



**STATE OF CONNECTICUT  
OFFICE OF THE STATE COMPTROLLER  
55 ELM STREET  
HARTFORD, CONNECTICUT  
06106-1775**

**Kevin Lembo  
State Comptroller**

**Martha Carlson  
Deputy Comptroller**

April 2, 2012

The Honorable Dannel P. Malloy  
Governor of the State of Connecticut  
State Capitol  
Hartford, Connecticut

Dear Governor Malloy:

I write to provide you with financial statements for the General Fund and the Transportation Fund through February 29, 2012.

OPM is projecting that the General Fund will end Fiscal Year 2012 with a deficit of \$62.6 million as reported under Generally Accepted Accounting Principles (GAAP). On a modified cash basis of accounting, OPM is projecting an ending surplus balance of \$12.4 million. This is a deterioration of \$23.5 million from last month's estimate, which is the result of lower projected net revenues. The Transportation Fund is projected to end Fiscal Year 2012 with a balance of \$108.9 million, which has not changed from last month.

I am projecting a Fiscal Year 2012 General Fund deficit under GAAP provisions of \$120.8 million. On the budgetary basis of accounting, or modified cash, I am projecting a General Fund deficit of \$45.8 million. This is a variance of \$58.2 million with OPM, which is explained by two factors.

First, data through February continued to show strong growth in the tax refunds. OPM has incorporated a significant expansion in tax refund activity into its projected revenue with a total upward adjustment of \$107.5 million. My trend analysis adds an additional \$22 million to that number.

Second, I have not incorporated OPM lapses of \$36.2 million within my spending projections. Based on a four year average, General Fund spending through February has represented approximately 65 percent of that year's total spending. If this trend holds true in Fiscal Year 2012, the additional lapses identified by OPM will be difficult to realize. In addition, since December spending pressures to support ongoing state programs have been building, and this has resulted in accelerating outlays. Therefore, I am not convinced that the full amount of the OPM lapse, which is at a historically high level, can be attained.

It is important to note that my current General Fund deficit projections on both the GAAP and the modified cash basis of accounting are well below one percent of fund appropriations. It should also be noted that difficulties in implementing the retroactive income tax withholding provisions of the 2011 tax changes may have significantly distorted the trend analysis used for projections. Accordingly, final and estimated income tax payments received in April may differ significantly from current estimates.

The Honorable Dannel P. Malloy  
April 2, 2012  
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The statements attached to this letter reflect OPM's projections in accordance with state statute. My variances with these statements have been explained above.

The statements show General Fund revenue for Fiscal Year 2012 falling \$118.2 million short of original budget projections. My estimate incorporates \$22 million in additional tax refunds, bringing the revenue shortfall to \$140.2 million. As reflected on the statements, net state spending is \$49.7 million below the original budget plan. I have increased the spending total by \$36.2 million as discussed.

Connecticut's economy has been posting slow sustained growth. State employment numbers for February show an additional 4,900 jobs added to payroll during the month. For the twelve months ending in February, the state added 12,100 payroll jobs. The February unemployment rate dropped to 7.8 percent. The state has recovered over 30 percent of the recessionary job loss. Connecticut wages and salaries were up 1.8 percent from the first quarter of last year. Housing permits surged in February as reflected by strong growth in construction employment. Retail sales for February were running 6.5 percent above last year. At this writing the Dow had passed the 13,000 level and was up by more than 7 percent for the year.

I also issue a Comprehensive Annual Financial Report (CAFR) that converts the budgetary based financial reporting to Generally Accepted Accounting Principles (GAAP). From a balance sheet perspective the GAAP shortfall or unreserved fund balance in the General Fund was \$1.7 billion as of June 30, 2011. This was a small increase from 2010.

If you have any questions on this report, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Kevin Lembo".

Kevin Lembo  
State Comptroller

**STATE OF CONNECTICUT GENERAL FUND  
BALANCE SHEET  
AS OF FEBRUARY 29, 2012  
(In Thousands)**

Exhibit A

**ASSETS**

Loans Receivable	3,419
Unrealized Revenue - Exhibit C	<u>8,710,831</u>
<b>Total Assets</b>	<b><u>\$ 8,714,250</u></b>

**LIABILITIES, RESERVES, APPROPRIATIONS AND SURPLUS**

**LIABILITIES**

Deficiency in Cash and Short Term Investments	\$ 1,921,488
Due to Other Funds	93
Accounts Payable	<u>21,191</u>
Total Liabilities	<u>1,942,772</u>

**RESERVES**

Reserve for Petty Cash	807
Statutory Surplus Reserves for Fiscal Year 2011-2012	236,923
Reserve for Receivables	3,419
Unexpended Appropriations - Exhibit D	6,518,239
Unappropriated Surplus (Deficit) - Exhibit B	<u>12,090</u>
<b>Total Liabilities, Reserves, Appropriations and Surplus</b>	<b><u>\$ 8,714,250</u></b>

**STATE OF CONNECTICUT GENERAL FUND  
ANALYSIS OF UNAPPROPRIATED SURPLUS  
AS OF FEBRUARY 29, 2012**

(In Thousands)

Exhibit B

	<u>Budget Plan</u>	<u>Budgetary Increases (Decreases)</u>	<u>Other Increases (Decreases)</u>	<u>Revised Estimates</u>
<b>BUDGETED REVENUE - EXHIBIT C</b>				
Taxes	\$ 14,019,100	\$ (21,600)	\$ -	\$ 13,997,500
Other Revenue	1,226,500	(79,700)	-	1,146,800
Other Sources	<u>3,543,000</u>	<u>(16,900)</u>	<u>-</u>	<u>3,526,100</u>
Total Budgeted Revenue	<u>18,788,600</u>	<u>(118,200)</u>	<u>-</u>	<u>18,670,400</u>
<b>APPROPRIATIONS - EXHIBIT D</b>				
Budgeted Appropriations	19,686,631	109,300	247	19,796,178
Continued from Prior Year	<u>200,985</u>	<u>-</u>	<u>-</u>	<u>200,985</u>
Current Year Appropriations	19,485,646	109,300	247	19,595,193
Estimated Lapses	<u>(777,912)</u>	<u>(158,984)</u>	<u>-</u>	<u>(936,896)</u>
Net Appropriations	<u>18,707,734</u>	<u>(49,684)</u>	<u>247</u>	<u>18,658,297</u>
Surplus (Deficit) from Operations	80,866	(68,516)	(247)	12,103
Miscellaneous Adjustments	-	-	(13)	(13)
Surplus (Deficit), July 1, 2011	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Projected Surplus (Deficit), June 30, 2012</b>	<u><b>\$ 80,866</b></u>	<u><b>\$ (68,516)</b></u>	<u><b>\$ (260)</b></u>	<u><b>\$ 12,090</b></u>

**STATE OF CONNECTICUT GENERAL FUND  
STATEMENT OF ESTIMATED AND REALIZED REVENUE  
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012**  
(In Thousands)

**Exhibit C**

	<u>Estimated Revenue</u>	<u>Increases or (Decreases)</u>	<u>Revised Estimates</u>	<u>Realized Revenue</u>	<u>Unrealized Revenue</u>
<b>TAXES</b>					
Personal Income	\$ 8,550,600	\$ (119,600)	\$ 8,431,000	\$ 4,294,304	\$ 4,136,696
Sales and Use	3,789,000	91,500	3,880,500	2,248,930	1,631,570
Corporations	707,700	-	707,700	304,266	403,434
Cigarettes and Tobacco	443,800	(12,500)	431,300	267,002	164,298
Insurance Companies	237,200	(8,400)	228,800	107,885	120,915
Public Service Corporations	268,700	-	268,700	124,587	144,113
Real Estate Conveyance	90,300	2,800	93,100	52,970	40,130
Inheritance and Estate	158,000	(25,000)	133,000	70,615	62,385
Oil Companies	93,100	63,500	156,600	80,167	76,433
Electric Generation	71,000	-	71,000	35,699	35,301
Alcoholic Beverages	56,900	1,000	57,900	34,720	23,180
Admissions, Dues and Cabaret	39,600	(3,100)	36,500	21,806	14,694
Miscellaneous	542,200	2,000	544,200	277,156	267,044
Totals	15,048,100	(7,800)	15,040,300	7,920,107	7,120,193
Less Refunds of Taxes	(1,020,000)	(13,800)	(1,033,800)	(606,388)	(427,412)
Less R & D Credit Exchange	(9,000)	-	(9,000)	(2,733)	(6,267)
Net Taxes	<u>14,019,100</u>	<u>(21,600)</u>	<u>13,997,500</u>	<u>7,310,986</u>	<u>6,686,514</u>
<b>OTHER REVENUE</b>					
Indian Gaming Payments	375,500	(29,100)	346,400	202,845	143,555
Transfers - Special Revenue	288,400	14,400	302,800	201,388	101,412
Licenses, Permits and Fees	271,200	(1,300)	269,900	154,592	115,308
Investment Income	2,900	(900)	2,000	2,268	(268)
Rents, Fines and Escheats	127,400	(16,700)	110,700	22,585	88,115
Sales of Commodities and Services	36,400	-	36,400	19,491	16,909
Miscellaneous	163,000	(3,000)	160,000	109,995	50,005
Total Other Revenue	1,264,800	(36,600)	1,228,200	713,164	515,036
Less Refunds of Payments	(38,300)	(43,100)	(81,400)	(67,666)	(13,734)
Net Other Revenue	<u>1,226,500</u>	<u>(79,700)</u>	<u>1,146,800</u>	<u>645,498</u>	<u>501,302</u>
<b>OTHER SOURCES</b>					
Federal Grants	3,589,700	(16,900)	3,572,800	2,157,935	1,414,865
Transfer to/from the Resources of the General Fund	(81,000)	-	(81,000)	(93,050)	12,050
Transfer from the Tobacco Settlement Fund	96,100	-	96,100	-	96,100
Transfers to Pequot Mohegan Fund	(61,800)	-	(61,800)	(61,800)	-
Total Other Sources	<u>3,543,000</u>	<u>(16,900)</u>	<u>3,526,100</u>	<u>2,003,085</u>	<u>1,523,015</u>
<b>Total Budgeted Revenue</b>	<b><u>\$ 18,788,600</u></b>	<b><u>\$ (118,200)</u></b>	<b><u>\$ 18,670,400</u></b>	<b><u>\$ 9,959,569</u></b>	<b><u>\$ 8,710,831</u></b>

