b>

#### Background

The State as an employer of a self-funded health plan is required to pay the following two new fees under the Patient Protection and Affordable Care Act (PPACA):

- Newly released regulations from the Department of Health and Human Services (HHS) for Transitional Reinsurance require all insurers and self-funded plans to pay a \$63 fee per each covered life in 2014, and other per covered life fees in 2015 and 2016.
- Plans will also be required by the Internal Revenue Services to pay an additional \$1 fee per each covered life to fund the Patient-Centered Outcomes Research Trust Fund in 2014, increasing to \$2 per covered life through 2019.

#### Governor

Provide funding of \$6.7 million in FY 14 and \$13.4 million in FY 15 in the State Employee and Retiree Health Service Cost accounts to reflect the two new PPACA fees.

### Adjust Funding For Tuition Reimbursement, Training and Travel

Tuition Reimbursement - Training and Travel	0	3,127,500	0	3,127,500
<b>Total - General Fund</b>	<b>0</b>	<b>3,127,500</b>	<b>0</b>	<b>3,127,500</b>

#### Governor

Provide funding for \$3,127,500 in both FY 14 and FY 15 for tuition reimbursement, training and travel for settled collective bargaining contracts.

### Provide Funding for GAAP

Nonfunctional - Change to Accruals	0	23,756,499	0	16,584,694
<b>Total - General Fund</b>	<b>0</b>	<b>23,756,499</b>	<b>0</b>	<b>16,584,694</b>
Nonfunctional - Change to Accruals	0	682,441	0	1,902,866
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>682,441</b>	<b>0</b>	<b>1,902,866</b>

#### Background

Each agency's budget will include a new 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.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

**Governor**

Provide funding of \$23,756,499 in FY 14 and \$16,584,694 in FY 15 in the General Fund and \$682,441 in FY 14 and \$1,902,866 in FY 15 in the Special Transportation Fund to reflect the implementation of GAAP in the budget.

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

Employers Social Security Tax	0	517,300	0	1,093,700
State Employees Health Service Cost	0	696,300	0	1,724,900
<b>Total - General Fund</b>	<b>0</b>	<b>1,213,600</b>	<b>0</b>	<b>2,818,600</b>
Employers Social Security Tax	0	180,400	0	187,600
State Employees Health Service Cost	0	637,200	0	709,700
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>817,600</b>	<b>0</b>	<b>897,300</b>

**Governor**

Provide funding of \$1,213,600 in FY 14 and \$2,818,600 in FY 15 in the General Fund and \$817,600 in FY 14 and \$897,300 in FY 15 in the Special Transportation Fund to reflect the technical changes across various state agencies' that impact fringe benefit costs.

**Adjust Fringe Benefits to Reflect Current Requirements**

Unemployment Compensation	0	(800,132)	0	(395,042)
Insurance - Group Life	0	35,603	0	568,276
Employers Social Security Tax	0	(534,828)	0	8,794,172
State Employees Health Service Cost	0	(5,747,228)	0	33,038,372
Retired State Employees Health Service Cost	0	86,885,071	0	129,357,500
<b>Total - General Fund</b>	<b>0</b>	<b>79,838,486</b>	<b>0</b>	<b>171,363,278</b>
Unemployment Compensation	0	(407,917)	0	(396,066)
Insurance - Group Life	0	(48,000)	0	(42,000)
Employers Social Security Tax	0	(2,116,089)	0	(1,450,089)
State Employees Health Service Cost	0	2,694,810	0	5,237,110
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>122,804</b>	<b>0</b>	<b>3,348,955</b>

**Governor**

Provide funding of \$79,838,486 in FY 14 and \$171,363,278 in FY 15 in the General Fund and \$122,804 in FY 14 and \$3,348,955 in the Special Transportation Fund to reflect the current services requirement in various fringe benefit accounts.

**Policy Revisions****Transfer Fringe Benefit Cost for Higher Education Units**

State Employees Retirement Contributions	0	(149,585,030)	0	(159,613,561)
Higher Education Alternative Retirement System	0	(30,215,210)	0	(32,340,259)
Insurance - Group Life	0	(608,398)	0	(651,038)
Employers Social Security Tax	0	(42,508,601)	0	(45,369,900)
State Employees Health Service Cost	0	(114,598,947)	0	(122,165,304)
<b>Total - General Fund</b>	<b>0</b>	<b>(337,516,186)</b>	<b>0</b>	<b>(360,140,062)</b>

**Background**

Currently, the fringe benefits for the General Fund positions within the Higher Education units are budgeted centrally in the Office of the State Comptroller - Fringe Benefits accounts. This includes: Unemployment, State Employee Retirement System (SERS), Alternative Retirement Plan (ARP), Group Life, Social Security, and Medical Insurance.

**Governor**

Transfer funding of \$337,516,186 in FY 14 and \$360,140,062 in FY 15 from the OSC Fringe Benefit accounts to the higher education units (UConn, UCHC and the Board of Regents) to reflect the reallocation of fringe benefit costs.



Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Reduce Funding to Reflect Pharmacy Cost Savings

State Employees Health Service Cost	0	(5,000,000)	0	(5,000,000)
Retired State Employees Health Service Cost	0	(5,000,000)	0	(5,000,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(10,000,000)</b>	<b>0</b>	<b>(10,000,000)</b>

#### Background

PA 12-1 December Special Session (AAC Deficit Mitigation for the Fiscal Year Ending June 30, 2013) reduced the active health account by \$6.6 million to reflect pharmacy savings due to increased use of generic prescriptions.

#### Governor

Funding is reduced by \$10 million in FY 14 and FY 15 in the active and retiree health service cost accounts to reflect pharmacy cost savings resulting from increased use of generic prescriptions.

### Adjust Funding to Reflect Next Generation CT

State Employees Retirement Contributions	0	0	0	2,362,422
Higher Education Alternative Retirement System	0	0	0	655,273
Insurance - Group Life	0	0	0	11,654
Employers Social Security Tax	0	0	0	728,636
State Employees Health Service Cost	0	0	0	1,846,421
<b>Total - General Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,604,406</b>

#### Background

The Next Generation Connecticut initiative at UConn's Storrs and Stamford campuses includes hiring 66 faculty members funded through the General Fund in FY 15.

#### Governor

Provide funding of \$5,604,406 in FY 15 for the fringe benefit costs associated with the Next Generation CT enhancements to UConn Storrs and Stamford campuses.

### Adjust Funding to Reflect Addition of Positions

Employers Social Security Tax	0	107,100	0	109,900
State Employees Health Service Cost	0	247,300	0	271,800
<b>Total - General Fund</b>	<b>0</b>	<b>354,400</b>	<b>0</b>	<b>381,700</b>

#### Governor

Provide funding of \$354,400 in FY 14 and \$381,700 in FY 15 to reflect the fringe benefit costs associated with additional positions.

### Adjust Funding to Reflect Transfer of Positions

Employers Social Security Tax	0	95,900	0	99,700
State Employees Health Service Cost	0	284,700	0	317,100
<b>Total - General Fund</b>	<b>0</b>	<b>380,600</b>	<b>0</b>	<b>416,800</b>
Employers Social Security Tax	0	400	0	400
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>400</b>	<b>0</b>	<b>400</b>

#### Governor

Provide funding of \$380,600 in FY 14 and \$416,800 in FY 15 in the General Fund and \$400 in both FY 14 and FY 15 in the Special Transportation Fund to reflect the transfer of positions to these funds.

### Adjust Funding to Reflect Reduction of Positions

Unemployment Compensation	0	87,900	0	45,300
Employers Social Security Tax	0	(41,500)	0	(63,100)
State Employees Health Service Cost	0	(108,500)	0	(178,900)
<b>Total - General Fund</b>	<b>0</b>	<b>(62,100)</b>	<b>0</b>	<b>(196,700)</b>

#### Governor

Reduce funding by \$62,100 in FY 14 and \$196,700 in FY 15 to reflect changes in personnel across various agencies.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Adjust Funding for GAAP

Nonfunctional - Change to Accruals	0	662,813	0	616,252
<b>Total - General Fund</b>	<b>0</b>	<b>662,813</b>	<b>0</b>	<b>616,252</b>
Nonfunctional - Change to Accruals	0	(26,838)	0	(26,198)
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>(26,838)</b>	<b>0</b>	<b>(26,198)</b>

#### Governor

Provide funding of \$662,813 in FY 14 and \$616,252 in FY 15 in the General Fund and a reduction of \$26,838 in FY 14 and \$26,198 in FY 15 in the Special Transportation Fund to reflect changes to GAAP accruals to reflect policy changes.

### Totals

Budget Components	Governor Recommended			
	FY 14		FY 15	
	Pos.	Amount	Pos.	Amount
<b>Governor Estimated - GF</b>	<b>0</b>	<b>2,192,215,333</b>	<b>0</b>	<b>2,192,215,333</b>
Current Services Adjustments	0	321,548,186	0	467,614,853
Policy Revisions	0	(346,180,473)	0	(363,317,604)
<b>Total Recommended - GF</b>	<b>0</b>	<b>2,167,583,046</b>	<b>0</b>	<b>2,296,512,582</b>
<b>Governor Estimated - TF</b>	<b>0</b>	<b>163,065,161</b>	<b>0</b>	<b>163,065,161</b>
Current Services Adjustments	0	2,080,591	0	28,403,867
Policy Revisions	0	(26,438)	0	(25,798)
<b>Total Recommended - TF</b>	<b>0</b>	<b>165,119,314</b>	<b>0</b>	<b>191,443,230</b>

## Department of Revenue Services

### DRS16000

#### Position Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Permanent Full-Time - GF	670	670	670	664	664	(0.90)

#### Budget Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Personal Services	55,412,504	58,624,501	61,497,774	57,853,869	60,446,045	9.08
Other Expenses	8,153,274	8,389,422	8,629,614	9,409,801	7,704,801	(5.50)
Equipment	1	0	0	1	1	0.00
<b>Other Current Expenses</b>						
Collection and Litigation Contingency Fund	99,256	104,779	104,779	94,294	94,294	(5.00)
GAAP Adjustments	0	0	0	323,813	326,251	n/a
<b>Agency Total - General Fund</b>	<b>63,665,035</b>	<b>67,118,702</b>	<b>70,232,167</b>	<b>67,681,778</b>	<b>68,571,392</b>	<b>7.71</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

#### *Current Services*

#### Adjust Funding to Reflect Wage & Compensation Related Costs

Personal Services	0	2,673,903	0	5,418,043
<b>Total - General Fund</b>	<b>0</b>	<b>2,673,903</b>	<b>0</b>	<b>5,418,043</b>

#### **Governor**

Provide funding of \$2,673,903 in FY 14 and \$5,418,043 in FY 15 to reflect current services wage-related adjustments such as annual increments, general wage increases, overtime, annualization, turnover, and other compensation-related adjustments.

