

*State of*  
**CONNECTICUT**

*Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 1992*

WILLIAM E. CURRY JR.  
STATE COMPTROLLER

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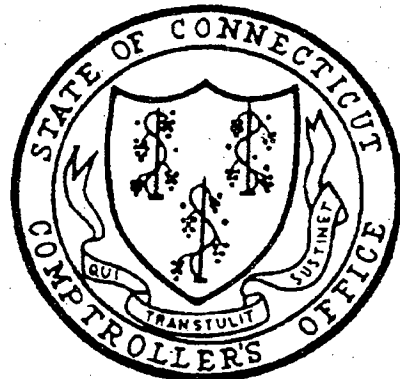
STATE OF CONNECTICUT

**COMPREHENSIVE  
ANNUAL  
FINANCIAL  
REPORT**

FOR THE FISCAL YEAR ENDED  
JUNE 30, 1992

Prepared by the Office of the State Comptroller

**William E. Curry Jr.  
State Comptroller**





# *Office of the State Comptroller*

The State Comptroller is one of the six state officers elected to hold office for a term of four years. The office of the State Comptroller was established in 1786 by an act of the General Assembly. The Constitutional Amendment of 1836 provided that the Comptroller be elected by the people in a manner similar to that of other State Officers. Since 1838 this method has been in effect.

The Comptroller prescribes the mode of keeping and rendering all public accounts. He is required to adjust and settle all public accounts and demands, excepting grants and orders of the General Assembly. The Comptroller also renders a monthly accounting of the State's financial condition.

In addition, the Comptroller approves and records all obligations against the State. He maintains all official accounting records and is responsible for the employee payrolls for all State agencies, departments, and institutions. His office administers all Retirement Systems other than Teachers' retirement. Additionally, the Comptroller administers numerous miscellaneous appropriations of the State.



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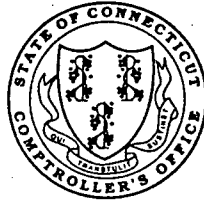
*Introductory  
Section*

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# STATE OF CONNECTICUT

WILLIAM E. CURRY JR.  
COMPTROLLER

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

ANTHONY A. WILLIAMS  
DEPUTY COMPTROLLER

December 31, 1992

To the Citizens of the State of Connecticut:

I am pleased to present this Comprehensive Annual Financial Report of the State of Connecticut for the fiscal year ended June 30, 1992.

The State's financial condition continued to deteriorate in fiscal year 1992.

- Government operations incurred a \$363 million deficit, the fifth year in a row despite a \$956 million increase in tax revenues.  
Long-term obligations increased \$1.6 billion, which will have to be financed by future generations.
- Debt service as a percent of governmental operating expenditures increased to 7.6%, up over 40% in the past two years.
- Net debt per capita rose to \$1,858, double that of fiscal year 1989 and triple that of only five years ago.  
Government expenditures rose to 11.0% of total personal income in the State.

## GOVERNMENTAL OPERATING RESULTS\*

(millions)

	<u>FY 92</u>	<u>FY 91</u>	<u>FY 90</u>	<u>FY 89</u>	<u>FY 88</u>
General Fund Deficit	\$ <77>	\$ <890>	\$ <442>	\$ <220>	\$ <137>
Special Revenue Funds:					
Transportation	3	<30>	<43>	<18>	31
Grant and Loan Programs	<232>	<189>	<126>	<97>	<36>
Housing Programs	<37>	<96>	<98>	<48>	<16>
Other, net	<20>	<13>	1	<206>	<128>
Total	<286>	<328>	<266>	<369>	<149>
Total Governmental Operating Deficits	<u>\$ &lt;363&gt;</u>	<u>\$ &lt;1,218&gt;</u>	<u>\$ &lt;708&gt;</u>	<u>\$ &lt;589&gt;</u>	<u>\$ &lt;286&gt;</u>

\* Surplus <Deficit> includes transfers and excludes proceeds from debt financing.

**TOTAL GOVERNMENTAL REVENUE**  
(millions)

	<u>FY 92</u>	<u>FY 91</u>	<u>FY 90</u>	<u>FY 89</u>	<u>FY 88</u>
Taxes	\$ 5,596	\$ 4,640	\$ 4,962	\$ 4,565	\$ 4,080
Intergovernmental	2,135	1,689	1,479	1,331	1,159
All Other	1,410	1,394	1,393	1,279	881
<b>Total</b>	<u>\$ 9,141</u>	<u>\$ 7,723</u>	<u>\$ 7,834</u>	<u>\$ 7,175</u>	<u>\$ 6,120</u>
Deficits as a Percent of Total Revenue	4.0%	15.8%	9.0%	8.2%	4.7%
Deficits as a Percent of Total Tax Revenue	6.5%	26.3%	14.3%	12.9%	7.0%

This economic reality, however, is masked by the manner in which the State controls its operations. On a budgetary basis, the fiscal year ended with a \$110 million General Fund surplus. Yet, the General Fund, when reported in accordance with a nationally recognized standard of accounting, ended the year with a \$77 million deficit excluding the proceeds of deficit bonds. The State's budgeted Special Revenue Funds also reported a budgetary surplus of \$12 million compared to an accounting deficit of \$286 million.

This occurs because the basis on which the budget is prepared differs from that used for accounting purposes. Bills that are paid after fiscal year end, for example, are ignored when determining budgetary results, yet are treated as expenditures for accounting purposes if the economic event that gives rise to the demand on State financial resources occurs in the fiscal year. The recognition of \$17 million of income tax refunds for accounting purposes is a case in point.

Moreover, the State's operating budget comprehends only part of the State's total financial activity. Budgets are adopted for the General Fund, the Transportation Fund, and a number of smaller special revenue funds. These budgeted funds covered only 70% of total State spending. It does not include \$3.9 billion of expenditures that are transacted without equivalent legislative oversight.

**STATE OPERATING EXPENDITURES\***  
Fiscal Year 1992  
(millions)

<u>Fund</u>	<u>Expenditures</u>	<u>Budgeted</u>
General Fund	<u>\$7,216</u>	Yes
Special Revenue Funds:		
Transportation	\$ 500	Yes
Lottery and OTB	466	No
Grant and Loan Programs	257	No
Environmental Programs	89	No
Housing Programs	47	No
All Other - Budgeted	44	Yes
All Other - Nonbudgeted	137	No
	<u>\$1,540</u>	

Debt Service Fund	\$ 282	No
Capital Projects Funds	938	Yes
Enterprise Funds	411	No
Internal Service Funds	70	No
Expendable Trust Funds	962	No
Higher Education Funds	1,137	No

\* Excludes Nonexpendable Trust and Pension Trust Funds.

Indeed, nonbudgeted Special Revenue Funds incurred operating deficits of \$303 million in fiscal year 1992 and \$298 million in fiscal year 1991, which required deficit financing. That financing will be repaid by future generations of taxpayers.

Unless we acknowledge economic reality in the way in which we oversee State finances and begin to prepare our budgets on a rational, consistent and complete basis, we are unlikely to address adequately the root issues of our financial difficulties.

I recommend:

**First**, we should adopt a set of budget principles that are consistent with the way in which we account for economic reality. That reality cannot be avoided by our refusal to acknowledge it. Those principles are articulated later in this transmittal.

**Second**, we need to comprehend the totality of the State's financial affairs into a multiyear financial plan. We cannot continue to permit 30% of State spending to occur outside of some legislative oversight and incur deficits that further burden an already difficult financial position.

**Third**, we need to improve the efficiency, economy, and effectiveness of State government operations and develop an entrepreneurial spirit throughout government, including more market oriented tests of program effectiveness, performance auditing, and an authentic commitment to total quality management.

**Fourth**, we need to instill greater initiative, responsibility, and accountability among managers. Managers cannot achieve improvements if they are stifled by bureaucratic mechanisms decades out of date. Consistent with this, this Office is issuing a series of internal control and accountability directives that will specify the minimal level of controls necessary to protect the State's resources while empowering agency managers to determine the most effective and efficient means to accomplish those internal control objectives. Agency managers will be asked to evaluate annually the adequacy of those controls, to candidly identify weaknesses, and to take corrective action.

My concern for proper internal controls will be satisfied when managers have sufficient incentive and ability to identify the problems and weaknesses in financial control systems. The identification and reporting of problems and weaknesses at the agency level must be rewarded rather than punished, for it is at that level and in that atmosphere that the most effective solutions to our problems are likely to be devised.

**Fifth**, all processes should have a control mechanism to ensure that goals, policies, and objectives are fulfilled. To this end, this Office is initiating a management or performance audit function to evaluate the economy, efficiency, and effectiveness of State programs. This recognizes the responsibility of our Office to ensure that the State's resources are managed and expended in conformance to the expressed intent of our lawmakers.

**Sixth**, the State should stop deficit financing of current programs. Debt financing should be used only when there is a demonstrable, tangible benefit to the future generations who will repay the debt plus interest. Debt should finance investments, not operations.

Connecticut cannot afford to continue on in the old ways. Prudent fiscal management and improved efficiency and effectiveness are necessary. The good news is that with strong political leadership and authentic collaboration among key state managers we can achieve in the months and years ahead the improved performance that is now more than ever necessary.

## STATE OPERATING RESULTS

The State continued to incur operating deficits despite substantial additions to its revenue base through an income tax. Governmental operations incurred a \$363 million deficit in fiscal year 1992, excluding the proceeds of bonds (deficit financing), despite a \$956 million increase in tax revenues without which the governmental operating deficits would have approximated the \$1.2 billion deficit of fiscal year 1991.

Governmental expenditures continued to grow as a burden on the State economy increasing to 11.0% of total Connecticut personal income, up from only 8.9% in fiscal year 1988.

### GOVERNMENTAL OPERATING EXPENDITURES AS A PERCENT OF PERSONAL INCOME (1983-1986 Expenditures Reported on a Non-GAAP Basis) (millions)

<u>Fiscal Year</u>	<u>Governmental Expenditures</u>	<u>Connecticut Personal Income</u>	<u>Ratio</u>
1983	\$3,981	\$46,790	8.5%
1984	4,473	51,104	8.8
1985	4,904	56,123	8.7
1986	5,159	60,350	8.5
1987	5,882	65,630	9.0
1988	6,372	71,890	8.9
1989	7,779	78,260	9.9
1990	8,534	81,870	10.4
1991	8,930	85,030	10.5
1992	9,541	87,080	11.0

Uncontrollable and fixed costs continued to consume increasing shares of the State's spending. Debt service as a percent of total governmental expenditures has increased to 7.6% in fiscal year 1992, up over 40% from 5.4% in fiscal year 1990. Medicaid also continued its rise, albeit at a substantially lower rate. It increased 7.3% in fiscal

year 1992 to \$1.3 billion or almost one-fifth of total General Fund spending. The net State share of Medicaid, after adjusting for the 50% share of federal reimbursements, cost, for every man, woman, and child in Connecticut, \$401.

Deficit financing for operating purposes continued in fiscal year 1992. Deficits of \$269 million were incurred in the Grant and Loan Programs and the Housing Programs special revenue funds in fiscal year 1992. This represents 18% of total special revenue funds spending. Debt financing for these and other special revenue programs was \$536 million, which is equal to our spending on legitimate capital needs for State facilities and infrastructure. In addition, we issued \$966 million of debt to finance cumulative General Fund deficits.

As a result, debt per capita increased to \$1,858 — twice what it was in fiscal year 1989.

## General Fund

The General Fund accounts for the substantial part of the State's operations. Excluding deficit financing, the General Fund incurred a \$77 million deficit in fiscal year 1992. Long-term debt of \$966 million was issued to help finance a cumulative fund balance deficit of \$1.2 billion.

### GENERAL FUND OPERATING DEFICIT (millions)

	<u>FY 92</u>	<u>FY 91</u>	<u>FY 90</u>
Deficit in Prior Fiscal Year	<u>\$&lt;890&gt;</u>	<u>\$&lt;442&gt;</u>	<u>\$&lt;220&gt;</u>
Expenditure <Increases> Decreases:			
General Government	<52>	134	<132>
Health and Hospital	53	<59>	<42>
Human Services	<152>	<342>	<289>
Education, Libraries, Museums	51	114	<347>
Corrections	<9>	<71>	<67>
Higher Education	<105>	12	2
Debt Service	<102>	<43>	<58>
Other, net	<144>	<9>	50
	<u>&lt;460&gt;</u>	<u>&lt;264&gt;</u>	<u>&lt;883&gt;</u>
Revenue Increases <Decreases>:			
Taxes	829	<331>	397
Intergovernmental	430	168	203
Other, net	14	<21>	61
	<u>1,273</u>	<u>&lt;184&gt;</u>	<u>661</u>
Deficit	<u>\$ &lt;77&gt;</u>	<u>\$&lt;890&gt;</u>	<u>\$&lt;442&gt;</u>

General Fund revenues increased \$1,273 million in fiscal year 1992 — \$829 million in tax revenues and \$430 million in federal aid. The initiation of a personal income tax raised \$1,284 million in revenues. This was in part offset by a related reduction in sales tax rates to 6% from 8%. Sales taxes decreased \$332 million in part due to a decline in retail sales. Inheritance and estate taxes also declined, albeit because of a single transaction related to a large estate in fiscal year 1991.

**GENERAL FUND REVENUES**

(millions)

	<u>FY 92</u>	<u>FY 91</u>	<u>Change</u>	<u>FY 90</u>
Taxes	\$5,132	\$4,303	\$ 829	\$4,634
Licenses, Permits and Fees	104	104	-	108
Intergovernmental	1,950	1,520	430	1,352
Charges for Services	43	42	1	42
Fines, Forfeits and Rents	26	21	5	34
Investment Earnings	3	6	<3>	2
Miscellaneous	118	125	<7>	125
Subtotal	<u>7,376</u>	<u>6,121</u>	<u>1,255</u>	<u>6,297</u>
Transfers In:				
Lottery and OTB	236	240	<4>	246
Other	31	9	22	11
	<u>267</u>	<u>249</u>	<u>18</u>	<u>257</u>
Total	<u>\$7,643</u>	<u>\$6,370</u>	<u>\$1,273</u>	<u>\$6,554</u>

**GENERAL FUND TAX REVENUES**

(millions)

	<u>FY 92</u>	<u>FY 91</u>	<u>Change</u>	<u>FY 90</u>
Personal Income	\$1,758	\$ -	\$1,758	\$ -
Capital Gains, Dividends and Interest	-	474	<474>	594
Sales and Use	2,078	2,410	<332>	2,474
Corporation	539	516	23	675
Public Service Corporations	180	182	<2>	278
Inheritance and Estate	185	267	<82>	164
Insurance Companies	164	174	<10>	170
Cigarettes and Tobacco	121	114	7	119
Real Estate Conveyance	51	49	2	60
Alcoholic Beverages	43	45	<2>	47
Oil Companies	73	46	27	28
Admissions, Dues and Cabaret	20	20	-	20
Miscellaneous	6	6	-	5
Subtotal	<u>5,218</u>	<u>4,303</u>	<u>915</u>	<u>4,634</u>
Transfer to Economic Recovery Fund	<86>	-	<86>	-
Total	<u>\$5,132</u>	<u>\$4,303</u>	<u>\$ 829</u>	<u>\$4,634</u>



Expenditures, however, also grew. General Fund expenditures rose \$460 million, largely in fixed or uncontrollable areas. Debt service increased \$102 million reflecting the significant rise in outstanding indebtedness. Other fixed or uncontrollable categories that grew were Medicaid, Corrections, and Judicial. Indeed, Medicaid has grown at double digit rates since at least fiscal year 1988 and has doubled since that time.

### MEDICAID EXPENDITURES

(millions)

<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1989</u>	<u>1988</u>
\$1,322	\$1,232	\$994	\$841	\$713

Corrections and Judicial expenditures also increased, reflecting the continued rising prison population.

### TOTAL CORRECTION FACILITY POPULATION

<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1989</u>	<u>1988</u>
10,573	10,101	8,777	7,516	6,923

### GENERAL FUND EXPENDITURES

(millions)

	<u>FY 92</u>	<u>FY 91</u>	<u>Change</u>	<u>FY 90</u>
Legislative	\$ 38	\$ 42	\$ <4>	\$ 41
General Government	434	382	52	516
Regulation and Protection	125	212	<87>	218
Natural Resources and Recreation	57	68	<11>	71
Health and Hospitals	849	902	<53>	843
Human Services*	2,260	2,108	152	1,766
Education, Libraries and Museums	1,625	1,676	<51>	1,790
Corrections	501	492	9	421
Judicial	212	188	24	172
Federal and Other Grants	702	478	224	479
Debt Service	413	311	102	268
Subtotal	<u>7,216</u>	<u>6,859</u>	<u>357</u>	<u>6,585</u>
Transfers Out:				
Higher Education	503	398	105	410
Other	<u>1</u>	<u>3</u>	<u>&lt;2&gt;</u>	<u>1</u>
	<u>504</u>	<u>401</u>	<u>103</u>	<u>411</u>
Total	<u>\$7,720</u>	<u>\$7,260</u>	<u>\$460</u>	<u>\$ 6,996</u>

\* Includes Medicaid expenditures.

## Special Revenue Funds

The Special Revenue Funds incurred a net operating deficit of \$286 million in fiscal year 1992 before considering deficit financing. These operating deficits have continued each year since at least fiscal year 1988 and represents a burden pushed onto future generations who will have to pay the debt service on this deficit financing.

### SPECIAL REVENUE FUND OPERATING RESULTS (millions)

	<u>FY 92</u>	<u>FY 91</u>	<u>FY 90</u>	<u>FY 89</u>	<u>FY 88</u>
Fiscal year deficits:					
Transportation	\$ 3	\$ <30>	\$ <43>	\$ <18>	\$ 31
Grant and Loan Programs	<232>	<189>	<126>	<97>	<36>
Housing Programs	<37>	<96>	<98>	<48>	<16>
Other, net	<20>	<13>	1	<206>	<128>
Deficits before proceeds from debt financing	<286>	<328>	<266>	<369>	<149>
Proceeds from debt financing	536	623	304	391	31
Surplus	<u>\$ 250</u>	<u>\$ 295</u>	<u>\$ 38</u>	<u>\$ 22</u>	<u>\$ &lt;118&gt;</u>

The deficits primarily arose in the Grant and Loan Programs Fund and the Housing Programs Fund. The Grant and Loan Fund expended \$257 million in fiscal year 1992 supported by revenues of only \$5 million. Bond proceeds of \$299 million and certain other transfers financed the balance. The Housing Programs Fund expended \$47 million in fiscal year 1992 supported by revenues of only \$2 million. Like the Grant and Loan Programs Fund, the balance was financed primarily by \$42 million of bond proceeds and certain other transfers.

Other major special revenue funds include the Transportation Fund, which is generally self-supporting. Expenditures and transfers of \$704 million were supported by revenues of \$688 million and certain other transfers in fiscal year 1992. The fund balance of the Transportation Fund was \$97 million or almost 14% of expenditures and transfers.

The Lottery and OTB Fund continued to provide substantial support to the General Fund. Revenues of \$711 million provided \$236 million to the General Fund after prizes and expenses of \$466 million.

The Employment Security Administration Fund expended \$92 million on administration of the unemployment compensation program, supported by a like amount of federal financial assistance.

The Environmental Programs Fund is also generally self-supporting. Expenditures of \$89 million were supported by \$70 million of revenues and \$5 million of operating transfers, along with bond proceeds of \$185 million.

## Capital Projects Funds

Capital spending continued at almost a \$1 billion annual rate for the third year. Most of that spending was on infrastructure projects. Approximately 60% of infrastructure expenditures were financed by federal aid and the balance by State debt. Unlike the deficit financing of certain Special Revenue Funds, the debt used to finance capital construction will provide a tangible benefit to the future generation of taxpayers who will use the asset for which they will pay the debt service.

**TREND IN CAPITAL PROJECTS EXPENDITURES**  
(millions)

<u>Fiscal Year</u>	<u>State Facilities</u>	<u>Infrastructure</u>	<u>Transportation</u>	<u>Total</u>
1992	\$228	\$702	\$ 8	\$ 938
1991	299	882	16	1,197
1990	222	747	30	999
1989	102	683	47	832
1988	110	406	61	577

**Expendable Trust Funds**

Trust funds were not immune from deficits. The Employment Security Fund incurred deficits of \$362 million, \$337 million and \$137 million in each of the past three years, largely reflecting the condition of the State's economy because expenditures for unemployment assistance increase during economic decline. These deficits were financed by borrowing from the Federal Unemployment Insurance Fund and will be repaid from future unemployment taxes on employers.