STATE OF CONNECTICUT GENERAL FUND  
 STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
 FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012  
 (In Thousands)

Exhibit D

	Continued and Initial Appropriations	Increases or (Decreases)	Estimated Additional Requirements	Total Appropriations	Expenditures	Estimated Lapses	Unexpended Appropriations
<b>LEGISLATIVE</b>							
Legislative Management	\$ 65,281	\$ 163	\$ -	\$ 65,444	\$ 33,621	\$ 3,300	\$ 28,523
Auditors of Public Accounts	13,106	-	-	13,106	7,280	300	5,526
Commission on Aging	269	-	-	269	162	-	107
Commission on the Status of Women	527	-	-	527	286	-	241
Commission on Children	553	-	-	553	328	-	225
Commission on Latino & Puerto Rican Affairs	332	-	-	332	182	-	150
African-American Affairs Commission	220	-	-	220	121	-	99
Asian Pacific American Affairs	158	-	-	158	16	-	142
<b>Total Legislative</b>	<b>80,446</b>	<b>163</b>	<b>-</b>	<b>80,609</b>	<b>41,996</b>	<b>3,600</b>	<b>35,013</b>
<b>GENERAL GOVERNMENT</b>							
Governor's Office	2,837	-	-	2,837	1,775	-	1,062
Secretary of the State	9,105	-	-	9,105	4,690	-	4,415
Lieutenant Governor's Office	929	-	-	929	474	-	455
State Treasurer	4,130	-	-	4,130	2,295	-	1,835
State Comptroller	28,496	-	-	28,496	16,236	-	12,260
Revenue Services	73,797	-	-	73,797	41,489	-	32,308
Governmental Accountability	9,299	-	-	9,299	5,188	-	4,111
Office of Policy and Management	274,345	-	-	274,345	256,412	1,200	16,733
Veterans' Affairs	31,809	-	-	31,809	18,755	-	13,054
Administrative Services	133,883	(150)	-	133,733	71,297	-	62,436
Construction Services	9,730	-	-	9,730	5,643	-	4,087
Attorney General	30,758	-	-	30,758	18,490	-	12,268
Division of Criminal Justice	52,399	-	-	52,399	32,866	-	19,533
<b>Total General Government</b>	<b>661,517</b>	<b>(150)</b>	<b>-</b>	<b>661,367</b>	<b>475,610</b>	<b>1,200</b>	<b>184,557</b>
<b>REGULATION AND PROTECTION</b>							
Emergency Services and Public Protection	172,629	-	1,800	174,429	112,307	-	62,122
Motor Vehicles	501	-	-	501	122	-	379
Military Department	6,980	-	-	6,980	4,107	-	2,873
Consumer Protection	16,185	-	-	16,185	9,872	-	6,313
Department of Labor	78,456	-	-	78,456	37,688	-	40,768
Human Rights & Opportunities	7,057	-	-	7,057	3,488	-	3,569
Advocacy for Persons with Disabilities	2,681	-	-	2,681	1,643	-	1,038
<b>Total Regulation and Protection</b>	<b>284,489</b>	<b>-</b>	<b>1,800</b>	<b>286,289</b>	<b>169,227</b>	<b>-</b>	<b>117,062</b>
<b>CONSERVATION AND DEVELOPMENT</b>							
Department of Agriculture	5,216	-	-	5,216	3,181	-	2,035
Energy and Environmental Protection	79,396	-	-	79,396	44,977	-	34,419
Environmental Quality Council	171	-	-	171	107	-	64
Economic & Community Development	60,275	-	-	60,275	25,869	-	34,406
Agricultural Experiment Station	7,372	-	-	7,372	4,562	-	2,810
<b>Total Conservation and Development</b>	<b>152,430</b>	<b>-</b>	<b>-</b>	<b>152,430</b>	<b>78,696</b>	<b>-</b>	<b>73,734</b>
<b>HEALTH AND HOSPITALS</b>							
Department of Public Health	91,682	-	-	91,682	49,144	1,700	40,838
Medical Examiner	6,200	-	200	6,400	3,475	-	2,925
Developmental Service	1,047,822	-	-	1,047,822	638,951	2,800	406,071
Mental Health & Addiction Services	750,192	-	-	750,192	429,262	3,800	317,130
Psychiatric Security Review Board	364	-	-	364	216	-	148
<b>Total Health and Hospitals</b>	<b>1,896,260</b>	<b>-</b>	<b>200</b>	<b>1,896,460</b>	<b>1,121,048</b>	<b>8,300</b>	<b>767,112</b>
<b>TRANSPORTATION</b>							
Department of Transportation	609	-	-	609	-	-	609
<b>Total Transportation</b>	<b>609</b>	<b>-</b>	<b>-</b>	<b>609</b>	<b>-</b>	<b>-</b>	<b>609</b>
<b>HUMAN SERVICES</b>							
Department of Social Services	5,820,575	-	-	5,820,575	4,021,683	-	1,798,892
Bureau of Rehabilitative Services	22,097	-	-	22,097	11,382	-	10,715
<b>Total Human Services</b>	<b>5,842,672</b>	<b>-</b>	<b>-</b>	<b>5,842,672</b>	<b>4,033,065</b>	<b>-</b>	<b>1,809,607</b>

STATE OF CONNECTICUT GENERAL FUND  
 STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
 FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012

Exhibit D

(In Thousands)

	Continued and Initial <u>Appropriations</u>	Increase or (Decreases)	Estimated Additional <u>Requirements</u>	Total <u>Appropriations</u>	<u>Expenditures</u>	Estimated <u>Lapses</u>	Unexpended <u>Appropriations</u>
<b>EDUCATION, MUSEUMS, LIBRARIES</b>							
Department of Education	2,804,237	-	-	2,804,237	1,520,759	900	1,282,578
State Library	11,750	-	-	11,750	6,514	-	5,236
Financial & Academic Affairs for Higher Ed	59,260	-	-	59,260	54,018	-	5,242
University of Connecticut	225,354	-	-	225,354	140,884	-	84,470
University Health Center	121,515	-	-	121,515	79,097	-	42,418
Teachers' Retirement Board	792,027	-	2,200	794,227	592,993	-	201,234
Board of Regents for Higher Education	315,677	-	-	315,677	195,985	-	119,692
<b>Total Education, Museums, Libraries</b>	<b>4,329,820</b>	<b>-</b>	<b>2,200</b>	<b>4,332,020</b>	<b>2,590,250</b>	<b>900</b>	<b>1,740,870</b>
<b>CORRECTIONS</b>							
Department of Correction	695,352	-	-	695,352	463,442	-	231,910
Children and Families	881,318	-	-	881,318	544,315	11,500	325,503
<b>Total Corrections</b>	<b>1,576,670</b>	<b>-</b>	<b>-</b>	<b>1,576,670</b>	<b>1,007,757</b>	<b>11,500</b>	<b>557,413</b>
<b>JUDICIAL</b>							
Judicial Department	512,170	98	-	512,268	322,763	-	189,505
Public Defender Services Commission	64,771	-	1,600	66,371	43,487	-	22,884
<b>Total Judicial</b>	<b>576,941</b>	<b>98</b>	<b>1,600</b>	<b>578,639</b>	<b>366,250</b>	<b>-</b>	<b>212,389</b>
<b>NON-FUNCTIONAL</b>							
Governor's Contingency	-	-	-	-	-	-	-
Debt Service	1,894,081	-	-	1,894,081	1,110,660	60,500	722,921
Reserve for Salary Adjustments	142,602	(107)	-	142,495	-	90,000	52,495
Workers' Compensation Claims	27,727	-	-	27,727	20,682	-	7,045
Adjudicated Claims	4,000	-	3,500	7,500	6,487	-	1,013
Death Benefits for State Employees	-	8	-	8	8	-	-
Unemployment Compensation	12,482	-	-	12,482	6,320	-	6,162
State Employees Retirement Contributions	722,137	-	-	722,137	429,647	-	292,490
Higher Education Alternative Retirement	37,959	-	-	37,959	12,757	-	25,202
Other Statutory Retirement	1,823	-	-	1,823	1,157	-	666
Judges & Compensation Commissioners Retirement	15,095	-	-	15,095	10,064	-	5,031
Group Life Insurance	8,586	-	-	8,586	4,859	-	3,727
Tuition Reimbursement - Training & Travel	5,829	235	-	6,064	2,093	-	3,971
Employers Social Security	244,897	-	-	244,897	138,684	-	106,213
State Employees Health Service	602,409	-	-	602,409	368,552	-	233,857
Retired State Employees Health Service	565,146	-	-	565,146	345,174	-	219,972
Insurance Recoveries	4	-	-	4	-	-	4
Unallocated	-	-	100,000	100,000	-	760,896	(660,896)
<b>Total Non-Functional</b>	<b>4,284,777</b>	<b>136</b>	<b>103,500</b>	<b>4,388,413</b>	<b>2,457,144</b>	<b>911,396</b>	<b>1,019,873</b>
<b>Total Budgeted Appropriations</b>	<b>\$ 19,686,631</b>	<b>\$ 247</b>	<b>\$ 109,300</b>	<b>\$ 19,796,178</b>	<b>\$ 12,341,043</b>	<b>\$ 936,896</b>	<b>\$ 6,518,239</b>

