

REPORT TO THE APPROPRIATIONS, AND THE FINANCE, REVENUE, AND BONDING
COMMITTEES

AN ACT CONCERNING FISCAL ACCOUNTABILITY
OF STATE GOVERNMENT



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OFFICE OF POLICY AND MANAGEMENT

NOVEMBER 15, 2005

SUMMARY

This report indicates the following:

- The state is projected to experience a surplus at the end of FY2005-06 and 2006-07.
- By fully extinguishing remaining cap room in fiscal year 2005-06, the amount of available cap room in FY2006-07 increases to \$35.5 million.
- Projections indicate that spending will exceed available room under the expenditure cap in fiscal years 2007-08 and forward.
- Beginning in fiscal year 2007-08 the state will experience significant deficits.
- The budget reserve fund fails to reach the statutorily required 10% over the projection period, putting the state at risk in the event of a recession.
- Even with the projected surpluses from both fiscal years 2005-06 and 2006-07 deposited into the budget reserve fund, and expenditures reduced to remain below the spending cap, funds will still need to be withdrawn from the budget reserve fund as early as fiscal year 2007-08, and the fund will be entirely depleted by the end of fiscal year 2009-10.
- Connecticut's citizens already carry a heavy tax load
- Debt service as a percent of budget expenditures will continue to grow despite maintaining general obligation allocations and issuances fixed at the current level.
- In order to achieve a significant reduction in debt service as a percent of budget expenditures, drastic reductions in bond issuances would be required such that the State could not even meet the ongoing commitment to local school construction.
- The state faces significant long-term obligations including debt, unfunded pension liabilities and unfunded post-employment retirement benefits which exceed \$47 billion in total.

Major issues and trends impacting the state's fiscal situation include:

- Significant cost drivers which include: pharmacy costs, expenditures related to the Department of Children and Families, the Department of Correction, Department of Education, and Department of Mental Retardation.
- State grants to local government have increased significantly over the biennium.
- Energy costs have increased dramatically due to natural disasters.

The Office of Policy and Management remains committed to depositing all surplus funds into the budget reserve fund, although a study of alternative uses, such as debt reduction or reduction of unfunded pension liabilities, may have merit.

SECTION 1
ESTIMATE OF STATE REVENUES, EXPENDITURES
AND ENDING BALANCE

INTRODUCTION

The Fiscal Accountability Report has been prepared in accordance with Section 1 of Public Act 05-262. It contains the estimated revenues and projected expenditures for the three fiscal years next ensuing the 2005-2007 biennium.

Financial Summary of Funds

<u>Expenditures</u> ⁽¹⁾	<u>Estimated</u> ⁽²⁾	<u>Enacted</u>	<u>Projected</u>		
	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>
General Fund	\$ 14,152.5	\$ 14,745.2	\$ 15,884.3	\$ 16,440.8	\$ 17,119.8
Special Transportation Fund	986.3	1,018.0	1,057.1	1,082.5	1,111.8
Mashantucket Pequot/Mohegan Fund	86.3	86.3	135.0	135.0	135.0
Soldiers', Sailors' and Marines' Fund	3.8	4.0	4.1	4.2	4.3
Regional Market Operating Fund	0.9	0.9	0.9	0.9	0.8
Banking Fund	12.6	16.8	17.3	17.7	18.1
Insurance Fund	21.6	22.7	23.3	23.8	24.4
Consumer Counsel and Public Utility Fund	20.8	21.9	22.4	23.0	23.5
Workers' Compensation Fund	20.6	21.0	21.5	22.0	22.5
Criminal Injuries Compensation Fund	2.0	2.0	2.1	2.1	2.2
Total All Appropriated Funds	\$ 15,307.4	\$ 15,938.7	\$ 17,167.9	\$ 17,752.1	\$ 18,462.4
Allowable Appropriations Under the Cap	\$ 15,307.4	\$ 15,974.2 ⁽³⁾	\$ 16,757.7	\$ 17,451.5	\$ 18,306.8
Difference - Over/(Under) the Cap	\$ -	\$ (35.5) ⁽³⁾	\$ 410.2	\$ 300.6	\$ 155.6
Revenue Projected at Current Rates ⁽⁴⁾	\$ 15,616.9	\$ 16,168.3	\$ 16,549.1	\$ 17,054.2	\$ 17,600.5
Revenues Less Expenditures	\$ 309.5	\$ 229.6	\$ (618.8) ⁽⁵⁾	\$ (697.9) ⁽⁵⁾	\$ (861.9) ⁽⁵⁾
Revenues Less Allowable Appropriation:	\$ 309.5	\$ 229.6	\$ (208.6) ⁽⁵⁾	\$ (397.3) ⁽⁵⁾	\$ (706.3) ⁽⁵⁾

(1) This report does not include an adjustment for conversion to GAAP

(2) Assumes deficiency appropriations and transfers to fully extinguish remaining room under the cap

(3) The expenditure cap calculation in fiscal year 2006-07 has been updated as a result of additional appropriations as indicated in footnote (2).

(4) Amounts shown are not enacted, but reflect most current information available.

(5) Article 3, section 18 of the State Constitution requires a balanced budget.

ASSUMPTIONS

Assumptions Used to Develop Expenditure Estimates

The three out years have been developed based on the FY2007 enacted budget.

GENERAL ASSUMPTIONS

With notable exceptions, those expenditures not governed by statute were increased by projected standard inflation rates as follows:

2007-2008	2.6%
2008-2009	2.3%
2009-2010	2.3%

In addition, the following medical inflation rates were used where appropriate:

2007-2008	5.3%
2008-2009	4.9%
2009-2010	4.6%

Expenditures increased by these inflation rates include: Personal Services, Other Expenses, Other Current Expenses, and Grants. Partial year costs are annualized. Equipment is projected based on the out year impact of lease purchases and an estimate of equipment needs.

NOTABLE EXCEPTIONS

Listed below are significant items within the three out years that were developed using other than the standard inflation guidelines, or that require further explanation.

ELECTIONS ENFORCEMENT COMMISSION

- *FY2007-2008 - Personal Services - Adjustments include inflationary amounts as well as funding for Midterm Adjustment "Computer Services Support."*
- *FY2007-2008 - Other Expenses - Adjustments include inflationary amounts as well as funding for Midterm Adjustments "Contract for Computer Management" and "Per Diem Increases."*
- *FY2007-2008 - Equipment - Adjustments include inflationary amounts as well as funding for Midterm Adjustment "Computer Services Support."*
- *Per PA04-204 "the recommended adjustments and revisions of such estimates shall be the recommended adjustments and revisions, if any, transmitted by said executive director to the Office of Policy and Management."*

STATE PROPERTIES REVIEW BOARD

- *Transfer Duties to the State Contracting Standards Board - Effective 10/1/07, the State Properties Review Board is expected to be dissolved and its duties and responsibilities transferred to the State Contracting Standards Board - Governor Rell's Executive Order #7A.*

STATE TREASURER - DEBT SERVICE

- *Debt Service-State Treasurer - Debt Service reflects actual and projected issuance schedules.*

STATE COMPTRROLLER- MISCELLANEOUS

- *Equal Grants to Non-Profit General Hospitals - Level funding is projected for Fiscal Years 2008 through 2010.*
- *Reimbursements to Towns for Loss of Taxes on State Property - Fiscal Year 2008 reflects returning to Current Services with inflation.*
- *Reimbursements to Towns for Loss of Taxes on Private Tax-Exempt Property - Fiscal Year 2008 reflects returning to Current Services with inflation.*
- *Mashantucket Pequot and Mohegan Fund Grant - Fiscal Year 2007-08 reflects returning to Current Services.*

STATE COMPTRROLLER - FRINGE BENEFITS

- *State Employees Retirement Contributions - The contribution amounts reflect the actuarial estimates.*
- *Judges & Compensation Commissioners Retirement - The contribution amounts reflect the actuarial estimates.*

OFFICE OF POLICY AND MANAGEMENT

- *Property Tax Relief Elderly Freeze Program* - projection reflects fewer participants in the program.

OPM - RESERVE FOR SALARY ADJUSTMENTS

- *Reserve for Salary Adjustments - General Fund - FY 2008 amount reflects the final ERIP accrual payment. Non-ERIP accrual payments are also reflected in FYS 2008, 2009 and 2010.*
- *Reserve for Salary Adjustments - Special Transportation Fund - FY 2008 reflects the final ERIP accrual payment. Non-ERIP accrual payments are also reflected for FYs 2008, 2009 and 2010.*

DEPARTMENT OF MENTAL RETARDATION

- *Clinical Service* - Medical Inflation
- *Community Residential Service* - Provides additional funds (subject to Inflation) to abide by Court Settlement for Wait List. Continues services to additional new 150 clients. Adjusts for FY 08 Leap Year.

DEPT MENTAL HEALTH & ADDICTION SVS

- *Personal Services* - Inflationary Increase on \$75,040,000 Disproportionate Share amount in DSS
- *Other Expenses* - Inflationary Increase on \$2,600,000 Disproportionate Share amount in DSS

DEPARTMENT OF TRANSPORTATION

- *FY2007-08 - Other Expenses* - Includes \$3.7 million for sand and salt price increases for snow removal and steel price increases for guard rail and posts on highways.
- *Tweed-New Haven Airport Grant* - Funding removed to reflect legislative intent to provide \$600,000 for the FY05-06 biennium only.

DEPARTMENT OF SOCIAL SERVICES

- *State Food Stamp Supplement, HUSKY Program, Medicaid, Old Age Assistance, Aid to the Blind, Aid to the Disabled, Temporary Assistance to Families, ConnPACE, Connecticut Home Care Program, Child Care - TANF/CCDBG, State Administered General Assistance* - Reflects rate and volume changes based on current trends, as well as annualization of FY 2005-06 and FY 2006-07 adjustments.
- *Medicaid, Old Age Assistance, Aid to the Blind, Aid to the Disabled* - Reflects leap year payments in FY 2007-08.
- *Medicaid* - Reflects adjustments to nursing home rates in FY 2009-10. Current law requires DSS to adjust these rates periodically based on updated cost reports.
- *Housing/Homeless Services* - Reflects annualization of Supportive Housing initiative.

DEPARTMENT OF EDUCATION

- *Education Cost Sharing Grant* - Increases in cost to the Education Cost Sharing Grant are based on changes in enrollment and returning the grant to full funding at the formula level.
- *Excess Cost - Student Based* - Increase in formula in Fiscal Year 2008 is due to returning funding to level required under current law.

TEACHERS' RETIREMENT BOARD

- *Retirement Contributions* - Retirement Contributions account reflects actuarial estimates.
- *Retirees Health Service Cost* - Account reflects medical inflation and a membership growth factor of 5% each year.
- *Municipal Retiree Health Insurance Costs* - Account anticipates membership growth of 7% per year.

DEPARTMENT OF CHILDREN AND FAMILIES

- *Child Welfare Support Services* - Annualization of pick up of Federal Funds
- *Board and Care Adoption* - FY 08 includes an annualize cost of new adoption subsidy rates from January 2005 at the USDA inflation rate for the 2005-2007 biennium.
- *Board and Care Foster Care* - FY 2008 includes an annualize cost of foster care subsidy rates at the USDA inflation rate for the 2005-2007 biennium.
- *Board and Care Residential* - Provisions made to account for Single Cost Accounting rate increases per statute for each year.

COUNCIL TO ADMINISTER CHILDREN'S TRUST

- *Children's Trust Fund* - FY 2008 includes annualization for three new Nurturing Families Network Programs initiated in FY 2007.

Fiscal Accountability Report
SUMMARY OF 2006 ESTIMATED, 2007 ENACTED AND 2008-2010 PROJECTED
By Character and Fund

	Estimated 2005-2006	Enacted 2006-2007	2007-2008	Projected 2008-2009 2009-2010	
GENERAL FUND					
LEGISLATIVE					
LEGISLATIVE MANAGEMENT					
Personal Services	37,041,629	39,852,239	40,888,397	41,828,830	42,790,893
Other Expenses	15,634,739	16,293,165	16,716,787	17,101,273	17,494,602
CAPITAL OUTLAY					
Equipment	1,418,400	1,263,700	1,400,000	1,400,000	1,400,000
OTHER CURRENT EXPENSES					
Flag Restoration	50,000	50,000	50,000	50,000	50,000
Minor Capital Improvements	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Interim Committee Staffing	649,000	506,000	506,000	625,000	550,000
Interim Salary/Caucus Offices	517,300	399,000	399,000	509,000	440,000
TOTAL OTHER CURRENT EXPENSES	2,416,300	2,155,000	2,155,000	2,384,000	2,240,000
PMTS TO OTHER THAN LOCAL GOVTS					
Interstate Conference Fund	320,000	325,000	333,450	341,119	348,965
TOTAL FIXED CHARGES	320,000	325,000	333,450	341,119	348,965
AGENCY TOTAL	56,831,068	59,889,104	61,493,634	63,055,222	64,274,460
AUDITORS OF PUBLIC ACCOUNTS					
Personal Services	9,630,050	10,226,208	10,492,089	10,733,407	10,980,275
Other Expenses	718,712	750,969	770,494	788,215	806,344
CAPITAL OUTLAY					
Equipment	127,050	131,478	131,478	131,478	131,478
AGENCY TOTAL	10,475,812	11,108,655	11,394,061	11,653,100	11,918,097
COMMISSION ON AGING					
Personal Services	145,343	242,847	249,161	254,892	260,755
Other Expenses	3,500	6,000	6,156	6,298	6,443
CAPITAL OUTLAY					
Equipment	4,400	4,400	4,400	4,400	4,400
AGENCY TOTAL	153,243	253,247	259,717	265,590	271,598
COMMISSION ON THE STATUS OF WOMEN					
Personal Services	547,970	591,194	606,565	620,516	634,788
Other Expenses	140,078	111,618	114,520	117,154	119,849
CAPITAL OUTLAY					
Equipment	2,500	2,500	2,500	2,500	2,500
AGENCY TOTAL	690,548	705,312	723,585	740,170	757,137
COMMISSION ON CHILDREN					
Personal Services	611,800	652,360	669,321	684,715	700,463
Other Expenses	157,406	162,729	166,960	170,800	174,728
CAPITAL OUTLAY					
Equipment	2,500	2,500	2,500	2,500	2,500
AGENCY TOTAL	771,706	817,589	838,781	858,015	877,691
LATINO & PUERTO RICAN AFFAIRS COMM					
Personal Services	363,692	388,220	398,314	407,475	416,847
Other Expenses	93,631	95,526	98,010	100,264	102,570
CAPITAL OUTLAY					
Equipment	2,500	2,500	2,500	2,500	2,500
AGENCY TOTAL	459,823	486,246	498,824	510,239	521,917
AFRICAN-AMERICAN AFFAIRS COMMISSION					
Personal Services	293,943	312,377	320,499	327,870	335,411
Other Expenses	57,332	58,563	60,086	61,468	62,882
CAPITAL OUTLAY					
Equipment	2,500	2,500	2,500	2,500	2,500
AGENCY TOTAL	353,775	373,440	383,085	391,838	400,793
TOTAL LEGISLATIVE	69,735,975	73,633,593	75,591,687	77,474,174	79,021,693

GENERAL GOVERNMENT

GOVERNOR'S OFFICE

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	Estimated	Enacted	Projected		
	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Personal Services	2,826,047	2,886,509	2,961,558	3,029,674	3,099,357
Other Expenses	379,116	379,116	388,973	397,919	407,071
CAPITAL OUTLAY					
Equipment	100	100	25,000	25,000	25,000
PMTS TO OTHER THAN LOCAL GOVTS					
New England Governors' Conference	88,000	92,000	94,392	96,563	98,784
National Governors' Association	100,600	102,600	105,268	107,689	110,166
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	188,600	194,600	199,660	204,252	208,950
TOTAL FIXED CHARGES	188,600	194,600	199,660	204,252	208,950
AGENCY TOTAL	3,393,863	3,460,325	3,575,191	3,656,845	3,740,378
 MISC APPROPRIATION TO THE GOVERNOR					
OTHER CURRENT EXPENSES					
Governor's Contingency Account	16,245	16,245	16,667	17,050	17,442
AGENCY TOTAL	16,245	16,245	16,667	17,050	17,442
 SECRETARY OF THE STATE					
Personal Services	1,869,569	2,022,359	2,074,940	2,122,664	2,171,485
Other Expenses	1,257,986	1,288,189	1,321,682	1,352,081	1,383,179
CAPITAL OUTLAY					
Equipment	100	100	150,000	150,000	150,000
AGENCY TOTAL	3,127,655	3,310,648	3,546,622	3,624,745	3,704,664
 LIEUTENANT GOVERNOR'S OFFICE					
Personal Services	424,454	430,598	441,794	451,955	462,350
Other Expenses	87,070	87,070	89,334	91,389	93,491
CAPITAL OUTLAY					
Equipment	100	100	7,500	7,500	7,500
AGENCY TOTAL	511,624	517,768	538,628	550,844	563,341
 ELECTIONS ENFORCEMENT COMMISSION					
Personal Services	989,207	1,030,775	1,115,020	1,140,665	1,166,900
Other Expenses	87,611	87,516	115,488	118,144	120,861
CAPITAL OUTLAY					
Equipment	23,500	7,500	11,000	11,000	11,000
AGENCY TOTAL	1,100,318	1,125,791	1,241,508	1,269,809	1,298,761
 OFFICE OF STATE ETHICS					
Personal Services	1,138,730	1,268,194	1,301,167	1,331,094	1,361,709
Other Expenses	107,822	110,195	113,060	115,660	118,320
CAPITAL OUTLAY					
Equipment	45,100	100	10,000	10,000	10,000
OTHER CURRENT EXPENSES					
Lobbyist Electronic Filing Program	64,832	66,258	67,981	69,545	71,145
AGENCY TOTAL	1,356,484	1,444,747	1,492,208	1,526,299	1,561,174
 FREEDOM OF INFORMATION COMMISSION					
Personal Services	1,450,674	1,421,998	1,694,424	1,733,396	1,773,264
Other Expenses	147,160	148,292	155,148	158,716	162,366
CAPITAL OUTLAY					
Equipment	49,000	38,200	42,200	42,200	42,200
AGENCY TOTAL	1,646,834	1,608,490	1,891,772	1,934,312	1,977,830
 JUDICIAL SELECTION COMMISSION					
Personal Services	81,040	85,395	87,615	89,630	91,691
Other Expenses	27,691	21,691	22,255	22,767	23,291
CAPITAL OUTLAY					
Equipment	5,100	100	2,000	2,000	2,000
AGENCY TOTAL	113,831	107,186	111,870	114,397	116,982
 STATE PROPERTIES REVIEW BOARD					
Personal Services	268,604	310,670	79,687	0	0
Other Expenses	177,982	183,294	47,015	0	0
CAPITAL OUTLAY					
Equipment	1,000	1,000	0	0	0
AGENCY TOTAL	447,586	494,964	126,702	0	0
 CONTRACTING STANDARDS BOARD					
Personal Services	489,750	669,988	924,728	945,997	967,755

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	Estimated	Enacted	Projected		
	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Other Expenses	300,000	325,000	333,450	341,119	348,965
CAPITAL OUTLAY					
Equipment	1,000	1,000	20,000	20,000	20,000
AGENCY TOTAL	790,750	995,988	1,278,178	1,307,116	1,336,720
STATE TREASURER					
Personal Services	3,771,265	3,924,021	4,026,046	4,118,645	4,213,374
Other Expenses	323,309	338,388	347,186	355,171	363,340
CAPITAL OUTLAY					
Equipment	100	100	100	100	100
AGENCY TOTAL	4,094,674	4,262,509	4,373,332	4,473,916	4,576,814
STATE COMPROLLER					
Personal Services	17,837,249	18,518,941	19,000,433	19,437,443	19,884,504
Other Expenses	5,532,535	5,205,286	5,340,623	5,463,457	5,589,117
CAPITAL OUTLAY					
Equipment	100	0	0	0	0
PMTS TO OTHER THAN LOCAL GOVTS					
Governmental Accounting Standards Bd	19,570	19,570	20,079	20,541	21,013
TOTAL FIXED CHARGES	19,570	19,570	20,079	20,541	21,013
AGENCY TOTAL	23,389,454	23,743,797	24,361,135	24,921,441	25,494,634
DEPARTMENT OF REVENUE SERVICES					
Personal Services	49,408,583	50,434,330	51,745,623	52,935,772	54,153,295
Other Expenses	9,689,216	10,973,425	11,258,734	11,517,685	11,782,592
CAPITAL OUTLAY					
Equipment	100	100	100	100	100
OTHER CURRENT EXPENSES					
Collection and Litigation Contingency	425,767	425,767	436,837	446,884	457,162
AGENCY TOTAL	59,523,666	61,833,622	63,441,294	64,900,441	66,393,149
DIVISION OF SPECIAL REVENUE					
Personal Services	5,292,193	5,511,243	5,654,535	5,784,589	5,917,635
Other Expenses	1,201,306	1,300,177	1,333,982	1,364,664	1,396,051
CAPITAL OUTLAY					
Equipment	100	100	100	100	100
AGENCY TOTAL	6,493,599	6,811,520	6,988,617	7,149,353	7,313,786
STATE INSURANCE AND RISK MANAGEMENT					
Personal Services	238,448	242,194	248,491	254,206	260,053
Other Expenses	11,933,336	13,181,352	13,524,067	13,835,121	14,153,329
CAPITAL OUTLAY					
Equipment	1,500	100	100	100	100
OTHER CURRENT EXPENSES					
Surety Bonds State Officials & Emps	29,700	92,750	95,162	97,351	99,590
AGENCY TOTAL	12,202,984	13,516,396	13,867,820	14,186,778	14,513,072
GAMING POLICY BOARD					
Other Expenses	2,903	2,903	2,978	3,046	3,116
AGENCY TOTAL	2,903	2,903	2,978	3,046	3,116
OFFICE OF POLICY AND MANAGEMENT					
Personal Services	12,174,149	12,984,325	13,321,917	13,628,321	13,941,772
Other Expenses	1,815,693	1,886,325	1,935,369	1,979,882	2,025,419
CAPITAL OUTLAY					
Equipment	100	100	100	100	100
OTHER CURRENT EXPENSES					
Automated Budget Sys & Data Base Link	63,612	63,612	65,266	66,767	68,303
Leadership, Educ, Athletics-Partnership	850,000	850,000	850,000	850,000	850,000
Cash Management Improvement Act	100	100	100	100	100
Justice Assistance Grants	3,514,514	3,514,514	3,605,891	3,688,826	3,773,669
Energy Contingency	13,800,000	0	0	0	0
Neighborhood Youth Centers	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Licensing and Permitting Fees	500,000	500,000	500,000	500,000	500,000
Regional Planning Agencies	640,000	640,000	640,000	640,000	640,000
TOTAL OTHER CURRENT EXPENSES	20,568,226	6,768,226	6,861,257	6,945,693	7,032,072
PMTS TO OTHER THAN LOCAL GOVTS					
Tax Relief for Elderly Renters	15,923,689	16,891,590	17,330,771	17,729,379	18,137,155
PMTS TO LOCAL GOVERNMENTS					

