



STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

May 20, 2022

The Honorable Natalie Braswell
 State Comptroller
 55 Elm Street
 Hartford, Connecticut 06106

Dear Comptroller Braswell:

Section 4-66 of the General Statutes requires that my office provide information on the state's General Fund for Fiscal Year 2022. An analysis of the Special Transportation Fund is also provided here due to the significance of this fund.

	FY 2022 Projection				
	(in millions)				
	<u>Budget</u>	<u>Revised Apr. Estimate</u>	<u>May Estimate</u>	Change in Estimate - May vs. Apr.	May Est. Variance from Budget
<u>General Fund</u>					
Revenues	\$ 21,021.3	\$ 22,465.5	\$ 21,706.6	\$ (758.9)	\$ 685.3
Expenditures	<u>20,746.4</u>	<u>20,329.1</u>	<u>20,750.2</u>	<u>421.1</u>	<u>3.8</u>
Operating Results - Surplus/(Deficit)	\$ 274.9	\$ 2,136.4	\$ 956.4	\$ (1,180.0)	\$ 681.5
<u>Budget Reserve Fund</u>					
Deposits		\$ 4,805.6	\$ 3,800.6	\$ (1,005.0)	
Withdrawals		<u>(1,618.3)</u>	<u>(1,618.3)</u> ¹	-	
Proj. Net Deposit/(Withdrawal) 6/30		\$ 3,187.3	\$ 2,182.3	\$ (1,005.0)	
<u>Special Transportation Fund</u>					
Revenues	\$ 1,889.7	\$ 2,009.9	\$ 1,999.9	\$ (10.0)	\$ 110.2
Expenditures	<u>1,721.8</u>	<u>1,690.8</u>	<u>1,799.7</u>	<u>108.9</u>	<u>77.9</u>
Operating Results - Surplus/(Deficit)	\$ 167.9	\$ 319.1	\$ 200.2	\$ (118.9)	\$ 32.3
Proj. Fund Balance 6/30		\$ 319.1	\$ 441.3	\$ 122.2	

Notes:

1. BRF withdrawal includes the transfer out of \$1618.3 million in FY 2022 pursuant to Sec. 4-30a, CGS, as the FY 2021 ending balance exceeds the statutory 15% cap. This sum will be deposited as additional contributions to the State Employees Retirement Fund and the Teachers' Retirement Fund.

General Fund

The adopted FY 2022 budget anticipated a \$274.9 million balance at year end. We are projecting an operating surplus of \$956.4 million – 4.6 percent of the General Fund – down \$1,180 million from last month’s forecast. The reduction in surplus in comparison to last month’s letter is primarily the result of changes affecting FY 2022 contained in the budget bill for next fiscal year, House Bill 5506.

House Bill 5506, *An Act Adjusting the State Budget for the Biennium Ending June 30, 2023, Concerning Provisions Related to Revenue, School Construction and Other Items to Implement the State Budget and Authorizing and Adjusting Bonds of the State*, made several changes that reduced the projected FY 2022 surplus by \$1.21 billion as follows:

- Eliminated the use of ARPA for General Fund revenue replacement (\$559.9 million)
- Transferred federal revenue related to future costs of home and community based services reinvestments from FY 2022 to FY 2023 (\$83.2 million)
- Transferred General Fund revenue from FY 2022 to FY 2023 to support Child Tax Credit payments (\$125 million)
- Made other transfers out of the General Fund (\$20.8 million)
- Carried-forward various FY 2022 lapsing funds for use in FY 2023 (\$127.7 million)
- Utilized FY 2022 lapsing funds to support the cost of the recent labor agreement over the course of the biennium (\$224.1 million)
- Utilized FY 2022 lapsing funds to increase support for higher education (\$70.7 million)

In addition to changes resulting from legislation passed during the 2022 session, this month’s forecast reflects relatively minor net changes in projected General Fund revenues and expenditures as discussed below.