**STATE OF CONNECTICUT TRANSPORTATION FUND**  
**BALANCE SHEET**  
**AS OF FEBRUARY 29, 2012**  
(In Thousands)

**Exhibit E**

**ASSETS**

Cash and Short Term Investments	\$ 85,500
Unrealized Revenue - Exhibit G	<u>492,772</u>
<b>Total Assets</b>	<b><u>\$ 578,272</u></b>

**APPROPRIATIONS, LIABILITIES AND SURPLUS**

Unexpended Appropriations - Exhibit H	\$ 468,919
Liabilities	570
Unappropriated Surplus - Exhibit F	<u>108,783</u>
<b>Total Appropriations, Liabilities and Surplus</b>	<b><u>\$ 578,272</u></b>

**STATE OF CONNECTICUT TRANSPORTATION FUND  
ANALYSIS OF UNAPPROPRIATED SURPLUS  
AS OF FEBRUARY 29, 2012**

(In Thousands)

**Exhibit F**

	<b><u>Budget Plan</u></b>	<b><u>Budgetary Increases (Decreases)</u></b>	<b><u>Other Increases (Decreases)</u></b>	<b><u>Revised Estimates</u></b>
<b>BUDGETED REVENUE - EXHIBIT G</b>				
Taxes	\$ 798,600	\$ (13,000)	\$ -	\$ 785,600
Other Revenue	<u>463,900</u>	<u>(21,700)</u>	<u>-</u>	<u>442,200</u>
Total Budgeted Revenue	<u>1,262,500</u>	<u>(34,700)</u>	<u>-</u>	<u>1,227,800</u>
<b>APPROPRIATIONS - EXHIBIT H</b>				
Budgeted Appropriations	1,356,022	-	-	1,356,022
Continued from Prior Year	<u>40,554</u>	<u>-</u>	<u>-</u>	<u>40,554</u>
Current Year Appropriations	1,315,468	-	-	1,315,468
Estimated Lapses	(53,536)	(35,550)	-	(89,086)
Restricted Grants Affecting Surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Appropriations	<u>1,261,932</u>	<u>(35,550)</u>	<u>-</u>	<u>1,226,382</u>
Surplus from Operations	568	850	-	1,418
Miscellaneous Adjustments	-	-	-	-
Surplus, July 1, 2011	<u>107,365</u>	<u>-</u>	<u>-</u>	<u>107,365</u>
<b>Projected Surplus, June 30, 2012</b>	<b><u>\$ 107,933</u></b>	<b><u>\$ 850</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 108,783</u></b>

**STATE OF CONNECTICUT TRANSPORTATION FUND  
STATEMENT OF ESTIMATED AND REALIZED REVENUE  
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012**

(In Thousands)

Exhibit G

	<u>Estimated Revenue</u>	<u>Increases or (Decreases)</u>	<u>Revised Estimates</u>	<u>Realized Revenue</u>	<u>Unrealized Revenue</u>
<b>TAXES</b>					
Motor Fuels Tax	\$ 507,300	\$ (15,500)	\$ 491,800	\$ 290,815	\$ 200,985
Oil Companies	226,900	-	226,900	113,450	113,450
Sales Tax DMV	71,600	2,700	74,300	47,085	27,215
Totals	805,800	(12,800)	793,000	451,350	341,650
Less Refunds of Taxes	(7,200)	(200)	(7,400)	(5,268)	(2,132)
Net Taxes	<u>798,600</u>	<u>(13,000)</u>	<u>785,600</u>	<u>446,082</u>	<u>339,518</u>
<b>OTHER REVENUE</b>					
Motor Vehicle Receipts	237,500	(7,500)	230,000	136,201	93,799
Licenses, Permits and Fees	143,800	(6,300)	137,500	85,196	52,304
Interest Income	12,500	(7,500)	5,000	1,367	3,633
Federal Grants	13,100	-	13,100	6,405	6,695
Transfer from Other Funds	81,900	-	81,900	81,550	350
Transfer to Emissions Enterprise Fund	(6,500)	-	(6,500)	(4,875)	(1,625)
Transfer to TSB Projects Account	(15,300)	-	(15,300)	(15,000)	(300)
Totals	467,000	(21,300)	445,700	290,844	154,856
Less Refunds of Payments	(3,100)	(400)	(3,500)	(1,898)	(1,602)
Net Other Revenue	<u>463,900</u>	<u>(21,700)</u>	<u>442,200</u>	<u>288,946</u>	<u>153,254</u>
<b>Total Budgeted Revenue</b>	<b><u>\$ 1,262,500</u></b>	<b><u>\$ (34,700)</u></b>	<b><u>\$ 1,227,800</u></b>	<b><u>\$ 735,028</u></b>	<b><u>\$ 492,772</u></b>

STATE OF CONNECTICUT TRANSPORTATION FUND  
STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012  
(In Thousands)

Exhibit H

	Continued and Initial	Increases or	Estimated Additional	Total		Estimated	Unexpended
	<u>Appropriations</u>	<u>(Decreases)</u>	<u>Requirements</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Lapses</u>	<u>Appropriations</u>
Department of Transportation	\$ 613,147	\$ -	\$ -	\$ 613,147	\$ 363,767	\$ 12,900	\$ 236,480
Motor Vehicle Department	69,965	-	-	69,965	33,826	650	35,489
Debt Service	478,835	-	-	478,835	301,630	30,000	147,205
Reserve for Salary Adjustments	18,847	-	-	18,847	-	-	18,847
Bureau of Rehabilitative Services	131	-	-	131	88	-	43
Workers' Compensation Claims	6,756	-	-	6,756	4,779	-	1,977
Department of Administrative Services	7,158	-	-	7,158	3,294	-	3,864
Unemployment Compensation	459	-	-	459	292	-	167
State Employees Retirement	99,636	-	-	99,636	59,280	-	40,356
Group Life Insurance	327	-	-	327	169	-	158
Employers Social Security	18,632	-	-	18,632	8,914	-	9,718
State Employees Health Service	42,129	-	-	42,129	21,978	-	20,151
Insurance Recoveries	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	45,536	(45,536)
<b>Total Budgeted Appropriations</b>	<b><u>\$ 1,356,022</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,356,022</u></b>	<b><u>\$ 798,017</u></b>	<b><u>\$ 89,086</u></b>	<b><u>\$ 468,919</u></b>

**STATE OF CONNECTICUT GENERAL FUND  
BALANCE SHEET  
AS OF FEBRUARY 29, 2012  
(In Thousands)**

Exhibit A

**ASSETS**

Loans Receivable	3,419
Unrealized Revenue - Exhibit C	<u>8,710,831</u>
<b>Total Assets</b>	<b><u>\$ 8,714,250</u></b>

**LIABILITIES, RESERVES, APPROPRIATIONS AND SURPLUS**

**LIABILITIES**

Deficiency in Cash and Short Term Investments	\$ 1,921,488
Due to Other Funds	93
Accounts Payable	<u>21,191</u>
Total Liabilities	<u>1,942,772</u>

