

February 20, 2025

The Honorable Sean Scanlon
 State Comptroller
 165 Capitol Avenue
 Hartford, Connecticut 06106

Dear Comptroller Scanlon:

Section 4-66 of the General Statutes requires that my office provide information on the state's General Fund for Fiscal Year 2025. An analysis of the Special Transportation Fund is also provided here due to the significance of this fund. This memorandum also provides an explanation of any projected deficiencies as required by Section 2-36 of the General Statutes.

	FY 2025 Projection				
	(in millions)				
		Jan.	Feb.	Change in	Feb. Est.
	Budget	Estimate	Estimate	Feb. vs.	from
				Jan.	Budget
<u>General Fund</u>					
Revenues	\$ 23,103.7	\$ 23,678.3	\$ 23,678.3	\$ -	\$ 574.6
Expenditures	<u>22,805.9</u>	<u>23,235.3</u>	<u>23,288.3</u>	<u>53.0</u>	<u>482.4</u>
Operating Results - Surplus/(Deficit)	\$ 297.8	\$ 443.0	\$ 390.0	\$ (53.0)	\$ 92.2
<u>Budget Reserve Fund</u>					
Deposits		\$ 1,846.5	\$ 1,793.5	\$ (53.0)	
Withdrawals		<u>(933.0)</u>	<u>(933.1)</u>	<u>(0.1)</u>	
Proj. Net Deposit/(Withdrawal) 6/30		\$ 913.5	\$ 860.4	\$ (53.1)	
<u>Special Transportation Fund</u>					
Revenues	\$ 2,354.5	\$ 2,353.4	\$ 2,353.4	\$ -	\$ (1.1)
Expenditures	<u>2,286.4</u>	<u>2,194.4</u>	<u>2,196.6</u>	<u>2.2</u>	<u>(89.8)</u>
Operating Results - Surplus/(Deficit)	\$ 68.1	\$ 159.0	\$ 156.8	\$ (2.2)	\$ 88.7
Proj. Fund Balance 6/30		\$ 570.6	\$ 568.4	\$ (2.2)	
Notes:					
1. BRF withdrawal includes the transfer out of \$933.1 million in FY2025 pursuant to Sec. 4-30a, CGS based on the FY 2024 ending balance. This sum was deposited as additional contributions to the State Employees Retirement Fund and the Teachers' Retirement Fund.					
2. STF Fund balance after anticipated transfer to reduce STO debt pursuant to P.A. 24-151, Sec. 124.					

Spending Cap

As illustrated below, this month's expenditure projections reflect the need for a net increase in appropriations, across all budgeted funds, of more than \$225 million. Given that the adopted budget is below the constitutional spending cap by \$164 million, it is not possible to increase existing appropriations enough to support all currently identified shortfalls. Accordingly, OPM is in the process of exploring actions that can be taken in the current fiscal year that would reduce spending sufficiently to avoid having to delay payments, which would exacerbate any funding challenges next fiscal year.

	Amount (millions)
<u>Identified Shortfalls</u>	
General Fund	\$ 541.0
Special Transportation Fund	1.5
less Adjudicated Claims	(55.0)
Required Increased Appropriations	\$ 487.5
<u>Identified Lapses</u>	
General Fund	\$ 237.5
Special Transportation Fund	104.8
Other Appropriated Funds	50.3
less Debt Service	(130.6)
Total Available for Transfer	\$ 262.0
Requirements less Available Lapses	\$ 225.5
Available Spending Cap Room	164.0
Requirements in Excess of Spending Cap	\$ 61.5

General Fund

The FY 2025 budget, P.A. 23-204, anticipated a \$297.8 million balance at year end – 1.3% of General Fund appropriations. We currently project a surplus of \$390.0 million, down \$53.0 million from last month's estimate primarily as a result of the anticipated legislative approval of monetary awards to settle several wrongful incarceration claims against the state, as well as other expenditure projections as discussed below.

Budget Reserve Fund

Our forecast of the Budget Reserve Fund balance is depicted below. We project that, after transferring out of the fund and into the State Employees and Teachers' Retirement Systems pursuant to the close-out of FY 2024 and transfers into the fund pursuant to the statutory volatility cap and the estimated FY 2025 operating surplus, the fund balance at the end of FY 2025 will be \$5.90 billion, or 25.9% of net General Fund appropriations for the current year. Given that this balance is expected to exceed the statutory 18% cap for the Budget Reserve Fund next fiscal year, additional transfers to the State Employees Retirement Fund and/or the Teachers' Retirement Fund are expected during the close-out period for FY 2025.