**EMPLOYMENT SECURITY FUND**  
(millions)

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>&lt;Deficit&gt;</u>	<u>Fund Balance</u>
1992	\$517	\$879	\$<362>	\$<512>
1991	223	559	<336>	<150>
1990	226	363	<137>	187
1989	238	231	7	324

The Local Property Tax Relief Fund was exhausted as of June 30, 1992. Its fund balance stood at only \$182,000 as of June 30, 1992, down from \$271 million at the beginning of fiscal year 1989. The fund was originally established in 1985, from transfers of General Fund surpluses, as a Nonexpendable Trust Fund whose earnings were earmarked for local infrastructure projects. Subsequent legislative changes converted the fund to an Expendable Trust Fund for local property tax relief whose corpus would be distributed in approximately equal amounts through 1997. Further legislation accelerated the depletion of the fund through a transfer of \$70 million to the General Fund in 1990 to cover deficits and the payment of an additional \$111 million to municipalities in 1991 for aid previously financed by the General Fund.

**LOCAL PROPERTY TAX RELIEF FUND**  
(millions)

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>&lt;Deficit&gt;</u>	<u>Fund Balance</u>
1992	\$ -	\$ 8	\$ <8>	\$ -
1991	5	152	<147>	8
1990	20	42	<22>	156*
1989	25	48	<23>	248

\*reflects a \$70 million equity transfer to the General Fund

The financial condition of the Second Injury and Compensation Assurance Fund improved in fiscal year 1992. Revenues exceeded expenditures by \$68 million. This reversed a pattern of deficits over the past two fiscal years.

### Pension Trust Funds

Although it may appear to be a bright spot in the State's financial condition, the improved funded status of the State pension trust funds through June 30, 1992 may be illusory. The State Employees' Retirement System's (SERS) funded status increased steadily from 45.1% as of fiscal year 1988 to 53.3% in fiscal year 1992, the Teachers' Retirement System (TRS) from 45.8% to 62.4%, and the Judicial Retirement System (JRS) from 16.4% to 37.0%, respectively.

#### PENSION FUNDED STATUS

	<u>FY 92</u>	<u>FY 91</u>	<u>FY 90</u>	<u>FY 89</u>	<u>FY 88</u>
SERS	53.3%	52.1%	50.3%	47.6%	45.1%
TRS	62.4	58.0	52.8	47.8	45.8
JRS	37.0	34.2	24.8	21.1	16.4

Average nationally 85%\*

\* Deloitte & Touche

Although this reflects improvement, the funded status of each of these systems is significantly less than the 85% average funded status for public employee retirement systems nationally. Moreover, as part of collective bargaining concessions negotiated with state employee unions to balance the fiscal 1992 budget, contributions of \$215 million were foregone out of the \$307 million normal funding requirement. This will reverse the improved funded status of the plans and like deficit financing, will burden future generations with taxes for services they will not receive.

### Enterprise Funds

The State Enterprise Funds collectively incurred a small net loss from operations of \$10 million in fiscal year 1992. Three of the six large Enterprise Funds had net losses: the Rental Housing Fund, the Connecticut Development Authority, and the Connecticut Resources Recovery Authority.

#### ENTERPRISE FUNDS

(millions)

Fiscal Year	Operations			Non- Operating Net	Net Income <Loss>	Retained Earnings
	Revenue	Expenses	Net			
1992	\$431	\$411	\$20	\$<30>	\$<10>	\$288
1991	541	521	20	<23>	<3>	298*
1990	566	506	60	<11>	49	388
1989	502	447	55	<44>	11	339**

\*Includes equity transfer out of \$55 million

\*\*Includes equity transfer in of \$28 million

The Rental Housing Fund is essentially bankrupt. Assets of \$150 million were exceeded by \$215 million of liabilities at June 30, 1992, as a result of \$65 million of cumulative losses.

The Connecticut Development Authority incurred a loss of \$3 million again in fiscal year 1992.

The Connecticut Resources Recovery Authority incurred a loss of \$6 million in fiscal year 1992 compared to a loss of \$2 million in fiscal year 1991.

The Connecticut Housing Finance Authority reported a small profit of \$5 million compared to \$3 million in fiscal year 1991. However, these results are down significantly from the fiscal year 1990 net income of \$30 million and \$26 million in fiscal year 1989. This was largely the result of charges to operations for loan loss reserves.

### Higher Education

Current Fund and Hospital expenditures increased considerably — 18% in fiscal year 1992, substantially all of that for Education and General expenditures. That rise was financed by a 30% increase in tuition and fees and a 26% increase in State support. Nevertheless since 1988, the State's share of the support for higher education has declined from 50.4% of total current fund and hospital expenditures to 46.8% in fiscal year 1992 compared to a rise in the portion supported by tuition and fees from 15.3% in fiscal year 1988 to 17.5% in fiscal year 1992.

#### TRENDS IN HIGHER EDUCATION CURRENT AND HOSPITAL FUNDS FINANCES (millions)

	<u>FY 92</u>	<u>FY 91</u>	<u>FY 90</u>	<u>FY 89</u>	<u>FY 88</u>
<b>Revenues:</b>					
Tuition and Fees	\$ 188	\$ 145	\$ 139	\$ 123	\$ 107
Federal Grants	61	58	53	55	48
Private Gifts	14	21	14	14	13
Patient Services	184	155	132	110	95
Sales and Service	111	108	92	83	76
Other	28	38	21	24	17
<b>Total</b>	<u>586</u>	<u>525</u>	<u>451</u>	<u>409</u>	<u>356</u>
<b>Expenditures and Transfers:</b>					
Education and General	829	689	644	635	542
Hospital	146	143	122	109	96
Auxiliary Enterprises	79	74	65	61	54
Other	20	4	5	6	6
<b>Total</b>	<u>1,074</u>	<u>910</u>	<u>836</u>	<u>811</u>	<u>698</u>
Net before State support	<488>	<385>	<385>	<402>	<342>
State support	503	398	410	413	352
<b>Net</b>	<u>\$ 15</u>	<u>\$ 13</u>	<u>\$ 25</u>	<u>\$ 11</u>	<u>\$ 10</u>
	<u>FY 92</u>	<u>FY 91</u>	<u>FY 90</u>	<u>FY 89</u>	<u>FY 88</u>
Tuition and fees as a percent of total expenditures and transfers	17.5	15.9	16.6	15.2	15.3
State support as a percent of total expenditures and transfers	46.8	43.7	49.0	50.9	50.4

## Debt Administration

State general obligation bonds are rated Aa, AA-, and AA+ by Moody's, Standard and Poor's, and Fitch Investors Service, respectively. The Standard and Poor's rating was reduced from AA since fiscal year 1991, due to the State's continuing budget problems. Transportation-related special tax obligation bonds are currently rated A1, AA-, and AA-, respectively, unchanged from the prior year.

The State issued \$2 billion of bonds in fiscal year 1992 compared to \$1.0 billion in fiscal year 1991. Approximately two-thirds of the debt issued this past year was to finance deficits in the General Fund and certain Special Revenue Funds. This bodes ill for the future. First is the inequity of future generations paying for the sins of the past. Second is the reduced flexibility the State will have in future budgets which will now be burdened by higher fixed costs for debt service.

DEBT ISSUANCES (millions)						
	<u>FY 92</u>		<u>FY 91</u>		<u>FY 90</u>	
Special Revenue Funds:						
Grant and Loan Programs	\$ 299	27.8%	\$ 286	17.8%	\$ 94	7.7%
Environmental Programs	185	17.2	173	10.8	77	6.3
Housing Programs	42	3.9	144	9.0	116	9.6
Other	10	1.0	18	1.0	17	1.4
	<u>536</u>	<u>49.9</u>	<u>621</u>	<u>38.6</u>	<u>304</u>	<u>25.0</u>
Capital Projects Funds:						
State Facilities	255	23.7	534	33.2	284	23.3
Infrastructure	264	24.6	446	27.8	626	51.4
Transportation	19	1.8	6	0.4	4	0.3
	<u>538</u>	<u>50.1</u>	<u>986</u>	<u>61.4</u>	<u>914</u>	<u>75.0</u>
Subtotal	1,074	<u>100.0%</u>	1,607	<u>100.0%</u>	1,218	<u>100.0%</u>
General Fund (Economic Recovery Notes)	<u>966</u>		<u>-</u>		<u>-</u>	
Total Governmental	<u>\$2,040</u>		<u>\$1,607</u>		<u>\$1,218</u>	

Indeed, debt service as a percent of government operations has already increased to 7.6% up from 5.4% only two years ago.

**DEBT SERVICE AS A PERCENT OF  
GOVERNMENTAL OPERATING EXPENDITURES**  
(millions)

	<u>FY 92</u>	<u>FY 91</u>	<u>FY 90</u>	<u>FY 89</u>	<u>FY 88</u>
Debt Service:					
Principal	\$ 313	\$ 249	\$ 231	\$ 201	\$ 180
Interest	413	299	234	184	161
	<u>\$ 726</u>	<u>\$ 548</u>	<u>\$ 465</u>	<u>\$ 385</u>	<u>\$ 341</u>
 Governmental Operating Expenditures	 <u>\$9,541</u>	 <u>\$8,930</u>	 <u>\$8,534</u>	 <u>\$7,779</u>	 <u>\$6,372</u>
 Debt Service as a Percent of Governmental Operating Expenditures	 7.6%	 6.1%	 5.4%	 4.9%	 5.4%

Net State debt increased 33% to \$7 billion from \$5.3 billion in fiscal year 1991. Net State debt has more than tripled since fiscal year 1988.

**NET STATE DEBT**  
(millions)

	<u>FY92</u>	<u>FY91</u>	<u>FY90</u>	<u>FY89</u>	<u>FY88</u>
Debt Outstanding (June 30):					
General Obligation Bonds	\$4,014	\$3,392	\$2,368	\$1,910	\$1,315
Transportation Bonds	2,489	2,258	1,881	1,322	1,079
Notes	916	-	-	-	-
	<u>7,419</u>	<u>5,650</u>	<u>4,249</u>	<u>3,232</u>	<u>2,394</u>
Debt Service Fund	<u>&lt;388&gt;</u>	<u>&lt;349&gt;</u>	<u>&lt;291&gt;</u>	<u>&lt;209&gt;</u>	<u>&lt;160&gt;</u>
 Net Debt, End of Year	 <u>\$7,031</u>	 <u>\$5,301</u>	 <u>\$3,958</u>	 <u>\$3,023</u>	 <u>\$2,234</u>
 Changes in Net Debt:					
Net Debt, Beginning of Year	\$5,301	\$3,958	\$3,023	\$2,234	\$1,993
Redemptions - Bonds	<313>	<249>	<231>	<201>	<180>
Issuances - Bonds	1,074	1,607	1,218	1,035	525
Issuances - Notes, net	916	-	-	-	-
Refundings - Issued	500	-	-	-	-
Refundings - Defeased	<464>	-	-	-	-
Accretion and Other	56	43	30	4	-
Debt Service Fund <Increase>	<u>&lt;39&gt;</u>	<u>&lt;58&gt;</u>	<u>&lt;82&gt;</u>	<u>&lt;49&gt;</u>	<u>&lt;104&gt;</u>
 Net Debt, End of Year	 <u>\$7,031</u>	 <u>\$5,301</u>	 <u>\$3,958</u>	 <u>\$3,023</u>	 <u>\$2,234</u>

Debt per capita has almost tripled to \$1,858 million from \$683 million in fiscal year 1988. Bonded debt is the primary focus of most analyses but it is only half the amount of incurred long term obligations that will need to be paid by future generations of taxpayers. Long term obligations include capital leases, compensated absences that were earned by employees in past periods but which will be paid by future generations, workers' compensation claims, which arose from past events but will be settled in future periods and the unfunded pension benefit obligation, which represents the value of pension benefits earned by employees but which is not funded currently. The total of these obligations increased \$1.6 billion in fiscal year 1992.

#### NET DEBT PER CAPITA

<u>FY 92</u>	<u>FY 91</u>	<u>FY 90</u>	<u>FY 89</u>	<u>FY 88</u>
\$1,858	\$1,611	\$1,203	\$920	\$683

#### TRENDS IN LONG TERM DEBT (millions)

	<u>FY92</u>	<u>FY91</u>	<u>FY90</u>	<u>FY89</u>	<u>FY88</u>
Net Bonded Debt	\$ 7,031	\$ 5,301	\$ 3,958	\$3,023	\$2,234
Capital Leases	50	12	9	9	2
Compensated Absences	174	152	141	136	130
Workers Compensation	298	251	200	204	94
Subtotal	7,553	5,716	4,308	3,372	2,460
Unfunded Pension Benefit Obligation	5,613	5,881	5,956	6,047	5,736
Total	<u>\$13,166</u>	<u>\$11,597</u>	<u>\$10,264</u>	<u>\$9,419</u>	<u>\$8,196</u>

#### Internal Controls

Elected officials, agency commissioners, directors of public benefit corporations and agency managers are responsible for establishing internal control structures. Good internal controls are essential to achieving the proper conduct of government business with full accountability. This means that,

- resource use is consistent with laws, regulations and policies;
- resources are safeguarded against waste, loss and misuse; and
- reliable data are obtained, maintained and fairly disclosed in reports.

Good internal controls also facilitate the achievement of management objectives.

In achieving these goals, good internal controls must strike a balance, providing reasonable, not absolute assurance. This recognizes that costs should not exceed benefits, nor should controls negatively impact operations.



Good internal control is comprised of the following elements:

**Control Environment** - which reflects the overall attitude, awareness, and actions of elected officials or agency managers concerning the importance of control and its emphasis in state government. (i.e. What is the tone at the top?)

**Accounting System** - which consists of the methods and records established to identify, assemble, analyze, classify, record, and report transactions and to maintain accountability over State resources.

**Control Procedures** - which includes those policies and procedures that elected officials and management have established to provide reasonable assurance that specific objectives are being achieved.

This office addressed the first of these elements in Connecticut State Comptroller's Internal Control and Accountability Directive 1. This directive:

1. Defines and explains the nature of internal control,
2. Fixes with each agency head responsibility for implementing, maintaining and periodically reviewing the agency's system of internal control, and
3. Requires an annual "Agency Financial Integrity Compliance Statement" from each agency head. This report shall be filed with the Office of the State Comptroller.

The report is intended to serve two purposes, as follows:

To provide a constructive, non-pejorative self-examination that will help management to improve the agency's control environment.

To provide key feedback regarding the operation of the internal controls necessary for financial reporting.

This directive will be followed by others that address the other elements of a sound internal control system.

### **Budgetary Controls**

The key control mechanism of government finance is the budget. The Government Accounting Standards Board (GASB) has concluded that, "The budgetary process, including comparison of the approved budget with actual experience, is...a major aspect of accountability." The budget is more than just an aspect of accountability, however, it is also:

An expression of public policy by identifying the activity or program that is to be carried out, the amount that may be expended to carry out the activity or program, and the time period in which these are to occur.

A financial plan, or expression of financial intent. For example, what are the expected sources of financing for these programs - who bears the burden of paying for them.

A form of control usually having the force of law.

Often budgetary accounting differs in some regards from those principles used for financial reporting, but all systems should, at a minimum, meet four basic requirements.

- It should be comprehensive.
- It should provide meaningful presentation of the state of budgetary balance.
- There should be an appropriate grouping of expenditure items for purposes of analysis.
- It should encompass interperiod equity. Future taxpayers should not be asked to assume the burdens of services previously provided for which they receive no benefit.

Our current budgetary system violates three out of four of the above criteria.

- As previously noted, the budget is not comprehensive. Too large a percentage of State expenditures is outside of the budget process.
- There is no meaningful presentation of budget balancing efforts. The differences between the State's budget and GAAP principles tend to disguise budget balance problems. For example, recognition of subsequent year's revenue is moved forward to this year by fiat and expenditures are moved from this year to the next by deferring the payment of bills.
- The continuation of debt financed deficits as well as the deferral of pension contributions violates the principle of interperiod equity. We are spending currently and sending the bill to our children.

I have therefore proposed a set of nine recommendations for budget reform.

**First**, the budget should be comprehensive. It should include all activities that may give rise to a claim in the State's resources.

**Second**, the budget should report the balance of interperiod equity. It should identify all sources of financing for claims that are anticipated to arise on State's resources.

**Third**, the budget should be presented in meaningful groups of information. It should group information to facilitate analysis of both aggregates and disaggregates.

**Fourth**, the budget should be presented in an understandable manner. Explanation and interpretations should be provided to elaborate on and help communicate the financial information presented to help users evaluate the reliability of the estimates.

**Fifth**, the budget should present reliable information. It should be presented without bias and should be based on verifiable information.

**Sixth**, it should present relevant information that might be capable of making a difference in a users assessment of budget.

**Seventh**, it should present timely information. Information presented should reflect the most information available which might affect decisions.

**Eighth**, the budget should be presented on a consistent basis with the past year's budget and should include explanation of the dollar impact of changes from last year and a justification for the changes.

**Ninth**, the budget should present information which is comparable to that prepared by other state governments. Differences should reflect substantive differences in the underlying transactions.

In summary, these principles will substantially improve the credibility of the budget process and more faithfully serve the principle of accountability.

### **Cash and Investments Management**

The State Treasurer continually monitors cash flow to maximize the utilization of cash resources. During the year, temporary balances are invested in short-term investment funds, combined investment pools consisting of various certificates of deposit, bankers' acceptances, commercial paper, repurchase agreements, and student loans with various ranges of maturities. The aggregate investment income and average yield rate for the year for these funds were \$133 million and 5.79%, respectively. By comparison, 90-day Treasury Bills and 90-day certificates of deposit earned 4.49% and 4.71%, respectively, during the same time period.

Bank balances at June 30, 1992, were \$173 million of which about three-fourths was not insured or protected by collateral held by the State or a third party custodian.

### **Risk Management**

The State retains risk for certain property and liability claims, including workers' compensation claims. The State Insurance Purchasing Board serves as the focal point of risk management and insurance matters, maintaining a balance of commercially placed coverage and risk retention to provide optimal coverage at minimal cost.

## **ECONOMIC CONDITION AND OUTLOOK**

Connecticut is a mature and highly developed state located close to major centers of consumer and industrial activity. It is highly urbanized with a 1990 population density of 656 per square mile compared to 70 per square mile for the U.S. However, this is confined to relatively small areas with three-fourths of the land sparsely settled. Approximately 84% of the population resides within the three largest New England County Metropolitan Areas fairly evenly divided among the three.

The State's population grew 5.6% from 1980 to 3.3 million people in 1990. This is less than the 6.8% growth for New England and 9.5% for the U.S. over the same period.

### **Income**

Connecticut has the highest per capita personal income of all the states and has held that position since the mid nineteen eighties. Per capita personal income was \$26,404 in 1992, 137% of the \$19,332 U.S. per capita personal income.

PER CAPITA PERSONAL INCOME

Calendar	Connecticut		U.S.	
	\$	% Change	\$	% Change
1992	26,404	2.2	19,331	2.6
1991	25,836	3.8	18,840	4.0
1990	24,884	4.4	18,109	5.4
1989	23,839	8.5	17,179	6.8
1988	21,971	8.7	16,090	5.8

However, beginning in 1988 the growth in Connecticut's per capita personal income began to slow and fell below the U.S.'s growth rate for the first time since 1978.

Almost 68% of Connecticut personal income is from wages and other labor income compared to 64% for the U.S. and 20% derived from property income (dividends, rents and interest) compared to 18% for the U.S.. Substantially less is derived from transfer payments — 6% for Connecticut compared to 10% for the U.S.

**Employment**

Nonagricultural employment in the State is diverse. Connecticut manufacturing employment is characterized by processing and products that require skilled labor and a high degree of technology. The State is the largest producer of submarines, aircraft engines and parts, and is a leading producer of helicopters and ball bearings.

COMPOSITION OF NET NONAGRICULTURAL  
ESTABLISHMENT EMPLOYMENT 1990

	Connecticut	U.S.
Manufacturing	20.9%	17.3%
Trade	22.3	23.7
Services	26.3	25.5
Government	12.9	16.6
Finance	9.2	6.2
Utilities	4.5	5.3
Construction	3.9	5.4
	<u>100.0%</u>	<u>100.0%</u>

However, Connecticut's job loss in this recession has been more severe than for the nation overall. Indeed, Connecticut has lost 161,500 jobs since 1989 in all sectors save health services.