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	Estimated	Enacted	Projected		
	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Reimb Property Tax-Disability Exempt	530,381	576,142	591,122	604,718	618,626
Distressed Municipalities	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000
Prop Tax Relief Elder-Circuit Breaker	20,505,899	20,505,899	20,505,899	20,505,899	20,505,899
Prop Tax Relief Elderly Freeze Program	1,400,000	1,200,000	1,100,000	1,000,000	900,000
Property Tax Relief for Veterans	2,970,099	2,970,099	2,970,099	2,970,099	2,970,099
P.I.L.O.T. New Mfg Machine & Equipment	50,729,721	50,729,721	50,729,721	50,729,721	50,729,721
Capital City Economic Development	4,712,500	4,712,500	4,712,500	4,712,500	4,712,500
TOTAL PMTS TO LOCAL GOVERNMENTS	88,648,600	88,494,361	88,409,341	88,322,937	88,236,845
TOTAL FIXED CHARGES	104,572,289	105,385,951	105,740,112	106,052,316	106,374,000
AGENCY TOTAL	139,130,457	127,024,927	127,858,755	128,606,312	129,373,363
DEPARTMENT OF VETERANS AFFAIRS					
Personal Services	22,516,434	22,681,525	23,271,245	23,806,484	24,354,033
Other Expenses	6,710,292	6,710,292	6,973,442	7,223,755	7,473,347
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Support Services for Veterans	200,000	200,000	205,200	209,920	214,640
AGENCY TOTAL	29,427,726	29,592,817	30,450,887	31,241,159	32,043,020
OFFICE OF WORKFORCE COMPETITIVENESS					
Personal Services	379,918	430,793	441,994	452,160	462,560
Other Expenses	485,889	501,824	514,871	526,713	538,827
CAPITAL OUTLAY					
Equipment	100	100	100	100	100
OTHER CURRENT EXPENSES					
CETC Workforce	2,189,156	2,179,237	2,235,897	2,287,323	2,339,931
Jobs Funnel Projects	1,000,000	1,000,000	1,026,000	1,049,598	1,073,739
Connecticut Career Choices	800,000	800,000	820,800	839,678	858,991
SBIR Initiative	250,000	250,000	256,500	262,400	268,435
Career Ladder Pilot Programs	500,000	500,000	513,000	524,799	536,869
Spanish American Merchant Association	300,000	0	0	0	0
TOTAL OTHER CURRENT EXPENSES	5,039,156	4,729,237	4,852,197	4,963,798	5,077,965
AGENCY TOTAL	5,905,063	5,661,954	5,809,162	5,942,771	6,079,452
BOARD OF ACCOUNTANCY					
Personal Services	228,305	232,375	238,417	243,901	249,511
Other Expenses	89,182	79,682	81,754	83,634	85,558
OTHER CURRENT EXPENSES					
Information Technology	25,000	0	0	0	0
AGENCY TOTAL	342,487	312,057	320,171	327,535	335,069
DEPARTMENT OF ADMINISTRATIVE SERVICES					
Personal Services	17,011,186	17,491,909	17,946,699	18,359,473	18,781,741
Other Expenses	977,552	1,059,351	1,086,894	1,111,893	1,137,467
CAPITAL OUTLAY					
Equipment	1,000	1,000	100,000	100,000	100,000
OTHER CURRENT EXPENSES					
Loss Control Risk Management	309,157	309,157	317,195	324,490	331,953
Employees' Review Board	52,630	52,630	53,998	55,240	56,511
Quality of WorkLife	350,000	350,000	359,100	367,359	375,808
Refunds of Collections	20,000	30,000	30,780	31,488	32,212
W. C. Administrator	5,322,486	5,322,486	5,460,871	5,586,471	5,714,960
Hospital Billing System	101,005	101,005	103,631	106,015	108,453
TOTAL OTHER CURRENT EXPENSES	6,155,278	6,165,278	6,325,575	6,471,063	6,619,897
AGENCY TOTAL	24,145,016	24,717,538	25,459,168	26,042,429	26,639,105
WORKERS' COMPENSATION CLAIMS - DAS					
OTHER CURRENT EXPENSES					
Workers' Compensation Claims	18,420,503	20,482,954	21,867,599	23,205,896	24,704,997
AGENCY TOTAL	18,420,503	20,482,954	21,867,599	23,205,896	24,704,997
DEPARTMENT OF INFORMATION TECHNOLOGY					
Personal Services	4,469,111	6,947,189	7,127,816	7,291,756	7,459,466
Other Expenses	8,787,813	9,017,270	9,251,719	9,464,509	9,682,193
CAPITAL OUTLAY					
Equipment	100	100	100	100	100
OTHER CURRENT EXPENSES					
Connecticut Education Network	2,960,747	3,239,119	3,323,336	3,399,773	3,477,968

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	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
AGENCY TOTAL	16,217,771	19,203,678	19,702,971	20,156,138	20,619,727
DEPARTMENT OF PUBLIC WORKS					
Personal Services	6,404,509	6,722,263	6,897,042	7,055,674	7,217,955
Other Expenses	19,902,014	19,902,014	20,419,466	20,889,114	21,369,564
CAPITAL OUTLAY					
Equipment	100	100	100	100	100
OTHER CURRENT EXPENSES					
Management Services	4,213,683	4,213,683	4,323,239	4,422,673	4,524,394
Rents and Moving	9,173,925	9,665,624	9,916,930	10,145,019	10,378,354
Capitol Day Care Center	109,250	109,250	109,250	109,250	109,250
Facilities Design Expenses	5,271,912	5,299,639	5,437,430	5,562,491	5,690,428
TOTAL OTHER CURRENT EXPENSES	18,768,770	19,288,196	19,786,849	20,239,433	20,702,426
AGENCY TOTAL	45,075,393	45,912,573	47,103,457	48,184,321	49,290,045
ATTORNEY GENERAL					
Personal Services	26,699,542	28,563,936	29,306,598	29,980,650	30,670,205
Other Expenses	1,443,726	1,518,704	1,558,190	1,594,028	1,630,691
CAPITAL OUTLAY					
Equipment	100	100	250,000	250,000	250,000
AGENCY TOTAL	28,143,368	30,082,740	31,114,788	31,824,678	32,550,896
OFFICE OF THE CLAIMS COMMISSIONER					
Personal Services	240,944	264,453	271,329	277,570	283,954
Other Expenses	36,258	51,258	52,591	53,801	55,038
CAPITAL OUTLAY					
Equipment	100	100	100	100	100
OTHER CURRENT EXPENSES					
Adjudicated Claims	115,000	115,000	117,990	120,704	123,480
AGENCY TOTAL	392,302	430,811	442,010	452,175	462,572
DIVISION OF CRIMINAL JUSTICE					
Personal Services	36,508,912	37,574,155	38,551,083	39,437,758	40,344,826
Other Expenses	2,295,177	2,411,553	2,474,253	2,531,161	2,589,378
CAPITAL OUTLAY					
Equipment	7,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Forensic Sex Evidence Exams	640,000	640,000	656,640	671,743	687,193
Witness Protection	372,913	372,913	382,609	391,409	400,411
Training and Education	80,961	81,351	83,466	85,337	87,208
Expert Witnesses	232,731	236,643	242,796	248,380	254,093
Medicaid Fraud Control	696,762	658,448	675,568	691,106	707,001
TOTAL OTHER CURRENT EXPENSES	2,023,367	1,989,355	2,041,079	2,087,975	2,135,906
AGENCY TOTAL	40,834,456	41,976,063	43,067,415	44,057,894	45,071,110
CRIMINAL JUSTICE COMMISSION					
Other Expenses	500	500	500	500	500
AGENCY TOTAL	500	500	500	500	500
OFFICE OF CRIMINAL JUSTICE POLICY AND PLANNING					
Personal Services	0	150,000	150,000	150,000	150,000
Other Expenses	0	32,000	32,000	32,000	32,000
CAPITAL OUTLAY					
Equipment	0	18,000	18,000	18,000	18,000
AGENCY TOTAL	0	200,000	200,000	200,000	200,000
STATE MARSHAL COMMISSION					
Personal Services	208,965	249,689	256,181	262,073	268,101
Other Expenses	108,992	113,801	116,760	119,445	122,192
CAPITAL OUTLAY					
Equipment	100	100	2,000	2,000	2,000
AGENCY TOTAL	318,057	363,590	374,941	383,518	392,293
TOTAL GENERAL GOVERNMENT	466,565,569	469,215,101	480,626,346	490,261,718	500,374,012

REGULATION AND PROTECTION

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DEPARTMENT OF PUBLIC SAFETY					
Personal Services	106,888,966	108,003,184	110,811,267	113,359,926	115,967,204
Other Expenses	25,113,636	22,678,636	23,268,281	23,803,451	24,350,930
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Stress Reduction	53,354	53,354	53,354	53,354	53,354
Fleet Purchase	5,636,233	5,636,233	5,782,775	5,915,779	6,051,842
Workers' Compensation Claims	2,476,578	2,508,774	2,574,002	2,633,204	2,693,768
TOTAL OTHER CURRENT EXPENSES	8,166,165	8,198,361	8,410,131	8,602,337	8,798,964
PMTS TO OTHER THAN LOCAL GOVTS					
Civil Air Patrol	36,758	36,758	37,714	38,581	39,468
TOTAL FIXED CHARGES	36,758	36,758	37,714	38,581	39,468
AGENCY TOTAL	140,206,525	138,917,939	142,528,393	145,805,295	149,157,566
POLICE STANDARDS & TRAINING COUNCIL					
Personal Services	1,835,404	1,886,226	1,935,268	1,979,779	2,025,314
Other Expenses	807,054	912,244	935,962	957,489	979,511
CAPITAL OUTLAY					
Equipment	1,000	1,000	50,000	50,000	50,000
AGENCY TOTAL	2,643,458	2,799,470	2,921,230	2,987,268	3,054,825
BOARD OF FIREARMS PERMIT EXAMINERS					
Personal Services	76,356	79,513	81,580	83,456	85,376
Other Expenses	34,842	34,842	35,748	36,570	37,411
CAPITAL OUTLAY					
Equipment	100	100	2,000	2,000	2,000
AGENCY TOTAL	111,298	114,455	119,328	122,026	124,787
MILITARY DEPARTMENT					
Personal Services	2,876,244	2,986,415	3,064,062	3,134,535	3,206,629
Other Expenses	2,251,993	2,326,882	2,387,381	2,442,291	2,498,464
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Veteran's Service Bonuses	1,275,000	500,000	500,000	500,000	500,000
Military Assistance	1,400,000	625,000	625,000	625,000	625,000
TOTAL OTHER CURRENT EXPENSES	2,675,000	1,125,000	1,125,000	1,125,000	1,125,000
AGENCY TOTAL	7,804,237	6,439,297	6,577,443	6,702,826	6,831,093
COMM ON FIRE PREVENTION & CONTROL					
Personal Services	1,591,541	1,627,661	1,669,980	1,708,390	1,747,683
Other Expenses	569,978	597,552	613,088	627,189	641,614
CAPITAL OUTLAY					
Equipment	100	100	100	100	100
PMTS TO OTHER THAN LOCAL GOVTS					
Payments to Volunteer Fire Companies	100,000	100,000	100,000	100,000	100,000
TOTAL FIXED CHARGES	100,000	100,000	100,000	100,000	100,000
AGENCY TOTAL	2,261,619	2,325,313	2,383,168	2,435,679	2,489,397
DEPARTMENT OF CONSUMER PROTECTION					
Personal Services	9,440,172	9,629,778	9,880,152	10,107,395	10,339,865
Other Expenses	1,486,051	1,516,366	1,555,792	1,591,575	1,628,181
CAPITAL OUTLAY					
Equipment	100	100	150,000	150,000	150,000
AGENCY TOTAL	10,926,323	11,146,244	11,585,944	11,848,970	12,118,046
DEPARTMENT OF LABOR					
Personal Services	7,366,207	7,599,623	7,797,213	7,976,549	8,160,010
Other Expenses	1,097,453	1,133,683	1,163,159	1,189,912	1,217,280
CAPITAL OUTLAY					
Equipment	2,000	2,000	2,000	2,000	2,000
OTHER CURRENT EXPENSES					
Workforce Investment Act	27,287,659	27,287,659	27,997,138	28,641,072	29,299,817
Jobs First Employment Services	16,188,098	16,188,098	16,608,989	16,990,996	17,381,789
STRIDE	150,000	150,000	153,900	157,440	161,061
Apprenticeship Program	266,947	266,176	273,097	279,378	285,804
Spanish American Merchant Association	0	300,000	307,800	314,879	322,121

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TOTAL OTHER CURRENT EXPENSES	43,892,704	44,191,933	45,340,924	46,383,765	47,450,592
AGENCY TOTAL	52,358,364	52,927,239	54,303,296	55,552,226	56,829,882
OFFICE OF VICTIM ADVOCATE					
Personal Services	285,905	296,821	304,538	311,542	318,707
Other Expenses	47,436	51,912	53,262	54,487	55,740
CAPITAL OUTLAY					
Equipment	500	500	1,000	1,000	1,000
AGENCY TOTAL	333,841	349,233	358,800	367,029	375,447
COMM-HUMAN RIGHTS & OPPORTUNITIES					
Personal Services	6,047,231	6,588,935	6,760,247	6,915,733	7,074,795
Other Expenses	526,727	554,267	568,678	581,758	595,138
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Martin Luther King, Jr. Commission	6,650	6,650	6,823	6,980	7,141
AGENCY TOTAL	6,581,608	7,150,852	7,336,748	7,505,471	7,678,074
OFFICE OF PROTECTION AND ADVOCACY					
Personal Services	2,229,215	2,303,001	2,362,879	2,417,225	2,472,821
Other Expenses	389,082	402,882	413,357	422,864	432,590
CAPITAL OUTLAY					
Equipment	100	100	15,000	15,000	15,000
AGENCY TOTAL	2,618,397	2,705,983	2,791,236	2,855,089	2,920,411
OFFICE OF THE CHILD ADVOCATE					
Personal Services	721,171	776,443	796,631	814,954	833,698
Other Expenses	120,987	128,264	131,599	134,626	137,722
CAPITAL OUTLAY					
Equipment	2,500	500	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Child Fatality Review Panel	79,713	79,509	81,576	83,452	85,371
AGENCY TOTAL	924,371	984,716	1,010,806	1,034,032	1,057,791
EMERGENCY MGMT/HOMELAND SECURITY					
Personal Services	3,999,356	4,076,946	4,182,947	4,279,155	4,377,576
Other Expenses	292,251	292,251	299,850	306,747	313,802
CAPITAL OUTLAY					
Equipment	100	100	100	100	100
AGENCY TOTAL	4,291,707	4,369,297	4,482,897	4,586,002	4,691,478
TOTAL REGULATION AND PROTECTION	231,061,748	230,230,038	236,399,289	241,801,913	247,328,797
<u>CONSERVATION AND DEVELOPMENT</u>					
DEPARTMENT OF AGRICULTURE					
Personal Services	3,548,564	3,796,868	3,895,587	3,985,186	4,076,845
Other Expenses	758,213	747,032	766,455	784,083	802,117
CAPITAL OUTLAY					
Equipment	100	100	25,000	25,000	25,000
OTHER CURRENT EXPENSES					
Oyster Program	93,575	93,575	96,008	98,216	100,475
CT Seafood Advisory Council	47,500	47,500	48,735	49,856	51,003
Food Council	25,000	25,000	25,650	26,240	26,844
Vibrio Bacterium Program	10,000	10,000	10,260	10,496	10,737
TOTAL OTHER CURRENT EXPENSES	176,075	176,075	180,653	184,808	189,059
PMTS TO OTHER THAN LOCAL GOVTS					
WIC Pgm for Fresh Produce for Seniors	88,267	88,267	90,562	92,645	94,776
Collection of Agricultural Statistics	1,200	1,200	1,231	1,259	1,288
Tuberculosis and Brucellosis Indemnity	1,000	1,000	1,026	1,050	1,074
Exhibits and Demonstrations	5,600	5,600	5,746	5,878	6,013
Connecticut Grown Product Promotion	15,000	15,000	15,390	15,744	16,106
WIC Coupon Program for Fresh Produce	84,090	84,090	86,276	88,260	90,290
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	195,157	195,157	200,231	204,836	209,547
TOTAL FIXED CHARGES	195,157	195,157	200,231	204,836	209,547
AGENCY TOTAL	4,678,109	4,915,232	5,067,926	5,183,913	5,302,568

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DEPARTMENT OF ENVIRONMENTAL PROTECTION					
Personal Services	29,954,128	30,862,405	31,664,828	32,393,119	33,138,161
Other Expenses	1,318,554	1,425,506	1,462,569	1,496,208	1,530,621
CAPITAL OUTLAY					
Equipment	100	100	1,100,000	1,100,000	1,100,000
OTHER CURRENT EXPENSES					
Stream Gaging	157,600	157,600	161,698	165,417	169,222
Mosquito Control	352,717	352,717	361,888	370,211	378,726
State Superfund Site Maintenance	391,000	391,000	401,166	410,393	419,832
Laboratory Fees	275,875	275,875	283,048	289,558	296,218
Dam Maintenance	129,314	131,091	134,499	137,592	140,757
TOTAL OTHER CURRENT EXPENSES	1,306,506	1,308,283	1,342,299	1,373,171	1,404,755
PMTS TO OTHER THAN LOCAL GOVTS					
Agree USGS-Geology Investigation	47,000	47,000	48,222	49,331	50,466
Agreement USGS-Hydrological Study	122,770	122,770	125,962	128,859	131,823
N E Interstate Water Pollution Comm	8,400	8,400	8,618	8,816	9,019
Northeast Interstate Forest Fire Comp	2,040	2,040	2,093	2,141	2,190
Conn River Valley Flood Control Comm	40,200	40,200	41,245	42,194	43,164
Thames River Valley Flood Control Comm	50,200	50,200	51,505	52,690	53,902
Agree USGS Quality Stream Monitoring	170,119	170,119	174,542	178,556	182,663
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	440,729	440,729	452,187	462,587	473,227
TOTAL FIXED CHARGES	440,729	440,729	452,187	462,587	473,227
AGENCY TOTAL	33,020,017	34,037,023	36,021,883	36,825,085	37,646,764
COUNCIL ON ENVIRONMENTAL QUALITY					
Personal Services	88,464	92,978	95,395	97,589	99,834
Other Expenses	5,000	5,000	5,130	5,248	5,369
AGENCY TOTAL	93,464	97,978	100,525	102,837	105,203
COMMISSION ON CULTURE AND TOURISM					
Personal Services	3,315,018	3,608,080	3,701,890	3,787,033	3,874,135
Other Expenses	1,004,728	1,035,753	1,062,683	1,087,125	1,112,129
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Statewide Marketing	3,600,000	3,600,000	3,693,600	3,778,553	3,865,460
PMTS TO OTHER THAN LOCAL GOVTS					
Discovery Museum	500,000	500,000	513,000	524,799	536,869
PMTS TO LOCAL GOVERNMENTS					
Greater Hartford Arts Council	125,000	125,000	128,250	131,200	134,218
Stamford Center for the Arts	1,100,000	1,100,000	1,128,600	1,154,558	1,181,113
Stepping Stone Child Museum	50,000	50,000	51,300	52,480	53,687
Maritime Center Authority	675,000	675,000	692,550	708,479	724,774
Basic Cultural Resources Grant	2,400,000	2,400,000	2,462,400	2,519,035	2,576,973
Tourism Districts	4,500,000	4,500,000	4,617,000	4,723,191	4,831,824
Connecticut Humanities Council	2,150,000	2,150,000	2,205,900	2,256,636	2,308,539
Amistad Committee for the Freedom Trail	45,000	45,000	46,170	47,232	48,318
Amistad Vessel	90,000	90,000	92,340	94,464	96,637
New Haven Festival of Arts and Ideas	1,000,000	1,000,000	1,026,000	1,049,598	1,073,739
New Haven Arts Council	125,000	125,000	128,250	131,200	134,218
Palace Theater	810,000	810,000	831,060	850,174	869,728
Beardsley Zoo	400,000	400,000	410,400	419,839	429,495
Mystic Aquarium	900,000	900,000	923,400	944,638	966,365
Quinebaug Tourism	100,000	100,000	102,600	104,960	107,374
Northwestern Tourism	100,000	100,000	102,600	104,960	107,374
Eastern Tourism	100,000	100,000	102,600	104,960	107,374
Central Tourism	100,000	100,000	102,600	104,960	107,374
New Haven Coliseum	480,000	280,000	287,280	293,887	300,646
Twain/Stowe Homes	120,000	120,000	123,120	125,952	128,849
TOTAL PMTS TO LOCAL GOVERNMENTS	15,370,000	15,170,000	15,564,420	15,922,403	16,288,619
TOTAL FIXED CHARGES	15,870,000	15,670,000	16,077,420	16,447,202	16,825,488
AGENCY TOTAL	23,790,746	23,914,833	24,536,593	25,100,913	25,678,212
DEPT- ECONOMIC & COMMUNITY DEVELOPMENT					
Personal Services	6,544,280	6,734,347	6,909,440	7,068,357	7,230,929
Other Expenses	1,544,934	1,623,249	1,665,453	1,703,758	1,742,944
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000