Budget Reserve Fund	
	(in millions)
BRF Ending Balance - FY 2024 (OSC 12/31/24)	\$ 5,038.2
Deposit to SERS/TRS pursuant to FY 2024 Closeout (OSC 12/31/24)	<u>(933.1)</u>
Estimated FY 2024 Ending Balance After Transfers to Pensions	\$ 4,105.1
Projected Operating Surplus - FY 2025 (OPM 2/20/25 Est.)	390.0
Volatility Cap Deposit - FY 2025 (OPM 2/20/25 Est.)	<u>1,403.5</u>
Estimated BRF Ending Balance - FY 2025	\$ 5,898.6
Ending BRF as % of Current Year GF Appropriations	25.9%

Revenues

Projected revenues remain unchanged from last month and continue to reflect the January 15th consensus forecast.

Expenditures

We forecast that FY 2025 net spending will, in aggregate, be \$482.4 million above the levels anticipated in the adopted budget, an increase of \$53.0 million from last month's estimate. A description of projected shortfalls and lapses follows.

Deficiencies: Shortfalls totaling \$541.0 million are forecast in the following agencies.

- Department of Revenue Services. A shortfall of \$534,000 in the Personal Services account is anticipated.
- Department of Veterans Affairs. A shortfall of \$1.0 million in the Other Expenses account is anticipated as a result of rising operational costs in the department's skilled nursing facility.
- Department of Administrative Services. A shortfall of \$2.16 million is forecast, with \$4.5 million in the Personal Services account, \$1.0 million in the Other Expenses account due to increases in electricity and other premises costs, and \$562,120 in the W.C. Administrator account as a result of current contractual costs which are partially offset by a \$1.0 million lapse in the Rents and Moving account as funds carried forward for purchase of an emergency vehicle driving training course will not be needed and \$2.9 million in the State Insurance and Risk Management Operations account .
- Department of Emergency Services and Public Protection. A net shortfall of \$5.7 million is forecast, with \$4.5 million in the Personal Services account as a result of increased overtime expenditures and \$1.6 million in the Criminal Justice Information System as a result of unbudgeted costs associated with the Clean Slate initiative. These shortfalls are partially offset by a forecast lapse of \$400,000 in the Fleet Purchase account.
- Military Department. A shortfall of \$438,000 is anticipated, with \$338,000 in the Personal Services account and \$100,000 in the Other Expenses account.
- Department of Housing. A \$5.5 million shortfall is projected in the Housing / Homeless Services account as a result of rent increases.
- Department of Economic and Community Development. A net shortfall of \$500,000 is forecast as a result of an anticipated \$1.0 million shortfall in the Capitol Region Development Authority due to a revenue shortfall in the operations of the XL Center. Partially offsetting that shortfall is a projected lapse of \$500,000 in the Various Grants account.
- Agricultural Experiment Station. A \$250,000 shortfall is projected in the Personal Services account.
- Department of Developmental Services. A net shortfall of \$3.95 million is anticipated, with \$7.6 million in the Personal Services account and \$1.2 million in the Other Expenses account due to vehicle and utilities costs. Partially offsetting these shortfalls are projected lapses of \$4.5 million in the Behavioral Services

Program account due to the timing of several initiatives and \$350,000 in the Supplemental Payments for Medical Services account based on census levels.