Our forecast of the Budget Reserve Fund (BRF) balance is depicted below. After accounting for transfers out of the fund following the close-out of FY 2021 and transfers into the fund pursuant to the statutory volatility cap and the estimated FY 2022 operating surplus, we estimate that the fund balance at the end of FY 2022 will be approximately \$6.91 billion, or 33.3 percent of net General Fund appropriations for the current year and 31.3 percent of FY 2023 appropriations contained in H.B. 5506. Since this balance exceeds the statutory 15% cap for the Budget Reserve Fund, we project transfers to the State Employees and Teachers’ Retirement Systems totaling just under \$3.6 billion this Fall.

Budget Reserve Fund	
	(in millions)
Estimated BRF Starting Balance - FY 2022 (OSC 9/30/21 Est.)	\$ 4,730.3
Deposit to SERS/TRS pursuant to Sec. 4-30a, C.G.S. (OSC 9/30/21 Est.)	\$ (1,618.3)
Projected Operating Surplus - FY 2022 (OPM 5/20/22 Est.)	\$ 956.4
Volatility Cap Deposit - FY 2022 (OPM 5/20/22 Est.)	<u>\$ 2,844.2</u>
Estimated BRF Ending Balance - FY 2022	\$ 6,912.6
FY 2023 General Fund Budget per HB 5506	\$ 22,089.2
15% BRF Cap	<u>\$ 3,313.4</u>
Projected Transfers to Reduce Unfunded Liabilities	\$ 3,599.2
Projected Deposit to TRS	\$ 903.6
Projected Deposit to SERS	\$ 2,695.6

Revenues

Estimated revenues have been revised downward this month by \$758.9 million due primarily to passage of the budget act. The act eliminates \$559.9 million of American Rescue Plan Act (ARPA) revenue that was assumed in the originally adopted budget. In addition, the act transfers \$125.0 million of FY 2022 revenue to FY 2023 to fund the one-time Child Tax Credit. Also, the act transfers \$20.0 million from FY 2022 revenue for deposit to the UConn Medical Malpractice Account and \$0.8 million for the Firefighters Cancer Relief Fund. Finally, the act transfers \$83.2 million of federal grant revenue from FY 2022 to FY 2023 related to the Home and Community Based Services program. Outside of the changes made by the budget act, Estimates and Finals collections under the Personal Income Tax have been revised upward by \$100.0 million, and the Pass-through Entity Tax has been revised upward by \$75.0 million. The Estate Tax has been revised upward by \$30.0 million as collections toward the end of April exceeded expectations, likely due to the Gift Tax component of this tax. Due to the operation of the volatility cap, an additional \$175.0 million will be transferred from the General Fund to the Budget Reserve Fund due to the increase in Estimates and Finals and Pass-through Entity Tax collections discussed above.

Expenditures

We estimate that FY 2022 net expenditures, including amounts carried forward to FY 2023, will be \$3.8 million above the level anticipated in the adopted budget. As noted above, this month's projection incorporates changes resulting from the passage of H.B. 5506, including carryforwards and deficiency transfers, as well as anticipated Finance Advisory Committee action prior to June 30th. In aggregate, FY 2022 spending is anticipated to exceed the level in the originally adopted budget by \$3.8 million, an increase of \$421.1 million from last month's estimate. A description of projected shortfalls and lapses follows.

Deficiencies. We currently forecast that expenditures will exceed appropriations by \$67 million in the Miscellaneous accounts of the State Comptroller, attributable in part to an estimated \$30 million in expenditures for Adjudicated Claims, for which no appropriation was made. In addition, we anticipate that expenditures in the Nonfunctional - Change to Accruals account will exceed the amount appropriated by \$37 million as a result of an increase in projected Medicaid costs attributable to FY 2022 but paid in FY 2023.

