

Analysis of Finance Advisory Committee Meeting Items

June 4, 2026 Agenda



OFFICE OF FISCAL ANALYSIS

Room 5200, Legislative Office Building
Hartford, CT 06106 • (860) 240-0200

E-Mail: ofa@cga.ct.gov
www.cga.ct.gov/ofa

OFA STAFF

Neil Ayers, Director

Michael Murphy, Section Chief

<u>Eric Michael Gray</u> , Principal Analyst	Bonding, School Construction, Debt Service, State Treasurer
<u>William Lederman</u> , Principal Analyst	Income Tax Modeling & Projections, State Personnel Data, Budget Information System, Administrative Services, Collective Bargaining, FAC
<u>Patrick Mellon</u> , Associate Analyst	Transportation, Motor Vehicles, Emergency Services & Public Protection
<u>Claudia Rodriguez</u> , Associate Analyst	Labor, Paid Family Medical Leave Insurance, Unemployment, Unclaimed Property/Escheats, Common Cash Pool, Debt Service. Bonding
<u>Chris Wetzel</u> , Principal Analyst	Tax Policy & Revenue Analysis, Spending Cap, Revenue Services
<u>Evelyn Wisniewski</u> , Principal Analyst	Sales Tax, Health Provider Tax, Economic Development, Tourism Fund

Phoenix Ronan, Section Chief

<u>Sarah Bourne</u> , Principal Analyst	Agriculture/Agricultural Experiment Station, Consumer Counsel, Energy & Environmental Protection, PURA, Siting Council
<u>Mike Ericson</u> , Principal Analyst	Consumer Protection, Legislative Management, Comm. on Women, Children, Seniors, Equity & Opportunity, Auditors, Attorney General
<u>Brianna Pollard</u> , Associate Analyst	Criminal Justice, Public Defender, Probate Court, Housing
<u>Ryan Proto</u> , Analyst II	Correction, Judicial, Military Department

Janelle Stevens, Section Chief

<u>Ariana Barrenechea</u> , Associate Analyst	Insurance, Office of the Healthcare Advocate, Office of Behavioral Health Advocate, Budget Information System, Banking
<u>Nicholas Benvenuto</u> , Analyst II	Public Health, Chief Medical Examiner, Children and Families
<u>Dan Dilworth</u> , Principal Analyst	Board of Regents for Higher Education, Office of Higher Education, CT Technical Education & Career System, State Library, UConn, UConn Health Center
<u>Candace Fehr</u> , Analyst II	ECS, Education
<u>Taylor Morris</u> , Analyst II	Secretary of the State, Ethics, Elections Enforcement, Freedom of Information, Office of Governmental Accountability, Governor's Office, Lieutenant Governor's Office, Comm. On Human Rights & Opportunities

Rob Wysock, Section Chief

<u>Lindsey Meyer</u> , Associate Analyst	Social Services, Early Childhood, Developmental Services
<u>Lauren Goulet</u> , Associate Analyst	Office of Policy & Management, Municipal Grants, PILOT
<u>Nicolette Niedzwiecki</u> , Associate Analyst	State Comptroller, State Employee Fringe Benefits, Teachers' Retirement Board
<u>Jacob Phillips</u> , Analyst II	Veterans' Affairs, Health Strategy, Aging & Disability Services, Municipal Finance, Soldiers' Sailors' and Marines' Fund, Workers' Compensation Commission
<u>Emily Shepard</u> , Principal Analyst	Social Services, Mental Health and Addiction Services, Psychiatric Security Review Board

Administrative Staff

Rose Kubran, Administrative Assistant III

Tracey Otero, Administrative Assistant V/Fiscal Note Coordinator

Legislative Office Building, Room 5200, Hartford, CT 06106
Phone: (860) 240-0200 E-Mail: ofa@cga.ct.gov; Web: www.cga.ct.gov/ofa