- Department of Mental Health and Addiction Services. A total shortfall of \$34.05 million is projected with \$15.6 million in Personal Services, \$9.0 million in the Other Expenses account as a result of higher than anticipated food, utilities and maintenance costs, \$7.0 million in the Professional Services account due to the cost of contracted doctors and nurses, \$2.1 million in the Behavioral Health Medications account due to price increases for medications, and \$350,000 in the Discharge and Diversion Services account due to unanticipated costs associated with discharges from Connecticut Valley Hospital and Whiting Forensic Hospital.
- Department of Social Services. A net shortfall of \$277.25 million is anticipated. A \$290.0 million deficit is forecast in the Medicaid account due to higher than budgeted costs. The Governor's proposed FY 2025 budget had recognized additional costs in Medicaid of \$106.8 million. The HUSKY B account is projected to lapse \$11.5 million due mainly to the enacted budget funding the costs for coverage of undocumented children entirely under HUSKY B when the vast majority of the costs are being charged to Medicaid. Shortfalls of \$2.2 million in Aid to the Disabled, \$850,000 in Old Age Assistance and \$5.0 million in State Administered General Assistance are forecast due to higher caseload and costs per case than had been budgeted. These shortfalls are partially offset by lapses of \$2.0 million in Personal Services; \$500,000 in Community Services; \$6.3 million in Temporary Family Assistance; and \$500,000 in the state-funded home care program.
- Technical Education and Career System. A total shortfall of \$14.6 million is forecast including \$2.0 million in Personal Services as well as \$12.6 million in the Other Expenses account as a result of increased costs for utilities as well as unbudgeted increases in special education services, a portion of which was previously funded via expiring federal grants.
- Teachers' Retirement Board. A net shortfall of \$8.26 million is anticipated based on a \$9.8 million shortfall in the Retiree Health account due to significant increases in contractual Medicare Advantage rates beginning January 1, 2025, in part driven by changes mandated under the federal Inflation Reduction Act. Partially offsetting this shortfall are lapses of \$75,000 in the Personal Services account, \$70,000 in the Other Expenses account, and \$1.4 million in the Municipal Retiree Health Insurance Costs account as a result of caseload.
- Department of Correction. A net shortfall of \$33.7 million is forecast, with \$6.0 million in Personal Services, \$17.0 million in the Other Expenses account due to inflation-driven increases in operating expenses, and \$15.0 million in the Inmate Medical account due to increased staffing and pharmaceutical costs. Partially offsetting this shortfall are forecast lapses of \$1.3 million in the Board of Pardons and Paroles account and \$3.0 million in the Community Services account.
- Judicial Department. A \$9.62 million shortfall is projected with \$3.78 million in the Personal Services account; \$5.7 million in the Other Expenses account, primarily caused by higher-than-expected utilities and information technology costs; and \$134,000 in the Board and Care for Children – Short-term and Residential account.
- Public Defender Services Commission. A net shortfall of \$420,000 is anticipated based on a \$1.48 million shortfall in Personal Services which is partially offset by a \$1.06 million lapse in the Assigned Counsel-Criminal account.
- State Comptroller – Miscellaneous. We estimate \$55.0 million in expenditures for Adjudicated Claims. This month's estimate assumes legislative approval of eight wrongful incarceration claims against the state totaling \$37.7 million. No appropriation was made in the enacted budget for payment of these claims.
- State Comptroller – Fringe Benefits. A net shortfall of \$88.1 million is anticipated, with \$70.0 million forecast in the Higher Education Alternative Retirement System account primarily due to a change in the accounting treatment for these expenditures, which were originally budgeted as revenue reimbursements but instead will be reflected as expenditures. In addition, a \$37.0 million shortfall is forecast in the Retired State Employees Health Service Cost account, a \$17.7 million shortfall is forecast in the Other Post

Employment Benefits account, a \$5.0 million shortfall is projected in the Employers Social Security Tax account, and a shortfall of \$35,000 is forecast in the Pensions and Retirements – Other Statutory account. Partially offsetting those amounts are forecast lapses of \$30.0 million in the State Employees Health Service account, \$7.5 million in the SERS Defined Contribution Match account, \$2.18 million in the State Employees Retirement Contributions account, \$1.0 million in the Unemployment Compensation account, and \$950,000 in the Insurance – Group Life account.

Lapses: P.A. 23-204 included bottom-line savings targets totaling \$182.7 million. We project that aggregate lapses will total \$237.5 million, including \$117.0 million remaining in funds withheld from agencies to achieve the bottom-line savings targets and \$120.5 million in additional lapses in agencies as identified below.

- Office of Legislative Management. A \$5.0 million lapse is projected in the Personal Services account.
- Auditors of Public Accounts. A \$150,000 lapse is projected in the Personal Services account.
- Commission on Women, Children, Seniors, Equity, and Opportunity. A \$200,000 lapse is projected in the Personal Services account.
- Secretary of the State. A \$700,000 lapse is projected in the Personal Services account.
- Elections Enforcement Commission. A \$400,000 lapse is forecast due to lower than budgeted Personal Services costs.
- Office of State Ethics. A \$25,000 lapse is forecast due to lower than budgeted Personal Services costs.
- Freedom of Information Commission. A \$325,000 lapse is forecast due to lower than budgeted Personal Services costs.
- State Treasurer. A \$325,000 lapse is forecast due to lower than budgeted Personal Services costs.
- Office of Governmental Accountability. A total lapse of \$250,000 is projected with \$200,000 in the Personal Services account and \$50,000 in the Office of the Child Advocate.
- Office of Policy and Management. A total lapse of \$32.39 million is anticipated, with \$3.0 million in the Personal Services account, \$500,000 in the Other Expenses account and \$28.885 million in prior appropriations to the Municipal Restructuring account which are not anticipated to be needed in FY 2025.
- Attorney General. A \$2.5 million lapse is forecast in the Personal Services account.
- Department of Consumer Protection. A \$750,000 lapse is forecast in the Personal Services account.
- Commission on Human Rights and Opportunities. A net lapse of \$325,000 is anticipated, with \$500,000 in the Other Expenses account, which is partially offset by a forecast shortfall of \$175,000 in the Personal Services account.
- Department of Agriculture. A total lapse of \$350,000 is forecast, with \$100,000 in the Personal Services account, \$150,000 in the Senior Food Vouchers account, and \$100,000 in the WIC Coupon Program for Fresh Produce account.
- Department of Energy and Environmental Protection. A \$5.3 million lapse is projected in the Other Expenses account as a result of prior-year appropriations which are not anticipated to be expended during FY 2025.
- Department of Public Health. A net lapse of \$167,199 is forecast with forecast lapses of \$2.5 million in the Gun Violence Prevention account based on contract timing and \$86,000 in the School Based Health Clinics account which are partially offset by a \$2.4 million shortfall in the Personal Services account and an \$18,801 shortfall in the Local and District Departments of Health account as a result of Durham joining the CT River Area Health District.
- Office of Health Strategy. A net lapse of \$181,000 lapse is projected with \$500,000 in the Covered Connecticut Program due to lower than budgeted costs to support the contracts for outreach associated with the program which is partially offset by a \$319,000 shortfall in the Personal Services account.
- Department of Aging and Disability Services. A net lapse of \$500,000 is projected based on current spending patterns, with \$150,000 in the Other Expenses account as a result of a budgeted lease being paid by a different agency, \$200,000 in the Educational Aid for Children - Blind or Visually Impaired account, \$150,000 in the Employment Opportunities – Blind & Disabled account, and \$100,000 in the

