

General Government B
Coordinator - Dan Dilworth
Office of Fiscal Analysis

	Page #	Analyst	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov - App FY 20
					FY 20	FY 21	FY 20	FY 21	
General Fund									
State Treasurer	3	EMG	2,814,660	2,884,999	3,249,942	3,389,741	3,028,526	3,177,377	4.97
Debt Service - State Treasurer	5	EMG	2,301,518,091	2,213,623,729	2,372,129,895	2,539,632,999	2,292,692,395	2,412,329,874	3.57
State Comptroller	8	HW	25,649,521	26,535,237	27,817,359	29,094,226	27,765,766	28,984,887	4.64
State Comptroller - Miscellaneous	10	HW	73,951,991	2,985,705	2,985,705	2,985,705	11,111,545	22,326,243	272.16
State Comptroller - Fringe Benefits	12	HW	2,682,802,589	2,843,095,923	3,075,305,608	3,274,076,807	3,111,068,585	3,323,403,068	9.43
Department of Revenue Services	16	CW	57,287,462	61,072,788	63,555,741	65,790,583	63,516,520	66,148,129	4.00
Office of Policy and Management	19	DD	336,925,336	370,000,258	303,911,706	304,532,619	316,908,637	323,350,423	(14.35)
Reserve for Salary Adjustments	24	DC	-	99,232,684	18,226,900	23,893,500	18,226,900	23,893,500	(81.63)
Department of Administrative Services	25	DC	108,593,272	112,906,307	124,090,727	129,500,661	121,408,886	127,406,251	7.53
Workers' Compensation Claims - Administrative Services	30	HW	8,392,780	7,605,530	9,253,163	9,640,680	7,982,375	8,259,800	4.95
Attorney General	31	MR	28,879,458	31,098,825	32,279,186	33,639,535	31,399,241	31,890,543	0.97
Total - General Fund			5,626,815,160	5,771,041,985	6,032,805,932	6,416,177,056	6,005,109,376	6,371,170,095	4.06
Special Transportation Fund									
Debt Service - State Treasurer	5	EMG	574,868,303	651,223,716	691,301,377	766,552,085	690,580,233	756,638,231	6.04
State Comptroller - Miscellaneous	10	HW	(7,077,008)	213,133	213,133	213,133	1,181,008	1,296,031	454.12
State Comptroller - Fringe Benefits	12	HW	184,732,295	195,055,084	207,659,807	218,702,539	237,809,833	254,409,227	21.92
Reserve for Salary Adjustments	24	DC	-	2,301,186	1,932,200	2,055,500	1,932,200	2,055,500	(16.03)
Department of Administrative Services	25	DC	8,352,672	8,508,924	10,285,901	10,623,138	8,934,370	8,934,370	5.00
Workers' Compensation Claims - Administrative Services	30	HW	4,817,810	6,723,297	6,723,297	6,723,297	6,723,297	6,723,297	-
Total - Special Transportation Fund			765,694,072	864,025,340	918,115,715	1,004,869,692	947,160,941	1,030,056,656	9.62
Mashantucket Pequot and Mohegan Fund									
Office of Policy and Management	19	DD	57,649,850	49,942,796	58,100,000	58,100,000	49,942,796	49,942,796	-
Regional Market Operation Fund									
State Comptroller - Miscellaneous	10	HW	(5,124)	2,845	2,845	2,845	1,264	1,636	(55.57)
Banking Fund									
State Comptroller - Miscellaneous	10	HW	145,886	95,178	95,178	95,178	37,367	39,541	(60.74)
Insurance Fund									
State Comptroller - Miscellaneous	10	HW	114,952	116,945	116,945	116,945	61,673	71,133	(47.26)
Office of Policy and Management	19	DD	486,605	520,776	602,761	634,184	574,416	606,389	10.30
Total - Insurance Fund			601,557	637,721	719,706	751,129	636,089	677,522	(0.26)
Consumer Counsel and Public Utility Control Fund									

	Page #	Analyst	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov - App FY 20
					FY 20	FY 21	FY 20	FY 21	
State Comptroller - Miscellaneous	10	HW	(12,300)	89,658	89,658	89,658	37,296	42,640	(58.40)
Workers' Compensation Fund									
State Comptroller - Miscellaneous	10	HW	97,244	72,298	72,298	72,298	29,681	27,484	(58.95)
Criminal Injuries Compensation Fund									
State Comptroller - Miscellaneous	10	HW	272,133	-	-	-	-	-	n/a
Total - Appropriated Funds			6,451,258,478	6,685,907,821	7,010,001,332	7,480,157,856	7,002,954,810	7,451,958,370	4.74

MAJOR CHANGES

DEPARTMENT OF ADMINISTRATIVE SERVICES

- Provide Funding to Develop a Digital Front Door:** The Governor is proposing that the Department of Administrative Services develop a new digital service that will work with agencies to move their interactions with businesses and residents to a state-wide portal. Provide funding of \$2,050,000 in FY 20 and \$4,397,000 in FY 21 for five IT professionals, an additional position in FY 21, as well as for IT consultants to help develop a one-stop-shop for individuals starting a business, accessing support during a family crisis, or seeking stability through training and employment.

OFFICE OF POLICY AND MANAGEMENT

- Flat Fund State Property PILOT, College & Hospital PILOT, and Pequot grants:** PA 18-81, the FY 18 and FY 19 budget, specified the distribution of the State Property PILOT, College & Hospital PILOT, and Pequot grants. The Governor's proposal flat funds these three grants at FY 19 levels.

State Treasurer

OTT14000

Permanent Full-Time Positions

Fund	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
General Fund	45	45	45	45	45	45	-
Special Transportation Fund	1	1	1	1	1	1	-

Budget Summary

Account	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
Personal Services	2,699,572	2,759,385	3,124,328	3,264,127	2,903,527	3,052,378	5.22
Other Expenses	115,088	125,614	125,614	125,614	124,999	124,999	(0.49)
Agency Total - General Fund	2,814,660	2,884,999	3,249,942	3,389,741	3,028,526	3,177,377	4.97

Account	Governor Recommended	
	FY 20	FY 21

Policy Revisions

Adjust Funding to Reflect Cellular Services Savings

Other Expenses	(615)	(615)
Total - General Fund	(615)	(615)

Background

The Governor's FY 20 and FY 21 Budget reduces funding by \$197,555 in both FY 20 and FY 21, across five appropriated funds, to reflect cellular services savings.

Governor

Reduce funding by \$615 in both FY 20 and FY 21 to reflect this agency's cellular services savings.

Current Services

Provide Funding for Wage Increases

Personal Services	144,142	292,993
Total - General Fund	144,142	292,993

Background

The Governor's FY 20 and FY 21 Budget provides funding of \$70.3 million in FY 20 and \$165.9 million in FY 21, across seven appropriated funds, for state employee wages and collective bargaining increases.

Governor

Provide funding of \$144,142 in FY 20 and \$292,993 in FY 21 to reflect this agency's increased wage costs.

Totals

Budget Components	Governor Recommended	
	FY 20	FY 21
FY 19 Appropriation - GF	2,884,999	2,884,999
Policy Revisions	(615)	(615)
Current Services	144,142	292,993
Total Recommended - GF	3,028,526	3,177,377

Debt Service - State Treasurer

OTT14100

Budget Summary

Account	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
Other Current Expenses							
Debt Service	1,950,975,418	1,858,767,569	1,986,337,660	2,124,511,310	1,906,900,160	1,997,208,185	2.59
UConn 2000 - Debt Service	189,445,912	210,955,639	216,225,089	234,906,539	216,225,089	234,906,539	2.50
CHEFA Day Care Security	4,065,997	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	-
Pension Obligation Bonds - TRB	140,219,021	118,400,521	118,400,521	118,400,521	118,400,521	118,400,521	-
Grant Payments to Local Governments							
Municipal Restructuring	16,811,743	20,000,000	45,666,625	56,314,629	45,666,625	56,314,629	128.33
Agency Total - General Fund	2,301,518,091	2,213,623,729	2,372,129,895	2,539,632,999	2,292,692,395	2,412,329,874	3.57
Special Transportation Fund							
Debt Service	574,868,303	651,223,716	691,301,377	766,552,085	690,580,233	756,638,231	6.04
Agency Total - Special Transportation Fund	574,868,303	651,223,716	691,301,377	766,552,085	690,580,233	756,638,231	6.04
Total - Appropriated Funds	2,876,386,394	2,864,847,445	3,063,431,272	3,306,185,084	2,983,272,628	3,168,968,105	4.13

Account	Governor Recommended	
	FY 20	FY 21

Policy Revisions

Reduce General Obligation Bond Issuance

Debt Service	(14,437,500)	(63,903,125)
Total - General Fund	(14,437,500)	(63,903,125)

Background

The amount of funding provided for debt service depends on both existing outstanding debt and projections of the costs of repayment of newly issued debt. New debt issued is related to the recent and anticipated spending in bond-funded programs. As of FY 19, General Obligation (GO) bond issuance was limited, by statute (CGS 3-21) and the "bond lock" provision required to be included on bond covenants, to \$1.9 billion per fiscal year. This total excludes higher education bonds for the CSCU 2020 and UConn 2000 programs and the use of GO bonding for transportation purposes.

