



STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

March 20, 2020

The Honorable Kevin Lembo
State Comptroller
55 Elm Street
Hartford, Connecticut 06106

Dear Comptroller Lembo:

Section 4-66 of the General Statutes requires that my office provide information on the state's General Fund for Fiscal Year 2020. An analysis of the Special Transportation Fund is also provided here due to the significance of this fund.

Overview of Changes					
(in millions)					
	Budget (as Revised Dec. 2019)	February Estimate	March Estimate	Change in Estimate - March vs. Feb.	March Est. Variance from Budget
General Fund					
Revenues	\$ 19,564.4	\$ 19,427.2	\$ 19,390.6	\$ (36.6)	\$ (173.8)
Expenditures	<u>19,423.3</u>	<u>19,482.1</u>	<u>19,449.3</u>	<u>(32.8)</u>	<u>26.0</u>
Operating Results - Surplus/(Deficit)	\$ 141.1	\$ (54.8)	\$ (58.6)	\$ (3.8)	\$ (199.7)
Budget Reserve Fund					
Deposit	\$ 318.3	\$ 263.5	\$ 259.7	\$ (3.8)	\$ (58.6)
Proj. Balance 6/30/20	\$ 2,823.8	\$ 2,769.0	\$ 2,765.2	\$ (3.8)	\$ (58.6)
Special Transportation Fund					
Revenues	\$ 1,749.1	\$ 1,730.3	\$ 1,683.9	\$ (46.4)	\$ (65.2)
Expenditures	<u>1,710.3</u>	<u>1,729.1</u>	<u>1,723.2</u>	<u>(5.9)</u>	<u>12.9</u>
Operating Results - Surplus/(Deficit)	\$ 38.8	\$ 1.2	\$ (39.3)	\$ (40.5)	\$ (78.1)
Proj. Fund Balance 6/30/20	\$ 358.9	\$ 321.4	\$ 280.9	\$ (40.5)	\$ (78.0)

General Fund

The adopted budget anticipated a \$141.1 million balance at year end. We are projecting an operating shortfall of \$58.6 million, an increase of \$3.8 million from last month's forecast. The projected shortfall represents only about 0.3 percent of the General Fund.

It should be noted that active planning to mitigate the shortfall identified in last month's estimate was underway prior to the Governor's declaration of the public health emergency to combat the COVID-19 pandemic. The Governor was prepared to exercise rescission authority and implement other steps to improve budgetary balance, but given the effect of the pandemic on agency budgets has elected not to impose rescissions at this time. Importantly, improvements of almost \$20 million in spending on payroll and operating costs have been incorporated into this month's estimate, although those changes are offset by updates in spending projections in other areas, primarily those related to the pandemic response.

Our estimates incorporate anticipated costs of the state’s response to the pandemic announced to date, but it should be noted that they generally do not include any broader recessionary influences on the state’s economic activity and revenue streams. Specifically, our estimate this month includes the following items related to the state’s pandemic response:

Approved COVID-19 Response Costs			
Agency	Item	Impact	Notes
1. DSS	Medicaid service increase to reflect anticipated volume	\$ 20,500,000	State share @ enhanced FMAP (+6.2%)
2. DSS	Suspend Medicaid eligibility discontinuances for 3 months	4,600,000	State share @ enhanced FMAP (+6.2%)
3. DSS	Provide uninsured persons with coverage for COVID-19 - Citizens	8,400,000	State share @ enhanced FMAP (+6.2%)
4. DSS	Waive HUSKY B copays	80,000	
5. DSS	Waive Medicare Part D (Rx) copays for dually eligible population	100,000	
6. DSS	Suspend cash assistance discontinuances (TFA, State Supplement, SAGA)	1,200,000	
7. MIL	State Active Duty to ready the Mobile Field Hospital	50,000	
8. DOC	Central purchase of Personal Protective Equipment (PPE)	1,250,000	State share after 75% reimbursement from FEMA
9. DAS	IT support for teleworking (VPN capacity, etc.)	154,000	
10. DAS	Cleaning and other facility-related costs	1,100,000	
Subtotal - Additional Expenditures		\$ 37,434,000	
11. DRS	Pass-through Entity Tax - Delay March 15, 2020 payment date to June 15, 2020	\$ (600,000)	Cash flow impact, loss of interest
12. DRS	Corporation Tax - Delay May 15, 2020 payment date to June 15, 2020	(200,000)	Cash flow impact, loss of interest
13. DRS	Unrelated Business Income - Delay May 15, 2020 payment date to June 15, 2020	(3,000)	Cash flow impact, loss of interest
Subtotal - Revenue Loss		\$ (803,000)	
Grand Total Budget Impact		\$ 38,237,000	

The federal government has enacted two emergency supplemental funding bills which will provide significant resources to the state, primarily through a 6.2 percent increase in reimbursement for the Medicaid program, and a third relief bill is under consideration as this letter is being written. The additional Medicaid reimbursement is reflected in both our estimate of Medicaid spending as well as our revenue projection, as discussed later in this letter.