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OTHER CURRENT EXPENSES					
Elderly Rental Registry and Counselors	617,654	617,654	633,713	648,288	663,199
PMTS TO OTHER THAN LOCAL GOVTS					
Entrepreneurial Centers	142,500	142,500	146,205	149,568	153,008
Subsidized Assisted Living Demonstration	770,400	1,445,400	1,482,980	1,517,089	1,551,982
Congregate Facilities Operation Costs	5,258,151	5,995,979	6,151,874	6,293,367	6,438,114
Housing Assistance and Counseling Pgm	588,903	588,903	604,214	618,111	632,328
Elderly Congregate Rent Subsidy	1,523,004	1,523,004	1,562,602	1,598,542	1,635,308
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	8,282,958	9,695,786	9,947,875	10,176,677	10,410,740
TOTAL FIXED CHARGES	8,282,958	9,695,786	9,947,875	10,176,677	10,410,740
AGENCY TOTAL	16,990,826	18,672,036	19,157,481	19,598,080	20,048,812
AGRICULTURAL EXPERIMENT STATION					
Personal Services	5,279,165	5,402,048	5,542,501	5,669,979	5,800,389
Other Expenses	510,702	529,217	542,977	555,465	568,241
CAPITAL OUTLAY					
Equipment	76,690	100	150,000	150,000	150,000
OTHER CURRENT EXPENSES					
Mosquito Control	209,463	209,463	214,909	219,852	224,909
Wildlife Disease Prevention	74,000	74,000	75,924	77,670	79,456
TOTAL OTHER CURRENT EXPENSES	283,463	283,463	290,833	297,522	304,365
AGENCY TOTAL	6,150,020	6,214,828	6,526,311	6,672,966	6,822,995
TOTAL	84,723,182	87,851,930	91,410,719	93,483,794	95,604,554
CONSERVATION AND DEVELOPMENT					
HEALTH AND HOSPITALS					
DEPARTMENT OF PUBLIC HEALTH					
Personal Services	27,218,880	28,227,833	28,961,757	29,627,877	30,309,318
Other Expenses	5,202,177	5,304,966	5,442,895	5,568,082	5,696,148
CAPITAL OUTLAY					
Equipment	4,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Needle and Syringe Exchange Program	476,678	481,306	506,815	531,649	556,105
Comm Svs Support for AIDS Victims	193,402	195,280	205,630	215,706	225,628
Children's Health Initiative	1,038,870	1,052,967	1,108,774	1,163,104	1,216,607
Childhood Lead Poisoning	238,414	240,729	253,488	265,909	278,141
AIDS Services	4,555,365	4,597,121	4,840,768	5,077,966	5,311,552
Breast and Cervical Cancer Detection	1,651,478	1,668,273	1,756,691	1,842,769	1,927,536
Services for Children Affected by AIDS	256,662	259,154	272,889	286,261	299,429
Children w/Special Hlth Care Needs	1,332,705	1,345,644	1,416,963	1,486,394	1,554,768
Medicaid Administration	3,459,529	3,462,246	3,552,264	3,633,966	3,717,547
TOTAL OTHER CURRENT EXPENSES	13,203,103	13,302,720	13,914,282	14,503,724	15,087,313
PMTS TO OTHER THAN LOCAL GOVTS					
Community Health Services	6,030,716	6,088,296	6,410,976	6,725,114	7,034,469
Emergency Medical Services Training	84,663	85,485	90,016	94,427	98,771
Emergency Med Svcs Regional Offices	489,852	494,608	520,822	546,342	571,474
Rape Crisis	414,503	418,527	440,709	462,304	483,570
X-Ray Screening and Tuberculosis Care	697,090	699,303	736,366	772,448	807,981
Genetic Diseases Programs	506,211	511,126	538,216	564,589	590,560
Loan Repayment Program	122,620	122,620	125,808	128,702	131,662
Immunization Services	7,100,000	7,100,000	7,476,300	7,842,639	8,203,400
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	15,445,655	15,519,965	16,339,213	17,136,565	17,921,887
PMTS TO LOCAL GOVERNMENTS					
Local & District Departments of Health	4,195,374	4,195,374	4,195,374	4,195,374	4,195,374
Venereal Disease Control	210,612	212,657	223,928	234,900	245,705
School Based Health Clinics	6,519,099	6,646,760	6,999,038	7,341,991	7,679,723
TOTAL PMTS TO LOCAL GOVERNMENTS	10,925,085	11,054,791	11,418,340	11,772,265	12,120,802
TOTAL FIXED CHARGES	26,370,740	26,574,756	27,757,553	28,908,830	30,042,689
AGENCY TOTAL	71,998,900	73,411,275	76,077,487	78,609,513	81,136,468
OFFICE OF HEALTH CARE ACCESS					
Personal Services	1,935,089	1,978,347	2,029,784	2,076,469	2,124,228
Other Expenses	222,887	232,418	238,461	243,807	249,276
CAPITAL OUTLAY					
Equipment	100	100	100	100	100
AGENCY TOTAL	2,158,076	2,210,865	2,268,345	2,320,376	2,373,604

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	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
OFFICE OF THE CHIEF MEDICAL EXAMINER					
Personal Services	4,094,974	4,174,219	4,282,749	4,381,252	4,482,021
Other Expenses	591,728	586,334	605,005	622,395	639,934
CAPITAL OUTLAY					
Equipment	10,797	10,797	10,797	10,797	10,797
OTHER CURRENT EXPENSES					
Medicolegal Investigations	251,085	451,085	462,813	473,458	484,348
AGENCY TOTAL	4,948,584	5,222,435	5,361,364	5,487,902	5,617,100
DEPARTMENT OF MENTAL RETARDATION					
Personal Services	275,515,589	278,204,395	285,437,709	292,002,776	298,718,840
Other Expenses	24,383,720	24,409,755	25,044,409	25,620,430	26,209,700
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Human Resource Development	231,358	231,358	231,358	236,679	242,123
Family Support Grants	3,280,095	3,280,095	3,365,377	3,442,781	3,521,965
Pilot Program for Client Services	2,367,022	2,390,115	2,452,258	2,508,660	2,566,359
Cooperative Placements Program	19,111,945	19,308,407	19,810,426	20,266,066	20,732,186
Clinical Services	4,828,373	4,828,373	5,084,277	5,333,403	5,578,740
Early Intervention	23,350,189	23,582,677	24,195,827	24,752,331	25,321,635
Community Temporary Support Services	67,315	67,315	69,065	70,653	72,278
Community Respite Care Programs	330,345	330,345	338,934	346,729	354,704
Workers' Compensation Claims	13,344,328	13,731,446	14,088,464	14,412,499	14,743,986
New Placements	6,000,000	6,000,000	6,156,000	6,297,588	6,442,433
TOTAL OTHER CURRENT EXPENSES	72,910,970	73,750,131	75,791,986	77,667,389	79,576,409
PMTS TO OTHER THAN LOCAL GOVTS					
Rent Subsidy Program	2,965,126	3,256,126	3,340,785	3,417,623	3,496,228
Family Reunion Program	137,900	137,900	141,485	144,739	148,068
Employment Opportunities & Day Svcs	134,115,114	142,750,219	146,461,725	149,830,345	153,276,443
Family Placements	1,940,373	1,959,303	2,010,245	2,056,481	2,103,780
Emergency Placements	3,832,827	3,869,751	3,970,365	4,061,683	4,155,102
Community Residential Services	301,114,677	317,414,503	335,220,822	351,746,138	368,854,772
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	444,106,017	469,387,802	491,145,427	511,257,009	532,034,393
TOTAL FIXED CHARGES	444,106,017	469,387,802	491,145,427	511,257,009	532,034,393
AGENCY TOTAL	816,917,296	845,753,083	877,420,531	906,548,604	936,540,342
DEPT MENTAL HEALTH & ADDICTION SVS					
Personal Services	155,025,011	157,201,875	163,240,164	168,720,608	174,327,102
Other Expenses	26,279,506	26,279,506	27,030,375	27,711,874	28,409,047
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Housing Supports and Services	6,650,665	7,810,536	8,224,494	8,627,494	9,024,358
Managed Service System	27,635,791	27,658,919	29,124,842	30,551,959	31,957,349
Legal Services	415,573	414,268	425,039	434,815	444,816
Connecticut Mental Health Center	7,252,614	7,252,614	7,637,003	8,011,216	8,379,732
Capitol Region Mental Health Center	340,408	340,408	358,450	376,014	393,311
Professional Services	10,543,898	9,943,898	10,502,725	11,046,759	11,582,510
General Assistance Managed Care	73,029,636	75,485,540	79,486,274	83,381,101	87,216,632
Workers' Compensation Claims	9,117,249	9,581,541	9,830,661	10,056,766	10,288,072
Nursing Home Screening	489,474	489,474	502,200	513,751	525,567
Special Populations	25,489,167	25,648,723	27,008,105	28,331,502	29,634,751
TBI Community Services	5,356,948	5,338,057	5,620,974	5,896,402	6,167,636
Jail Diversion	4,091,184	4,067,832	4,283,427	4,493,315	4,700,007
Behavioral Health Medications	8,089,095	7,889,095	8,317,817	8,735,190	9,146,209
Community Mental Health Strategy Board	6,050,178	9,255,178	9,745,702	10,223,241	10,693,510
Medicaid Adult Rehabilitation Option	2,250,000	2,250,000	2,369,250	2,485,343	2,599,669
Discharge and Diversion Services	1,707,322	1,789,822	1,884,682	1,977,031	2,067,974
TOTAL OTHER CURRENT EXPENSES	188,509,202	195,215,905	205,321,645	215,141,899	224,822,103
PMTS TO OTHER THAN LOCAL GOVTS					
Grants for Substance Abuse Services	22,181,893	22,112,475	23,284,436	24,425,373	25,548,940
Gov's Partnership-Protect CT Workforce	224,200	224,200	230,029	235,320	240,732
Grants for Mental Health Services	76,320,123	76,080,454	80,112,718	80,505,241	84,371,000
Employment Opportunities	10,091,100	10,059,411	10,592,560	11,111,595	11,622,728
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	108,817,316	108,476,540	114,219,743	116,277,529	121,783,400
TOTAL FIXED CHARGES	108,817,316	108,476,540	114,219,743	116,277,529	121,783,400
AGENCY TOTAL	478,632,035	487,174,826	509,812,927	527,852,910	549,342,652

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	Estimated	Enacted	Projected		
	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
PSYCHIATRIC SECURITY REVIEW BOARD					
Personal Services	296,139	302,708	310,578	317,721	325,029
Other Expenses	50,522	50,522	51,836	53,028	54,248
AGENCY TOTAL	346,661	353,230	362,414	370,749	379,277
TOTAL HEALTH AND HOSPITALS	1,375,001,552	1,414,125,714	1,471,303,068	1,521,190,054	1,575,389,443
<u>HUMAN SERVICES</u>					
DEPARTMENT OF SOCIAL SERVICES					
Personal Services	106,033,970	107,578,015	110,375,043	112,913,669	115,510,683
Other Expenses	81,675,711	84,450,430	86,646,141	88,639,002	90,677,699
CAPITAL OUTLAY					
Equipment	1,000	1,000	750,000	750,000	750,000
OTHER CURRENT EXPENSES					
Children's Health Council	25,750	25,310	25,968	26,565	27,176
HUSKY Outreach	704,520	692,600	710,608	726,952	743,672
Genetic Tests in Paternity Actions	190,050	191,895	196,884	201,412	206,044
State Food Stamp Supplement	202,148	237,287	263,000	282,700	304,000
Day Care Projects	473,496	465,353	477,452	488,433	499,667
HUSKY Program	24,250,000	27,250,000	28,610,000	30,040,000	31,540,000
Department on Aging	0	450,000	461,700	472,319	483,182
TOTAL OTHER CURRENT EXPENSES	25,845,964	29,312,445	30,745,612	32,238,381	33,803,741
PMTS TO OTHER THAN LOCAL GOVTS					
Vocational Rehabilitation	7,171,325	7,240,949	7,429,214	7,600,086	7,774,888
Medicaid	3,218,835,155	3,311,958,128	3,515,130,000	3,726,040,000	4,005,490,000
Lifestar Helicopter	1,347,884	1,360,970	1,396,355	1,428,471	1,461,326
Old Age Assistance	31,801,669	32,722,691	34,477,363	36,186,871	37,898,091
Aid to the Blind	672,782	695,336	726,431	753,172	780,671
Aid to the Disabled	55,732,374	56,358,737	59,199,544	61,392,166	63,847,471
Temporary Assistance to Families - TANF	132,281,610	131,818,117	134,569,204	137,607,181	140,713,718
Emergency Assistance	500	500	500	500	500
Food Stamp Training Expenses	32,397	32,397	33,239	34,003	34,785
Conn Pharmaceutical Assist to Elderly	50,089,246	58,317,190	64,150,000	70,570,000	77,630,000
Healthy Start	1,433,808	1,412,937	1,449,673	1,483,015	1,517,124
DMHAS – Disproportionate Share	105,935,000	105,935,000	105,935,000	105,935,000	105,935,000
Connecticut Home Care Program	43,775,000	50,180,000	53,690,000	57,450,000	61,470,000
Human Resource Dev-Hispanic Programs	797,758	791,834	812,422	831,108	850,223
Services to the Elderly	4,592,006	4,533,436	4,651,305	4,758,285	4,867,726
Safety Net Services	1,545,000	1,518,870	1,558,361	1,594,203	1,630,870
Transportation for Employment Independence	2,692,350	2,646,809	2,715,626	2,778,085	2,841,981
Transitory Rental Assistance	1,183,432	1,163,412	1,193,661	1,221,115	1,249,201
Refunds of Collections	187,150	187,150	187,150	187,150	187,150
Services for Persons with Disabilities	738,486	725,966	744,841	761,972	779,497
Child Care Services - TANF/CCDBG	68,579,793	69,502,965	79,529,054	83,505,507	86,010,672
Nutrition Assistance	336,760	340,029	348,870	356,894	365,103
Housing/Homeless Services	25,880,544	26,735,627	29,871,503	32,248,548	34,330,265
Employment Opportunities	1,228,002	1,207,234	1,238,622	1,267,110	1,296,254
Human Resource Development	50,760	49,863	51,159	52,336	53,540
Child Day Care	6,907,319	6,940,400	7,120,850	7,284,630	7,452,176
Independent Living Centers	636,112	625,948	642,223	656,994	672,105
AIDS Drug Assistance	1,776,352	6,036,352	6,360,000	6,670,000	6,980,000
Disproportionate Share-Med Emer Assist	58,725,000	53,725,000	53,725,000	53,725,000	53,725,000
DSH-Urban Hospitals/Distressed	31,550,000	31,550,000	31,550,000	31,550,000	31,550,000
State Administered General Assistance	143,588,645	152,596,519	167,380,000	179,450,000	192,590,000
School Readiness	4,143,990	4,088,270	4,194,565	4,291,040	4,389,734
Connecticut Children's Medical Center	6,952,500	7,020,000	7,202,520	7,368,178	7,537,646
Community Services	1,797,518	1,828,892	1,876,443	1,919,601	1,963,752
Alzheimer Respite Care	1,256,806	1,269,008	1,302,002	1,331,948	1,362,583
Family Grants	468,830	460,882	472,865	483,741	494,867
Human Svcs Infrastructure Community Action	2,721,215	2,675,184	2,744,739	2,807,868	2,872,449
Teen Pregnancy Prevention	1,388,252	1,358,832	1,394,162	1,426,228	1,459,031
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	4,018,833,330	4,137,611,434	4,387,054,466	4,635,008,006	4,952,065,399
PMTS TO LOCAL GOVERNMENTS					
Child Day Care	3,487,295	3,521,152	3,612,702	3,695,794	3,780,797
Human Resource Development	14,027	13,783	14,141	14,466	14,799

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Human Resource Dev-Hispanic Programs	5,068	4,987	5,117	5,235	5,355
Teen Pregnancy Prevention	839,946	831,679	853,303	872,929	893,006
Services to the Elderly	48,177	47,365	48,596	49,714	50,857
Housing/Homeless Services	680,074	668,567	685,950	701,727	717,867
Community Services	85,285	83,823	86,002	87,980	90,004
TOTAL PMTS TO LOCAL GOVERNMENTS	5,159,872	5,171,356	5,305,811	5,427,845	5,552,685
TOTAL FIXED CHARGES	4,023,993,202	4,142,782,790	4,392,360,277	4,640,435,851	4,957,618,084
AGENCY TOTAL	4,237,549,847	4,364,124,680	4,620,877,073	4,874,976,903	5,198,360,207
TOTAL	4,237,549,847	4,364,124,680	4,620,877,073	4,874,976,903	5,198,360,207
HUMAN SERVICES					

EDUCATION, LIBRARIES AND MUSEUMS

DEPARTMENT OF EDUCATION					
Personal Services	122,355,063	130,482,463	133,875,007	136,954,132	140,104,077
Other Expenses	14,327,275	14,473,262	14,849,567	15,191,107	15,540,502
CAPITAL OUTLAY					
Equipment	57,475	57,475	57,475	57,475	57,475
OTHER CURRENT EXPENSES					
Institutes for Educators	135,914	135,914	139,448	142,655	145,936
Basic Skills Exam Teachers in Training	1,206,636	1,220,936	1,252,680	1,281,492	1,310,966
Teachers' Standards Implementation Pgm	3,032,102	3,032,102	3,110,937	3,182,489	3,255,686
Early Childhood Program	4,360,548	4,360,548	4,473,922	4,576,822	4,682,089
Develop of Mastery Exams Grades 4,6&8	10,638,432	11,138,432	11,428,031	11,690,876	11,959,766
Primary Mental Health	499,610	499,610	512,600	524,390	536,451
Adult Education Action	266,689	266,689	273,623	279,916	286,354
Vocational Technical School Textbooks	750,000	750,000	769,500	787,199	805,305
Repair of Instructional Equipment	387,995	387,995	398,083	407,239	416,605
Minor Repairs to Plant	390,213	390,213	400,359	409,567	418,987
Connecticut Pre-Engineering Program	336,870	336,870	345,629	353,578	361,710
Connecticut Writing Project	60,000	60,000	61,560	62,976	64,424
Jobs for Connecticut Graduates	200,000	200,000	205,200	209,920	214,748
Resource Equity Assessment	463,000	463,000	475,038	485,964	497,141
Readers as Leaders	65,000	65,000	66,690	68,224	69,793
Early Childhood Advisory Cabinet	450,000	450,000	461,700	472,319	483,182
High School Technology Initiative	500,000	1,000,000	1,026,000	1,049,598	1,073,739
Best Practices	0	500,000	513,000	524,799	536,869
TOTAL OTHER CURRENT EXPENSES	23,743,009	25,257,309	25,914,000	26,510,023	27,119,751
PMTS TO OTHER THAN LOCAL GOVTS					
American School for the Deaf	8,594,202	8,594,202	8,817,651	9,020,457	9,227,928
RESC Leases	800,000	800,000	820,800	839,678	858,991
Regional Education Services	1,700,000	1,700,000	1,744,200	1,784,317	1,825,356
Omnibus Education Grants State Support	2,954,000	3,154,000	3,236,004	3,310,432	3,386,572
Head Start Services	2,748,150	2,748,150	2,819,602	2,884,453	2,950,795
Head Start Enhancement	1,773,000	1,773,000	1,819,098	1,860,937	1,903,739
Family Resource Centers	6,359,461	6,359,461	6,524,807	6,674,878	6,828,400
Charter Schools	20,569,000	23,840,500	24,460,353	25,022,941	25,598,469
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	45,497,813	48,969,313	50,242,515	51,398,093	52,580,250
PMTS TO LOCAL GOVERNMENTS					
Vocational Agriculture	2,288,578	2,288,578	2,348,081	2,402,087	2,457,335
Transportation of School Children	46,764,000	47,964,000	49,211,064	50,342,918	51,500,805
Adult Education	19,596,400	19,596,400	20,105,906	20,568,342	21,041,414
Health Serv for Pupils Private Schools	4,750,000	4,750,000	4,873,500	4,985,591	5,100,260
Education Equalization Grants	1,594,356,000	1,594,356,000	1,670,614,000	1,675,614,000	1,680,614,000
Bilingual Education	2,129,033	2,129,033	2,184,388	2,234,629	2,286,025
Priority School Districts	102,177,487	105,278,112	108,015,343	110,499,696	113,041,189
Young Parents Program	224,393	229,330	235,293	240,705	246,241
Interdistrict Cooperation	14,446,369	14,696,369	15,078,475	15,425,280	15,780,061
School Breakfast Program	1,501,079	1,534,103	1,573,990	1,610,192	1,647,226
Excess Cost - Student Based	80,096,500	86,596,500	142,784,123	146,068,158	149,427,726
Non-Public School Transportation	3,995,000	3,995,000	4,098,870	4,193,144	4,289,586
School to Work Opportunities	213,750	213,750	219,308	224,352	229,512
Youth Service Bureaus	2,916,598	2,916,598	2,992,430	3,061,256	3,131,665
OPEN Choice Program	9,647,500	11,984,000	12,295,584	12,578,382	12,867,685
Early Reading Success	2,194,289	2,194,289	2,251,341	2,303,122	2,356,094
Magnet Schools	84,517,972	93,977,889	96,421,314	98,639,004	100,907,701
After School Program	100,000	100,000	102,600	104,960	107,374