Governor

The Governor's proposal would further limit GO bond issuance by an additional \$300 million to \$1.6 billion, while maintaining existing exemptions for higher education bonding. The proposal would also not use GO bonds for transportation purposes, which had been allowed for FY 19 and FY 20 (PA 18-178). The Governor estimates a resulting reduction in General Fund debt service of \$14 million in FY 20 and \$64 million in FY 21.

Limit Transportation Bond Issuance in FY 21

Debt Service	-	(8,300,000)
Total - Special Transportation Fund	-	(8,300,000)

Background

The amount of funding necessary for debt service is dependent on both existing outstanding debt and projections of the costs of repayment of debt to be issued in the future. New debt issuance is closely related to recent and anticipated spending in bond-funded programs. Special Tax Obligation (STO) bonds rely on the Special Transportation Fund (STF) for debt repayment.

PA 18-178 limits the issuance of Special Tax Obligation bonds in FY 19 and FY 20 to \$750 million. PA 18-178 also requires the State Bond Commission to allocate up to \$250 million of transportation bonds legislatively authorized as STO debt as General Obligation (GO) debt in each of CY 18 and CY 19. STO bond authorizations that are issued as GO debt are exempt from GO bond limits, including the debt limit, allocation cap, and issuance cap.

Account	Governor Recommended	
	FY 20	FY 21

The Official Statement for the October 2018 STO bond issuance indicates that the state expected to issue \$1 billion of STO bonds in FY 21, absent other changes to the transportation fund.

Governor

The Governor's proposal would limit STO bond issuance in FY 21 to \$800 million, a reduction of \$200 million from baseline projections. The Governor estimates a resulting reduction in STF debt service of \$8.3 million in FY 21.

The proposal would also not use GO bonds for transportation, limiting total FY 20 transportation bond issuance to \$750 million.

Current Services

Reflect Debt Service Repayment Requirements

Debt Service	62,570,091	202,343,741
UConn 2000 - Debt Service	5,269,450	23,950,900
Total - General Fund	67,839,541	226,294,641
Debt Service	39,356,517	113,714,515
Total - Special Transportation Fund	39,356,517	113,714,515

Background

Debt service reflects the state's obligation to make payments on services and goods provided in previous years. General Fund-backed bond spending, including UConn 2000 spending, increased from \$1.6 billion in FY 14 to \$2.5 billion in FY 17, before falling to \$1.8 billion in FY 18. Similarly, Special Transportation Fund-backed bond spending peaked in FY 17 at over \$1 billion, before falling to \$779 million in FY 18.

Bond spending in previous years to debt service payments in the current biennium, as payments are made on issued bonds. In FY 20, over 90 percent of the projected baseline debt service payment is to repay bonds that were issued prior to FY 19.

Governor

Provide funding of \$107 million in FY 20 and \$340 million in FY 21 across all funds to reflect debt repayment schedule, based on prior and projected bond spending.

Reflect Hartford Debt Service Repayment Schedule

Municipal Restructuring	25,666,625	36,314,629
Total - General Fund	25,666,625	36,314,629

Background

The FY 18-19 adopted budget (PA 17-2 JSS) established the Municipal Accountability Review Board (MARB) and included a total appropriation of \$48 million per year, split between two agencies (\$28 million through OPM and \$20 million through Treasurer's debt service). Based on a contractual agreement between MARB and the city of Hartford in March 2018, the state agreed to make specified debt service payments on debt issued by Hartford.

For the 18-19 Biennium, the state's payments were made using a combination of the two agency's municipal restructuring accounts.

Absent a restructuring or refunding of the debt, the full repayment schedule of the Hartford debt is as follows (debt service (DS) figures in millions \$)

FY	DS		FY	DS		FY	DS		FY	DS
18	11.9		23	54.1		28	45.2		33	26.8
19	48.6		24	51.3		29	44.2		34	22.8
20	45.7		25	47.9		30	41.8		35	16.6
21	56.3		26	47.5		31	40.9		36	9.9
22	54.7		27	49.2		32	39.5			

Account	Governor Recommended	
	FY 20	FY 21

Governor

Provide \$26 million in FY 20 and \$36 million in FY 21 to reflect the full contractual debt service agreement via a single agency. Other funding for MARB is adjusted accordingly on the OPM municipal restructuring line.

Totals

Budget Components	Governor Recommended	
	FY 20	FY 21
FY 19 Appropriation - GF	2,213,623,729	2,213,623,729
Policy Revisions	(14,437,500)	(63,903,125)
Current Services	93,506,166	262,609,270
Total Recommended - GF	2,292,692,395	2,412,329,874
FY 19 Appropriation - TF	651,223,716	651,223,716
Policy Revisions	-	(8,300,000)
Current Services	39,356,517	113,714,515
Total Recommended - TF	690,580,233	756,638,231

State Comptroller OSC15000

Permanent Full-Time Positions

Fund	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
General Fund	277	277	277	277	277	277	-

Budget Summary

Account	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
Personal Services	21,147,101	22,023,826	22,962,833	24,135,671	23,014,883	24,235,594	4.50
Other Expenses	4,502,420	4,511,411	4,854,526	4,958,555	4,750,883	4,749,293	5.31
Agency Total - General Fund	25,649,521	26,535,237	27,817,359	29,094,226	27,765,766	28,984,887	4.64

Account	Governor Recommended	
	FY 20	FY 21

Policy Revisions

Annualize FY 2019 Holdbacks

Personal Services	(110,118)	(110,118)
Total - General Fund	(110,118)	(110,118)

Background

The Office of Policy and Management implemented FY 19 holdbacks totaling \$18.5 million. The Governor's FY 20 and FY 21 Budget annualizes \$7.7 million of these holdbacks in both FY 20 and FY 21 across various agencies.

Governor

Reduce funding by \$110,118 in both FY 20 and FY 21 to annualize this agency's FY 19 holdbacks.

Adjust Funding to Reflect Cellular Services Savings

Other Expenses	(330)	(330)
Total - General Fund	(330)	(330)

Background

The Governor's FY 20 and FY 21 Budget reduces funding by \$197,555 in both FY 20 and FY 21, across five appropriated funds, to reflect cellular services savings.

Governor

Reduce funding by \$330 in both FY 20 and FY 21 to reflect this agency's cellular services savings.

Current Services

Provide Funding for Wage Increases

Personal Services	1,101,175	2,321,886
Total - General Fund	1,101,175	2,321,886

Account	Governor Recommended	
	FY 20	FY 21

Background

The Governor’s FY 20 and FY 21 Budget provides funding of \$70.3 million in FY 20 and \$165.9 million in FY 21, across seven appropriated funds, for state employee wages and collective bargaining increases.

Governor

Provide funding of \$1,101,175 in FY 20 and \$2,321,886 in FY 21 to reflect this agency’s increased wage costs.

Provide Funding for Software Maintenance

Other Expenses	228,802	232,212
Total - General Fund	228,802	232,212

Governor

Provide funding of \$228,802 in FY 20 and \$232,212 in FY 21 for software maintenance related to the state accounting system CORE-CT.

Provide Funding for Costs Associated with the Move to the State Office Building

Other Expenses	11,000	6,000
Total - General Fund	11,000	6,000

Governor

Provide funding of \$11,000 in FY 20 and \$6,000 in FY 21 for expenses related to the move out of leased space to the newly renovated state office building. Lease savings related to this move is reflected in the Dept. of Administrative Services.