#### Apply Inflationary Increases

Other Expenses	0	176,149	0	416,341
Collection and Litigation Contingency Fund	0	2,154	0	5,095
<b>Total - General Fund</b>	<b>0</b>	<b>178,303</b>	<b>0</b>	<b>421,436</b>

#### **Background**

Applying inflationary factors to current year expenditures provides an estimate of the cost of continuing services into the next year.

#### **Governor**

Increase funding for the Other Expenses and Collection and Litigation Contingency accounts by \$178,303 in FY 14 and an additional \$243,133 in FY 15 (for a cumulative total of \$421,436 in the second year) to reflect inflationary increases.

#### Adjust Operating Expenses to Reflect Current Requirements

Other Expenses	0	59,999	0	59,999
<b>Total - General Fund</b>	<b>0</b>	<b>59,999</b>	<b>0</b>	<b>59,999</b>

#### **Governor**

Provide funding of \$59,999 in FY 14 and FY 15 in the Other Expenses account to reflect FY 14 and FY 15 anticipated expenditure requirements for software licenses and information technology applications.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Provide Funding for GAAP

Nonfunctional - Change to Accruals	0	324,800	0	347,010
<b>Total - General Fund</b>	<b>0</b>	<b>324,800</b>	<b>0</b>	<b>347,010</b>

#### Background

Each agency's budget will include a new 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 \$324,800 in FY 14 and \$347,010 in FY 15 to reflect the implementation of GAAP in the budget.

## Policy Revisions

### Provide Funding to Implement a Tax Amnesty Program

Personal Services	0	125,000	0	0
Other Expenses	0	1,705,000	0	0
<b>Total - General Fund</b>	<b>0</b>	<b>1,830,000</b>	<b>0</b>	<b>0</b>

#### Background

The state of Connecticut previously offered Tax Amnesty Programs in 1990, 1995, 2002, and 2009. The cost for the last Tax Amnesty Program was approximately \$873,000.

#### Governor

Provide one-time funding totaling \$1.83 million in FY 14 to implement a Tax Amnesty Program. Other Expenses funding will be used for media purchases (\$1.0 million), advertising agency fees, and production and consultancy costs (\$300,000), information technology and telecommunication costs for servers and storage (\$200,000), technical costs related to the Taxpayer Service Center (\$175,000), and postage (\$30,000). Personal Services funding will be used to cover temporary workers and overtime costs.

Implementation of a Tax Amnesty Program is estimated to result in a revenue gain of \$25 million in FY 14.

### Mandate Electronic Filing for Business Tax Returns

Other Expenses	0	(500,000)	0	(500,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(500,000)</b>	<b>0</b>	<b>(500,000)</b>

#### Background

The Department of Revenue Services (DRS) currently maintains an online Taxpayer Service Center (TSC) that allows for the electronic filing of forms for individuals and businesses.

#### Governor

Require certain business tax returns to be filed electronically, resulting in a savings of \$500,000 in both FY 14 and FY 15 associated with printing, postage, and data entry costs.

### Reduce Overtime for Information Services Division

Personal Services	0	(15,000)	0	(15,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(15,000)</b>	<b>0</b>	<b>(15,000)</b>

#### Background

The Information Services Division is responsible for data security, administration of the Integrated Tax Administration System (ITAS), and e-commerce for the Department of Revenue Services (DRS).

#### Governor

Reduce funding for overtime associated with the Information Services Division for a savings of \$15,000 in both FY 14 and FY 15.

### Transfer Affirmative Action Planning to CHRO

Personal Services	(1)	(65,225)	(1)	(67,149)
<b>Total - General Fund</b>	<b>(1)</b>	<b>(65,225)</b>	<b>(1)</b>	<b>(67,149)</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

**Governor**

Transfer one position and funding of \$65,225 in FY 14 and \$67,149 in FY 15 to reflect the centralization of Affirmative Action planning functions in the Commission on Human Rights and Opportunities (CHRO).

**Transfer Funding - Centralize Courier & Mail Services in DAS**

Other Expenses	0	(8,472)	0	(8,472)
<b>Total - General Fund</b>	<b>0</b>	<b>(8,472)</b>	<b>0</b>	<b>(8,472)</b>

**Governor**

Transfer funding of \$8,472 in both FY 14 and FY 15 to reflect moving courier and central mail services to the Department of Administrative Services (DAS).

**Eliminate Vacant Positions**

Personal Services	(5)	(259,265)	(5)	(264,437)
<b>Total - General Fund</b>	<b>(5)</b>	<b>(259,265)</b>	<b>(5)</b>	<b>(264,437)</b>

**Governor**

Reduce funding of \$259,265 in FY 14 and \$264,437 in FY 15 to reflect the elimination of five positions that are currently vacant.

**Eliminate Inflationary Increases**

Other Expenses	0	(176,149)	0	(416,341)
Collection and Litigation Contingency Fund	0	(2,154)	0	(5,095)
<b>Total - General Fund</b>	<b>0</b>	<b>(178,303)</b>	<b>0</b>	<b>(421,436)</b>

**Governor**

Reduce various accounts by \$178,303 in FY 14 and \$421,436 in FY 15 to reflect the elimination of inflationary increases.

**Remove Funding for Salary Increases of Appointed Officials**

Personal Services	0	(18,048)	0	(37,916)
<b>Total - General Fund</b>	<b>0</b>	<b>(18,048)</b>	<b>0</b>	<b>(37,916)</b>

**Governor**

Reduce funding by \$18,048 in FY 14 and \$37,916 in FY 15 to reflect the elimination of salary increases for appointed officials.

**Rollout of FY 13 Rescissions**

Collection and Litigation Contingency Fund	0	(4,962)	0	(4,962)
<b>Total - General Fund</b>	<b>0</b>	<b>(4,962)</b>	<b>0</b>	<b>(4,962)</b>

**Background**

The Governor implemented General Fund rescissions in November of 2012 totaling \$170.4 million across state agencies. The Governor's FY 14 and FY 15 budget includes the rollout of \$69.7 million of FY 13 rescissions across various agencies.

**Governor**

Reduce funding of \$4,962 in both FY 14 and FY 15 to reflect the rollout of the Governor's FY 13 rescissions.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Adjust Funding for GAAP

Nonfunctional - Change to Accruals	0	(987)	0	(20,759)
<b>Total - General Fund</b>	<b>0</b>	<b>(987)</b>	<b>0</b>	<b>(20,759)</b>

#### Governor

Reduce funding by \$987 in FY 14 and \$20,759 in FY 15 to reflect changes to GAAP accruals as a result of a policy change.

### Totals

Budget Components	Governor Recommended			
	FY 14		FY 15	
	Pos.	Amount	Pos.	Amount
<b>Governor Estimated - GF</b>	<b>670</b>	<b>63,665,035</b>	<b>670</b>	<b>63,665,035</b>
Current Services Adjustments	0	3,237,005	0	6,246,488
Policy Revisions	(6)	779,738	(6)	(1,340,131)
<b>Total Recommended - GF</b>	<b>664</b>	<b>67,681,778</b>	<b>664</b>	<b>68,571,392</b>

## Office of Policy and Management

## OPM20000

## Position Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Permanent Full-Time - GF	146	147	147	159	159	8.90
Permanent Full-Time - IF	2	2	2	2	2	0.00
Permanent Full-Time - OF	1	1	1	1	1	0.00

## Budget Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Personal Services	11,264,140	11,907,572	12,429,504	14,728,376	15,278,476	35.64
Other Expenses	2,127,148	2,179,413	2,246,476	2,106,798	2,106,798	(0.96)
Equipment	1	0	0	1	1	0.00
<b>Other Current Expenses</b>						
Tuition Reimbursement - Training and Travel	0	0	0	382,000	382,000	n/a
Labor - Management Fund	0	0	0	75,000	75,000	n/a
Quality of Work-Life	0	0	0	350,000	350,000	n/a
Automated Budget System and Data Base Link	52,322	53,457	55,008	0	0	(100.00)
Cash Management Improvement Act	95	97	100	0	0	(100.00)
Justice Assistance Grants	1,131,353	1,155,903	1,189,425	1,076,943	1,078,704	(4.65)
Innovation Challenge Grant Program	500,000	510,850	525,665	0	0	(100.00)
Revenue Maximization	787,500	804,589	827,922	0	0	(100.00)
Criminal Justice Information System	2,089,605	1,856,718	482,700	1,856,718	482,700	(76.90)
Main Street Investment Fund Administration	75,000	76,628	78,850	0	0	(100.00)
<b>Other Than Payments to Local Governments</b>						
Tax Relief For Elderly Renters	25,260,000	26,888,781	28,703,774	0	0	(100.00)
Regional Planning Agencies	500,000	204,340	210,266	0	0	(100.00)
<b>Grant Payments to Local Governments</b>						
Reimbursement to Towns for Loss of Taxes on State Property	73,641,646	73,641,646	73,641,646	0	0	(100.00)
Reimbursements to Towns for Private Tax-Exempt Property	115,431,737	115,431,737	115,431,737	115,431,737	115,431,737	0.00
Reimbursement Property Tax - Disability Exemption	400,000	400,000	400,000	400,000	400,000	0.00
Distressed Municipalities	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	0.00
Property Tax Relief Elderly Circuit Breaker	20,505,900	20,505,900	20,505,900	20,505,900	20,505,900	0.00
Property Tax Relief Elderly Freeze Program	390,000	235,000	235,000	235,000	235,000	(39.74)
Property Tax Relief for Veterans	2,970,098	2,970,098	2,970,098	2,970,098	2,970,098	0.00
Focus Deterrence	500,000	510,850	525,665	0	0	(100.00)
Municipal Aid Adjustment	0	0	0	47,221,132	31,559,234	n/a

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
GAAP Adjustments	0	0	0	177,188	0	n/a
<b>Agency Total - General Fund</b>	<b>263,426,545</b>	<b>265,133,579</b>	<b>266,259,736</b>	<b>213,316,891</b>	<b>196,655,648</b>	<b>(25.35)</b>
<b>Other Current Expenses</b>						
Personal Services	208,927	232,048	241,800	232,048	291,800	39.67
Other Expenses	500	511	526	500	500	0.00
<b>Other Current Expenses</b>						
Fringe Benefits	144,161	162,434	169,260	162,434	169,260	17.41
GAAP Adjustments	0	0	0	3,299	4,682	n/a
<b>Agency Total - Insurance Fund</b>	<b>353,588</b>	<b>394,993</b>	<b>411,586</b>	<b>398,281</b>	<b>466,242</b>	<b>31.86</b>
<b>Grant Payments to Local Governments</b>						
Grants To Towns	61,779,907	135,000,000	135,000,000	5,350,000	5,350,000	(91.34)
<b>Agency Total - Mashantucket Pequot and Mohegan Fund</b>	<b>61,779,907</b>	<b>135,000,000</b>	<b>135,000,000</b>	<b>5,350,000</b>	<b>5,350,000</b>	<b>(91.34)</b>
<b>Total - Appropriated Funds</b>	<b>325,560,040</b>	<b>400,528,572</b>	<b>401,671,322</b>	<b>219,065,172</b>	<b>202,471,890</b>	<b>(32.71)</b>
<b>Additional Funds Available</b>						
Federal & Other Restricted Act	21,452,612	9,063,914	4,063,948	9,063,914	4,063,948	(0.81)
Private Contributions	101,483,103	101,155,930	105,652,070	100,506,070	100,606,070	(0.01)
<b>Agency Grand Total</b>	<b>448,495,755</b>	<b>510,748,416</b>	<b>511,387,340</b>	<b>328,635,156</b>	<b>307,141,908</b>	<b>(31.52)</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Current Services

#### Adjust Funding to Reflect Wage & Compensation Related Costs

Personal Services	0	2,779,559	0	3,476,807
Justice Assistance Grants	0	2,157	0	3,918
<b>Total - General Fund</b>	<b>0</b>	<b>2,781,716</b>	<b>0</b>	<b>3,480,725</b>
Personal Services	0	23,121	0	32,873
Fringe Benefits	0	18,273	0	25,099
<b>Total - Insurance Fund</b>	<b>0</b>	<b>41,394</b>	<b>0</b>	<b>57,972</b>

#### Governor

Provide funding of \$2,823,110 (\$2,781,716 in the General Fund and \$41,394 in the Insurance Fund) in FY 14 and \$3,538,697 (\$3,480,725 in the General Fund and \$57,972 in the Insurance Fund) in FY 15 to reflect current services wage-related adjustments such as annual increments, general wage increases, overtime, annualization, turnover, and other compensation-related adjustments.