**ALL INDUSTRY SECTORS BUT HEALTH SERVICES  
HAVE LOST JOBS SINCE 1989**

**Connecticut Nonagricultural Employment**

	<u>July 1992</u>	<u>Jan. 1989</u>	<u>Change 1989-1992</u>
Trade	318,100	378,200	<60,100>
Manufacturing			
Durable	223,100	275,900	<52,800>
Nondurable	85,700	91,900	<6,200>
Construction	51,100	72,500	<21,400>
Services (excludes health)	271,600	284,900	<13,300>
Government	198,900	207,300	<8,400>
Finance, Insurance, Real Estate	144,600	151,200	<6,600>
Transportation, Communications	66,100	72,200	<6,100>
Health Services	139,400	126,000	13,400
<b>Total</b>	<u><u>1,498,600</u></u>	<u><u>1,660,100</u></u>	<u><u>&lt;161,500&gt;</u></u>

Source: Connecticut Labor Department

Defense-related business plays an important role in the State's economy. On a per capita basis, defense contracts are, and have traditionally been, among the highest in the nation. However, this emphasis of defense-related business will probably pose significant problems for the State because of the end of the Cold War and the defense reductions by the federal government. Already, a number of significant defense-related employers in the State have announced reductions.

A Defense Department study projects a 4% annual rate of decline in defense expenditures for Connecticut through the 1990s. On a constant dollar basis that projection anticipates defense spending in the State to decline 25% by 1997.

**ESTIMATED DEFENSE RELATED EXPENDITURES  
IN CONNECTICUT  
(millions of 1990 dollars)  
(by calendar year)**

	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>Average Annual % Growth</u>
Defense	12,682	11,700	10,850	10,290	10,031	9,914	9,851	<4.08>

Source: U.S. Department of Defense, "Projected Defense Purchase, Details by Industry and State," Calendar Years 1991 through 1997.

Unemployment in Connecticut has already increased to 7.0% in calendar 1992 because of the recession, up steadily from a low of 3.0% in 1988. This may worsen because of the State's concentration of defense manufacturing employment even when the overall economy improves.

#### UNEMPLOYMENT

<u>Fiscal</u>	<u>Connecticut</u>	<u>U.S.</u>
1992	7.0%	7.1%
1991	5.3	6.2
1990	4.5	5.3
1989	3.2	5.3
1988	3.0	5.8

#### Retail Sales

Retail sales growth since the late nineteen eighties has been lackluster compared to dramatic increases in the early eighties. Since 1988 retail sales grew only 0.3%.

#### RETAIL SALES GROWTH

<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1989</u>	<u>1988</u>
<2.5>%	3.3%	<2.0>%	1.5%	2.9%

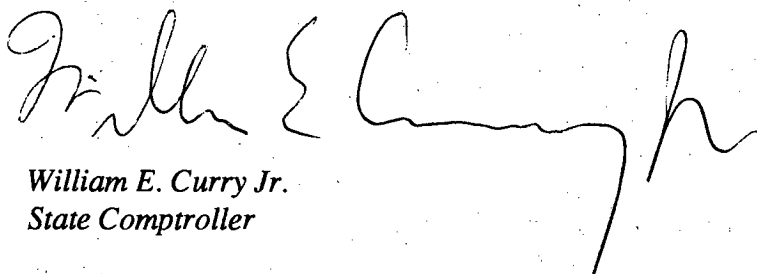
#### Political Subdivisions

Connecticut's political jurisdictions also face rising fiscal hardship. Unlike many other states, Connecticut has no county government. All local public services are provided by towns or cities. In fiscal year 1991, Bridgeport, the State's largest city, tried to file for bankruptcy. In addition, Hartford, New Haven, Waterbury, New London, New Britain, and Windham have all been identified as suffering from chronic fiscal stress requiring special assistance from the State.

#### ACKNOWLEDGMENTS

I wish to express my appreciation to the many individuals in all agencies whose cooperation and assistance has made this report possible. In addition, the efforts of the GAAP Reporting Unit and others in our Central Accounting Division deserve special acknowledgment.

Sincerely,



William E. Curry Jr.  
State Comptroller

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of  
Connecticut

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 1991

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

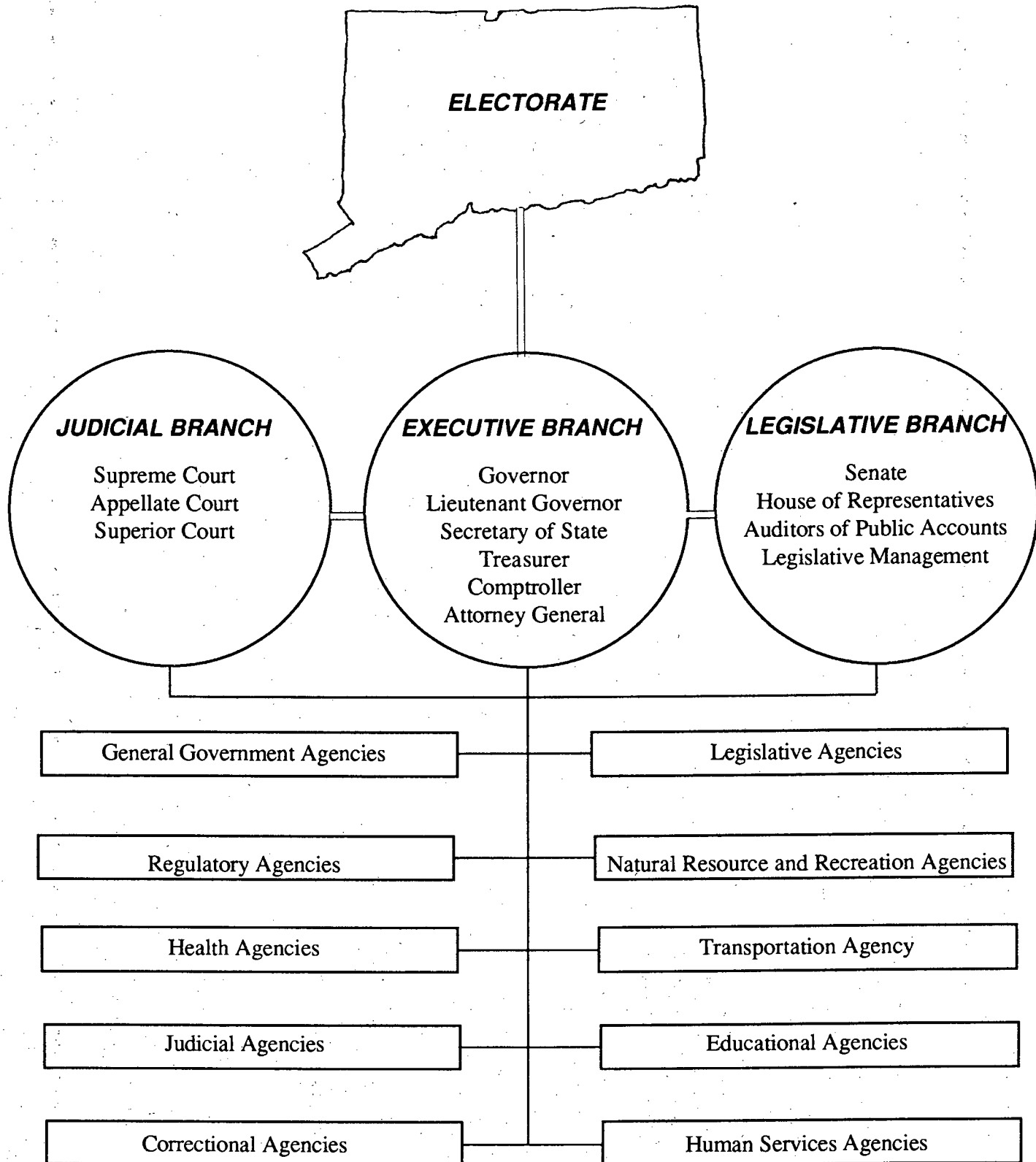


*[Signature]*  
President

*[Signature]*  
Executive Director



# Organization Chart







## ***Selected State Officials***

As of June 30, 1992

### ***EXECUTIVE***

Lowell P. Weicker, Jr.  
*Governor*

Eunice S. Groark  
*Lieutenant Governor*

Pauline R. Kezer  
*Secretary of State*

Francisco L. Borges  
*Treasurer*

William E. Curry Jr.  
*Comptroller*

Richard Blumenthal  
*Attorney General*

### ***JUDICIAL***

Ellen A. Peters  
*Chief Justice*

### ***LEGISLATIVE***

John B. Larson  
*President Pro Tempore of the State Senate*  
(36 Senators)

Richard J. Balducci  
*Speaker of the House of Representatives*  
(151 Representatives)



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*Financial  
Section*

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STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

STATE CAPITOL

210 CAPITOL AVENUE

HARTFORD, CONNECTICUT 06106

**INDEPENDENT AUDITOR'S REPORT**

Honorable Lowell P. Weicker, Jr., Governor  
and  
Members of the General Assembly

We have audited the accompanying general purpose financial statements of the State of Connecticut as of and for the year ended June 30, 1992, as listed in the table of contents. These general purpose financial statements are the responsibility of the State's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the Special Transportation Fund and the Clean Water-Federal Account within the Environmental Programs Fund, which represent 42 percent and 47 percent, respectively, of the assets and revenues of the Special Revenue Funds. We did not audit the financial statements of the Transportation Special Tax Obligations Fund, which represent 99 percent and 23 percent, respectively, of the assets and revenues of the Debt Service Funds. We did not audit the financial statements of the Connecticut Housing Finance Authority, the Connecticut Resources Recovery Authority, the Connecticut Development Authority, and the Bradley International Airport, which represent 97 percent and 98 percent, respectively, of the assets and revenues of the Enterprise Funds. We did not audit that portion of the financial statements of the University Health Center Hospital and Current Unrestricted Funds involving patient receivables and revenues arising from clinical operations, which represent three percent and 22 percent, respectively, of the assets and revenues of the Higher Education and University Hospital Funds. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Special Transportation Fund, the Clean Water-Federal Account, the Transportation Special Tax Obligations Fund, the Connecticut Housing Finance Authority, the Connecticut Resources Recovery Authority, the Connecticut Development Authority, the Bradley International Airport, and the patient receivables and clinical operating revenues of the

University Health Center Hospital and Current Unrestricted Funds, is based solely on the reports of other auditors.

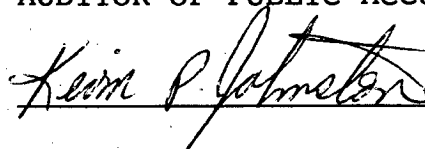
We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the State of Connecticut as of June 30, 1992, and the results of its operations and cash flows of its proprietary fund types and non-expendable trust funds for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note 21 to the financial statements, the State of Connecticut is a defendant in certain legal proceedings. The ultimate outcome of the litigation cannot presently be determined. Accordingly, no provision for any liability that may result upon adjudication has been made in the accompanying financial statements.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the State of Connecticut. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

AUDITOR OF PUBLIC ACCOUNTS

  
\_\_\_\_\_

December 30, 1992  
Hartford, Connecticut

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*General  
Purpose  
Financial  
Statements*

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# Combined Balance Sheet

ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1992

(Expressed in Thousands)

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<b>Assets and Other Debits:</b>				
Cash and Cash Equivalents.....	\$ 213	\$ 431,926	\$193,939	\$119,256
Investments.....	12,184	225,238	208,725	24,247
Receivables:				
Taxes.....	399,225	33,617	-	-
Accounts, Net of Allowances.....	277,306	16,243	-	4,607
Loans, Net of Allowances.....	-	363,042	-	-
Interest.....	247	10,264	3,293	1,641
Non-Federal Grants Receivable.....	4,390	-	-	-
Due From Other Funds.....	25,133	32,890	-	315,728
Receivable From Other Governments.....	209,880	18,617	-	57,251
Advances To Other Funds.....	79,223	-	-	-
Inventories and Prepaid Items.....	38,308	8,478	-	-
Restricted Assets.....	-	-	-	-
Property, Plant & Equipment.....	-	-	-	-
Other Assets.....	-	-	-	-
Other Debits:				
Amount Available in Debt Service Fund.....	-	-	-	-
Amount to be Provided For Debt Retirement.....	-	-	-	-
<b>Total Assets and Other Debits.....</b>	<b><u>\$ 1,046,109</u></b>	<b><u>\$1,140,315</u></b>	<b><u>\$405,957</u></b>	<b><u>\$522,730</u></b>
<b>Liabilities, Equity and Other Credits:</b>				
Liabilities:				
Accounts Payable and Accrued Liabilities.....	\$ 489,857	\$ 62,239	\$ -	\$116,062
Due to Other Funds.....	330,392	16,171	3,293	2,671
Payable to Other Governments.....	85,308	627	-	-
Advances Due Other Funds.....	-	33	-	-
Deferred Revenue.....	337,252	29,683	-	110
Escrow Deposits.....	-	-	-	-
Obligation Under Reverse Repurchase Agreements.....	12,397	9,634	14,239	24,669
Notes and Loans Payable.....	-	-	-	-
Deferred Compensation Liability.....	-	-	-	-
Agency Deposit Liabilities.....	-	-	-	-
General Obligation Bonds.....	-	-	-	-
Transportation Related Bonds.....	-	-	-	-
Revenue Bonds.....	-	-	-	-
Capital Leases.....	-	-	-	-
Compensated Absences.....	-	-	-	-
Unfunded Pension Costs.....	-	-	-	-
Workers Compensation Liability.....	-	-	-	-
<b>Total Liabilities.....</b>	<b><u>1,255,206</u></b>	<b><u>118,387</u></b>	<b><u>17,532</u></b>	<b><u>143,512</u></b>
Equity and Other Credits:				
Investment in Fixed Assets.....	-	-	-	-
Contributed Capital.....	-	-	-	-
Retained Earnings:				
Reserved.....	-	-	-	-
Unreserved.....	-	-	-	-
Fund Balances:				
Reserved.....	267,405	438,291	388,425	-
Unreserved, undesignated.....	(476,502)	583,637	-	379,218
<b>Total Equity and Other Credits.....</b>	<b><u>(209,097)</u></b>	<b><u>1,021,928</u></b>	<b><u>388,425</u></b>	<b><u>379,218</u></b>
<b>Total Liabilities, Equity and Other Credits.....</b>	<b><u>\$1,046,109</u></b>	<b><u>\$1,140,315</u></b>	<b><u>\$405,957</u></b>	<b><u>\$522,730</u></b>

The accompanying notes are an integral part of the financial statements.





Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Higher Education & University Hospital	Total (Memorandum only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt		
\$ 256,489	\$20,421	\$ 863,844	\$ -	\$ -	\$ 241,164	\$ 2,127,252
451,991	-	8,996,972	-	-	4,097	9,923,454
-	-	-	-	-	-	432,842
22,940	6,195	42,233	-	-	62,266	431,790
2,605,826	-	16	-	-	25,183	2,994,067
29,607	-	12,414	-	-	405	57,871
-	-	-	-	-	-	4,390
918	3,547	9,400	-	-	6,421	394,037
2,861	-	3,727	-	-	-	292,336
-	-	-	-	-	-	79,223
6,673	5,553	813	-	-	7,404	67,229
490,032	-	-	-	-	-	490,032
396,512	16,776	-	2,385,805	-	1,258,197	4,057,290
44,179	837	599,983	-	-	1,578	646,577
-	-	-	-	388,425	-	388,425
-	-	-	-	11,835,175	-	11,835,175
<b>\$4,308,028</b>	<b>\$53,329</b>	<b>\$10,529,402</b>	<b>\$2,385,805</b>	<b>\$12,223,600</b>	<b>\$1,606,715</b>	<b>\$34,221,990</b>
\$ 73,418	\$ 4,889	\$ 3,819	\$ -	\$ -	\$ 46,014	\$ 796,298
3,828	671	30,495	-	-	6,516	394,037
3,377	-	503,505	-	-	-	592,817
79,190	-	-	-	-	-	79,223
1,572	131	13,888	-	-	26,667	409,303
63,784	-	-	-	-	-	63,784
-	-	29,798	-	-	-	90,737
5,300	11	-	-	915,710	9,165	930,186
-	-	221,464	-	-	-	221,464
-	-	1,047,668	-	-	9,520	1,057,188
-	-	-	-	4,014,135	-	4,014,135
-	-	-	-	2,489,320	-	2,489,320
3,651,632	-	-	-	-	64,729	3,716,361
-	-	-	-	50,023	1,666	51,689
41	2,431	-	-	174,407	11,091	187,970
-	-	-	-	4,281,906	-	4,281,906
-	-	-	-	298,099	-	298,099
<b>3,882,142</b>	<b>8,133</b>	<b>1,850,637</b>	<b>-</b>	<b>12,223,600</b>	<b>175,368</b>	<b>19,674,517</b>
-	-	-	2,385,805	-	1,181,017	3,566,822
137,812	13,802	-	-	-	-	151,614
300,457	-	-	-	-	-	300,457
(12,383)	31,394	-	-	-	-	19,011
-	-	9,151,835	-	-	97,247	10,343,203
-	-	(473,070)	-	-	153,083	166,366
<b>425,886</b>	<b>45,196</b>	<b>8,678,765</b>	<b>2,385,805</b>	<b>-</b>	<b>1,431,347</b>	<b>14,547,473</b>
<b>\$4,308,028</b>	<b>\$53,329</b>	<b>\$10,529,402</b>	<b>\$2,385,805</b>	<b>\$12,223,600</b>	<b>\$1,606,715</b>	<b>\$34,221,990</b>



# Combined Statement of Revenues, Expenditures and Changes in Fund Balances

ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

For The Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Revenues:</b>				
Taxes.....	\$ 5,132,106	\$ 378,216	\$ 86,125	\$ -
Licenses, Permits and Fees.....	104,072	268,074	-	-
Intergovernmental.....	1,950,431	184,789	-	411,117
Charges for Services.....	42,691	19,673	-	-
Fines, Forfeits and Rents.....	25,752	1,399	-	-
Investment Earnings.....	2,519	37,660	25,105	10,063
Lottery and Off Track Betting.....	-	709,423	-	-
Miscellaneous.....	118,304	54,190	-	11
<b>Total Revenues.....</b>	<b>7,375,875</b>	<b>1,653,424</b>	<b>111,230</b>	<b>421,191</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Legislative.....	38,057	-	-	-
General Government.....	433,904	563,076	-	-
Regulation and Protection.....	125,199	191,134	-	-
Natural Resources and Recreation.....	56,752	147,174	-	-
Health and Hospitals.....	848,780	13,754	-	-
Transportation.....	-	337,467	-	-
Human Services.....	2,260,258	18,554	-	-
Education, Libraries and Museums.....	1,625,119	123,071	-	-
Corrections.....	501,305	7,963	-	-
Judicial.....	211,425	2,177	-	-
Federal and Other Grants.....	701,740	54,990	-	-
Capital Projects.....	-	-	-	938,002
<b>Debt Service:</b>				
Principal Retirement.....	223,236	37,890	101,445	-
Interest and Fiscal Charges.....	189,792	43,054	180,857	-
<b>Total Expenditures.....</b>	<b>7,215,567</b>	<b>1,540,304</b>	<b>282,302</b>	<b>938,002</b>
<b>Excess (Deficiency) of Revenues Over Expenditures.....</b>	<b>160,308</b>	<b>113,120</b>	<b>(171,072)</b>	<b>(516,811)</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Bonds and Notes.....	965,710	535,504	-	537,863
Operating Transfers In.....	266,629	61,519	227,814	761
Operating Transfers Out.....	(503,540)	(461,494)	(18,189)	(114,509)
Capital Lease Obligations.....	43,202	1,542	-	-
Proceeds of Refunding Bonds.....	-	-	498,663	-
Payment to Refunded Bond Escrow Agent.....	-	-	(497,997)	-
<b>Total Other Financing Sources (Uses).....</b>	<b>772,001</b>	<b>137,071</b>	<b>210,291</b>	<b>424,115</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses.....</b>	<b>932,309</b>	<b>250,191</b>	<b>39,219</b>	<b>(92,696)</b>
<b>Fund Balances (deficit) - July 1.....</b>	<b>(1,144,620)</b>	<b>772,474</b>	<b>349,206</b>	<b>471,914</b>
Changes in Reserves for Inventories and Prepaids.....	3,214	(737)	-	-
<b>Fund Balances (deficit) - June 30.....</b>	<b>\$ (209,097)</b>	<b>\$1,021,928</b>	<b>\$ 388,425</b>	<b>\$ 379,218</b>

The accompanying notes are an integral part of the financial statements.