The estimated rainy day fund balance at the start of FY 2020 is \$2.5 billion, or about 13.0% of net General Fund appropriations, and is expected to reach over \$2.7 billion by the beginning of FY 2021, or 13.8% of net General Fund appropriations for that year. The projected Budget Reserve Fund balance at year end is depicted below.

Budget Reserve Fund		(in millions)
Estimated BRF Ending Balance - FY 2019 (OSC Est. 9/30/19)	\$	2,505.5
Projected Operating Deficit - FY 2020 (OPM 03/20/20 Est.)	\$	(58.6)
Volatility Cap Deposit - FY 2020 (OPM 03/20/20 Est.)		318.3
Estimated BRF Ending Balance - FY 2020	\$	2,765.2

Revenues

Estimated revenues have been revised downward this month by \$36.6 million. Three tax types had been slightly under-performing targeted ranges, and in an expanding economy this underperformance likely would have met targeted levels by the end of the fiscal year. However, given the economic ramifications of the global pandemic it is unlikely those shortfalls can be closed by year-end. As a result, the Withholding component of the state’s Personal Income Tax estimate has been revised downward by \$30.0 million, the Sales and Use Tax has been revised downward by \$18.6 million, and the Corporation Tax has been revised downward by \$40 million. Transfers-Special Revenue have been revised downward by \$10 million as this

revenue source had also been underperforming its target, and with the closure of bars and restaurants in the state there is an expectation that less revenue will be generated from Keno operations. Admissions and Dues revenues have been revised downward by \$5.0 million due to the closure of certain venues in the state, and Indian Gaming Payments, which had been exceeding its target, is now being revised downward by \$5.0 million due to the two-week closure of the state's casinos. Offsetting these declines, Inheritance & Estate taxes have been revised upward by \$30 million and Insurance Companies have been revised upward by \$15.0 million, as those tax types have been outperforming their targets. Federal Grants Revenue is up \$20.0 million in recognition of the 6.2 percent increase in federal reimbursement for Medicaid-related expenditures that are budgeted outside of the Department of Social Services Medicaid account. All other changes net to a positive \$7.0 million.

Due date extensions that have been implemented by the Internal Revenue Service and the Department of Revenue Services to assist tax filers impacted by the pandemic, as noted earlier in this letter, currently fall within the existing revenue accrual period for this fiscal year for those tax-types, and therefore are not expected to have a material impact on budgetary balance outside of small losses in interest income from the change in timing of collections. The Office of the State Treasurer and the Office of Policy and Management continue to monitor the cash flow impact of the timing changes, which are considerable but are currently manageable.

Note that our estimate does not reflect the likely breadth and scope of the potential economic impacts from the pandemic on the state's revenue streams. We anticipate growing disruptions as more segments of the economy pause operations. My office will continue to assess the revenue implications of the pandemic as it unfolds, including any potential economic downturn and measures to mitigate. The adequacy of the Budget Reserve Fund will be critical for any necessary long-term recovery of state finances. The rapid deterioration of the BRF during the last recession necessitated years of budget cuts and tax increases.

Expenditures

We are projecting net expenditures will, in aggregate, exceed the amended budget plan by \$26.0 million, an improvement of \$32.8 million from last month's estimate due to revised estimates of lapses and deficiencies, explained below.