Lapses. The following sums totaling \$90.2 million beyond remaining programmed lapses are estimated to remain unspent this fiscal year:

- Office of Legislative Management. Personal Services will lapse \$1.4 million.
- Auditors of Public Accounts. A lapse of \$500,000 is forecast in the Personal Services account due to vacancies.
- Governor's Office. A lapse of \$400,000 is projected in the Personal Services account due to vacancies.
- Secretary of the State. A lapse of \$116,000 is projected in the Personal Services account due to vacancies.
- Department of Revenue Services. A lapse of \$1.8 million is projected in the Personal Services account due to vacancies.
- Office of Policy and Management. An aggregate lapse of \$1,702,204 will occur in the Tax Relief for Elderly Renters, Property Tax Relief Elderly Freeze Program, and Property Tax Relief for Veterans accounts as all expenditures for FY 2022 have been processed.
- Department of Veterans Affairs. A lapse of \$700,000 is estimated in Personal Services due to vacancies and reduced census in the skilled nursing facility.
- Division of Criminal Justice. A total lapse of \$400,000 is forecast in the Personal Services account due to vacancies.
- Department of Labor. A lapse of \$3,960,409 is forecast across a variety of accounts as a result of reduced staffing and contractual costs.

- Department of Housing. A \$500,000 lapse is forecast in the Housing / Homeless account due to lower Rental Assistance Program utilization than budgeted.
- Department of Public Health. A net lapse of \$1.79 million is forecast in the Personal Services account due to vacancies.
- Office of Health Strategy. A lapse of \$300,000 is forecast in the Personal Services account due to vacancies.
- Department of Developmental Services. A net lapse of \$5.0 million is anticipated, with \$2.5 million in Personal Services due to turnover, \$1.5 million in the Behavioral Services Program due to lower caseloads and more individuals receiving services in their homes rather than in more expensive residential settings, and \$450,000 in Emergency Placements and \$600,000 in ID Partnership Initiatives based on timing of initiatives. Partially offsetting these lapses is a projected \$50,000 shortfall in the Other Expenses account.
- Department of Mental Health and Addiction Services. A \$1.0 million lapse is forecast, with \$500,000 in the Home and Community Based Services account and \$500,000 in the Young Adult Services account due to delays in hiring.
- Department of Social Services. A total of \$2.4 million is projected to lapse after factoring in the statutory carryforwards of \$93.3 million (\$89.3 million from H.B. 5506 and \$4.0 million from Public Act 21-2, June Special Session), as well as the release of the holdbacks in Personal Services and Other Expenses, which totaled \$3.5 million, and transfers from the May FAC meeting. Recent expenditures in Medicaid were higher than anticipated while pharmacy rebates came in lower. In order to ensure sufficient funds are available to support the carryforwards anticipated in H.B. 5506, DSS will be shifting approximately \$37 million in state payments into July. Note that this action is expected to increase expenditures by a corresponding amount in the nonfunctional change in accrual account within the Comptroller's Miscellaneous accounts. A lapse in Personal Services of \$500,000 is anticipated due to vacancies. Lapses of \$400,000 in Old Age Assistance, \$300,000 in Aid to the Disabled, and \$110,000 in Aid to the Blind are projected due to lower caseload levels than had been budgeted. A lapse of \$1.1 million in Human Resource Development - Hispanic Programs is also projected due to contracting delays.
- Department of Aging and Disability Services. A total lapse of \$800,000 is projected across various accounts, with most of the total related to vacancies.
- Department of Education. A total of \$7.7 million will lapse, with \$4.5 million in the Magnet School account, \$1.5 million in the Open Choice account, \$1,666,095 in the Charter School account and \$51,000 in the Local Charter School account due to enrollment below budgeted levels.
- Office of Early Childhood. A total of \$2.74 million is anticipated to lapse, including \$250,000 in Personal Services due to hiring delays, and \$2,412,000 in the Early Care and Education account and \$75,000 in the Smart Start account due to enrollment below budgeted levels.
- Teachers' Retirement Board. A total lapse of \$950,000 is anticipated, with \$1.85 million in the Retiree Health Service Cost account due to lower than budgeted health premium costs offset by a \$900,000 shortfall in the Municipal Retiree Insurance Costs account as a result of the increase in the municipal subsidy amounts per section 183 of H.B. 5506 as payments for the July – September quarter are made in June of FY 2022.
- Department of Children and Families. A total of \$20.64 million is anticipated to lapse across a variety of accounts, primarily those related to board and care, due to the continuing impact of the pandemic on agency caseloads and service utilization as well as position vacancies.
- Judicial Department. A lapse of \$4.52 million is estimated in the Personal Services account due to vacancies.
- Public Defender Services Commission. A total of \$1.72 million will lapse, with most of the under-expenditure occurring in the Assigned Counsel – Criminal and Expert Witnesses accounts due to current cost trends.