FAC 2026-09 State Comptroller - Fringe Benefits

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Unemployment Compensation	4,128,400	-	(95,000)	-	4,033,400
Higher Education Alternative Retirement System	95,819,900	(32,000,000)	(1,450,000)	-	62,369,900
Pensions and Retirements - Other Statutory	2,362,961	-	(300,000)	-	2,062,961
Insurance - Group Life	9,591,350	-	(250,000)	-	9,341,350
State Employees Health Service Cost	553,879,142	43,000,000	(2,100,000)	-	594,779,142
Employers Social Security Tax	218,274,821	(7,000,000)	-	645,000	211,919,821
Retired State Employees Health Service Cost	790,564,000	-	-	3,100,000	793,664,000
Other Post Employment Benefits	63,375,498	(8,000,000)	-	300,000	55,675,498
SERS Defined Contribution Match	18,762,859	(1,000,000)	-	150,000	17,912,859
TOTAL - General Fund			(4,195,000)	4,195,000	
State Employees Health Service Cost	66,798,800	7,000,000	(150,000)	-	73,648,800
Employers Social Security Tax	20,862,731	150,000	-	150,000	21,162,731
TOTAL - Special Transportation Fund			(150,000)	150,000	

General Fund

Funding is available for transfer from this account due to the following:

- Unemployment Compensation - Less than anticipated claims.
- Higher Education Alternative Retirement System - Change in accounting methodology which offsets expenditures.
- Pensions and Retirements - Other Statutory - Lower than anticipated costs.
- Insurance - Group Life - Lower than anticipated costs.
- State Employees Health Service Cost - Deficiency bill provided more funding than needed.

Funding is needed for transfer to this account due to the following:

- Retired State Employees Health Services Account - Higher than anticipated medical and pharmacy claims and lower federal subsidies. Part of the deficiency is addressed by OPEB funds through an agreement between the Office of Policy and Management and the State Employees Bargaining Agent Coalition.
- Employers Social Security Tax - Annual salary increases and cost of living adjustments beginning in June payroll.
- Other Post Employment Benefits - Annual salary increases and cost of living adjustments beginning in June payroll.
- SERS Defined Contribution Match - Annual salary increases and cost of living adjustments beginning in June payroll.

Transportation Fund

Funding is available for transfer from this account due to the following:

- State Employees Health Service Cost - Deficiency bill provided more funding than needed.

¹ Prior policy actions may include holdbacks (forced lapses), rescissions, and transfers.

Funding is needed for transfer to this account due to the following:

- Employers Social Security Tax - Annual salary increases and cost of living adjustments beginning in June payroll.

FAC 2026-10 Military Department

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Honor Guards	561,600	-	(150,000)	-	411,600
Personal Services	3,305,492	-	-	100,000	3,405,492
Governor's Guards	330,000	-	-	50,000	380,000
TOTAL - General Fund			(150,000)	150,000	

Funding is available for transfer from this account due to the following:

- Honor Guards - there is an available surplus due to lower than anticipated expenditures. This account is unpredictable in nature and fluctuates depending on the number of times honor guards are requested for veteran funerals each year.

Funding is needed for transfer to these accounts due to the following:

- Personal Services - funding is required to cover state active duty payments for cybersecurity and infrastructure security activities. A reimbursement from the Division of Emergency Management and Homeland Security is anticipated in FY 27 and will be deposited into the General Fund.
- Governor's Guards - funding is required for higher than anticipated costs for snow removal at the Governor's Guards facilities.

Holdbacks and lapses: There are no holdbacks or lapses associated with the accounts listed above.