**RESERVES**

Reserve for Petty Cash	807
Statutory Surplus Reserves for Fiscal Year 2011-2012	236,923
Reserve for Receivables	3,419
Unexpended Appropriations - Exhibit D	6,518,239
Unappropriated Surplus (Deficit) - Exhibit B	<u>12,090</u>
<b>Total Liabilities, Reserves, Appropriations and Surplus</b>	<b><u>\$ 8,714,250</u></b>

**STATE OF CONNECTICUT GENERAL FUND  
ANALYSIS OF UNAPPROPRIATED SURPLUS  
AS OF FEBRUARY 29, 2012**

(In Thousands)

Exhibit B

	<u>Budget Plan</u>	<u>Budgetary Increases (Decreases)</u>	<u>Other Increases (Decreases)</u>	<u>Revised Estimates</u>
<b>BUDGETED REVENUE - EXHIBIT C</b>				
Taxes	\$ 14,019,100	\$ (21,600)	\$ -	\$ 13,997,500
Other Revenue	1,226,500	(79,700)	-	1,146,800
Other Sources	<u>3,543,000</u>	<u>(16,900)</u>	<u>-</u>	<u>3,526,100</u>
Total Budgeted Revenue	<u>18,788,600</u>	<u>(118,200)</u>	<u>-</u>	<u>18,670,400</u>
<b>APPROPRIATIONS - EXHIBIT D</b>				
Budgeted Appropriations	19,686,631	109,300	247	19,796,178
Continued from Prior Year	<u>200,985</u>	<u>-</u>	<u>-</u>	<u>200,985</u>
Current Year Appropriations	19,485,646	109,300	247	19,595,193
Estimated Lapses	<u>(777,912)</u>	<u>(158,984)</u>	<u>-</u>	<u>(936,896)</u>
Net Appropriations	<u>18,707,734</u>	<u>(49,684)</u>	<u>247</u>	<u>18,658,297</u>
Surplus (Deficit) from Operations	80,866	(68,516)	(247)	12,103
Miscellaneous Adjustments	-	-	(13)	(13)
Surplus (Deficit), July 1, 2011	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Projected Surplus (Deficit), June 30, 2012</b>	<u>\$ 80,866</u>	<u>\$ (68,516)</u>	<u>\$ (260)</u>	<u>\$ 12,090</u>

**STATE OF CONNECTICUT GENERAL FUND  
STATEMENT OF ESTIMATED AND REALIZED REVENUE  
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012**  
(In Thousands)

**Exhibit C**

	<u>Estimated Revenue</u>	<u>Increases or (Decreases)</u>	<u>Revised Estimates</u>	<u>Realized Revenue</u>	<u>Unrealized Revenue</u>
<b>TAXES</b>					
Personal Income	\$ 8,550,600	\$ (119,600)	\$ 8,431,000	\$ 4,294,304	\$ 4,136,696
Sales and Use	3,789,000	91,500	3,880,500	2,248,930	1,631,570
Corporations	707,700	-	707,700	304,266	403,434
Cigarettes and Tobacco	443,800	(12,500)	431,300	267,002	164,298
Insurance Companies	237,200	(8,400)	228,800	107,885	120,915
Public Service Corporations	268,700	-	268,700	124,587	144,113
Real Estate Conveyance	90,300	2,800	93,100	52,970	40,130
Inheritance and Estate	158,000	(25,000)	133,000	70,615	62,385
Oil Companies	93,100	63,500	156,600	80,167	76,433
Electric Generation	71,000	-	71,000	35,699	35,301
Alcoholic Beverages	56,900	1,000	57,900	34,720	23,180
Admissions, Dues and Cabaret	39,600	(3,100)	36,500	21,806	14,694
Miscellaneous	542,200	2,000	544,200	277,156	267,044
Totals	15,048,100	(7,800)	15,040,300	7,920,107	7,120,193
Less Refunds of Taxes	(1,020,000)	(13,800)	(1,033,800)	(606,388)	(427,412)
Less R & D Credit Exchange	(9,000)	-	(9,000)	(2,733)	(6,267)
Net Taxes	14,019,100	(21,600)	13,997,500	7,310,986	6,686,514
<b>OTHER REVENUE</b>					
Indian Gaming Payments	375,500	(29,100)	346,400	202,845	143,555
Transfers - Special Revenue	288,400	14,400	302,800	201,388	101,412
Licenses, Permits and Fees	271,200	(1,300)	269,900	154,592	115,308
Investment Income	2,900	(900)	2,000	2,268	(268)
Rents, Fines and Escheats	127,400	(16,700)	110,700	22,585	88,115
Sales of Commodities and Services	36,400	-	36,400	19,491	16,909
Miscellaneous	163,000	(3,000)	160,000	109,995	50,005
Total Other Revenue	1,264,800	(36,600)	1,228,200	713,164	515,036
Less Refunds of Payments	(38,300)	(43,100)	(81,400)	(67,666)	(13,734)
Net Other Revenue	1,226,500	(79,700)	1,146,800	645,498	501,302
<b>OTHER SOURCES</b>					
Federal Grants	3,589,700	(16,900)	3,572,800	2,157,935	1,414,865
Transfer to/from the Resources of the General Fund	(81,000)	-	(81,000)	(93,050)	12,050
Transfer from the Tobacco Settlement Fund	96,100	-	96,100	-	96,100
Transfers to Pequot Mohegan Fund	(61,800)	-	(61,800)	(61,800)	-
Total Other Sources	3,543,000	(16,900)	3,526,100	2,003,085	1,523,015
<b>Total Budgeted Revenue</b>	<b>\$ 18,788,600</b>	<b>\$ (118,200)</b>	<b>\$ 18,670,400</b>	<b>\$ 9,959,569</b>	<b>\$ 8,710,831</b>

STATE OF CONNECTICUT GENERAL FUND  
STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012  
(In Thousands)

Exhibit D

	Continued and Initial Appropriations	Increases or (Decreases)	Estimated Additional Requirements	Total Appropriations	Expenditures	Estimated Lapses	Unexpended Appropriations
<b>LEGISLATIVE</b>							
Legislative Management	\$ 65,281	\$ 163	\$ -	\$ 65,444	\$ 33,621	\$ 3,300	\$ 28,523
Auditors of Public Accounts	13,106	-	-	13,106	7,280	300	5,526
Commission on Aging	269	-	-	269	162	-	107
Commission on the Status of Women	527	-	-	527	286	-	241
Commission on Children	553	-	-	553	328	-	225
Commission on Latino & Puerto Rican Affairs	332	-	-	332	182	-	150
African-American Affairs Commission	220	-	-	220	121	-	99
Asian Pacific American Affairs	158	-	-	158	16	-	142
<b>Total Legislative</b>	<b>80,446</b>	<b>163</b>	<b>-</b>	<b>80,609</b>	<b>41,996</b>	<b>3,600</b>	<b>35,013</b>
<b>GENERAL GOVERNMENT</b>							
Governor's Office	2,837	-	-	2,837	1,775	-	1,062
Secretary of the State	9,105	-	-	9,105	4,690	-	4,415
Lieutenant Governor's Office	929	-	-	929	474	-	455
State Treasurer	4,130	-	-	4,130	2,295	-	1,835
State Comptroller	28,496	-	-	28,496	16,236	-	12,260
Revenue Services	73,797	-	-	73,797	41,489	-	32,308
Governmental Accountability	9,299	-	-	9,299	5,188	-	4,111
Office of Policy and Management	274,345	-	-	274,345	256,412	1,200	16,733
Veterans' Affairs	31,809	-	-	31,809	18,755	-	13,054
Administrative Services	133,883	(150)	-	133,733	71,297	-	62,436
Construction Services	9,730	-	-	9,730	5,643	-	4,087
Attorney General	30,758	-	-	30,758	18,490	-	12,268
Division of Criminal Justice	52,399	-	-	52,399	32,866	-	19,533
<b>Total General Government</b>	<b>661,517</b>	<b>(150)</b>	<b>-</b>	<b>661,367</b>	<b>475,610</b>	<b>1,200</b>	<b>184,557</b>
<b>REGULATION AND PROTECTION</b>							
Emergency Services and Public Protection	172,629	-	1,800	174,429	112,307	-	62,122
Motor Vehicles	501	-	-	501	122	-	379
Military Department	6,980	-	-	6,980	4,107	-	2,873
Consumer Protection	16,185	-	-	16,185	9,872	-	6,313
Department of Labor	78,456	-	-	78,456	37,688	-	40,768
Human Rights & Opportunities	7,057	-	-	7,057	3,488	-	3,569
Advocacy for Persons with Disabilities	2,681	-	-	2,681	1,643	-	1,038
<b>Total Regulation and Protection</b>	<b>284,489</b>	<b>-</b>	<b>1,800</b>	<b>286,289</b>	<b>169,227</b>	<b>-</b>	<b>117,062</b>
<b>CONSERVATION AND DEVELOPMENT</b>							
Department of Agriculture	5,216	-	-	5,216	3,181	-	2,035
Energy and Environmental Protection	79,396	-	-	79,396	44,977	-	34,419
Environmental Quality Council	171	-	-	171	107	-	64
Economic & Community Development	60,275	-	-	60,275	25,869	-	34,406
Agricultural Experiment Station	7,372	-	-	7,372	4,562	-	2,810
<b>Total Conservation and Development</b>	<b>152,430</b>	<b>-</b>	<b>-</b>	<b>152,430</b>	<b>78,696</b>	<b>-</b>	<b>73,734</b>
<b>HEALTH AND HOSPITALS</b>							
Department of Public Health	91,682	-	-	91,682	49,144	1,700	40,838
Medical Examiner	6,200	-	200	6,400	3,475	-	2,925
Developmental Service	1,047,822	-	-	1,047,822	638,951	2,800	406,071
Mental Health & Addiction Services	750,192	-	-	750,192	429,262	3,800	317,130
Psychiatric Security Review Board	364	-	-	364	216	-	148
<b>Total Health and Hospitals</b>	<b>1,896,260</b>	<b>-</b>	<b>200</b>	<b>1,896,460</b>	<b>1,121,048</b>	<b>8,300</b>	<b>767,112</b>
<b>TRANSPORTATION</b>							
Department of Transportation	609	-	-	609	-	-	609
<b>Total Transportation</b>	<b>609</b>	<b>-</b>	<b>-</b>	<b>609</b>	<b>-</b>	<b>-</b>	<b>609</b>
<b>HUMAN SERVICES</b>							
Department of Social Services	5,820,575	-	-	5,820,575	4,021,683	-	1,798,892
Bureau of Rehabilitative Services	22,097	-	-	22,097	11,382	-	10,715
<b>Total Human Services</b>	<b>5,842,672</b>	<b>-</b>	<b>-</b>	<b>5,842,672</b>	<b>4,033,065</b>	<b>-</b>	<b>1,809,607</b>