Deficiencies. Projected shortfalls totaling \$44.71 million are forecast in the following agencies:

- Department of Mental Health and Addiction Services. A net shortfall of \$5.7 million is forecast. Other Expenses spending is \$1.5 million over budget due largely to various facility maintenance and repair costs, and increased software licensing costs. Spending on contracted medical services in the Professional Services account is projected to be \$3.2 million over budget, and a \$1.0 million shortfall is projected in Workers' Compensation Claims due to cost trends.
- Office of Early Childhood. A net \$710,000 shortfall is anticipated in the Birth to Three account due to increased referrals to and enrollment in the program.
- Department of Correction. A total shortfall of \$13.55 million is projected. Other Expenses spending, inclusive of projected expenditures related to the pandemic, will result in a net shortfall of \$2.55 million after transfers from other lapsing accounts. An \$11.0 million shortfall is projected in Inmate Medical Services largely due to pharmaceutical utilization trending higher than compared to last fiscal year. While the agency has transitioned its pharmacy provider, costs of pharmaceuticals have declined but are offset by increased utilization. Additionally, overtime costs for medical staff are up compared to last fiscal year as the agency works to achieve appropriate staffing levels.
- OSC – Fringe Benefits. A net shortfall of \$23.85 million is forecast based on current cost trends, including projected shortfalls of \$44.7 million in the State Employees' Health Service Cost account to reflect higher than expected claims experience and premium costs, \$4.0 million in the Employers'

Social Security Tax account, \$1.4 million in the SERS Defined Contribution Match account, and \$0.25 million in the Insurance – Group Life account. Partially offsetting these shortfalls are a projected lapse of \$7.4 million in the Retired State Employees’ Health Service Cost account that is primarily the result of lower Medicare Advantage premiums attributable to the repeal of the federal health insurance tax; a \$2.4 million lapse in the Unemployment Compensation account; a \$2.7 million lapse in the Other Post Employment Benefits account; and a \$14.0 million lapse in the Higher Education Alternate Retirement Program (ARP), which is attributable to 1,600 employees shifting from ARP to SERS as an outcome of a grievance award, as well as a one-time accounting transaction related to the July 1, 2019, change in how these costs are budgeted.

- DAS – Workers’ Compensation Claims. A \$0.9 million shortfall is projected based on current claim trends.

Our forecast includes an estimated \$50.0 million in unappropriated expenditures for Adjudicated Claims. Existing law identifies the resources of the General Fund as the source for payments.

Lapses. Our projections reflect the amounts currently withheld from agencies to achieve budgeted lapse targets. While approximately \$19 million of the budgeted lapses have not been assigned through holdbacks, unrecognized lapses of at least this amount have historically materialized in May and June that should assure achievement of the budgeted targets. Additionally, the following sums totaling \$68.7 million are estimated to remain unspent this fiscal year:

- State Treasurer – Debt Service. A lapse of \$14.0 million is expected in the Debt Service account due to savings achieved from the December 2019 General Obligation bond sale as well as an improved outlook for the anticipated spring 2020 bond sale.
- Personal Services. We are projecting total of \$13.805 million in lapsing Personal Services appropriations in the following agencies:
 - Office of Legislative Management - \$4.0 million;
 - Auditors of Public Accounts - \$340,000;
 - Commission on Women, Children, Seniors, Equity and Opportunity - \$175,000;
 - Office of the State Treasurer - \$200,000;
 - Office of the State Comptroller - \$400,000;
 - Department of Revenue Services - \$1.2 million;
 - Department of Veterans Affairs - \$300,000;
 - Office of the Attorney General - \$400,000;
 - Division of Criminal Justice - \$250,000;
 - Department of Consumer Protection - \$825,000;
 - Department of Agriculture - \$250,000;
 - Agricultural Experiment Station - \$40,000;
 - Office of Health Strategy - \$100,000;
 - State Library - \$250,000;
 - Office of Higher Education - \$75,000;
 - Judicial Department - \$5.0 million.
- Election Enforcement Commission, Office of State Ethics, Freedom of Information Commission. Each of these agencies is projected to lapse \$50,000 for a total of \$150,000, reflective of spending trends.
- Office of Policy and Management. A total lapse of \$1,664,000 is forecast, with \$475,000 in Personal Services, \$300,000 in the Property Tax Relief for Veterans account, \$244,000 in the Tax Relief for Elderly Renters account, and \$20,000 in the Property Tax relief Elderly Freeze Program due to reduced claims. The MRDA account will lapse \$425,000 due to startup delays. Additionally, \$200,000 will lapse in the Project Longevity account as no statutory authority exists for a budgeted grant to Waterbury.