Fiduciary Fund Type Expendable Trust	Total (Memorandum only)
\$ 250,464	\$ 5,846,911
86	372,232
267,404	2,813,741
-	62,364
-	27,151
2,555	77,902
-	709,423
93,407	265,912
<u>613,916</u>	<u>10,175,636</u>
-	38,057
16,284	1,013,264
945,683	1,262,016
-	203,926
-	862,534
-	337,467
-	2,278,812
42	1,748,232
-	509,268
-	213,602
-	756,730
-	938,002
-	362,571
-	<u>413,703</u>
<u>962,009</u>	<u>10,938,184</u>
<u>(348,093)</u>	<u>(762,548)</u>
-	2,039,077
-	556,723
(1,490)	(1,099,222)
-	44,744
-	498,663
-	(497,997)
<u>(1,490)</u>	<u>1,541,988</u>
(349,583)	779,440
(123,487)	325,487
-	2,477
<u><u>\$(473,070)</u></u>	<u><u>\$ 1,107,404</u></u>



# Combined Statement of Revenues, Expenditures and Changes in Fund Balances

BUDGET AND ACTUAL - NON-GAAP BUDGETARY BASIS  
 GENERAL FUND AND BUDGETED SPECIAL REVENUE FUNDS  
 For the Fiscal Year Ended June 30, 1992  
 (Expressed in Thousands)

	<u>General Fund</u>		<u>Variance Favorable (Unfavorable)</u>
	<u>Budget</u>	<u>Actual</u>	
<b>Budgeted Revenues:</b>			
Taxes, Net of Refunds.....	\$5,198,100	\$5,247,817	\$ 49,717
Operating Transfers In.....	252,400	252,222	(178)
Licenses, Permits and Fees.....	103,900	103,964	64
Other.....	547,900	553,445	5,545
Federal Grants.....	1,213,900	1,216,066	2,166
Equity Transfers In.....	15,900	15,907	7
<b>Total Budgeted Revenues.....</b>	<u>7,332,100</u>	<u>7,389,421</u>	<u>57,321</u>
<b>Expenditures:</b>			
Legislative.....	37,327	33,293	4,034
General Government.....	340,056	317,832	22,224
Regulation and Protection.....	116,041	101,930	14,111
Natural Resources and Recreation.....	51,126	47,392	3,734
Health and Hospitals.....	801,028	761,804	39,224
Transportation.....	-	-	-
Human Services.....	2,702,247	2,549,997	152,250
Education, Libraries and Museums.....	2,040,186	1,998,281	41,905
Corrections.....	464,202	443,234	20,968
Judicial.....	150,883	140,639	10,244
Non Functional.....	1,161,172	882,218	278,954
Appropriations Lapsed.....	(587,648)	-	(587,648)
<b>Total Expenditures.....</b>	<u>7,276,620</u>	<u>7,276,620</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues</b>			
<b>Over Expenditures.....</b>	<u>55,480</u>	<u>112,801</u>	<u>57,321</u>
<b>Other Financing Sources (Uses):</b>			
Federal and Other Restricted Sources.....	-	735,223	735,223
Federal and Other Restricted Uses.....	-	(735,223)	(735,223)
Transfers Between Funds.....	-	-	-
Miscellaneous Adjustments.....	-	(2,620)	(2,620)
<b>Total Other Financing Sources (Uses).....</b>	<u>-</u>	<u>(2,620)</u>	<u>(2,620)</u>
<b>Excess (Deficiency) of Revenues and Other</b>			
<b>Sources Over Expenditures and Other Uses.....</b>	<u>\$ 55,480</u>	110,181	<u>\$ 54,701</u>
<b>Budgetary Fund Balances (deficit) - July 1.....</b>		(665,473)	
Changes in Reserves.....		47,566	
Proceeds from Economic Recovery Notes.....		965,711	
<b>Budgetary Fund Balances June 30.....</b>		<u>\$ 457,985</u>	

The accompanying notes are an integral part of the financial statements.



<u>Budgeted Special Revenue Funds</u>			<u>Total (Memorandum Only)</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$368,600	\$365,565	\$ (3,035)	\$5,566,700	\$5,613,382	\$ 46,682
-	-	-	252,400	252,222	(178)
236,369	234,787	(1,582)	340,269	338,751	(1,518)
82,463	87,240	4,777	630,363	640,685	10,322
8,100	8,065	(35)	1,222,000	1,224,131	2,131
-	-	-	15,900	15,907	7
<u>695,532</u>	<u>695,657</u>	<u>125</u>	<u>8,027,632</u>	<u>8,085,078</u>	<u>57,446</u>
-	-	-	37,327	33,293	4,034
1,316	1,302	14	341,372	319,134	22,238
90,617	73,975	16,642	206,658	175,905	30,753
579	532	47	51,705	47,924	3,781
-	-	-	801,028	761,804	39,224
300,978	269,594	31,384	300,978	269,594	31,384
3,313	2,993	320	2,705,560	2,552,990	152,570
-	-	-	2,040,186	1,998,281	41,905
-	-	-	464,202	443,234	20,968
-	-	-	150,883	140,639	10,244
346,835	336,194	10,641	1,508,007	1,218,412	289,595
(45,216)	-	(45,216)	(632,864)	-	(632,864)
<u>698,422</u>	<u>684,590</u>	<u>13,832</u>	<u>7,975,042</u>	<u>7,961,210</u>	<u>13,832</u>
(2,890)	11,067	13,957	52,590	123,868	71,278
-	41,858	41,858	-	777,081	777,081
-	(41,858)	(41,858)	-	(777,081)	(777,081)
(21)	826	847	(21)	826	847
-	450	450	-	(2,170)	(2,170)
<u>(21)</u>	<u>1,276</u>	<u>1,297</u>	<u>(21)</u>	<u>(1,344)</u>	<u>(1,323)</u>
<u>\$ (2,911)</u>	12,343	<u>\$ 15,254</u>	<u>\$ 52,569</u>	122,524	<u>\$ 69,955</u>
	166,985			(498,488)	
	(8,878)			38,688	
	<u>\$170,450</u>			965,711	
				<u>\$ 628,435</u>	



# Combined Statement of Revenues, Expenses and Changes in Fund Equity/Fund Balances

ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS  
For The Fiscal Year Ended June 30, 1992  
(Expressed in Thousands)

	Proprietary Fund Types		Fiduciary Fund Types		Total (Memorandum only)
	Enterprise	Internal Service	Nonexpendable Trust	Pension Trust	
<b>Operating Revenues:</b>					
Charges for Services.....	\$140,101	\$72,733	\$ -	\$ -	\$ 212,834
Participants' Contributions.....	-	-	-	188,628	188,628
State Contribution.....	-	-	-	335,404	335,404
Interest on Financing Activities.....	274,712	-	-	-	274,712
Investment Earnings.....	-	-	6,689	837,283	843,972
Miscellaneous.....	16,169	-	43	54,046	70,258
<b>Total Operating Revenues.....</b>	<b>430,982</b>	<b>72,733</b>	<b>6,732</b>	<b>1,415,361</b>	<b>1,925,808</b>
<b>Operating Expenses:</b>					
Cost of Sales and Services.....	-	40,701	-	-	40,701
Administrative.....	120,481	17,399	-	220	138,100
Depreciation and Amortization.....	24,580	11,520	-	-	36,100
Benefit Payments and Refunds.....	-	-	-	626,746	626,746
Other Program Expenses.....	34,557	-	558	8,831	43,946
Interest on Financing Activities.....	231,628	-	-	-	231,628
<b>Total Operating Expenses.....</b>	<b>411,246</b>	<b>69,620</b>	<b>558</b>	<b>635,797</b>	<b>1,117,221</b>
<b>Operating Income.....</b>	<b>19,736</b>	<b>3,113</b>	<b>6,174</b>	<b>779,564</b>	<b>808,587</b>
<b>Nonoperating Revenues (Expenses):</b>					
Interest and Investment Income.....	10,769	-	-	-	10,769
Other.....	(208)	-	-	-	(208)
Interest and Fiscal Charges.....	(38,356)	-	-	-	(38,356)
<b>Total Nonoperating Income (Expense).....</b>	<b>(27,795)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(27,795)</b>
<b>Income (Loss) Before Operating Transfers and Extraordinary Item.....</b>	<b>(8,059)</b>	<b>3,113</b>	<b>6,174</b>	<b>779,564</b>	<b>780,792</b>
<b>Operating Transfers In (Out):</b>					
Operating Transfers In.....	-	2,507	1,146	5	3,658
Operating Transfers Out.....	(840)	(105)	(3,623)	-	(4,568)
Extraordinary Item-Loss on Defeasance of Debt.....	(947)	-	-	-	(947)
<b>Net Income.....</b>	<b>(9,846)</b>	<b>5,515</b>	<b>3,697</b>	<b>779,569</b>	<b>778,935</b>
<b>Retained Earnings/Fund Balances - July 1.....</b>	<b>297,920</b>	<b>25,879</b>	<b>60,842</b>	<b>8,307,727</b>	<b>8,692,368</b>
<b>Retained Earnings/Fund Balances - June 30.....</b>	<b>288,074</b>	<b>31,394</b>	<b>64,539</b>	<b>9,087,296</b>	<b>9,471,303</b>
<b>Contributed Capital - July 1.....</b>	<b>109,118</b>	<b>13,802</b>	<b>-</b>	<b>-</b>	<b>122,920</b>
<b>Capital Additions.....</b>	<b>28,694</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,694</b>
<b>Contributed Capital - June 30.....</b>	<b>137,812</b>	<b>13,802</b>	<b>-</b>	<b>-</b>	<b>151,614</b>
<b>Fund Equity - June 30.....</b>	<b>\$425,886</b>	<b>\$45,196</b>	<b>\$64,539</b>	<b>\$9,087,296</b>	<b>\$9,622,917</b>

The accompanying notes are an integral part of the financial statements.



# Combined Statement of Cash Flows

## ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUNDS

For The Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	Proprietary Fund Types		Fiduciary Fund Type	Total (Memorandum only)
	Enterprise	Internal Service	Nonexpendable Trust	
<b>Cash Flows From Operating Activities:</b>				
Operating income.....	\$ 19,736	\$ 3,113	\$ 6,174	\$ 29,023
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Amortization and depreciation.....	24,580	11,520	-	36,100
Investment income.....	(68,422)	-	(6,689)	(75,111)
Interest expense.....	231,628	-	-	231,628
Changes in assets and liabilities:				
(Increase) decrease in receivables.....	(3,576)	(2,012)	16	(5,572)
(Increase) decrease in due from other funds.....	1,764	(1,175)	-	589
(Increase) decrease in receivable from other governments.....	2,436	-	-	2,436
(Increase) decrease in inventories and prepaid items.....	(2,199)	517	-	(1,682)
Increase (decrease) in accounts payable and accrued liabilities.....	2,117	(40)	-	2,077
Increase (decrease) in due to other funds.....	(1,582)	119	-	(1,463)
Increase (decrease) in payable to other governments.....	1,701	-	-	1,701
Other.....	22,783	103	-	22,886
Issuance of loans, notes and installment contracts receivable.....	(299,984)	-	-	(299,984)
Collection of loans, notes and installment contracts receivable.....	147,641	-	-	147,641
<b>Net cash provided by (used in) operating activities.....</b>	<b>78,623</b>	<b>12,145</b>	<b>(499)</b>	<b>90,269</b>
<b>Cash Flows From Noncapital Financing Activities:</b>				
Contributed capital.....	23,400	-	-	23,400
Proceeds from sale of bonds and notes.....	263,220	-	-	263,220
Retirement of bonds and notes payable.....	(113,580)	-	-	(113,580)
Interest on bonds and notes payable.....	(236,237)	-	-	(236,237)
Transfers from other funds.....	-	2,507	1,146	3,653
Transfers to other funds.....	(27,821)	(105)	(3,623)	(31,549)
Other-net.....	359	-	-	359
<b>Net cash provided by (used in) noncapital financing activities.....</b>	<b>(90,659)</b>	<b>2,402</b>	<b>(2,477)</b>	<b>(90,734)</b>
<b>Cash Flows From Capital And Related Financing Activities:</b>				
Purchase of fixed assets.....	(35,155)	(3,970)	-	(39,125)
Proceeds from sale of bonds and notes.....	24,215	-	-	24,215
Retirement of bonds and notes payable.....	(12,198)	(19)	-	(12,217)
Interest on bonds and notes payable.....	(37,659)	-	-	(37,659)
Capital contributions received.....	5,293	-	-	5,293
Proceeds from sale of fixed assets.....	2,924	-	-	2,924
<b>Net cash provided by (used in) capital and related     financing activities.....</b>	<b>(52,580)</b>	<b>(3,989)</b>	<b>-</b>	<b>(56,569)</b>
<b>Cash Flows From Investing Activities:</b>				
Proceeds from sales of investment securities.....	572,183	-	-	572,183
Purchases of investment securities.....	(601,929)	-	-	(601,929)
Interest and income on investments.....	83,268	-	3,312	86,580
Decrease (increase) in restricted assets.....	247	-	-	247
<b>Net cash provided by (used in) investing activities.....</b>	<b>53,769</b>	<b>-</b>	<b>3,312</b>	<b>57,081</b>
<b>Increase (decrease) in cash.....</b>	<b>(10,847)</b>	<b>10,558</b>	<b>336</b>	<b>47</b>
<b>Cash and cash equivalents - July 1.....</b>	<b>364,938</b>	<b>9,863</b>	<b>10,654</b>	<b>385,455</b>
<b>Cash and cash equivalents - June 30.....</b>	<b>\$ 354,091</b>	<b>\$20,421</b>	<b>\$10,990</b>	<b>\$ 385,502</b>

Non cash investing, capital and financing activities:

The debt of the Rental Housing Fund (Enterprise Funds) increased by \$947 representing its share of the refunding bonds issued by the State during the year.

The accompanying notes are an integral part of the financial statements.



# Combined Statement of Changes in Fund Balances

## HIGHER EDUCATION AND UNIVERSITY HOSPITAL FUNDS

For The Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	Current Funds		Hospital Funds	Endowment and Similar Funds	Loan Funds
	Unrestricted	Restricted			
<b>Revenues and Other Additions:</b>					
Current and Hospital Funds Revenues.....	\$409,640	\$ 70,146	\$113,464	\$ -	\$ -
Private Gifts, Grants and Contracts.....	-	-	-	130	103
Investment Earnings.....	-	-	-	-	208
Endowment Income.....	-	-	-	276	-
Interest on Loans Receivable.....	-	-	-	-	685
Expended for Plant Facilities.....	-	-	-	-	-
Retirement of Indebtedness.....	-	-	-	-	-
Miscellaneous.....	-	-	-	-	80
<b>Total Revenues and Other Additions.....</b>	<u>409,640</u>	<u>70,146</u>	<u>113,464</u>	<u>406</u>	<u>1,076</u>
<b>Expenditures and Other Deductions:</b>					
Education and General.....	725,953	102,648	-	-	-
Auxiliary Enterprises.....	79,498	-	-	-	-
Hospital.....	34,294	-	111,779	-	-
Loan Cancellations and Write-offs.....	-	-	-	-	161
Capital Expenditures.....	-	-	-	-	-
Administrative Costs.....	-	-	-	-	160
Retirement of Indebtedness.....	-	-	-	-	-
Other.....	239	114	-	-	78
<b>Total Expenditures and Other Deductions.....</b>	<u>839,984</u>	<u>102,762</u>	<u>111,779</u>	<u>-</u>	<u>399</u>
<b>Transfers Among Funds - Additions (Deductions)</b>					
Mandatory:					
Retirement of Indebtedness.....	(19,963)	-	-	-	-
Nonmandatory:					
Other.....	(10,158)	5,821	4,140	(98)	295
<b>Total Transfers Among Funds.....</b>	<u>(30,121)</u>	<u>5,821</u>	<u>4,140</u>	<u>(98)</u>	<u>295</u>
Operating transfers from the State's governmental funds.....	467,976	35,162	-	-	-
<b>Net Increase (Decrease) in Fund Balances.....</b>	<u>7,511</u>	<u>8,367</u>	<u>5,825</u>	<u>308</u>	<u>972</u>
<b>Fund Balances (deficit) - July 1 (as adjusted).....</b>	<u>130,439</u>	<u>26,019</u>	<u>9,153</u>	<u>3,572</u>	<u>26,594</u>
<b>Fund Balances (deficit) - June 30.....</b>	<u>\$137,950</u>	<u>\$ 34,386</u>	<u>\$ 14,978</u>	<u>\$3,880</u>	<u>\$27,566</u>

The accompanying notes are an integral part of the financial statements.





<u>Unexpended</u>	<u>Plant Funds Retirement of Indebtedness</u>	<u>Investment in Plant</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 593,250
-	-	-	233
-	1,067	-	1,275
-	-	-	276
-	-	-	685
-	-	131,084	131,084
-	-	1,720	1,720
<u>320</u>	<u>366</u>	<u>-</u>	<u>766</u>
<u>320</u>	<u>1,433</u>	<u>132,804</u>	<u>729,289</u>
-	-	-	828,601
-	-	-	79,498
-	-	-	146,073
-	-	-	161
76,795	-	-	76,795
-	-	-	160
-	4,233	-	4,233
-	-	900	1,331
<u>76,795</u>	<u>4,233</u>	<u>900</u>	<u>1,136,852</u>
-	19,000	963	-
<u>36,379</u>	<u>-</u>	<u>(36,379)</u>	<u>-</u>
<u>36,379</u>	<u>19,000</u>	<u>(35,416)</u>	<u>-</u>
<u>40,271</u>	<u>-</u>	<u>-</u>	<u>543,409</u>
<u>175</u>	<u>16,200</u>	<u>96,488</u>	<u>135,846</u>
<u>(20)</u>	<u>15,215</u>	<u>1,084,529</u>	<u>1,295,501</u>
<u>\$ 155</u>	<u>\$31,415</u>	<u>\$1,181,017</u>	<u>\$1,431,347</u>



# Combined Statement of Revenues, Expenditures and Other Changes

## HIGHER EDUCATION AND UNIVERSITY HOSPITAL FUNDS

For The Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	Current Funds		Hospital Funds	Total
	Unrestricted	Restricted		
<b>Revenues:</b>				
Student Tuition and Fees.....	\$188,071	\$ -	\$ -	\$ 188,071
Federal Grants and Contracts.....	11,490	49,028	-	60,518
Private Gifts and Grants.....	3,651	10,075	-	13,726
Patient Services.....	70,890	-	113,464	184,354
Sales and Services.....	110,942	-	-	110,942
Investment Earnings.....	4,195	5	-	4,200
Endowment Income.....	-	802	-	802
Miscellaneous.....	20,401	2,953	-	23,354
<b>Total Revenues.....</b>	<b>409,640</b>	<b>62,863</b>	<b>113,464</b>	<b>585,967</b>
<b>Expenditures and Mandatory Transfers:</b>				
Educational and General:				
Instruction.....	321,368	17,669	-	339,037
Research.....	23,891	60,429	-	84,320
Public Services.....	28,007	7,118	-	35,125
Academic Support.....	95,990	3,259	-	99,249
Student Services.....	33,186	3,353	-	36,539
Institutional Support.....	133,114	4,581	-	137,695
Independent Operations.....	636	-	-	636
Scholarship and Fellowships.....	19,788	4,570	-	24,358
Plant Operations and Maintenance.....	69,973	1,669	-	71,642
<b>Total Educational and General Expenditures.....</b>	<b>725,953</b>	<b>102,648</b>	<b>-</b>	<b>828,601</b>
Hospital.....	34,294	-	111,779	146,073
Auxiliary Enterprises.....	79,498	-	-	79,498
Other.....	239	114	-	353
Mandatory Transfers:				
Retirement of Indebtedness.....	19,963	-	-	19,963
<b>Total Expenditures and Mandatory Transfers .....</b>	<b>859,947</b>	<b>102,762</b>	<b>111,779</b>	<b>1,074,488</b>
<b>Other Transfers- Additions (Deductions):</b>				
Operating Transfers from the State's				
Governmental Funds.....	467,976	35,162	-	503,138
Non-mandatory Transfers.....	(10,158)	5,821	4,140	(197)
Excess of Restricted Receipts over Transfers to Revenues..	-	7,283	-	7,283
<b>Total Other Transfers and Additions (Deductions).</b>	<b>457,818</b>	<b>48,266</b>	<b>4,140</b>	<b>510,224</b>
<b>Net Increase (Decrease) in Fund Balances.....</b>	<b>\$ 7,511</b>	<b>\$ 8,367</b>	<b>\$ 5,825</b>	<b>\$ 21,703</b>

The accompanying notes are an integral part of the financial statements.



# Notes to the Financial Statements

June 30, 1992

(Amounts in thousands unless otherwise stated)

## Note 1

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis of Presentation

The accompanying financial statements of the State of Connecticut have been prepared in conformity with generally accepted accounting principles as prescribed in pronouncements of the Governmental Accounting Standards Board (GASB). The financial statements of the higher education and university hospital funds have been prepared in conformity with generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants Industry Audit Guide, Audits of Colleges and Universities.