Totals

Budget Components	Governor Recommended	
	FY 20	FY 21
FY 19 Appropriation - GF	26,535,237	26,535,237
Policy Revisions	(110,448)	(110,448)
Current Services	1,340,977	2,560,098
Total Recommended - GF	27,765,766	28,984,887

State Comptroller - Miscellaneous

OSC15100

Budget Summary

Account	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
Other Current Expenses							
Adjudicated Claims	35,518,031	-	-	-	-	-	n/a
Nonfunctional - Change to Accruals	38,433,960	2,985,705	2,985,705	2,985,705	11,111,545	22,326,243	272.16
Agency Total - General Fund	73,951,991	2,985,705	2,985,705	2,985,705	11,111,545	22,326,243	272.16
Nonfunctional - Change to Accruals							
Agency Total - Special Transportation Fund	(7,077,008)	213,133	213,133	213,133	1,181,008	1,296,031	454.12
Agency Total - Special Transportation Fund	(7,077,008)	213,133	213,133	213,133	1,181,008	1,296,031	454.12
Nonfunctional - Change to Accruals							
Agency Total - Regional Market Operation Fund	(5,124)	2,845	2,845	2,845	1,264	1,636	(55.57)
Agency Total - Regional Market Operation Fund	(5,124)	2,845	2,845	2,845	1,264	1,636	(55.57)
Nonfunctional - Change to Accruals							
Agency Total - Banking Fund	145,886	95,178	95,178	95,178	37,367	39,541	(60.74)
Agency Total - Banking Fund	145,886	95,178	95,178	95,178	37,367	39,541	(60.74)
Nonfunctional - Change to Accruals							
Agency Total - Insurance Fund	114,952	116,945	116,945	116,945	61,673	71,133	(47.26)
Agency Total - Insurance Fund	114,952	116,945	116,945	116,945	61,673	71,133	(47.26)
Nonfunctional - Change to Accruals							
Agency Total - Consumer Counsel and Public Utility Control Fund	(12,300)	89,658	89,658	89,658	37,296	42,640	(58.40)
Agency Total - Consumer Counsel and Public Utility Control Fund	(12,300)	89,658	89,658	89,658	37,296	42,640	(58.40)
Nonfunctional - Change to Accruals							
Agency Total - Workers' Compensation Fund	97,244	72,298	72,298	72,298	29,681	27,484	(58.95)
Agency Total - Workers' Compensation Fund	97,244	72,298	72,298	72,298	29,681	27,484	(58.95)
Nonfunctional - Change to Accruals							
Agency Total - Criminal Injuries Compensation Fund	272,133	-	-	-	-	-	n/a
Agency Total - Criminal Injuries Compensation Fund	272,133	-	-	-	-	-	n/a
Total - Appropriated Funds	67,487,774	3,575,762	3,575,762	3,575,762	12,459,834	23,804,708	248.45

Account	Governor Recommended	
	FY 20	FY 21

Current Services

Adjust Funding for GAAP Accruals

Nonfunctional - Change to Accruals	8,125,840	19,340,538
Total - General Fund	8,125,840	19,340,538
Nonfunctional - Change to Accruals	967,875	1,082,898
Total - Special Transportation Fund	967,875	1,082,898
Nonfunctional - Change to Accruals	(1,581)	(1,209)
Total - Regional Market Operation Fund	(1,581)	(1,209)
Nonfunctional - Change to Accruals	(57,811)	(55,637)
Total - Banking Fund	(57,811)	(55,637)
Nonfunctional - Change to Accruals	(55,272)	(45,812)
Total - Insurance Fund	(55,272)	(45,812)
Nonfunctional - Change to Accruals	(52,362)	(47,018)
Total - Consumer Counsel and Public Utility Control Fund	(52,362)	(47,018)
Nonfunctional - Change to Accruals	(42,617)	(44,814)
Total - Workers' Compensation Fund	(42,617)	(44,814)

Background

PA 11-48 required the state to move towards Generally Accepted Accounting Principal (GAAP) based budgeting. Under GAAP expenses are assigned to the fiscal year in which they are incurred as opposed to a modified cash basis, where the expenses are reflected when they are paid. GAAP accruals were first reflected in the FY 14 and FY 15 biennial budget. The accruals reflect the difference between an agency's modified cash basis budget amounts and the accrual basis amounts under GAAP.

Governor

Adjust funding by \$8,884,072 in FY 20 and \$20,228,946 in FY 21 across seven appropriated funds for GAAP accrual payments to reflect current requirements.

Totals

Budget Components	Governor Recommended	
	FY 20	FY 21
FY 19 Appropriation - GF	2,985,705	2,985,705
Current Services	8,125,840	19,340,538
Total Recommended - GF	11,111,545	22,326,243
FY 19 Appropriation - TF	213,133	213,133
Current Services	967,875	1,082,898
Total Recommended - TF	1,181,008	1,296,031
FY 19 Appropriation - RF	2,845	2,845
Current Services	(1,581)	(1,209)
Total Recommended - RF	1,264	1,636
FY 19 Appropriation - BF	95,178	95,178
Current Services	(57,811)	(55,637)
Total Recommended - BF	37,367	39,541
FY 19 Appropriation - IF	116,945	116,945
Current Services	(55,272)	(45,812)
Total Recommended - IF	61,673	71,133
FY 19 Appropriation - PF	89,658	89,658
Current Services	(52,362)	(47,018)
Total Recommended - PF	37,296	42,640
FY 19 Appropriation - WF	72,298	72,298
Current Services	(42,617)	(44,814)
Total Recommended - WF	29,681	27,484

State Comptroller - Fringe Benefits

OSC15200

Budget Summary

Account	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
Other Current Expenses							
Unemployment Compensation	4,515,501	6,465,764	6,465,764	6,465,764	6,132,100	4,974,400	(5.16)
State Employees Retirement Contributions	1,051,671,981	1,165,586,416	1,223,865,737	1,285,059,024	1,268,557,372	1,373,926,320	8.83
Higher Education Alternative Retirement System	(14,532,297)	1,000	1,000	1,000	30,044,700	30,044,700	3,004,370.00
Pensions and Retirements - Other Statutory	1,741,905	1,657,248	1,974,003	2,029,134	1,974,003	2,029,134	19.11
Judges and Compensation Commissioners Retirement	25,457,910	27,427,480	28,798,854	30,238,797	27,010,989	28,522,111	(1.52)
Insurance - Group Life	7,948,931	8,270,468	9,120,000	9,260,000	8,514,800	8,770,200	2.95
Employers Social Security Tax	202,306,353	199,077,427	208,125,496	217,584,800	208,255,096	217,511,800	4.61
State Employees Health Service Cost	608,481,139	655,811,120	694,805,976	729,834,863	683,297,327	720,194,863	4.19
Retired State Employees Health Service Cost	701,117,891	687,599,000	799,741,000	886,689,000	776,021,000	847,309,000	12.86
Tuition Reimbursement - Training and Travel	2,876,226	-	3,475,000	3,508,500	3,475,000	3,508,500	n/a
Other Post Employment Benefits	91,200,000	91,200,000	96,871,580	100,262,085	95,650,800	83,371,300	4.88
Death Benefits For St Employ	17,049	-	-	-	-	-	n/a
SERS Defined Contribution Match	-	-	2,061,198	3,143,840	2,135,398	3,240,740	n/a
Agency Total - General Fund	2,682,802,589	2,843,095,923	3,075,305,608	3,274,076,807	3,111,068,585	3,323,403,068	9.43
Unemployment Compensation	328,971	203,548	203,548	203,548	203,548	203,548	-
State Employees Retirement Contributions	116,442,942	126,280,942	132,594,989	139,224,739	162,804,000	175,928,000	28.92
Insurance - Group Life	262,034	277,357	315,000	320,000	282,900	288,600	2.00
Employers Social Security Tax	15,081,540	15,674,834	16,387,255	17,132,056	16,545,655	17,296,756	5.56
State Employees Health Service Cost	46,616,808	46,618,403	51,561,000	54,883,000	51,600,045	55,063,217	10.69
Other Post Employment Benefits	6,000,000	6,000,000	6,373,130	6,596,190	6,128,100	5,264,600	2.14
SERS Defined Contribution Match	-	-	224,885	343,006	245,585	364,506	n/a
Agency Total - Special Transportation Fund	184,732,295	195,055,084	207,659,807	218,702,539	237,809,833	254,409,227	21.92
Total - Appropriated Funds	2,867,534,884	3,038,151,007	3,282,965,415	3,492,779,346	3,348,878,418	3,577,812,295	10.23

Account	Governor Recommended	
	FY 20	FY 21

Policy Revisions

Gross Fund Higher Education Alternate Retirement Program

Higher Education Alternative Retirement System	30,043,700	30,043,700
Total - General Fund	30,043,700	30,043,700

Account	Governor Recommended	
	FY 20	FY 21

Background

CGS 5-155a authorizes eligible unclassified employees of the constituent units of higher education to participate in an alternate retirement program (ARP), a defined contribution plan. Pursuant to the SEBAC 2017 Agreement the state's contribution is 7.25% of salary and employees contribute 5.75%. In FY 20, these contribution rates are modified by 1/4% to 7% and 6% respectively. For employees hired on or after July 31, 2017, the state contribution is 6.5% and the employee default contribution is 6.5%. The state's contribution is paid for from various funding sources and is based on where the employee's salary is charged. Currently, recoveries from other funding sources, predominately tuition funds of higher education institutions are deposited into the ARP appropriation within the General Fund (GF) for non-GF supported employees as an expenditure offset. In recent years the recoveries have exceeded GF expenditures. The Governor recommends gross appropriating the ARP account whereby all recoveries will be deposited into the GF as revenue and the GF appropriation will reflect the state's contribution for those employees whose salaries are supported by the GF (including those employees funded out of the higher education block grants).