#### Adjust Pequot Funding to Statutory Level

Grants To Towns	0	73,220,093	0	73,220,093
<b>Total - Mashantucket Pequot and Mohegan Fun</b>	<b>0</b>	<b>73,220,093</b>	<b>0</b>	<b>73,220,093</b>



Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

**Background**

The Mashantucket Pequot/Mohegan Fund (Pequot) is funded through a portion of Native American casino gaming revenue, and annually distributes a grant to each of the state's 169 municipalities. The distribution is based on numerous factors including, but not limited to, the value of state-owned property, private college and general hospitals, population, equalized net grand list, and per capita income. C.G.S. 3-55i sets the statutory funding level for the fund at \$135 million. Approximately \$61.8 million was appropriated for grants in FY 13.

**Governor**

Provide \$73,220,093 in both FY 14 and FY 15 to adjust the Pequot Fund appropriation to the statutory level.

**Reduce Funding Due to Savings Related to CJIS**

Criminal Justice Information System	0	(232,887)	0	(1,606,905)
<b>Total - General Fund</b>	<b>0</b>	<b>(232,887)</b>	<b>0</b>	<b>(1,606,905)</b>

**Background**

The Criminal Justice Information System (CJIS) initiative is the umbrella system aimed at bringing greater cohesion and effectiveness to agencies with criminal justice responsibilities by improving communication, sharing of information, and managing data on crime and criminal offenders.

**Governor**

Reduce funding by \$232,887 in FY 14 and \$1,606,905 in FY 15 to reflect the elimination of maintenance costs related to the Offender Based Tracking System and the Connecticut Impaired Driving Records Information System as they become integrated with the Connecticut Information Sharing System.

**Reflect Renters' Rebate Caseload Changes**

Tax Relief For Elderly Renters	0	1,628,781	0	3,443,774
<b>Total - General Fund</b>	<b>0</b>	<b>1,628,781</b>	<b>0</b>	<b>3,443,774</b>

**Background**

The Renters' Rebate/Tax Relief for Elderly Renters program is a reimbursement for Connecticut renters who are elderly or totally disabled, and whose incomes do 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 the calendar year prior to the year in which the renter applies.

**Governor**

Provide funding of \$1,628,781 in FY 14 and \$3,443,774 in FY 15 to reflect anticipated caseload increases of 6.43% in both fiscal years for the Renters' Rebate/Tax Relief for Elderly Renters program.

**Eliminate Funding for Regional Consolidation Bonus Pool**

Regional Planning Agencies	0	(300,000)	0	(300,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(300,000)</b>	<b>0</b>	<b>(300,000)</b>

**Background**

Grants are provided to the 15 regional planning agencies to support their operations under the provisions of CGS 4-124q. An additional pool of funding was established for any two or more regional planning agencies, regional councils of government, or certain regional councils of elected officials that merge to form a new regional council of governments.

**Governor**

Reduce funding by \$300,000 in both FY 14 and FY 15 to reflect elimination of General Fund funding for the Regional Consolidation Bonus Pool.

**Reflect Elderly Tax Freeze Caseload Decrease**

Property Tax Relief Elderly Freeze Program	0	(155,000)	0	(155,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(155,000)</b>	<b>0</b>	<b>(155,000)</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.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

**Governor**

Reduce funding by \$155,000 in both FY 14 and FY 15 to reflect an anticipated participation decrease in the Property Tax Relief Elderly Freeze program.

**Provide Funding for GAAP**

Nonfunctional - Change to Accruals	0	152,638	0	0
<b>Total - General Fund</b>	<b>0</b>	<b>152,638</b>	<b>0</b>	<b>0</b>
Nonfunctional - Change to Accruals	0	3,299	0	2,361
<b>Total - Insurance Fund</b>	<b>0</b>	<b>3,299</b>	<b>0</b>	<b>2,361</b>

**Background**

Each agency's budget will include a new 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 \$155,937 (\$152,638 in the General Fund and \$3,299 in the Insurance Fund) in FY 14 and \$2,361 in the Insurance Fund in FY 15 to reflect the implementation of GAAP in the budget.

**Apply Inflationary Increases**

Other Expenses	0	52,265	0	119,328
Automated Budget System and Data Base Link	0	1,135	0	2,686
Cash Management Improvement Act	0	2	0	5
Justice Assistance Grants	0	22,393	0	54,154
Innovation Challenge Grant Program	0	10,850	0	25,665
Revenue Maximization	0	17,089	0	40,422
Main Street Investment Fund Administration	0	1,628	0	3,850
Regional Planning Agencies	0	4,340	0	10,266
Focus Deterrence	0	10,850	0	25,665
<b>Total - General Fund</b>	<b>0</b>	<b>120,552</b>	<b>0</b>	<b>282,041</b>
Other Expenses	0	11	0	26
<b>Total - Insurance Fund</b>	<b>0</b>	<b>11</b>	<b>0</b>	<b>26</b>

**Background**

Applying inflationary factors to current year expenditures provides an estimate of the cost of continuing services into the next year.

**Governor**

Increase funding for various accounts by \$120,563 (\$120,552 in the General Fund and \$11 in the Insurance Fund) in FY 14 and an additional \$161,503 in FY 15 for a cumulative total of \$282,067 (\$282,041 in the General Fund and \$26 in the Insurance Fund) in the second year to reflect inflationary increases.

**Policy Revisions****Reduce Grants from the Mashantucket Pequot/Mohegan Fund**

Grants To Towns	0	(129,650,000)	0	(129,650,000)
<b>Total - Mashantucket Pequot and Mohegan Fun</b>	<b>0</b>	<b>(129,650,000)</b>	<b>0</b>	<b>(129,650,000)</b>

**Governor**

Reduce funding by \$129,650,000 in both FY 14 and FY 15 to reflect the elimination of Pequot grants to all towns except:

- 1) The five towns near the casinos (Ledyard, North Stonington, Montville, Norwich, Preston);
- 2) The 21 member communities of the Southeastern Connecticut Regional Council of Governments; and
- 3) Distressed municipalities that are members of either the Windham Regional Council of Governments or the Northeastern Connecticut Council of Governments. Pequot grant funding of \$5.35 million in both FY 14 and FY 15 remains for those towns.

Municipalities no longer receiving grants from this fund will receive grants equal to their FY 13 Pequot grant amounts through the Local Capital Improvement Program (LoCIP).

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Transfer State-Owned Property PILOT Funding to ECS

Reimbursement to Towns for Loss of Taxes on State Property	0	(73,641,646)	0	(73,641,646)
<b>Total - General Fund</b>	<b>0</b>	<b>(73,641,646)</b>	<b>0</b>	<b>(73,641,646)</b>

#### Background

The State-Owned Property PILOT provides payments to municipalities to reimburse them for a portion of taxes owed on state-owned property. The reimbursement rate varies from 45% to 100% depending on the type of property, and grants are pro-rated in years in which the appropriation is not enough to fully fund the program.

#### Governor

Transfer funding of \$73,641,646 million in FY 14 and FY 15 from the State Owned Pilot grant to the Education Cost Sharing grant. The State Owned Pilot funds will not be run through the ECS formula, and towns will receive the same amount of State Owned Pilot funds as they did in FY 13.

### Provide Funding for the Municipal Aid Adjustment Grant

Municipal Aid Adjustment	0	47,221,132	0	31,559,234
<b>Total - General Fund</b>	<b>0</b>	<b>47,221,132</b>	<b>0</b>	<b>31,559,234</b>

#### Background

The Governor's proposed FY 14 - 15 biennial budget provides funding for the Municipal Aid Adjustment Grant. This grant will provide payments to municipalities that otherwise would receive less state aid under the FY 14 - 15 proposed budget than they did in FY 13.

#### Governor

Provide funding of \$47,221,132 in FY 14 and \$31,559,234 in FY 15 for the Municipal Aid Adjustment grant.

### Transfer Funding for Renters' Rebate/ Elderly Tax Relief

Tax Relief For Elderly Renters	0	(26,888,781)	0	(28,703,774)
<b>Total - General Fund</b>	<b>0</b>	<b>(26,888,781)</b>	<b>0</b>	<b>(28,703,774)</b>

#### Governor

Transfer funding of \$26,888,781 in FY 14 and \$28,703,774 in FY 15 to reflect the reorganization of the Renters' Rebate/ Elderly Renters Tax Relief Program to the Department of Housing.

### Transfer Statewide Human Resources to OPM

Personal Services	37	3,328,815	37	3,438,544
Other Expenses	0	40,000	0	40,000
Tuition Reimbursement - Training and Travel	0	382,000	0	382,000
Labor - Management Fund	0	75,000	0	75,000
Quality of Work-Life	0	350,000	0	350,000
<b>Total - General Fund</b>	<b>37</b>	<b>4,175,815</b>	<b>37</b>	<b>4,285,544</b>

#### Governor

Transfer 37 positions and funding of \$4,175,815 in FY 14 and \$4,285,544 in FY 15 to reflect the reorganization of the Statewide Human Resources Department and labor management accounts into the Office of Policy and Management.