STATE OF CONNECTICUT GENERAL FUND  
 STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
 FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012

Exhibit D

(In Thousands)

	Continued and Initial <u>Appropriations</u>	Increase or (Decreases)	Estimated Additional Requirements	Total <u>Appropriations</u>	<u>Expenditures</u>	Estimated <u>Lapses</u>	Unexpended <u>Appropriations</u>
<b>EDUCATION, MUSEUMS, LIBRARIES</b>							
Department of Education	2,804,237	-	-	2,804,237	1,520,759	900	1,282,578
State Library	11,750	-	-	11,750	6,514	-	5,236
Financial & Academic Affairs for Higher Ed	59,260	-	-	59,260	54,018	-	5,242
University of Connecticut	225,354	-	-	225,354	140,884	-	84,470
University Health Center	121,515	-	-	121,515	79,097	-	42,418
Teachers' Retirement Board	792,027	-	2,200	794,227	592,993	-	201,234
Board of Regents for Higher Education	315,677	-	-	315,677	195,985	-	119,692
<b>Total Education, Museums, Libraries</b>	<b>4,329,820</b>	<b>-</b>	<b>2,200</b>	<b>4,332,020</b>	<b>2,590,250</b>	<b>900</b>	<b>1,740,870</b>
<b>CORRECTIONS</b>							
Department of Correction	695,352	-	-	695,352	463,442	-	231,910
Children and Families	881,318	-	-	881,318	544,315	11,500	325,503
<b>Total Corrections</b>	<b>1,576,670</b>	<b>-</b>	<b>-</b>	<b>1,576,670</b>	<b>1,007,757</b>	<b>11,500</b>	<b>557,413</b>
<b>JUDICIAL</b>							
Judicial Department	512,170	98	-	512,268	322,763	-	189,505
Public Defender Services Commission	64,771	-	1,600	66,371	43,487	-	22,884
<b>Total Judicial</b>	<b>576,941</b>	<b>98</b>	<b>1,600</b>	<b>578,639</b>	<b>366,250</b>	<b>-</b>	<b>212,389</b>
<b>NON-FUNCTIONAL</b>							
Governor's Contingency	-	-	-	-	-	-	-
Debt Service	1,894,081	-	-	1,894,081	1,110,660	60,500	722,921
Reserve for Salary Adjustments	142,602	(107)	-	142,495	-	90,000	52,495
Workers' Compensation Claims	27,727	-	-	27,727	20,682	-	7,045
Adjudicated Claims	4,000	-	3,500	7,500	6,487	-	1,013
Death Benefits for State Employees	-	8	-	8	8	-	-
Unemployment Compensation	12,482	-	-	12,482	6,320	-	6,162
State Employees Retirement Contributions	722,137	-	-	722,137	429,647	-	292,490
Higher Education Alternative Retirement	37,959	-	-	37,959	12,757	-	25,202
Other Statutory Retirement	1,823	-	-	1,823	1,157	-	666
Judges & Compensation Commissioners Retirement	15,095	-	-	15,095	10,064	-	5,031
Group Life Insurance	8,586	-	-	8,586	4,859	-	3,727
Tuition Reimbursement - Training & Travel	5,829	235	-	6,064	2,093	-	3,971
Employers Social Security	244,897	-	-	244,897	138,684	-	106,213
State Employees Health Service	602,409	-	-	602,409	368,552	-	233,857
Retired State Employees Health Service	565,146	-	-	565,146	345,174	-	219,972
Insurance Recoveries	4	-	-	4	-	-	4
Unallocated	-	-	100,000	100,000	-	760,896	(660,896)
<b>Total Non-Functional</b>	<b>4,284,777</b>	<b>136</b>	<b>103,500</b>	<b>4,388,413</b>	<b>2,457,144</b>	<b>911,396</b>	<b>1,019,873</b>
<b>Total Budgeted Appropriations</b>	<b>\$ 19,686,631</b>	<b>\$ 247</b>	<b>\$ 109,300</b>	<b>\$ 19,796,178</b>	<b>\$ 12,341,043</b>	<b>\$ 936,896</b>	<b>\$ 6,518,239</b>

**STATE OF CONNECTICUT TRANSPORTATION FUND  
BALANCE SHEET  
AS OF FEBRUARY 29, 2012**  
(In Thousands)

**Exhibit E**

**ASSETS**

Cash and Short Term Investments	\$ 85,500
Unrealized Revenue - Exhibit G	<u>492,772</u>
<b>Total Assets</b>	<b><u>\$ 578,272</u></b>

**APPROPRIATIONS, LIABILITIES AND SURPLUS**

Unexpended Appropriations - Exhibit H	\$ 468,919
Liabilities	570
Unappropriated Surplus - Exhibit F	<u>108,783</u>
<b>Total Appropriations, Liabilities and Surplus</b>	<b><u>\$ 578,272</u></b>

**STATE OF CONNECTICUT TRANSPORTATION FUND  
ANALYSIS OF UNAPPROPRIATED SURPLUS  
AS OF FEBRUARY 29, 2012**

(In Thousands)

**Exhibit F**

	<b><u>Budget Plan</u></b>	<b><u>Budgetary Increases (Decreases)</u></b>	<b><u>Other Increases (Decreases)</u></b>	<b><u>Revised Estimates</u></b>
<b>BUDGETED REVENUE - EXHIBIT G</b>				
Taxes	\$ 798,600	\$ (13,000)	\$ -	\$ 785,600
Other Revenue	<u>463,900</u>	<u>(21,700)</u>	<u>-</u>	<u>442,200</u>
Total Budgeted Revenue	<u>1,262,500</u>	<u>(34,700)</u>	<u>-</u>	<u>1,227,800</u>
<b>APPROPRIATIONS - EXHIBIT H</b>				
Budgeted Appropriations	1,356,022	-	-	1,356,022
Continued from Prior Year	<u>40,554</u>	<u>-</u>	<u>-</u>	<u>40,554</u>
Current Year Appropriations	1,315,468	-	-	1,315,468
Estimated Lapses	(53,536)	(35,550)	-	(89,086)
Restricted Grants Affecting Surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Appropriations	<u>1,261,932</u>	<u>(35,550)</u>	<u>-</u>	<u>1,226,382</u>
Surplus from Operations	568	850	-	1,418
Miscellaneous Adjustments	-	-	-	-
Surplus, July 1, 2011	<u>107,365</u>	<u>-</u>	<u>-</u>	<u>107,365</u>
<b>Projected Surplus, June 30, 2012</b>	<b><u>\$ 107,933</u></b>	<b><u>\$ 850</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 108,783</u></b>

**STATE OF CONNECTICUT TRANSPORTATION FUND  
STATEMENT OF ESTIMATED AND REALIZED REVENUE  
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012**

(In Thousands)