- Department of Administrative Services. A net lapse of \$246,000 is projected in Personal Services. A lapse of \$2.0 million in Personal Services due to vacancies and \$1.7 million in the Rents and Moving account are offset by a \$2.2 million shortfall in the Insurance and Risk Management account due to cost trends and \$1.25 million in increased spending on IT support and premises costs related to the pandemic response.
- Department of Labor. A total of \$590,000 will lapse, with \$50,000 in the Jobs First Employment Services account, \$250,000 in the Healthcare Apprenticeship Initiative account and \$290,000 in the Workforce Training Authority account due to startup delays.
- Department of Energy and Environmental Protection. A total of \$520,000 will lapse across a variety of accounts based on current expenditure trends.
- Department of Economic and Community Development. A total of \$200,000 will lapse across several accounts.
- Department of Housing. A \$1.2 million lapse is forecast in the Housing / Homeless account as a result of natural placement delays.
- Department of Public Health. A net total of \$918,490 is projected to lapse across several accounts based on current expenditure trends.
- Department of Developmental Services. A net lapse of \$6.0 million is forecast, with \$2.0 million in Personal Services due to vacancies and \$4.0 million in the Behavioral Services Program account as a result of more individuals being supported in their own homes rather than in more expensive residential settings.
- Department of Social Services. A net lapse of \$18.5 million is forecast. A projected \$45.0 million shortfall in the Medicaid account due to current cost trends and \$33.6 million in Medicaid costs related to the pandemic response are offset by increased federal reimbursement of \$80.1 million following passage of Public Law 116-127 earlier this week. Other pandemic costs totaling \$1.28 million are offset by lapses totaling more than \$17 million across Personal Services, Other Expenses and other various accounts.
- Department of Aging and Disability Services. A total of \$900,000 is projected to lapse, with \$200,000 in Personal Services due to vacancies, \$600,000 in the Employment Opportunities – Blind and Disabled account due to program efficiencies and programmatic restructuring that occurred in FY 2018 and which have contributed to lapses the last two years, and the remainder across other accounts based on current cost trends.
- State Department of Education. A total of \$4,071,000 will lapse across several accounts based on current expenditure trends.
- Teachers' Retirement Board. A total lapse of \$1.35 million is forecast. Of this sum, \$1.2 million is projected to lapse in the Retirees Health Service Cost account due to lower than budgeted premiums that take effect January 1, 2020, resulting from reduced pharmacy trends. Additionally, \$100,000 will lapse in the Municipal Retiree Health Insurance Costs account based on current expenditure trends and \$50,000 will lapse in Personal Services.
- Department of Children and Families. A net lapse of \$4.62 million is projected in the Board and Care for Children – Short-term and Residential account as a result of recent caseload reductions.

Special Transportation Fund

The adopted budget anticipated a \$38.8 million balance from operations, while we project a \$39.3 million operating deficit by year end, due primarily to a \$41.4 million downward revision in projected revenues compared to last month as discussed further below.

Revenues

The Oil Companies Tax has been revised downward by \$31.0 million as that tax had been underperforming its target and, given the recent price collapse in the crude-oil markets along with reduced commuter travel, it is unlikely to reach its year-end target. The Motor Fuels tax, which had been exceeding its target, is now being revised downward by \$3.0 million due to reduced commuter travel. All other revenues have been revised downward by a total of \$7.4 million.

Expenditures

Estimated expenditures are projected to be \$12.9 million above the budget plan, an improvement of \$5.9 million from last month's estimate. Additional requirements total \$15.4 million, with a net \$11.4 million in the Department of Transportation's Rail Operations account, reflective of current cost trends, a net \$3.0 million in the active employee healthcare account managed by the State Comptroller; and \$1.0 million in the DAS Insurance and Risk Management account based on several large payouts. Offsetting these projected shortfalls are lapses totaling \$14.5 million, with \$10 million in Debt Service as a result of a delay in the date of the fall bond sale, \$3.5 million in the Department of Motor Vehicles' Personal Services account due to vacancies, and \$1.0 million in the DAS – Workers' Compensation Claims account based on current expenditure trends. We project that the Transportation Fund balance on June 30, 2020, will be \$280.9 million.

As the year progresses, the estimates offered by my office will continue to be revised to reflect the impact of changes in the economy and revenue collections, expenditure patterns, and/or other factors.