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Young Adult Learners	0	500,000	513,000	524,799	536,869
Excess Cost Equity	3,000,000	4,000,000	4,104,000	4,198,392	4,294,955
TOTAL PMTS TO LOCAL GOVERNMENTS	1,974,914,948	1,999,299,951	2,140,022,610	2,155,819,009	2,171,863,723
TOTAL FIXED CHARGES	2,020,412,761	2,048,269,264	2,190,265,125	2,207,217,102	2,224,443,973
AGENCY TOTAL	2,180,895,583	2,218,539,773	2,364,961,174	2,385,929,839	2,407,265,778
BD OF EDUC & SERVICES FOR THE BLIND					
Personal Services	4,336,950	4,618,936	4,739,028	4,848,026	4,959,531
Other Expenses	749,310	792,417	813,020	831,719	850,849
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Educ Aid Blind/Visually Handicapped Child	7,103,099	7,103,099	7,287,780	7,455,399	7,626,873
Enhanced Employment Opportunities	0	673,000	690,498	706,379	722,626
TOTAL OTHER CURRENT EXPENSES	7,103,099	7,776,099	7,978,278	8,161,778	8,349,499
PMTS TO OTHER THAN LOCAL GOVTS					
Supplementary Relief and Services	115,425	115,425	118,426	121,150	123,936
Vocational Rehabilitation	989,454	989,454	1,015,180	1,038,529	1,062,415
Special Training for the Deaf Blind	331,761	331,761	340,387	348,216	356,225
Connecticut Radio Information Service	92,253	92,253	94,652	96,829	99,056
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	1,528,893	1,528,893	1,568,645	1,604,724	1,641,632
TOTAL FIXED CHARGES	1,528,893	1,528,893	1,568,645	1,604,724	1,641,632
AGENCY TOTAL	13,719,252	14,717,345	15,099,971	15,447,247	15,802,511
COMM ON THE DEAF & HEARING IMPAIRED					
Personal Services	614,172	783,138	803,500	821,981	840,887
Other Expenses	150,402	155,508	159,551	163,221	166,975
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Part-Time Interpreters	164,301	164,301	168,573	172,450	176,416
AGENCY TOTAL	929,875	1,103,947	1,132,624	1,158,652	1,185,278
STATE LIBRARY					
Personal Services	5,126,500	5,263,232	5,400,076	5,524,278	5,651,336
Other Expenses	739,831	773,359	793,466	811,716	830,385
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
State-Wide Digital Library	1,894,322	1,894,322	1,943,574	1,988,276	2,034,006
Interlibrary Loan Delivery Service	251,722	251,722	258,267	264,207	270,284
Legal/Legislative Library Materials	820,000	890,000	913,140	934,142	955,627
State-Wide Data Base Program	710,206	710,206	728,671	745,430	762,575
TOTAL OTHER CURRENT EXPENSES	3,676,250	3,746,250	3,843,652	3,932,055	4,022,492
PMTS TO OTHER THAN LOCAL GOVTS					
Support Cooperating Library Serv Units	300,000	300,000	307,800	314,879	322,121
PMTS TO LOCAL GOVERNMENTS					
Grants to Public Libraries	347,109	347,109	356,134	364,325	372,704
Connecticard Payments	676,028	676,028	693,605	709,558	725,878
TOTAL PMTS TO LOCAL GOVERNMENTS	1,023,137	1,023,137	1,049,739	1,073,883	1,098,582
TOTAL FIXED CHARGES	1,323,137	1,323,137	1,357,539	1,388,762	1,420,703
AGENCY TOTAL	10,866,718	11,106,978	11,395,733	11,657,811	11,925,916
DEPARTMENT OF HIGHER EDUCATION					
Personal Services	2,409,374	2,434,368	2,497,662	2,555,108	2,613,875
Other Expenses	208,738	172,569	177,056	181,128	185,294
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Minority Advancement Program	2,267,021	2,267,021	2,325,964	2,379,461	2,434,189
Alternate Route to Certification	77,033	77,033	79,036	80,854	82,714
National Service Act	345,647	345,647	354,634	362,791	371,135
International Initiatives	70,000	70,000	71,820	73,472	75,162
Minority Teacher Incentive Program	431,374	481,374	493,890	505,249	516,870
Education and Health Initiatives	550,000	550,000	564,300	577,279	590,556
TOTAL OTHER CURRENT EXPENSES	3,741,075	3,791,075	3,889,644	3,979,106	4,070,626
PMTS TO OTHER THAN LOCAL GOVTS					
Capitol Scholarship Program	6,838,510	6,751,557	6,927,097	7,086,420	7,249,408
Awards Children Deceased/Disabled Vets	4,000	4,000	4,000	4,000	4,000

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	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
CT Independent College Student Grant	15,519,517	16,071,199	16,489,050	16,868,298	17,256,269
CT Aid for Public College Students	16,520,920	16,520,920	16,950,464	17,340,325	17,739,152
New England Board of Higher Education	175,000	175,000	175,000	175,000	175,000
Connecticut Aid to Charter Oak	25,213	37,393	38,365	39,247	40,150
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	39,083,160	39,560,069	40,583,976	41,513,290	42,463,979
TOTAL FIXED CHARGES	39,083,160	39,560,069	40,583,976	41,513,290	42,463,979
AGENCY TOTAL	45,443,347	45,959,081	47,149,338	48,229,632	49,334,774
UNIVERSITY OF CONNECTICUT					
OTHER CURRENT EXPENSES					
Operating Expenses	193,306,301	200,939,639	206,164,070	210,905,844	215,756,678
Tuition Freeze	4,741,885	4,741,885	4,865,174	4,977,073	5,091,546
Regional Campus Enhancement	7,120,842	7,245,683	7,434,071	7,605,055	7,779,971
Veterinary Diagnostic Laboratory	50,000	50,000	50,000	50,000	50,000
TOTAL OTHER CURRENT EXPENSES	205,219,028	212,977,207	218,513,315	223,537,972	228,678,195
AGENCY TOTAL	205,219,028	212,977,207	218,513,315	223,537,972	228,678,195
UNIV OF CONNECTICUT HEALTH CENTER					
OTHER CURRENT EXPENSES					
Operating Expenses	75,550,557	76,095,213	78,073,689	79,869,384	81,706,380
AHEC for Bridgeport	405,707	405,707	416,255	425,829	435,623
TOTAL OTHER CURRENT EXPENSES	75,956,264	76,500,920	78,489,944	80,295,213	82,142,003
AGENCY TOTAL	75,956,264	76,500,920	78,489,944	80,295,213	82,142,003
CHARTER OAK STATE COLLEGE					
OTHER CURRENT EXPENSES					
Operating Expenses	1,649,825	1,678,732	1,722,379	1,761,994	1,802,520
Distance Learning Consortium	594,018	602,928	618,604	632,832	647,387
TOTAL OTHER CURRENT EXPENSES	2,243,843	2,281,660	2,340,983	2,394,826	2,449,907
AGENCY TOTAL	2,243,843	2,281,660	2,340,983	2,394,826	2,449,907
TEACHERS' RETIREMENT BOARD					
Personal Services	1,608,257	1,638,309	1,680,905	1,719,566	1,759,116
Other Expenses	655,716	680,122	697,805	713,855	730,274
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
PMTS TO OTHER THAN LOCAL GOVTS					
Retirement Contributions	226,127,844	236,572,958	432,703,000	454,338,000	477,055,000
Retirees Health Service Cost	12,620,000	14,721,000	16,930,000	18,635,000	20,489,000
Municipal Retiree Health Insurance Costs	8,315,000	8,900,000	9,510,000	10,176,000	10,888,000
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	247,062,844	260,193,958	459,143,000	483,149,000	508,432,000
TOTAL FIXED CHARGES	247,062,844	260,193,958	459,143,000	483,149,000	508,432,000
AGENCY TOTAL	249,327,817	262,513,389	461,522,710	485,583,421	510,922,390
REGIONAL COMMUNITY-TECHNICAL COLLEGES					
OTHER CURRENT EXPENSES					
Operating Expenses	131,713,848	133,947,414	137,430,047	140,590,938	143,824,530
Tuition Freeze	2,160,925	2,160,925	2,217,109	2,268,103	2,320,269
TOTAL OTHER CURRENT EXPENSES	133,874,773	136,108,339	139,647,156	142,859,041	146,144,799
AGENCY TOTAL	133,874,773	136,108,339	139,647,156	142,859,041	146,144,799
CONNECTICUT STATE UNIVERSITY					
OTHER CURRENT EXPENSES					
Operating Expenses	136,274,256	140,733,692	144,392,768	147,713,802	151,111,219
Tuition Freeze	6,561,971	6,561,971	6,732,582	6,887,431	7,045,842
Waterbury-Based Degree Programs	924,169	930,475	954,667	976,624	999,086
TOTAL OTHER CURRENT EXPENSES	143,760,396	148,226,138	152,080,017	155,577,857	159,156,147
AGENCY TOTAL	143,760,396	148,226,138	152,080,017	155,577,857	159,156,147
TOTAL	3,062,236,896	3,130,034,777	3,492,332,965	3,552,671,511	3,615,007,698
EDUCATION, LIBRARIES AND MUSEUMS					
CORRECTIONS					
DEPARTMENT OF CORRECTION					
Personal Services	380,069,539	393,198,274	403,421,429	412,700,122	422,192,225
Other Expenses	64,279,945	64,303,662	65,975,557	67,492,995	69,045,334
CAPITAL OUTLAY					

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	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Equipment	1,000	1,000	2,000,000	2,000,000	2,000,000
OTHER CURRENT EXPENSES					
Workers' Compensation Claims	21,161,060	24,153,368	25,554,263	27,118,184	28,870,019
Inmate Medical Services	84,194,972	86,058,454	90,731,428	95,204,487	99,907,589
Parole Staffing & Operations	3,788,900	3,976,548	4,079,938	4,173,777	4,269,774
TOTAL OTHER CURRENT EXPENSES	109,144,932	114,188,370	120,365,629	126,496,448	133,047,382
PMTS TO OTHER THAN LOCAL GOVTS					
Aid to Paroled and Discharged Inmates	9,000	9,500	9,747	9,971	10,200
Legal Services to Prisoners	768,595	768,595	788,578	806,715	825,269
Volunteer Services	170,758	170,758	175,198	179,228	183,350
Community Support Services	26,404,552	28,145,968	29,553,266	31,030,929	32,582,475
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	27,352,905	29,094,821	30,526,789	32,026,843	33,601,294
TOTAL FIXED CHARGES	27,352,905	29,094,821	30,526,789	32,026,843	33,601,294
AGENCY TOTAL	580,848,321	600,786,127	622,289,404	640,716,408	659,886,235
DEPARTMENT OF CHILDREN AND FAMILIES					
Personal Services	246,030,441	249,027,271	255,501,980	261,378,526	267,390,232
Other Expenses	43,994,517	43,564,661	44,697,342	45,725,381	46,777,065
CAPITAL OUTLAY					
Equipment	1,000	1,000	2,000,000	2,000,000	2,000,000
OTHER CURRENT EXPENSES					
Short Term Residential Treatment	687,329	649,918	666,816	682,153	697,843
Substance Abuse Screening	1,757,520	1,661,864	1,705,072	1,744,289	1,784,408
Workers' Compensation Claims	8,861,253	9,155,598	9,393,644	9,609,698	9,830,721
Local Systems of Care	1,916,089	1,895,904	1,945,198	1,989,938	2,035,707
Family Support Services	15,130,272	19,868,850	20,385,440	20,854,305	21,333,954
Emergency Needs	1,000,000	1,000,000	1,026,000	1,049,598	1,073,739
TOTAL OTHER CURRENT EXPENSES	29,352,463	34,232,134	35,122,170	35,929,981	36,756,372
PMTS TO OTHER THAN LOCAL GOVTS					
Health Assessment and Consultation	975,626	978,302	1,003,738	1,026,824	1,050,441
Gts Psychiatric Clinics for Children	13,684,180	12,961,023	13,298,010	13,603,864	13,916,753
Day Treatment Centers for Children	5,587,885	5,283,743	5,421,120	5,545,806	5,673,360
Juvenile Justice Outreach Services	4,843,938	4,657,759	4,778,861	4,888,775	5,001,217
Child Abuse and Neglect Intervention	5,579,172	5,276,305	5,413,489	5,537,999	5,665,373
Community Emergency Services	186,953	188,768	193,676	198,131	202,688
Community Based Prevention Services	2,947,464	2,974,506	3,051,843	3,122,035	3,193,842
Family Violence Outreach and Counseling	690,141	695,297	713,375	729,783	746,568
Support for Recovering Families	4,732,607	5,223,887	5,359,708	5,482,981	5,609,090
No Nexus Special Education	7,804,512	7,379,722	7,571,595	7,745,742	7,923,894
Family Preservation Services	5,190,381	4,908,400	5,036,018	5,151,846	5,270,338
Substance Abuse Treatment	4,249,030	4,031,320	4,136,134	4,231,265	4,328,584
Child Welfare Support Services	356,014	1,494,470	1,533,326	1,568,592	1,604,670
Board and Care for Children - Adoption	58,102,463	62,523,094	65,761,580	68,034,558	70,507,220
Board and Care for Children - Foster	100,598,353	108,306,899	112,748,688	116,208,737	119,835,538
Board & Care - Residential	158,654,866	172,467,087	178,341,691	183,418,938	188,820,385
Individualized Family Supports	10,171,766	9,629,171	9,879,529	10,230,072	10,588,677
Community KidCare	22,174,341	22,914,581	23,510,360	24,051,098	24,591,836
Covenant to Care	156,972	158,496	162,617	166,357	170,183
Neighborhood Center	104,648	105,664	108,411	110,904	113,455
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	406,791,312	432,158,494	448,023,769	461,054,307	474,814,112
TOTAL FIXED CHARGES	406,791,312	432,158,494	448,023,769	461,054,307	474,814,112
AGENCY TOTAL	726,169,733	758,983,560	785,345,261	806,088,195	827,737,781
COUNCIL TO ADMINISTER CHILDREN'S TRUST					
Personal Services	766,066	785,566	805,991	824,529	843,493
Other Expenses	55,000	55,000	56,430	57,728	59,056
CAPITAL OUTLAY					
Equipment	1,000	1,000	6,000	6,000	6,000
OTHER CURRENT EXPENSES					
Children's Trust Fund	9,286,836	9,959,581	10,368,530	10,607,006	10,850,967
Safe Harbor Respite	150,000	300,000	307,800	314,879	322,121
TOTAL OTHER CURRENT EXPENSES	9,436,836	10,259,581	10,676,330	10,921,885	11,173,088
AGENCY TOTAL	10,258,902	11,101,147	11,544,751	11,810,142	12,081,637
TOTAL	1,317,276,956	1,370,870,834	1,419,179,416	1,458,614,745	1,499,705,653
CORRECTIONS					

JUDICIAL

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	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
JUDICIAL DEPARTMENT					
Personal Services	257,462,750	264,587,663	271,466,942	277,710,682	284,098,028
Other Expenses	67,401,783	70,431,499	72,262,718	73,924,761	75,625,030
CAPITAL OUTLAY					
Equipment	2,134,482	2,061,364	4,000,000	4,000,000	4,000,000
OTHER CURRENT EXPENSES					
Alternative Incarceration Program	42,465,450	42,862,613	43,977,041	44,988,513	46,023,249
Justice Education Center, Inc.	208,512	220,371	226,101	231,301	236,621
Juvenile Alternative Incarceration	21,239,804	21,573,626	22,134,540	22,643,634	23,164,438
Juvenile Justice Centers	3,077,358	3,107,235	3,188,023	3,261,348	3,336,359
TOTAL OTHER CURRENT EXPENSES	66,991,124	67,763,845	69,525,705	71,124,796	72,760,667
AGENCY TOTAL	393,990,139	404,844,371	417,255,365	426,760,239	436,483,725
PUBLIC DEFENDER SERVICES COMMISSION					
Personal Services	27,431,839	28,299,723	29,035,516	29,703,333	30,386,510
Other Expenses	1,209,415	1,262,267	1,295,086	1,324,873	1,355,345
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
OTHER CURRENT EXPENSES					
Special Public Defenders - Contractual	2,510,633	2,715,867	2,786,480	2,850,569	2,916,132
Spec Public Defenders - NonContractual	4,906,212	4,194,229	4,303,279	4,402,254	4,503,506
Expert Witnesses	1,614,408	1,390,904	1,427,068	1,459,891	1,493,468
Training and Education	80,283	80,283	82,370	84,265	86,203
TOTAL OTHER CURRENT EXPENSES	9,111,536	8,381,283	8,599,197	8,796,979	8,999,309
AGENCY TOTAL	37,753,790	37,944,273	38,930,799	39,826,185	40,742,164
TOTAL JUDICIAL	431,743,929	442,788,644	456,186,164	466,586,424	477,225,889
<u>NON-FUNCTIONAL</u>					
STATE TREASURER - DEBT SERVICE					
OTHER CURRENT EXPENSES					
Debt Service	1,182,928,611	1,291,285,406	1,458,145,201	1,497,194,023	1,566,305,026
UConn 2000 - Debt Service	85,950,488	92,542,763	101,255,193	115,753,630	122,841,373
CHEFA Day Care Security	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
TOTAL OTHER CURRENT EXPENSES	1,273,379,099	1,388,328,169	1,563,900,394	1,617,447,653	1,693,646,399
AGENCY TOTAL	1,273,379,099	1,388,328,169	1,563,900,394	1,617,447,653	1,693,646,399
OPM - RESERVE FOR SALARY ADJUSTMENTS					
OTHER CURRENT EXPENSES					
Reserve for Salary Adjustments	31,227,614	70,918,403	101,962,281	81,935,813	83,820,337
AGENCY TOTAL	31,227,614	70,918,403	101,962,281	81,935,813	83,820,337
MISCELLANEOUS APPROPRIATIONS ADMINISTERED BY THE COMPTROLLER					
JUDICIAL REVIEW COUNCIL					
Personal Services	128,436	129,700	133,072	136,133	139,264
Other Expenses	29,933	29,933	30,711	31,417	32,140
CAPITAL OUTLAY					
Equipment	1,000	1,000	1,000	1,000	1,000
AGENCY TOTAL	159,369	160,633	164,783	168,550	172,404
STATE COMPTROLLER- MISCELLANEOUS					
PMTS TO OTHER THAN LOCAL GOVTS					
Willimantic	80,425	80,425	82,516	84,414	86,356
Maintenance of County Base Fire Radio	21,850	21,850	22,418	22,934	23,461
Maint of State-Wide Fire Radio Network	14,570	14,570	14,949	15,293	15,645
Equal Grants to Non-Profit Hospitals	31	31	31	31	31
Police Association of Connecticut	166,000	166,000	170,316	174,233	178,240
Connecticut State Firefighter's Assoc	194,711	194,711	199,773	204,368	209,068
Interstate Environmental Commission	84,956	84,956	87,165	89,170	91,221
Torrington	55,050	55,050	56,481	57,780	59,109
New Haven	36,850	36,850	37,808	38,678	39,568
Derby	36,850	36,850	37,808	38,678	39,568
Wolcott	48,300	48,300	49,556	50,696	51,862
Fairfield	36,850	36,850	37,808	38,678	39,568

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Hartford	65,230	65,230	66,926	68,465	70,040
Middletown	28,610	28,610	29,354	30,029	30,720
Fire Training School - Stamford	55,000	55,000	56,430	57,728	59,056
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	925,283	925,283	949,339	971,175	993,513
PMTS TO LOCAL GOVERNMENTS					
Loss of Taxes on State Property	69,959,215	69,959,215	104,133,992	106,529,074	108,979,243
Loss Taxes Private Tax-Exempt Property	105,931,737	105,931,737	145,669,316	149,019,710	152,447,163
TOTAL PMTS TO LOCAL GOVERNMENTS	175,890,952	175,890,952	249,803,308	255,548,784	261,426,406
TOTAL FIXED CHARGES	176,816,235	176,816,235	250,752,647	256,519,959	262,419,919
AGENCY TOTAL	176,816,235	176,816,235	250,752,647	256,519,959	262,419,919
STATE COMPTROLLER - FRINGE BENEFITS					
OTHER CURRENT EXPENSES					
Unemployment Compensation	5,086,000	5,340,000	5,478,840	5,604,853	5,733,765
Employee Retirement Contribution	447,209,748	477,219,351	507,102,000	537,866,000	569,061,000
Higher Ed Alternative Ret System	17,931,000	20,626,000	21,162,276	21,649,008	22,146,935
Pension & Ret Other Statutory	1,726,000	1,872,000	1,920,672	1,964,847	2,010,038
Judges & Comp Commissioner Ret	11,730,025	12,375,172	13,055,000	13,774,000	14,531,000
Group Life Insurance	5,764,000	5,879,000	6,031,854	6,170,587	6,312,511
Employers Social Security Tax	195,532,500	208,061,700	213,471,304	218,381,144	223,403,910
State Employees Health Serv Cost	404,364,000	483,411,000	509,032,000	533,975,000	558,538,000
Retired Employee Health Serv Cost	410,015,000	425,381,000	447,926,000	469,874,000	491,488,000
Tuition Reimburs Training, Travel	1,092,500	605,000	620,730	635,007	649,612
TOTAL OTHER CURRENT EXPENSES	1,500,450,773	1,640,770,223	1,725,800,676	1,809,894,446	1,893,874,771
AGENCY TOTAL	1,500,450,773	1,640,770,223	1,725,800,676	1,809,894,446	1,893,874,771
TOTAL	1,677,426,377	1,817,747,091	1,976,718,106	2,066,582,955	2,156,467,094
MISCELLANEOUS APPROPRIATIONS ADMINISTERED BY THE COMPTROLLER					
TOTAL	2,982,033,090	3,276,993,663	3,642,580,781	3,765,966,421	3,933,933,830
NON-FUNCTIONAL					
TOTAL - GENERAL FUND	14,257,928,744	14,859,868,974	15,986,487,508	16,543,027,657	17,221,951,776
Legislative Unallocated Lapses	-2,200,000	-2,200,000	-2,200,000	-2,200,000	-2,200,000
Estimated Unallocated Lapses	-77,200,000	-86,480,000	-75,000,000	-75,000,000	-75,000,000
General Personal Services Reduction	-14,000,000	-14,000,000	-14,000,000	-14,000,000	-14,000,000
General Other Expenses Reductions	-11,000,000	-11,000,000	-11,000,000	-11,000,000	-11,000,000
Centralize Business Operations	-1,000,000	-1,000,000			
NET - General Fund	14,152,528,744	14,745,188,974	15,884,287,508	16,440,827,657	17,119,751,776
SPECIAL TRANSPORTATION FUND					
GENERAL GOVERNMENT					
STATE INSURANCE AND RISK MANAGEMENT					
Other Expenses	2,635,000	2,770,000	2,842,020	2,907,386	2,974,256
AGENCY TOTAL	2,635,000	2,770,000	2,842,020	2,907,386	2,974,256
WORKERS' COMPENSATION CLAIMS - DAS					
OTHER CURRENT EXPENSES					
Workers' Compensation Claims	4,119,838	4,210,474	4,454,682	4,727,309	5,032,693
AGENCY TOTAL	4,119,838	4,210,474	4,454,682	4,727,309	5,032,693
TOTAL	6,754,838	6,980,474	7,296,702	7,634,695	8,006,949
GENERAL GOVERNMENT					
REGULATION AND PROTECTION					
DEPARTMENT OF MOTOR VEHICLES					
Personal Services	38,310,451	39,016,542	40,030,972	40,951,684	41,893,573
Other Expenses	14,761,603	14,870,420	15,257,051	15,607,963	15,966,946
CAPITAL OUTLAY					
Equipment	637,250	996,425	1,000,000	1,000,000	1,000,000
OTHER CURRENT EXPENSES					
Insurance Enforcement	654,481	659,785	676,939	692,509	708,437