Exhibit G

	<u>Estimated Revenue</u>	<u>Increases or (Decreases)</u>	<u>Revised Estimates</u>	<u>Realized Revenue</u>	<u>Unrealized Revenue</u>
<b>TAXES</b>					
Motor Fuels Tax	\$ 507,300	\$ (15,500)	\$ 491,800	\$ 290,815	\$ 200,985
Oil Companies	226,900	-	226,900	113,450	113,450
Sales Tax DMV	<u>71,600</u>	<u>2,700</u>	<u>74,300</u>	<u>47,085</u>	<u>27,215</u>
Totals	805,800	(12,800)	793,000	451,350	341,650
Less Refunds of Taxes	<u>(7,200)</u>	<u>(200)</u>	<u>(7,400)</u>	<u>(5,268)</u>	<u>(2,132)</u>
Net Taxes	<u>798,600</u>	<u>(13,000)</u>	<u>785,600</u>	<u>446,082</u>	<u>339,518</u>
<b>OTHER REVENUE</b>					
Motor Vehicle Receipts	237,500	(7,500)	230,000	136,201	93,799
Licenses, Permits and Fees	143,800	(6,300)	137,500	85,196	52,304
Interest Income	12,500	(7,500)	5,000	1,367	3,633
Federal Grants	13,100	-	13,100	6,405	6,695
Transfer from Other Funds	81,900	-	81,900	81,550	350
Transfer to Emissions Enterprise Fund	(6,500)	-	(6,500)	(4,875)	(1,625)
Transfer to TSB Projects Account	<u>(15,300)</u>	<u>-</u>	<u>(15,300)</u>	<u>(15,000)</u>	<u>(300)</u>
Totals	467,000	(21,300)	445,700	290,844	154,856
Less Refunds of Payments	<u>(3,100)</u>	<u>(400)</u>	<u>(3,500)</u>	<u>(1,898)</u>	<u>(1,602)</u>
Net Other Revenue	<u>463,900</u>	<u>(21,700)</u>	<u>442,200</u>	<u>288,946</u>	<u>153,254</u>
<b>Total Budgeted Revenue</b>	<b><u>\$ 1,262,500</u></b>	<b><u>\$ (34,700)</u></b>	<b><u>\$ 1,227,800</u></b>	<b><u>\$ 735,028</u></b>	<b><u>\$ 492,772</u></b>

STATE OF CONNECTICUT TRANSPORTATION FUND  
STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012  
(In Thousands)

Exhibit H

	Continued and Initial	Increases or	Estimated Additional	Total		Estimated	Unexpended
	<u>Appropriations</u>	<u>(Decreases)</u>	<u>Requirements</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Lapses</u>	<u>Appropriations</u>
Department of Transportation	\$ 613,147	\$ -	\$ -	\$ 613,147	\$ 363,767	\$ 12,900	\$ 236,480
Motor Vehicle Department	69,965	-	-	69,965	33,826	650	35,489
Debt Service	478,835	-	-	478,835	301,630	30,000	147,205
Reserve for Salary Adjustments	18,847	-	-	18,847	-	-	18,847
Bureau of Rehabilitative Services	131	-	-	131	88	-	43
Workers' Compensation Claims	6,756	-	-	6,756	4,779	-	1,977
Department of Administrative Services	7,158	-	-	7,158	3,294	-	3,864
Unemployment Compensation	459	-	-	459	292	-	167
State Employees Retirement	99,636	-	-	99,636	59,280	-	40,356
Group Life Insurance	327	-	-	327	169	-	158
Employers Social Security	18,632	-	-	18,632	8,914	-	9,718
State Employees Health Service	42,129	-	-	42,129	21,978	-	20,151
Insurance Recoveries	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	45,536	(45,536)
<b>Total Budgeted Appropriations</b>	<b>\$ 1,356,022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,356,022</b>	<b>\$ 798,017</b>	<b>\$ 89,086</b>	<b>\$ 468,919</b>

**STATE OF CONNECTICUT GENERAL FUND  
BALANCE SHEET  
AS OF FEBRUARY 29, 2012  
(In Thousands)**

**Exhibit A**

**ASSETS**

Loans Receivable	3,419
Unrealized Revenue - Exhibit C	<u>8,710,831</u>
<b>Total Assets</b>	<b><u>\$ 8,714,250</u></b>

**LIABILITIES, RESERVES, APPROPRIATIONS AND SURPLUS**

**LIABILITIES**

Deficiency in Cash and Short Term Investments	\$ 1,921,488
Due to Other Funds	93
Accounts Payable	<u>21,191</u>
Total Liabilities	<u>1,942,772</u>

**RESERVES**

Reserve for Petty Cash	807
Statutory Surplus Reserves for Fiscal Year 2011-2012	236,923
Reserve for Receivables	3,419
Unexpended Appropriations - Exhibit D	6,518,239
Unappropriated Surplus (Deficit) - Exhibit B	<u>12,090</u>
<b>Total Liabilities, Reserves, Appropriations and Surplus</b>	<b><u>\$ 8,714,250</u></b>

**STATE OF CONNECTICUT GENERAL FUND  
ANALYSIS OF UNAPPROPRIATED SURPLUS  
AS OF FEBRUARY 29, 2012**

(In Thousands)

Exhibit B

	<u>Budget Plan</u>	<u>Budgetary Increases (Decreases)</u>	<u>Other Increases (Decreases)</u>	<u>Revised Estimates</u>
<b>BUDGETED REVENUE - EXHIBIT C</b>				
Taxes	\$ 14,019,100	\$ (21,600)	\$ -	\$ 13,997,500
Other Revenue	1,226,500	(79,700)	-	1,146,800
Other Sources	<u>3,543,000</u>	<u>(16,900)</u>	<u>-</u>	<u>3,526,100</u>
 Total Budgeted Revenue	 <u>18,788,600</u>	 <u>(118,200)</u>	 <u>-</u>	 <u>18,670,400</u>
<b>APPROPRIATIONS - EXHIBIT D</b>				
Budgeted Appropriations	19,686,631	109,300	247	19,796,178
Continued from Prior Year	<u>200,985</u>	<u>-</u>	<u>-</u>	<u>200,985</u>
 Current Year Appropriations	 19,485,646	 109,300	 247	 19,595,193
Estimated Lapses	<u>(777,912)</u>	<u>(158,984)</u>	<u>-</u>	<u>(936,896)</u>
 Net Appropriations	 <u>18,707,734</u>	 <u>(49,684)</u>	 <u>247</u>	 <u>18,658,297</u>
Surplus (Deficit) from Operations	80,866	(68,516)	(247)	12,103
Miscellaneous Adjustments	-	-	(13)	(13)
Surplus (Deficit), July 1, 2011	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>Projected Surplus (Deficit), June 30, 2012</b>	 <u><b>\$ 80,866</b></u>	 <u><b>\$ (68,516)</b></u>	 <u><b>\$ (260)</b></u>	 <u><b>\$ 12,090</b></u>

**STATE OF CONNECTICUT GENERAL FUND  
STATEMENT OF ESTIMATED AND REALIZED REVENUE  
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012**

**Exhibit C**

(In Thousands)