FAC 2026-11 Department of Social Services

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Personal Services	158,758,860	(5,500,000)	(300,000)	-	152,958,860
Substance Use Disorder Waiver Reserve	18,370,000	(6,570,000)	(2,000,000)	-	9,800,000
Aid To The Disabled	53,820,000	6,400,000	(750,000)	-	59,470,000
Temporary Family Assistance - TANF	69,400,000	(17,300,000)	(250,000)	-	51,850,000
HUSKY B Program	31,550,000	(1,400,000)	-	300,000	30,450,000
Medicaid	3,702,380,000	149,100,000	-	1,588,000	3,853,068,000
Old Age Assistance	54,450,000	6,100,000	-	100,000	60,650,000
Connecticut Home Care Program	48,450,000	2,900,000	-	370,000	51,720,000
Community Services	10,997,162	8,614,631	-	942,000	20,553,793
TOTAL - General Fund			(3,300,000)	3,300,000	

Funding is available for transfer from these accounts due to the following:

- Personal Services - timing of filling vacancies. PA 26-68 reduced funding by \$5.5 million.
- Substance Use Disorder Waiver Reserve - delays in reinvesting funding. PA 26-68 reduced funding by \$6.6 million.
- Aid To The Disabled - lower than anticipated costs. PA 26-68 provided a deficiency appropriation of \$6.4 million.
- Temporary Family Assistance - TANF - lower than anticipated caseload levels. PA 26-68 reduced funding \$13.9 million.

Funding is needed for transfer to these accounts due to the following:

- HUSKY B Program - higher than anticipated per member costs. PA 26-68 reduced funding by \$1.4 million.
- Medicaid - anticipated year-end requirements. PA 26-68 provided a deficiency appropriation of \$80 million.
- Old Age Assistance - higher cost trends. PA 26-68 provided a deficiency appropriation of \$6.1 million.
- Connecticut Home Care Program - higher costs and caseloads. PA 26-68 provided a deficiency appropriation of \$2.9 million.
- Community Services - anticipated year-end needs to comply with federal requirements.

Holdbacks and lapses: There are no longer holdbacks or lapses associated with the accounts listed above.

FAC 2026-12 Department of Children and Families

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Day Treatment Centers for Children	8,219,601	191,941	(250,000)	-	8,161,542
Community Based Prevention Programs	9,657,655	83,417	(450,000)	-	9,291,072
No Nexus Special Education	2,452,640	-	(250,000)	-	2,202,640
Board and Care for Children - Adoption	106,884,511	-	(633,000)	-	106,251,511
Board and Care for Children - Short-term and Residential	65,628,396	725,280	(1,467,000)	-	64,886,676
Personal Services	303,233,500	2,400,000	-	500,000	306,133,500
Individualized Family Supports	3,871,304	46,941	-	450,000	4,368,245
Community Kidcare	52,411,129	1,047,239	-	2,100,000	55,558,368
TOTAL - General Fund			(3,050,000)	3,050,000	

Funding is available for transfer from these accounts due to the following:

- Day Treatment Centers for Children - Reduction of beds related to a program closure in July 2025.
- Community Based Prevention Programs - Closure of a program.
- No Nexus Special Education - Lower than anticipated caseload in group homes and residential treatment programs.
- Board and Care for Children - Adoption - Decreases in expenses for adoption and subsidy payments based on individual case need variation.
- Board and Care for Children - Short-term and Residential - Lower than anticipated caseloads as well as startup delays for new programs.

Funding is needed for transfer to these accounts due to the following:

- Personal Services - Increase in payroll-related expenditures due to staff turnover and FMLA leaves.
- Individualized Family Supports - Increased Unique Services Expenditures plan service array costs to meet the needs of each youth in care. Expenditures include prescribed medications, childcare provider transportation, supportive childcare, and before and after school clinical care, among other services.
- Community Kidcare - While pediatric mobile crisis services are typically funded through the Community Kidcare account, support for expanded services previously funded through ARPA were budgeted through FY 25 carry forward funding in the Board & Care for Children - Foster account. However, there are projected to be insufficient funds available for pediatric mobile crisis expansion in that account due to foster children caseload-related cost overruns. This transfer will ensure the expansion is funded.