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	Estimated	Enacted	Projected		
	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Commercial Veh Info Sys & Networks Prj	283,000	283,000	290,358	297,036	303,868
VISION SCREENING PROGRAM	0	0	1,015,668	1,001,178	1,024,205
TOTAL OTHER CURRENT EXPENSES	937,481	942,785	1,982,965	1,990,723	2,036,510
AGENCY TOTAL	54,646,785	55,826,172	58,270,988	59,550,370	60,897,029
TOTAL REGULATION AND PROTECTION	54,646,785	55,826,172	58,270,988	59,550,370	60,897,029
<u>TRANSPORTATION</u>					
DEPARTMENT OF TRANSPORTATION					
Personal Services	135,289,547	136,184,396	139,725,190	142,938,869	146,226,463
Other Expenses	39,523,560	34,661,205	39,332,396	40,237,041	41,162,493
CAPITAL OUTLAY					
Equipment	2,125,000	1,425,000	1,425,000	1,425,000	1,425,000
Highway & Bridge Renewal-Equipment	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
TOTAL CAPITAL OUTLAY	6,125,000	5,425,000	5,425,000	5,425,000	5,425,000
OTHER CURRENT EXPENSES					
Minor Capital Projects	350,000	350,000	350,000	350,000	350,000
Highway Planning and Research	2,558,988	2,715,206	2,785,801	2,849,874	2,915,421
Handicapped Access Program	14,879,804	16,271,378	16,694,434	17,078,406	17,471,209
Hospital Transit for Dialysis	100,000	100,000	100,000	100,000	100,000
Rail Operations	81,241,201	88,080,198	90,370,283	92,448,800	94,575,122
Bus Operations	87,080,164	93,575,221	96,008,177	98,216,365	100,475,341
Dial-A-Ride	2,500,000	2,500,000	2,565,000	2,623,995	2,684,347
Highway and Bridge Renewal	12,194,055	12,421,593	12,744,554	13,037,679	13,337,546
Tweed-New Haven Airport Grant	600,000	600,000	0	0	0
TOTAL OTHER CURRENT EXPENSES	201,504,212	216,613,596	221,618,249	226,705,119	231,908,986
PMTS TO LOCAL GOVERNMENTS					
Town Aid Road Grants	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
TOTAL FIXED CHARGES	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
AGENCY TOTAL	402,442,319	412,884,197	426,100,835	435,306,029	444,722,942
TOTAL TRANSPORTATION	402,442,319	412,884,197	426,100,835	435,306,029	444,722,942
<u>NON-FUNCTIONAL</u>					
STATE TREASURER - DEBT SERVICE					
OTHER CURRENT EXPENSES					
Debt Service	431,009,118	442,499,286	455,979,536	467,068,514	479,061,884
AGENCY TOTAL	431,009,118	442,499,286	455,979,536	467,068,514	479,061,884
OPM - RESERVE FOR SALARY ADJUSTMENTS					
OTHER CURRENT EXPENSES					
Reserve for Salary Adjustments	250,100	500,100	4,083,103	1,524,904	1,559,977
AGENCY TOTAL	250,100	500,100	4,083,103	1,524,904	1,559,977
MISCELLANEOUS APPROPRIATIONS ADMINISTERED BY THE COMPTROLLER					
STATE COMPTROLLER - FRINGE BENEFITS					
OTHER CURRENT EXPENSES					
Unemployment Compensation	291,000	306,000	313,956	321,177	328,564
Employee Retirement Contribution	60,055,000	63,819,000	67,815,000	71,929,000	76,101,000
Group Life Insurance	207,000	211,000	216,486	221,465	226,559
Employers Social Security Tax	13,894,000	14,699,000	15,081,174	15,428,041	15,782,886
State Employees Health Serv Cost	27,788,000	31,264,000	32,921,000	34,534,000	36,123,000
TOTAL OTHER CURRENT EXPENSES	102,235,000	110,299,000	116,347,616	122,433,683	128,562,009
AGENCY TOTAL	102,235,000	110,299,000	116,347,616	122,433,683	128,562,009
TOTAL MISCELLANEOUS APPROPRIATIONS ADMINISTERED BY THE COMPTROLLER	102,235,000	110,299,000	116,347,616	122,433,683	128,562,009
TOTAL NON-FUNCTIONAL	533,494,218	553,298,386	576,410,255	591,027,101	609,183,870

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	Estimated	Enacted	Projected		
	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
TOTAL - SPECIAL TRANSPORTATION FUND	997,338,160	1,028,989,229	1,068,078,780	1,093,518,195	1,122,810,790
Estimated Unallocated Lapses	-11,000,000	-11,000,000	-11,000,000	-11,000,000	-11,000,000
NET - Special Transportation Fund	986,338,160	1,017,989,229	1,057,078,780	1,082,518,195	1,111,810,790

BANKING FUND

REGULATION AND PROTECTION

DEPARTMENT OF BANKING					
Personal Services	7,443,090	9,608,267	9,858,082	10,084,818	10,316,769
Other Expenses	100	2,029,675	2,082,447	2,130,343	2,179,341
CAPITAL OUTLAY					
Equipment	127,000	23,500	23,500	23,500	23,500
OTHER CURRENT EXPENSES					
Fringe Benefits	4,558,355	4,923,681	5,051,697	5,167,886	5,286,747
Indirect Overhead	409,362	234,140	240,228	245,753	251,405
TOTAL OTHER CURRENT EXPENSES	4,967,717	5,157,821	5,291,925	5,413,639	5,538,152
AGENCY TOTAL	12,537,907	16,819,263	17,255,954	17,652,300	18,057,762
TOTAL REGULATION AND PROTECTION	12,537,907	16,819,263	17,255,954	17,652,300	18,057,762
TOTAL - BANKING FUND	12,537,907	16,819,263	17,255,954	17,652,300	18,057,762

INSURANCE FUND

REGULATION AND PROTECTION

INSURANCE DEPARTMENT					
Personal Services	11,887,721	12,631,840	12,960,268	13,258,354	13,563,296
Other Expenses	2,344,010	2,380,570	2,442,465	2,498,642	2,556,111
CAPITAL OUTLAY					
Equipment	95,500	135,500	135,500	135,500	135,500
OTHER CURRENT EXPENSES					
Fringe Benefits	6,380,854	6,810,094	6,987,156	7,147,861	7,312,262
Indirect Overhead	357,518	76,960	78,961	80,777	82,635
TOTAL OTHER CURRENT EXPENSES	6,738,372	6,887,054	7,066,117	7,228,638	7,394,897
AGENCY TOTAL	21,065,603	22,034,964	22,604,350	23,121,134	23,649,804
OFFICE OF THE MANAGED CARE OMBUDSMAN					
Personal Services	284,840	387,193	397,260	406,397	415,744
Other Expenses	91,971	141,971	145,662	149,012	152,439
CAPITAL OUTLAY					
Equipment	1,200	1,200	1,200	1,200	1,200
OTHER CURRENT EXPENSES					
Fringe Benefits	128,570	140,528	144,182	147,498	150,890
Indirect Overhead	38,091	19,643	20,154	20,618	21,092
TOTAL OTHER CURRENT EXPENSES	166,661	160,171	164,336	168,116	171,982
AGENCY TOTAL	544,672	690,535	708,458	724,725	741,365
TOTAL REGULATION AND PROTECTION	21,610,275	22,725,499	23,312,808	23,845,859	24,391,169
TOTAL - INSURANCE FUND	21,610,275	22,725,499	23,312,808	23,845,859	24,391,169

CONSUMER COUNSEL/PUBLIC UTILITY FUND

REGULATION AND PROTECTION

OFFICE OF CONSUMER COUNSEL					
Personal Services	1,035,235	1,091,817	1,120,204	1,145,969	1,172,326
Other Expenses	501,652	501,652	514,695	526,533	538,643
CAPITAL OUTLAY					
Equipment	39,400	34,750	35,000	35,000	35,000
OTHER CURRENT EXPENSES					

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	Estimated	Enacted	Projected		
	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Fringe Benefits	644,175	679,866	697,543	713,586	729,998
Indirect Overhead	69,262	173,912	178,434	182,538	186,736
TOTAL OTHER CURRENT EXPENSES	713,437	853,778	875,977	896,124	916,734
AGENCY TOTAL	2,289,724	2,481,997	2,545,876	2,603,626	2,662,703
DEPARTMENT OF PUBLIC UTILITY CONTROL					
Personal Services	10,754,193	11,397,000	11,685,767	11,947,856	12,215,973
Other Expenses	1,713,824	1,760,824	1,806,605	1,848,157	1,890,665
CAPITAL OUTLAY					
Equipment	143,200	145,200	145,200	145,200	145,200
OTHER CURRENT EXPENSES					
Fringe Benefits	5,738,171	5,992,914	6,148,730	6,290,151	6,434,824
Indirect Overhead	146,555	72,609	72,609	192,419	192,419
Nuclear Energy Advisory Council	2,200	2,200	2,257	2,309	2,362
TOTAL OTHER CURRENT EXPENSES	5,886,926	6,067,723	6,223,596	6,484,879	6,629,605
AGENCY TOTAL	18,498,143	19,370,747	19,861,168	20,426,092	20,881,443
TOTAL REGULATION AND PROTECTION	20,787,867	21,852,744	22,407,044	23,029,718	23,544,146
TOTAL - CONSUMER COUNSEL/PUBLIC UTILITY FUND	20,787,867	21,852,744	22,407,044	23,029,718	23,544,146
WORKERS' COMPENSATION FUND					
REGULATION AND PROTECTION					
DEPARTMENT OF LABOR					
OTHER CURRENT EXPENSES					
Occupational Health Clinics	671,470	671,470	688,928	704,773	720,983
AGENCY TOTAL	671,470	671,470	688,928	704,773	720,983
WORKERS' COMPENSATION COMMISSION					
Personal Services	8,773,658	9,016,370	9,250,796	9,463,564	9,681,226
Other Expenses	2,273,597	2,773,547	2,845,659	2,911,109	2,978,065
CAPITAL OUTLAY					
Equipment	289,000	51,250	51,250	51,250	51,250
OTHER CURRENT EXPENSES					
Criminal Justice Fraud Unit	530,837	530,837	544,639	557,166	569,981
Rehabilitative Services	2,061,704	2,061,704	2,115,308	2,163,960	2,213,731
Fringe Benefits	5,320,506	5,534,084	5,677,970	5,808,563	5,942,160
Indirect Overhead	725,855	338,613	347,417	355,408	363,582
TOTAL OTHER CURRENT EXPENSES	8,638,902	8,465,238	8,685,334	8,885,097	9,089,454
AGENCY TOTAL	19,975,157	20,306,405	20,833,039	21,311,020	21,799,995
TOTAL REGULATION AND PROTECTION	20,646,627	20,977,875	21,521,967	22,015,793	22,520,978
TOTAL - WORKERS' COMPENSATION FUND	20,646,627	20,977,875	21,521,967	22,015,793	22,520,978
MASHANTUCKET PEQUOT AND MOHEGAN FUND					
NON-FUNCTIONAL					
MISCELLANEOUS APPROPRIATIONS ADMINISTERED BY THE COMPTROLLER					
STATE COMPTROLLER- MISCELLANEOUS					
PMTS TO LOCAL GOVERNMENTS					
Grants to Towns	86,250,000	86,250,000	135,000,000	135,000,000	135,000,000
TOTAL FIXED CHARGES	86,250,000	86,250,000	135,000,000	135,000,000	135,000,000
AGENCY TOTAL	86,250,000	86,250,000	135,000,000	135,000,000	135,000,000
TOTAL MISCELLANEOUS APPROPRIATIONS ADMINISTERED BY THE COMPTROLLER	86,250,000	86,250,000	135,000,000	135,000,000	135,000,000
TOTAL NON-FUNCTIONAL	86,250,000	86,250,000	135,000,000	135,000,000	135,000,000

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	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
TOTAL - MASHANTUCKET PEQUOT AND MOHEGAN FUND	86,250,000	86,250,000	135,000,000	135,000,000	135,000,000
SOLDIERS, SAILORS AND MARINES' FUND					
<u>GENERAL GOVERNMENT</u>					
DEPARTMENT OF VETERANS AFFAIRS					
PMTS TO OTHER THAN LOCAL GOVTS					
Burial Expenses	900	900	923	944	966
Headstones	250,000	250,000	256,500	262,400	268,435
TOTAL PMTS TO OTHER THAN LOCAL GOVTS	250,900	250,900	257,423	263,344	269,401
TOTAL FIXED CHARGES	250,900	250,900	257,423	263,344	269,401
AGENCY TOTAL	250,900	250,900	257,423	263,344	269,401
TOTAL GENERAL GOVERNMENT	250,900	250,900	257,423	263,344	269,401
<u>REGULATION AND PROTECTION</u>					
MILITARY DEPARTMENT					
OTHER CURRENT EXPENSES					
Honor Guards	306,803	306,803	306,803	306,803	306,803
AGENCY TOTAL	306,803	306,803	306,803	306,803	306,803
TOTAL REGULATION AND PROTECTION	306,803	306,803	306,803	306,803	306,803
<u>HUMAN SERVICES</u>					
SOLDIERS, SAILORS AND MARINES' FUND					
Personal Services	773,049	824,027	845,452	864,897	884,790
Other Expenses	98,145	98,145	100,697	103,013	105,382
CAPITAL OUTLAY					
Equipment	8,500	6,500	6,500	6,500	6,500
OTHER CURRENT EXPENSES					
Award Payments to Veterans	1,890,000	1,979,800	2,031,275	2,077,994	2,125,788
Fringe Benefits	490,725	521,111	534,660	546,957	559,537
TOTAL OTHER CURRENT EXPENSES	2,380,725	2,500,911	2,565,935	2,624,951	2,685,325
AGENCY TOTAL	3,260,419	3,429,583	3,518,584	3,599,361	3,681,997
TOTAL HUMAN SERVICES	3,260,419	3,429,583	3,518,584	3,599,361	3,681,997
TOTAL - SOLDIERS, SAILORS AND MARINES' FUND	3,818,122	3,987,286	4,082,810	4,169,508	4,258,201
<u>REGIONAL MARKET OPERATION FUND</u>					
<u>CONSERVATION AND DEVELOPMENT</u>					
DEPARTMENT OF AGRICULTURE					
Personal Services	382,598	387,250	397,319	406,457	415,806
Other Expenses	173,539	173,539	178,051	182,146	186,335
CAPITAL OUTLAY					
Equipment	35,000	25,000	25,000	25,000	25,000
OTHER CURRENT EXPENSES					
Fringe Benefits	174,054	179,538	184,206	188,443	192,777
AGENCY TOTAL	765,191	765,327	784,576	802,046	819,918
TOTAL CONSERVATION AND DEVELOPMENT	765,191	765,327	784,576	802,046	819,918

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	Estimated	Enacted	Projected		
	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
<u>NON-FUNCTIONAL</u>					
STATE TREASURER - DEBT SERVICE					
OTHER CURRENT EXPENSES					
Debt Service	142,052	135,577	105,991	127,342	64,415
AGENCY TOTAL	142,052	135,577	105,991	127,342	64,415
TOTAL	142,052	135,577	105,991	127,342	64,415
NON-FUNCTIONAL					
TOTAL - REGIONAL MARKET OPERATION FUND	907,243	900,904	890,567	929,388	884,333
CRIMINAL INJURIES COMPENSATION FUND					
<u>JUDICIAL</u>					
JUDICIAL DEPARTMENT					
OTHER CURRENT EXPENSES					
Criminal Injuries Compensation Fund	2,025,000	2,025,000	2,077,650	2,125,436	2,174,321
AGENCY TOTAL	2,025,000	2,025,000	2,077,650	2,125,436	2,174,321
TOTAL	2,025,000	2,025,000	2,077,650	2,125,436	2,174,321
JUDICIAL					
TOTAL - CRIMINAL INJURIES COMPENSATION FUND	2,025,000	2,025,000	2,077,650	2,125,436	2,174,321
 TOTAL ALL FUNDS	 15,307,449,945	 15,938,716,774	 17,167,915,088	 17,752,113,854	 18,462,393,476

PROJECTED REVENUES

(In Millions)

	General Fund				
	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>
<u>Taxes</u>					
Personal Income Tax	\$ 5,982.8	\$ 6,257.5	\$ 6,485.7	\$ 6,762.7	\$ 7,046.9
Sales & Use Tax	3,415.2	3,552.6	3,692.7	3,833.1	3,975.9
Corporation Tax	656.3	675.9	665.8	676.9	703.4
Public Service Tax	204.5	205.0	205.7	206.2	206.7
Inheritance & Estate Tax	122.7	139.7	128.8	130.1	131.4
Insurance Companies Tax	265.3	271.0	276.9	282.9	289.1
Cigarettes Tax	270.0	266.0	262.0	258.0	254.0
Real Estate Conveyance Tax	199.0	187.0	183.3	179.6	176.0
Oil Companies Tax	172.3	143.4	122.7	102.2	91.0
Alcoholic Beverages Tax	44.0	44.0	44.2	44.4	44.6
Admissions & Dues Tax	32.6	33.3	33.8	34.3	34.8
Miscellaneous Tax	146.4	146.7	148.4	150.0	151.7
Total Taxes	<u>\$ 11,511.1</u>	<u>\$ 11,922.1</u>	<u>\$ 12,250.0</u>	<u>\$ 12,660.4</u>	<u>\$ 13,105.5</u>
Less Refunds of Tax	(736.0)	(825.0)	(860.0)	(896.0)	(934.0)
Less R&D Credit Exchange	(13.0)	(15.0)	(17.0)	(19.0)	(21.0)
Total - Taxes Less Refunds	<u>\$ 10,762.1</u>	<u>\$ 11,082.1</u>	<u>\$ 11,373.0</u>	<u>\$ 11,745.4</u>	<u>\$ 12,150.5</u>
<u>Other Revenue</u>					
Transfers-Special Revenue	\$ 277.5	\$ 280.0	\$ 284.2	\$ 288.5	\$ 292.8
Indian Gaming Payments	430.0	445.4	456.6	468.0	479.7
Licenses, Permits, Fees	157.1	146.2	158.7	147.7	160.3
Sales of Commodities	35.0	35.0	36.2	36.9	37.8
Rents, Fines, Escheats	70.0	60.0	61.9	63.2	64.4
Investment Income	33.0	33.5	34.0	34.5	35.0
Miscellaneous	133.0	140.1	140.0	139.8	140.1
Less Refunds of Payments	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)
Total - Other Revenue	<u>\$ 1,135.0</u>	<u>\$ 1,139.6</u>	<u>\$ 1,171.0</u>	<u>\$ 1,178.0</u>	<u>\$ 1,209.5</u>
<u>Other Sources</u>					
Federal Grants	\$ 2,592.3	\$ 2,675.5	\$ 2,763.0	\$ 2,854.1	\$ 2,945.2
Transfer From Tobacco Settlement	96.4	106.2	85.5	84.6	83.7
Transfers From (To) Other Funds	(127.3)	(33.3)	(135.0)	(135.0)	(135.0)
Total - Other Sources	<u>\$ 2,561.4</u>	<u>\$ 2,748.4</u>	<u>\$ 2,713.5</u>	<u>\$ 2,803.7</u>	<u>\$ 2,893.9</u>
Total - General Fund Revenues	\$ 14,458.5	\$ 14,970.1	\$ 15,257.5	\$ 15,727.1	\$ 16,253.9
<u>Special Transportation Fund</u>					
<u>Taxes</u>					
Motor Fuels Tax	\$ 484.2	\$ 486.6	\$ 492.7	\$ 498.9	\$ 505.1
Oil Companies Tax	43.5	61.0	84.0	100.9	100.9
Sales Tax - DMV	73.7	77.9	82.4	87.1	92.1
Total Taxes	<u>\$ 601.4</u>	<u>\$ 625.5</u>	<u>\$ 659.1</u>	<u>\$ 686.9</u>	<u>\$ 698.1</u>
Less Refunds of Taxes	(8.4)	(8.5)	(8.6)	(8.7)	(8.8)
Total - Taxes Less Refunds	<u>\$ 593.0</u>	<u>\$ 617.0</u>	<u>\$ 650.5</u>	<u>\$ 678.2</u>	<u>\$ 689.3</u>
<u>Other Sources</u>					
Motor Vehicle Receipts	\$ 238.8	\$ 243.6	\$ 248.5	\$ 253.5	\$ 258.5
Licenses, Permits, Fees	156.5	158.1	159.8	161.4	163.0
Interest Income	34.0	34.0	34.0	33.0	33.0
Transfers From (To) Other Funds	(4.6)	(7.0)	(9.5)	(9.5)	(9.5)
Transfers To TSB	(25.3)	(20.3)	(15.3)	(15.3)	(15.3)
Less Refunds of Payments	(3.1)	(3.2)	(3.3)	(3.4)	(3.5)
Total - Other Sources	<u>\$ 396.3</u>	<u>\$ 405.2</u>	<u>\$ 414.2</u>	<u>\$ 419.7</u>	<u>\$ 426.2</u>
Total - STF Revenues	\$ 989.3	\$ 1,022.2	\$ 1,064.7	\$ 1,097.9	\$ 1,115.5