Sincerely,



Melissa McCaw
Secretary

State of Connecticut
Summary of Changes
General Fund and Special Transportation Fund
Projected to June 30, 2020
As of February 29, 2020
(In Millions)

General Fund

Operating Balance - Prior Month		\$	(54.8)
Revenues			
Personal Income Tax - Withholding	(30.0)		
Sales and Use Tax	(18.6)		
Corporation Tax	(40.0)		
Inheritance and Estate Tax	30.0		
Insurance Companies Tax	15.0		
Transfers - Special Revenue	(10.0)		
Indian Gaming Payments	(5.0)		
Federal Grants Revenue	20.0		
All Other Changes (net)	2.0		(36.6)
Expenditures			
Additional Requirements	16.0		
Estimated Lapses	26.8		
Miscellaneous Adjustments/Rounding	(10.0)		32.8
Operating Deficit - FY 2020		\$	(58.6)

Budget Reserve Fund

Fund Balance as of June 30, 2019		\$	2,505.5
Volatility Cap Deposit	318.3		
FY 2020 Est. Balance from Operations	(58.6)		259.7
Estimated Fund Balance - June 30, 2020		\$	2,765.2
Fund Balance as Percentage of FY 2021 General Fund			13.8%

Special Transportation Fund

Fund Balance as of June 30, 2019		\$	320.1
Operating Balance - Prior Month			1.2
Revenues			
Motor Fuels Tax	(3.0)		
Oil Companies Tax	(31.0)		
All Other Changes (net)	(12.4)		(46.4)
Expenditures			
Additional Requirements	5.4		
Estimated Lapses	0.5		
Miscellaneous Adjustments/Rounding	0.0		5.9
Estimated Fund Balance - June 30, 2020		\$	280.9

State of Connecticut
General Fund
Statement of Revenues, Expenditures, and Results of Operations
Projected to June 30, 2020
As of February 29, 2020
(In Millions)

	General Assembly Budget Plan ¹	Revised Estimates OPM	Over/ (Under)
REVENUE			
Taxes	\$ 18,445.1	\$ 18,420.6	\$ (24.5)
Less: Refunds	(1,411.7)	(1,650.2)	(238.5)
Taxes - Net	\$ 17,033.4	\$ 16,770.4	\$ (263.0)
Other Revenue	1,288.2	1,333.7	45.5
Other Sources	1,138.6	1,286.5	147.9
TOTAL Revenue	\$ 19,460.2	\$ 19,390.6	\$ (69.6)
EXPENDITURES			
Initial Current Year Appropriations	\$ 19,528.3	\$ 19,528.3	\$ -
Prior Year Appropriations Continued to FY 2020 ²		164.5	164.5
TOTAL Initial and Continued Appropriations	\$ 19,528.3	\$ 19,692.8	\$ 164.5
Appropriation Adjustments ³	-	104.2	104.2
TOTAL Adjusted Appropriations	\$ 19,528.3	\$ 19,797.0	\$ 268.7
Net Additional Expenditure Requirements		44.7	44.7
Estimated Appropriations Lapsed	(209.2)	(278.0)	(68.8)
Estimated Appropriations to be Continued to FY 2021 ²		-	-
TOTAL Estimated Expenditures	\$ 19,319.1	\$ 19,563.8	\$ 244.7
Net Change in Fund Balance - Continuing Appropriations		(164.5)	(164.5)
Miscellaneous Adjustments/Rounding		(50.0)	(50.0)
Net Change in Unassigned Fund Balance - 6/30/2020	\$ 141.1	\$ (58.6)	\$ (199.7)

1. P.A. 19-117. Note that CGS Sec. 2-33c limits appropriations in FY 2020 to 99.5% of General Fund revenue. As a result, the \$141.1 million budgeted surplus is comprised of \$97.3 million due to this 99.5% limitation, plus a \$43.8 million operating surplus. Pursuant to Sec. 50 of P.A. 19-117, \$30.0 million of the operating surplus is available for use toward a potential settlement of hospital litigation. Section 50 also makes available \$160.0 million of FY 2019 surplus for a total of \$190.0 million to effectuate a settlement, and further specifies that the General Assembly Budget Plan be modified to reflect any adjustments to revenue or expenditures that might be necessary as a result of such settlement.

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

3. PA 19-1 of the December Special Session increased appropriations by \$104.2 million to support costs associated with the hospital settlement.