Holdbacks and lapses: It is anticipated the current holdback of \$100,000 in Community Based Prevention Programs will be released for transfer.

Appendix A: Projected Account Balances for Agencies on this Agenda (After Proposed FAC Transfer(s))

State Comptroller - Fringe Benefits				
	Original Appropriation ²	Available Funding ³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Unemployment Compensation	4,128,400	4,033,400	4,000,000	33,400
Higher Education Alternative Retirement System	95,819,900	62,369,900	61,058,900	1,311,000
Pensions and Retirements - Other Statutory	2,362,961	2,062,961	2,041,961	21,000
Judges and Compensation Commissioners Retirement	30,551,644	30,551,644	30,551,644	-
Insurance - Group Life	9,591,350	9,341,350	9,241,350	100,000
Employers Social Security Tax	218,274,821	211,919,821	211,919,821	-
State Employees Health Service Cost	553,879,142	594,779,142	593,954,209	824,933
Retired State Employees Health Service Cost	790,564,000	793,664,000	793,664,000	-
Tuition Reimbursement - Training and Travel	290,000	290,000	290,000	-
Other Post Employment Benefits	63,375,498	55,675,498	55,675,498	-
SERS Defined Contribution Match	18,762,859	17,912,859	17,912,859	-
State Employees Retirement Contributions - Normal Cost	195,276,136	195,276,136	195,276,136	-
State Employees Retirement Contributions - UAL	1,410,902,244	1,410,902,244	1,410,902,244	-
Total - General Fund	3,393,778,955	3,388,778,955	3,386,488,622	2,290,333
Unemployment Compensation	360,000	360,000	215,000	145,000
Insurance - Group Life	395,600	395,600	385,600	10,000
Employers Social Security Tax	20,862,731	21,162,731	21,162,731	-
State Employees Health Service Cost	66,798,800	73,648,800	73,395,800	253,000
Other Post Employment Benefits	4,215,697	4,215,697	3,898,697	317,000
SERS Defined Contribution Match	1,229,898	1,229,898	1,218,898	11,000
State Employees Retirement Contributions - Normal Cost	22,660,619	22,660,619	22,660,619	-
State Employees Retirement Contributions - UAL	145,173,898	145,173,898	145,173,898	-
TOTAL - Special Transportation Fund	261,697,243	268,847,243	268,111,243	736,000

Military Department				
	Original Appropriation ²	Available Funding ³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	3,305,492	3,405,492	3,405,492	-
Other Expenses	2,144,823	2,144,823	2,144,823	-
Honor Guards	561,600	411,600	411,600	-
Veteran's Service Bonuses	61,800	61,800	61,800	-
JEEP Program	338,600	169,600	169,600	-
Governor's Guards	330,000	380,000	380,000	-
TOTAL - General Fund	6,742,315	6,573,315	6,573,315	-

² Includes appropriated accounts from all appropriated funds.

³ Includes all anticipated and enacted holdbacks (forced lapses), rescissions, and transfers.