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Projected Revenues
(In Millions)

	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>
Mashantucket Pequot and Mohegan Fund					
Transfers from the General Fund	\$ 86.3	\$ 86.3	\$ 135.0	\$ 135.0	\$ 135.0
Total - Mashantucket Pequot and Mohegan Fund Revenues	\$ 86.3	\$ 86.3	\$ 135.0	\$ 135.0	\$ 135.0
Soldiers', Sailors', and Marines' Fund					
Investment Income	\$ 3.9	\$ 4.0	\$ 4.1	\$ 4.2	\$ 4.3
Total - Soldiers', Sailors', and Marines' Fund Revenues	\$ 3.9	\$ 4.0	\$ 4.1	\$ 4.2	\$ 4.3
Regional Market Operating Fund					
Rentals	\$ 1.0	\$ 1.0	\$ 0.9	\$ 1.0	\$ 0.9
Total - Regional Market Operating Fund Revenues	\$ 1.0	\$ 1.0	\$ 0.9	\$ 1.0	\$ 0.9
Banking Fund					
Fees and Assessments	\$ 12.6	\$ 16.9	\$ 17.3	\$ 17.7	\$ 18.1
Total - Banking Fund Revenues	\$ 12.6	\$ 16.9	\$ 17.3	\$ 17.7	\$ 18.1
Insurance Fund					
Assessments	\$ 21.7	\$ 22.8	\$ 23.4	\$ 23.9	\$ 24.4
Total - Insurance Fund Revenues	\$ 21.7	\$ 22.8	\$ 23.4	\$ 23.9	\$ 24.4
Consumer Counsel & Public Utility Control Fund					
Fees and Assessments	\$ 20.8	\$ 21.9	\$ 22.5	\$ 23.1	\$ 23.6
Total - Consumer Counsel & Public Utility Control Revenues	\$ 20.8	\$ 21.9	\$ 22.5	\$ 23.1	\$ 23.6
Workers' Compensation Fund					
Fees and Assessments	\$ 20.7	\$ 21.0	\$ 21.6	\$ 22.1	\$ 22.6
Total - Workers' Compensation Fund Revenues	\$ 20.7	\$ 21.0	\$ 21.6	\$ 22.1	\$ 22.6
Criminal Injuries Compensation Fund					
Fines	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.2	\$ 2.2
Total - Criminal Injuries Fund Revenues	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.2	\$ 2.2
Total - All Appropriated Funds Revenues	\$ 15,616.9	\$ 16,168.3	\$ 16,549.1	\$ 17,054.2	\$ 17,600.5

Fiscal Accountability Report

ASSUMPTIONS USED TO DEVELOP REVENUE ESTIMATES

	Fiscal <u>2005-06</u>	Fiscal <u>2006-07</u>	Fiscal <u>2007-08</u>	Fiscal <u>2008-09</u>	Fiscal <u>2009-10</u>
<u>UNITED STATES</u>					
Gross Domestic Product	6.9%	6.6%	5.0%	5.4%	5.1%
Real Gross Domestic Product	3.6%	3.5%	2.8%	3.3%	3.1%
G.D.P. Deflator	3.2%	3.0%	2.2%	2.1%	2.0%
Housing Starts (M)	2.00	1.75	1.57	1.56	1.56
Unemployment Rate	5.1%	4.9%	5.1%	4.8%	4.8%
New Vehicle Sales (M)	16.44	16.16	15.92	16.10	16.20
Consumer Price Index	3.7%	2.8%	2.6%	2.3%	2.3%
<u>CONNECTICUT</u>					
Personal Income	6.1%	5.3%	4.1%	4.4%	4.4%
Nonagricultural Employment	1.1%	1.2%	0.6%	0.9%	1.0%
Unemployment Rate	5.3%	5.2%	5.4%	5.1%	5.1%

M denotes millions.

**Economic Growth Rates for Projected Tax Revenues
(Percent Change)**

	General Fund				
<u>Taxes</u>	2005-06	2006-07	2007-08	2008-09	2009-10
Personal Income Tax ¹	5.5,10.6	5.3,2.5	5.0,2.0	5.3,2.0	5.3,2.0
Sales & Use Tax	4.00	5.00	4.75	4.75	4.75
Corporation Tax	1.7	2.0	2.5	2.5	2.5
Public Service Tax	3.76	0.25	0.25	0.25	0.25
Inheritance & Estate Tax	0.0	0.0	0.0	1.0	1.0
Insurance Companies Tax ²	4.0,3.0,3.0	3.0,2.0,2.0	3.0,2.0,2.0	3.0,2.0,2.0	3.0,2.0,2.0
Cigarettes Tax	-1.5	-1.5	-1.5	-1.5	-1.6
Real Estate Conveyance Tax	-4.3	-6.0	-2.0	-2.0	-2.0
Oil Companies Tax	26.6	-20.0	-10.0	-8.1	-4.9
Alcoholic Beverages Tax	-0.5	0.0	0.5	0.5	0.5
Admissions & Dues Tax	2.8	2.1	1.5	1.5	1.5

Special Transportation Fund

<u>Taxes</u>	2005-06	2006-07	2007-08	2008-09	2009-10
Motor Fuels Tax	0.5	0.5	1.25	1.25	1.25
Sales Tax - DMV	5.7	5.7	5.8	5.7	5.7

NOTES:

1. Rates for withholding and "estimates and final filings".
2. Rates for domestic insurers, foreign insurers, and HMOs.

SECTION 2
PROJECTED TAX CREDITS

PROJECTED TAX CREDITS

It should be noted that the basis for projections of tax credits claimed relies upon data from several years ago. This is due to the fact that information regarding tax credits is typically delayed as firms often request an extension to file their final returns. This delays the receipt of such data by the tax department which then must still have the return information data captured.

In calculating the expected amount of credits to be claimed, OPM examined the most recent relevant years available (income years 1999 to 2002 for business credits and income year 2003 for the personal income tax credit) of both the number of credits claimed and their corresponding dollar value. An average value was derived over that time period which then became the base for fiscal 2006. From fiscal 2006 and forward, the number of credits claimed and the dollar value of credits claimed was grown by appropriate growth rates.

Projected Total Amounts of Tax Credits Claimed (In Thousands)

	2005-06	2006-07	2007-08	2008-09	2009-10
<u>Personal Income Tax Credits</u>					
Property Tax	\$ 283,000	\$ 324,000	\$ 330,000	\$ 337,000	\$ 344,000
Total Personal Income Tax	\$ 283,000	\$ 324,000	\$ 330,000	\$ 337,000	\$ 344,000
<u>Business Tax Credits</u>					
Apprenticeship Training	1,800	1,900	1,900	1,900	2,000
Clean Alternative Fuels	100	100	100	100	100
Computer Donation	5	5	5	5	5
Displaced Electric Worker	1	2	2	2	2
Donation of Open Space Land	1,600	1,700	1,700	1,700	1,800
Electronic Data Processing	31,000	31,000	32,000	33,000	33,000
Employer Assisted Housing	200	200	200	200	200
Enterprise Zone Credit	40	40	40	40	40
Financial Institutions	80	80	80	80	80
Fixed Capital	53,000	54,000	55,000	56,000	57,000
Hiring Incentive	20	20	20	20	20
Historic Homes Rehabilitation	70	70	70	70	70
Housing Program Contribution	4,000	4,000	4,000	5,000	5,000
Human Capital	3,000	3,000	3,000	3,000	3,000
Insurance Reinvestment*	25,000	26,000	25,000	13,800	5,400
Machinery and Equipment	5,000	5,000	5,000	5,000	6,000
Neighborhood Assistance	1,000	1,000	2,000	2,000	2,000
R&D Grants to Higher Education	5	5	5	5	5
R&D (Nonincremental) Exp.	20,000	20,000	20,000	21,000	21,000
R&D (Incremental) Exp.	12,000	13,000	13,000	13,000	13,000
SBA Guaranty Fee	20	20	20	20	20
Service Facility	8	8	8	8	9
50% Manufacturing Facility Credit	300	300	300	300	300
25% Manufacturing Facility Credit	300	300	300	300	300
Traffic Reduction	100	100	100	100	100
Urban and Industrial Reinvestment*	-	-	6,700	7,200	7,200
Total Business Tax	\$ 159,000	\$ 162,000	\$ 171,000	\$ 164,000	\$ 158,000
Total Amount Claimed	\$ 442,000	\$ 486,000	\$ 501,000	\$ 501,000	\$ 502,000

* Estimates are based on the DECD approved tax credits coming due in each fiscal year.

Projected Number of Tax Credits Claimed

	2005-06	2006-07	2007-08	2008-09	2009-10
<u>Personal Income Tax Credits</u>					
Property Tax	945,000	948,000	951,000	954,000	957,000
Total Personal Income Tax	945,000	948,000	951,000	954,000	957,000
<u>Business Tax Credits</u>					
Apprenticeship Training	47	47	48	48	49
Clean Alternative Fuels	9	9	9	9	9
Computer Donation	1	1	1	1	1
Displaced Electric Worker	1	1	1	1	1
Donation of Open Space Land	27	27	28	28	28
Electronic Data Processing	4,817	4,865	4,914	4,963	5,013
Employer Assisted Housing	8	8	8	8	8
Enterprise Zone Credit	5	5	5	5	5
Financial Institutions	5	5	5	5	5
Fixed Capital	5,179	5,231	5,283	5,336	5,389
Hiring Incentive	11	11	11	11	11
Historic Homes Rehabilitation	2	2	2	2	2
Housing Program Contribution	36	36	37	37	37
Human Capital	291	294	297	300	303
Insurance Reinvestment	5	5	5	5	5
Machinery and Equipment	811	819	827	836	844
Neighborhood Assistance	184	186	188	190	191
R&D Grants to Higher Education	1	1	1	1	1
R&D (Nonincremental) Exp.	215	217	219	222	224
R&D (Incremental) Exp.	145	146	148	149	151
SBA Guaranty Fee	8	8	8	8	8
Service Facility	2	2	2	2	2
50% Manufacturing Facility Credit	53	54	54	55	55
25% Manufacturing Facility Credit	53	54	54	55	55
Traffic Reduction	5	5	5	5	6
Urban and Industrial Reinvestment	0	0	4	4	4
Total Business Tax	11,921	12,041	12,165	12,286	12,409
Total Number of Credits Claimed	956,921	960,041	963,165	966,286	969,409

SECTION 3
SUMMARY OF ESTIMATED DEFICIENCIES

SUMMARY OF ESTIMATED DEFICIENCIES

(REASONS FOR DEFICIENCIES AND BASIS OF ASSUMPTIONS)

OFFICE OF POLICY AND MANAGEMENT

Due to the volatility of the cost of energy, we are projecting that higher prices will result in additional General Fund expenditures of \$23.5 million above what has been budgeted for state agencies.

DEPARTMENT OF PUBLIC SAFETY

The Department of Public Safety is projecting a \$2.4 million deficiency in Other Expenses due to higher than anticipated FY05 expenditures, operating costs for the new Connecticut Law Enforcement Telecommunications System (COLLECT), implementation of the new Computer Aided Dispatch/Records Management System (CAD/RMS) and increased expenditures in motor vehicle maintenance and property management.

DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES

An \$800,000 shortfall is projected for the Department of Mental Health and Addition Services: \$600,000 in the Professional Services account from continued use of nursing pools and increased lab fees and \$200,000 in the Behavioral Health Medications account due to increases in pharmaceuticals and additional clients accessing these drugs.

DEPARTMENT OF CORRECTION

The Department of Correction is projecting higher than budgeted overtime costs resulting in a deficiency of \$2.8 million in Personal Services.

PUBLIC DEFENDER SERVICES COMMISSION

The Public Defenders Services Commission is projecting a shortfall of \$790,000 in the Special Public Defenders Non-Contractual account. This is attributable to higher than anticipated FY05 expenditures, an overall increase in caseloads, including trials in capital felony, murder and other felony cases, as well as, an increased number of appeals and habeas corpus matters, including death penalty habeas cases. In addition, a shortfall of \$277,000 is projected in the Expert Witnesses account due to higher than anticipated FY05 expenditures and an increased need for forensic, medical and psychiatric experts in death penalty cases and other criminal cases.

DEPARTMENT OF TRANSPORTATION

A total of \$3.7 million is needed in the Other Expenses account due to projected increases in the price of sand and salt (\$3.35 million) and steel (\$350,000).

SECTION 4
PROJECTED BALANCE OF THE
BUDGET RESERVE FUND

PROJECTED BALANCE OF BUDGET RESERVE FUND

Projected Fund Balance
(Assumes Expenditure Reductions Are Made To Remain Below Spending Cap)
(In Millions)

	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>
Beginning Balance	\$ 602.2 ⁽¹⁾	\$ 908.2	\$ 1,133.1	\$ 886.0	\$ 450.9
Deposits/(Withdrawals)	306.0	224.9	(247.1)	(435.2) ⁽²⁾	(721.6) ⁽²⁾
Ending Balance	<u>\$ 908.2</u>	<u>\$ 1,133.1</u>	<u>\$ 886.0</u>	<u>\$ 450.9</u>	<u>\$ (270.7)</u>
General Fund Appropriations	\$ 14,131.7	\$ 14,745.2	\$ 15,884.3	\$ 16,440.8	\$ 17,119.8
Target Balance ⁽³⁾	\$ 1,474.5	\$ 1,588.4	\$ 1,644.1	\$ 1,712.0	\$ 1,768.7 ⁽⁴⁾
Balance Over/(Under) Target	\$ (566.3)	\$ (455.3)	\$ (758.0)	\$ (1,261.1)	\$ (2,039.4)

(1) Beginning balance in fiscal year 2005-06 includes the \$302.2 million deposit at the end of fiscal year 2003-04 and an estimated \$300.0 million deposit at the end of fiscal year 2004-05.

(2) Negative fund balance in outyear(s) is not possible and is shown simply for illustrative purposes only.

(3) Target Balance is equal to ten percent of the next fiscal year's general fund appropriations.

(4) FY2009-10 Target Balance assumes average expenditure growth rate of previous four years.

SECTION 5
PROJECTED BOND AUTHORIZATIONS,
ALLOCATIONS AND ISSUANCES

FIVE YEAR BOND PROJECTIONS

	FY2006	FY2007	FY2008	FY2009	FY2010
Bond Authorizations					
General Obligation Bonds	\$ 1,157,950,635	\$ 1,299,680,741	\$ 1,100,000,000	\$ 1,100,000,000	\$ 1,100,000,000
Special Tax Obligation Bonds	238,850,000	274,400,000	319,400,000	355,000,000	355,000,000
Clean Water Fund Revenue Bonds	-	100,000,000	100,000,000	100,000,000	100,000,000
UCONN 21st Century	79,000,000	89,000,000	120,000,000	155,000,000	160,500,000
Total Bond Authorizations	\$ 1,475,800,635	\$ 1,763,080,741	\$ 1,639,400,000	\$ 1,710,000,000	\$ 1,715,500,000
Bond Allocations					
General Obligation Bonds					
School Construction Program	\$ 725,000,000	\$ 700,000,000	\$ 640,000,000	\$ 560,000,000	\$ 502,700,000
Urban Action Grants	10,000,000	10,000,000	40,000,000	75,000,000	75,000,000
Small Town Economic Assistance Program	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Housing Trust Fund	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Clean Water Grants	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Manufacturing Assistance Act	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Community College System					
Tunxis	31,700,000	-	3,100,000	37,400,000	-
Naugatuck Valley	28,500,000	1,325,000	-	-	-
Housatonic	-	45,400,000	-	2,900,000	28,000,000
Three Rivers	-	70,100,000	-	-	-
Norwalk	-	18,275,000	3,250,000	39,200,000	-
Gateway	-	-	125,000,000	-	-
Asnuntuck	-	2,400,000	2,700,000	-	7,500,000
Northwestern	-	-	-	550,000	4,770,000
Manchester	-	-	4,700,000	-	-
Capital	-	-	-	-	-
Various Projects	5,000,000	22,500,000	10,700,000	14,230,000	17,000,000
Sub-Total Community College System	\$ 65,200,000	\$ 160,000,000	\$ 150,000,000	\$ 94,280,000	\$ 57,270,000
State University System					
Central	20,203,000	13,200,000	2,000,000	42,500,000	37,000,000
Western	10,000,000	1,200,000	66,000,000	12,000,000	12,000,000
Southern	8,800,000	31,800,000	2,000,000	42,000,000	10,000,000
Eastern	5,700,000	25,800,000	2,000,000	2,500,000	72,000,000
Systemwide Projects	5,000,000	9,000,000	18,000,000	18,000,000	18,000,000
Sub-Total State University System	\$ 49,703,000	\$ 81,000,000	\$ 90,000,000	\$ 117,000,000	\$ 149,000,000
All other GO projects/programs	111,097,000	-	-	38,720,000	95,530,000
UCONN 21st Century	79,000,000	89,000,000	120,000,000	155,000,000	160,500,000
Total General Obligation Bonds	\$ 1,100,000,000				
Special Tax Obligation Bonds	238,850,000	274,400,000	319,400,000	355,000,000	355,000,000
Clean Water Fund Revenue Bonds	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Total Bond Allocations	\$ 1,438,850,000	\$ 1,474,400,000	\$ 1,519,400,000	\$ 1,555,000,000	\$ 1,555,000,000
Bond Issuance					
General Obligation Bonds	\$ 1,021,000,000	\$ 1,011,000,000	\$ 980,000,000	\$ 945,000,000	\$ 939,500,000
Special Tax Obligation Bonds	250,000,000	274,400,000	319,400,000	355,000,000	355,000,000
UCONN 21st Century	79,000,000	89,000,000	120,000,000	155,000,000	160,500,000
Total Bond Issuance	\$ 1,350,000,000	\$ 1,374,400,000	\$ 1,419,400,000	\$ 1,455,000,000	\$ 1,455,000,000
Debt Service					
General Fund	\$ 1,343,479,099	\$ 1,455,928,169	\$ 1,563,900,394	\$ 1,617,447,653	\$ 1,693,646,399
Transportation Fund	431,009,118	442,499,286	455,979,536	467,068,514	479,061,884
Total Debt Service	\$ 1,774,488,217	\$ 1,898,427,455	\$ 2,019,879,930	\$ 2,084,516,167	\$ 2,172,708,283
Debt Service as a Percentage of Budget					
GO Debt Service as Percentage of General Fund	9.49%	9.87%	10.11%	10.05%	10.04%
Total Debt Service	11.71%	12.04%	12.24%	12.15%	12.10%

ASSUMPTIONS

Bond Authorizations

Projected General Obligation Bond authorizations assume that authorizations continue at historical average levels.

Projected Special Tax Obligation Bond authorizations in accordance with P.A. 05-4 (The Governor's Transportation Plan) and assumes \$200 million per year for regular transportation capital investment.

Clean Water Program Revenue Bond authorizations based on projected allocations.

UCONN 21st. Century authorizations in accordance with C.G.S. 10a-109g.

Bond Allocations

The projected bond allocations in no way represent a commitment to fund any of these programs or projects.

General Obligation Bond allocations including UCONN 21st. Century are based on matching allocations to issuance at \$1.1B per year.

School Construction Program allocations based on August 2005 projections prepared by the Department of Education.

Community College and State University allocations are based on project status, available resources and the December 2004 five year plan prepared by the Department of Higher Education.

Bond Issuance

Assumes issuance of \$1.1B each year in accordance with projected allocations.

Debt Service

As projected by Treasurer for actual and future annual issuance of \$1.1B.

Percentages assume adherence to the spending cap with General Fund expenditures as 92% of the total cap and Transportation Fund expenditures as 6% of the total cap.