Special Training for the Deaf Blind account. Partially offsetting these lapses is a projected \$100,000 shortfall in the Personal Services account.

- Department of Education. A net lapse of \$12.16 million is forecast, with \$1.0 million in the Other Expenses account, \$2.0 million in the Aspiring Educators Diversity Scholarship account based on application volume, \$432,188 in the Charter Schools account as a result of a delay in the opening of the Edmonds Coefield Academy, and \$11.0 million in the Magnet Schools account due to enrollment below budgeted levels. Partially offsetting these lapses are forecast shortfalls of \$1.4 million in the Personal Services account and \$876,000 in the Adult Education account based on preliminary enrollment figures.
- Office of Early Childhood. A net lapse of \$550,000 is anticipated, with lapses of \$450,000 in the Personal Services account and \$1.5 million in the Early Care and Education account which are partially offset by a projected shortfall of \$1.4 million in the Birth to Three account as a result of caseloads.
- Office of Higher Education. A \$175,000 lapse is forecast in the Personal Services account.
- Department of Children and Families. A net lapse of \$6.13 million is anticipated, with \$5.1 million across the Board and Care for Children – Adoption, Foster, and Short-term and Residential accounts and \$4.2 million in the Juvenile Review Boards account based on timing of contracts. Partially offsetting these lapses are projected shortfalls of \$1.6 million in Personal Services and \$1.75 million in the Other Expenses account.
- Debt Service – State Treasurer. A total lapse of \$50.59 million is anticipated, with \$37.0 million in the Debt Service appropriation and \$12.2 million in the UConn 2000 - Debt Service account as a result of reduced interest payments compared to budgeted estimates and \$1.39 million in the Municipal Restructuring account as a result of the Fall 2023 refunding sale.
- Workers’ Compensation Claims – Department of Administrative Services. A net lapse of \$1.03 million is anticipated; with a shortfall in the DOC line item which is more than offset by forecast lapses in the remaining accounts.

Note that this month’s General Fund projection continues to reflect the transfer of appropriations totaling \$3.8 million out of the General Fund Reserve for Salary Adjustment and OPM Private Provider accounts into other appropriated funds.

Special Transportation Fund

The adopted budget anticipated a \$68.1 million balance from operations. We currently forecast an operating balance of \$156.8 million, a decrease of \$2.2 million from last month’s forecast, attributable to an increase in forecast expenditure requirements as discussed below. We forecast that the closing STF balance, as of June 30, 2025, after transfers to reduce indebtedness pursuant to section 124 of P.A. 24-151, will be \$568.4 million, or 24.9% of current-year appropriations.

Revenues

Projected revenues remain unchanged from last month and continue to reflect the January 15th consensus forecast.

Expenditures

We forecast that net spending in the Special Transportation Fund will be \$91.3 million below the level in the adopted budget as described below.

Deficiencies:

- Workers’ Compensation Claims – Department of Administrative Services. A \$1.5 million shortfall is anticipated based on current expenditure trends.

Lapses: We project the following lapses, totaling \$104.8 million, will more than satisfy the budgeted bottom-line savings target.