Governor

Provide funding of \$30,043,700 in FY 20 and FY 21 to reflect gross appropriating the ARP account. There is a corresponding increase in GF revenue of \$43,700,000 in FY 20 and \$43,400,000 in FY 21.

Provide Funding for Fringe Benefits for Additional Positions

Employers Social Security Tax	192,500	310,400
State Employees Health Service Cost	840,500	1,512,000
Other Post Employment Benefits	75,500	121,700
SERS Defined Contribution Match	25,200	40,600
Total - General Fund	1,133,700	1,984,700

Governor

Provide funding of \$1,133,700 in FY 20 and \$1,984,700 in FY 21 to reflect the fringe benefit impact of additional positions.

Reduce Fringe Benefits to Reflect the Transfer of Positions

Unemployment Compensation	(4,400)	(4,600)
State Employees Retirement Contributions	(1,230,900)	(1,280,100)
Insurance - Group Life	(3,800)	(4,000)
Employers Social Security Tax	(146,400)	(152,300)
State Employees Health Service Cost	(422,500)	(468,000)
Other Post Employment Benefits	(57,400)	(59,700)
Total - General Fund	(1,865,400)	(1,968,700)

Governor

Reduce funding by \$1,865,400 in FY 20 and \$1,968,700 in FY 21 to reflect the transfer of state personnel.

Adjust Fringe Benefits to Reflect the Reduction of Positions

Unemployment Compensation	1,394,500	-
Employers Social Security Tax	(291,700)	(661,600)
State Employees Health Service Cost	(884,000)	(2,088,000)
Other Post Employment Benefits	(114,400)	(259,500)
Total - General Fund	104,400	(3,009,100)

Governor

Reduce funding by \$1,865,400 in FY 20 and \$1,968,700 in FY 21 to reflect the transfer of state personnel.

Current Services

Adjust Operating Expenses to Reflect Current Requirements

Unemployment Compensation	(1,723,764)	(1,486,764)
Pensions and Retirements - Other Statutory	316,755	371,886
Insurance - Group Life	248,132	503,732
Employers Social Security Tax	9,423,269	18,937,873

Account	Governor Recommended	
	FY 20	FY 21
State Employees Health Service Cost	27,952,207	65,427,743
Retired State Employees Health Service Cost	88,422,000	159,710,000
Other Post Employment Benefits	4,547,100	(7,631,200)
SERS Defined Contribution Match	49,000	56,300
Total - General Fund	129,234,699	235,889,570
Insurance - Group Life	5,543	11,243
Employers Social Security Tax	870,821	1,621,922
State Employees Health Service Cost	4,981,642	8,444,814
Other Post Employment Benefits	128,100	(735,400)
SERS Defined Contribution Match	20,700	21,500
Total - Special Transportation Fund	6,006,806	9,364,079

Governor

Provide funding of \$129,234,699 in FY 20 and \$235,889,570 in FY 21 in the General Fund and \$6,006,806 in FY 20 and \$9,364,079 in FY 21 in the Special Transportation Fund to reflect anticipated expenditure requirements.

Fund the Actuarially Determined Employer Contribution for the State Employee Pension Plan

State Employees Retirement Contributions	104,201,856	209,620,004
Total - General Fund	104,201,856	209,620,004
State Employees Retirement Contributions	36,523,058	49,647,058
Total - Special Transportation Fund	36,523,058	49,647,058

Background

The State Employees' Retirement System (SERS) is the state's defined benefit plan for approximately 50,000 active and retired state employees. SERS is currently funded using an actuarial reserve funding method, whereby the normal cost and past service liability are calculated in order to determine the state's annual actuarial determined employer contribution (ADEC)(CGS 5-156a). SERS is a collectively bargained benefit. The current agreement governing pension benefits was last revised in 2017 and is effective until 2027. The SERS ADEC is funded through three sources: a General Fund appropriation, Special Transportation Fund appropriation and recoveries from other funding sources, including other appropriated funds, federal funds and grant funds.

Governor

Provide funding of \$104,201,856 in FY 20 and \$209,620,004 in FY 21 in the General Fund (GF) and \$36,523,058 in FY 20 and \$49,647,058 in FY 21 in the Special Transportation Fund (STF) to fund the GF and STF portion of the SERS ADEC in the biennium.

Provide Funding for SERS Tier IV Hybrid Plan 1% Employer Contribution

SERS Defined Contribution Match	2,061,198	3,143,840
Total - General Fund	2,061,198	3,143,840
SERS Defined Contribution Match	224,885	343,006
Total - Special Transportation Fund	224,885	343,006

Background

The SEBAC 2017 Agreement established a new Tier IV within the State Employees' Retirement System (SERS), a hybrid defined contribution/defined benefit tier, for employees hired on or after July 31, 2017. The state's contribution, as well as the employee's default contribution towards the defined contribution portion, is 1% of salary. The 1% contribution is not included as part of the state's actuarially determined employer contribution (ADEC) for SERS and therefore a new account is recommended to distinguish between the employer's contribution towards Tier IV employees' defined contribution accounts versus the General Fund's share of the SERS ADEC.

Governor

Provide funding of \$2,061,198 in FY 20 and \$3,143,840 in FY 21 in the General Fund and \$224,885 in FY 20 and \$343,006 in FY 21 in the Special Transportation Fund to reflect the state's contribution towards Tier IV employees' defined contribution accounts.

Fund the Actuarially Determined Employer Contribution for Judges and Compensation Commissioners Pension Plan

Judges and Compensation Commissioners Retirement	(416,491)	1,094,631
Total - General Fund	(416,491)	1,094,631

Background

The Judges, Family Support Magistrates, and Compensation Commissioners' Retirement System (JRS) is the state's defined benefit plan for 209 active and 284 retired Judges, Family Support Magistrates, and Compensation Commissioners. JRS is currently

Account	Governor Recommended	
	FY 20	FY 21

funded using an actuarial reserve funding method, whereby the normal cost and past service liability are calculated in order to determine the state's annual actuarial determined employer contribution (ADEC).

Governor

Reduce funding by \$416,491 in FY 20 and provide funding of \$1,094,631 in FY 21 to fund the JRS ADEC for the biennium.

Provide Tuition and Training Funds for Settled Contracts

Tuition Reimbursement - Training and Travel	3,475,000	3,508,500
Total - General Fund	3,475,000	3,508,500

Background

Pursuant to individual collective bargaining contracts, funding is provided for the Tuition Reimbursement - Training and Travel account. For unsettled contracts, tuition and training funding is budgeted within the Reserve for Salary Adjustment account within the Office of Policy and Management.

Governor

Provide funding of \$3,475,000 in FY 20 and \$3,508,500 in FY 21 for tuition and training funding pursuant to individual collective bargaining agreements.

Totals

Budget Components	Governor Recommended	
	FY 20	FY 21
FY 19 Appropriation - GF	2,843,095,923	2,843,095,923
Policy Revisions	29,416,400	27,050,600
Current Services	238,556,262	453,256,545
Total Recommended - GF	3,111,068,585	3,323,403,068
FY 19 Appropriation - TF	195,055,084	195,055,084
Current Services	42,754,749	59,354,143
Total Recommended - TF	237,809,833	254,409,227

Department of Revenue Services

DRS16000

Permanent Full-Time Positions

Fund	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
General Fund	660	660	660	660	660	660	-

Budget Summary

Account	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
Personal Services	49,507,958	54,639,727	56,735,180	59,357,522	55,738,897	58,820,506	2.01
Other Expenses	7,779,504	6,433,061	6,820,561	6,433,061	7,777,623	7,327,623	20.90
Agency Total - General Fund	57,287,462	61,072,788	63,555,741	65,790,583	63,516,520	66,148,129	4.00

Account	Governor Recommended	
	FY 20	FY 21

Policy Revisions

Provide Funding for Administration of Tax Changes

Personal Services	(450,000)	-
Other Expenses	450,000	-
Total - General Fund	-	-

Background

The agency lapsed approximately \$6.7 million in Personal Services funds in FY 18.

Governor

Transfer funding of \$450,000 from Personal Services to Other Expenses in FY 20 only to fund administrative costs associated with the Governor's tax proposals. This consists of funding for the programming of tax processing scanners and adjustments to the online Taxpayer Services Center (\$260,000), and mailing and postage costs to inform affected taxpayers of tax law changes (\$190,000).

Delay Funding for Tax Incidence Report

Other Expenses	(375,000)	-
Total - General Fund	(375,000)	-

Background

Section 1 of SB 871, *AA Implementing the Governor's Budget Recommendations for General Government*, delays until February 15, 2022 the statutory requirement for the Department of Revenue Services to produce a biennial Tax Incidence Report.