### Eliminate Positions and Funding Reflect HR Reorganization

Personal Services	(4)	(292,587)	(4)	(301,365)
<b>Total - General Fund</b>	<b>(4)</b>	<b>(292,587)</b>	<b>(4)</b>	<b>(301,365)</b>

#### Governor

Eliminate 4 positions and reduce funding by \$292,587 in FY 14 and \$301,365 in FY 15 to reflect the savings associated with reorganizing statewide human resource functions from the Department of Administrative Services into the Office of Policy and Management.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Eliminate Funding for Focus Deterrence

Focus Deterrence	0	(475,000)	0	(475,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(475,000)</b>	<b>0</b>	<b>(475,000)</b>

#### Background

This account provides funding for crime prevention that targets reduction in gun violence and gang-related crimes in specified areas.

#### Governor

Reduce funding by \$475,000 in both FY 14 and FY 15 to reflect elimination of the Focus Deterrence program.

### Eliminate Innovation Challenge Grant

Innovation Challenge Grant Program	0	(375,000)	0	(375,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(375,000)</b>	<b>0</b>	<b>(375,000)</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 in both FY 14 and FY 15 to reflect elimination of the Innovation Challenge grant.

### Eliminate General Fund Funding for Regional Planning Grant

Regional Planning Agencies	0	(175,000)	0	(175,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(175,000)</b>	<b>0</b>	<b>(175,000)</b>

#### Governor

Reduce funding by \$175,000 in both FY 14 and FY 15 to reflect the elimination of General Fund funding of Regional Planning Grants-in-Aid. Funding for Regional Planning Organizations is available through the Regional Performance Incentive Account, a separate, non-lapsing account funded through portions of rental car surcharge and hotel tax revenue.

### Eliminate Funding for Revenue Maximization

Revenue Maximization	0	(140,126)	0	(140,126)
<b>Total - General Fund</b>	<b>0</b>	<b>(140,126)</b>	<b>0</b>	<b>(140,126)</b>

#### Background

This initiative was established to maintain and maximize federal revenue. In particular, it sought to collect revenue of \$27 million in federal Medicaid recoupment related to matching claims on state Department of Mental Health and Addiction Services expenses for fiscal years 2004- 2006.

#### Governor

Reduce funding by \$140,126 in both FY 14 and FY 15 to reflect elimination of the Revenue Maximization Initiative.

### Reduce Funding for Main Street Investment Fund Admin.

Main Street Investment Fund Administration	0	(71,250)	0	(71,250)
<b>Total - General Fund</b>	<b>0</b>	<b>(71,250)</b>	<b>0</b>	<b>(71,250)</b>

#### Background

The Main Street Investment Fund provides grants up to \$500,000 to municipalities with populations less than 30,000 or municipalities eligible for the small town economic assistance program (STEAP).

#### Governor

Reduce funding by \$71,250 in both FY 14 and FY 15 to reflect elimination of Main Street Investment Fund administration.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Eliminate Vacant Positions

Personal Services	(20)	(1,718,610)	(20)	(1,889,938)
<b>Total - General Fund</b>	<b>(20)</b>	<b>(1,718,610)</b>	<b>(20)</b>	<b>(1,889,938)</b>

#### Governor

Reduce funding by \$1,718,610 in FY 14 and \$1,889,938 in FY 15 to reflect the elimination of 20 positions that are currently vacant.

### Rollout of FY 13 Rescissions

Personal Services	0	(563,206)	0	(563,206)
Other Expenses	0	(106,357)	0	(106,357)
Automated Budget System and Data Base Link	0	(2,616)	0	(2,616)
Cash Management Improvement Act	0	(4)	0	(4)
Justice Assistance Grants	0	(56,567)	0	(56,567)
Innovation Challenge Grant Program	0	(25,000)	0	(25,000)
Revenue Maximization	0	(39,374)	0	(39,374)
Main Street Investment Fund Administration	0	(3,750)	0	(3,750)
Regional Planning Agencies	0	(25,000)	0	(25,000)
Focus Deterrence	0	(25,000)	0	(25,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(846,874)</b>	<b>0</b>	<b>(846,874)</b>

#### Background

The Governor implemented General Fund rescissions in November of 2012 totaling \$170.4 million across state agencies. The Governor's FY 14 and FY 15 budget includes the rollout of \$69.7 million of FY 13 rescissions across various agencies.

#### Governor

Reduce funding by \$846,874 in both FY 14 and FY 15 to reflect the rollout of the Governor's FY 13 rescissions.

### Rollout of FY 13 DMP

Innovation Challenge Grant Program	0	(100,000)	0	(100,000)
Revenue Maximization	0	(608,000)	0	(608,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(708,000)</b>	<b>0</b>	<b>(708,000)</b>

#### Background

PA 12-1 December Special Session (AAC Deficit Mitigation for the Fiscal Year Ending June 30, 2013) reduced FY 13 General Fund expenditures by \$221.5 million in various agencies and accounts. The Governor's FY 14 and FY 15 budget includes the rollout of \$36.2 million of the FY 13 DMP across various agencies.

#### Governor

Reduce funding by \$708,000 in both FY 14 and FY 15 to reflect the rollout of expenditure reductions in PA 12-1 DSS.

### Adjust Funding for Partnership for Long Term Care Position

Personal Services	0	0	0	50,000
<b>Total - Insurance Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,000</b>

#### Governor

Provide funding of \$50,000 in FY 15 for a position previously paid through the Partnership for Long Term Care, a joint effort by the State and the private insurance industry to develop more cost-effective long-term care options.

### Remove Funding for Salary Increases of Appointed Officials

Personal Services	0	(69,735)	0	(146,506)
<b>Total - General Fund</b>	<b>0</b>	<b>(69,735)</b>	<b>0</b>	<b>(146,506)</b>

#### Governor

Reduce funding by \$69,735 in FY 14 and \$146,506 in FY 15 to reflect the elimination of salary increases for appointed officials.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Transfer Funding - Centralize Courier & Mail Services in DAS

Other Expenses	0	(3,790)	0	(3,790)
<b>Total - General Fund</b>	<b>0</b>	<b>(3,790)</b>	<b>0</b>	<b>(3,790)</b>

#### Governor

Transfer funding of \$3,790 in both FY 14 and FY 15 to reflect moving courier and central mail services to the Department of Administrative Services (DAS).

### Transfer Funding to Streamline Budget Account Structure

Other Expenses	0	49,797	0	49,797
Automated Budget System and Data Base Link	0	(49,706)	0	(49,706)
Cash Management Improvement Act	0	(91)	0	(91)
<b>Total - General Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Background

The Governor's FY 14 and FY 15 budget consolidates the number of agency budgetary accounts from 675 to approximately 530.

#### Governor

Transfer funding of \$49,797 in both FY 14 and FY 15 from the Automated Budget System and Database and Cash Management Improvement accounts to Other Expenses to reflect the streamlining of agency budgetary accounts.

### Eliminate Inflationary Increases

Other Expenses	0	(52,265)	0	(119,328)
Automated Budget System and Data Base Link	0	(1,135)	0	(2,686)
Cash Management Improvement Act	0	(2)	0	(5)
Justice Assistance Grants	0	(22,393)	0	(54,154)
Innovation Challenge Grant Program	0	(10,850)	0	(25,665)
Revenue Maximization	0	(17,089)	0	(40,422)
Main Street Investment Fund Administration	0	(1,628)	0	(3,850)
Regional Planning Agencies	0	(4,340)	0	(10,266)
Focus Deterrence	0	(10,850)	0	(25,665)
<b>Total - General Fund</b>	<b>0</b>	<b>(120,552)</b>	<b>0</b>	<b>(282,041)</b>
Other Expenses	0	(11)	0	(26)
<b>Total - Insurance Fund</b>	<b>0</b>	<b>(11)</b>	<b>0</b>	<b>(26)</b>

#### Governor

Reduce various accounts by \$120,563 (\$120,552 in the General Fund and \$11 in the Insurance Fund) FY 14 and \$282,067 (\$282,041 in the General Fund and \$26 in the Insurance Fund) in FY 15 to reflect the elimination of inflationary increases.

### Adjust Funding for GAAP

Nonfunctional - Change to Accruals	0	24,550	0	0
<b>Total - General Fund</b>	<b>0</b>	<b>24,550</b>	<b>0</b>	<b>0</b>
Nonfunctional - Change to Accruals	0	0	0	2,321
<b>Total - Insurance Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,321</b>

#### Governor

Provide funding of \$24,550 (General Fund) in FY 14 and 2,321 in FY 15 (Insurance Fund) to reflect changes to GAAP accruals as a result of a policy change.

**Totals**

Budget Components	Governor Recommended			
	FY 14		FY 15	
	Pos.	Amount	Pos.	Amount
<b>Governor Estimated - GF</b>	<b>146</b>	<b>263,426,545</b>	<b>146</b>	<b>263,426,545</b>
Current Services Adjustments	0	3,995,800	0	5,144,635
Policy Revisions	13	(54,105,454)	13	(71,915,532)
<b>Total Recommended - GF</b>	<b>159</b>	<b>213,316,891</b>	<b>159</b>	<b>196,655,648</b>
<b>Governor Estimated - MF</b>	<b>0</b>	<b>61,779,907</b>	<b>0</b>	<b>61,779,907</b>
Current Services Adjustments	0	73,220,093	0	73,220,093
Policy Revisions	0	(129,650,000)	0	(129,650,000)
<b>Total Recommended - MF</b>	<b>0</b>	<b>5,350,000</b>	<b>0</b>	<b>5,350,000</b>
<b>Governor Estimated - IF</b>	<b>2</b>	<b>353,588</b>	<b>2</b>	<b>353,588</b>
Current Services Adjustments	0	44,704	0	60,359
Policy Revisions	0	(11)	0	52,295
<b>Total Recommended - IF</b>	<b>2</b>	<b>398,281</b>	<b>2</b>	<b>466,242</b>

## Reserve for Salary Adjustments

### OPM20100

#### Budget Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
<b>Other Current Expenses</b>						
Reserve For Salary Adjustments	44,121,463	51,245,957	60,249,658	51,245,957	60,249,658	36.55
<b>Agency Total - General Fund</b>	<b>44,121,463</b>	<b>51,245,957</b>	<b>60,249,658</b>	<b>51,245,957</b>	<b>60,249,658</b>	<b>36.55</b>
<b>Other Current Expenses</b>						
Reserve For Salary Adjustments	3,031,683	3,558,297	3,661,897	3,558,297	3,661,897	20.79
<b>Agency Total - Special Transportation Fund</b>	<b>3,031,683</b>	<b>3,558,297</b>	<b>3,661,897</b>	<b>3,558,297</b>	<b>3,661,897</b>	<b>20.79</b>
<b>Total - Appropriated Funds</b>	<b>47,153,146</b>	<b>54,804,254</b>	<b>63,911,555</b>	<b>54,804,254</b>	<b>63,911,555</b>	<b>16.23</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$
Reserve For Salary Adjustments	0	7,124,494	0	16,128,195
<b>Total - General Fund</b>	<b>0</b>	<b>7,124,494</b>	<b>0</b>	<b>16,128,195</b>
Reserve For Salary Adjustments	0	37,500	0	44,800
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>37,500</b>	<b>0</b>	<b>44,800</b>

#### *Current Services*

#### Provide Funding for Unsettled Contracts

Reserve For Salary Adjustments	0	7,124,494	0	16,128,195
<b>Total - General Fund</b>	<b>0</b>	<b>7,124,494</b>	<b>0</b>	<b>16,128,195</b>
Reserve For Salary Adjustments	0	37,500	0	44,800
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>37,500</b>	<b>0</b>	<b>44,800</b>

#### **Governor**

Provide \$7,161,994 (\$7,124,494 in General Fund and \$37,500 in Special Transportation Fund) in FY 14 and \$16,172,995 (\$16,128,195 in General Fund and \$44,800 in Special Transportation Fund) in FY 15 for unsettled contracts.

