



STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

September 20, 2007

The Honorable Nancy Wyman
State Comptroller
55 Elm Street
Hartford, Connecticut 06106

Dear Comptroller Wyman:

The following information on the State's General Fund for Fiscal Year 2007-2008 is provided in accordance with Section 4-66 of the General Statutes. In addition, an analysis of the Special Transportation Fund is included due to the significant nature of this fund. Estimates are as of August 31, 2007. The balance in the General Fund is now projected at \$4.9 million, an increase of \$4.2 million over the original enacted budget.

We are projecting additional requirements in the General Fund of \$7.3 million. These include: the Department Mental Health and Addiction Services is projecting a \$1.5 million shortfall in Personal Services due to higher than anticipated overtime needs and the Department of Correction has an estimated deficiency of \$5.8 million due to increased prison population. \$3.8 million of the deficiency is in Other Expenses mainly due to maintenance and food costs. \$2 million of the deficiency is in the Inmate Medical account.

This month's letter reflects an overall increase in projected General Fund revenue of \$13.0 million, including a one-time \$3.0 million payment received by the state and credited to the rents, fines, escheats revenue line item. Offsetting this increase, there were miscellaneous surplus adjustments of \$4.2 million in August.

The Special Transportation Fund is projected to produce a \$28.1 million surplus which will increase the overall balance in the fund to an estimated \$221.0 million. There are no changes in either revenues or expenditures at this time.

It should be noted that while these projections are the best that can be made at this time, estimates may have to be adjusted to reflect changes in the economy, expenditure patterns and/or other factors.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert L. Genuario".

Robert L. Genuario
Secretary

RLG:dd
Attachments

Summary
September 20, 2007

State of Connecticut
Summary of Changes
General Fund and Special Transportation Fund
Projected to June 30, 2008
As of August 31, 2007
(In Millions)

General Fund

Balance - August 20, 2007		\$	3.4
Revenues			
Refund of Taxes	10.0		
Rents, Fines, Escheats	3.0		13.0
Expenditures			
Additional Requirements	(7.3)		
Miscellaneous Adjustments/Rounding	(4.2)		(11.5)
			<hr/>
Balance - September 20, 2007		\$	<u>4.9</u>

Special Transportation Fund

Carry Forward FY 2007-08 Surplus		\$	192.9
Balance - August 20, 2007			28.1
Revenues - No Change			0.0
Expenditures - No Change			0.0
			<hr/>
Balance - September 20, 2007		\$	<u>221.0</u>

State of Connecticut
General Fund
Statement of Revenues, Expenditures, and Results of Operations
Projected to June 30, 2008
As of August 31, 2007
(In Millions)

	General Assembly <u>Budget Plan</u> ^{1.}	Revised Estimates <u>OPM</u>	Over/ <u>(Under)</u>
REVENUE			
Taxes	\$13,272.0	\$13,272.0	\$0.0
Less: Refunds	<u>(818.8)</u>	<u>(803.8)</u>	<u>15.0</u>
Taxes - Net	12,453.2	12,468.2	15.0
Other Revenue	1,206.3	1,209.3	3.0
Other Sources	<u>2,656.1</u>	<u>2,656.1</u>	<u>0.0</u>
TOTAL Revenue	\$16,315.6	\$16,333.6	\$18.0
EXPENDITURES			
Appropriations	\$16,431.4	\$16,431.4	\$0.0
Net Additional Requirements	0.0	7.3	7.3
Less: Estimated Lapses	<u>(116.5)</u>	<u>(116.5)</u>	<u>0.0</u>
TOTAL Expenditures	\$16,314.9	\$16,322.2	\$7.3
Balance from Operations	\$0.7	\$11.4	\$10.7
Miscellaneous Adjustments	<u>0.0</u>	<u>(6.5)</u>	<u>(6.5)</u>
Estimated Balance 6/30/08	<u>\$0.7</u>	<u>\$4.9</u>	<u>\$4.2</u>

1. PA 07-01, June Special Session

State of Connecticut
General Fund
Revenue Estimates
Projected to June 30, 2008
As of August 31, 2007
(In Millions)

TAXES	
Personal Income	\$7,193.9
Sales and Use	3,598.9
Corporation	870.0
Public Service Corporations	253.1
Inheritance and Estate	185.4
Insurance Companies	258.1
Cigarettes	351.5
Real Estate Conveyance	200.0
Oil Companies	134.7
Alcoholic Beverages	47.0
Admissions and Dues	34.4
Miscellaneous	145.0
TOTAL - TAXES	<u>\$13,272.0</u>
Less: Refunds of Taxes	(797.8)
R & D Credit Exchange	<u>(6.0)</u>
TOTAL - TAXES - NET	<u>\$12,468.2</u>
OTHER REVENUE	
Transfers - Special Revenue	\$282.6
Indian Gaming Payments	437.5
Licenses, Permits, Fees	163.6
Sales of Commodities and Services	38.0
Rents, Fines, Escheats	55.1
Investment Income	85.0
Miscellaneous	148.1
Refunds of Payments	<u>(0.6)</u>
TOTAL - OTHER REVENUE	<u>\$1,209.3</u>
OTHER SOURCES	
Federal Grants	\$2,643.1
Transfer from Tobacco Settlement Fund	115.3
Transfers to Other Funds	<u>(102.3)</u>
TOTAL - OTHER SOURCES	<u>\$2,656.1</u>
TOTAL - GENERAL FUND REVENUE	\$16,333.6

State of Connecticut - General Fund
Appropriation Adjustments - Net Additional Requirements
Projected to June 30, 2008
As of August 31, 2007