- State Treasurer – Debt Service. A total of \$17.7 million will lapse, primarily due to low interest rates resulting from the most recent bond sale. Of the total, \$11.3 million is in the Debt Service account and \$6.5 million in UConn 2000 Debt Service.
- State Comptroller – Fringe Benefits. A total lapse of \$11.81 million is projected across a variety of accounts, with \$10.0 million of the total in the active employees’ health services account, partly due to increasing retirements.
- DAS – Workers’ Compensation Claims. A net lapse of \$432,000 will occur due to current claim cost trends.

Special Transportation Fund

The adopted budget anticipates a \$167.9 million balance from operations. We estimate that the Special Transportation Fund will end the year with an operating surplus of \$200.2 million, and that the Transportation Fund balance on June 30, 2022, will be \$441.3 million.

Revenues

Estimated revenues have been revised downward by \$10.0 million due to weaker than anticipated collections in License, Permit and Fee revenue.

Expenditures

In aggregate, expenditures are projected to be \$108.9 million higher than last month’s projection and \$77.9 million above the level assumed in the adopted budget, primarily as a result of the carryforward of \$100 million in the Department of Transportation’s Bus and Rail accounts to support IJJA matching next fiscal year.

Lapses. The following sums totaling \$34.1 million beyond programmed lapses are estimated to remain unspent this fiscal year.

- Department of Transportation. A net lapse of \$8.15 million is projected across a variety of accounts, including \$1.0 million in Personal Services and \$2.3 million in Other Expenses due to vacancies and winter snow and ice costs and \$4.5 million in ADA Para-transit based on current ridership trends.
- State Treasurer – Debt Service. A lapse of \$22.4 million is projected primarily due to a reduction in the par amount and timing of the Fall 2022 Special Tax Obligation bond sale. The projected lapse also includes savings associated with lower than anticipated interest rates for that sale.
- State Comptroller – Fringe Benefits. A net lapse of \$2.17 million is projected across a variety of accounts.
- DAS – Workers’ Compensation Claims. A lapse of \$1.4 million is estimated due to current claim trends.

As the fiscal year nears its end, these estimates will continue to be revised to reflect the impact of changes in the economy, expenditure patterns, and/or other factors.

Sincerely,



Jeffrey R. Beckham
Secretary

Attachment:

Summary Statements, FY 2022 Revenue and Expenditures

State of Connecticut
Summary of Changes - FY 2022
General Fund and Special Transportation Fund
Projected to June 30, 2022
As of April 30, 2022
(In Millions)

General Fund

Balance from Operations - Prior Month		\$	2,136.4
Revenues			
Transfers from/(to) Other Funds	(705.7)		
Federal grants	(83.2)		
Inheritance and Estate Tax	<u>30.0</u>		(758.9)
Expenditures			
Additional Requirements	(10.9)		
Estimated Lapses	(410.2)		
Miscellaneous Adjustments/Rounding	<u>0.0</u>		<u>(421.1)</u>
Operating Surplus - FY 2022		\$	956.4

Budget Reserve Fund

Fund Balance as of June 30, 2021		\$	4,730.3
Deposit to SERS/TRS Pursuant to Sec. 4-30a, CGS	(1,618.3)		
Volatility Cap Deposit	2,844.2		
FY 2022 Est. Balance from Operations	<u>956.4</u>		<u>2,182.2</u>
Estimated Fund Balance - June 30, 2022		\$	6,912.5
Fund Balance as Percentage of FY 2022 General Fund			33.3%

Special Transportation Fund

Fund Balance as of June 30, 2021		\$	241.1
Balance from Operations - Prior Month		\$	319.1
Revenues			
Licenses, Permits, Fees	<u>(10.0)</u>		(10.0)
Expenditures			
Additional Requirements	1.0		
Estimated Lapses	(109.9)		
Miscellaneous Adjustments/Rounding	<u>0.0</u>		<u>(108.9)</u>
Estimated Fund Balance - June 30, 2022		\$	441.3