State of Connecticut
General Fund
Revenue Estimates
Projected to June 30, 2020
As of February 29, 2020
(In Millions)

	General Assembly Budget Plan ^{1.}	Revised Estimates OPM	Over/ (Under)
TAXES			
Personal Income - Withholding	\$ 6,910.5	\$ 6,880.5	\$ (30.0)
Personal Income - Estimates and Finals	2,762.5	2,462.5	(300.0)
Sales and Use	4,444.1	4,472.3	28.2
Corporation	1,099.8	1,059.8	(40.0)
Pass-through Entity Tax	850.0	1,150.0	300.0
Public Service Corporations	237.7	237.7	-
Inheritance and Estate	165.8	210.8	45.0
Insurance Companies	203.3	218.3	15.0
Cigarettes	344.7	344.7	-
Real Estate Conveyance	217.4	217.4	-
Alcoholic Beverages	68.9	68.9	-
Admissions and Dues	41.9	36.9	(5.0)
Health Provider Tax	1,050.1	1,040.1	(10.0)
Miscellaneous	48.4	20.7	(27.7)
TOTAL - TAXES	\$ 18,445.1	\$ 18,420.6	\$ (24.5)
Less: Refunds of Taxes	(1,309.3)	(1,544.3)	(235.0)
Earned Income Tax Credit	(97.3)	(97.3)	-
R & D Credit Exchange	(5.1)	(8.6)	(3.5)
TOTAL - TAXES - NET	\$ 17,033.4	\$ 16,770.4	\$ (263.0)
OTHER REVENUE			
Transfers - Special Revenue	\$ 368.0	\$ 358.0	\$ (10.0)
Indian Gaming Payments	226.0	231.0	5.0
Licenses, Permits, Fees	341.2	341.2	-
Sales of Commodities and Services	30.2	30.2	-
Rents, Fines, Escheats	158.5	166.0	7.5
Investment Income	52.6	52.6	-
Miscellaneous	178.1	226.1	48.0
Refunds of Payments	(66.4)	(71.4)	(5.0)
TOTAL - OTHER REVENUE	\$ 1,288.2	\$ 1,333.7	\$ 45.5
OTHER SOURCES			
Federal Grants	\$ 1,526.0	\$ 1,601.1	\$ 75.1
Transfer from Tobacco Settlement Fund	136.0	136.0	-
Transfers From/(To) Other Funds	(205.1)	(132.3)	72.8
Transfers to BRF - Volatility Adjustment ^{2.}	(318.3)	(318.3)	-
TOTAL - OTHER SOURCES	\$ 1,138.6	\$ 1,286.5	\$ 147.9
TOTAL - GENERAL FUND REVENUE	\$ 19,460.2	\$ 19,390.6	\$ (69.6)

1. Sec. 386 of P.A. 19-117.

2. The volatility cap for FY 2020 is \$3,294.2 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
Appropriation Adjustments - Net Additional Requirements
Projected to June 30, 2020
As of February 29, 2020

Department of Mental Health and Addiction Services	\$	5,700,000
Office of Early Childhood		710,000
Department of Correction		13,550,000
OSC - Fringe Benefits		23,850,000
DAS - Workers' Compensation Claims		900,000
Total	\$	<u>44,710,000</u>

State of Connecticut
 General Fund
 Estimated Lapses
 Projected to June 30, 2020
 As of February 29, 2020

Unallocated Lapse	\$ 29,015,570
Unallocated Lapse - Judicial	5,000,000
Statewide Hiring Reduction - Executive	7,000,000
Contracting Savings Initiatives	5,000,000
Pension and Healthcare Savings (pension portion)	115,780,000
Pension and Healthcare Savings (healthcare portion)	47,420,000
Office of Legislative Management	4,000,000
Auditors of Public Accounts	340,000
Commission on Women, Children, Seniors, Equity & Opportunity	175,000
Elections Enforcement Commission	50,000
Office of State Ethics	50,000
Freedom of Information Commission	50,000
Office of the State Treasurer	200,000
Office of the State Comptroller	400,000
Department of Revenue Services	1,200,000
Office of Policy and Management	1,664,000
Department of Veterans Affairs	300,000
Department of Administrative Services	246,000
Office of the Attorney General	400,000
Division of Criminal Justice	250,000
Department of Consumer Protection	825,000
Department of Labor	590,000
Department of Agriculture	250,000
Department of Energy and Environmental Protection	520,000
Department of Economic and Community Development	200,000
Department of Housing	1,200,000
Agricultural Experiment Station	40,000
Department of Public Health	918,490
Office of Health Strategy	100,000
Department of Developmental Services	6,000,000
Department of Social Services	18,501,102
Department of Aging and Disability Services	900,000
State Department of Education	4,071,000
Connecticut State Library	250,000
Office of Higher Education	75,000
Teachers' Retirement Board	1,350,000
Department of Children and Families	4,620,000
Judicial Department	5,000,000
OTT - Debt Service	14,000,000
Total	<u><u>\$ 277,951,162</u></u>

