

- Public Defender Services Commission. A total shortfall of \$3.7 million is projected, with \$2.4 million in Personal Services, \$1.0 million in Assigned Counsel – Criminal, and \$300,000 in Expert Witnesses.
- State Treasurer – Debt Service. A shortfall of \$12.0 million is anticipated. Although the Treasurer’s office recently projected a deficiency that is \$7.4 million greater than this, our estimate reflects the likely result of a scheduled refunding sale and minor differences in the assumed timing, amounts and interest rates related to debt issuance for the remainder of the fiscal year.

Also affecting balance is \$9.0 million in estimated requirements for Adjudicated Claims. Existing law requires that Adjudicated Claims payments be made from the resources of the General Fund. Settlement costs related to the SEBAC v. Rowland decision are made from the Adjudicated Claims account, but updated information regarding the exact monetary costs to be paid as part of the settlement during FY 2017 is not yet available.

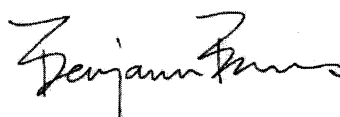
Lapses. A net total of \$16.5 million in the Fringe Benefits accounts administered by the Comptroller is projected to remain unspent at year end beyond budgeted holdbacks. We are currently projecting that a shortfall in the Unemployment Compensation account will be more than offset by lapses projected in the appropriations for Employers Social Security Tax, Higher Education Alternative Retirement System, and Active and Retired State Employee Healthcare. In addition, current expenditure trends suggest that fringe benefits expenditures will continue to trend favorably over the coming months. As noted in prior months, we continue to monitor achievement of significant lapses assumed in the adopted budget for all branches of government.

Special Transportation Fund

We are projecting an operating deficit of \$14.0 million in the Transportation Fund. Anticipated revenues have been revised downward by \$13.1 million from the level reported last month, reflective of the November 10th consensus forecast. The largest change is in the Oil Companies Tax, down \$12.7 million due to weaker than projected collections in the month of October. All other revenue changes net to a negative \$0.4 million. On the expenditure side, \$15.3 million in Debt Service will lapse, as will \$5.0 million in health care costs for active employees in the fringe benefit accounts administered by the Comptroller. We anticipate the fund balance on June 30, 2017 to be \$128.8 million.

As we note each month, the foregoing information represents the best forecast that can be made at this time, and future estimates will differ as a result of changes in the economy, expenditure patterns, and/or other factors as the year progresses.

Sincerely,



Benjamin Barnes
Secretary

Summary
November 18, 2016

State of Connecticut
Summary of Changes
General Fund and Special Transportation Fund
Projected to June 30, 2017
As of October 31, 2016
(In Millions)

General Fund

| | | | |
|---|---------------|----|---------------|
| Balance from Operations - Prior Month | | \$ | (5.7) |
| Revenues | | | |
| Personal Income Tax | (13.5) | | |
| Sales and Use Tax | (4.1) | | |
| Health Provider Tax | (3.1) | | |
| Federal Grants | <u>(28.6)</u> | | (49.3) |
| Expenditures | | | |
| Additional Requirements | (8.7) | | |
| Estimated Lapses | 0.0 | | |
| Miscellaneous Adjustments/Rounding | <u>(4.0)</u> | | <u>(12.7)</u> |
| Estimated Balance from Operations - June 30, 2017 | | \$ | <u>(67.7)</u> |

Special Transportation Fund

| | | | |
|--|--------------|----|---------------|
| Fund Balance as of June 30, 2016 | | \$ | 142.8 |
| Balance from Operations - Prior Month | | | (0.9) |
| Revenues | | | |
| Oil Companies Tax | (12.7) | | |
| Motor Vehicle Receipts | <u>(0.4)</u> | | <u>(13.1)</u> |
| Expenditures | | | |
| Additional Requirements | 0.0 | | |
| Estimated Lapses | 0.0 | | |
| Miscellaneous Adjustments/Rounding | <u>0.0</u> | | <u>0.0</u> |
| Estimated Fund Balance - June 30, 2017 | | \$ | <u>128.8</u> |