	<u>Estimated Revenue</u>	<u>Increases or (Decreases)</u>	<u>Revised Estimates</u>	<u>Realized Revenue</u>	<u>Unrealized Revenue</u>
<b>TAXES</b>					
Personal Income	\$ 8,550,600	\$ (119,600)	\$ 8,431,000	\$ 4,294,304	\$ 4,136,696
Sales and Use	3,789,000	91,500	3,880,500	2,248,930	1,631,570
Corporations	707,700	-	707,700	304,266	403,434
Cigarettes and Tobacco	443,800	(12,500)	431,300	267,002	164,298
Insurance Companies	237,200	(8,400)	228,800	107,885	120,915
Public Service Corporations	268,700	-	268,700	124,587	144,113
Real Estate Conveyance	90,300	2,800	93,100	52,970	40,130
Inheritance and Estate	158,000	(25,000)	133,000	70,615	62,385
Oil Companies	93,100	63,500	156,600	80,167	76,433
Electric Generation	71,000	-	71,000	35,699	35,301
Alcoholic Beverages	56,900	1,000	57,900	34,720	23,180
Admissions, Dues and Cabaret	39,600	(3,100)	36,500	21,806	14,694
Miscellaneous	<u>542,200</u>	<u>2,000</u>	<u>544,200</u>	<u>277,156</u>	<u>267,044</u>
Totals	15,048,100	(7,800)	15,040,300	7,920,107	7,120,193
Less Refunds of Taxes	(1,020,000)	(13,800)	(1,033,800)	(606,388)	(427,412)
Less R & D Credit Exchange	<u>(9,000)</u>	<u>-</u>	<u>(9,000)</u>	<u>(2,733)</u>	<u>(6,267)</u>
Net Taxes	<u>14,019,100</u>	<u>(21,600)</u>	<u>13,997,500</u>	<u>7,310,986</u>	<u>6,686,514</u>
<b>OTHER REVENUE</b>					
Indian Gaming Payments	375,500	(29,100)	346,400	202,845	143,555
Transfers - Special Revenue	288,400	14,400	302,800	201,388	101,412
Licenses, Permits and Fees	271,200	(1,300)	269,900	154,592	115,308
Investment Income	2,900	(900)	2,000	2,268	(268)
Rents, Fines and Escheats	127,400	(16,700)	110,700	22,585	88,115
Sales of Commodities and Services	36,400	-	36,400	19,491	16,909
Miscellaneous	<u>163,000</u>	<u>(3,000)</u>	<u>160,000</u>	<u>109,995</u>	<u>50,005</u>
Total Other Revenue	1,264,800	(36,600)	1,228,200	713,164	515,036
Less Refunds of Payments	<u>(38,300)</u>	<u>(43,100)</u>	<u>(81,400)</u>	<u>(67,666)</u>	<u>(13,734)</u>
Net Other Revenue	<u>1,226,500</u>	<u>(79,700)</u>	<u>1,146,800</u>	<u>645,498</u>	<u>501,302</u>
<b>OTHER SOURCES</b>					
Federal Grants	3,589,700	(16,900)	3,572,800	2,157,935	1,414,865
Transfer to/from the Resources of the General Fund	(81,000)	-	(81,000)	(93,050)	12,050
Transfer from the Tobacco Settlement Fund	96,100	-	96,100	-	96,100
Transfers to Pequot Mohegan Fund	<u>(61,800)</u>	<u>-</u>	<u>(61,800)</u>	<u>(61,800)</u>	<u>-</u>
Total Other Sources	<u>3,543,000</u>	<u>(16,900)</u>	<u>3,526,100</u>	<u>2,003,085</u>	<u>1,523,015</u>
<b>Total Budgeted Revenue</b>	<b><u>\$ 18,788,600</u></b>	<b><u>\$ (118,200)</u></b>	<b><u>\$ 18,670,400</u></b>	<b><u>\$ 9,959,569</u></b>	<b><u>\$ 8,710,831</u></b>

STATE OF CONNECTICUT GENERAL FUND  
STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012

Exhibit D

(In Thousands)

	Continued and Initial Appropriations	Increases or (Decreases)	Estimated Additional Requirements	Total Appropriations	Expenditures	Estimated Lapses	Unexpended Appropriations
<b>LEGISLATIVE</b>							
Legislative Management	\$ 65,281	\$ 163	\$ -	\$ 65,444	\$ 33,621	\$ 3,300	\$ 28,523
Auditors of Public Accounts	13,106	-	-	13,106	7,280	300	5,526
Commission on Aging	269	-	-	269	162	-	107
Commission on the Status of Women	527	-	-	527	286	-	241
Commission on Children	553	-	-	553	328	-	225
Commission on Latino & Puerto Rican Affairs	332	-	-	332	182	-	150
African-American Affairs Commission	220	-	-	220	121	-	99
Asian Pacific American Affairs	158	-	-	158	16	-	142
<b>Total Legislative</b>	<b>80,446</b>	<b>163</b>	<b>-</b>	<b>80,609</b>	<b>41,996</b>	<b>3,600</b>	<b>35,013</b>
<b>GENERAL GOVERNMENT</b>							
Governor's Office	2,837	-	-	2,837	1,775	-	1,062
Secretary of the State	9,105	-	-	9,105	4,690	-	4,415
Lieutenant Governor's Office	929	-	-	929	474	-	455
State Treasurer	4,130	-	-	4,130	2,295	-	1,835
State Comptroller	28,496	-	-	28,496	16,236	-	12,260
Revenue Services	73,797	-	-	73,797	41,489	-	32,308
Governmental Accountability	9,299	-	-	9,299	5,188	-	4,111
Office of Policy and Management	274,345	-	-	274,345	256,412	1,200	16,733
Veterans' Affairs	31,809	-	-	31,809	18,755	-	13,054
Administrative Services	133,883	(150)	-	133,733	71,297	-	62,436
Construction Services	9,730	-	-	9,730	5,643	-	4,087
Attorney General	30,758	-	-	30,758	18,490	-	12,268
Division of Criminal Justice	52,399	-	-	52,399	32,866	-	19,533
<b>Total General Government</b>	<b>661,517</b>	<b>(150)</b>	<b>-</b>	<b>661,367</b>	<b>475,610</b>	<b>1,200</b>	<b>184,557</b>
<b>REGULATION AND PROTECTION</b>							
Emergency Services and Public Protection	172,629	-	1,800	174,429	112,307	-	62,122
Motor Vehicles	501	-	-	501	122	-	379
Military Department	6,980	-	-	6,980	4,107	-	2,873
Consumer Protection	16,185	-	-	16,185	9,872	-	6,313
Department of Labor	78,456	-	-	78,456	37,688	-	40,768
Human Rights & Opportunities	7,057	-	-	7,057	3,488	-	3,569
Advocacy for Persons with Disabilities	2,681	-	-	2,681	1,643	-	1,038
<b>Total Regulation and Protection</b>	<b>284,489</b>	<b>-</b>	<b>1,800</b>	<b>286,289</b>	<b>169,227</b>	<b>-</b>	<b>117,062</b>
<b>CONSERVATION AND DEVELOPMENT</b>							
Department of Agriculture	5,216	-	-	5,216	3,181	-	2,035
Energy and Environmental Protection	79,396	-	-	79,396	44,977	-	34,419
Environmental Quality Council	171	-	-	171	107	-	64
Economic & Community Development	60,275	-	-	60,275	25,869	-	34,406
Agricultural Experiment Station	7,372	-	-	7,372	4,562	-	2,810
<b>Total Conservation and Development</b>	<b>152,430</b>	<b>-</b>	<b>-</b>	<b>152,430</b>	<b>78,696</b>	<b>-</b>	<b>73,734</b>
<b>HEALTH AND HOSPITALS</b>							
Department of Public Health	91,682	-	-	91,682	49,144	1,700	40,838
Medical Examiner	6,200	-	200	6,400	3,475	-	2,925
Developmental Service	1,047,822	-	-	1,047,822	638,951	2,800	406,071
Mental Health & Addiction Services	750,192	-	-	750,192	429,262	3,800	317,130
Psychiatric Security Review Board	364	-	-	364	216	-	148
<b>Total Health and Hospitals</b>	<b>1,896,260</b>	<b>-</b>	<b>200</b>	<b>1,896,460</b>	<b>1,121,048</b>	<b>8,300</b>	<b>767,112</b>
<b>TRANSPORTATION</b>							
Department of Transportation	609	-	-	609	-	-	609
<b>Total Transportation</b>	<b>609</b>	<b>-</b>	<b>-</b>	<b>609</b>	<b>-</b>	<b>-</b>	<b>609</b>
<b>HUMAN SERVICES</b>							
Department of Social Services	5,820,575	-	-	5,820,575	4,021,683	-	1,798,892
Bureau of Rehabilitative Services	22,097	-	-	22,097	11,382	-	10,715
<b>Total Human Services</b>	<b>5,842,672</b>	<b>-</b>	<b>-</b>	<b>5,842,672</b>	<b>4,033,065</b>	<b>-</b>	<b>1,809,607</b>

STATE OF CONNECTICUT GENERAL FUND  
STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012  
(In Thousands)