#### Provide Funding for Accrual Payouts

Reserve For Salary Adjustments	0	489,114	0	585,414
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>489,114</b>	<b>0</b>	<b>585,414</b>

#### **Governor**

Provide \$489,114 in FY 14 and \$585,414 in FY 15 in the Special Transportation Fund for accrual payouts.

#### *Totals*

Budget Components	Governor Recommended			
	FY 14		FY 15	
	Pos.	Amount	Pos.	Amount
<b>Governor Estimated - GF</b>	<b>0</b>	<b>44,121,463</b>	<b>0</b>	<b>44,121,463</b>
Current Services Adjustments	0	7,124,494	0	16,128,195
<b>Total Recommended - GF</b>	<b>0</b>	<b>51,245,957</b>	<b>0</b>	<b>60,249,658</b>
<b>Governor Estimated - TF</b>	<b>0</b>	<b>3,031,683</b>	<b>0</b>	<b>3,031,683</b>
Current Services Adjustments	0	526,614	0	630,214
<b>Total Recommended - TF</b>	<b>0</b>	<b>3,558,297</b>	<b>0</b>	<b>3,661,897</b>



## Department of Administrative Services

### DAS23000

#### Position Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Permanent Full-Time - GF	540	538	538	611	611	13.15
Permanent Full-Time - OF	86	86	86	86	86	0.00

#### Budget Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Personal Services	38,788,855	41,776,550	43,758,152	45,547,684	48,278,057	24.46
Other Expenses	31,343,930	46,129,174	48,067,168	35,825,292	43,118,346	37.57
Equipment	1	9,900	0	1	1	0.00
<b>Other Current Expenses</b>						
Tuition Reimbursement - Training and Travel	0	382,000	382,000	0	0	n/a
Labor - Management Fund	0	75,000	75,000	0	0	n/a
Management Services	4,767,986	5,590,166	5,807,589	4,741,484	4,753,809	(0.30)
Loss Control Risk Management	120,898	150,000	150,000	114,854	114,854	(5.00)
Employees' Review Board	23,378	28,054	33,666	0	0	(100.00)
Surety Bonds for State Officials and Employees	82,000	67,600	9,700	0	0	(100.00)
Quality of Work-Life	0	350,000	350,000	0	0	n/a
Refunds Of Collections	27,076	27,664	28,466	25,723	25,723	(5.00)
Rents and Moving	11,924,000	12,221,213	12,344,913	14,183,335	14,100,447	18.25
Capitol Day Care Center	127,250	129,186	131,783	0	0	(100.00)
W. C. Administrator	5,250,000	5,302,500	5,302,500	5,250,000	5,250,000	0.00
Hospital Billing System	114,951	138,562	145,490	0	0	(100.00)
Connecticut Education Network	2,966,493	3,667,205	3,785,903	0	0	(100.00)
Claims Commissioner Operations	258,651	329,505	346,456	0	0	(100.00)
State Insurance and Risk Mgmt Operations	12,350,000	12,993,063	13,695,386	12,706,563	13,350,986	8.11
IT Services	13,806,786	14,664,931	15,152,573	17,052,382	17,141,108	24.15
<b>GAAP Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>734,264</b>	<b>729,894</b>	<b>n/a</b>
<b>Agency Total - General Fund</b>	<b>121,952,255</b>	<b>144,032,273</b>	<b>149,566,745</b>	<b>136,181,582</b>	<b>146,863,225</b>	<b>20.43</b>

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
<b>Other Current Expenses</b>						
State Insurance and Risk Mgmt	7,335,373	7,752,150	8,332,710	7,364,543	7,916,074	7.92
<b>GAAP Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>203</b>	<b>3,839</b>	<b>n/a</b>
<b>Agency Total - Special Transportation Fund</b>	<b>7,335,373</b>	<b>7,752,150</b>	<b>8,332,710</b>	<b>7,364,746</b>	<b>7,919,913</b>	<b>7.97</b>
<b>Total - Appropriated Funds</b>	<b>129,287,628</b>	<b>151,784,423</b>	<b>157,899,455</b>	<b>143,546,328</b>	<b>154,783,138</b>	<b>11.03</b>

<b>Additional Funds Available</b>						
Federal & Other Restricted Act	27,093,495	4,718,536	248,680	4,718,536	248,680	(0.99)
Private Contributions	15,879,412	8,138,874	7,339,560	9,623,538	8,913,304	(0.44)
<b>Agency Grand Total</b>	<b>172,260,535</b>	<b>164,641,833</b>	<b>165,487,695</b>	<b>157,888,402</b>	<b>163,945,122</b>	<b>(4.83)</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Current Services

#### Adjust Funding to Reflect Wage & Compensation Related Costs

Personal Services	0	1,554,962	0	4,000,743
Claims Commissioner Operations	0	30,924	0	44,492
<b>Total - General Fund</b>	<b>0</b>	<b>1,585,886</b>	<b>0</b>	<b>4,045,235</b>

#### Governor

Provide funding of \$1,585,886 in FY 14 and \$4,045,235 in FY 15 to reflect current services wage-related adjustments such as annual increments, general wage increases, overtime, annualization, turnover, and other compensation-related adjustments.

### Apply Inflationary Increases

Other Expenses	0	1,155,067	0	2,456,073
Management Services	0	235,237	0	459,332
Refunds Of Collections	0	588	0	1,390
Rents and Moving	0	137,829	0	237,111
Capitol Day Care Center	0	1,936	0	4,533
W. C. Administrator	0	52,500	0	52,500
Connecticut Education Network	0	53,075	0	142,326
Claims Commissioner Operations	0	8,930	0	12,313
IT Services	0	290,922	0	712,983
<b>Total - General Fund</b>	<b>0</b>	<b>1,936,084</b>	<b>0</b>	<b>4,078,561</b>

#### Background

Applying inflationary factors to current year expenditures provides an estimate of the cost of continuing services into the next year.

#### Governor

Increase funding for various accounts by \$1,936,084 in FY 14 and an additional \$2,142,477 in FY 15 (for a cumulative total of \$4,078,561 in the second year) to reflect inflationary increases.

### Provide Funding for GAAP

Nonfunctional - Change to Accruals	0	658,522	0	266,757
<b>Total - General Fund</b>	<b>0</b>	<b>658,522</b>	<b>0</b>	<b>266,757</b>
Nonfunctional - Change to Accruals	0	2,901	0	923
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>2,901</b>	<b>0</b>	<b>923</b>

#### Background

Each agency's budget will include a new 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 \$661,423 (\$658,522 in the General Fund and \$2,901 in the Special Transportation Fund) in FY 14 and \$267,680 (\$266,757 in the General Fund and \$923 in the Special Transportation Fund) in FY 15 to reflect the implementation of GAAP in the budget.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Provide Funding for Increased Rent

Rents and Moving	0	3,159,384	0	3,180,344
<b>Total - General Fund</b>	<b>0</b>	<b>3,159,384</b>	<b>0</b>	<b>3,180,344</b>

#### Governor

Provide funding of \$3,159,384 in FY 14 and \$3,180,344 in FY 15 in the Rents and Moving account for increased rent.

### Adjust Funding for CB Contract Costs

Other Expenses	0	(90,955)	0	(201,969)
Tuition Reimbursement - Training and Travel	0	382,000	0	382,000
Labor - Management Fund	0	75,000	0	75,000
Management Services	0	(11,501)	0	(18,173)
Surety Bonds for State Officials and Employees	0	(2,110)	0	(2,535)
Quality of Work-Life	0	350,000	0	350,000
<b>Total - General Fund</b>	<b>0</b>	<b>702,434</b>	<b>0</b>	<b>584,323</b>

#### Governor

Adjust funding by \$702,434 in FY 14 and \$584,323 in FY 15 in various accounts to reflect FY 14 and FY 15 projected costs. These costs include training and tuition costs per collective bargaining contracts.

### Adjust Funding for Insurance & Risk Operations

State Insurance and Risk Mgmt Operations	0	643,063	0	1,345,386
<b>Total - General Fund</b>	<b>0</b>	<b>643,063</b>	<b>0</b>	<b>1,345,386</b>
State Insurance and Risk Mgmt Operations	0	416,777	0	997,337
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>416,777</b>	<b>0</b>	<b>997,337</b>

#### Governor

Provide funding of \$1,059,840 (\$643,063 in the General Fund and \$416,777 in the Special Transportation Fund) in FY 14 and \$2,342,723 (\$1,345,386 in the General Fund and \$997,337 in the Special Transportation Fund) in FY 15 in the Insurance & Risk Operations account. This includes adjustments based on the current insurance market, value increase and historical claims.

### Adjust Funding for Security Guards

Other Expenses	0	2,617,416	0	2,682,678
Management Services	0	269,892	0	269,892
<b>Total - General Fund</b>	<b>0</b>	<b>2,887,308</b>	<b>0</b>	<b>2,952,570</b>

#### Governor

Provide funding of \$2,887,308 (\$2,617,416 in Other Expenses and \$269,892 in Management Services) in FY 14 and \$2,952,570 (\$2,682,678 in Other Expenses and \$269,892 in Management Services) in FY 15 for increased Security Guard costs. These costs include prevailing wages for Security Guard contracts at most state buildings.

### Adjust Operating Expenses to Reflect Current Requirements

Connecticut Education Network	0	578,801	0	578,801
IT Services	0	567,223	0	632,804
<b>Total - General Fund</b>	<b>0</b>	<b>1,146,024</b>	<b>0</b>	<b>1,211,605</b>

#### Governor

Provide funding of \$1,146,024 in FY 14 and \$1,211,605 in FY 15 in various accounts to reflect FY 14 and FY 15 anticipated expenditure requirements. These costs include increased contractual costs for IT software licenses, hardware maintenance and support.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Adjust Funding for Various Accounts

Other Expenses	0	85,404	0	90,398
Management Services	0	103,255	0	103,255
Surety Bonds for State Officials and Employees	0	(12,290)	0	(69,765)
Hospital Billing System	0	23,611	0	30,539
Claims Commissioner Operations	0	30,000	0	30,000
<b>Total - General Fund</b>	<b>0</b>	<b>229,980</b>	<b>0</b>	<b>184,427</b>

#### Governor

Provide funding of \$229,980 in FY 14 and \$184,427 in FY 15 in various accounts to reflect FY 14 and FY 15 anticipated expenditure requirements. These costs include increased snow removal; increased contractual costs; arbitration and mediation services; real estate taxes on buildings leased by the state; housing unit appraisals; State Marshal background checks, clothing and training costs; and surplus of state buildings.