Governor

Remove funding of \$375,000 in FY 20 only to reflect a delay, from February 15, 2020 to February 15, 2022, in the deadline for submission of the next biennial Tax Incidence Report.

Transfer Funding from Personal Services to Other Expenses

Personal Services	(900,000)	(900,000)
Other Expenses	900,000	900,000
Total - General Fund	-	-

Background

Actual expenditures in Personal Services and Other Expenses totaled \$49,507,958 and \$7,779,504 in FY 18, respectively.

Account	Governor Recommended	
	FY 20	FY 21

Governor

Transfer funding of \$900,000 from Personal Services to Other Expenses in both FY 20 and FY 21 to pay for contracted temporary staff during tax season (rather than hiring them directly), information technology costs related to the Integrated Tax Administration System, and postage.

Annualize FY 2019 Holdbacks

Personal Services	(273,198)	(273,198)
Total - General Fund	(273,198)	(273,198)

Background

The Office of Policy and Management implemented FY 19 holdbacks totaling \$18.5 million. The Governor's FY 20 and FY 21 Budget annualizes \$7.7 million of these holdbacks in both FY 20 and FY 21 across various agencies.

Governor

Reduce funding by \$273,198 in both FY 20 and FY 21 to annualize this agency's FY 19 holdbacks.

Adjust Funding to Reflect Cellular Services Savings

Other Expenses	(5,438)	(5,438)
Total - General Fund	(5,438)	(5,438)

Background

The Governor's FY 20 and FY 21 Budget reduces funding by \$197,555 in both FY 20 and FY 21, across five appropriated funds, to reflect cellular services savings.

Governor

Reduce funding by \$5,438 in both FY 20 and FY 21 to reflect this agency's cellular services savings.

Current Services**Provide Funding for Wage Increases**

Personal Services	2,722,368	5,353,977
Total - General Fund	2,722,368	5,353,977

Background

The Governor's FY 20 and FY 21 Budget provides funding of \$70.3 million in FY 20 and \$165.9 million in FY 21, across seven appropriated funds, for state employee wages and collective bargaining increases.

Governor

Provide funding of \$2,722,368 in FY 20 and \$5,353,977 in FY 21 to reflect this agency's increased wage costs.

Provide Funding for Biennial Tax Incidence Report

Other Expenses	375,000	-
Total - General Fund	375,000	-

Background

CGS Sec. 12-7c requires the Department of Revenue Services, by February 15, 2020 and biennially thereafter, to provide a Tax Incidence Report covering all major state and local taxes. The latest such report was produced in December 2014.

Governor

Provide funding of \$375,000 in FY 20 only for consulting and information technology costs associated with the Tax Incidence Report due February 15, 2020.

Totals

Budget Components	Governor Recommended	
	FY 20	FY 21
FY 19 Appropriation - GF	61,072,788	61,072,788
Policy Revisions	(653,636)	(278,636)
Current Services	3,097,368	5,353,977
Total Recommended - GF	63,516,520	66,148,129

Office of Policy and Management

OPM20000

Permanent Full-Time Positions

Fund	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
General Fund	125	125	125	125	125	125	-
Insurance Fund	2	2	2	2	2	2	-

Budget Summary

Account	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
Personal Services	9,930,029	9,728,126	10,774,701	11,392,287	10,875,537	11,579,172	11.79
Other Expenses	1,073,501	1,043,180	1,175,030	1,175,030	1,173,684	1,173,684	12.51
Other Current Expenses							
Litigation Settlement Costs	150,697	-	-	-	-	-	n/a
Automated Budget System and Data Base Link	16,278	26,776	26,776	26,776	26,776	26,776	-
Justice Assistance Grants	811,401	819,440	822,153	825,480	823,001	826,328	0.43
Project Longevity	550,747	573,750	573,750	573,750	573,750	573,750	-
Council of Governments	1,856,250	4,106,250	4,106,250	4,106,250	-	-	(100.00)
Other Than Payments to Local Governments							
Tax Relief For Elderly Renters	24,034,255	25,020,226	25,020,226	25,020,226	25,020,226	25,020,226	-
Private Providers	-	31,037,000	-	-	3,000,000	6,000,000	(90.33)
Grant Payments to Local Governments							
Reimbursement to Towns for Loss of Taxes on State Property	50,306,432	56,045,788	71,700,000	71,700,000	54,944,031	54,944,031	(1.97)
Reimbursements to Towns for Private Tax-Exempt Property	98,377,556	105,889,432	159,300,000	159,300,000	105,889,434	105,889,434	-
Reimbursement Property Tax - Disability Exemption	364,713	364,713	364,713	364,713	364,713	364,713	-
Property Tax Relief Elderly Freeze Program	50,025	65,000	40,000	40,000	40,000	40,000	(38.46)
Property Tax Relief for Veterans	2,700,685	2,708,107	2,708,107	2,708,107	2,708,107	2,708,107	-
Municipal Revenue Sharing	35,221,814	36,819,135	-	-	36,819,135	36,819,135	-
Municipal Transition	36,000,000	30,700,000	-	-	29,596,908	32,331,732	(3.59)
Municipal Stabilization Grant	55,480,953	37,753,335	-	-	37,753,335	37,753,335	-
Municipal Restructuring	20,000,000	27,300,000	27,300,000	27,300,000	7,300,000	7,300,000	(73.26)
Agency Total - General Fund	336,925,336	370,000,258	303,911,706	304,532,619	316,908,637	323,350,423	(14.35)
Grants To Towns	57,649,850	49,942,796	58,100,000	58,100,000	49,942,796	49,942,796	-
Agency Total - Mashantucket Pequot and Mohegan Fund	57,649,850	49,942,796	58,100,000	58,100,000	49,942,796	49,942,796	-
Personal Services	293,553	313,882	328,162	344,035	332,056	349,339	5.79
Other Expenses	5,358	6,012	6,012	6,012	6,012	6,012	-
Fringe Benefits	187,694	200,882	268,587	284,137	236,348	251,038	17.66
Agency Total - Insurance Fund	486,605	520,776	602,761	634,184	574,416	606,389	10.30
Total - Appropriated Funds	395,061,791	420,463,830	362,614,467	363,266,803	367,425,849	373,899,608	(12.61)

Account	Governor Recommended	
	FY 20	FY 21

Policy Revisions

Fund PILOT and Pequot grants at FY 19 levels

Reimbursement to Towns for Loss of Taxes on State Property	(16,755,969)	(16,755,969)
Reimbursements to Towns for Private Tax-Exempt Property	(53,410,566)	(53,410,566)
Total - General Fund	(70,166,535)	(70,166,535)
Grants To Towns	(8,157,204)	(8,157,204)
Total - Mashantucket Pequot and Mohegan Fund	(8,157,204)	(8,157,204)

Background

State Property PILOT: This is a reimbursement to municipalities for the tax loss resulting from the presence of state property. Towns are reimbursed at 45% of taxes that would have been paid if not for the tax exemption on most state property. Connecticut Valley Hospital in Middletown is reimbursed at 65%. Three types of property are reimbursed at 100%: 1) prison property, 2) the portion of the UConn Health Center used to provide medical care to prisoners, and 3) some land owned by Native American tribes. The grant is proportionately reduced in years in which the appropriation is insufficient to fully fund the grant.

College & Hospital PILOT: This is a reimbursement to municipalities for the tax loss resulting from the presence of private college and hospital property. Towns are reimbursed at 77% of the taxes that would have been paid if not for the tax exemption. The grant is proportionately reduced in years in which the appropriation is insufficient to fully fund the grant.

Sec. 183 of PA 15-244 set minimum reimbursement rates for PILOT grants based on the amount of tax exempt property in a municipality. In the event that the amount appropriated for PILOT grants in a given year was insufficient for full funding, the Act required towns to receive additional PILOT payments necessary to achieve these minimum reimbursement rates.

Pequot Grants to Towns: Towns receive a portion of the slot machine revenue received by the state from Native American gaming casinos. The amount received by towns is equal to the amount appropriated for the grants in a given fiscal year. The grants are distributed based on 1) College & Hospital and State Property PILOT payments, 2) population, 3) equalized net grand list per capita, 4) per capita income, and 5) status as a distressed municipality. Additional funding is distributed to 1) all municipalities in the Southeastern Connecticut Council of Governments, and 2) distressed municipalities in the Northeastern Connecticut Council of Governments.

Governor

Reduce funding by \$78,323,739 in both FY 20 and FY 21 (\$70,166,535 in the General Fund and \$8,157,204 in the Pequot Fund) to reflect funding of State Property PILOT, College & Hospital PILOT, and Pequot Grants to Towns at FY 19 levels.

