



STATE OF CONNECTICUT
OFFICE OF THE GOVERNOR

To: All Agency Heads
From: M. Jodi Rell, Governor *mjr*
Date: August 2, 2010
Subject: Agency Budget Request Submission for the 2011-2013 Biennium

While the past two years have been particularly difficult from a budgetary standpoint, the fiscal restraint exhibited by the administration in response to the national economic crisis has begun to put Connecticut on the path to recovery. In addition, slight improvements in Connecticut's economy, job growth and unemployment rate have aided in finishing the 2010 fiscal year with a surplus that will enable the state to reduce the amount of securitization needed in FY 2011. While these are positive signs for the current year we need to be prepared to respond to the challenges that face us for the next biennium. These challenges will be magnified by the depletion of the Rainy Day Fund and the expiration of federal stimulus funding. As a result, there is very significant work ahead of us.

The Office of Policy and Management is sending instructions to you regarding the development of the state budget for the next biennium. The Connecticut General Statutes require that, in any year in which there is a Governor-elect, OPM prepare a transition budget to be made available on November 15th. Because of this requirement, the normal timeline for developing a biennial budget must be accelerated. It is my expectation that every agency will meet the due dates in order to produce the required transition budget—the citizens of this state deserve nothing less.

The first step in the process is for you to develop and submit a "current services" request which represents a projection for FY 2012 and beyond of the cost of your current operations plus any new requirements that you are legally required to implement. The next step: bringing our spending in line with our resources will require significant changes to state government. I am calling upon your creativity and experience to generate realistic approaches for bridging the fiscal gap—significant and meaningful reduction proposals will be required from every agency. Reducing expenditures will be a critical step in this process and it is incumbent on each of you to not only evaluate ways to provide services in the most efficient manner, but also to identify those services which do not return sufficient value to the state's citizens.

I know that I can count on your support as we begin this process.