### Provide Funding for UConn Staff Reimbursement

Connecticut Education Network	0	21,742	0	44,887
<b>Total - General Fund</b>	<b>0</b>	<b>21,742</b>	<b>0</b>	<b>44,887</b>

#### Background

Connecticut Education Network (CEN) is part of the States secure 'Nutmeg Network', whose purpose is to deliver reliable, high-speed internet access, data transport, and value added services to its members throughout Connecticut. CEN provides access to technology that schools and libraries would not be able to afford on their own. This investment is supported by private schools and institutions of higher education that are committed to the idea of overall improvement in education and broad support for access to technology.

#### Governor

Provide funding of \$21,742 in FY 14 and \$44,887 in FY 15 in the Connecticut Education Network for UConn staff reimbursement costs. Reimbursement costs are for 4 positions and a portion of the Directors salary and salary increases.

### Adjust Funding for Shuttle Service

Other Expenses	0	220,000	0	220,000
Management Services	0	166,468	0	166,468
<b>Total - General Fund</b>	<b>0</b>	<b>386,468</b>	<b>0</b>	<b>386,468</b>

#### Background

The CT Fastrak (New Britain to Hartford Busway) is a 9.4 mile dedicated roadway for bus transit between New Britain and Hartford. CT Fastrak is set to start operating January 2015.

#### Governor

Provide funding of \$386,468 in both FY 14 and FY 15 in Other Expenses to provide additional shuttle service routes due to Flower Street and Sigourney Street closures as a result of the CT Fastrak.

### Reduce Funding for Consultant Services

Management Services	0	(42,730)	0	(42,730)
<b>Total - General Fund</b>	<b>0</b>	<b>(42,730)</b>	<b>0</b>	<b>(42,730)</b>

#### Governor

Reduce funding by \$42,730 in both FY 14 and FY 15 for consultant services to achieve savings.

## Policy Revisions

### Rollout of FY 13 DMP

Personal Services	0	(82,582)	0	(82,582)
Other Expenses	0	(1,057,198)	0	(1,057,198)
Management Services	0	(200,000)	0	(200,000)
Surety Bonds for State Officials and Employees	0	(4,100)	0	(4,100)

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$
Rents and Moving	0	(200,000)	0	(200,000)
Connecticut Education Network	0	(298,324)	0	(298,324)
State Insurance and Risk Mgmt Operations	0	(350,000)	0	(350,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(2,192,204)</b>	<b>0</b>	<b>(2,192,204)</b>

**Background**

PA 12-1 December Special Session (AAC Deficit Mitigation for the Fiscal Year Ending June 30, 2013) reduced FY 13 General Fund expenditures by \$221.5 million in various agencies and accounts. The Governor's FY 14 and FY 15 budget includes the rollout of \$36.2 million of the FY 13 DMP across various agencies.

**Governor**

Reduce funding by \$2,192,204 in both FY 14 and FY 15 to reflect the rollout of expenditure reductions in PA 12-1 DSS.

**Rollout of FY 13 Rescissions**

Personal Services	0	(700,000)	0	(700,000)
Other Expenses	0	(500,000)	0	(500,000)
Management Services	0	(238,399)	0	(238,399)
Loss Control Risk Management	0	(6,044)	0	(6,044)
Employees' Review Board	0	(1,168)	0	(1,168)
Refunds Of Collections	0	(1,353)	0	(1,353)
Rents and Moving	0	(596,200)	0	(596,200)
Capitol Day Care Center	0	(6,362)	0	(6,362)
IT Services	0	(690,339)	0	(690,339)
<b>Total - General Fund</b>	<b>0</b>	<b>(2,739,865)</b>	<b>0</b>	<b>(2,739,865)</b>

**Background**

The Governor implemented General Fund rescissions in November of 2012 totaling \$170.4 million across state agencies. The Governor's FY 14 and FY 15 budget includes the rollout of \$69.7 million of FY 13 rescissions across various agencies.

**Governor**

Reduce funding of \$2,739,865 in both FY 14 and FY 15 to reflect the rollout of the Governor's FY 13 rescissions.

**Transfer Funding to Streamline Budget Account Structure**

Surety Bonds for State Officials and Employees	0	(63,500)	0	(5,600)
Connecticut Education Network	0	(3,268,712)	0	(3,291,857)
State Insurance and Risk Mgmt Operations	0	63,500	0	5,600
IT Services	0	3,268,712	0	3,291,857
<b>Total - General Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Background**

The Governor's FY 14 and FY 15 budget consolidates the number of agency budgetary accounts from 675 to approximately 530.

**Governor**

Transfer funding as follows to reflect the streamlining of agency budgetary accounts:

- \$3,268,712 in FY 14 and \$3,291,857 in FY 15 from the Connecticut Education Network account to the IT Services account.
- \$63,500 in FY 14 and \$5,600 in FY 15 from the Surety Bonds for State Officials and Employees account to the Insurance and Risk Operations.

**Adjust Funding for GAAP**

Nonfunctional - Change to Accruals	0	75,742	0	463,137
<b>Total - General Fund</b>	<b>0</b>	<b>75,742</b>	<b>0</b>	<b>463,137</b>
Nonfunctional - Change to Accruals	0	(2,698)	0	2,916
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>(2,698)</b>	<b>0</b>	<b>2,916</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

**Governor**

Provide funding of \$73,044 (\$75,742 increase in the General Fund and \$2,698 reduction in the Special Transportation Fund) in FY 14 and \$466,053 (\$463,137 in the General Fund and \$2,916 in the Special Transportation Fund) in FY 15 to reflect changes to GAAP accruals as a result of a policy change.

**Eliminate Inflationary Increases**

Other Expenses	0	(1,155,067)	0	(2,456,073)
Management Services	0	(235,237)	0	(440,335)
Refunds Of Collections	0	(588)	0	(1,390)
Rents and Moving	0	(137,829)	0	(237,111)
Capitol Day Care Center	0	(1,936)	0	(4,533)
W. C. Administrator	0	(52,500)	0	(52,500)
Connecticut Education Network	0	(53,075)	0	(142,326)
Claims Commissioner Operations	0	(8,930)	0	(12,313)
IT Services	0	(290,922)	0	(712,983)
<b>Total - General Fund</b>	<b>0</b>	<b>(1,936,084)</b>	<b>0</b>	<b>(4,059,564)</b>

**Governor**

Reduce various accounts by \$1,936,084 in FY 14 and \$4,059,564 in FY 15 to reflect the elimination of inflationary increases.

**Transfer Positions and Funding for DCS Reorganization**

Personal Services	98	9,252,126	98	9,689,241
Other Expenses	0	1,054,925	0	1,018,427
<b>Total - General Fund</b>	<b>98</b>	<b>10,307,051</b>	<b>98</b>	<b>10,707,668</b>

**Governor**

Transfer 98 positions and funding of \$10,307,051 (\$9,252,126 in Personal Services and \$1,054,925 in Other Expenses) in FY 14 and \$10,707,668 (\$9,689,241 in Personal Services and \$1,018,427 in Other Expenses) in FY 15 to reflect the reorganization of the Department of Construction Services (DCS) into the Department of Administrative Services (DAS).

**Reduce Funding and Positions for DCS Reorganization**

Personal Services	(13)	(1,062,394)	(13)	(1,113,326)
<b>Total - General Fund</b>	<b>(13)</b>	<b>(1,062,394)</b>	<b>(13)</b>	<b>(1,113,326)</b>

**Governor**

Eliminate 13 positions and reduce funding by \$1,062,394 in FY 14 and \$1,113,326 in FY 15 to reflect the savings associated with reorganizing DCS into DAS.

**Provide Funding for Acquisition of New Buildings**

Other Expenses	0	2,456,770	0	9,827,080
<b>Total - General Fund</b>	<b>0</b>	<b>2,456,770</b>	<b>0</b>	<b>9,827,080</b>

**Governor**

Provide funding of \$2,456,770 in FY 14 and \$9,827,080 in FY 15 in Other Expenses for the acquisition of 2 new buildings and a new data center.

**Transfer Statewide Human Resources to OPM**

Personal Services	(37)	(3,328,815)	(37)	(3,438,544)
Other Expenses	0	(40,000)	0	(40,000)
Tuition Reimbursement - Training and Travel	0	(382,000)	0	(382,000)
Labor - Management Fund	0	(75,000)	0	(75,000)
Quality of Work-Life	0	(350,000)	0	(350,000)
<b>Total - General Fund</b>	<b>(37)</b>	<b>(4,175,815)</b>	<b>(37)</b>	<b>(4,285,544)</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

**Governor**

Transfer 37 positions and funding of \$4,175,815 in FY 14 and \$4,285,544 in FY 15 to reflect the reorganization of the Statewide Human Resources Department and labor management accounts into the Office of Policy and Management.

**Transfer Funding - Centralize Courier & Mail Services in DAS**

Personal Services	18	485,107	18	485,107
<b>Total - General Fund</b>	<b>18</b>	<b>485,107</b>	<b>18</b>	<b>485,107</b>

**Governor**

Transfer funding of \$485,107 in both FY 14 and FY 15 and 18 positions to reflect reorganizing the courier and central mail services into DAS.

**Transfer Funds for the Courier and Central Mail Services**

Personal Services	0	56,179	0	96,599
Other Expenses	0	200,000	0	200,000
<b>Total - General Fund</b>	<b>0</b>	<b>256,179</b>	<b>0</b>	<b>296,599</b>

**Governor**

Transfer funds of \$256,179 (\$56,179 in Personal Services and \$200,000 in Other Expenses) in FY 14 and \$296,599 (\$96,599 in Personal Services and \$200,000 in Other Expenses) in FY 15 from DAS' general services revolving fund to the General Fund.

**Transfer DVA's IT Operations to DAS**

Personal Services	5	417,703	5	430,235
Other Expenses	0	35,000	0	35,000
<b>Total - General Fund</b>	<b>5</b>	<b>452,703</b>	<b>5</b>	<b>465,235</b>

**Background**

DAS' Bureau of Enterprise Systems and Technology provides coordinated technology services and solutions to executive branch agencies.

**Governor**

Transfer funding of \$452,703 (\$417,703 in Personal Services and \$35,000 in Other Expenses) in FY 14 and \$465,235 (\$430,235 in Personal Services and \$35,000 in Other Expenses) and 5 full-time positions to reflect the transfer of the Department of Veterans Affairs' Information Technology operations into the DAS' Bureau of Enterprise Systems and Technology.