State of Connecticut
General Fund
Statement of FY 2022 Revenues, Expenditures, and Results of Operations
Projected to June 30, 2022
As of April 30, 2022
(In Millions)

	General Assembly Budget Plan ¹	Revised Estimates OPM	Over/ (Under)
REVENUE			
Taxes	\$ 19,634.6	\$ 22,821.1	\$ 3,186.6
Less: Refunds	(1,751.7)	(1,825.6)	(73.9)
Taxes - Net	\$ 17,882.9	\$ 20,995.5	\$ 3,112.7
Other Revenue	1,350.8	1,416.3	65.5
Other Sources	1,787.7	(705.2)	(2,492.9)
TOTAL Revenue	\$ 21,021.3	\$ 21,706.6	\$ 685.3
EXPENDITURES			
Initial Current Year Appropriations	\$ 20,800.3	\$ 20,800.3	\$ -
Prior Year Appropriations Continued to FY 2022 ²		409.2	409.2
TOTAL Initial and Continued Appropriations	\$ 20,800.3	\$ 21,209.5	\$ 409.2
Appropriation Adjustments	-	-	-
TOTAL Adjusted Appropriations	\$ 20,800.3	\$ 21,209.5	\$ 409.2
Net Additional Expenditure Requirements		67.0	67.0
Estimated Appropriations Lapsed	(53.9)	(117.1)	(63.1)
Estimated Appropriations to be Continued to FY 2023 ²		(432.4)	(432.4)
TOTAL Estimated Expenditures	\$ 20,746.4	\$ 20,727.1	\$ (19.3)
Net Change in Fund Balance - Continuing Appropriations		23.2	23.2
Miscellaneous Adjustments/Rounding		-	-
Net Change in Unassigned Fund Balance - 6/30/2022	\$ 274.9	\$ 956.4	\$ 681.4

1. S.A. 21-15. Note that CGS Sec. 2-33c limits appropriations in FY 2022 to 99.0% of General Fund revenue. As a result, the \$274.9 million budgeted surplus is comprised of \$210.2 million due to this 99.0% limitation, plus a \$64.7 million operating surplus.

2. HB 5506 of the 2022 regular session, CGS Sec. 4-89 and other statutory provisions.

State of Connecticut
General Fund
FY 2022 Revenue Estimates
Projected to June 30, 2022
As of April 30, 2022
(In Millions)

	General Assembly Budget Plan ¹	Revised Estimates OPM	Over/ (Under)
TAXES			
Personal Income - Withholding	\$ 7,371.9	\$ 7,851.9	\$ 480.0
Personal Income - Estimates and Finals	2,989.1	4,089.1	1,100.0
Sales and Use	4,274.6	4,767.3	492.8
Corporation	1,115.6	1,350.6	235.0
Pass-through Entity Tax	1,485.8	2,260.8	775.0
Public Service Corporations	262.4	277.4	15.0
Inheritance and Estate	164.4	194.4	30.0
Insurance Companies	239.9	232.4	(7.5)
Cigarettes	322.9	324.2	1.3
Real Estate Conveyance	267.4	362.4	95.0
Alcoholic Beverages	76.6	77.6	1.0
Admissions and Dues	27.3	36.3	9.0
Health Provider Tax	974.7	974.7	-
Miscellaneous	62.0	22.0	(40.0)
TOTAL - TAXES	\$ 19,634.6	\$ 22,821.1	\$ 3,186.6
Less: Refunds of Taxes	(1,571.7)	(1,651.7)	(80.0)
Earned Income Tax Credit	(173.4)	(166.8)	6.6
R & D Credit Exchange	(6.6)	(7.1)	(0.5)
TOTAL - TAXES - NET	\$ 17,882.9	\$ 20,995.5	\$ 3,112.7
OTHER REVENUE			
Transfers - Special Revenue	\$ 387.4	\$ 402.2	\$ 14.8
Indian Gaming Payments	246.0	246.0	-
Licenses, Permits, Fees	352.1	341.6	(10.5)
Sales of Commodities and Services	25.9	23.4	(2.5)
Rents, Fines, Escheats	160.0	215.0	55.0
Investment Income	6.6	7.3	0.7
Miscellaneous	245.4	247.4	2.0
Refunds of Payments	(72.6)	(66.6)	6.0
TOTAL - OTHER REVENUE	\$ 1,350.8	\$ 1,416.3	\$ 65.5
OTHER SOURCES			
Federal Grants	\$ 1,851.9	\$ 1,939.7	\$ 87.8
Transfer from Tobacco Settlement Fund	126.2	126.2	-
Transfers From/(To) Other Funds	778.8	73.1	(705.7)
Transfers to BRF - Volatility Adjustment ²	(969.2)	(2,844.2)	(1,875.0)
TOTAL - OTHER SOURCES	\$ 1,787.7	\$ (705.2)	\$ (2,492.9)
TOTAL - GENERAL FUND REVENUE	\$ 21,021.3	\$ 21,706.6	\$ 685.3