State of Connecticut
General Fund
Statement of Revenues, Expenditures, and Results of Operations
Projected to June 30, 2017
As of October 31, 2016
(In Millions)

| | General Assembly Budget Plan ¹ | Revised Estimates OPM | Over/ (Under) |
|---|---|-----------------------------|------------------|
| REVENUE | | | |
| Taxes | \$ 16,768.5 | \$ 16,671.2 | \$ (97.3) |
| Less: Refunds | (1,248.6) | (1,248.6) | - |
| Taxes - Net | \$ 15,519.9 | \$ 15,422.6 | \$ (97.3) |
| Other Revenue | 1,219.0 | 1,299.0 | 80.0 |
| Other Sources | 1,147.8 | 1,119.2 | (28.6) |
| TOTAL Revenue | \$ 17,886.7 | \$ 17,840.8 | \$ (45.9) |
| EXPENDITURES | | | |
| Initial Current Year Appropriations | \$ 18,073.3 | \$ 18,073.3 | \$ 0.0 |
| Prior Year Appropriations Continued to FY 2017 ² | | 96.5 | 96.5 |
| TOTAL Initial and Continued Appropriations | \$ 18,073.3 | \$ 18,169.8 | \$ 96.5 |
| Appropriation Adjustments | - | - | - |
| TOTAL Adjusted Appropriations | \$ 18,073.3 | \$ 18,169.8 | \$ 96.5 |
| Net Additional Expenditure Requirements | | 29.5 | 29.5 |
| Estimated Appropriations Lapsed | (209.3) | (203.3) | 6.0 |
| Estimated Appropriations to be Continued to FY 2018 | | - | - |
| TOTAL Estimated Expenditures | \$ 17,864.0 | \$ 17,996.0 | \$ 132.0 |
| Net Change in Fund Balance - Continuing Appropriations | | (96.5) | (96.5) |
| Miscellaneous Adjustments/Rounding | | (9.0) | (9.0) |
| Net Change in Unassigned Fund Balance - 6/30/2017 | \$ 22.7 | \$ (67.7) | \$ (90.4) |

1. P.A. 15-244, as amended by P.A. 15-5, June Spec. Sess. and P.A. 16-2, May Spec. Sess., after gubernatorial line item vetoes.

2. P.A. 15-244, as amended by P.A. 15-5, June Spec. Sess., P.A. 16-2, May Spec. Sess., and other statutory provisions.

State of Connecticut
General Fund
Revenue Estimates
Projected to June 30, 2017
As of October 31, 2016
(In Millions)

