

DENISE L. NAPPIER
TREASURER

State of Connecticut
Office of the Treasurer

January 12, 2018

The Honorable Dannel P. Malloy
Governor
State Capitol
Hartford, CT 06106

Dear Governor Malloy:

Pursuant to C.G.S. 3-21 and C.G.S. 2-27b, this office is required to compute as of January 1, 2018, the aggregate amount of indebtedness payable from general fund tax receipts and whether it is less than ninety percent of the debt limit as set forth in said sections. Should the ninety percent limit be reached, C.G.S. 3-21 requires certain actions to be taken by the Governor.

Under C.G.S. 3-21, the aggregate amount of indebtedness comprises the total amount of indebtedness authorized by the General Assembly but not yet issued, and the total amount of indebtedness which has been issued and remains outstanding, subject to certain adjustments. Also pursuant to said section, the debt limit is set forth as 1.6 times the total general fund tax receipts for the fiscal year in which any such authorization will become effective, as estimated for such fiscal year by the Joint Standing Committee on Finance, Revenue and Bonding of the General Assembly in accordance with C.G.S. 2-35.

Attached please find the certificate as to the aggregate amount of indebtedness.

Sincerely,


Denise L. Nappier
Treasurer

Attachment

cc: The Honorable Martin M. Looney, President Pro Tempore, State Senate
The Honorable Leonard A. Fasano, Republican President Pro Tempore, State Senate
The Honorable Joe Aresimowicz, Speaker of the House
The Honorable Bob Duff, Majority Leader, State Senate
The Honorable Matthew D. Ritter, Majority Leader, House of Representatives
The Honorable Themis Klarides, Minority Leader, House of Representatives
The Honorable John W. Fonfara, Co-Chair; Joint Committee on Finance, Revenue & Bonding; State Senate
The Honorable L. Scott Frantz, Co-Chair; Joint Committee on Finance, Revenue & Bonding; State Senate
The Honorable Jason Rojas, Co-Chair; Joint Committee on Finance, Revenue & Bonding; House of Representatives
The Honorable Christopher Davis, House Ranking Member; Finance, Revenue & Bonding; House of Representatives
The Honorable Carlo Leone, Vice Chair; Joint Committee on Finance, Revenue & Bonding; State Senate
The Honorable Toni Boucher, Vice Chair; Joint Committee on Finance, Revenue & Bonding; State Senate
The Honorable Josh Elliott, Vice Chair; Joint Committee on Finance, Revenue & Bonding; House of Representatives
The Honorable Brandon L. McGee, Vice Chair; Joint Committee on Finance, Revenue & Bonding; House of Representatives
The Honorable Patricia Billie Miller, Co-Chair, General Bonding Subcommittee
The Honorable Michael McLachlan, Co-Chair, General Bonding Subcommittee
Mr. Eric Gray, Principal Budget Specialist, Office of Fiscal Analysis
Mr. Steven Kitowicz, Principal Budget Specialist, Office of Policy & Management

CERTIFICATE OF AGGREGATE AMOUNT OF INDEBTEDNESS

The undersigned, DENISE L. NAPPIER, Treasurer of the State of Connecticut, HEREBY CERTIFIES, that:

1. This certificate is made in accordance with Section 3-21 of the General Statutes, as amended.

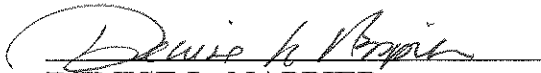
2. The total General Fund tax receipts of the State of Connecticut during the fiscal year of said State ending June 30, 2018, as estimated by the Joint Standing Committee on Finance, Revenue and Bonding of the General Assembly of the State, is \$15,549,400,000.00.

3. At the date and time of execution of this certificate, the debt limit prescribed by Section 3-21 of the General Statutes of Connecticut on the aggregate amount of the indebtedness, calculated as 1.6 times the estimated total General Fund tax receipts as listed above, is \$24,879,040,000.00.

4. As of January 1, 2018, the aggregate amount of authorized and unissued, and issued and outstanding indebtedness of the State of Connecticut subject to the limit prescribed by Section 3-21 of the General Statutes of Connecticut, is \$21,609,967,498.15

5. As of January 1, 2018, the aggregate amount of net indebtedness so computed is 86.86% of the debt limit. As set forth in said section, should the aggregate amount of net indebtedness reach ninety per cent of the debt limit, certain actions are required to be taken by the Governor's Office.

IN WITNESS WHEREOF, this certificate is made and dated as of January 12, 2018.


DENISE L. NAPPIER
Treasurer
State of Connecticut

Office of the State Treasurer
Debt Management Division
Certificate of Indebtedness Calculation
As of January 1, 2018

<u>Authorized and Unissued as of 10/31/2017</u>	\$ 6,325,180,612.15	Note 1
Add:		
Less:		
2017 Series A Taxable GO	(450,000,000.00)	
2017 Series A BANs GO	(400,000,000.00)	
Total Authorized and Unissued as of 1/1/2018	5,475,180,612.15	
General Obligation - Tax Supported Outstanding	14,637,571,886.00	
Total General Obligation Bonds - Outstanding	14,637,571,886.00	
<u>Add: Other Indebtedness Guarantees</u>		
UConn 2000 Bonds Outstanding	1,496,360,000.00	
Southeastern CT Water Authority	855,000.00	
Other Indebtedness Total	1,497,215,000.00	
Total Outstanding Bonds, Notes & Indebtedness	16,134,786,886.00	
<u>Gross Indebtedness</u>	21,609,967,498.15	
Less: Funds Available to Pay Net Obligations	-	
Net Indebtedness	21,609,967,498.15	
<u>Calculation of Debt Incurring Margin</u>		
Total General Fund Tax Receipts	15,549,400,000.00	Note 2
Multiplier	1.6	
Debt Limit	24,879,040,000.00	
Net Indebtedness & Percentage of Debt Limit	21,609,967,498.15	86.86%
Debt Incurring Margin	3,269,072,501.85	
90% Debt Limit	22,391,136,000.00	
Actual Net Indebtedness	21,609,967,498.15	
Capacity Remaining Before 90% Limit	\$ 781,168,501.85	

1) Does not include Tax Incremental Financings, Special Transportation Bonds, Bradley Airport Bonds, Clean Water Fund Revenue Bonds, Taxable Teachers' Retirement Funds Bonds. Includes Juvenile Training Facility Certificates of Participation and GAAP Conversion Bonds.

2) Finance Revenue and Bonding Committee Adopted Revenues as of October 25, 2017.

Note: Consensus revenue estimates issued on November 13, 2017 by OPM and OFA, as adjusted by P.A. 17-4, JSS, revised revenues downward by a net \$97.1 million from the original amount. Using the adjusted revenue amounts the debt limit calculation would result in a debt limit percentage of 87.37%.