**Eliminate the Hospital Billing System Account**

Hospital Billing System	0	(138,562)	0	(145,490)
<b>Total - General Fund</b>	<b>0</b>	<b>(138,562)</b>	<b>0</b>	<b>(145,490)</b>

**Governor**

Reduce funding of \$138,562 in FY 14 and \$145,490 to reflect the elimination of the Hospital Billing System account.

**Transfer Funding for Capitol Child Development Center**

Capitol Day Care Center	0	(120,888)	0	(120,888)
<b>Total - General Fund</b>	<b>0</b>	<b>(120,888)</b>	<b>0</b>	<b>(120,888)</b>

**Governor**

Transfer funding of \$120,888 in both FY 14 and FY 15 for the Capitol Child Development Center from the Department of Administrative Services to the Office of Legislative Management.

**Transfer the Claims Commissioner Costs to OSC**

Personal Services	0	219,575	0	233,143
Claims Commissioner Operations	0	(319,575)	0	(333,143)
<b>Total - General Fund</b>	<b>0</b>	<b>(100,000)</b>	<b>0</b>	<b>(100,000)</b>

**Background**

Under current law the Claims Commissioner has the authority to order immediate payment of any just claim against

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

the state in an amount not exceeding \$7,500. If a claim against the state has merit, but damages exceed \$7,500, a claimant must either get approval from the General Assembly for a higher award, or must pursue their claim through the Judicial Branch. The claims which the Commissioner orders for immediate payment is paid out of this account, while larger claims are paid out of the OSC's Adjudicated Claims account.

**Governor**

Transfer \$100,000 in both FY 14 and FY 15 from the DAS to the Office of the State Comptrollers Adjudicated Claims account. Transfer the balance of \$219,575 in FY 14 and \$233,143 in FY 15 from the Claims Commissioner account to the Personal Services account

**Transfer Licensing Costs from Various Agencies to DAS**

IT Services	0	100,000	0	100,000
<b>Total - General Fund</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>

**Background**

The Departments of Public Health, Consumer Protection, and Agriculture, and the Office of the Secretary of the State currently manage individual on-line licensing systems.

**Governor**

Transfer funding of \$100,000 in both FY 14 and FY 15 to reflect the reallocation of funds from various state agencies to the DAS for licensing system costs.

**Transfer the Employees' Review Board to DOL**

Employees' Review Board	0	(22,210)	0	(22,210)
<b>Total - General Fund</b>	<b>0</b>	<b>(22,210)</b>	<b>0</b>	<b>(22,210)</b>

**Governor**

Reduce funding by \$22,210 in both FY 14 and FY 15 to reflect the transfer of the Employees' Review Board to the Department of Labor.

**Reduce Funding for Property Management and Rent**

Other Expenses	0	(500,000)	0	(500,000)
Management Services	0	(73,487)	0	(73,487)
Rents and Moving	0	(103,849)	0	(207,697)
<b>Total - General Fund</b>	<b>0</b>	<b>(677,336)</b>	<b>0</b>	<b>(781,184)</b>

**Governor**

Reduce funding by \$677,336 in FY 14 and \$781,184 in FY 15 in various accounts to reflect anticipated expenditure requirements. These reductions include reduced lease costs at 110 Sherman Street in Hartford, reduced utility costs due to building closures, and utilizing existing DAS for property maintenance rather than hiring contractors

**Reduce Funding for Insurance and Risk Management**

State Insurance and Risk Mgmt Operations	0	(387,607)	0	(416,636)
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>(387,607)</b>	<b>0</b>	<b>(416,636)</b>

**Governor**

Reduce funding by \$387,607 in FY 14 and \$416,636 in FY 15 in the Insurance and Risk Management account to reflect historical trends.



Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Remove Funding for Salary Increases of Appointed Officials

Personal Services	0	(53,032)	0	(111,414)
<b>Total - General Fund</b>	<b>0</b>	<b>(53,032)</b>	<b>0</b>	<b>(111,414)</b>

#### Governor

Reduce funding by \$53,032 in FY 14 and \$111,414 in FY 15 to reflect the elimination of salary increases for appointed officials.

### Totals

Budget Components	Governor Recommended			
	FY 14		FY 15	
	Pos.	Amount	Pos.	Amount
<b>Governor Estimated - GF</b>	<b>540</b>	<b>121,952,255</b>	<b>540</b>	<b>121,952,255</b>
Current Services Adjustments	0	13,314,165	0	18,237,833
Policy Revisions	71	915,162	71	6,673,137
<b>Total Recommended - GF</b>	<b>611</b>	<b>136,181,582</b>	<b>611</b>	<b>146,863,225</b>
<b>Governor Estimated - TF</b>	<b>0</b>	<b>7,335,373</b>	<b>0</b>	<b>7,335,373</b>
Current Services Adjustments	0	419,678	0	998,260
Policy Revisions	0	(390,305)	0	(413,720)
<b>Total Recommended - TF</b>	<b>0</b>	<b>7,364,746</b>	<b>0</b>	<b>7,919,913</b>

## Workers' Compensation Claims - Administrative Services

### DAS23100

#### Budget Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
<b>Other Current Expenses</b>						
Workers' Compensation Claims	26,964,041	28,681,853	29,528,984	27,187,707	27,187,707	0.83
<b>Agency Total - General Fund</b>	<b>26,964,041</b>	<b>28,681,853</b>	<b>29,528,984</b>	<b>27,187,707</b>	<b>27,187,707</b>	<b>0.83</b>
Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
<b>Other Current Expenses</b>						
Workers' Compensation Claims	6,544,481	6,805,548	7,039,500	6,544,481	6,544,481	0.00
<b>Agency Total - Special Transportation Fund</b>	<b>6,544,481</b>	<b>6,805,548</b>	<b>7,039,500</b>	<b>6,544,481</b>	<b>6,544,481</b>	<b>0.00</b>
<b>Total - Appropriated Funds</b>	<b>33,508,522</b>	<b>35,487,401</b>	<b>36,568,484</b>	<b>33,732,188</b>	<b>33,732,188</b>	<b>0.67</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

#### *Current Services*

#### **Adjust Operating Expenses to Reflect Current Requirements**

Workers' Compensation Claims	0	223,666	0	223,666
<b>Total - General Fund</b>	<b>0</b>	<b>223,666</b>	<b>0</b>	<b>223,666</b>

#### **Governor**

Provide funding of \$223,666 in both FY 14 and FY 15 to reflect anticipated expenditure requirements.

#### **Apply Inflationary Increases**

Workers' Compensation Claims	0	1,145,891	0	2,341,277
<b>Total - General Fund</b>	<b>0</b>	<b>1,145,891</b>	<b>0</b>	<b>2,341,277</b>
Workers' Compensation Claims	0	273,758	0	559,102
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>273,758</b>	<b>0</b>	<b>559,102</b>

#### **Background**

Applying inflationary factors to current year expenditures provides an estimate of the cost of continuing services into the next year.

#### **Governor**

Increase funding for Workers' Compensation Claims by \$1,145,891 in the General Fund and \$273,758 in the Special Transportation Fund in FY 14 and an additional \$2,341,277 in the General Fund and \$559,102 in the Special Transportation in FY 15 to reflect inflationary increases.

#### *Policy Revisions*

#### **Eliminate Inflationary Increases**

Workers' Compensation Claims	0	(1,145,891)	0	(2,341,277)
<b>Total - General Fund</b>	<b>0</b>	<b>(1,145,891)</b>	<b>0</b>	<b>(2,341,277)</b>
Workers' Compensation Claims	0	(273,758)	0	(559,102)
<b>Total - Special Transportation Fund</b>	<b>0</b>	<b>(273,758)</b>	<b>0</b>	<b>(559,102)</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

**Governor**

Reduce the Workers' Compensation Claims account by \$1,145,891 in General Fund and \$273,758 in Special Transportation Fund in FY 14 and \$2,341,277 in General Fund and \$559,102 in Special Transportation Fund in FY 15 to reflect the elimination of inflationary increases.

**Totals**

Budget Components	Governor Recommended			
	FY 14		FY 15	
	Pos.	Amount	Pos.	Amount
<b>Governor Estimated - GF</b>	0	26,964,041	0	26,964,041
Current Services Adjustments	0	1,369,557	0	2,564,943
Policy Revisions	0	(1,145,891)	0	(2,341,277)
<b>Total Recommended - GF</b>	0	27,187,707	0	27,187,707
<b>Governor Estimated - TF</b>	0	6,544,481	0	6,544,481
Current Services Adjustments	0	273,758	0	559,102
Policy Revisions	0	(273,758)	0	(559,102)
<b>Total Recommended - TF</b>	0	6,544,481	0	6,544,481

## Attorney General

### OAG29000

#### Position Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Permanent Full-Time - GF	298	298	298	298	298	0.00
Permanent Full-Time - OF	11	11	11	11	11	0.00

#### Budget Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Personal Services	29,516,393	32,583,227	34,095,281	31,101,221	32,626,665	10.54
Other Expenses	940,920	1,039,497	1,061,173	951,319	949,319	0.89
Equipment	1	0	0	1	1	0.00
<b>GAAP Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>199,953</b>	<b>209,407</b>	<b>n/a</b>
<b>Agency Total - General Fund</b>	<b>30,457,314</b>	<b>33,622,724</b>	<b>35,156,454</b>	<b>32,252,494</b>	<b>33,785,392</b>	<b>10.93</b>

#### Additional Funds Available

Federal & Other Restricted Act	80,000	80,000	80,000	80,000	80,000	0.00
Private Contributions	157,000	162,000	167,000	162,000	167,000	0.06
Second Injury Fund	1,013,378	1,043,779	1,075,092	1,043,779	1,075,092	0.06
<b>Agency Grand Total</b>	<b>31,707,692</b>	<b>34,908,503</b>	<b>36,478,546</b>	<b>33,538,273</b>	<b>35,107,484</b>	<b>10.72</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

#### Current Services

#### Adjust Funding to Reflect Wage & Compensation Related Costs

Personal Services	0	1,915,016	0	3,473,692
<b>Total - General Fund</b>	<b>0</b>	<b>1,915,016</b>	<b>0</b>	<b>3,473,692</b>

#### Governor

Provide funding of \$1,915,016 in FY 14 and \$3,473,692 in FY 15 to reflect current services wage-related adjustments such as annual increments, general wage increases, overtime, annualization, turnover, and other compensation-related adjustments.

#### Apply Inflationary Increases

Other Expenses	0	21,392	0	45,068
<b>Total - General Fund</b>	<b>0</b>	<b>21,392</b>	<b>0</b>	<b>45,068</b>

#### Background

Applying inflationary factors to current year expenditures provides an estimate of the cost of continuing services into the next year.

#### Governor

Increase funding for Other Expenses by \$21,392 in FY 14 and an additional \$23,676 in FY 15 (for a cumulative total of \$45,068 in the second year) to reflect inflationary increases.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Provide Funding for GAAP

Nonfunctional - Change to Accruals	0	217,038	0	212,164
<b>Total - General Fund</b>	<b>0</b>	<b>217,038</b>	<b>0</b>	<b>212,164</b>

#### Background

Each agency's budget will include a new 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 \$217,038 in FY 14 and \$212,164 in FY 15 to reflect the implementation of GAAP in the budget.