| | General Assembly Budget Plan ¹ | Revised Estimates OPM | Over/ (Under) |
|---------------------------------------|---|-----------------------------|------------------|
| TAXES | | | |
| Personal Income | \$ 9,519.0 | \$ 9,452.5 | \$ (66.5) |
| Sales and Use | 4,328.7 | 4,279.8 | (48.9) |
| Corporation | 839.3 | 839.3 | - |
| Public Service Corporations | 283.9 | 283.9 | - |
| Inheritance and Estate | 174.6 | 174.6 | - |
| Insurance Companies | 245.4 | 245.4 | - |
| Cigarettes | 371.1 | 371.1 | - |
| Real Estate Conveyance | 201.8 | 201.8 | - |
| Alcoholic Beverages | 62.2 | 62.2 | - |
| Admissions and Dues | 39.0 | 39.0 | - |
| Health Provider Tax | 683.4 | 701.5 | 18.1 |
| Miscellaneous | 20.1 | 20.1 | - |
| TOTAL - TAXES | \$ 16,768.5 | \$ 16,671.2 | \$ (97.3) |
| Less: Refunds of Taxes | (1,106.5) | (1,106.5) | - |
| Earned Income Tax Credit | (133.6) | (133.6) | - |
| R & D Credit Exchange | (8.5) | (8.5) | - |
| TOTAL - TAXES - NET | \$ 15,519.9 | \$ 15,422.6 | \$ (97.3) |
| OTHER REVENUE | | | |
| Transfers - Special Revenue | \$ 355.5 | \$ 355.5 | \$ - |
| Indian Gaming Payments | 267.0 | 267.0 | - |
| Licenses, Permits, Fees | 269.2 | 269.2 | - |
| Sales of Commodities and Services | 42.6 | 42.6 | - |
| Rents, Fines, Escheats | 128.0 | 128.0 | - |
| Investment Income | 3.8 | 3.8 | - |
| Miscellaneous | 219.0 | 299.0 | 80.0 |
| Refunds of Payments | (66.1) | (66.1) | - |
| TOTAL - OTHER REVENUE | \$ 1,219.0 | \$ 1,299.0 | \$ 80.0 |
| OTHER SOURCES | | | |
| Federal Grants | \$ 1,257.6 | \$ 1,229.0 | \$ (28.6) |
| Transfer from Tobacco Settlement Fund | 108.5 | 108.5 | - |
| Transfers From/(To) Other Funds | (218.3) | (218.3) | - |
| TOTAL - OTHER SOURCES | \$ 1,147.8 | \$ 1,119.2 | \$ (28.6) |
| TOTAL - GENERAL FUND REVENUE | \$ 17,886.7 | \$ 17,840.8 | \$ (45.9) |

1. P.A. 16-2, May Special Session, and P.A. 16-3, May Special Session.

State of Connecticut - General Fund
Appropriation Adjustments - Net Additional Requirements
Projected to June 30, 2017
As of October 31, 2016

| | | |
|--------------------------------------|----|-------------------|
| Office of the Chief Medical Examiner | \$ | 275,000 |
| Office of Early Childhood | | 13,500,000 |
| Public Defenders Services Commission | | 3,700,000 |
| OTT - Debt Service | | 12,000,000 |
| Total | \$ | <u>29,475,000</u> |

State of Connecticut
General Fund
Estimated Lapses
Projected to June 30, 2017
As of October 31, 2016

| | |
|---|------------------------------|
| Unallocated Lapse - Amount Allocated ¹ . | \$ 41,879,699 |
| Unallocated Lapse - Remaining | 30,096,493 |
| Unallocated Lapse - Legislative ¹ . | 3,028,105 |
| Unallocated Lapse - Judicial ¹ . | 7,400,672 |
| General Lapse - Judicial | 15,075,000 |
| Targeted Savings - Amount Allocated | 61,801,472 |
| Targeted Savings - Remaining | 7,047,496 |
| Arts and Tourism Lapse | 500,000 |
| Municipal Opportunities and Regional Efficiencies Lapse | 20,000,000 |
| OSC - Fringe Benefits | 16,500,000 |
| Total | <u><u>\$ 203,328,937</u></u> |

1. Allocable pursuant to Public Act 16-2, May Spec. Sess., Section 35.

State of Connecticut
2016-17 General Fund
Summary of Operations Per Letter to the Comptroller
(In Millions)

| | Budget Plan ¹ | July 2016 | August 2016 | September 2016 | October 2016 | November 2016 | December 2016 | January 2017 | February 2017 | March 2017 | April 2017 | May 2017 | June 2017 |
|--|-----------------------------|----------------|----------------|-------------------|-----------------|------------------|------------------|-----------------|------------------|---------------|---------------|-------------|--------------|
| REVENUE | \$ 17,886.7 | \$ 17,886.7 | \$ 17,886.7 | \$ 17,890.1 | \$ 17,840.8 | | | | | | | | |
| Appropriations | 18,073.3 | 18,073.3 | 18,073.3 | 18,073.3 | 18,073.3 | | | | | | | | |
| Additional Requirements | 0.0 | 0.0 | 4.0 | 20.8 | 29.5 | | | | | | | | |
| Less: Estimated Lapses | <u>(209.3)</u> | <u>(186.8)</u> | <u>(190.8)</u> | <u>(203.3)</u> | <u>(203.3)</u> | | | | | | | | |
| TOTAL - Estimated Expenditures | 17,864.0 | 17,886.5 | 17,886.5 | 17,890.8 | 17,899.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Balance from Operations | 22.7 | 0.2 | 0.2 | (0.7) | (58.7) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Misc. Adjustments/Rounding | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> | <u>(5.0)</u> | <u>(9.0)</u> | | | | | | | | |
| Est. Balance from Operations - 6/30/17 | \$22.7 | \$0.2 | \$0.2 | (\$5.7) | (\$67.7) | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |

