

Budget Adjustment Plan Pursuant to Section 12 of P.A. 11-06

| <u>Agency</u> | <u>Proposed Reduction</u> | <u>FY 2012</u> | <u>FY 2013</u> |
|--|---|------------------------|------------------------|
| State Comptroller - Fringe Benefits | Re-estimate of Retiree Health Care Funding Requirements | \$ (25,000,000) | \$ (27,000,000) |
| Department of Public Safety | Reduction to Worker's Compensation Account | (900,000) | (900,000) |
| Department of Developmental Services | Reduction to Worker's Compensation Account | (1,000,000) | (1,000,000) |
| Department of Developmental Services | Savings in Natural Gas | (201,317) | (201,524) |
| Dept Mental Health & Addiction Svs | Reduction to Worker's Compensation Account | (1,750,000) | (1,750,000) |
| Department of Education | Reduce Interdistrict Cooperation Funding | (7,238,512) | (7,235,758) |
| Univ of Connecticut Health Center | Reduce Additional \$10 Million in FY12 by 50% | (2,000,000) | 0 |
| Department of Correction | Reduce Inmate Medical Services by Projected FY11 Lapse | (2,500,000) | 0 |
| Total Executive Branch | | \$ (40,589,829) | \$ (38,087,282) |
| Legislative Branch (increase unallocated lapse) | | \$ - | \$ (328,105) |
| Judicial Branch (increase unallocated lapse) | | \$ - | \$ (1,855,672) |
| Grand Total Reductions | | \$ (40,589,829) | \$ (40,271,059) |
| <u>Reconciliation of Proposed Budget Adjustments:</u> | | | |
| | Budgeted Labor-Management Lapse | \$ (1,000,000,000) | \$ (1,000,000,000) |
| | SEBAC Agreement Savings | \$ (700,000,000) | \$ (900,000,000) |
| | Plan C Savings | \$ (40,589,829) | \$ (40,271,059) |
| | Impact on Budgeted Surplus | \$ (259,410,171) | \$ (59,728,941) |

Statutory Spending Cap Calculations

For FY 2011 through FY 2013

PA 11-6, File 7466, File 737, SEBAC Agreement and Plan C

| | FY 2010-11 | | FY 2011-12 | FY 2012-13 |
|--|--------------------------|------------|-----------------|-------------------|
| | Enacted <u>Budget</u> | Adjustment | | |
| Total All Appropriated Funds - Prior Year | \$ 18,566.2 | | \$ 19,339.4 | \$ 20,133.0 |
| Extraordinary Spending | <u>0.0</u> | | <u>0.0</u> | <u>0.0</u> |
| | \$18,566.2 | | \$19,339.4 | \$20,133.0 |
| Less "Non-Capped" Expenditures: | | | | |
| Debt Service | 2,069.8 | | 2,127.6 | 2,373.0 |
| Statutory Grants to Distressed Municipalities | <u>1,480.4</u> | | <u>1,502.1</u> | <u>1,480.4</u> |
| Total "Non-Capped" Expenditures - Prior Year | 3,550.3 | | 3,629.7 | 3,853.4 |
| Total "Capped" Expenditures | 15,015.9 | | 15,709.8 | 16,279.6 |
| Times Five-Year Average Growth In Personal Income | 4.53% | | 3.39% | 2.84% |
| Allowable "Capped" Growth | <u>680.7</u> | | <u>532.4</u> | <u>463.0</u> |
| "Capped" Expenditures | 15,696.5 | | 16,242.2 | 16,742.6 |
| Plus "Non-Capped" Expenditures: | | | | |
| Debt Service | 2,131.6 | (4.0) | 2,127.6 [a] | 2,427.5 |
| Federal Mandates and Court Orders (new \$) | 46.7 | | 46.3 | 20.6 |
| Statutory Grants to Distressed Municipalities | <u>1,473.5</u> | | <u>1,480.4</u> | <u>1,479.6</u> |
| Total "Non-Capped" Expenditures | 3,651.8 | (4.0) | 3,647.8 | 3,927.7 |
| Total All Expenditures Allowed | 19,348.3 | | 20,141.9 | 20,670.3 |
| Appropriation for this year | 19,010.2 | 329.2 | 19,339.4 [b] | 20,392.5 [c][d] |
| Amount Total Appropriations are Over/ (Under) the Cap | <u>\$ (338.1)</u> | | <u>\$ (8.9)</u> | <u>\$ (277.8)</u> |

[a] Adjusted for a reduction of \$4 M in debt services in STF

May 27-2011

[b] Per File 737

| | |
|----------------|------------|
| Section 1, GF | 355.2 |
| Section 2, GF | (26.0) |
| Section 3, STF | (4.0) |
| Section 4, STF | <u>4.0</u> |
| Total | 329.2 |

[c] Per File 7466

[d] Adjusted for SEBAC Agreement & Plan C for saving reduction

| | | |
|--------------------------|-------------|-------------|
| Planned Union Concession | (1,000.0) | (1,000.0) |
| SEBAC Agreement Saving | 700.0 | 900.0 |
| Plan C | <u>40.8</u> | <u>40.5</u> |
| Total | (259.2) | (59.5) |

[c]+[d]

20,133.0 20,392.5