Adjust Funding Source for Councils of Government

Council of Governments	(3,606,250)	(3,606,250)
Total - General Fund	(3,606,250)	(3,606,250)

Background

This account provides grants-in-aid to the nine regional Councils of Government (COGs). The distribution of this funding is determined by the Office of Policy Management. The FY 18 appropriation provided each COG with a base grant of \$100,000, with each COG receiving an additional grant of \$0.27 per person.

Governor

Reduce funding for Councils of Government by \$3,606,250 in both FY 20 and FY 21 to reflect funding of these grants via the non-appropriated Regional Planning Incentive Program account.

Provide Funding for Minimum Wage Impact on Private Providers

Private Providers	3,000,000	6,000,000
Total - General Fund	3,000,000	6,000,000

Background

The governor is proposing to phase in a minimum wage increase to \$15 per hour by January 1, 2023. The minimum wage, under the proposal, is scheduled to increase to \$11.25 on January 1, 2020 and to \$12.50 on January 1, 2021. The proposal covers minimum wage workers currently working for private human services providers that contract with various state agencies.

Governor

Provide funding of \$3,000,000 in FY 20 and \$6,000,000 in FY 21 for anticipated increases in private provider contracting costs as a result of a proposed increase in the minimum wage.

Account	Governor Recommended	
	FY 20	FY 21

Annualize FY 2019 Holdback

Council of Governments	(500,000)	(500,000)
Total - General Fund	(500,000)	(500,000)

Background

The Office of Policy and Management implemented FY 19 holdbacks totaling \$18.5 million. The Governor's FY 20 and FY 21 Budget annualizes \$7.7 million of these holdbacks in both FY 20 and FY 21 across various agencies.

Governor

Reduce funding by \$500,000 in both FY 20 and FY 21 to annualize this agency's FY 19 holdbacks.

Adjust Funding to Reflect Cellular Services Savings

Other Expenses	(1,846)	(1,846)
Total - General Fund	(1,846)	(1,846)

Background

The Governor's FY 20 and FY 21 Budget reduces funding by \$197,555 in both FY 20 and FY 21, across five appropriated funds, to reflect cellular services savings.

Governor

Reduce funding by \$1,846 in both FY 20 and FY 21 to reflect this agency's cellular services savings.

Current Services

Fund PILOT and Pequot Grants at Statutory Levels

Reimbursement to Towns for Loss of Taxes on State Property	15,654,212	15,654,212
Reimbursements to Towns for Private Tax-Exempt Property	53,410,568	53,410,568
Total - General Fund	69,064,780	69,064,780
Grants To Towns	8,157,204	8,157,204
Total - Mashantucket Pequot and Mohegan Fund	8,157,204	8,157,204

Governor

Provide funding of \$77,221,984 in both FY 20 and FY 21 (\$69,064,780 in the General Fund and \$8,157,204 in the Pequot Fund) to fund the State Property PILOT, College & Hospital PILOT, and Pequot Grants at statutory levels.

Adjust Municipal Transition (Car Tax) Grants for Updated Mill Rates

Municipal Transition	(1,103,092)	1,631,732
Total - General Fund	(1,103,092)	1,631,732

Background

Municipal Transition Grants, also known as Car Tax grants, reimburse municipalities for the revenue loss resulting from a cap on motor vehicle mill rates. PA 17-2, the FY 18 and FY 19 budget, set the cap at 45 mills for FY 19 and annually thereafter. The act also specified a distribution of grant funding for FY 19 based on estimated FY 18 mill rates, but required the Office of Policy and Management to calculate grants based on actual mill rates in FY 20 and annually thereafter.

Governor

Adjust funding in FY 20 (reduce by \$1,103,092) and FY 21 (increase by \$1,631,732) to reflect actual FY 18 mill rates used to calculate FY 20 grants, and actual FY 19 mill rates used to calculate FY 21 grants.

Adjust Funding for the Municipal Restructuring Account

Municipal Restructuring	(20,000,000)	(20,000,000)
Total - General Fund	(20,000,000)	(20,000,000)

Background

PA 17-2, the FY 18 and FY 19 budget, established two Municipal Restructuring accounts within the Office of Policy and Management and the Treasurer's Office to provide assistance to certain financially distressed municipalities. The act also established the Municipal Accountability Review Board (MARB) to assess the financial health of municipalities and to provide

Account	Governor Recommended	
	FY 20	FY 21

oversight and assistance to financially distressed municipalities. On March 27, 2018, MARB and the City of Hartford reached a Contract Assistance Agreement for the State to make debt service payments on behalf of the City. Those payments total approximately \$45.7 million in FY 20 and \$56.3 million in FY 21.

Governor

Reduce the Municipal Restructuring account by \$20,000,000 in both FY 20 and FY 21 to reflect the funding of the City of Hartford's debt service payments via the Treasurer's Office. The Municipal Restructuring - Debt Service account within the Treasurer's Office is adjusted accordingly.

Provide Funding for Wage Increases

Personal Services	654,166	1,322,625
Justice Assistance Grants	3,561	6,888
Total - General Fund	657,727	1,329,513
Personal Services	18,174	35,457
Total - Insurance Fund	18,174	35,457

Background

The Governor's FY 20 and FY 21 Budget provides funding of \$70.3 million in FY 20 and \$165.9 million in FY 21, across seven appropriated funds, for state employee wages and collective bargaining increases.

Governor

Provide funding of \$675,901 in FY 20 (\$657,727 in the General Fund and \$18,174 in the Insurance Fund) and \$1,364,970 in FY 21 (\$1,329,513 in the General Fund and \$35,457 in the Insurance Fund) to reflect this agency's increased wage costs.

Annualize Funding to Meet Various Statutory Requirements

Personal Services	493,245	528,421
Other Expenses	132,350	132,350
Total - General Fund	625,595	660,771

Governor

Provide funding of \$625,595 in FY 20 (\$493,245 in Personal Services and \$132,350 in Other Expenses) and \$660,771 in FY 21 (\$528,421 in Personal Services and \$132,350 in Other Expenses) to meet various statutory requirements. This includes annualized salaries for four positions filled in FY 19, and additional funding for 1) the CT Data Portal, 2) the municipal Uniform Chart of Accounts, and 3) the Municipal Accountability Review Board.

Adjust Funding for Property Tax Relief Elderly Freeze

Property Tax Relief Elderly Freeze Program	(25,000)	(25,000)
Total - General Fund	(25,000)	(25,000)

Background

The Freeze Tax Relief Program was established with the 1967 Grand List program year to provide real property tax relief to resident property owners or tenants for life age sixty-five or over (or surviving spouse over fifty) with annual taxable income of \$6,000 or less. 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.

Governor

Reduce funding by \$25,000 for the Elderly Tax Freeze program in both FY 20 and FY 21 to reflect reduced caseload.

Reduce Funding for Private Provider COLA and Wage Increases to Reflect FY 19 Distribution to State Agencies

Private Providers	(31,037,000)	(31,037,000)
Total - General Fund	(31,037,000)	(31,037,000)

Background

In FY 19, funding of \$31,037,000 appropriated in OPM's private provider account was distributed : (1) to provide a 1% cost-of-living adjustment (COLA) to private provider employees who provide state-administered human services in the Departments of Correction, Housing, Public Health, Social Services, Children and Families, Rehabilitation Services and Mental Health and Addiction Services, the Office of Early Childhood and the Judicial Department and, (2) to increase wages of certain employees who provide services to consumers of the Department of Developmental Services by increasing the minimum wage paid to employees to not less than \$14.75 per hour and providing a wage increase of up to 5% to employees earning not less than \$14.76 and not more than \$30.00 per hour, effective January 1, 2019.

Account	Governor Recommended	
	FY 20	FY 21

Governor

Reduce funding of \$31,037,000 in both FY 20 and FY 21 for cost of living adjustments and wage increases for private providers of human services to reflect FY 19 distribution to state agencies.

Adjust Fringe Benefits and Indirect Overhead

Fringe Benefits	35,466	50,156
Total - Insurance Fund	35,466	50,156

Background

The fringe benefit costs for employees supported by funds other than the General Fund are budgeted for within their respective agencies, as opposed to the fringe benefit accounts within the Office of the State Comptroller. In addition, this agency is charged indirect overhead costs by the State Comptroller for utilizing certain centralized state agency services.

Governor

Reduce funding by \$35,466 in FY 20 and \$50,156 in FY 21 to reflect revised fringe benefits and indirect overhead costs.