Exhibit D

	Continued and Initial Appropriations	Increases or (Decreases)	Estimated Additional Requirements	Total Appropriations	Expenditures	Estimated Lapses	Unexpended Appropriations
<b>EDUCATION, MUSEUMS, LIBRARIES</b>							
Department of Education	2,804,237	-	-	2,804,237	1,520,759	900	1,282,578
State Library	11,750	-	-	11,750	6,514	-	5,236
Financial & Academic Affairs for Higher Ed	59,260	-	-	59,260	54,018	-	5,242
University of Connecticut	225,354	-	-	225,354	140,884	-	84,470
University Health Center	121,515	-	-	121,515	79,097	-	42,418
Teachers' Retirement Board	792,027	-	2,200	794,227	592,993	-	201,234
Board of Regents for Higher Education	315,677	-	-	315,677	195,985	-	119,692
<b>Total Education, Museums, Libraries</b>	<b>4,329,820</b>	<b>-</b>	<b>2,200</b>	<b>4,332,020</b>	<b>2,590,250</b>	<b>900</b>	<b>1,740,870</b>
<b>CORRECTIONS</b>							
Department of Correction	695,352	-	-	695,352	463,442	-	231,910
Children and Families	881,318	-	-	881,318	544,315	11,500	325,503
<b>Total Corrections</b>	<b>1,576,670</b>	<b>-</b>	<b>-</b>	<b>1,576,670</b>	<b>1,007,757</b>	<b>11,500</b>	<b>557,413</b>
<b>JUDICIAL</b>							
Judicial Department	512,170	98	-	512,268	322,763	-	189,505
Public Defender Services Commission	64,771	-	1,600	66,371	43,487	-	22,884
<b>Total Judicial</b>	<b>576,941</b>	<b>98</b>	<b>1,600</b>	<b>578,639</b>	<b>366,250</b>	<b>-</b>	<b>212,389</b>
<b>NON-FUNCTIONAL</b>							
Governor's Contingency	-	-	-	-	-	-	-
Debt Service	1,894,081	-	-	1,894,081	1,110,660	60,500	722,921
Reserve for Salary Adjustments	142,602	(107)	-	142,495	-	90,000	52,495
Workers' Compensation Claims	27,727	-	-	27,727	20,682	-	7,045
Adjudicated Claims	4,000	-	3,500	7,500	6,487	-	1,013
Death Benefits for State Employees	-	8	-	8	8	-	-
Unemployment Compensation	12,482	-	-	12,482	6,320	-	6,162
State Employees Retirement Contributions	722,137	-	-	722,137	429,647	-	292,490
Higher Education Alternative Retirement	37,959	-	-	37,959	12,757	-	25,202
Other Statutory Retirement	1,823	-	-	1,823	1,157	-	666
Judges & Compensation Commissioners Retirement	15,095	-	-	15,095	10,064	-	5,031
Group Life Insurance	8,586	-	-	8,586	4,859	-	3,727
Tuition Reimbursement - Training & Travel	5,829	235	-	6,064	2,093	-	3,971
Employers Social Security	244,897	-	-	244,897	138,684	-	106,213
State Employees Health Service	602,409	-	-	602,409	368,552	-	233,857
Retired State Employees Health Service	565,146	-	-	565,146	345,174	-	219,972
Insurance Recoveries	4	-	-	4	-	-	4
Unallocated	-	-	100,000	100,000	-	760,896	(660,896)
<b>Total Non-Functional</b>	<b>4,284,777</b>	<b>136</b>	<b>103,500</b>	<b>4,388,413</b>	<b>2,457,144</b>	<b>911,396</b>	<b>1,019,873</b>
<b>Total Budgeted Appropriations</b>	<b>\$ 19,686,631</b>	<b>\$ 247</b>	<b>\$ 109,300</b>	<b>\$ 19,796,178</b>	<b>\$ 12,341,043</b>	<b>\$ 936,896</b>	<b>\$ 6,518,239</b>

**STATE OF CONNECTICUT TRANSPORTATION FUND  
BALANCE SHEET  
AS OF FEBRUARY 29, 2012**

(In Thousands)

**Exhibit E**

**ASSETS**

Cash and Short Term Investments	\$ 85,500
Unrealized Revenue - Exhibit G	<u>492,772</u>
<b>Total Assets</b>	<b><u>\$ 578,272</u></b>

**APPROPRIATIONS, LIABILITIES AND SURPLUS**

Unexpended Appropriations - Exhibit H	\$ 468,919
Liabilities	570
Unappropriated Surplus - Exhibit F	<u>108,783</u>
<b>Total Appropriations, Liabilities and Surplus</b>	<b><u>\$ 578,272</u></b>

**STATE OF CONNECTICUT TRANSPORTATION FUND  
ANALYSIS OF UNAPPROPRIATED SURPLUS  
AS OF FEBRUARY 29, 2012**

(In Thousands)

Exhibit F

	<u>Budget Plan</u>	<u>Budgetary Increases (Decreases)</u>	<u>Other Increases (Decreases)</u>	<u>Revised Estimates</u>
<b>BUDGETED REVENUE - EXHIBIT G</b>				
Taxes	\$ 798,600	\$ (13,000)	\$ -	\$ 785,600
Other Revenue	<u>463,900</u>	<u>(21,700)</u>	<u>-</u>	<u>442,200</u>
Total Budgeted Revenue	<u>1,262,500</u>	<u>(34,700)</u>	<u>-</u>	<u>1,227,800</u>
<b>APPROPRIATIONS - EXHIBIT H</b>				
Budgeted Appropriations	1,356,022	-	-	1,356,022
Continued from Prior Year	<u>40,554</u>	<u>-</u>	<u>-</u>	<u>40,554</u>
Current Year Appropriations	1,315,468	-	-	1,315,468
Estimated Lapses	(53,536)	(35,550)	-	(89,086)
Restricted Grants Affecting Surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Appropriations	<u>1,261,932</u>	<u>(35,550)</u>	<u>-</u>	<u>1,226,382</u>
Surplus from Operations	568	850	-	1,418
Miscellaneous Adjustments	-	-	-	-
Surplus, July 1, 2011	<u>107,365</u>	<u>-</u>	<u>-</u>	<u>107,365</u>
<b>Projected Surplus, June 30, 2012</b>	<u><b>\$ 107,933</b></u>	<u><b>\$ 850</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 108,783</b></u>

**STATE OF CONNECTICUT TRANSPORTATION FUND  
STATEMENT OF ESTIMATED AND REALIZED REVENUE  
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012**

(In Thousands)

Exhibit G

	<u>Estimated Revenue</u>	<u>Increases or (Decreases)</u>	<u>Revised Estimates</u>	<u>Realized Revenue</u>	<u>Unrealized Revenue</u>
<b>TAXES</b>					
Motor Fuels Tax	\$ 507,300	\$ (15,500)	\$ 491,800	\$ 290,815	\$ 200,985
Oil Companies	226,900	-	226,900	113,450	113,450
Sales Tax DMV	<u>71,600</u>	<u>2,700</u>	<u>74,300</u>	<u>47,085</u>	<u>27,215</u>
Totals	805,800	(12,800)	793,000	451,350	341,650
Less Refunds of Taxes	<u>(7,200)</u>	<u>(200)</u>	<u>(7,400)</u>	<u>(5,268)</u>	<u>(2,132)</u>
Net Taxes	<u>798,600</u>	<u>(13,000)</u>	<u>785,600</u>	<u>446,082</u>	<u>339,518</u>
<b>OTHER REVENUE</b>					
Motor Vehicle Receipts	237,500	(7,500)	230,000	136,201	93,799
Licenses, Permits and Fees	143,800	(6,300)	137,500	85,196	52,304
Interest Income	12,500	(7,500)	5,000	1,367	3,633
Federal Grants	13,100	-	13,100	6,405	6,695
Transfer from Other Funds	81,900	-	81,900	81,550	350
Transfer to Emissions Enterprise Fund	(6,500)	-	(6,500)	(4,875)	(1,625)
Transfer to TSB Projects Account	<u>(15,300)</u>	<u>-</u>	<u>(15,300)</u>	<u>(15,000)</u>	<u>(300)</u>
Totals	467,000	(21,300)	445,700	290,844	154,856
Less Refunds of Payments	<u>(3,100)</u>	<u>(400)</u>	<u>(3,500)</u>	<u>(1,898)</u>	<u>(1,602)</u>
Net Other Revenue	<u>463,900</u>	<u>(21,700)</u>	<u>442,200</u>	<u>288,946</u>	<u>153,254</u>
<b>Total Budgeted Revenue</b>	<b><u>\$ 1,262,500</u></b>	<b><u>\$ (34,700)</u></b>	<b><u>\$ 1,227,800</u></b>	<b><u>\$ 735,028</u></b>	<b><u>\$ 492,772</u></b>

STATE OF CONNECTICUT TRANSPORTATION FUND  
STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012

Exhibit H

(In Thousands)

	Continued and Initial	Increases or	Estimated Additional	Total		Estimated	Unexpended
	<u>Appropriations</u>	<u>(Decreases)</u>	<u>Requirements</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Lapses</u>	<u>Appropriations</u>
Department of Transportation	\$ 613,147	\$ -	\$ -	\$ 613,147	\$ 363,767	\$ 12,900	\$ 236,480
Motor Vehicle Department	69,965	-	-	69,965	33,826	650	35,489
Debt Service	478,835	-	-	478,835	301,630	30,000	147,205
Reserve for Salary Adjustments	18,847	-	-	18,847	-	-	18,847
Bureau of Rehabilitative Services	131	-	-	131	88	-	43
Workers' Compensation Claims	6,756	-	-	6,756	4,779	-	1,977
Department of Administrative Services	7,158	-	-	7,158	3,294	-	3,864
Unemployment Compensation	459	-	-	459	292	-	167
State Employees Retirement	99,636	-	-	99,636	59,280	-	40,356
Group Life Insurance	327	-	-	327	169	-	158
Employers Social Security	18,632	-	-	18,632	8,914	-	9,718
State Employees Health Service	42,129	-	-	42,129	21,978	-	20,151
Insurance Recoveries	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	45,536	(45,536)
<b>Total Budgeted Appropriations</b>	<b>\$ 1,356,022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,356,022</b>	<b>\$ 798,017</b>	<b>\$ 89,086</b>	<b>\$ 468,919</b>