#### b. Financial Reporting Entity

In conformance with generally accepted accounting principles, the accompanying financial statements of the State of Connecticut include all funds, account groups, departments and agencies of the State as well as authorities, commissions and other organizations over which the State exercises oversight responsibility. In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the entity was made by applying the criteria set forth in GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the State's ability to exercise oversight responsibility. The most significant evidence of this ability is financial interdependency. Other evidence of the ability to exercise oversight responsibility includes, but is not limited to, the selection of governing authority, appointment of management, constitutional officers' ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the State and/or its citizens or is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financial relationships, regardless of whether the State is able to exercise oversight responsibilities.

Based upon these criteria, the following organizations, in addition to those currently included in the State's

budgetary basis financial report, have been included for financial reporting purposes:

#### *Public Authorities*

Connecticut Development Authority, Connecticut Housing Finance Authority, and Connecticut Resources Recovery Authority - These authorities are classified as enterprise funds in the financial statements. The Connecticut Housing Finance Authority's financial statement reporting period is for the fiscal year ending December 31, 1991.

#### *Other*

Teachers' Retirement System - This retirement system is classified as a pension trust fund in the financial statements. See Note 9 for a detailed description of this system.

Bradley International Airport - This airport is classified as an enterprise fund in the financial statements.

The following have been excluded from the reporting entity:

#### *Foundations and Organizations of the State's System of Higher Education*

Certain independent foundations and organizations of the State's system of higher education are not included in the State's financial reporting entity. Of these foundations, the largest is the University of Connecticut Foundation, Inc., which is a separately incorporated not-for-profit entity, organized exclusively for the purpose of promoting, encouraging and assisting all forms of education and research at the University of Connecticut. The Foundation solicits and accepts donations and disburses funds derived from these donations in aiding the University. Summarized financial information from the financial statements of the Foundation is shown separately in Note 20. The Foundation and other organizations of the State's system of higher education are excluded from the State's reporting entity because the State does not have the ability to exercise influence over their daily operations, approve budgets, or provide funding.



**The Connecticut Alternate Retirement Program (CARP)**

CARP was established in 1976 and is funded through individually owned annuities issued by the Teachers Insurance and Annuity Association (TIAA) and the College Retirement Equities Fund (CREF). TIAA is an insurance company and CREF is an investment company. CARP is excluded from the State's reporting entity because the State does not have the ability to exercise oversight responsibility. The State's only responsibility with respect to CARP is to make contributions as required by statute.

**c. Fund Accounting**

The financial activities of the State are accounted for in individual funds and account groups.

A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. For financial reporting purposes, individual funds are classified into four fund categories: governmental funds, proprietary funds, fiduciary funds and higher education and university hospital funds.

Account groups are accounting entities used to account for the State's general fixed assets and long-term debt. These account groups are not funds because they do not reflect available financial resources and related liabilities.

Because the State of Connecticut has a significant number of legal funds, a functional basis combining presentation was chosen to facilitate the preparation and readability of the Comprehensive Annual Financial Report (CAFR). More detailed information on the legal funds can be found in the Annual Report of the Comptroller - a "modified cash" basis document also produced by the Office of the Comptroller.

Following is a description of the fund categories and account groups used in the accompanying financial statements:

**Governmental Funds**

1. General Fund - The General Fund is the general operating fund of the State. It is used to account for all financial resources obtained and spent for those services normally provided by the State (e.g. health, social assistance, education, etc.), which are not accounted for in other funds.

2. Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources

(other than expendable trusts, major capital projects, and higher education and university hospital sources) that are legally restricted to expenditures for specified purposes. For example, motor fuel taxes levied to fund Department of Transportation costs.

3. Debt Service Fund - This fund is used to account for the accumulation of resources for, and the payment of, principal and interest on general long-term bonds and notes.

4. Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and infrastructure projects (other than those financed by proprietary funds and higher education and university hospital funds).

**Proprietary Funds**

1. Enterprise Funds - These funds are used to account for operations that (a) are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

2. Internal Service Funds - These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the State, or to other governments, on a cost-reimbursement basis.

**Fiduciary Funds**

Trust and Agency Funds - These funds are used to account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These funds include expendable trust funds, nonexpendable trust funds, pension trust funds, and agency funds.

**Account Groups**

1. General Fixed Asset Account Group - This account group includes all the fixed assets (excluding infrastructure) that are not accounted for in the proprietary funds and higher education and university hospital funds.

2. General Long-Term Debt Account Group - This account group includes all long-term obligations which are to be financed from governmental funds. These long-term obligations include the following:

Unmatured principal on general obligation and



transportation related bonds and notes.

Other non-current liabilities for capital leases, compensated absences, unfunded pension costs, and workers' compensation claims.

#### ***Higher Education and University Hospital Funds***

The financial activities of the State's higher education institutions and the university hospital are accounted for in these funds. The financial statements of these funds are presented in accordance with generally accepted accounting principles for colleges and universities as prescribed by the American Institute of Certified Public Accountants Industry Audit Guide, Audits of Colleges and Universities. These funds are presented in a separate column within the combined financial statements.

The following fund categories are included:

1. **Current Funds** - These funds are used to account for resources which will be expended in the near future for operating purposes. Included in the current fund category are unrestricted funds over which the governing boards retain full control in achieving the institutions' purposes and restricted funds which may be utilized only in accordance with external restrictions.
2. **Hospital Funds** - These funds account for the revenues and expenditures relating to the operations of the University hospital and dental clinics.
3. **Endowment Funds** - These funds account for gifts which are restricted as to principal by the donor.
4. **Loan Funds** - These funds are used to account for loans to students, faculty or staff and for resources available for such purposes.
5. **Plant Funds** - These funds account for resources which have been or will be used for institutional property acquisition, renewal and replacement, and resources accumulated for the retirement of debt associated with institutional properties.
6. **Agency Funds** - These funds account for funds held by an institution as custodian or fiscal agent for others such as student organizations, individual students, or faculty members.

#### **d. Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting, which are described as follows:

#### ***Governmental Funds and Expendable Trust Funds***

These funds are accounted for using a current financial resources measurement focus and a modified accrual basis of accounting. Under the current financial re-

sources measurement focus, only current assets and liabilities are normally included on the balance sheet. Fund balance represents a measure of "available spendable resources". Under the modified accrual basis of accounting, revenues are recorded when they are susceptible to accrual (i.e. both measurable and available). The word "available" means that the revenue is collectible within the current period or soon enough thereafter to pay current period liabilities. Expenditures are recorded when the related fund liability is incurred except for principal and interest on general long-term debt which are recorded as expenditures when due. Major revenue sources which are treated as susceptible to accrual include sales and use taxes, personal income taxes, public service corporation taxes, petroleum company taxes, and gasoline and special fuel taxes. Revenues from federal grants are recorded when the related expenditure has been incurred.

#### ***Proprietary Funds, Nonexpendable Trust Funds, and Pension Trust Funds***

These funds are accounted for using a flow of economic resources measurement focus and an accrual basis of accounting. Under the flow of economic resources measurement focus all assets and liabilities are included on the balance sheet. Fund equity (proprietary funds) is segregated into contributed capital and retained earnings components. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred.

#### ***Agency Funds***

These funds are accounted for using a modified accrual basis of accounting. Agency funds are custodial in nature (assets equal liabilities) and do not measure nor report results of operations.

#### ***Higher Education and University Hospital Funds***

These funds are accounted for using a current financial resources measurement focus and an accrual basis of accounting with the following exceptions:

- All assets and liabilities are included on the balance sheet.
- Depreciation expense related to plant fund assets is not recorded.
- Revenues and expenditures of an academic term covering more than one fiscal year are reported in the fiscal year in which the program is predominately conducted.

#### **e. Budgeting Process**

By statute, the Governor must submit the state budget to the General Assembly in February of each year. Prior to June 30, the General Assembly enacts the budget



through the passage of appropriation acts for the next fiscal year and sets forth revenue estimates for the same period for the following funds: the General Fund, the Transportation Fund, the Workers' Compensation Fund, the Banking Fund, the Consumer Council and Public Utility Control Fund, the Insurance Fund, the Soldiers, Sailors and Marines Fund and the Regional Market Operations Fund. Under the State Constitution, the Governor has the power to veto any part of the itemized appropriations bill and to accept the remainder of the bill. However, the General Assembly may separately reconsider and repass the disapproved items by a two-thirds majority vote of both the Senate and the House.

Budgetary control is maintained at the level of line item appropriations by agency as established in authorized appropriation bills and is reported in the Annual Report of the State Comptroller. A separate document is necessary since the level of legal control is more detailed than reflected in the CAFR. Before an agency can utilize funds appropriated for a particular purpose, such funds must be allotted for the specific purposes by the Governor and encumbered by the Comptroller upon request by the agency. Such funds can then be expended by the Treasurer only upon a warrant, draft or order of the Comptroller drawn at the request of the responsible agency. Expenditure control over special revenue, enterprise, and internal service funds that are not budgeted as part of the annual appropriation act is maintained by the allotment process.

The Governor has the power under Connecticut statute to modify budgetary allotment requests for the administration, operation and maintenance of a budgeted agency. However, the modification cannot exceed 3% of the fund or 5% of the appropriation amount. Modifications beyond those limits, but not in excess of 5% of the total funds, require the approval of the Finance Advisory Committee. The Finance Advisory Committee is comprised of the Governor, the Lieutenant Governor, the Treasurer, the Comptroller, two senate members, not of the same political party, and three house members, not more than two of the same political party. Additional reductions of appropriations of more than 5% of the total appropriated fund can be made only with the approval of the General Assembly.

All funds except fiduciary funds use encumbrance accounting. Using this method of accounting, purchase orders, contracts, and other commitments for the expenditures of the fund are recorded in order to reserve that portion of the applicable appropriation. All encumbrances lapse at year-end and generally, all appropriations lapse at year-end except for certain continuing appropriations (continuing appropriations are defined

as carry forwards of spending authority from one fiscal budget into a subsequent budget). The continuing appropriations include: appropriations continued for a one-month period after year-end which are part of a program that was not renewed the succeeding year; appropriations continued the entire succeeding year, as in the case of highway and other capital construction projects; and appropriations continued for specified amounts for certain special programs. Carried-forward appropriations are reported as reservations of the fund balance in the financial statements.

The budget is prepared on a "modified cash" basis of accounting under which revenues are recognized when received except, in the General and Transportation Funds, for certain taxes and Federal and other restricted grant revenues which are recognized when earned. Tax revenues recognized when earned include the following: sales and use, personal income, corporation, public service corporations, petroleum companies, cigarettes, alcoholic beverages, gasoline, special motor fuel, and motor carrier road. Under the modified cash basis, expenditures are recognized when paid. A comparison of actual results of operations recorded on this basis and the adopted budget is presented in the financial statements for all governmental funds for which a budget is legally adopted. During the 1992 fiscal year, the original adopted budget was adjusted by several supplementary appropriations authorized by the General Assembly and the Finance Advisory Committee.

#### **f. Budgetary vs GAAP Basis of Accounting**

The major differences between the budgetary (legal) and the GAAP (generally accepted accounting principles) basis of accounting are as follows:

1. Revenues are recorded when received in cash except for certain year-end tax accruals (budgetary basis) as opposed to revenues being recorded when they are susceptible to accrual (GAAP basis) (see Note 1d).
2. Expenditures are recorded when paid in cash (budgetary basis) as opposed to expenditures being recorded when the related fund liability is incurred (GAAP basis) (see Note 1d).
3. For budgetary reporting purposes, continuing appropriations are included with expenditures to determine the budgetary surplus or deficit because they are considered uses of spending authority for the fiscal year. But under the GAAP basis, continuing appropriations are not included as expenditures.
4. For budgetary purposes, the issuance of long-term notes to finance the accumulated budgetary deficit was not recognized as an other financing source.



5. Certain special revenue funds are not subject to legal budgets.

Because of the above differences, a reconciliation between the budgetary and GAAP basis is presented in Note 2.

### **g. Assets and Liabilities**

#### ***Cash and Cash Equivalents***

In addition to petty cash and bank accounts, this account includes cash equivalents - short-term, highly liquid investments with original maturities of three months or less when purchased. Cash equivalents include investments in the State's short-term pooled investment fund (see Note 4), the tax exempt proceeds fund (a money market fund) and repurchase agreements. Cash equivalents are carried at cost.

#### ***Investments***

Investments in the general, special revenue, debt service, capital projects, enterprise, and higher education and university hospital funds are carried at cost or amortized cost. Investments in the trust and agency funds, excluding the agency funds, represent investments in the State's long-term pooled investment funds (see Note 4). Investments in the agency funds are carried at cost or amortized cost and at market (deferred compensation fund).

#### ***Inventories***

Inventories are valued at cost. Cost is determined by the first-in first-out (FIFO) method. Inventories in the governmental funds consist of expendable supplies held for consumption whose cost was recorded as an expenditure at the time the individual inventory items were purchased. Reported inventories in these funds are offset by a fund balance reserve to indicate that they are unavailable for appropriation.

#### ***Fixed Assets and Depreciation***

General fixed assets are recorded at historical or estimated historical cost. Donated fixed assets are valued at estimated fair value on the date donated. Interest costs incurred during construction and infrastructure fixed assets (highways, bridges, etc.) are not capitalized. No depreciation is provided for general fixed assets.

Fixed assets in the enterprise and internal service funds are carried at cost. Interest costs incurred during construction at Bradley International Airport are capitalized as part of the assets. Depreciation of buildings, land improvements, and machinery and equipment is determined using the straight-line method and is based upon the asset's estimated useful life.

Fixed assets in the higher education and university hospital funds are carried at cost. No depreciation is recorded in these funds.

#### ***Deferred Revenues***

This liability account represents the following:

- Cash received by the State before the State has a legal claim to it (e.g. grant monies received before the incurring of qualifying expenditures).
- Revenues considered measurable but not available during the current period.

In subsequent periods, when the State has a legal claim to the cash received, or when the revenues become available, the liability for deferred revenues is removed from the balance sheet and revenue is recognized.

#### ***Capital Appreciation Bonds***

Capital appreciation (deep-discount) bonds issued by the State, unlike most bonds which pay interest semiannually, do not pay interest until the maturity of the bonds. An investor who purchases a capital appreciation bond at its discounted price and holds it until maturity will receive an amount which equals the initial purchase price plus an amount which has accrued over the life of the bond on a semiannual compounding basis. The net value of the bonds are accreted (the discount reduced), based on this semiannual compounding, over the life of the bonds. This deep-discount debt is reported in the general long-term debt account group at its net or accreted value rather than at face value.

#### ***Other Long-term Obligations***

The portion of unfunded pension costs, workers' compensation claims, and accumulated compensated absences that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental and expendable trust funds that will pay it. The remaining portion that is not expected to be liquidated with expendable available financial resources is reported in the general long-term debt account group. In the proprietary, pension and non-expendable trust, and higher education and university hospital funds, such obligations are recorded as fund liabilities.

Vacation and sick policy is as follows. Employees hired on or before June 30, 1977, can accumulate up to a maximum of 120 vacation days. Employees hired after that date can accumulate up to a maximum of 60 days. Upon termination or death, the employee is entitled to



be paid for the full amount of vacation days owed. No limit is placed on the number of sick days that an employee can accumulate. However, the employee is entitled to payment for accumulated sick time only upon retirement, or after ten years of service upon death, for an amount equal to one-fourth of his accrued sick leave up to a maximum payment equivalent to sixty days.

**h. Fund Equity**  
**Contributed Capital**

The amount of permanent fund capital in the enterprise and internal service funds which is contributed from general government and other governmental entities.

**Reserved Retained Earnings**

The portion of retained earnings in the enterprise funds which is legally restricted for specific future use.

**Reserved Fund Balances**

The portion of fund balances in the governmental, fiduciary, higher education and university hospital fund types which is legally reserved for a specific future use or which is not available for appropriation or expenditure.

**i. Revenues and Interfund Transactions**

**Taxes**

Certain tax revenues that accrue to the State are considered "available" if the payer incurs the obligation to the State before year-end and payment is received within sixty days after year-end (see Note 6).

**Licenses, Permits and Fees**

These items are not susceptible to accrual and are recognized as revenues when the cash is collected.

**Interfund Transactions**

Interfund transactions are recorded as follows:

- (1) Transfers which are from funds that are receiving revenues to funds in which the resources are to be expended are classified as operating transfers.
- (2) Transactions that would be treated as revenues, expenditures or expenses if they involved organizations external to the State are treated similarly by the funds of the State.
- (3) Reimbursements from one fund to another are treated as expenditures or expenses of the reimbursing fund and as a reduction of the expenditures or expenses of the reimbursed fund.
- (4) Non-recurring or non-routine transfers of equity between funds and contributions to the

capital or proprietary funds are classified as equity transfers.

**j. Total Columns on Combined Statements**

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present the financial position, the results of operations or cash flow in conformity with generally accepted accounting principles nor is such data comparable to a consolidation.

**Note 2**

**BUDGETARY BASIS VS. GAAP**

The following is a reconciliation of the excess (deficiency) of revenues and other sources over expenditures and other uses as accounted between the budgetary and GAAP basis of accounting:

<u>Financial Statements Fund Types</u>	<u>General</u>	<u>Special Revenue</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (Budgetary basis)	\$110,181	\$12,343
Adjustments:		
Increases (decreases) in revenue accruals:		
Governmental Receivables	(859)	13,491
Other Receivables	(110,900)	(5,843)
(Increases) decreases in expenditure accruals:		
Accounts Payable and Other Liabilities	(57,256)	(1,187)
Salaries and Fringe Benefits Payable	4,842	(2,662)
Increase (decrease) in Continuing Appropriations	20,590	(1,820)
Reclassification of equity adjustment to other financing sources	<u>965,711</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP basis) - budgeted funds	932,309	14,322
To record excess of revenues and other sources over expenditures and other uses for nonbudgeted funds	<u>-</u>	<u>235,869</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$ 932,309</u>	<u>\$250,191</u>



**Note 3****FUND DEFICITS**

The following funds have deficit balances at June 30, 1992, in either unreserved fund balances or unreserved retained earnings, none of which constitutes a violation of statutory provisions.

<u>General Fund</u>	\$476,502
<u>Special Revenue</u>	
Consumer Council & Public Utility Control	\$2,304
<u>Enterprise Funds</u>	
Rental Housing	\$65,398
Bradley International Airport	\$3,025
<u>Internal Service Funds</u>	
Correction Industries	\$3,407
<u>Expendable Trust Funds</u>	
Employment Security	\$512,799

The General Fund deficit of \$476.5 and the Consumer Council and Public Utility Control Fund deficit of \$2.3 million were both caused by various GAAP adjustments and no action has been addressed at this time to eliminate these deficits.

The Correction Industries deficit increased by \$140 from the prior year. Contributed Capital was \$5,730 at June 30, 1992.

The Rental Housing deficit is the result of continuing deficiencies between debt service requirements and revenues, necessitating statutorily authorized advances from the General Fund. These advances are required to be repaid only in the event that future resources of the fund exceed such requirements.

The Employment Security deficit is the result of increased unemployment benefits paid out which have exhausted the Fund's assets and required the State to borrow from the Federal Trust Fund. The deficit will be repaid in future years by increased unemployment taxes on employers and a decline in unemployment benefits paid as the State recovers from the nationwide recession.

**Note 4****CASH DEPOSITS AND INVESTMENTS**

In this note, the State's deposits and investments are classified in categories of "custodial credit risk". This is the risk that the State will not be able (a) to recover deposits if the depository bank fails or (b) to recover the value of investments or collateral securities that are in the custody of an outside party if the party that sold the investments to or bought them for the State, or that pledged collateral or repurchase agreement securities to the State fails. Classification in category 1 means that

the exposure of deposits or investments to potential custodial credit risk is low. The level of potential custodial credit risk is higher for those deposits or investments classified in category 2, and highest for those in category 3.

**Cash deposits**

As of June 30, 1992, the carrying amount of the State's cash deposits was \$14,438 and the corresponding bank balance was \$173,103. In addition, the bank balance of deposits is classified in three categories of custodial credit risk as follows:

	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Insured deposits	\$9,979	\$ -	\$ -
Uninsured deposits:			
Collateralized	-	-	31,566
Uncollateralized	-	-	131,558
Total deposits	<u>\$9,979</u>	<u>\$ -</u>	<u>\$163,124</u>

Collateralized deposits are deposits protected by State statute. Under this statute, any bank holding public deposits must at all times maintain, segregated from its other assets, eligible collateral in an amount equal at least to a certain percentage (that is, 10, 25, 100, or 120) of its public deposits. The applicable percentage is determined based on the bank's risk-based capital ratio - a measure of the bank's financial condition. The amount of public deposits is determined based on either the public deposits reported on the most recent quarterly call report, or the average of the public deposits reported on the four most recent quarterly call reports, whichever is greater. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank.