Totals

Budget Components	Governor Recommended	
	FY 20	FY 21
FY 19 Appropriation - GF	370,000,258	370,000,258
Policy Revisions	(71,274,631)	(68,274,631)
Current Services	18,183,010	21,624,796
Total Recommended - GF	316,908,637	323,350,423
FY 19 Appropriation - MF	49,942,796	49,942,796
Policy Revisions	(8,157,204)	(8,157,204)
Current Services	8,157,204	8,157,204
Total Recommended - MF	49,942,796	49,942,796
FY 19 Appropriation - IF	520,776	520,776
Current Services	53,640	85,613
Total Recommended - IF	574,416	606,389

Reserve for Salary Adjustments OPM20100

Budget Summary

Account	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
Other Current Expenses							
Reserve For Salary Adjustments	-	99,232,684	18,226,900	23,893,500	18,226,900	23,893,500	(81.63)
Agency Total - General Fund	-	99,232,684	18,226,900	23,893,500	18,226,900	23,893,500	(81.63)
Reserve For Salary Adjustments	-	2,301,186	1,932,200	2,055,500	1,932,200	2,055,500	(16.03)
Agency Total - Special Transportation Fund	-	2,301,186	1,932,200	2,055,500	1,932,200	2,055,500	(16.03)
Total - Appropriated Funds	-	101,533,870	20,159,100	25,949,000	20,159,100	25,949,000	(80.15)

Account	Governor Recommended	
	FY 20	FY 21

Current Services

Adjust Baseline Costs for Anticipated Collective Bargaining Related Costs

Reserve For Salary Adjustments	(81,005,784)	(75,339,184)
Total - General Fund	(81,005,784)	(75,339,184)
Reserve For Salary Adjustments	(368,986)	(245,686)
Total - Special Transportation Fund	(368,986)	(245,686)

Background

The Reserve for Salary Adjustment (RSA) account is centralized in the Office of Policy and Management to budget collective bargaining and related costs that were not included in the individual agency budgets.

Governor

Reduce funding by \$81,374,770 (\$81,005,784 in the General Fund and \$368,986 in the Special Transportation Fund) in FY 20 and by \$75,584,870 (\$75,339,184 in the General Fund and \$245,686 in the Special Transportation Fund) in FY 21 to reflect that funds previously appropriated in the RSA account for SEBAC related costs are now provided in the agency budgets.

Totals

Budget Components	Governor Recommended	
	FY 20	FY 21
FY 19 Appropriation - GF	99,232,684	99,232,684
Current Services	(81,005,784)	(75,339,184)
Total Recommended - GF	18,226,900	23,893,500
FY 19 Appropriation - TF	2,301,186	2,301,186
Current Services	(368,986)	(245,686)
Total Recommended - TF	1,932,200	2,055,500

Department of Administrative Services DAS23000

Permanent Full-Time Positions

Fund	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
General Fund	663	663	663	663	668	669	0.75

Budget Summary

Account	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
Personal Services	42,886,719	45,853,884	47,649,497	49,810,363	48,133,645	50,482,515	4.97
Other Expenses	27,118,306	27,377,295	31,476,259	32,666,758	30,143,935	31,181,530	10.11
Other Current Expenses							
Tuition Reimbursement - Training and Travel	59,937	-	-	-	-	-	n/a
Loss Control Risk Management	87,679	92,634	92,634	92,634	92,634	92,634	-
Employees' Review Board	17,610	17,611	17,611	17,611	17,611	17,611	-
Surety Bonds for State Officials and Employees	53,476	147,524	147,524	147,524	69,000	73,500	(53.23)
Refunds Of Collections	17,696	21,453	21,453	21,453	21,453	21,453	-
Rents and Moving	8,977,221	11,318,952	11,751,049	11,496,268	10,571,577	10,571,577	(6.60)
W. C. Administrator	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	-
Connecticut Education Network	855,369	-	-	-	-	-	n/a
State Insurance and Risk Mgmt Operations	11,657,004	10,917,391	14,048,134	14,593,986	12,239,855	12,239,855	12.11
IT Services	11,862,255	11,759,563	13,486,566	15,254,064	14,719,176	17,325,576	25.17
Firefighters Fund	-	400,000	400,000	400,000	400,000	400,000	-
Agency Total - General Fund	108,593,272	112,906,307	124,090,727	129,500,661	121,408,886	127,406,251	7.53
State Insurance and Risk Mgmt Operations	8,352,672	8,508,924	10,285,901	10,623,138	8,934,370	8,934,370	5.00
Agency Total - Special Transportation Fund	8,352,672	8,508,924	10,285,901	10,623,138	8,934,370	8,934,370	5.00
Total - Appropriated Funds	116,945,944	121,415,231	134,376,628	140,123,799	130,343,256	136,340,621	7.35

Account	Governor Recommended	
	FY 20	FY 21

Policy Revisions

Provide Funding to Develop a Digital Front Door

IT Services	2,050,000	4,397,000
Total - General Fund	2,050,000	4,397,000
Positions - General Fund	5	6

Background

The Governor is proposing that DAS develop a new digital service that will work with agencies to move their interactions with businesses and residents to a state-wide portal.

Account	Governor Recommended	
	FY 20	FY 21

Governor

Provide funding of \$2,050,000 in FY 20 and \$4,397,000 in FY 21 for five IT professionals, an additional position in FY 21, as well as for IT consultants to help develop a one-stop-shop for individuals starting a business, accessing support during a family crisis, or seeking stability through training and employment.

Current Services**Provide Funding for Wage Increases**

Personal Services	2,279,761	4,628,631
Total - General Fund	2,279,761	4,628,631

Background

The Governor's FY 20 and FY 21 Budget provides funding of \$70.3 million in FY 20 and \$165.9 million in FY 21, across seven appropriated funds, for state employee wages and collective bargaining increases.

Governor

Provide funding of \$2,279,761 in FY 20 and \$4,628,631 in FY 21 to reflect this agency's increased wage costs.

Adjust Funding to Reflect Cellular Services Savings

IT Services	(8,040)	(8,040)
Total - General Fund	(8,040)	(8,040)

Background

The Governor's FY 20 and FY 21 Budget reduces funding by \$197,555 in both FY 20 and FY 21, across five appropriated funds, to reflect cellular services savings.

Governor

Reduce funding by \$8,040 in both FY 20 and FY 21 to reflect this agency's cellular services savings.

Reduce Funding for Expiring Leases from Rents and Moving

Rents and Moving	(747,375)	(747,375)
Total - General Fund	(747,375)	(747,375)

Background

The leases for 60B Weston Street and 1 Constitution Plaza have been terminated.

Governor

Reduce funding by \$747,375 in both FY 20 and FY 21 to reflect the savings related to the leases not being extended.

Adjust Funding for the Surety Bonds for State Officials and Employees Account

Surety Bonds for State Officials and Employees	(78,524)	(74,024)
Total - General Fund	(78,524)	(74,024)

Background

The FY 19 appropriation includes the renewal premium for the State Employee Comprehensive Crime Bond. This bond renews every three years and will not be renewed until FY 22.

Governor

Reduce funding by \$78,524 in FY 20 and \$74,024 in FY 21 to reflect current requirements.

Provide Funding for Insurance and Risk Management

State Insurance and Risk Mgmt Operations	1,322,464	1,322,464
Total - General Fund	1,322,464	1,322,464
State Insurance and Risk Mgmt Operations	425,446	425,446
Total - Special Transportation Fund	425,446	425,446

Account	Governor Recommended	
	FY 20	FY 21

Background

These accounts pay for premiums associated with policies purchased by the State to insure against losses, for claims and judgments issued against the State for losses that occur within the self-insured deductible amounts, and for payment of the insurance broker and Third Party Administrator and other administrative costs.

The FY 20 and FY 21 insurance premiums and claim expenses were calculated using actuarial and historical experience. The majority of the Board's premium dollars are for Rail, Liability, Property Insurance and Fleet, Bus and Highway Liability. Each of these insurance lines is incurring increases upon renewal and the premium projections reflect market increases.

Governor

Provide funding of \$1,747,910 (\$1,322,464 in the GF and \$425,446 in the STF) in both FY 20 and FY 21 to reflect current requirements.

Provide Funding for Operational Costs of 165 Capitol Avenue and the Buckingham Street Garage

Other Expenses	1,913,071	2,649,200
Total - General Fund	1,913,071	2,649,200

Background

In the previous biennium, the building at 165 Capitol Avenue was completely vacated and underwent a complete renovation. The Buckingham Street garage was demolished and rebuilt and all expenses were covered by the bond funding for that capital project. The Attorney General's office is expected to move in to 165 Capitol in November 2019, followed by the other constitutional offices.

Governor

Provide funding of \$1,913,071 in FY 20 and \$2,649,200 to continue paying the operational costs of the Buckingham Street garage and the property at 165 Capitol Avenue.