- Department of Administrative Services. A \$600,000 lapse is projected in the Personal Services account.
- Department of Motor Vehicles. A total lapse of \$10.0 million is forecast, with \$8.0 million in the Personal Services account and \$2.0 million in the DMV Modernization account.
- Department of Energy and Environmental Protection. A \$10.0 million lapse is forecast in the Other Expenses account as a result of a budgeted commercial electric vehicle voucher program which is not anticipated to begin this year.
- Department of Transportation. A net lapse of \$1.7 million is projected based on a \$11.95 million forecast to lapse in the Personal Services account which is partially offset by a forecast shortfall of \$10.25 million in the Other Expenses account as a result of higher than anticipated costs for information technology, electricity, highway supplies, and fleet repair.
- Debt Service – State Treasurer. An \$80.0 million lapse is anticipated as a result of debt cost savings with the Fall 2024 sale and from savings achieved by the payoff of outstanding debt from the cumulative balance.
- State Comptroller – Fringe Benefits. A net lapse of \$2.45 million is anticipated based on \$4.0 million in the State Employees Health Service account, \$350,000 in the SERS Defined Contribution Match account, \$100,000 in the Unemployment Compensation account, and \$25,000 in the Insurance – Group Life account. Partially offsetting these forecast lapses are projected shortfalls of \$1.1 million in the Employers Social Security account and \$925,000 in the Other Post Employment Benefits account.

Note that this month’s Special Transportation Fund projection continues to reflect the transfer of appropriations totaling \$1.4 million from the General Fund Reserve for Salary Adjustment account to the Special Transportation Fund.

As the year progresses, these estimates will undoubtedly be revised to reflect the impact of changes in the economy, expenditure patterns, and/or other factors.

Sincerely,



Jeffrey R. Beckham
Secretary

Attachments:

Summary Statements, FY 2025 Revenue and Expenditures

State of Connecticut
Summary of Changes - FY 2025
General Fund and Special Transportation Fund
Projected to June 30, 2025
As of January 31, 2025
(In Millions)

General Fund

Balance from Operations - Prior Estimate		\$	443.0
Revenues			
No changes	0.0		0.0
Expenditures			
Additional Requirements	(41.8)		
Estimated Lapses	(11.2)		
Miscellaneous Adjustments/Rounding	0.0		(53.0)
Operating Surplus - FY 2025		\$	390.0

Budget Reserve Fund

Fund Balance as of June 30, 2024		\$	5,038.2
Deposit to SERS/TRS Pursuant to Sec. 4-30a, CGS	(933.1)		
Volatility Cap Deposit	1,403.5		
FY 2025 Est. Balance from Operations	390.0		860.4
Estimated Fund Balance - June 30, 2025		\$	5,898.6
Fund Balance as Percentage of FY 2025 General Fund			25.9%

Special Transportation Fund

Fund Balance as of June 30, 2024		\$	967.9
Transfer to Reduce Indebtedness (P.A. 24-151, Sec. 124)			(556.3)
Balance from Operations - Prior Estimate			159.0
Revenues			
No changes	0.0		0.0
Expenditures			
Additional Requirements	0.0		
Estimated Lapses	(2.2)		
Miscellaneous Adjustments/Rounding	0.0		(2.2)
Estimated Fund Balance - June 30, 2025		\$	568.4

State of Connecticut
General Fund
Statement of FY 2025 Revenues, Expenditures, and Results of Operations
Projected to June 30, 2025
As of January 31, 2025
(In Millions)

	General Assembly Budget Plan ¹ .	Revised Estimates OPM	Over/ (Under)
REVENUE			
Taxes	\$ 22,502.2	\$ 23,224.6	\$ 722.4
Less: Refunds	(2,175.9)	(2,136.9)	39.0
Taxes - Net	<u>\$ 20,326.3</u>	<u>\$ 21,087.7</u>	<u>\$ 761.4</u>
Other Revenue	1,514.2	1,919.7	405.5
Other Sources	1,263.2	670.9	(592.3)
TOTAL Revenue	<u>\$ 23,103.7</u>	<u>\$ 23,678.3</u>	<u>\$ 574.6</u>
 EXPENDITURES			
Initial Current Year Appropriations	\$ 22,988.6	\$ 22,988.6	\$ -
Prior Year Appropriations Continued to FY 2025 ² .		438.9	438.9
TOTAL Initial and Continued Appropriations	<u>\$ 22,988.6</u>	<u>\$ 23,427.5</u>	<u>\$ 438.9</u>
Appropriation Adjustments	-	(3.8)	(3.8)
TOTAL Adjusted Appropriations	<u>\$ 22,988.6</u>	<u>\$ 23,423.7</u>	<u>\$ 435.1</u>
 Net Additional Expenditure Requirements		541.0	541.0
Estimated Appropriations Lapsed	(182.7)	(237.5)	(54.8)
Estimated Appropriations to be Continued to FY 2026 ² .		-	-
TOTAL Estimated Expenditures	<u>\$ 22,805.9</u>	<u>\$ 23,727.2</u>	<u>\$ 921.4</u>
 Net Change in Fund Balance - Continuing Appropriations		(438.9)	(438.9)
Miscellaneous Adjustments/Rounding		-	-
 Net Change in Unassigned Fund Balance - 6/30/2025	 \$ 297.8	 \$ 390.0	 \$ 92.1

1. P.A. 23-204. Note that CGS Sec. 2-33c limits appropriations to 98.75% of General Fund revenue. As a result, the \$297.8 million budgeted surplus is comprised of \$288.8 million due to this 98.75% limitation, plus an additional \$9.0 million operating surplus.