1. Sec. 44 of S.A. 21-15.

2. The volatility cap for FY 2022 is \$3,505.7 million. Total revenue from the Estimates and Finals portion of the Personal Income Tax and the Pass-through Entity Tax that exceeds the volatility cap will be deposited into the Budget Reserve Fund.

State of Connecticut - General Fund
FY 2022 Appropriation Adjustments - Net Additional Requirements
Projected to June 30, 2022
As of April 30, 2022

OSC - Miscellaneous	\$ 67,000,000
Total	<u>\$ 67,000,000</u>

State of Connecticut
General Fund
Estimated FY 2022 Lapses
Projected to June 30, 2022
As of April 30, 2022

Unallocated Lapse	\$ 16,859,237
Unallocated Lapse - Judicial	5,000,000
CREATES Savings Initiative Lapse	3,207,283
Office of Legislative Management	1,400,000
Auditors of Public Accounts	500,000
Governor's Office	400,000
Secretary of the State	116,000
Department of Revenue Services	1,800,000
Office of Policy and Management	1,702,204
Department of Veterans Affairs	700,000
Department of Administrative Services	500,000
Attorney General	500,000
Division of Criminal Justice	400,000
Department of Labor	3,960,409
Department of Housing	500,000
Department of Public Health	1,794,458
Office of Health Strategy	300,000
Department of Developmental Services	5,000,000
Department of Mental Health and Addiction Services	1,000,000
Department of Social Services	2,394,600
Department of Aging and Disability Services	800,000
Department of Education	7,717,095
Office of Early Childhood	2,737,000
Teachers' Retirement Board	950,000
Department of Children and Families	20,639,684
Judicial Department	4,522,912
Public Defender Services Commission	1,724,000
OTT - Debt Service	17,700,000
OSC - Fringe Benefits	11,814,058
DAS - Workers' Compensation Claims	432,000
Total	<u><u>\$ 117,070,940</u></u>

State of Connecticut
FY 2022 General Fund
Monthly Summary of Operations
(In Millions)

	Budget Plan ¹	July 2021	August 2021	September 2021	October 2021	November 2021	December 2021	January 2022	February 2022	Revised March 2022	April 2022	May 2022	June 2022
REVENUE	\$21,021.3	\$ 21,021.7	\$21,021.7	\$ 21,147.9	\$ 21,549.0	\$ 21,549.0	\$ 21,912.0	\$ 21,912.0	\$ 22,112.0	\$22,465.5	\$ 21,706.6		
Appropriations	20,800.3	20,800.3	20,800.3	20,800.3	20,800.3	20,800.3	20,800.3	20,800.3	20,800.3	20,800.3	20,800.3		
Additional Requirements	0.0	0.0	10.0	40.4	55.7	53.7	94.2	94.2	52.0	56.1	67.0		
Less: Estimated Lapses	<u>(53.9)</u>	<u>(53.9)</u>	<u>(63.9)</u>	<u>(175.1)</u>	<u>(201.7)</u>	<u>(216.9)</u>	<u>(465.8)</u>	<u>(492.8)</u>	<u>(507.4)</u>	<u>(527.3)</u>	<u>(117.1)</u>		
TOTAL - Estimated Expenditures	20,746.4	20,746.4	20,746.4	20,665.6	20,654.3	20,637.1	20,428.7	20,401.7	20,345.0	20,329.1	20,750.2	0.0	0.0
Operating Balance	274.9	275.3	275.3	482.3	894.7	911.9	1,483.3	1,510.3	1,767.0	2,136.4	956.4	0.0	0.0
Misc. Adjustments/Rounding	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>		
Est. Operating Balance - 6/30/22	\$274.9	\$275.3	\$275.3	\$482.3	\$894.7	\$911.9	\$1,483.3	\$1,510.3	\$1,767.0	\$2,136.4	\$956.4	\$0.0	\$0.0