SECTION 6
REVENUE AND EXPENDITURE TRENDS,
MAJOR COST DRIVERS

INDIVIDUAL DEBT BURDEN

Per Capita Debt FY 2003

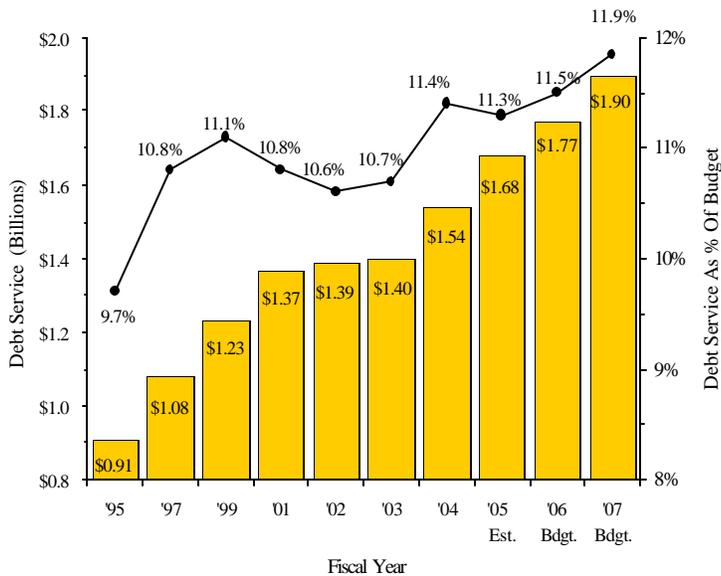
Rank	State	Amount
1	Alaska	\$8,997
2	Massachusetts	7,551
3	Connecticut	6,450
4	Rhode Island	5,752
5	Delaware	5,328
6	New York	4,770
7	Hawaii	4,526
8	New Hampshire	4,340
9	Vermont	4,091
10	New Jersey	3,889
	United States Avg.	\$2,405

- Connecticut carries some of the highest debt levels in the nation
- Connecticut's debt burden equals \$6,450 for every man, woman, and child in the state
- The state's burden is more than 2 times the national average, and higher than most of its neighboring states
- High debt levels impair the state's bond rating
- Moody's downgraded the state's G.O. Bond grade to Aa3 in July 2003. Only 3 states have a lower grade
- Massachusetts' and New Jersey's ratings have recently been upgraded by Standard & Poor's while Connecticut's has remained unchanged

Source: U.S. Department of Commerce

IMPACT OF DEBT EXPENSES

Debt Service Expenditures General & Special Transportation Funds



- The percentage of the budget devoted to debt service has grown dramatically over the past decade
- It will have grown from 9.7% of the budget in fiscal 1995 to 11.9% by fiscal 2007
- The dramatic increase in debt service expenditures crowds out discretionary spending

INDIVIDUAL EXPENDITURE LEVELS

Per Capita State Expenditures Fiscal 2003

Rank	State	Amount	% Above/ (Below) US Avg.
1	Alaska	\$12,533	168.0%
2	North Dakota	\$6,743	44.0%
3	New York	\$6,635	42.0%
4	Wyoming	\$6,503	39.0%
5	Vermont	\$6,234	33.0%
7	Connecticut	\$5,942	27.0%
12	Rhode Island	\$5,554	19.0%
15	New Jersey	\$5,201	11.0%
17	Massachusetts	\$5,095	9.0%
50	Florida	\$3,313	-29.0%
	National Avg.	\$4,682	

- Connecticut is not an under-spending state
- In FY 2003, the state has the distinction of being seventh highest in the nation
- The state's expenditure levels equal \$5,942 for every man, woman, and child in the state
- Higher than some of our neighboring states

Source: U.S. Dept. of Commerce, Census & BEA

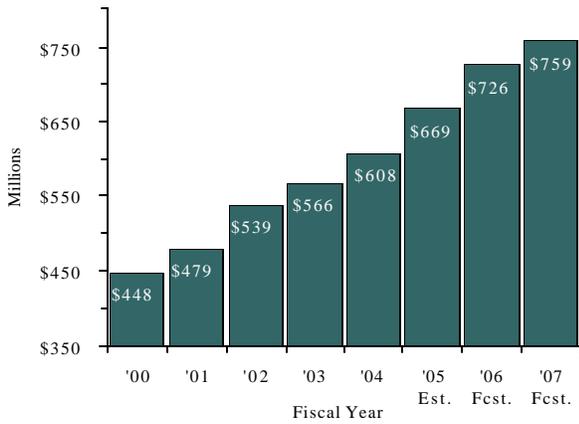
SPIRALING PHARMACY EXPENDITURES

(In Millions)

	FY04 <u>Actual</u>	FY05 <u>Est.</u>	FY06 <u>Approp</u>	FY07 <u>Approp</u>
Department of Social Services	\$ 523.4	\$ 545.8	\$ 553.9	\$ 555.2
Department of Mental Retardation	0.5	0.5	0.5	0.5
Department of Mental Health & Addiction Services	8.5	8.5	8.5	8.5
Department of Correction	14.0	15.0	15.3	16.1
Department of Children and Families	0.8	0.8	0.8	0.8
Workers' Compensation	1.9	2.1	2.4	2.7
State Employees including Retirees	216.3	261.8	272.5	316.1
Teachers' Retirement	14.2	18.1	19.0	22.3
	<u>\$ 779.5</u>	<u>\$ 852.6</u>	<u>\$ 872.9</u>	<u>\$ 922.2</u>

DEPARTMENT OF CHILDREN & FAMILIES

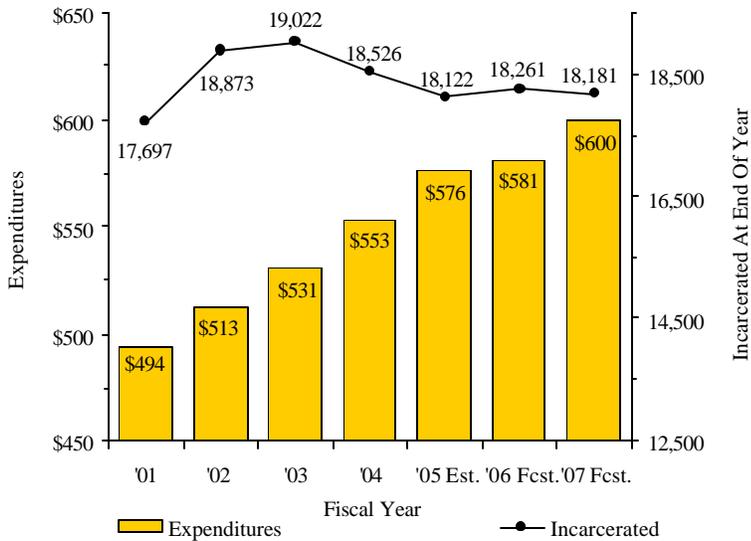
DCF Expenditures
(In Millions)



- Since 1991 DCF has been operating under the provisions of a federal court ordered Consent Decree in the Juan F. case
- Since that time DCF's budget has quadrupled
- In the fall of 2003, DCF entered into an Exit Plan for the Consent Decree
- The Plan requires DCF to maintain a minimum level of staffing in addition to employing sufficient numbers of social workers to achieve caseload ratios
- The Exit Plan also requires significant additional funds to implement specific provisions of the Plan. The FY 06 budget includes over \$56.8 million in new funding for the department

DEPARTMENT OF CORRECTION

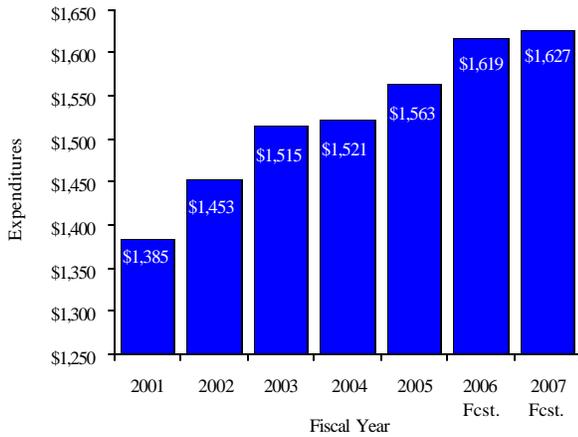
DOC Expenditures & Population
(In Millions)



- The FY06 budget stands at \$2 million above FY05 actual expenditures after reductions in overtime were made by the legislature.
- Overtime use will need to be drastically reduced, however, at this time a projected additional \$2.8 million will be required in FY06

DEPARTMENT OF EDUCATION

Education Cost Sharing Grant (In Millions)

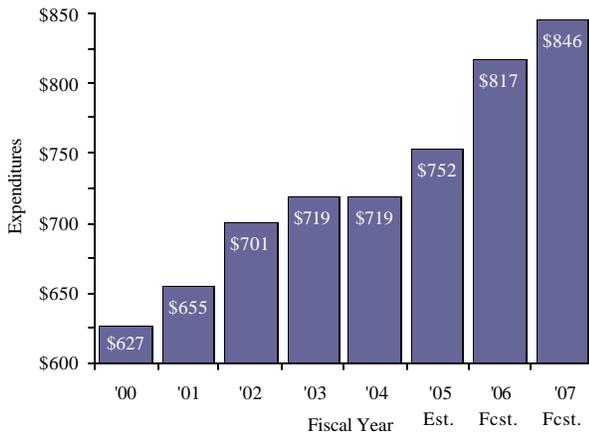


Note: Figures provided for FY 2001 to 2005 are revenue based (not entitlement based) in that they include prior year adjustments. The estimates provided for FY 2006 & 2007 are at the entitlement level based on the recently passed legislative budget.

- The Education Cost Sharing Grant (ECS) is the state’s major education grant, designed to equalize the ability of towns to finance local education costs
- The expenditure for the current fiscal year is \$1.62 billion, which is a growth of 3.6% over FY 05. Average growth in ECS since 2001 has been 3.1%
- The recently passed legislative budget for FY 2006 & FY 2007 includes \$57M in surplus funds divided over the biennium
- Even with this increase, the grant will not be fully funded. An additional \$40 million would be required for full funding

DEPARTMENT OF MENTAL RETARDATION

DMR Expenditures (In Millions)



- New funding over FY 05 levels of \$65M in FY 06 and \$94M in FY 07 has been appropriated for DMR to continue to meet the service requirements of the most at risk clients. These funds are targeted to serve clients on the waiting list as well as those "aging out" of current placements. There is an ongoing commitment to maintain services to individuals with future funding for this effort
- With additional and ongoing funding commitments the state has been able to reach a settlement in the Association for Retarded Citizens (ARC) vs. CT suit. As part of the settlement, funding of \$8.1M in FY 06 and \$16.6M in FY 07 is provided to serve 300 individuals on the waiting list
- Additional funding is provided to add 20 new case management staff in order to reduce client caseload ratios

SUMMARY OF LOCAL AID

ESTIMATED FORMULA GRANTS TO MUNICIPALITIES

(In Millions)

GRANT	<u>FY05 Est</u>	<u>FY06 Fiscal</u>	<u>FY07 Fiscal</u>
State Owned PILOT	\$ 72.5	\$ 78.0	\$ 78.1
College & Hospital PILOT	105.9	111.2	111.2
Pequot Grant	85.0	86.3	91.1
Town Aid Road Grant	20.0	28.0	28.0
LoCIP	30.0	30.0	30.0
Miscellaneous General	19.1	19.3	19.5
Machinery & Equipment	50.7	55.3	56.4
Subtotal - General Government	\$ 383.2	\$ 408.1	\$ 414.3
Public School Transportation	\$ 43.1	\$ 48.0	\$ 48.0
Non-Public School Transportation	3.3	4.0	4.0
Adult Education	16.9	19.6	19.6
Education Cost Sharing	1,562.9	1,619.5	1,626.6
Magnet Schools	67.9	85.5	95.0
Special Education - Student Based	67.1	88.8	86.6
Special Education - Equity		3.0	4.0
Miscellaneous Education Grants	122.4	132.9	138.3
Subtotal - Education	\$ 1,883.6	\$ 2,001.3	\$ 2,022.1
Total Formula Grants	\$ 2,266.8	\$ 2,409.4	\$ 2,436.4

- Municipal aid has been predominately flat-funded for the past several years
- The use of the fiscal year 2005 surplus permitted the first significant increase in these grants in several years
- The budget would still require an infusion of \$61M to meet statutory requirements and fully fund these grants

RISING ENERGY COSTS

- Increases in energy costs for FY2006 will be significant
- Effects of hurricane Katrina/Rita are still being assessed
- The economy is already facing some price pressure and may face supply issues over the next several months, depending on the type of fuel and the behavior of consumers
- The State of Connecticut will be affected:
 - Operating costs will increase for fuels and, indirectly, for many other products and services
 - Expected to be a net negative for tax revenue (impacted revenues include: petroleum gross receipts tax, sales tax, corporation tax, and motor fuel tax)
 - Low-income residents already receiving energy and heating assistance will need additional state assistance and others who previously had not needed state assistance will need state assistance

CRUDE OIL PRICES

(Per Barrel, Refiner Acquisition Cost)



- Most recessions have been accompanied by higher energy prices
- Latest developments in the oil market are cause for concern given prices have risen to new highs recently
- Economists estimate that GDP will be reduced between 0.2 and 0.4 percentage points if oil prices remain around \$40 per barrel for 2 years
- A higher oil price reduces purchasing power, holding down the demand for non-energy goods

STATE AGENCY ENERGY COSTS

General Fund	2000 Expenditures	2004 Expenditures	2005 Expenditures	2006 Recommended	2006 Estimated*
Electricity & District Cooling	\$ 24,852,189	\$ 25,172,335	\$ 29,617,251	\$ 26,614,515	\$ 34,400,437
Natural Gas & District Heating	\$ 9,735,164	\$ 15,941,274	\$ 20,378,613	\$ 16,365,162	\$ 34,592,696
Motor Vehicle Fuel (gasoline)	\$ 5,500,307	\$ 5,522,174	\$ 8,525,362	\$ 7,196,606	\$ 9,488,728
Fuel Oil	\$ 3,110,050	\$ 4,319,889	\$ 5,124,919	\$ 3,902,579	\$ 6,534,272
Total GF	\$ 43,197,710	\$ 50,955,672	\$ 63,646,145	\$ 54,078,862	\$ 85,016,133
Special Transportation Fund					
Electricity & District Cooling	\$ 5,745,915	\$ 5,983,555	\$ 6,696,127	\$ 6,118,149	\$ 7,777,551
Natural Gas & District Heating	\$ 196,326	\$ 400,439	\$ 517,623	\$ 392,799	\$ 878,665
Motor Vehicle Fuel (gasoline)	\$ 2,062,444	\$ 2,048,770	\$ 3,803,096	\$ 2,451,147	\$ 4,232,846
Fuel Oil	\$ 502,960	\$ 565,463	\$ 831,410	\$ 563,859	\$ 1,060,048
Total STF	\$ 8,507,645	\$ 8,998,227	\$ 11,848,256	\$ 9,525,954	\$ 13,949,110
Total GF and STF	\$ 51,705,355	\$ 59,953,899	\$ 75,494,401	\$ 63,604,816	\$ 98,965,243
Additional FY'05 unpaid bills			\$ 4,425,000		\$ 4,425,000
Total GF and STF expenditures	\$ 51,705,355	\$ 59,953,899	\$ 79,919,401	\$ 63,604,816	\$ 103,390,243

STATUS OF COLLECTIVE BARGAINING AGREEMENTS

<u>Bargaining Unit</u>	<u>Full Time Employees</u>	<u>6/30/06 All Funds Full Time Payroll (est.)</u>	<u>Year of Freeze</u>
Contracts Settled Through Fiscal Year 2007			
State Police (NP-1) ⁽¹⁾	1,104	74,574,005	FY 2004-05
Corrections (NP-4)	4,802	239,761,463	FY 2004-05
Protective Services (NP-5)	840	45,522,684	FY 2004-05
Health Care Para Professional (NP-6)	3,784	181,097,930	FY 2004-05
Health Care Professional (P-1)	2,828	206,422,684	FY 2004-05
Administrative & Residual (P-5)	2,887	197,255,376	FY 2003-04
Vocational - Technical Directors	57	5,658,872	FY 2003-04
Vocational - Technical Faculty	1,159	76,435,788	FY 2003-04
DCJ Prosecutors & Juvenile Prosecutors	240	21,873,729	FY 2003-04
University of Connecticut Faculty (AAUP)	1,511	122,929,349	FY 2003-04
Connecticut State University Administrative Faculty	586	39,110,302	FY 2003-04
Contracts Unsettled For Fiscal Year 2007			
<i>Units Which Already Have Had A Wage Freeze In One Year - New Contracts</i>			
Administrative Clerical (NP-3)	4,406	196,949,939	FY 2002-03
Social & Human Services (P-2) ⁽²⁾	3,675	226,260,858	FY 2002-03
Judicial Employees	1,323	64,638,481	FY 2002-03
Judicial Professional Employees	1,611	88,521,070	FY 2002-03
<i>Units Which Already Have Had A Wage Freeze In One Year - Wage Reopeners</i>			
UConn Professional Employees Assoc (UCPEA) ⁽³⁾	1,496	80,786,998	FY 2003-04
Connecticut State University Faculty ⁽⁴⁾	1,289	93,102,051	FY 2003-04
Congress of Connecticut Community Colleges	885	70,726,605	FY 2003-04
Technical College Administrators	52	4,131,469	FY 2003-04
Charter Oak State College Professionals	43	2,439,157	FY 2003-04
DHE Professional Employees	34	2,373,729	FY 2003-04
<i>Units Which Have Not Had A Wage Freeze In One Year</i>			
Service Maintenance (NP-2)	3,915	171,399,378	-
Correctional Supervisors (NP-8)	343	21,601,466	-
Education - Administrators (P-3A)	253	21,087,120	-
Education - Educators (P3-B)	802	52,801,151	-
Engineering & Science Related (P-4)	2,365	158,051,853	-
DCJ Employees	134	6,270,411	-
DCJ Inspectors	78	5,703,895	-
Judicial Marshals ⁽⁵⁾	686	24,729,880	-
State Technical College Faculty	103	9,143,892	-
UConn Health Center Non Faculty Professionals ⁽⁶⁾	1,611	88,521,070	-

(1) There were no general wage increases or annual increments, but increases to the top steps of the ranges were given.

(2) No general wage increase was given, but the arbitrator did award annual increments.

(3) A general wage increase has been determined, but a reopener on merit increases remains to be resolved.

(4) Agreement between the parties on the reopener has been reached and is awaiting submission to the legislature.

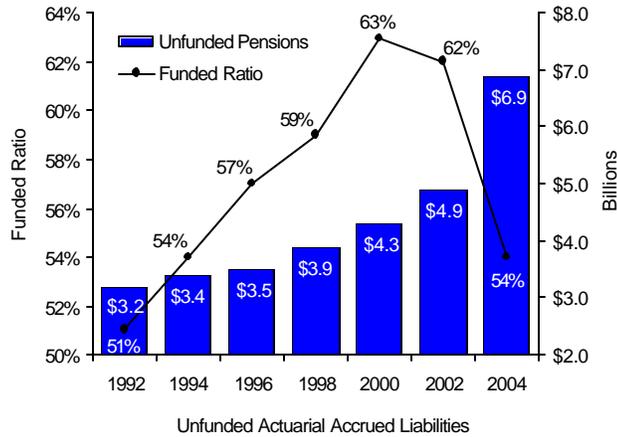
(5) Fiscal years 2005, 2006 and 2007 are all unsettled.

(6) Only fiscal year 2007 is unsettled.

	Percentage Increase Over Previous Fiscal Year		
	<u>FY 2005</u>	<u>FY 2006 (est.)</u>	<u>FY 2007 (est.)</u>
Settled Units - Average Full Time Salary	3.77%	2.25%	4.83%
Unsettled Units - Average Full Time Salary	4.01%	3.11%	-

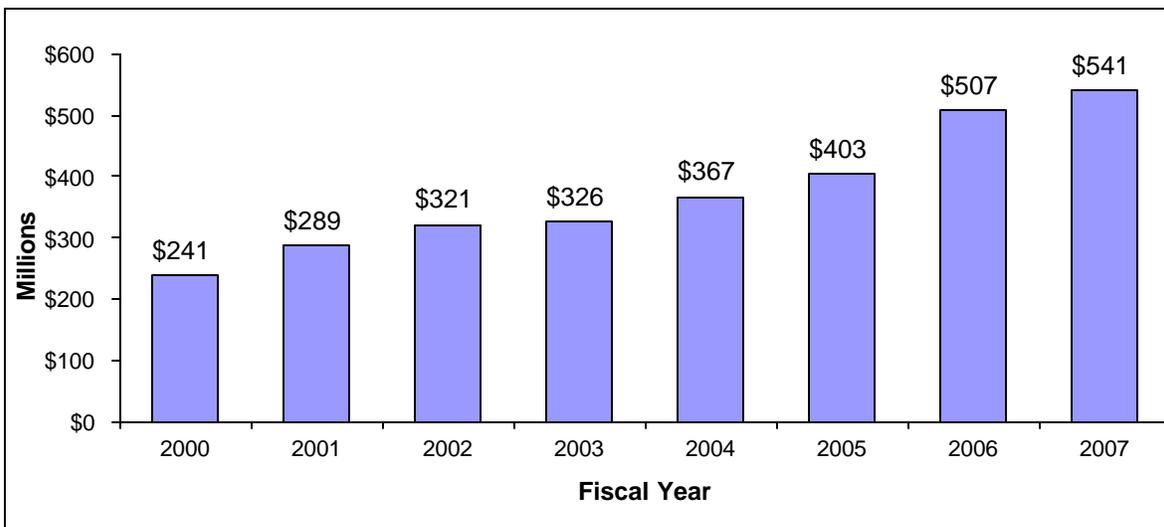
UNFUNDED PENSIONS

STATE EMPLOYEES RETIREMENT SYSTEM AS OF 6/30



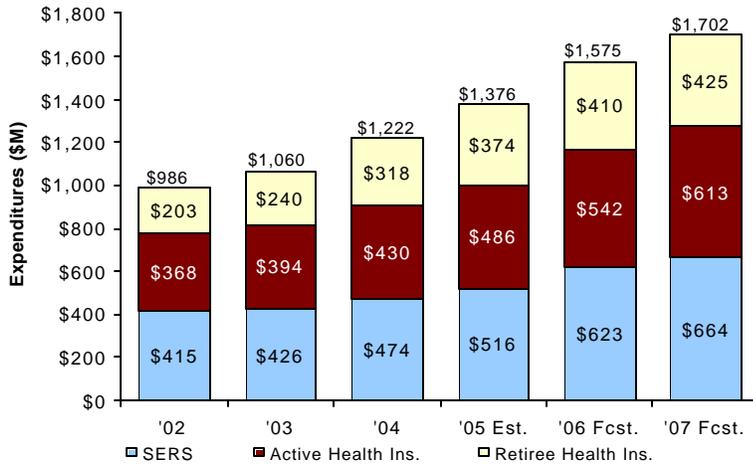
- State employees unfunded pension liabilities continue to grow
- State's obligations at the end of fiscal 2004 totals \$6.9 billion
- This obligation represents roughly \$1,969 for every man, woman, and child in the state
- This obligation rose even with the large increase in equity valuations that took place over the 1990s

STATE EMPLOYEE RETIREMENT SYSTEM CONTRIBUTIONS



STATE EMPLOYEES PENSION & HEALTH INSURANCE

SERS & Health Insurance Expenditures As Of 6/30



Note: FY 06 & 07 Retiree Health includes offsets for the anticipated Medicare Part D Employer Subsidy.