1. P.A. 15-244, as amended by P.A. 15-5, June Spec. Sess. and P.A. 16-2, May Spec. Sess.

State of Connecticut
Special Transportation Fund
Analysis of Budget Plan
Projected to June 30, 2017
As of October 31, 2016
(In Millions)

| | General Assembly <u>Budget Plan</u> ¹ | Revised Estimates <u>OPM</u> | Over/ <u>(Under)</u> |
|---|--|------------------------------------|-------------------------|
| Fund Balance as of June 30, 2016 ² | \$ 150.4 | \$ 142.8 | \$ (7.6) |
| REVENUE | | | |
| Taxes | \$ 1,065.3 | \$ 1,047.4 | \$ (17.9) |
| Less: Refunds of Taxes | <u>(14.5)</u> | <u>(14.5)</u> | <u>-</u> |
| Taxes - Net | 1,050.8 | 1,032.9 | (17.9) |
| Other Revenue | <u>413.6</u> | <u>408.2</u> | <u>(5.4)</u> |
| TOTAL - Revenue | \$ 1,464.4 | \$ 1,441.1 | \$ (23.3) |
| EXPENDITURES | | | |
| Appropriations | \$ 1,475.4 | \$ 1,475.4 | \$ - |
| Prior Year Appropriations Continued to FY 2016 ² | | <u>22.6</u> | <u>22.6</u> |
| TOTAL Initial and Continued Appropriations | \$ 1,475.4 | \$ 1,498.0 | \$ 22.6 |
| Appropriation Adjustments | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL Adjusted Appropriations | \$ 1,475.4 | \$ 1,498.0 | \$ 22.6 |
| Net Additional Expenditure Requirements | | - | - |
| Estimated Appropriations Lapsed | (12.0) | (20.3) | (8.3) |
| Estimated Appropriations to be Continued to FY 2017 | | <u>-</u> | <u>-</u> |
| TOTAL Estimated Expenditures | \$ 1,463.4 | \$ 1,477.7 | \$ 14.3 |
| Net Change in Fund Balance - Continuing Appropriations | | (22.6) | (22.6) |
| Miscellaneous Adjustments/Rounding | | - | - |
| Net Change in Unassigned Fund Balance - FY 2017 | \$ 1.0 | \$ (14.0) | \$ (15.0) |
| Estimated Fund Balance - June 30, 2017 | <u>\$ 151.4</u> | <u>\$ 128.8</u> | <u>\$ (22.6)</u> |

1. P.A. 15-244, as amended by P.A. 15-5, June Spec. Sess. and P.A. 16-2, May Spec. Sess.

2. Budget plan as estimated by the Office of Policy and Management.

State of Connecticut
Special Transportation Fund
Revenue Estimates
Projected to June 30, 2017
As of October 31, 2016
(In Millions)