2. CGS Sec. 4-89 and other statutory provisions. Prior appropriations carried forward to FY 2025 include \$73.5 million from FY 2023 and \$365.4 million from FY 2024.

State of Connecticut
General Fund
FY 2025 Revenue Estimates
Projected to June 30, 2025
As of January 31, 2025
(In Millions)

	General Assembly Budget Plan ¹ .	Revised Estimates OPM	Over/ (Under)
TAXES			
Personal Income - Withholding	\$ 8,530.4	\$ 8,889.1	\$ 358.7
Personal Income - Estimates and Finals	2,703.0	3,273.5	570.5
Sales and Use	5,428.2	5,103.5	(324.7)
Corporation	1,526.5	1,560.7	34.2
Pass-through Entity Tax	1,877.3	2,059.3	182.0
Public Service Corporations	296.8	311.9	15.1
Inheritance and Estate	182.2	171.9	(10.3)
Insurance Companies	266.8	301.7	34.9
Cigarettes	262.0	244.7	(17.3)
Real Estate Conveyance	292.6	277.6	(15.0)
Alcoholic Beverages	78.8	78.8	-
Admissions and Dues	31.0	39.5	8.5
Health Provider Tax	957.4	891.0	(66.4)
Miscellaneous	69.2	21.4	(47.8)
TOTAL - TAXES	\$ 22,502.2	\$ 23,224.6	\$ 722.4
Less: Refunds of Taxes	(1,971.9)	(1,932.9)	39.0
Earned Income Tax Credit	(196.2)	(196.2)	-
R & D Credit Exchange	(7.8)	(7.8)	-
TOTAL - TAXES - NET	\$ 20,326.3	\$ 21,087.7	\$ 761.4
OTHER REVENUE			
Transfers - Special Revenue	\$ 411.9	\$ 383.4	\$ (28.5)
Indian Gaming Payments	286.0	308.6	22.6
Licenses, Permits, Fees	330.7	330.7	-
Sales of Commodities and Services	17.8	18.0	0.2
Rents, Fines, Escheats	175.2	188.8	13.6
Investment Income	201.7	593.1	391.4
Miscellaneous	158.0	194.3	36.3
Refunds of Payments	(67.1)	(97.2)	(30.1)
TOTAL - OTHER REVENUE	\$ 1,514.2	\$ 1,919.7	\$ 405.5
OTHER SOURCES			
Federal Grants	\$ 1,886.5	\$ 1,924.7	\$ 38.2
Transfer from Tobacco Settlement Fund	(70.4)	109.4	179.8
Transfers From/(To) Other Funds	106.7	40.3	(66.4)
Transfers to BRF - Volatility Adjustment ² .	(659.6)	(1,403.5)	(743.9)
TOTAL - OTHER SOURCES	\$ 1,263.2	\$ 670.9	\$ (592.3)
TOTAL - GENERAL FUND REVENUE	\$ 23,103.7	\$ 23,678.3	\$ 574.6

1. Sec. 397 of P.A. 23-204.

2. The volatility cap for FY 2025 is \$3,929.3 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 2025 Appropriation Adjustments - Net Additional Requirements
Projected to June 30, 2025
As of January 31, 2025

Department of Revenue Services	\$534,000
Department of Veterans Affairs	\$1,000,000
Department of Administrative Services	\$2,162,120
Department of Emergency Services and Public Protection	\$5,700,000
Military Department	\$438,000
Department of Housing	\$5,500,000
Department of Economic and Community Development	500,000
Agricultural Experiment Station	\$250,000
Department of Developmental Services	\$3,950,000
Department of Mental Health and Addiction Services	\$34,050,000
Department of Social Services	\$277,250,000
Technical Education and Career System	\$14,600,000
Teachers' Retirement Board	\$8,255,000
Department of Correction	\$33,700,000
Judicial Department	\$9,615,000
Public Defender Services Commission	\$420,000
State Comptroller - Miscellaneous	\$55,000,000
State Comptroller - Fringe Benefits	\$88,104,398
Total	<u><u>\$ 541,028,518</u></u>

State of Connecticut
General Fund
Estimated FY 2025 Lapses
Projected to June 30, 2025
As of January 31, 2025