State of Connecticut
FY 2020 General Fund
Monthly Summary of Operations
(In Millions)

	Budget Plan ¹	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
REVENUE	\$ 19,460.2	\$ 19,460.2	\$ 19,460.2	\$ 19,460.2	\$ 19,375.7	\$ 19,459.2	\$ 19,427.2	\$ 19,427.2	\$ 19,390.6				
Appropriations ²	19,528.3	19,528.3	19,528.3	19,528.3	19,528.3	19,632.5	19,632.5	19,632.5	19,632.5				
Additional Requirements	0.0	0.0	37.8	37.8	51.5	53.5	56.4	60.8	44.7				
Less: Estimated Lapses	(209.2)	(209.2)	(210.2)	(210.0)	(214.5)	(233.8)	(242.9)	(251.2)	(278.0)				
TOTAL - Estimated Expenditures	19,319.1	19,319.1	19,355.9	19,356.1	19,365.3	19,452.1	19,446.0	19,442.0	19,399.2	0.0	0.0	0.0	0.0
Operating Balance	141.1	141.1	104.3	104.1	10.4	7.1	(18.8)	(14.8)	(8.6)	0.0	0.0	0.0	0.0
Misc. Adjustments/Rounding	0.0	(15.0)	(20.0)	(25.0)	(30.0)	(30.0)	(40.0)	(40.0)	(50.0)				
Est. Operating Balance - 6/30/20	\$141.1	\$126.1	\$84.3	\$79.1	(\$19.6)	(\$22.9)	(\$58.8)	(\$54.8)	(\$58.6)	\$0.0	\$0.0	\$0.0	\$0.0

1. P.A. 19-117.

2. Reflects gross General Fund appropriations based on PA 19-117 through October. November based on PA 19-1 of the December Special Session.

State of Connecticut
Special Transportation Fund
Analysis of Budget Plan
Projected to June 30, 2020
As of February 29, 2020
(In Millions)

	General Assembly <u>Budget Plan</u> ^{1.}	Revised Estimates <u>OPM</u>	Over/ <u>(Under)</u>
Fund Balance as of June 30, 2019	\$ 315.1	\$ 320.1	\$ 5.0
REVENUE			
Taxes	\$ 1,330.1	\$ 1,287.9	\$ (42.2)
Less: Refunds of Taxes	<u>(14.3)</u>	<u>(30.3)</u>	<u>(16.0)</u>
Taxes - Net	1,315.8	1,257.6	(58.2)
Other Revenue	<u>433.3</u>	<u>426.3</u>	<u>(7.0)</u>
TOTAL - Revenue	\$ 1,749.1	\$ 1,683.9	\$ (65.2)
EXPENDITURES			
Appropriations	\$ 1,740.6	\$ 1,740.6	\$ -
Prior Year Appropriations Continued to FY 2020 ^{2.}		<u>33.3</u>	<u>33.3</u>
TOTAL Initial and Continued Appropriations	\$ 1,740.6	\$ 1,773.9	\$ 33.3
Appropriation Adjustments	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL Adjusted Appropriations	\$ 1,740.6	\$ 1,773.9	\$ 33.3
Net Additional Expenditure Requirements		15.4	15.4
Estimated Appropriations Lapsed	(30.3)	(32.8)	(2.5)
Estimated Appropriations to be Continued to FY 2021 ^{2.}		<u>-</u>	<u>-</u>
TOTAL Estimated Expenditures	\$ 1,710.3	\$ 1,756.5	\$ 46.2
Net Change in Fund Balance - Continuing Appropriations		(33.3)	(33.3)
Miscellaneous Adjustments/Rounding		-	-
Net Change in Unassigned Fund Balance - FY 2020	\$ 38.8	\$ (39.3)	\$ (78.1)
Estimated Fund Balance - June 30, 2020	<u>\$ 353.9</u>	<u>\$ 280.9</u>	<u>\$ (73.1)</u>

1. P.A. 19-117. Note that CGS Sec. 2-33c limits appropriations in FY 2020 to 99.5% of Special Transportation Fund revenue. As a result, the \$38.8 million budgeted surplus is comprised of \$8.7 million due to this 99.5% limitation, plus a \$30.1 million operating surplus.