| | <u>General Assembly Budget Plan ¹</u> | <u>Revised Estimates OPM</u> | <u>Over/ (Under)</u> |
|---|--|--------------------------------------|--------------------------|
| TAXES | | | |
| Motor Fuels | \$ 503.7 | \$ 503.7 | \$ - |
| Oil Companies | 268.4 | 255.7 | (12.7) |
| Sales & Use Tax | 202.9 | 197.7 | (5.2) |
| Sales Tax DMV | 90.3 | 90.3 | - |
| TOTAL - TAXES | <u>1,065.3</u> | <u>1,047.4</u> | <u>(17.9)</u> |
| Less: Refunds of Taxes | (14.5) | (14.5) | - |
| TOTAL - TAXES - NET | <u>\$ 1,050.8</u> | <u>\$ 1,032.9</u> | <u>\$ (17.9)</u> |
| OTHER REVENUE | | | |
| Motor Vehicle Receipts | \$ 261.8 | \$ 256.4 | \$ (5.4) |
| Licenses, Permits, Fees | 141.5 | 141.5 | - |
| Interest Income | 8.5 | 8.5 | - |
| Federal Grants | 12.1 | 12.1 | - |
| Transfers (To)/From Other Funds | (6.5) | (6.5) | - |
| Refunds of Payments | (3.8) | (3.8) | - |
| TOTAL - OTHER REVENUE | <u>\$ 413.6</u> | <u>\$ 408.2</u> | <u>\$ (5.4)</u> |
| TOTAL - SPECIAL TRANSPORTATION FUND REVENUE | <u>\$ 1,464.4</u> | <u>\$ 1,441.1</u> | <u>\$ (23.3)</u> |

1. P.A. 15-244, as amended by P.A. 15-5, June Spec. Sess. and P.A. 16-2, May Spec. Sess.

Statement 3T
November 18, 2016

State of Connecticut
Special Transportation Fund
Appropriation Adjustments - Net Additional Requirements
Projected to June 30, 2017
As of October 31, 2016

| | |
|----------------------------|-------------|
| No Additional Requirements | \$ - |
| Total | <u>\$ -</u> |

Statement 4T
November 18, 2016

State of Connecticut
Special Transportation Fund
Estimated Lapses
Projected to June 30, 2017
As of October 31, 2016

| | | |
|-----------------------|----|-------------------|
| Unallocated Lapse | \$ | - |
| OSC - Fringe Benefits | | 5,000,000 |
| OTT - Debt Service | | 15,300,000 |
| Total | \$ | <u>20,300,000</u> |

State of Connecticut
2016-17 Special Transportation Fund
Summary of Operations Per Letter to the Comptroller
(In Millions)

| | Budget Plan ¹ | July 2016 | August 2016 | September 2016 | October 2016 | November 2016 | December 2016 | January 2017 | February 2017 | March 2017 | April 2017 | May 2017 | June 2017 |
|--------------------------------|--------------------------|-----------|-------------|----------------|--------------|---------------|---------------|--------------|---------------|------------|------------|----------|-----------|
| Beginning Balance ² | \$ 150.4 | \$ 150.4 | \$ 142.8 | \$ 142.8 | \$ 142.8 | | | | | | | | |
| Revenue | 1,464.4 | 1,464.4 | 1,464.4 | 1,454.2 | 1,441.1 | | | | | | | | |
| Total Available | 1,614.8 | 1,614.8 | 1,607.2 | 1,597.0 | 1,583.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Appropriations | 1,475.4 | 1,475.4 | 1,475.4 | 1,475.4 | 1,475.4 | | | | | | | | |
| Additional Requirements | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | | | | | | | |
| Less: Estimated Lapses | (12.0) | (12.0) | (15.3) | (20.3) | (20.3) | | | | | | | | |
| TOTAL - Estimated Expenditures | 1,463.4 | 1,463.4 | 1,460.1 | 1,455.1 | 1,455.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Balance from Operations | 1.0 | 1.0 | 4.3 | (0.9) | (14.0) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Misc. Adjustments/Rounding | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | | | | | | | |
| Estimated Balance 6/30/16 | \$151.4 | \$151.4 | \$147.1 | \$141.9 | \$128.8 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | \$0.0 |

1. P.A. 15-244, as amended by P.A. 15-5, June Spec. Sess. and P.A. 16-2, May Spec. Sess.

2. Budget Plan and the months of July and August as estimated by the Office of Policy and Management.