Unallocated Lapse	\$ 8,140,000
Unallocated Lapse - Judicial	5,000,000
Reflect Historical Staffing	103,900,000
Legislative Management	5,000,000
Auditors of Public Accounts	150,000
Commission on Women, Children, Seniors, Equity and Opportunity	200,000
Secretary of the State	700,000
Elections Enforcement Commission	400,000
Office of State Ethics	25,000
Freedom of Information Commission	325,000
State Treasurer	325,000
Office of Governmental Accountability	250,000
Office of Policy and Management	32,385,000
Attorney General	2,500,000
Department of Consumer Protection	750,000
Commission on Human Rights and Opportunities	325,000
Department of Agriculture	350,000
Department of Energy and Environmental Protection	5,300,000
Department of Public Health	167,199
Office of Health Strategy	181,000
Department of Aging and Disability Services	500,000
Department of Education	12,156,188
Office of Early Childhood	550,000
Office of Higher Education	175,000
Department of Children and Families	6,130,000
Debt Service - State Treasurer	50,591,682
Workers' Compensation Claims - Department of Administrative Services	1,025,000
Total	<u>\$ 237,501,069</u>

State of Connecticut
FY 2025 General Fund
Monthly Summary of Operations
(In Millions)

	Budget Plan ¹	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025	June 2025
REVENUE	\$ 23,103.7	\$ 23,252.3	\$ 23,271.4	\$ 23,271.4	\$ 23,379.9	\$ 23,379.9	\$ 23,678.3	\$ 23,678.3					
Appropriations	22,988.6	22,984.8	22,984.8	22,984.8	22,984.8	22,984.8	22,984.8	22,984.8					
Additional Requirements	0.0	368.1	391.9	430.3	442.5	462.2	499.2	541.0					
Less: Estimated Lapses	(182.7)	(213.8)	(214.4)	(214.9)	(237.7)	(245.9)	(248.7)	(237.5)					
TOTAL - Estimated Expenditures	22,805.9	23,139.1	23,162.2	23,200.2	23,189.6	23,201.1	23,235.3	23,288.3	0.0	0.0	0.0	0.0	0.0
Operating Balance	297.8	113.2	109.2	71.2	190.3	178.8	443.0	390.0	0.0	0.0	0.0	0.0	0.0
Misc. Adjustments/Rounding	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0					
Est. Operating Balance - 6/30/25	\$297.8	\$113.2	\$109.2	\$71.2	\$190.3	\$178.8	\$443.0	\$390.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

1. P.A. 23-204.

State of Connecticut
Special Transportation Fund
Analysis of FY 2025 Budget Plan
Projected to June 30, 2025
As of January 31, 2025
(In Millions)

	<u>General Assembly Budget Plan</u> ^{1.}	<u>Revised Estimates OPM</u>	<u>Over/ (Under)</u>
Fund Balance as of June 30, 2024		\$ 968.2	
Transfer to Reduce Indebtedness ^{2.}		(556.6)	
REVENUE			
Taxes	\$ 1,947.7	\$ 1,905.2	\$ (42.5)
Less: Refunds of Taxes	<u>(16.6)</u>	<u>(11.3)</u>	<u>5.3</u>
Taxes - Net	1,931.1	1,893.9	(37.2)
Other Revenue	<u>423.4</u>	<u>459.5</u>	<u>36.1</u>
TOTAL - Revenue	\$ 2,354.5	\$ 2,353.4	\$ (1.1)
EXPENDITURES			
Appropriations	\$ 2,298.4	\$ 2,298.4	\$ -
Prior Year Appropriations Continued to FY 2025 ^{3.}		<u>150.0</u>	<u>150.0</u>
TOTAL Initial and Continued Appropriations	\$ 2,298.4	\$ 2,448.4	\$ 150.0
Appropriation Adjustments	<u>-</u>	<u>1.4</u>	<u>1.4</u>
TOTAL Adjusted Appropriations	\$ 2,298.4	\$ 2,449.8	\$ 151.5
Net Additional Expenditure Requirements		1.5	1.5
Estimated Appropriations Lapsed	(12.0)	(104.8)	(92.8)
Estimated Appropriations to be Continued to FY 2026 ^{3.}		<u>-</u>	<u>-</u>
TOTAL Estimated Expenditures	\$ 2,286.4	\$ 2,346.6	\$ 60.2
Net Change in Fund Balance - Continuing Appropriations		(150.0)	(150.0)
Miscellaneous Adjustments/Rounding		-	-
Net Change in Unassigned Fund Balance - FY 2025	\$ 68.1	\$ 156.8	\$ 88.7
Estimated Fund Balance - June 30, 2025		<u>\$ 568.4</u>	

1. P.A. 23-204. Note that CGS Sec. 2-33c limits appropriations to 98.75% of Special Transportation Fund revenue. As a result, the \$68.1 million budgeted surplus is comprised of \$29.4 million due to this limitation, plus an additional \$38.7 million operating surplus.