**Investments**

The State Treasurer is responsible for investing all monies of the State. Investment guidelines are established by State statutes and by the State Treasurer with the advice of the Investment Advisory Council. Under these investment guidelines, the State Treasurer has created one short-term pooled investment fund and eleven long-term pooled investment funds.

The short-term pooled investment fund is available for investment to State funds (excluding the pension and other trust funds) and agencies, municipalities and public authorities. The State Treasurer is authorized to invest monies of the short-term pooled investment fund in United States government and agency obligations, United States postal service obligations, certificates of deposit, commercial paper, corporate bonds, saving accounts, bankers' acceptances, repurchase agreements and student loans. The short-term pooled investment fund is not displayed in the combined financial statements except for disclosures made in the investments schedule and as described in the section on reverse



repurchase agreements. Instead, each fund type's investment in this fund is reported as cash equivalents in the combined balance sheet.

The long-term pooled investment funds are available for investment to the pension and other trust funds. The State Treasurer is also authorized to invest monies of the long-term pooled investment funds in common stock, commercial equity real estate, foreign companies stocks and bonds, commercial and residential mortgages, guaranteed investment contracts, foreign governments obligations, asset-backed securities and venture capital partnerships. There is a restriction that not more than 50% of the investments held by the pension and other trust funds can consist of common stock. The long-term pooled investments funds are not displayed in the combined financial statements except for disclosures made in the investments schedule. Instead, each fund type's equity in these funds is reported as investments in the combined balance sheet.

The pooled investment funds account for the purchase and sale of investments using "trade date" accounting. This means that investments are increased or decreased on the date the purchase or sales order is made although

the investments are not received or delivered until a later date (settlement date). As of year end, investments under unsettled purchases are disclosed as State investments but are not categorized under categories of custodial credit risk because the investments are still in the hands of the dealers. Investments held by the State under unsettled sales are not disclosed as State investments. However, these investments are disclosed separately because they are still subject to custodial credit risk that could result in losses prior to settlement.

Following is a schedule disclosing the carrying amount and market value of the State's investments in total and by investment type as of June 30, 1992. Further, the carrying amount of these investments is classified in three categories of custodial credit risk. Category 1 includes investments that are insured or registered or for which the securities are held by the State or its agent in the State's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the State's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the State's name.

Investment Type	Carrying Amount			Total	Market Value
	Category 1	Category 2	Category 3		
Common Stock	\$2,361,752	\$ -	\$ -	\$ 2,361,752	\$ 3,001,632
U.S. Securities	972,729	489,304	77,318	1,539,351	1,613,015
Corporate Debt	1,542,709	-	-	1,542,709	1,599,686
Banker's Acceptances	413,166	-	-	413,166	413,166
Common Stock - Foreign Co.'s	1,345,858	-	-	1,345,858	1,270,424
Asset Backed Securities	544,409	-	-	544,409	573,399
Foreign Government Securities	503,329	-	-	503,329	551,846
Repurchase Agreements	467,679	149,604	-	617,283	617,283
Corporate Debt - Foreign Co.'s	28,151	-	-	28,151	28,234
Certificates of Deposit - Negotiables	778,139	-	-	778,139	778,139
Other	135,560	430	-	135,990	136,004
	<u>\$9,093,481</u>	<u>\$639,338</u>	<u>\$77,318</u>	<u>9,810,137</u>	<u>10,582,828</u>
Investments not categorized because they are not evidenced by securities that exist in physical or book entry form:					
Real Estate				1,192,059	941,638
Commercial Mortgages Trust Funds				320,198	313,014
Deferred Compensation Plan Mutual Investments				221,464	221,464
Limited Partnerships				112,711	117,360
Tax Exempt Proceeds Fund				46,530	46,530
Guaranteed Investment Contracts				396,606	396,691
Other				100	100
Investments held by broker-dealers under reverse repurchase agreements:					
U.S. Securities				122,336	124,468
Investments held by broker-dealers under unsettled purchases:					
Various Securities				<u>146,369</u>	<u>146,285</u>
				<u>\$12,368,510</u>	<u>\$12,890,378</u>

The pension trust funds own approximately 79 percent of the investments that are in category 1 and the enterprise funds (public authorities) own 100 percent of the investments that are in category 2 and 3.

As of year end, the State held securities costing \$128,850 (market value \$143,486) under unsettled sales. These securities would have

been classified under Category 1 of custodial credit risk if they were included in the investments schedule.



**Reverse Repurchase Agreements**

The State is authorized by statute to enter into reverse repurchase agreements, that is, a sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest. Normally the market value of the securities given to dealers under these agreements exceeds the amount of the obligation assumed by the State. Thus, the State could suffer an economic loss if the dealers default on their obligations to resell these securities to the State or provide securities or cash of equal value. As of June 30, 1992 the market value, including accrued interest of the underlying securities was \$124,912 and the total amount of the obligation, including accrued interest was \$124,670, resulting in a credit exposure to the State of \$242.

The above obligation and investments arising from reverse repurchase agreements are reported in the short-term pooled investment fund which is not included in the combined financial statements. Generally accepted accounting principles require that these agreements should be reported as a fund liability labeled "obligation under reverse repurchase agreements" and the underlying securities should be reported as investments. Thus, the obligation under reverse repurchase agreements and underlying investments included in the investment fund at year end were allocated to those funds having significant investments in the investment fund and disclosed accordingly.

**Note 5**

**LOANS RECEIVABLE**

Loans receivable consisted of the following as of June 30, 1992:

	Funds		
	Special Revenue	Enterprise	Higher Education and University Hospital
Mortgage	\$ -	\$2,348,565	\$ -
Industrial	-	148,675	-
Housing	129,584	100,920	-
Student	-	-	26,505
Other	233,458	44,073	195
Less:			
Allowance For Losses	-	36,407	1,517
Loans Receivable Net	<u>\$363,042</u>	<u>\$2,605,826</u>	<u>\$25,183</u>

The mortgage loan program consists of home, multifamily and construction loan mortgages made by the Connecticut Housing Finance Authority. Most loans are insured by the Federal Housing Administration or by private mortgage insurance companies. In addition, home mortgage loans are guaranteed up to certain amounts by the Veterans Administration. Permanent loans earn interest at rates ranging from 0% to 13.5%

and have initial terms of 10 to 40 years. Construction loans earn interest at rates ranging from 0% to 10.5%. Upon completion of each development, the related permanent mortgage loan, which will generally be provided by the Authority, will be payable over 30 to 40 years at annual interest rates ranging from 0% to 10.5%.

The industrial loan program consists of loans made by the Connecticut Development Authority to participant companies within the State to finance the purchase of land, buildings, and equipment. These loans and installment contracts receivable are collateralized by assets acquired from the proceeds of the related loans. These receivables have original terms of 5 to 25 years and earn interest at rates ranging from 3.75% to 14.53%. As of June 30, 1992, loans in the amount of \$101,440 (including loans of \$6,293 made by other lending institutions) were insured by an insurance fund created by the Authority and by the faith and credit pledged by the State. This insurance fund had net assets of \$9,373 at year end. Thus, the State is contingently liable in the event of any defaulted loans that could not be paid out of the assets of the insurance fund.

**Note 6**

**TAXES RECEIVABLE**

Taxes receivable consisted of the following as of June 30, 1992:

	Funds	
	General	Special Revenue
Sales and Use	\$292,746	\$ -
Income Taxes	32,674	-
Public Service Corporations	36,893	-
Petroleum Companies	18,946	-
Gasoline and Special Fuel	-	31,596
Various Other	17,966	2,021
Taxes Receivable	<u>\$399,225</u>	<u>\$33,617</u>

**Note 7**

**RESTRICTED ASSETS**

Restricted assets are defined as resources which are restricted by legal or contractual requirements. As of June 30, 1992, restricted assets in the enterprise funds are comprised of the following:

	Connecticut			Total
	Bradley Int'l Airport	Housing Finance Authority (12-31-91)	Connecticut Resources Recovery Authority	
Cash and Cash Equivalents	\$41,951	\$ -	\$ 55,651	\$ 97,602
Investments	1,202	330,582	55,711	387,495
Interest Receivable	238	3,965	732	4,935
<b>TOTAL</b>	<u>\$43,391</u>	<u>\$334,547</u>	<u>\$112,094</u>	<u>\$490,032</u>



**Note 8**

**PROPERTY, PLANT AND EQUIPMENT**

(1) A summary of changes in general fixed assets is as follows:

	Balance 7/1/91	Additions	Retire- ments	Con- struction	Balance 6/30/92
Land	\$ 251,152	\$ 5,505	\$ 172	\$ -	\$ 256,485
Buildings	997,808	-	10,027	76,179	1,063,960
Improvements					
Other Than					
Buildings	103,181	26,061	-	-	129,242
Machinery and					
Equipment	635,717	36,403	16,039	-	656,081
Construction in					
Progress	207,466	148,750	-	(76,179)	280,037
<b>Total</b>	<u>\$2,195,324</u>	<u>\$216,719</u>	<u>\$26,238</u>	<u>\$ -</u>	<u>\$2,385,805</u>

(2) Property, plant and equipment for enterprise, internal service, and higher education funds consisted of the following as of June 30, 1992:

	Enterprise	Internal Service	Higher Education and University Hospital
Land	\$ 24,364	\$ -	\$ 24,738
Buildings	182,146	-	716,897
Improvements Other Than			
Buildings	88,476	107	43,315
Machinery and Equipment	157,357	72,552	464,140
Construction in Progress	24,085	-	9,107
<b>Total</b>	<u>476,428</u>	<u>72,659</u>	<u>1,258,197</u>
Less Accumulated			
Depreciation	79,916	55,883	-
<b>Net Total</b>	<u>\$396,512</u>	<u>\$16,776</u>	<u>\$1,258,197</u>

In proprietary funds, the following estimated useful lives are used to compute depreciation:

Buildings	20-40 years
Land Improvements	5-40 years
Machinery and Equipment	5-20 years

**Note 9**

**RETIREMENT SYSTEMS**

The State of Connecticut sponsors five defined benefit public employee retirement systems (PERS) and one defined contribution pension plan. In addition, the State is the administrator and custodian of the assets for the Connecticut Municipal Employees' Retirement System and the Connecticut Probate Judges' and Employees' Retirement System as described in Note 10. The State's responsibility with respect to these systems is purely administrative and custodial in nature and no financial liability lies with the State. Therefore, limited GAAP pension disclosures have been disclosed for these two systems. The defined benefit pension plans are included in the State's financial statements as pension trust funds while the defined contribution pension plan is not included in the financial statements as it is not considered to be part of the State's reporting entity.

**Plan Descriptions**

■ State Employees' Retirement System (SERS) is the administrator of a single-employer defined benefit PERS established in 1939 and governed by Sections 5-152 to 5-192 of the General Statutes. Substantially all of the State's full time employees who are not eligible for another State sponsored plan are covered by the SERS. Employees are covered under two tiers: a) Tier I covers employees hired prior to January 1, 1984; b) Tier II covers employees hired on or after January 1, 1984, plus employees hired between July 1, 1982 and January 1, 1984, who elected Tier II. The SERS provides retirement benefits as well as death and disability benefits. Tier I participants who retire at or after age 55 with 25 years of credited service or who retire at or after age 60 with 10 years of credited service or who retire at age 70 are entitled to an annual retirement benefit equal to 2% of their final average earnings for each year of credited service, reduced for retirement prior to age 65 with less than 25 years of credited service. Final average earnings represent average annual salary received during three years of highest salary. Participants may choose early retirement at or after age 55 and the completion of 10 years of credited service and receive a reduced retirement benefit. Retirement benefits vest 100% at 10 years of credited service. Tier II participants who retire at or after age 65 with 10 years of credited service or who retire at age 60 with 25 years of service or at age 70 with 5 years of credited service or hazardous duty members who retire after 20 years of credited service are entitled to an annual retirement benefit equal to 1 and 1/3% of their final average earnings plus 1/2% of final average earnings in excess of the year's breakpoint, for each year of credited service. Hazardous duty members are



entitled to an annual retirement benefit equal to 2% of their final average earnings, for each year of credited service. Participants may choose early retirement at or after age 55 and the completion of 10 years of credited service and receive a reduced benefit. Retirement benefits vest 100% at 10 years of credited service or at 5 years of credited service if age 70. Tier I participants are required to contribute (depending on plan) either 2% of earnings up to the social security taxable wage base and 5% above that level or 5% of earnings to the SERS. Tier II participants are not required to make contributions to the SERS. The State funds the balance of the liability for benefits with annual contributions determined in accordance with statutes. The payroll for employees covered by the SERF for the year ended June 30, 1992, was \$1,956.6 million while the State's total payroll was \$2,076.5 million.

Teachers' Retirement System (TRS) is the administrator of a single-employer defined benefit PERS, with the State acting as a nonemployer contributor, established in 1917 and governed by Sections 10-183b to 10-183mm of the General Statutes. Any teacher, principal, superintendent or supervisor engaged in service of public schools in Connecticut is covered by the TRS. Also, professional employees of State schools of higher education if they choose to be covered. The TRS provides retirement benefits as well as death and disability benefits. Participants who retire on or after age 60 with 20 years of credited service in Connecticut or who retire before age 60 with 35 years of credited service (including at least 25 years of service in Connecticut) are entitled to an annual retirement benefit equal to 2% of their average annual salary, for each year of credited service (maximum percent is 75%) plus any additional amounts derived from 6% and voluntary contributions by the teacher. Average annual salary represents average annual salary received during three years of highest salary. Participants may choose early retirement at any age after the completion of 25 years of credited service (including 20 years of service in Connecticut) or at or after age 55 and the completion of 20 years of credited service (including 15 years of service in Connecticut) and receive a reduced retirement benefit. Retirement benefits vest 100% at 10 years of credited service. Participants are required to contribute 6% of their annual salary to the TRS. Contributions are refunded to participants who leave the TRS based on years of credited service as follows: a) 5% contributions plus interest - less than 5 years of credited service and b) 5% contributions with interest and 1% contributions without interest - 5 or more years of credited service. The State funds the balance of the liability for benefits with annual contributions determined in accordance with

statutes. The payroll for employees covered by the TRS for the year ended June 30, 1992, was \$1,792.5 million. The total employer's current-year payroll would represent the total payroll of all 169 towns and cities plus 19 regional school districts in Connecticut and this information is not available.

■ Judicial Retirement System (JRS) is the administrator of a single-employer defined benefit PERS established in 1981 and governed by Sections 51-49 to 51-51 of the General Statutes. Any appointed judge or compensation commissioner in the State is covered by the JRS. The JRS provides retirement benefits as well as death and disability benefits. Participants who retire at or after age 65 with 10 years of credited service or who retire before age 65 with 20 years of credited service are entitled to an annual retirement benefit equal to 66.67% of final compensation. Final compensation is the participant's basic salary plus longevity payments based on years of service. Participants who retire at or after age 65 with less than 10 years of credited service receive a reduced retirement benefit. Mandatory retirement is at age 70. Retirement benefits vest at 10 years of credited service as follows: a) participants hired before 1981 - 50% of the retirement benefit at 10 years increasing to 100% after 15 years; b) participants hired after 1980 - 100% of the retirement benefit multiplied by a ratio of service at termination to service at the earliest retirement age. Participants are required to contribute 5% of their annual compensation to the JRS. If a participant withdraws from the JRS prior to reaching benefit eligibility, contributions without interest are refunded. The State funds the balance of the liability for benefits with annual contributions determined in accordance with statutes. The payroll for employees covered by the JRS for the year ended June 30, 1992, was \$15.3 million, while the State's total payroll was \$2,076.5 million.

The following table summarizes membership by plans:

	SERS 7/1/91	TRS 7/1/91	JRS 10/1/91	Total
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	24,506	16,842	148	41,496
Active plan participants:				
Vested	22,502	33,019	66	55,587
Nonvested	32,544	6,799	112	39,455
Total	55,046	39,818	178	95,042



**Funding Status and Progress**

The amounts shown as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employees service to date. This measure is the actuarial present value of credited projected benefits and is intended to help users assess the State's PERS funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS. The measure is independent of the actuarial cost methods used to determine contributions to the PERS.

The pension benefit obligations were computed as part of the actuarial valuations performed as of July 1, 1991 for SERS and TRS, and as of October 1, 1991, for JRS. Significant actuarial assumptions used in the valuation include (a) rates of return on investment of present and future assets of 8.5% per year, (b) projected salary increases of 5.5% per year to 10.2% per year, (c) cost of living increases of 3% per year to 5.5% per year.

The total unfunded pension benefit obligation (PBO) applicable to each retirement system is as follows: (amounts expressed in millions)

	SERS 7/1/91	TRS 7/1/91	JRS 10/1/91	Total
Pension benefit obligation:				
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$2,795.9	\$2,434.0	\$72.9	\$5,302.8
Current employees - Accumulated employee contributions including allocated investment income	285.1	1,520.3	4.5	1,809.9
Employer -financed				
Vested	2,318.2	3,454.1	30.5	5,802.8
Non-vested	492.4	—	12.5	504.9
<b>Total pension benefit obligation</b>	<b>5,891.6</b>	<b>7,408.4</b>	<b>120.4</b>	<b>13,420.4</b>
Net assets available for benefits, at cost (market value \$8,354.4)	3,140.2	4,623.1	44.5	7,807.8
<b>Unfunded pension benefit obligation</b>	<b>\$2,751.4</b>	<b>\$2,785.3</b>	<b>\$75.9</b>	<b>\$5,612.6</b>

The unfunded pension benefit obligation for SERS does not reflect the liability for Retirement Incentive Bonuses. These monthly payments of \$988,221 will be paid for a three year period with a total outlay of about \$35.6 million or \$11.9 million on an annual basis. No other changes in actuarial assumptions or benefit pensions that would significantly effect the valuation of the PBO occurred during 1991.

**Contributions Required and Contributions Made**

The PERS funding policies have been established by statutes. These statutes require that annual contributions, determined on an actuarial basis, be made into the PERS in order to fund the normal cost and the amortization of the unfunded actuarial accrued liability. They also require employee contributions based on fixed percentages ranging from 2% to 6% applied to an employee's annual compensation. The required annual contributions are determined by using the following actuarial funding methods: a) projected unit credit - used by the SERS and the JRS and b) entry age - used by the TRS. The unfunded actuarial accrued liability is being amortized over a 40 year period by all three PERS.

The actuarial computation of the pension contribution requirements for the SERS for 1992 was \$431.2 million while the actual contribution was \$246.7 million. In February 1992, a Memorandum of Understanding between the State and the State Employees Bargaining Agent Coalition amended the arbitration award reducing the State's contribution to fund the past service liability for 1992. The actuarial computation of the full pension contribution requirement for the TRS for 1992 was \$325.0 million but state statutes only required the State to contribute 95% or \$308.7 million. However, only \$133.0 million was actually contributed reflecting reductions of \$175.7 million as follows: (1) a change in the funding schedule from 95% to 80%; (2) a change in the earnings assumption from 8.5% to 9.5% and other negotiated adjustments; and (3) a 5% reduction of the contribution by the Governor. For the JRS, the 1992 actuarial computation of the full pension contribution was \$10.6 million but changes in state statutes only required the State to contribute 7.0 million. The changes in statutes which affected the contribution were: (1) the period for amortizing the unfunded past service liability was changed from 36 years to 40 years; and (2) the amortization method was changed from level dollar to level percent of pay.



Contributions actually made and actuarial contribution requirements applicable to each PERS were as follows:

The following table presents the required three-year trend information:

	<u>SERS</u>	<u>TRS</u>	<u>JRS</u>	<u>Total</u>
	(in millions)			
<b>Contributions Made:</b>				
By Employees	\$ 33.2	\$124.9	\$ .8	\$158.9
% of Covered Payroll	1.7%	7.0%	5.0%	
By State	\$195.3	\$133.0	\$7.0	\$335.3
% of Covered Payroll	10.0%	7.4%	46.0%	
Federal and Other Reimbursements	\$ 51.4	—	—	\$ 51.4
% of Covered Payroll	2.6%			
<b>Contributions Required:</b>				
Normal Cost	\$180.0	\$126.8	\$ 4.3	\$311.1
Amortization of Unfunded Liability	\$251.2	\$181.9	\$ 6.3	\$439.4

	<u>SERS</u>	<u>TRS</u>	<u>JRS</u>
Net assets available for benefits as a percentage of the pension benefit obligation applicable to the State's employees:			
1992	53.3%	62.4%	37.0%
1991	52.1%	58.0%	34.2%
1990	50.3%	52.8%	24.8%
Unfunded pension benefit obligation as a percentage of annual covered payroll:			
1992	140.6%	155.4%	496.1%
1991	149.3%	187.3%	502.8%
1990	143.2%	217.1%	709.4%
State's contributions to the pension plan as a percentage of annual covered payroll:			
1992	10.0%	7.4%	46.0%
1991	11.6%	9.5%	79.2%
1990	16.4%	20.9%	91.5%

Significant actuarial assumptions used to compute contribution requirements were the same as those used to compute the pension benefit obligation.