1. S.A. 21-15.

State of Connecticut
Special Transportation Fund
Analysis of FY 2022 Budget Plan
Projected to June 30, 2022
As of April 30, 2022
(In Millions)

	General Assembly <u>Budget Plan</u> ^{1.}	Revised Estimates <u>OPM</u>	Over/ <u>(Under)</u>
Fund Balance as of June 30, 2021	\$ 245.8	\$ 241.1	\$ (4.7)
REVENUE			
Taxes	\$ 1,494.6	\$ 1,592.9	\$ 98.3
Less: Refunds of Taxes	<u>(15.5)</u>	<u>(16.9)</u>	<u>(1.4)</u>
Taxes - Net	1,479.1	1,576.0	96.9
Other Revenue	<u>410.6</u>	<u>423.9</u>	<u>13.3</u>
TOTAL - Revenue	\$ 1,889.7	\$ 1,999.9	\$ 110.2
EXPENDITURES			
Appropriations	\$ 1,833.8	\$ 1,833.8	\$ -
Prior Year Appropriations Continued to FY 2022 ^{2.}		<u>40.6</u>	<u>40.6</u>
TOTAL Initial and Continued Appropriations	\$ 1,833.8	\$ 1,874.4	\$ 40.6
Appropriation Adjustments	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL Adjusted Appropriations	\$ 1,833.8	\$ 1,874.4	\$ 40.6
Net Additional Expenditure Requirements		-	-
Estimated Appropriations Lapsed	(112.0)	(34.1)	77.9
Estimated Appropriations to be Continued to FY 2023 ^{2.}		<u>(122.8)</u>	<u>(122.8)</u>
TOTAL Estimated Expenditures	\$ 1,721.8	\$ 1,717.5	\$ (4.3)
Net Change in Fund Balance - Continuing Appropriations		82.2	82.2
Miscellaneous Adjustments/Rounding		-	-
Net Change in Unassigned Fund Balance - FY 2022	\$ 167.9	\$ 200.2	\$ 32.3
Estimated Fund Balance - June 30, 2022	<u>\$ 413.7</u>	<u>\$ 441.3</u>	<u>\$ 27.6</u>

1. S.A. 21-15. Note that CGS Sec. 2-33c limits appropriations in FY 2022 to 99.0% of Special Transportation Fund revenue. As a result, the \$167.9 million budgeted surplus is comprised of \$18.9 million due to this 99.0% limitation, plus a \$149.0 million operating surplus.

2. HB 5506 of the 2022 regular session, CGS Sec. 4-89 and other statutory provisions.

State of Connecticut
Special Transportation Fund
FY 2022 Revenue Estimates
Projected to June 30, 2022
As of April 30, 2022
(In Millions)

	General Assembly Budget Plan ¹	Revised Estimates OPM	Over/ (Under)
TAXES			
Motor Fuels	\$ 480.3	\$ 390.3	\$ (90.0)
Oil Companies	250.4	390.4	140.0
Sales & Use Tax	670.0	689.3	19.3
Sales Tax DMV	93.9	122.9	29.0
TOTAL - TAXES	<u>1,494.6</u>	<u>1,592.9</u>	<u>98.3</u>
Less: Refunds of Taxes	(15.5)	(16.9)	(1.4)
TOTAL - TAXES - NET	<u>\$ 1,479.1</u>	<u>\$ 1,576.0</u>	<u>\$ 96.9</u>
OTHER REVENUE			
Motor Vehicle Receipts	\$ 264.2	\$ 291.7	\$ 27.5
Licenses, Permits, Fees	140.8	130.8	(10.0)
Interest Income	5.1	2.0	(3.1)
Federal Grants	11.0	11.0	-
Transfers (To)/From Other Funds	(5.5)	(5.5)	-
Refunds of Payments	(5.0)	(6.1)	(1.1)
TOTAL - OTHER REVENUE	<u>\$ 410.6</u>	<u>\$ 423.9</u>	<u>\$ 13.3</u>
TOTAL - SPECIAL TRANSPORTATION FUND REVENUE	<u>\$ 1,889.7</u>	<u>\$ 1,999.9</u>	<u>\$ 110.2</u>