2. P.A. 24-151, Sec. 124 provides for the portion of the STF fund balance that exceeds 18% of FY 2025 appropriations to be transferred to reduce STO indebtedness.

3. CGS Sec. 4-89 and other statutory provisions.

State of Connecticut
Special Transportation Fund
FY 2025 Revenue Estimates
Projected to June 30, 2025
As of January 31, 2025
(In Millions)

	General Assembly Budget Plan ^{1.}	Revised Estimates OPM	Over/ (Under)
TAXES			
Motor Fuels	\$ 506.7	\$ 510.7	\$ 4.0
Oil Companies	357.2	336.7	(20.5)
Sales & Use Tax	883.2	879.2	(4.0)
Sales Tax DMV	106.5	117.8	11.3
Highway Use	94.1	60.8	(33.3)
TOTAL - TAXES	<u>1,947.7</u>	<u>1,905.2</u>	<u>(42.5)</u>
Less: Refunds of Taxes	(16.6)	(11.3)	5.3
TOTAL - TAXES - NET	<u>\$ 1,931.1</u>	<u>\$ 1,893.9</u>	<u>\$ (37.2)</u>
OTHER REVENUE			
Motor Vehicle Receipts	\$ 255.4	\$ 280.6	\$ 25.2
Licenses, Permits, Fees	126.1	133.9	7.8
Interest Income	51.0	63.6	12.6
Federal Grants	8.1	5.2	(2.9)
Transfers (To)/From Other Funds	(13.5)	(13.5)	-
Refunds of Payments	(3.7)	(10.3)	(6.6)
TOTAL - OTHER REVENUE	<u>\$ 423.4</u>	<u>\$ 459.5</u>	<u>\$ 36.1</u>
TOTAL - SPECIAL TRANSPORTATION FUND REVENUE	<u>\$ 2,354.5</u>	<u>\$ 2,353.4</u>	<u>\$ (1.1)</u>

1. Sec. 398 of P.A. 23-204.

State of Connecticut
Special Transportation Fund
FY 2025 Appropriation Adjustments - Net Additional Requirements
Projected to June 30, 2025
As of January 31, 2025

Workers' Compensation Claims - DAS	\$ 1,500,000
Total	<u>\$ 1,500,000</u>

State of Connecticut
Special Transportation Fund
FY 2025 Estimated Lapses
Projected to June 30, 2025
As of January 31, 2025

Unallocated Lapse	\$ -
Department of Administrative Services	600,000
Department of Motor Vehicles	10,000,000
Department of Energy and Environmental Protection	10,000,000
Department of Transportation	1,700,000
Debt Service - State Treasurer	80,000,000
State Comptroller - Fringe Benefits	2,450,000
Total	<u>\$ 104,750,000</u>

State of Connecticut
FY 2025 Special Transportation Fund
Monthly Summary of Operations
(In Millions)

	Budget Plan ¹ .	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025	June 2025
Beginning Balance ² .	\$ 411.6	\$ 411.6	\$ 411.6	\$ 411.6	\$ 411.6	\$ 411.6	\$ 411.6	\$ 411.6					
Revenue	2,354.5	2,410.5	2,410.5	2,410.5	2,356.3	2,353.4	2,353.4	2,353.4					
Total Available	2,766.1	2,822.1	2,822.1	2,822.1	2,767.9	2,765.0	2,765.0	2,765.0	0.0	0.0	0.0	0.0	0.0
Appropriations	2,298.4	2,299.8	2,299.8	2,299.8	2,299.8	2,299.8	2,299.8	2,299.8					
Additional Requirements	0.0	0.3	0.3	0.0	2.0	1.5	1.5	1.5					
Less: Estimated Lapses	(12.0)	(16.0)	(17.0)	(20.9)	(94.5)	(106.0)	(106.9)	(104.8)					
TOTAL - Estimated Expenditures	2,286.4	2,284.1	2,283.1	2,278.9	2,207.3	2,195.3	2,194.4	2,196.6	0.0	0.0	0.0	0.0	0.0
Operating Balance	68.1	126.4	127.4	131.6	149.0	158.1	159.0	156.8	0.0	0.0	0.0	0.0	0.0
Misc. Adjustments/Rounding	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0					
Estimated Operating Balance 6/30/25	\$479.7	\$538.0	\$539.0	\$543.1	\$560.6	\$569.7	\$570.6	\$568.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

1. P.A. 23-204.

2. Budget plan through August as estimated by the Office of Policy and Management after transfers to reduce STO debt pursuant to P.A. 24-151, Sec. 124.