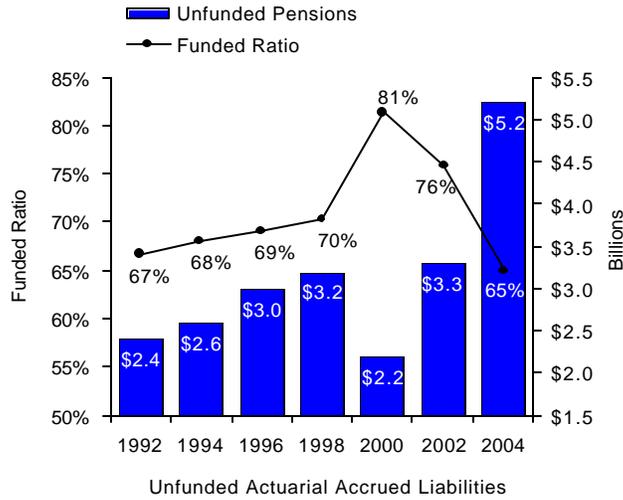
- Fiscal 2005-07 pension costs are 30% higher than in prior biennium
- Fiscal 2007 total employer pension costs are 21.3% of payroll
- Fiscal 2005-07 health insurance costs for active employees are estimated to be 26.1% higher than in the prior biennium
- Fiscal 2005-07 health insurance costs for retirees are estimated to be 20.7% higher than in the prior biennium
- Fiscal 2005-06 estimated average health insurance cost to the state is \$9,712 per active employee

OTHER POST EMPLOYMENT BENEFITS

- The Governmental Accounting Standards Board (GASB) will require large employers, such as the State of Connecticut, to quantify the amount of non-pension retirement benefits offered to employees beginning in fiscal year 2008.
- According to a draft consultant's report, Connecticut's substantial health benefit package results in a significant unfunded liability in excess of \$20 billion.
- Connecticut's unfunded liability may place the state at a disadvantage relative to other states that have a much lower unfunded liability or have undertaken a plan to address such shortfall.
- CT will also have to quantify the amount of non-pension retirement benefits offered for Teachers.

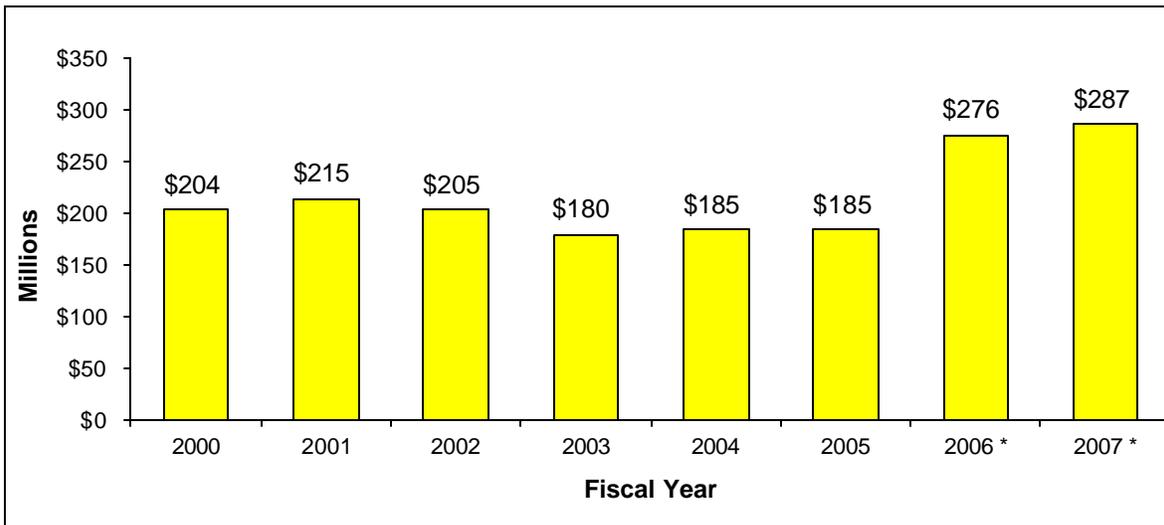
UNFUNDED PENSIONS

CONNECTICUT TEACHERS RETIREMENT SYSTEM AS OF 6/30



- Teachers' unfunded pension liabilities continue to grow
- State's obligations at the end of fiscal 2004 totals \$5.2 billion

TEACHERS RETIREMENT SYSTEM CONTRIBUTIONS



*For FY06 and FY07 the figures are inclusive of \$50 million from the FY05 Surplus Appropriation

LONG-TERM OBLIGATIONS

- The state's long-term obligations total \$47.7 billion.
- This equates to approximately \$13,630 for every man, woman and child in Connecticut

Long-Term Obligations

(in billions)

Debt Outstanding	\$	14.5
State Employee Pensions – Unfunded		6.9
Teachers' Pensions – Unfunded		5.2
State Post Retirement Health and Life – Unfunded*		<u>21.1</u>
TOTAL	\$	47.7

* Per a draft report developed pursuant to requirements of Statement 45 of the Government Accounting Standards Board

PICK UP EXPIRING FEDERALLY FUNDED PROGRAMS

Requests totaling \$11.9 million have been received from state agencies to replace expiring federal funds

Programs range from:

- Welfare to Work Transportation, to Forensic Case Management & Crisis Intervention
- Court Diversion for Girls, to Multi-Systemic Therapy for Juvenile Offenders
- Mental Health Alternatives to Incarceration, to Substance Abuse Treatment

EFFORTS TO OBTAIN FEDERAL FUNDS

- Governor's Washington Office actively tracks and monitors the federal budget process
- Recent successes in obtaining/retaining federal funds include:
 - Base Realignment and Closure Commission (BRAC)
 - Provider Tax
 - Medicare Part D
 - Other revenue enhancements

EFFORTS TO SAVE THE NAVAL SUBMARINE BASE

On May 13, 2005, the U.S. Department of Defense (DOD) released a preliminary list of military bases to be closed or realigned. In terms of the number of jobs affected, the largest base to be closed on the list was the Naval Submarine Base New London, in Groton, Connecticut. According to DOD's BRAC report, the base has a base-related employment level of 8,460 military, DOD civilian personnel, and contractor employees, 7,350 indirect jobs, and 650 reservists. General Dynamics Electric Boat, with a facility near the base, is the major contractor for submarine work for the United States Navy. Governor Rell began work with members of the state's Congressional delegation, the leaders of the General Assembly, and local officials and business leaders of southeastern Connecticut, and led a "Strike Force" of nine state agencies to review the non-military issues considered by the DOD. As a result, the base was saved, and jobs and federal funds will stay in Connecticut. Also, the Governor and the General Assembly committed \$10.0 million for specific base-related work, such as dredging the Thames River for larger submarines and improved energy efficiency, with the intention of keeping the base open in the future.

INCREASE PROVIDER RATES/IMPROVE HEALTH CARE

THROUGH A NURSING HOME PROVIDER TAX

Governor Rell proposed and the legislature enacted a significant initiative to provide a substantial rate increase to nursing homes as well as other human service providers. The Department of Revenue Services (DRS) imposed a resident day user fee on all nursing homes effective July 1, 2005 with the first payment due to DRS in October 2005. In exchange, nursing homes will receive a significant Medicaid rate increase, financed through these tax revenues and increased federal Medicaid reimbursement. The bill required DSS to apply to the Federal Government for a waiver on some nursing homes affiliated with Continuing Care Retirement Communities (CCRC's). The Centers for Medicare and Medicaid Services (CMS) approved Connecticut's waiver request on October 18, 2005, with an effective date retroactive to July, 1, 2005.

The user fee will be assessed on each day of service to a nursing home resident, except those days for which a resident's charges are covered by the federal Medicare program. The gross amount of the resident day user fee is computed based upon total nursing home net revenues at 6%; the result of which is divided by estimated total non-Medicare days for SFY 2006.

ESTIMATED USER FEES AND RELATED REVENUE	
Effective July 1, 2005	Per Day
All nursing homes	\$15.90
Estimated Annual Revenue	\$134.7 million
<i>Rate changes are estimated to increase Medicaid payments by \$180 million annually.</i>	

REVENUE:	<u>FY 2006</u>	<u>FY 2007</u>
Provider tax (6% of gross patient care services revenue)	\$134,700,000	\$134,700,000
Federal reimbursement resulting from nursing home rate increases plus increased spend down costs	93,500,000	93,500,000
Additional revenue related to rate increases for other providers	<u>12,200,000</u>	<u>12,200,000</u>
Total Revenue	\$240,400,000	240,400,000
EXPENDITURES:		
Rate Increases for Nursing Homes (Medicaid) (net 4%)	\$180,000,000	\$180,000,000
Self Pay Spend-Down (Medicaid)	7,000,000	7,000,000
Rate Increases for Other Providers (4% effective 7/1/05)	<u>57,700,000*</u>	<u>57,700,000</u>

MEDICARE PART D

A new Medicare prescription drug program, Medicare Part D, is slated to begin providing benefits in January 2006. These benefits will be available through prescription drug plans or through integrated health plans that provide prescription drug coverage in addition to other Medicare covered services. Beneficiaries must bear certain costs, including premiums, deductibles, and co-pays, although there are significant exceptions made for low income and institutionalized individuals. Except for those with low income, beneficiaries with total drug costs exceeding the initial benefit limit of \$2,250 annually are responsible for covering any additional drug costs until their out-of-pocket expenditures reach \$3,600, at which point catastrophic coverage under Medicare Part D becomes effective with only nominal cost-sharing.

ConnPACE: To ensure that the use of federal dollars is maximized and to successfully wraparound coverage, ConnPACE enrollees will be required to enroll in a Medicare Part D plan as a condition of ConnPACE eligibility. Under the proposed wraparound, ConnPACE recipients will not be required to pay more for medications than the current \$16.25 co-pay and \$30 annual registration fee and, in fact, depending on a client's income and asset level, an enrollee may pay less than the traditional ConnPACE co-pay.

Medicaid: The Appropriation Act assumed an estimated 61,900 low-income persons who are considered "full benefit dual eligibles" in that they are eligible for full medical benefits under Medicaid and they also qualify for Medicare. To ensure no break in coverage, full duals will be required to enroll in Medicare Part D by January 1, 2006, and will receive Part D covered drugs through Medicare. Medicaid will continue to cover drugs not covered by Part D, such as certain over-the-counter drugs.

In order to finance the new Part D prescription benefit, Public Law 108-173 calls for a "phased down state contribution" (often referred to as the "clawback"). The clawback is the state's monthly payment to the federal government to defray a portion of the Medicare drug expenditures for full benefit dual eligibles whose Medicaid drug coverage is assumed by Medicare Part D. The clawback amount is a percentage (90% in 2006, declining by 1.67% per year until it reaches 75% in 2015) of the state's share of Medicaid prescription costs for covered Part D drugs for beneficiaries who are full-benefit dual eligibles. Essentially, the federal clawback formula requires states to reimburse the federal government, on a monthly basis, an amount based on the number of beneficiaries participating in Medicare Part D multiplied by the state portion of calendar year 2003 per capita cost (baseline) trended forward by the growth in per capita drug spending nationally. In Connecticut, the clawback amount was projected at \$50 million in FY 2005-06 and \$109 million in FY 2006-07 in the enacted DSS budget.

State Retirees and Teachers: A key policy objective of the Medicare Part D prescription drug benefit is to maximize the number of retirees currently receiving employer-based drug coverage. To achieve this objective, the program offers a subsidy to employers providing prescription drug coverage to its retired employees who are eligible for the Medicare Part D drug benefit but who do not enroll in the program. Employers are eligible to receive the subsidy by providing drug coverage that is at least actuarially equivalent to the standard Medicare Part D coverage. The state, as an employer, currently provides prescription drug coverage to state retirees that exceed the coverage proposed under Medicare Part D. The state therefore has the opportunity to apply for the employer subsidy without changing its current prescription drug coverage. The subsidy is 28 percent of the allowable costs for each qualifying retiree enrolled in the state's health plan and was expected to total \$28.6 million in FY 2006-07 Budget. The Teachers' Retirement Board also provides prescription drug coverage, which has been deemed to be actuarially equivalent to the coverage proposed under Medicare Part D. The Teachers' Retirement Board is applying for the 28 percent employer subsidy while maintaining its current prescription drug coverage.

MEDICARE PART D FISCAL IMPACT

	Enacted Budget FY 06	FY 06 Estimated Nov. 05	Enacted Budget FY 07	FY 07 Estimated Nov. 05
Medicaid Net Cost *	\$9,850,000	\$350,000	\$7,300,000	\$27,400,000
ConnPACE Savings	(35,930,700)	(28,410,000)	(47,595,600)	(43,260,000)
State Employee Subsidy	(12,200,000)	(4,000,000)	(28,600,000)	(20,000,000)
Total State Savings	(\$38,280,700)	(\$32,060,000)	(\$68,895,600)	(\$35,860,000)

* Medicaid net cost includes impact of clawback payments, reduced pharmacy expenditures for dual eligibles and a corresponding loss of federal Medicaid reimbursement (FFP).

Note: Estimated numbers for November 2005 are likely to change further as more information becomes available from the Centers for Medicare & Medicaid Services and the Prescription Drug Plans. These revisions may be substantial.

OTHER FEDERAL REVENUE ENHANCEMENTS

WAIT LIST SETTLEMENT

Beginning in SFY 05 funding was provided to enable the Department of Mental Retardation (DMR) to address the needs of some individuals who are on the "waiting list" for DMR services. The waiting list, which prioritizes the needs of each client, was developed due to the fact that funding had historically been inadequate to serve all the needs of the population requesting DMR funded services. The services requested by those on the waiting list include the need for residential placement and or day support services.

The state had been sued (Arc/Connecticut, et al. vs. Peter H. O'Meara, et al.) as a result of DMR not providing services to individuals who claimed the need for services and were on the waiting list. On February 16, 2005 the relevant legislative committees approved resolutions HR-7 and SR-9 for the settlement of the ARC CT v. Connecticut lawsuit. It is the intention of the state to provide services, over the next several years to all individuals considered to be higher priority cases that are on the waiting list.

As a result of the settlement of the waiting list lawsuit and the commitment to expend additional funds over the next several years the state is able to enhance revenues as the expenditures made for services provided to individuals added to the DMR census will be eligible for federal reimbursement.

TRANSFER OF DCF VOLUNTARY SERVICES CLIENTS TO DMR

The Department of Children and Families (DCF) administers a Voluntary Services Program which serves children with behavioral health problems who may be at risk of commitment to DCF. Many of the individuals in the VSP are mentally retarded. It is the belief of both agencies that these individuals would be best served in the DMR service system. In SFY 06 funds were transferred (reallocated) from DCF to DMR to provide funds within DMR to serve 125 individuals, so that more appropriate services could be delivered to this population. As a result of the transfer, revenue can be realized as many of the individuals from the VSP system will be now eligible for services under the DMR Home and Community Based Waiver (Medicaid) program and eligible for federal reimbursement. These individuals had not been eligible for the HCBW Program while in the DCF service system.

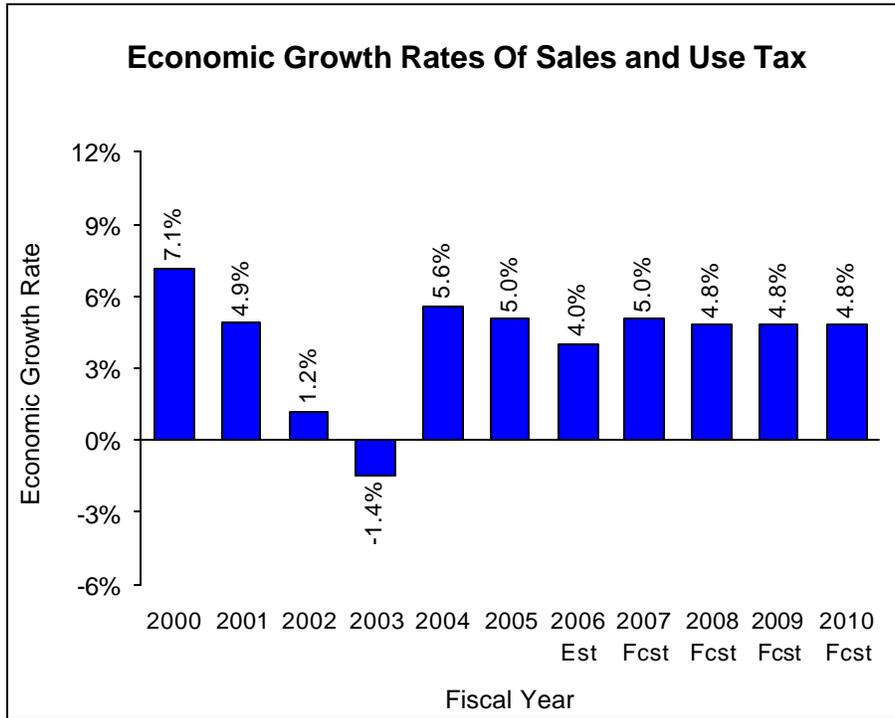
MANDATORY MEDICAID ENROLLMENT

Section 31 of Public Act 05-280 requires that any individual served by DMR using state funds must apply for Medicaid. It is believed that there will be little disruption to the services delivered to the DMR population as most of the individuals who are not currently enrolled in Medicaid will likely be eligible for Medicaid. It is anticipated that there will be a growth in revenue as individuals formerly not on Medicaid become eligible, thus those expenditures will be eligible for federal reimbursement.

ADDITION OF TWENTY CASE MANAGER POSITIONS

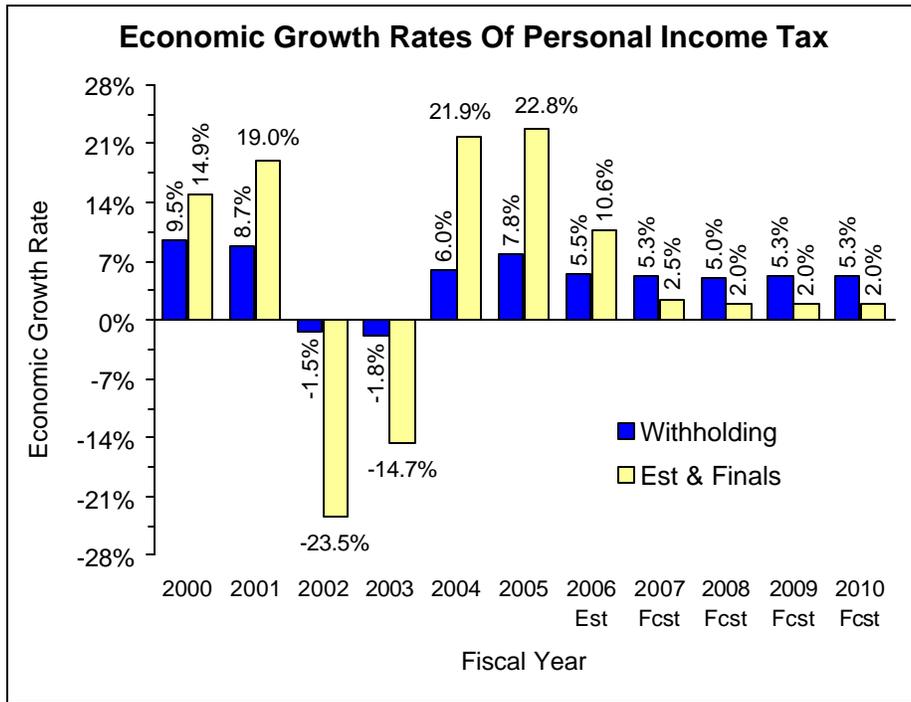
In SFY 06 twenty case manager positions were added to the DMR position count. DMR is currently filling those newly established positions. Through the addition of these case managers more clients will be better served in terms of planning and managing the service they receive. It is anticipated that up to \$2 million in additional revenue can be realized from the addition of these case managers under the Targeted Case Management (TCM) program. TCM allows for federal revenue to offset the costs of the case managers.

SALES TAX TRENDS



- The sales tax recovered in fiscal 2004 and 2005 from the recessionary lows experienced earlier
- Fiscal 2006 collections have been weaker due to high fuel prices which robs consumers of discretionary spending
- Moving forward, as sales over the internet continue to grow it will dampen the growth rate from this revenue source

PERSONAL INCOME TAX TRENDS



- Over the past several years Connecticut’s income tax has fluctuated dramatically
- This was due to the stock market decline beginning in 2000 and the onset of the recession
- Although the tax has performed better in fiscal 2004 and 2005, the variability of this revenue source dictates caution when forecasting future revenues

SECTION 7

ANALYSIS OF POSSIBLE USES OF SURPLUS FUNDS

ANALYSIS OF POSSIBLE USES OF SURPLUS FUNDS

Article XXVIII of the Amendments to the State Constitution requires that any unappropriated surplus for the fiscal year shall be used to fund a budget reserve fund (BRF), to reduce bonded indebtedness or for any other purpose authorized by at least three-fifths of each house of the General Assembly. Sec. 4-30a of the Connecticut General Statutes provides that no further transfers to the BRF shall be made when the balance of the fund equals 10% of the net General Fund appropriations for the year in progress.

When the Comptroller certifies the surplus balance for FY'04 and FY'05, OPM expects that the balance of the Budget Reserve Fund will be slightly over \$600 million. Ten percent of the FY'06 General Fund net appropriation would be \$1,413,166,175. The balance of the BRF would be approximately \$813 million less than the required 10% amount needed to provide minimal protection against any unforeseen downturns in the economy. It is the position of the Office of Policy and Management that a 10% balance in the Budget Reserve Fund is essential to the state's financial well-being. Only after this amount has been secured should any serious discussion of alternatives be entertained.

There are two major alternatives regarding how the State should best use any additional unappropriated surplus in a given fiscal year. These are to reduce bonded indebtedness and to reduce the state's unfunded pension liability. Both of these approaches have merit.

Under Article XXVIII of the Amendments to the State Constitution, any additional unappropriated surplus after the 10% Budget Reserve Fund balance has been achieved should be used to reduce bonded indebtedness or for any other purpose authorized by at least three-fifths of each house of the General Assembly. Contradicting that, CGS Sec. 4-30a, directs the Treasurer first to transfer additional surplus to the State Employees Retirement Fund, in an amount not exceeding 5% of the unfunded past service liability. At this point in time, the assumed rate of return on investments in the retirement fund is 8.5%.

The Office of Policy and Management is receptive to the concept of an economic analysis of the relative merits of one approach versus the other. There may well be conditions under which one alternative is preferable to the other and such conditions need to be documented. However, OPM remains committed to fully funding the BRF before any such alternatives are actually implemented.