**Trend Information**

Historical trend information is presented in order for a reader to assess the progress made in accumulating sufficient assets to pay pension benefits as they become payable.

Analysis of fund progress and ten-year historical trend information is disclosed on pages 68 - 71 of the State's comprehensive annual financial report.

In accordance with GAAP, employers contributing to public employee retirement systems must present three-year historical trend information. This information consists of:

- Net assets available for benefits, expressed as percentages of the pension obligation applicable to the entity's employees. Analysis of this percentage over time indicates whether the retirement system is becoming financially stronger or weaker.

Unfunded pension benefit obligation, expressed as percentages of annual covered payroll. Showing unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation for analytical purposes.

Employer contributions expressed as percentages of annual covered payroll.

**Other**

- The Connecticut Alternate Retirement Program (CARP) is a defined contribution plan for unclassified employees and is governed by Section 5-156 of the General Statutes. Unclassified employees at any of the units of the Connecticut State System of higher education are eligible under state law to participate. The State is the only nonemployee contributor to the pension plan. As of June 30, 1992, the pension plan's current membership consisted of 4,017 employees.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits that may be allocated to such participant's account. Members' rights in the pension benefits provided under this program vest immediately. An employee that leaves State service is entitled to his or her contributions and the State's contributions. Each employee must contribute 5% of his or her gross earnings to the pension plan. The State is required to contribute an amount equal to 8% of the employees' gross earnings. The covered payroll





for employees covered by CARP was \$173.3 million while the State's total payroll was \$2,076.5 million.

During the year the State's required and actual contributions amounted to \$13.9 million, which was 8% of the current-year CARP covered payroll. Employees' required and actual contributions amounted to \$8.6 million which was 5% of the current-year CARP covered payroll.

No pension provision changes occurred during the year that affected the required contributions to be made by the State or its employees.

CARP held no securities of the State or other related parties during the year or as of the close of the fiscal year.

State's Attorney and Public Defenders' Retirement Systems are single employer defined benefit PERS governed by Sections 51-287 and 51-295 respectively, of the General Statutes. The system covers certain state's attorneys and public defenders who contribute five percent of their salaries toward their retirement. Members of this system have a vested right to receive retirement benefits on a reduced actuarial basis after ten years of service credit. Any state's attorney or public defender who has attained the age of sixty-five and who has ten or more years shall receive a retirement salary annually. Retirement salaries are based on (1) one and one-half percent of their annual salary, for those who have completed ten or more but less than fifteen years of service, (2) three percent of their annual salary for those who have completed fifteen or more but less than twenty years of service, (3) four and one-half percent of their annual salary, for those who have completed twenty or more but less than twenty-five years of service, (4) six percent of their annual salary for those who have completed twenty-five or more years of service.

As of June 30, 1992, the State's Attorney Retirement System's membership stood at six active members, with thirteen retirees and four widow(ers) receiving benefits, while the Public Defenders' System had five retirees receiving benefits. Total combined assets of both plans stood at \$417 thousand with \$27 thousand being contributed by active employees.

#### Note 10

#### OTHER RETIREMENT SYSTEMS ADMINISTERED BY THE STATE

The State acts solely as the administrator and custodian of the assets of the following retirement systems. Although these retirement systems are included as pension trust funds, the State makes no contribution and has no financial liability other than a fiduciary responsibility.

#### *Connecticut Municipal Employees' Retirement System (CMERS)*

The system, a cost-sharing multiple-employer PERS, provides a retirement system for fire and police personnel as well as general government employees (except teachers) for any local government authority in the State of Connecticut, including towns, cities, boroughs, regional school districts, housing authorities or other special districts, which may elect to participate and is governed by Sections 7-425 to 7-451 of the Connecticut General Statutes. As of July 1, 1992, there were 7,339 active members and 3,221 retired members. Municipalities may designate which departments are to be covered under the CMERS and membership is then mandatory for all regular full time employees of participating departments except for fire and police hired after age 55. The pension plan provides pension, death, and disability benefits. A member may retire after reaching the age of 55 and having 10 years of continuous service, 15 years of active aggregate service, or 25 years of aggregate service. The pension benefit for members not covered by Social Security is 2% of the employees average final compensation times years of service while for members covered by Social Security is 1 and 1/6% of the average of compensation not in excess of the Social Security taxable wage base for the ten highest paid years of service plus 2% of that portion of average final compensation in excess of that used previously, times years of service. Average final compensation is the average of the three highest paid years of service. The current-year covered payroll for all participants amounts to \$198.6 million while the total payroll is unknown.

The entire cost is borne by the participating municipalities and their employees through employee contributions of 2.25 to 5.0 percent of salary and contribution assessments on participating municipalities ranging from 6.74% to 17.66% of a participant's payroll.

Municipal contributions are redetermined based on actuarial studies to be made annually in order to maintain the fund on a sound actuarial basis. Total contributions made during 1992 amounted to \$29.4 million of which \$22.4 million was made by the municipalities and \$7.0 million by the employees.





The amounts shown as "pension benefit obligations" are standardized measurements that, with some exceptions, must be used by a PERS. The standardized measurement is the actuarial present value of credited projected benefits. This pension valuation method reflects the present value of estimated pension benefits that will be paid in future years as a result of employee services performed to date and is adjusted for the effects of projected salary increases and any step-rate benefits. The measure is independent of the actuarial funding method used to determine contributions to the systems.

Total unfunded pension benefit obligations of the CMERS as of July 1, 1990, is as follows: (amounts expressed in millions)

Total pension benefit obligation	\$469.6
Net assets available for benefits, at cost	411.9
Unfunded pension benefit obligation	<u>\$ 57.7</u>

### ***Connecticut Probate Judges and Employees' Retirement System***

This system provides retirement benefits to Probate Court Judges and employees. As of January 1, 1992, there were 338 active and 164 retired or terminated members in the system.

The entire cost is borne by the Probate Courts and their employees through employee contributions of 2.25 to 5.0 percent of earnings and assessments on the various Probate Courts of the State which assessments are to be actuarially determined. Total contributions made by the members amounted to \$283 thousand. No contribution was made by the Probate Courts due to the fully funded position of the system.

As of the latest actuarial valuation, December 31, 1991, the system is fully funded. The actuarial method used is the Frozen Initial Liability Modification of the Entry Age Normal Cost Method and it is expected that the system will continue to remain fully funded.

### **Note 11 DEFERRED COMPENSATION PLAN**

The State of Connecticut offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all State employees in a permanent position, including elected and appointed officials and members of the General Assembly, permits them to defer a portion of their salary until future years. The deferred

compensation is not available to employees until retirement, termination of employment, disability, unforeseeable emergency or death.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State (without being restricted to the provisions of benefits under the plan), subject only to the claims of the State's general creditors. Participants' rights under the plan are equal to those of general creditors of the State in an amount equal to the fair market value of the deferred account for each participant. At this time, the State believes that it is unlikely that it will use the assets of the plan to satisfy the claims of general creditors in the future.

Based on Article V of the State of Connecticut Deferred Compensation Plan, the State has no liability for losses under any employee selected plan. The State does have the duty of due care that would be required of an ordinary prudent investor.

### **Note 12 POSTEMPLOYMENT BENEFITS**

In addition to the pension benefits described in Note 9, the State provides postretirement health care and life insurance benefits, in accordance with State statutes, Sections 5-157(d) and 5-259(a), to all employees who retire from the State on or after attaining age 55 with at least 10 years of credited service. Currently 24,978 retirees meet those eligibility requirements. When employees retire, the State pays 100% of their health care insurance premium cost (including dependent's coverage). In addition, the State pays 100% of the premium cost for a portion of the employees' life insurance continued after retirement. The amount of life insurance, continued at no cost to the retiree, is determined based on the number of years of service that the retiree had with the State at time of retirement as follows: a) if the retiree had 25 years or more of service, the amount of insurance will be one-half of the amount of insurance for which the retiree was insured immediately prior to retirement, but the reduced amount cannot be less than \$7,500; b) if the retiree had less than 25 years of service, the amount of insurance will be the proportionate amount that such years of service is to 25, rounded to the nearest \$100. The State finances the cost of postretirement health care and life insurance benefits on a pay-as-you-go basis through an appropriation in the General Fund. During the year ended June 30, 1992, \$60,110 was paid in postretirement benefits.



**Note 13**

**CAPITAL AND OPERATING LEASES**

**a. State as Lessee**

Obligations under capital leases and operating leases as of June 30, 1992, were \$84,726 for capital leases and \$10,115 for noncancelable operating leases in excess of one year. The following is a schedule of annual future minimum payments under these obligations along with the present value of the related net minimum capital lease payments discounted at approximately 6% as of June 30, 1992:

	Operating Leases	Capital Leases		
		Higher Educ.	General Long-term	Total Capital
1993	\$ 4,442	\$710	\$ 9,844	\$10,554
1994	3,433	646	6,286	6,932
1995	1,198	383	5,057	5,440
1996	577	76	3,463	3,539
1997	172	23	3,280	3,303
Thereafter	293	-	54,958	54,958
Total future minimum payments	<u>\$10,115</u>	1,838	82,888	84,726
Less: Imputed interest		172	32,865	33,037
Present value of net minimum lease payments		<u>\$1,666</u>	<u>\$50,023</u>	<u>\$51,689</u>

Rental and lease payments for equipment charged to expenditures during the year ended June 30, 1992, totaled \$28,768.

**b. State as Lessor**

The State leases building space, land, and equipment to private individuals. The minimum future lease revenues for the next five years and thereafter are as follows:

1993	\$ 18,554
1994	19,177
1995	17,996
1996	15,408
1997	14,550
Thereafter	25,600
Total	<u>\$111,285</u>

Contingent revenues for the year ended June 30, 1992, were \$1,578.

**Note 14**

**CHANGES IN GENERAL LONG-TERM DEBT**

The following is a summary of changes in long-term debt for the year ended June 30, 1992:

	Balance July 1, 1991	Issuances and Other Increases	Retirements and Other Decreases	Increase in Accrued Value of Capital Appreciation Bonds	Balance June 30, 1992
General Obligation Notes	\$ -	\$ 965,710	\$ 50,000	\$ -	\$ 915,710
General Obligation Bonds	3,392,185	1,036,303	468,756	54,403	4,014,135
Transportation Related Bonds	2,257,997	537,562	307,655	1,416	2,489,320
Unfunded Pension Costs	3,856,738	812,020	386,852	-	4,281,906
Compensated Absences	152,171	31,347	9,111	-	174,407
Worker's Compensation	250,902	112,144	64,947	-	298,099
Capital Leases	12,028	44,744	6,749	-	50,023
Total General Long-Term Debt					
Account Group	<u>\$9,922,021</u>	<u>\$3,539,830</u>	<u>\$1,294,070</u>	<u>\$55,819</u>	<u>\$12,223,600</u>

Included in both the general obligation and transportation bond issuances was \$500.3 million of refunding bonds and included in the retirements was \$463.8 million of defeased bonds (see Note 15).

The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types reflects the net proceeds from the sale of bonds and notes in the amount of \$2,537.7 million. This amount includes discounts on the sale of certain bonds and accrued interest received at the time of sale. Bond and note proceeds reflected in this note were \$1.8 million more than the net proceeds for the 1992 fiscal year.

**Note 15**

**DEBT**

**a. Short-Term Debt**

Up to \$739.4 million of general obligation temporary notes may be issued by the State with these notes having the full faith and credit of the state pledged for payment of principal and interest. As of June 30, 1992, no notes were outstanding. Additionally, revolving lines of credit have been secured from Dai-Ichi Kangyo Bank, Limited and The Industrial Bank of Japan, Limited in the amounts of \$550.0 million and \$203.9 million respectively. Of these amounts \$539.4 million and \$200.0 million may be advanced with respect to the payment of the above notes and \$10.6 million and \$3.9 million may



be advanced with respect to the payment of up to 60 days interest on the notes. As of June 30, 1992, no amount was outstanding on the lines of credit.

Future amounts needed to pay principal and interest on general obligation bonds outstanding at June 30, 1992, were as follows:

Connecticut Resources Recovery Authority has issued short-term notes payable to provide funds for operations until long-term bonds are issued to finance each of the resources recovery facilities. As of June 30, 1992, a note payable of \$5.3 million was issued which matures in June 1993 with an interest rate of 4.0% which is not due until maturity.

**b. Long-Term Debt**

Economic Recovery Notes

In September and October 1991, \$965.7 million of General Obligation Economic Recovery Notes were issued to fund the accumulated budgetary deficit.

Economic recovery notes outstanding at June 30 were \$915.7 million, these notes mature on various dates through 1996 and bear interest rates from 5.25% to 6.8%.

Future amounts needed to pay principal and interest on economic recovery notes outstanding at June 30, 1992, were as follows:

Year Ending June 30.	Principal	Interest	Total
1993	\$ 254,742	\$ 205,688	\$ 460,430
1994	267,722	191,117	458,839
1995	270,950	200,130	471,080
1996	299,145	183,971	483,116
1997	291,514	171,599	463,113
Thereafter	2,502,171	1,763,623	4,265,794
	<u>\$3,886,244</u>	<u>\$2,716,128</u>	<u>\$6,602,372</u>

Year Ending June 30.	Principal	Interest	Total
1993	\$210,100	\$ 40,374	\$ 250,474
1994	150,000	36,307	186,307
1995	239,900	27,510	267,410
1996	315,710	12,982	328,692
	<u>\$915,710</u>	<u>\$117,173</u>	<u>\$1,032,883</u>

Transportation Related Bonds

Transportation related bonds include special tax obligation bonds and general obligation bonds that are paid out of revenues pledged or earned in the Transportation Fund. The revenue pledged or earned in the Transportation Fund to pay special tax obligation bonds is transferred to the debt service fund for retirement of principal and interest.

Transportation related bonds outstanding and bonds authorized but unissued at June 30 were as follows:

General Obligation Bonds

General obligation bonds are those bonds that are paid out of the revenues of the General fund and that are supported by the full faith and credit of the State.

General obligation bonds outstanding and bonds authorized but unissued at June 30 were as follows:

Purpose of Bonds	Final	Interest Rates	Amount Outstanding	Authorized But Unissued
	Maturity Dates			
Public Transportation	1992-1999	4.5-12%	\$ 37,268	\$ 668
Interstate and Defense Highways	1993-1995	4.5-8.25%	12,435	—
Specific Highways Infrastructure Improvements	1992-1999	4.9-6.25%	71,530	19,900
General Obligation Refunding	1996-2012	2.75-8.7%	2,206,666	717,595
Miscellaneous	2004	5.15-9.75%	127,176	—
	1997-2008	5.25-8.8%	29,701	656
			2,484,776	<u>\$738,819</u>
Accretion-Variou Capital Appreciation Bonds			4,544	
		Total	<u>\$2,489,320</u>	

Purpose of Bonds	Final	Interest Rates	Amount Outstanding	Authorized But Unissued
	Maturity Dates			
Capital Improvements	1992-2012	4.5-10.25%	\$1,599,877	\$388,756
School Construction	1992-2012	4.5-9.75%	332,115	1
Municipal Redevelopment	1992-2011	5-11.2%	966,273	219,832
Elderly Housing	1995-2011	5-7.26%	64,269	151
Elimination of Water Pollution	1992-2012	4.5-9.1%	269,059	86,775
General Obligation Refunding	1992-2004	4.2-7.35%	389,838	—
Miscellaneous	1992-2008	5.8-12.7%	264,813	3,537
			3,886,244	<u>\$699,052</u>
Accretion-Variou Capital Appreciation Bonds			127,891	
	Total		<u>\$4,014,135</u>	



Future amounts required to pay principal and interest on transportation related bonds outstanding at June 30 were as follows:

Year Ending June 30,	Principal	Interest	Total
1993	\$ 106,365	\$ 163,344	\$ 269,709
1994	103,355	157,359	260,714
1995	116,763	149,366	266,129
1996	121,649	141,766	263,415
1997	118,978	134,109	253,087
Thereafter	1,917,666	939,753	2,857,419
	<u>\$2,484,776</u>	<u>\$1,685,697</u>	<u>\$4,170,473</u>

**Revenue Bonds**

Revenue bonds are those bonds that are paid out of resources pledged in the enterprise and higher education and university hospital funds. Revenue bonds of the enterprise funds issued by the Connecticut Housing Finance Authority, Connecticut Development Authority and Connecticut Resources Recovery Authority do not constitute a liability or debt of the State and the State is only contingently liable for these bonds as discussed in this section. Revenue bonds outstanding at June 30 were as follows:

Fund Type	Maturity Dates	Interest Rates	Amounts Outstanding
<b>Enterprise:</b>			
Bradley International Airport	2012	9-10.75%	\$ 99,325
Conn. Development Authority	1992-2000	3.75-14%	161,215
Conn. Housing Finance Authority (as of 12-31-91)	2024	4.16-13%	2,842,615
Conn. Resources Recovery Authority			
Authority	1993-2016	5.25-9%	442,816
Rental Housing	1992-2002	5.25-9.15%	130,777
Discount on CHFA bonds sold			(25,116)
<b>Higher Education &amp; University Hospitals:</b>			
State Universities	1993-2012	5-8.25%	64,729
	<b>Total</b>		<u>\$3,716,361</u>

The following is a description of revenue bonds with restrictive covenants:

Bradley International Airport's revenue bonds were issued in 1982 in the amount of \$100,000 to finance costs of improvements to the airport, of this amount \$1,405 has become current and \$4,530 has been repaid. These bonds are secured by and payable solely from the gross operating revenues generated from the operations of the airport and other receipts, funds or monies pledged in the bond indenture. In accordance with this

indenture, certain assets of this fund have been restricted for the payment of bond principal and interest, construction projects and other uses.

Connecticut Development Authority's revenue bonds are issued to finance such projects as the acquisition of land, buildings and equipment and machinery by participating companies within the State. The Authority finances these projects through its self-sustaining bond program and umbrella program. Under the self-sustaining bond program, bonds outstanding at June 30, 1992, were \$1,729,957. These bonds are paid solely from the payments received from participating companies (or from proceeds of sale of the specific projects in the event of default) and do not constitute a debt or liability of the Authority or the State. Accordingly, the assets and liabilities related to these bond issues are not included in the Authority's financial statements. Under the umbrella program, bonds outstanding at June 30, 1992, were \$161,215. At year end, assets totaling \$167,091 are pledged under the terms of the bond resolution for the payment of principal and interest on these bonds until such time as it is determined that there are surplus funds as defined in the bond resolution. In addition, a special capital reserve fund equal to next year's bond debt service requirements has been established. The State may be contingently liable to restore any deficiency that may exist in this fund in any one year in the event that the Authority is unable to do so. As of year end, there was no deficiency in this fund.

Connecticut Housing Finance Authority's revenue bonds are issued to finance the purchase, development and construction of housing for low and moderate income families and persons throughout the State. In accordance to the bond resolution, the following assets of the Authority are pledged for the payment of the bond principal and interest: (1) The proceeds from the sale of bonds, (2) all mortgage repayments with respect to long-term mortgage and construction loans financed from the Authority's general fund, and (3) all monies and securities of the Authority's general and capital reserve funds. In addition, other terms of the bond resolution state that:

- a) All assets of the Authority's general and capital reserve funds (\$3,066,451) are restricted until such time as they are determined to be "surplus funds". The bond resolution describes "surplus funds" as being the excess of pledged receipts over funds required for the payment of operating expenses, principal and interest and requirements of the capital reserve fund during the most recent twelve month period.
- b) The capital reserve fund is required to be maintained at an amount equal to the amount of principal, sinking fund installments and interest maturing and becoming due in the following



year (\$333,420) on all the outstanding bonds of the Authority. The State may be contingently liable to restore any deficiencies that may exist in this fund in any one year in the event that the Authority is unable to do so. As of year end, there was no deficiency in this fund.

fills throughout the State. These bonds are paid solely from the revenues generated from the operations of the Authority and other receipts, accounts and monies pledged in the bond indentures. In addition, bonds in the amount of \$412,746 are secured by special capital reserve funds. Each fund is equal to the highest annual amount of debt service remaining on the issue. The State may be contingently liable to restore any deficiencies that may exist in these funds in any one year in the event that the Authority is unable to do so. As of year end, there were no deficiencies in these funds.