Provide Funding for the Operational Expenses of 25 Sigourney

Other Expenses	500,000	500,000
Total - General Fund	500,000	500,000

Background

The building at 25 Sigourney Street is no longer being demolished and operating costs are needed to cover the expenses associated with maintaining the building until it is sold. The majority of the expenses are related to the cost of keeping the water on, required for fire safety, and keeping the building minimally heated to prevent the water from freezing. In the summer, air conditioning is utilized to prevent mold.

Governor

Provide funding of \$500,000 in both FY 20 and FY 21 for the operating costs of maintaining the property until the building is sold.

Provide Funding for Security Coverage at the New Parking Garage at 10 Clinton Street

Other Expenses	117,680	176,520
Total - General Fund	117,680	176,520

Background

DAS will cover the security costs at the 10 Clinton Street garage which will be completed in October 2019. (CRDA has been responsible for expenses during construction).

Governor

Provide funding of \$117,680 in FY 20 and \$176,520 for the security costs for the new garage at 10 Clinton Street, which is expected to be completed in October 2019.

Provide Funding for Cleaning and Security Guard Contract Wage Increases

Other Expenses	235,889	478,515
Total - General Fund	235,889	478,515

Background

The Department of Administrative Services administers several maintenance contracts for the State. Some of these contracts are anticipated to increase due to increases in the standard wage rates.

Account	Governor Recommended	
	FY 20	FY 21

Governor

Provide funding of \$235,889 in FY 20 and \$478,515 in FY 21 to accommodate the wages increases included in cleaning and security guard contracts.

Provide Funding for the Statewide Talent Management Software Solution's Yearly Subscription Fees

IT Services	446,000	446,000
Total - General Fund	446,000	446,000

Background

The Talent Management Software System is the recruiting, applicant tracking, selection and online testing system for the Executive Branch (JobAps). The annual subscription fees are currently funded through IT Capital Investment Bond Funds as part of the project build. After June 30, 2019, these costs will shift to the General Fund.

Governor

Provide funding of \$446,000 in both FY 20 and FY 21 for the on-going subscription costs.

Provide Funding for E-Sourcing Annual Maintenance Funds

IT Services	-	259,400
Total - General Fund	-	259,400

Background

The Department of Administrative Services received approval from the IT Capital Investment Committee for bond funding for an E-Sourcing System to replace the State Contracting Portal/Biznet. Although bond funds may be used for the project build, the annual software maintenance costs would shift to the General Fund in FY 21.

Governor

Provide funding of \$259,400 in FY 21 for the annual maintenance and subscription costs of the new portal.

Provide Funding for Annual Maintenance Costs of New School Construction Software Application

IT Services	100,000	100,000
Total - General Fund	100,000	100,000

Background

The Office of School Construction and Grants Review within DAS implemented a new software application that enables the agency to collect and analyze key metrics about the entirety of public school facilities in the state. The metrics are related to both facility needs and current and future student populations and future school facility needs in the state.

Governor

Provide funding of \$100,000 in both FY 20 and FY 21 to maintain the system.

Provide Funding for the eLicense Annual Maintenance and Subscription Costs

IT Services	50,000	50,000
Total - General Fund	50,000	50,000

Background

Enhancements to the eLicense system were funded from IT Capital Investment Program and one year of annual maintenance/subscriptions were factored into FY 19. Although the eLicense system is used by multiple agencies, DAS is responsible for paying the annual maintenance and subscription costs.

Governor

Provide funding of \$50,000 in both FY 20 and FY 21 to accommodate the ongoing costs associated with continued use of the system.

Provide Funding for Enterprise Messaging Resiliency and Refresh

IT Services	321,653	321,653
Total - General Fund	321,653	321,653

Background

The current licensing agreements are expiring. This supports the refresh of the enterprise messaging environment to ensure that it remains continually available.

Account	Governor Recommended	
	FY 20	FY 21

Governor

Provide funding of \$321,653 in both FY 20 and FY 21 for the purchase of new exchange licenses.

Totals

Budget Components	Governor Recommended	
	FY 20	FY 21
FY 19 Appropriation - GF	112,906,307	112,906,307
Policy Revisions	2,050,000	4,397,000
Current Services	6,452,579	10,102,944
Total Recommended - GF	121,408,886	127,406,251
FY 19 Appropriation - TF	8,508,924	8,508,924
Current Services	425,446	425,446
Total Recommended - TF	8,934,370	8,934,370

Positions	Governor Recommended	
	FY 20	FY 21
FY 19 Appropriation - GF	663	663
Policy Revisions	5	6
Total Recommended - GF	668	669

Workers' Compensation Claims - Administrative Services DAS23100

Budget Summary

Account	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
Other Current Expenses							
Workers' Compensation Claims	8,392,780	7,605,530	9,253,163	9,640,680	7,982,375	8,259,800	4.95
Agency Total - General Fund	8,392,780	7,605,530	9,253,163	9,640,680	7,982,375	8,259,800	4.95
Workers' Compensation Claims	4,817,810	6,723,297	6,723,297	6,723,297	6,723,297	6,723,297	-
Agency Total - Special Transportation Fund	4,817,810	6,723,297	6,723,297	6,723,297	6,723,297	6,723,297	-
Total - Appropriated Funds	13,210,590	14,328,827	15,976,460	16,363,977	14,705,672	14,983,097	2.63

Account	Governor Recommended	
	FY 20	FY 21

Current Services

Provide Funding for Increased Medical and Indemnity Costs

Workers' Compensation Claims	376,845	654,270
Total - General Fund	376,845	654,270

Background

The Department of Administrative Services (DAS) manages workers' compensation claims functions for most state agencies. Currently, nine agencies manage their own appropriations: the Departments of Children and Families, Corrections, Developmental Services, Emergency Services and Public Protection, Mental Health and Addiction Services, the Board of Regents, the Judicial Department, UCONN Health Center and UCONN.

Governor

Provide funding of \$376,845 in FY 20 and \$654,270 in FY 21 for increased medical and indemnity costs related to medical and wage related increases for workers' compensation claims expenditures for those agencies under the purview of DAS. Funding assumes an increase of approximately 4.5% in indemnity expenses in FY 20 and 6% in FY 21. Medical costs assume an increase of 5.5% in FY 20 and 5.7% in FY 21.

Totals

Budget Components	Governor Recommended	
	FY 20	FY 21
FY 19 Appropriation - GF	7,605,530	7,605,530
Current Services	376,845	654,270
Total Recommended - GF	7,982,375	8,259,800

Attorney General OAG29000

Permanent Full-Time Positions

Fund	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
General Fund	311	311	311	311	311	311	-

Budget Summary

Account	Actual FY 18	Appropriation FY 19	Agency Requested		Governor Recommended		% Diff Gov-App FY 20
			FY 20	FY 21	FY 20	FY 21	
Personal Services	27,928,257	30,078,364	31,258,725	32,619,074	30,379,331	30,870,633	1.00
Other Expenses	951,201	1,020,461	1,020,461	1,020,461	1,019,910	1,019,910	(0.05)
Agency Total - General Fund	28,879,458	31,098,825	32,279,186	33,639,535	31,399,241	31,890,543	0.97

Account	Governor Recommended	
	FY 20	FY 21

Policy Revisions

Adjust Funding to Reflect Cellular Services Savings

Other Expenses	(551)	(551)
Total - General Fund	(551)	(551)

Background

The Governor’s FY 20 and FY 21 Budget reduces funding by \$197,555 in both FY 20 and FY 21, across five appropriated funds, to reflect cellular services savings.

Governor

Reduce funding by \$551 in both FY 20 and FY 21 to reflect this agency’s cellular services savings.

Annualize FY 19 Holdbacks

Personal Services	(150,392)	(150,392)
Total - General Fund	(150,392)	(150,392)

Background

The Office of Policy and Management implemented FY 19 holdbacks totaling \$18.5 million. The Governor’s FY 20 and FY 21 Budget annualizes \$7.7 million of these holdbacks in both FY 20 and FY 21 across various agencies.

Governor

Reduce funding by \$150,392 in both FY 20 and FY 21 to annualize this agency’s FY 19 holdbacks.

Current Services

Provide Funding for Wage Increases

Personal Services	451,359	942,661
Total - General Fund	451,359	942,661

Account	Governor Recommended	
	FY 20	FY 21

Background

The Governor's FY 20 and FY 21 Budget provides funding of \$70.3 million in FY 20 and \$165.9 million in FY 21, across seven appropriated funds, for state employee wages and collective bargaining increases.

Governor

Provide funding of \$451,359 in FY 20 and \$942,661 in FY 21 to reflect this agency's increased wage costs.

Totals

Budget Components	Governor Recommended	
	FY 20	FY 21
FY 19 Appropriation - GF	31,098,825	31,098,825
Policy Revisions	(150,943)	(150,943)
Current Services	451,359	942,661
Total Recommended - GF	31,399,241	31,890,543