1. Sec. 45 of S.A. 21-15.

Statement 3T
May 20, 2022

State of Connecticut
Special Transportation Fund
FY 2022 Appropriation Adjustments - Net Additional Requirements
Projected to June 30, 2022
As of April 30, 2022

No additional requirements	\$	-
Total	<u>\$</u>	<u>-</u>

Statement 4T
May 20, 2022

State of Connecticut
Special Transportation Fund
FY 2022 Estimated Lapses
Projected to June 30, 2022
As of April 30, 2022

Unallocated Lapse	\$	-
Temporary Federal Support for Transportation Operations		-
Department of Transportation		8,150,000
OTT - Debt Service		22,400,000
OSC - Fringe Benefits		2,169,838
DAS - Workers' Compensation Claims		1,400,000
Total	\$	<u>34,119,838</u>

State of Connecticut
FY 2022 Special Transportation Fund
Monthly Summary of Operations
(In Millions)

	Budget Plan ¹	July 2021	August 2021	September 2012	October 2021	November 2021	December 2021	January 2022	February 2022	Revised March 2022	April 2022	May 2022	June 2022
Beginning Balance ²	\$ 245.8	\$ 245.8	\$ 241.1	\$ 241.1	\$ 241.1	\$ 241.1	\$ 241.1	\$ 241.1	\$ 241.1	\$ 241.1	\$ 241.1		
Revenue	<u>1,889.7</u>	<u>1,889.7</u>	<u>1,889.7</u>	<u>1,904.8</u>	<u>1,953.9</u>	<u>1,953.9</u>	<u>1,972.4</u>	<u>1,972.4</u>	<u>2,072.4</u>	<u>2,009.9</u>	<u>1,999.9</u>		
Total Available	2,135.5	2,135.5	2,130.8	2,145.9	2,195.0	2,195.0	2,213.5	2,213.5	2,313.5	2,251.0	2,241.0	0.0	0.0
Appropriations	1,833.8	1,833.8	1,833.8	1,833.8	1,833.8	1,833.8	1,833.8	1,833.8	1,833.8	1,833.8	1,833.8		
Additional Requirements	0.0	0.0	0.0	0.0	0.0	0.0	0.9	1.0	1.0	1.0	0.0		
Less: Estimated Lapses	<u>(112.0)</u>	<u>(112.0)</u>	<u>(112.0)</u>	<u>(112.0)</u>	<u>(131.2)</u>	<u>(134.8)</u>	<u>(132.0)</u>	<u>(137.3)</u>	<u>(143.7)</u>	<u>(144.0)</u>	<u>(34.1)</u>		
TOTAL - Estimated Expenditures	1,721.8	1,721.8	1,721.8	1,721.8	1,702.6	1,699.0	1,702.7	1,697.5	1,691.1	1,690.8	1,799.7	0.0	0.0
Operating Balance	167.9	167.9	167.9	183.0	251.3	254.9	269.7	274.9	381.3	319.1	200.2	0.0	0.0
Misc. Adjustments/Rounding	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>		
Estimated Operating Balance 6/30/22	\$413.7	\$413.7	\$409.0	\$424.1	\$492.4	\$496.0	\$510.8	\$516.0	\$622.4	\$560.2	\$441.3	\$0.0	\$0.0

1. S.A. 21-15.

2. Budget plan and July as estimated by the Office of Policy and Management. August based on OSC preliminary closing balance for FY 2021. September and thereafter per the Comptroller's September 30, 2021 letter.