### Adjust Operating Expenses to Reflect Current Requirements

Other Expenses	0	13,039	0	11,039
<b>Total - General Fund</b>	<b>0</b>	<b>13,039</b>	<b>0</b>	<b>11,039</b>

#### Governor

Provide funding of \$13,039 in FY 14 and \$11,039 in FY 15 to reflect anticipated expenditure requirements.

## Policy Revisions

### Rollout of FY 13 Rescissions

Personal Services	0	(300,000)	0	(300,000)
<b>Total - General Fund</b>	<b>0</b>	<b>(300,000)</b>	<b>0</b>	<b>(300,000)</b>

#### Background

The Governor implemented General Fund rescissions in November of 2012 totaling \$170.4 million across state agencies. The Governor's FY 14 and FY 15 budget includes the rollout of \$69.7 million of FY 13 rescissions across various agencies.

#### Governor

Reduce funding of \$300,000 in both FY 14 and FY 15 to reflect the rollout of the Governor's FY 13 rescissions.

### Remove Funding for Salary Increases of Appointed Officials

Personal Services	0	(30,188)	0	(63,420)
<b>Total - General Fund</b>	<b>0</b>	<b>(30,188)</b>	<b>0</b>	<b>(63,420)</b>

#### Governor

Reduce funding by \$30,188 in FY 14 and \$63,420 in FY 15 to reflect the elimination of salary increases for appointed officials.

### Eliminate Inflationary Increases

Other Expenses	0	(21,392)	0	(45,068)
<b>Total - General Fund</b>	<b>0</b>	<b>(21,392)</b>	<b>0</b>	<b>(45,068)</b>

#### Governor

Reduce Other Expenses by \$21,392 in FY 14 and \$45,068 in FY 15 to reflect the elimination of inflationary increases.

### Adjust Funding for GAAP

Nonfunctional - Change to Accruals	0	(17,085)	0	(2,757)
<b>Total - General Fund</b>	<b>0</b>	<b>(17,085)</b>	<b>0</b>	<b>(2,757)</b>

#### Governor

Reduce funding by \$17,085 in FY 14 and \$2,757 in FY 15 to reflect changes to GAAP accruals as a result of policy changes.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

**Transfer Funding - Centralize Courier & Mail Services in DAS**

Other Expenses	0	(2,640)	0	(2,640)
<b>Total - General Fund</b>	<b>0</b>	<b>(2,640)</b>	<b>0</b>	<b>(2,640)</b>

**Governor**

Transfer funding of \$2,640 in both FY 14 and FY 15 to reflect moving courier and central mail services to the Department of Administrative Services (DAS).

**Totals**

Budget Components	Governor Recommended			
	FY 14		FY 15	
	Pos.	Amount	Pos.	Amount
<b>Governor Estimated - GF</b>	<b>298</b>	<b>30,457,314</b>	<b>298</b>	<b>30,457,314</b>
Current Services Adjustments	0	2,166,485	0	3,741,963
Policy Revisions	0	(371,305)	0	(413,885)
<b>Total Recommended - GF</b>	<b>298</b>	<b>32,252,494</b>	<b>298</b>	<b>33,785,392</b>

## Department of Construction Services

### DCS28000

#### Position Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Permanent Full-Time - GF	94	94	94	0	0	(100.00)
Permanent Full-Time - OF	8	8	8	0	0	(100.00)

#### Budget Summary

Account	Governor Estimated FY 13	Agency Requested		Governor Recommended		% Diff Gov14- Est13/Est13
		FY 14	FY 15	FY 14	FY 15	
Personal Services	8,894,319	9,902,700	10,235,285	0	0	(100.00)
Other Expenses	1,046,161	1,137,420	1,132,039	0	0	(100.00)
<b>Agency Total - General Fund</b>	<b>9,940,480</b>	<b>11,040,120</b>	<b>11,367,324</b>	<b>0</b>	<b>0</b>	<b>(100.00)</b>

#### Additional Funds Available

Federal & Other Restricted Act	0	0	0	0	0	n/a
Private Contributions	1,428,656	1,484,664	1,573,744	0	0	(1.00)
<b>Agency Grand Total</b>	<b>11,369,136</b>	<b>12,524,784</b>	<b>12,941,068</b>	<b>0</b>	<b>0</b>	<b>(100.00)</b>

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

#### Current Services

##### Adjust Funding to Reflect Wage & Compensation Related Costs

Personal Services	0	559,660	0	1,024,620
<b>Total - General Fund</b>	<b>0</b>	<b>559,660</b>	<b>0</b>	<b>1,024,620</b>

##### Governor

Provide funding of \$559,660 in FY 14 and \$1,024,620 in FY 15 to reflect current services wage-related adjustments such as annual increments, general wage increases, overtime, annualization, turnover, and other compensation-related adjustments.

##### Apply Inflationary Increases

Other Expenses	0	29,761	0	60,878
<b>Total - General Fund</b>	<b>0</b>	<b>29,761</b>	<b>0</b>	<b>60,878</b>

##### Background

Applying inflationary factors to current year expenditures provides an estimate of the cost of continuing services into the next year.

##### Governor

Increase funding for the Other Expenses account by \$29,761 in FY 14 and an additional \$31,117 in FY 15 (for a cumulative total of \$60,878 in the second year) to reflect inflationary increases.

##### Provide Funding for Software Upgrades

Other Expenses	0	48,201	0	0
<b>Total - General Fund</b>	<b>0</b>	<b>48,201</b>	<b>0</b>	<b>0</b>

##### Governor

Provide funding of \$48,201 in FY 14 in the Other Expenses account to upgrade computer software. The new software will move all of the agency's computer applications to the same platform.

Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

### Provide Funding for Replacement Vehicles

Other Expenses	0	13,297	0	25,000
<b>Total - General Fund</b>	<b>0</b>	<b>13,297</b>	<b>0</b>	<b>25,000</b>

#### Background

The agency obtains state-owned vehicles from the Department of Administrative Services (DAS) for its fire and building safety inspectors to use on inspections trips. The agency reimburses DAS for the use of the vehicles at a set rate and these funds are paid into the state revolving fund, which was used to initially purchase the vehicles.

#### Governor

Provide funding of \$13,297 in FY 14 and \$25,000 in FY 15 in Other Expenses for replacement vehicles. Of the total of 66 vehicles used by the agency, all but 12 are outside of their scheduled useful life. The older vehicles will be replaced when DAS determines that it is no longer cost effective to repair them. The agency will have to pay more for the replacement vehicles because the rates for new cars are higher.

### Provide Funding for GAAP

Nonfunctional - Change to Accruals	0	49,541	0	37,912
<b>Total - General Fund</b>	<b>0</b>	<b>49,541</b>	<b>0</b>	<b>37,912</b>

#### Background

Each agency's budget will include a new 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 \$49,541 in FY 14 and \$37,912 in FY 15 to reflect the implementation of GAAP in the budget.

## Policy Revisions

### Transfer Positions to the Board of Regents

Personal Services	(2)	(120,824)	(2)	(129,095)
<b>Total - General Fund</b>	<b>(2)</b>	<b>(120,824)</b>	<b>(2)</b>	<b>(129,095)</b>

#### Governor

Transfer two positions and associated Personal Services funding of \$120,824 in FY 14 and \$129,095 in FY 15 to the Board of Regents to assume responsibilities associated with the management of projects for the Vocational Technical High Schools, the Connecticut State Universities and the Community Technical Colleges.

### Remove Funding for Salary Increases of Appointed Officials

Personal Services	0	(12,568)	0	(26,406)
<b>Total - General Fund</b>	<b>0</b>	<b>(12,568)</b>	<b>0</b>	<b>(26,406)</b>

#### Governor

Reduce funding by \$12,568 in FY 14 and \$26,406 in FY 15 to reflect the elimination of salary increases for appointed officials.

### Eliminate Inflationary Increases

Other Expenses	0	(29,761)	0	(60,878)
<b>Total - General Fund</b>	<b>0</b>	<b>(29,761)</b>	<b>0</b>	<b>(60,878)</b>

#### Governor

Reduce the Other Expenses account by \$29,761 in FY 14 and \$60,878 in FY 15 to reflect the elimination of inflationary increases.

### Rollout of FY 13 Rescissions

Other Expenses	0	(52,308)	0	(52,308)
<b>Total - General Fund</b>	<b>0</b>	<b>(52,308)</b>	<b>0</b>	<b>(52,308)</b>



Account	Governor Recommended			
	FY 14		FY 15	
	Pos.	\$	Pos.	\$

**Background**

The Governor implemented General Fund rescissions in November of 2012 totaling \$170.4 million across state agencies. The Governor's FY 14 and FY 15 budget includes the rollout of \$69.7 million of FY 13 rescissions across various agencies.

**Governor**

Reduce funding of \$52,308 in both FY 14 and FY 15 to reflect the rollout of the Governor's FY 13 rescissions.

**Transfer Funding - Centralize Courier & Mail Services in DAS**

Other Expenses	0	(426)	0	(426)
<b>Total - General Fund</b>	<b>0</b>	<b>(426)</b>	<b>0</b>	<b>(426)</b>

**Governor**

Transfer funding of \$426 in FY 14 and \$426 in FY 15 to reflect moving courier and central mail services to the Department of Administrative Services (DAS).

**Adjust Funding for GAAP**

Nonfunctional - Change to Accruals	0	(49,541)	0	(37,912)
<b>Total - General Fund</b>	<b>0</b>	<b>(49,541)</b>	<b>0</b>	<b>(37,912)</b>

**Governor**

Reduce funding by \$49,541 in FY 14 and \$37,912 in FY 15 to reflect changes to GAAP accruals as a result of a policy change.

**Transfer Positions and Funding to Reflect Reorganization**

Personal Services	(92)	(9,320,587)	(92)	(9,763,438)
Other Expenses	0	(1,054,925)	0	(1,018,427)
<b>Total - General Fund</b>	<b>(92)</b>	<b>(10,375,512)</b>	<b>(92)</b>	<b>(10,781,865)</b>

**Governor**

Transfer 92 positions and funding of \$10,375,512 in FY 14 and \$10,781,865 in FY 15 to reflect the reorganization of the Department of Construction Services into the Department of Administrative Services.

**Totals**

Budget Components	Governor Recommended			
	FY 14		FY 15	
	Pos.	Amount	Pos.	Amount
<b>Governor Estimated - GF</b>	<b>94</b>	<b>9,940,480</b>	<b>94</b>	<b>9,940,480</b>
Current Services Adjustments	0	700,460	0	1,148,410
Policy Revisions	(94)	(10,640,940)	(94)	(11,088,890)
<b>Total Recommended - GF</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>