Department of Mental Health & Addiction Services	\$1,500,000
Department of Correction	<u>5,800,000</u>
Total - Additional Requirements	<u><u>\$7,300,000</u></u>

State of Connecticut
General Fund
Estimated Lapses
Projected to June 30, 2008
As of August 31, 2007

Legislative Unallocated Lapses	\$2,700,000
Estimated Unallocated Lapses	87,780,000
General Personal Services Reduction	15,000,000
General Other Expenses Reductions	<u>11,000,000</u>
Total	<u><u>\$116,480,000</u></u>

State of Connecticut
2007-08 General Fund
Summary of Operations Per Letter to the Comptroller
(In Millions)

	Budget Plan ¹ :	July 2007	August 2007	September 2007	October 2007	November 2007	December 2007	January 2008	February 2008	March 2008	April 2008	May 2008	June 2008
REVENUE	\$16,315.6	\$16,320.6	\$16,333.6										
Appropriations	16,431.4	16,431.4	16,431.4										
Additional Requirements	0.0	0.0	7.3										
Less: Estimated Lapses	(116.5)	(116.5)	(116.5)										
TOTAL - Estimated Expenditures	16,314.9	16,314.9	16,322.2										
Balance from Operations	0.7	5.7	11.4										
Compt.'s Misc. Adjustments/Rounding	0.0	(2.3)	(6.5)										
Estimated Balance 6/30/08	\$0.7	\$3.4	\$4.9										

1. PA 07-1, June Special Session

Statement 1T
September 20, 2007

State of Connecticut
Special Transportation Fund
Analysis of Budget Plan
Projected to June 30, 2008
As of August 31, 2007
(In Millions)

	<u>General Assembly Budget Plan</u> ^{1.}	<u>Revised Estimates OPM</u> ^{2.}	<u>Over/ (Under)</u>
Surplus Carried Forward from 2006-07	\$193.0	\$192.9	(\$0.1)
REVENUE			
Taxes	\$715.8	\$715.8	\$0.0
Less: Refunds of Taxes	<u>(8.8)</u>	<u>(8.8)</u>	<u>0.0</u>
Taxes - Net	707.0	707.0	0.0
Other Revenue	<u>419.9</u>	<u>419.9</u>	<u>0.0</u>
TOTAL - Revenue	\$1,126.9	\$1,126.9	\$0.0
EXPENDITURES			
Appropriations	\$1,109.8	\$1,109.8	\$0.0
Additional Appropriations	0.0	0.0	0.0
Less: Estimated Lapses	<u>(11.0)</u>	<u>(11.0)</u>	<u>0.0</u>
TOTAL - Expenditures	\$1,098.8	\$1,098.8	\$0.0
Balance from Operations	\$28.1	\$28.1	\$0.0
Miscellaneous Adjustments	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Estimated Balance 6/30/08	<u>\$221.1</u>	<u>\$221.0</u>	<u>(\$0.1)</u>

1. P.A. 07-1, June Special Session

2. Per the September 4, 2007 Comptroller's Report for Fiscal Year ending June 30, 2007.

Statement 2T
September 20, 2007

State of Connecticut
Special Transportation Fund
Revenue Estimates
Projected to June 30, 2008
As of August 31, 2007
(In Millions)

TAXES	
Motor Fuels	\$516.0
Oil Companies	127.8
Sales Tax DMV	72.0
TOTAL - TAXES	<u>715.8</u>
Less: Refunds of Taxes	<u>(8.8)</u>
TOTAL - TAXES - NET	\$707.0
OTHER REVENUE	
Motor Vehicle Receipts	\$236.6
Licenses, Permits, Fees	164.0
Interest Income	47.0
Transfers to Other Funds	(24.8)
Refunds of Payments	<u>(2.9)</u>
TOTAL - OTHER REVENUE	\$419.9
TOTAL - SPECIAL TRANSPORTATION FUND REVENUE	\$1,126.9

Statement 3T
September 20, 2007

State of Connecticut
Special Transportation Fund
Appropriation Adjustments - Additional Appropriations
Projected to June 30, 2008
As of August 31, 2007

Additional Appropriations	\$0
Total	<u>\$0</u>

Statement 4T
September 20, 2007

State of Connecticut
Special Transportation Fund
Estimated Lapse
Projected to June 30, 2008
As of August 31, 2007

Estimated Unallocated Lapses	\$11,000,000
Total	<u>\$11,000,000</u>

State of Connecticut
2007-08 Special Transportation Fund
Summary of Operations Per Letter to the Comptroller
(In Millions)

	Budget Plan ¹ .	July 2007	August 2007	September 2007	October 2007	November 2007	December 2007	January 2008	February 2008	March 2008	April 2008	May 2008	June 2008
Beginning Balance ²	\$193.0	\$193.0	\$192.9										
Revenue	<u>1,126.9</u>	<u>1,126.9</u>	<u>1,126.9</u>										
Total Available	1,319.9	1,319.9	1,319.8										
Appropriations	1,109.8	1,109.8	1,109.8										
Additional Appropriations	0.0	0.0	0.0										
Less: Estimated Lapses	<u>(11.0)</u>	<u>(11.0)</u>	<u>(11.0)</u>										
TOTAL - Estimated Expenditures	1,098.8	1,098.8	1,098.8										
Balance from Operations	28.1	28.1	28.1										
Compt's Misc. Adjustments/Rounding	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>										
Estimated Balance 6/30/08	\$221.1	\$221.1	\$221.0										

1. PA 07-1, June Special Session

2. Per the September 4, 2007 Comptroller's Report for Fiscal Year ending June 30, 2007.