Department of Social Services				
	Original Appropriation²	Available Funding³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	158,758,860	152,958,860	152,958,860	-
Other Expenses	165,050,000	169,190,000	169,190,000	-
Genetic Tests in Paternity Actions	81,906	81,906	81,906	-
HUSKY B Program	31,550,000	30,450,000	30,450,000	-
Substance Use Disorder Waiver Reserve	18,370,000	9,800,000	9,800,000	-
Medicaid	3,702,380,000	3,853,068,000	3,853,068,000	-
Old Age Assistance	54,450,000	60,650,000	60,650,000	-
Aid To The Blind	623,700	813,700	813,700	-
Aid To The Disabled	53,820,000	59,470,000	59,470,000	-
Temporary Family Assistance - TANF	69,400,000	51,850,000	51,850,000	-
Emergency Assistance	1	1	1	-
Food Stamp Training Expenses	9,341	9,341	9,341	-
DMHAS-Disproportionate Share	108,935,000	108,935,000	108,935,000	-
Connecticut Home Care Program	48,450,000	51,720,000	51,720,000	-
Human Resource Development-Hispanic Programs	1,070,348	1,095,342	1,095,342	-
Safety Net Services	1,500,145	1,535,176	1,535,176	-
Refunds Of Collections	89,965	89,965	89,965	-
Services for Persons With Disabilities	309,661	316,892	316,892	-
Nutrition Assistance	3,020,994	27,590,688	27,590,688	-
State Administered General Assistance	17,480,000	14,380,000	14,380,000	-
Connecticut Children's Medical Center	13,138,737	13,138,737	13,138,737	-
Community Services	10,997,162	20,553,793	20,553,793	-
Human Services Infrastructure Community Action Program	4,274,240	8,465,177	8,465,177	-
Teen Pregnancy Prevention	1,394,639	1,425,457	1,425,457	-
Domestic Violence Shelters	8,650,381	8,829,030	8,829,030	-
Hospital Supplemental Payments	568,300,000	568,300,000	568,300,000	-
Regional Hospice of Western CT	1,000,000	1,000,000	1,000,000	-
Affordable Care Act Subsidies	-	50,760,000	50,760,000	-
Teen Pregnancy Prevention - Municipality	98,281	98,281	98,281	-
TOTAL - General Fund	5,043,203,361	5,266,575,346	5,266,575,346	-

Department of Children and Families				
	Original Appropriation²	Available Funding³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	303,233,500	306,133,500	306,003,500	130,000
Other Expenses	31,137,956	31,137,956	30,637,956	500,000
Family Support Services	1,064,233	1,089,080	1,089,080	-
Differential Response System	9,367,256	9,580,159	9,580,159	-
Regional Behavioral Health Consultation	1,838,167	1,881,050	1,881,050	-
Community Care Coordination	8,957,944	9,167,127	8,967,127	200,000
Health Assessment and Consultation	1,596,776	1,632,953	1,507,953	125,000
Grants for Psychiatric Clinics for Children	17,880,105	18,237,236	18,237,236	-
Day Treatment Centers for Children	8,219,601	8,161,542	8,061,542	100,000
Child Abuse and Neglect Intervention	9,988,016	10,109,991	10,109,991	-
Community Based Prevention Programs	9,657,655	9,291,072	9,291,072	-
Family Violence Outreach and Counseling	4,009,230	4,036,543	3,936,543	100,000
Supportive Housing	21,180,221	21,531,785	21,531,785	-
No Nexus Special Education	2,452,640	2,202,640	2,202,640	-
Family Preservation Services	7,242,683	7,361,736	7,361,736	-

Department of Children and Families				
	Original Appropriation²	Available Funding³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Substance Abuse Treatment	9,929,982	10,036,784	10,036,784	-
Child Welfare Support Services	2,854,163	2,850,756	2,600,756	250,000
Board and Care for Children - Adoption	106,884,511	106,251,511	105,634,511	617,000
Board and Care for Children - Foster	123,521,818	125,512,536	125,512,536	-
Board and Care for Children - Short-term and Residential	65,628,396	64,886,676	64,886,676	-
Individualized Family Supports	3,871,304	4,368,245	4,288,245	80,000
Community Kidcare	52,411,129	55,558,368	55,558,368	-
Covenant to Care	185,911	190,207	190,207	-
Juvenile Review Boards	3,897,957	3,938,471	3,468,471	470,000
Youth Transition and Success Programs	1,016,220	1,039,483	1,039,483	-
LOVE146	500,000	500,000	500,000	-
Youth Service Bureaus	2,733,240	2,733,240	2,733,240	-
Youth Service Bureau Enhancement	1,115,161	1,115,161	1,115,161	-
Total - General Fund	812,375,775	820,535,808	817,963,808	2,572,000