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

State of Connecticut
Special Transportation Fund
Revenue Estimates
Projected to June 30, 2020
As of February 29, 2020
(In Millions)

	General Assembly Budget Plan ¹ .	Revised Estimates OPM	Over/ (Under)
TAXES			
Motor Fuels	\$ 507.2	\$ 510.4	\$ 3.2
Oil Companies	322.9	273.0	(49.9)
Sales & Use Tax	414.3	416.0	1.7
Sales Tax DMV	85.7	88.5	2.8
TOTAL - TAXES	<u>1,330.1</u>	<u>1,287.9</u>	<u>(42.2)</u>
Less: Refunds of Taxes	(14.3)	(30.3)	(16.0)
TOTAL - TAXES - NET	<u>\$ 1,315.8</u>	<u>\$ 1,257.6</u>	<u>\$ (58.2)</u>
OTHER REVENUE			
Motor Vehicle Receipts	\$ 280.1	\$ 280.1	\$ -
Licenses, Permits, Fees	145.5	145.5	-
Interest Income	36.1	29.1	(7.0)
Federal Grants	12.1	12.1	-
Transfers (To)/From Other Funds	(35.5)	(35.5)	-
Refunds of Payments	(5.0)	(5.0)	-
TOTAL - OTHER REVENUE	<u>\$ 433.3</u>	<u>\$ 426.3</u>	<u>\$ (7.0)</u>
TOTAL - SPECIAL TRANSPORTATION FUND REVENUE	<u>\$ 1,749.1</u>	<u>\$ 1,683.9</u>	<u>\$ (65.2)</u>

1. Sec. 387 of P.A. 19-117, as adjusted by provisions of P.A. 19-165.

Statement 3T
March 20, 2020

State of Connecticut
Special Transportation Fund
Appropriation Adjustments - Net Additional Requirements
Projected to June 30, 2020
As of February 29, 2020

Department of Administrative Services	\$ 1,000,000
Department of Transportation	\$ 11,400,000
OSC - Fringe Benefits	3,000,000
Total	<u>\$ 15,400,000</u>

Statement 4T
March 20, 2020

State of Connecticut
Special Transportation Fund
Estimated Lapses
Projected to June 30, 2020
As of February 29, 2020

Unallocated Lapse	\$	-
Pension and Healthcare Savings (pension portion)		15,720,000
Pension and Healthcare Savings (healthcare portion)		2,580,000
Department of Motor Vehicles		3,500,000
OTT - Debt Service		10,000,000
DAS - Workers' Compensation Claims		1,000,000
Total	\$	<u>32,800,000</u>

State of Connecticut
FY 2020 Special Transportation Fund
Monthly Summary of Operations
(In Millions)

	Budget Plan ¹	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020
Beginning Balance ²	\$ 315.1	\$ 315.1	\$ 320.1	\$ 320.1	\$ 320.1	\$ 320.1	\$ 320.1	\$ 320.1	\$ 320.1				
Revenue	1,749.1	1,749.1	1,749.1	1,749.1	1,732.7	1,732.7	1,730.3	1,730.3	1,683.9				
Total Available	2,064.2	2,064.2	2,069.2	2,069.2	2,052.8	2,052.8	2,050.4	2,050.4	2,004.0	0.0	0.0	0.0	0.0
Appropriations	1,740.6	1,740.6	1,740.6	1,740.6	1,740.6	1,740.6	1,740.6	1,740.6	1,740.6				
Additional Requirements	0.0	0.0	0.0	0.0	7.0	18.3	20.2	20.8	15.4				
Less: Estimated Lapses	(30.3)	(30.3)	(30.3)	(30.3)	(41.7)	(30.2)	(31.5)	(32.3)	(32.8)				
TOTAL - Estimated Expenditures	1,710.3	1,710.3	1,710.3	1,710.3	1,705.9	1,728.7	1,729.3	1,729.1	1,723.2	0.0	0.0	0.0	0.0
Operating Balance	38.8	38.8	38.8	38.8	26.8	4.0	1.0	1.2	(39.3)	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	0.0				
Estimated Operating Balance 6/30/20	\$353.9	\$353.9	\$358.9	\$359.0	\$347.0	\$324.2	\$321.2	\$321.4	\$280.9	\$0.0	\$0.0	\$0.0	\$0.0

1. P.A. 19-117.

2. Budget plan and July as estimated by the Office of Policy and Management based on the Comptroller's August 1, 2019 letter. August based on OSC preliminary closing balance for FY 2019. September and thereafter per the Comptroller's September 30, 2019 letter.