Connecticut Resources Recovery Authority's revenue bonds are issued to finance the design, development and construction of resources recovery facilities and land-

Future amounts required to pay principal and interest on revenue bonds outstanding at June 30, 1992, were as follows:

Year Ending June 30	Enterprise Funds		Higher Education and University Hospital Funds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
1993	\$ 149,968	\$ 269,671	\$ 3,140	\$ 4,441	\$ 153,108	\$ 274,112
1994	149,857	261,749	4,890	4,206	154,747	265,955
1995	163,767	251,231	8,120	3,786	171,887	255,017
1996	166,088	239,434	3,125	3,355	169,213	242,789
1997	177,595	227,806	3,125	3,259	180,720	231,065
Thereafter	2,869,473	1,883,958	42,329	24,956	2,911,802	1,908,914
	<u>\$3,676,748</u>	<u>\$3,133,849</u>	<u>\$64,729</u>	<u>\$44,003</u>	<u>\$3,741,477</u>	<u>\$3,177,852</u>

**No Commitment Debt**

The Connecticut Resources Recovery Authority has issued several bonds pursuant to indenture agreements with a trustee to fund the construction of waste processing facilities by an independent contractor/operator. These bonds are payable from a pledge of revenues of the facility operators derived under lease agreements between the Authority and the operators, from municipal service agreements, and prior to operations, from certain funds established under the indentures. In addition, these bonds are secured by letters of credit between the facility operators and various credit institutions. Therefore, payment of the debt is not guaranteed by the Authority or the State in the event of default except for the State's contingent liability discussed in this section. The Authority does not record the assets and liabilities related to the bond issues in its financial statements. The amount of these bond issues outstanding at June 30 was as follows:

Maturity Dates	Interest Rates	Amount Outstanding
1998-2015	6-10.4%	\$375,021

Bonds in the amount of \$173,546 are secured by special capital reserve funds. Each fund is equal to the highest annual amount of debt service remaining on the issue. The State may be contingently liable to restore any deficiency that may exist in these funds in any one year in the event that the facility operators are unable to do so. As of year end, there were no deficiencies in these funds.

**Advance Refundings**

During the year, the State sold \$511.2 million in general and special tax obligations (\$10.9 million reported as a liability of the Enterprise funds) with an average rate of 5.4% to advance refund \$473.8 million in outstanding general and special tax obligations (\$10.0 million reported as a liability of the Enterprise funds) with an average rate of 8.5%. The proceeds of the refunding bonds sold were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future payments on the refunded bonds. Thus, the refunded bonds are considered to be defeased and the liability for those bonds has been removed from the general long-term debt account group and Enterprise funds.

Because of these advance refundings, the State obtained an economic gain (difference between the present values of the debt service payments of the old and new bonds) and will reduce its debt service payments (over the next fourteen years) in the following amounts:

Bonds Reported in the	Economic Gain	Reduction of Debt Service Payments
General Long-Term Debt Account Group	\$36.8 million	\$48.0 million
Enterprise funds	0.8 "	1.0 "
Total	<u>\$37.6 million</u>	<u>\$49.0 million</u>

In the Enterprise funds, the advance refunding resulted in the recognition of an accounting loss in the amount of \$0.9 million. This loss is reported as an "extraordinary item" in the combined financial statements.



As of June 30, 1992, \$523.8 million of outstanding general obligation and special tax obligation bonds (including prior year's refundings) are considered defeased.

**Note Payable**

An installment note for \$12.3 million to acquire a telecommunication system was established between the University of Connecticut and Connecticut Bank and Trust Co. in 1988 with an interest rate of 7.55% and final maturity in April 1999. Future amounts required to pay principal and interest on the note outstanding were as follows:

Year Ending June 30.	Principal	Interest	Total
1993	\$1,037	\$ 673	\$ 1,710
1994	1,117	593	1,710
1995	1,203	507	1,710
1996	1,295	415	1,710
1997	1,395	315	1,710
Thereafter	3,118	301	3,419
	<u>\$9,165</u>	<u>\$2,804</u>	<u>\$11,969</u>

**Note 16**

**INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivable and payable balances at June 30, 1992, were as follows:

Fund	Interfund Receivable	Interfund Payable
General	\$ 25,133	\$ 330,392
Special Revenue:		
Transportation	29,696	627
Workers' Compensation	-	83
Banking	-	88
Consumer Council & Public		
Utility Control	-	80
Insurance	-	50
Regional Market	-	5
Soldiers, Sailors & Marines	471	314
Employment Security	170	3,701
Lottery and OTB	-	5
Grant and Loan Programs	1	7
Environmental Programs	-	139
Housing Programs	18	95
Other	2,534	10,977
	<u>32,890</u>	<u>16,171</u>
Debt Service	-	3,293
Capital Projects:		
State Facilities	218,304	1,714
Infrastructure	97,424	950
Transportation	-	7
	<u>315,728</u>	<u>2,671</u>

**Enterprise:**

Rental Housing	447	1,287
Bradley	287	2,538
Ct. Development Authority	158	-
Other	26	3
	<u>918</u>	<u>3,828</u>

**Internal Service:**

Correction Industries	205	394
Administrative Services	3,342	277
	<u>3,547</u>	<u>671</u>

**Expendable Trust:**

Employment Security	799	18,757
Other	-	67
	<u>799</u>	<u>18,824</u>

**Nonexpendable Trust:**

Soldiers, Sailors & Marines	52	470
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**Pension Trust:**

State Employees	880	-
State Teachers	361	-
Probate Judges	5	5
	<u>1,246</u>	<u>5</u>

**Agency:**

Payroll & Fringe Benefit	1,644	-
Receipts Pending Distribution	-	11,196
Other	5,659	-
	<u>7,303</u>	<u>11,196</u>

**Higher Education & University Hospital:**

Current Unrestricted	6,232	4,840
Current Restricted	83	1,623
Hospital Funds	-	42
Endowment Funds	-	7
Loan Funds	54	-
Agency Funds	-	4
Plant Funds	52	-
	<u>6,421</u>	<u>6,516</u>
Totals	<u>\$394,037</u>	<u>\$394,037</u>

**Note 17**

**RESTATEMENTS**

During the fiscal year ended June 30, 1992, the beginning fund balance of the Hospital funds (Higher Education) was adjusted to reflect prior year audit adjustments as shown in the following schedule:

	Balance 6/30/91 Previously Reported	Prior Year Audit Adjustments	Balance 6/30/91 Adjusted
Hospital Funds	\$9,543	\$(390)	\$9,153
Total Adjustments		<u>\$(390)</u>	

**Note 18****RESERVED RETAINED EARNINGS AND FUND BALANCES****Reserved Retained Earnings**

The following enterprise funds have reserved amounts in Retained Earnings. The Connecticut Housing Finance Authority has \$290,765 restricted for debt ser-

vice requirements and other programs of the Authority. Bradley International Airport has \$9,692 restricted by the bond indenture for various purposes.

**Reserved Fund Balances**

These balances are comprised as follows:

Reserved For	Fund Type				
	General	Special Revenue	Debt Service	Trust and Agency	Higher Education
Petty Cash	\$ 933	\$ -	\$ -	\$ -	\$ -
Long-Term Advances	79,223	-	-	-	-
Inventories	38,308	8,478	-	-	-
Continuing Appropriations	38,760	66,771	-	-	-
Debt Service	110,181	-	388,425	-	-
Loans	-	363,042	-	-	-
Pension Obligations	-	-	-	9,087,296	-
Trust Activities	-	-	-	64,539	-
Higher Education	-	-	-	-	97,247
	<u>\$267,405</u>	<u>\$438,291</u>	<u>\$388,425</u>	<u>\$9,151,835</u>	<u>\$97,247</u>

Reserved for continuing appropriations represents amounts of unexpended appropriations legally carried forward and available for encumbrances and expenditures in the succeeding year.

Reserved for higher education represents amounts restricted for specific educational programs by federal grants and private gifts, and amounts reserved for student loans and debt service.

**Note 19****SEGMENT INFORMATION - ENTERPRISE FUNDS**

The State maintains six enterprise funds which provide financing for State housing programs, airport services, low-interest loans for the State's business community,

low and moderate income housing, solid waste management, and vocational education. Segment information for the year ended June 30, 1992, is as follows:

	Rental Housing	Bradley International Airport	Connecticut Development Authority	Connecticut Housing Finance Authority (12-31-91)	Connecticut Resources Recovery Authority	Other
Operating Revenue	\$ 7,439	\$ 28,308	\$ 21,232	\$ 251,103	\$ 120,436	\$2,464
Depreciation and Amortization Expense	6	6,079	351	2,974	15,165	5
Operating Income (Loss)	(2,396)	5,554	(2,838)	5,895	12,960	561
Operating Transfers Out	(840)	-	-	-	-	-
Net Non-operating Revenues (Expenses)	-	(7,489)	-	(1,235)	(19,071)	-
Net Income (Loss)	(4,183)	(1,935)	(2,838)	4,660	(6,111)	561
Contributed Capital	-	81,416	54,696	-	1,350	350
Property, Plant & Equipment:						
Additions	5	9,384	7	-	25,759	1
Net Working Capital	6,264	7,131	60,628	74,455	17,264	1,094
Total Assets	149,508	195,532	255,804	3,214,480	491,393	1,311
Bond and Other Long-Term Liabilities Payable from Operating Revenues	130,777	99,325	161,215	2,817,499	442,816	-
Total Equity	(65,398)	88,083	84,107	300,670	17,269	1,155



**Note 20**

**RELATED PARTY TRANSACTIONS**

The University of Connecticut receives financial support from the University of Connecticut Foundation, Inc., whose financial operations are not recorded in the University of Connecticut's financial statements. A summary of assets, liabilities, revenues and expenditures for the Foundation as of June 30, 1992, is reported below:

Assets	<u>\$36,837</u>	Liabilities	<u>\$1,433</u>
Revenues	<u>\$7,065</u>	Expenditures	<u>\$6,084</u>

Of the Foundation's expenditures, \$1,597 represents direct transfers to the University, while \$3 of its liabilities were for amounts payable to the University.

**Note 21**

**COMMITMENTS AND CONTINGENCIES**

**A. Commitments**

At June 30, 1992, the State had the following outstanding commitments:

- 1) Infrastructure (highways, roads, etc.) and other construction contracts and miscellaneous contracts with various vendors totaling approximately \$1,144 million of which \$751 million is expected to be reimbursed by Federal grants.
- 2) School buildings construction and alteration grant contracts with various towns totaling approximately \$890 million. Funding for these projects is expected to come from bond sales.
- 3) Loan, mortgage and grant programs totaling approximately \$166 million. Funding for these programs is expected to come from bond sales.

**B. Contingent Liabilities**

The Division of Special Revenue, the agency responsible for the Lottery Fund, has entered into agreements with insurance companies under which the Lottery Fund purchases annuities under group contracts which provide payments corresponding to the State's obligation to prize winners. Notwithstanding these annuity contracts, the State of Connecticut is contingently liable for the prize payments due lottery winners. At June 30, 1992, amounts due lottery winners totaled \$793.1 million.

The State is contingently liable to the Connecticut Higher Education Supplemental Loan Authority for

any deficiency that may exist in the debt service reserve account for one year's principal and interest on Authority bonds in the event that the Authority has insufficient funds to do so. At year end, the Authority had \$60 million in bonds outstanding.

The State has enacted legislation to assist the City of Bridgeport in issuing bonds to fund the city's cumulative June 30, 1988 General Fund deficit. The State is contingently liable for amounts needed annually to maintain a capital reserve fund in an amount equal to the required minimum capital reserve of such fund. The maximum principal amount authorized to be secured by the capital reserve fund is \$35 million which amount has been issued and is outstanding.

The State has entered into a contractual agreement with H.N.S. Management Company, Inc. and ATE Management and Service Company, Inc. to manage and operate the bus transportation system for the State. The State shall pay all expenses of the system including all past, present and future pension plan liabilities of the personnel employed by the system and any other fees as agreed upon. When the agreement is terminated the State shall assume or make arrangements for the assumption of all the existing obligations of the management companies including but not limited to all past, present and future pension plan liabilities and obligations.

The State receives significant federal financial assistance. Entitlement to federal grant monies is generally dependent upon the State's compliance with the terms and conditions of the grant agreements and applicable federal regulations. Substantially all federal grant programs are subject to financial and compliance audits by the grantor agencies. Any disallowances that result from these audits become a liability of the fund which receives the grant. In November 1992, the Health Care Financing Administration, which regulates the federal Medicaid program, issued an interim regulation which may, if unchanged, result in the disallowance of \$91 million in federal reimbursements already received by the State. The regulation limits a state's effort to use new health-care-related programs to obtain Medicaid reimbursement. Connecticut, along with other states, is continuing to work on getting the rule changed and if the penalty is imposed, the State has the right to appeal the disallowance.

**C. Litigation**

The State, its units and employees are parties to numerous legal proceedings many of which normally occur in governmental operations. Most of these legal proceedings are not, in the opinion of the Attorney General, likely to have a material adverse impact on the State's financial position.





There are however, several legal proceedings which, if decided adversely to the State, may require the State to make material future expenditures for expanded services or capital facilities or may impair future revenue sources. It is neither possible to determine the outcome of these proceedings nor to estimate the possible effects adverse decisions may have on the future expenditures or revenue sources of the State.

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**Note 22****SUBSEQUENT EVENTS**

In September, \$216.3 million of general obligation bonds were issued to advance refund other bonds. These bonds mature on various dates through 2009 and bear interest rates from 2.75% to 6%.

Also in September, \$275 million of special tax obligation bonds for transportation infrastructure programs were issued consisting of \$211 million of serial bonds

maturing on various dates through 2012 and bearing interest rates of 3% to 6.10%, and \$64 million in 6.125% term bonds maturing through 2012.

In November, the State issued \$239.1 million of general obligation bonds consisting of \$59.1 million capital appreciation bonds (college saving plan) and \$180 million of current interest bonds. The capital appreciation bonds earn interest which will be compounded semi-annually and will be payable at maturity with maturity dates ranging from 1997 to 2012 at interest rates ranging from 4.75% to 6.30%. The current interest bonds mature on various dates through the year 2010 and have interest rates of 5.6% to 6.25%. The total redemption amount for the capital appreciation bonds is approximately \$110.5 million.

In December, \$114.9 million of taxable general obligation serial bonds were issued, maturing at various dates through 2002 and having interest rates of 5.65% to 8.25%



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*Required  
PERS*

*Supplementary  
Information*

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**Required Supplementary Information**  
**Analysis of Fund Progress**  
(In Millions)

Fiscal Year	(1) Net Assets Available for Benefits*	(2) Pension Benefit Obligation	(3) % Funded (1)/(2)	(4) Unfunded Pension Benefit Obligation (2)-(1)	(5) Annual Covered Payroll	(6) Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll (4)/(5)
<b><u>State Employees' Retirement System</u></b>						
1988	\$1,844.6	\$4,089.3	45.1%	\$2,244.7	\$1,429.1	157.1%
1989	\$2,166.5	\$4,550.7	47.6%	\$2,384.2	\$1,583.0	150.6%
1990	\$2,552.1	\$5,071.5	50.3%	\$2,519.4	\$1,759.5	143.2%
1991	\$2,932.6	\$5,624.7	52.1%	\$2,692.1	\$1,802.8	149.3%
1992	\$3,140.2	\$5,891.6	53.3%	\$2,751.4	\$1,956.6	140.6%
<b><u>Teachers' Retirement System</u></b>						
1988	\$2,880.3	\$6,293.7	45.8%	\$3,413.4	\$1,193.5	286.0%
1989	\$3,275.2	\$6,856.7	47.8%	\$3,581.5	\$1,370.0	261.4%
1990	\$3,744.8	\$7,090.2	52.8%	\$3,345.4	\$1,540.8	217.1%
1991	\$4,308.5	\$7,425.2	58.0%	\$3,116.7	\$1,663.8	187.3%
1992	\$4,623.1	\$7,408.4	62.4%	\$2,785.3	\$1,792.5	155.4%
<b><u>Judicial Retirement System</u></b>						
1988	\$15.3	\$93.5	16.4%	\$78.2	\$9.7	806.2%
1989	\$21.9	\$103.6	21.1%	\$81.7	\$10.5	778.1%
1990	\$30.0	\$120.8	24.8%	\$90.8	\$12.8	709.4%
1991	\$37.6	\$110.0	34.2%	\$72.4	\$14.4	502.8%
1992	\$44.5	\$120.4	37.0%	\$75.9	\$15.3	496.1%

Isolated analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded pension benefit obligation can be misleading: Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of the State of Connecticut PERS funding status on a going-concern basis. Analysis of this percentage, over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the PERS. Trends in unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS. Prior to 1988, statements were not prepared on a GAAP basis, therefore, required supplementary information is only presented since then.

\* Net assets are presented at cost



**State Employees' Retirement System  
Required Supplementary Information  
Revenues by Source and Expenses by Type  
(In Thousands)**

Fiscal Year	<u>Revenues by Source</u>					Total
	Employee Contributions	<u>State Contributions</u>		Investment Income	Other	
		Dollar Amount	% of Annual Covered Payroll			
1983	\$27,111	\$136,759	15.7%	\$55,237	\$40,178	\$259,285
1984	\$28,957	\$158,751	16.2%	\$66,925	\$37,146	\$291,779
1985	\$30,100	\$196,202	18.7%	\$76,455	\$38,586	\$341,343
1986	\$30,493	\$234,192	19.7%	\$89,773	\$39,496	\$393,954
1987	\$27,783	\$275,816	21.2%	\$102,819	\$42,954	\$449,372
1988	\$28,025	\$272,298	19.1%	\$144,635	\$50,593	\$495,551
1989	\$28,710	\$324,315	20.5%	\$180,842	\$48,950	\$582,817
1990	\$29,198	\$288,368	16.4%	\$260,649	\$53,642	\$631,857
1991	\$33,810	\$208,817	11.6%	\$179,690	\$59,749	\$482,066
1992	\$33,170	\$195,322	10.0%	\$312,675	\$51,448	\$592,615

Fiscal Year	<u>Expenses by Type</u>				Total
	Benefits	Administrative	Refunds	Other	
1983	\$107,190	\$19	\$16,217	-	\$123,426
1984	\$114,841	\$215	\$11,435	-	\$126,491
1985	\$126,749	\$117	\$13,617	-	\$140,483
1986	\$140,168	\$111	\$5,799	\$74	\$146,152
1987	\$154,860	\$120	\$2,803	-	\$157,783
1988	\$171,668	\$165	\$2,680	\$589	\$175,102
1989	\$192,552	\$1,875	\$2,216	\$540	\$197,183
1990	\$248,425	\$533	\$1,847	\$676	\$251,481
1991	\$272,133	\$195	\$1,847	-	\$274,175
1992	\$303,925	\$133	\$2,947	-	\$307,005

Contributions were made in accordance with actuarially determined contribution requirements for fiscal years 1983 through 1989. In 1990, 1991, and 1992 the actuarially determined contribution requirements were \$354.4 million, \$398 million, and \$431.2 million respectively, while the actual contributions were \$341.4 million, \$263.8 million, and \$246.7 million respectively.



**State Teachers' Retirement System  
Required Supplementary Information  
Revenues by Source and Expenses by Type  
(In Thousands)**

Fiscal Year	Employee Contributions	Revenues by Source				Other	Total
		State Contributions		Investment Income	Total		
		Dollar Amount	% of Annual Covered Payroll				
1983	\$53,066	\$97,108	12.6%	\$108,775	—	\$258,949	
1984	\$56,658	\$120,519	14.6%	\$136,649	—	\$313,826	
1985	\$61,125	\$146,379	16.5%	\$152,322	—	\$359,826	
1986	\$67,052	\$175,765	18.0%	\$167,173	—	\$409,990	
1987	\$75,517	\$204,724	19.2%	\$187,468	—	\$467,709	
1988	\$89,607	\$242,512	20.3%	\$237,187	—	\$569,306	
1989	\$100,075	\$282,917	20.6%	\$269,767	—	\$652,759	
1990	\$106,922	\$321,639	20.9%	\$351,212	\$1,381	\$781,154	
1991	\$115,008	\$158,351	9.5%	\$292,279	\$176	\$565,814	
1992	\$124,926	\$133,037	7.4%	\$469,155	\$2,567	\$729,685	

Fiscal Year	Expenses by Type			
	Benefits	Refunds	Other	Total
1983	\$106,025	\$10,824	—	\$116,849
1984	\$117,644	\$9,730	—	\$127,374
1985	\$127,787	\$11,466	—	\$139,253
1986	\$140,955	\$10,610	—	\$151,565
1987	\$154,840	\$6,515	—	\$161,355
1988	\$168,867	\$5,591	—	\$174,458
1989	\$183,724	\$5,846	—	\$189,570
1990	\$210,699	\$6,783	—	\$217,482
1991	\$243,886	\$6,783	\$13,232	\$263,901
1992	\$278,077	\$8,340	\$8,803	\$295,220

Contributions were made in accordance with actuarially determined contribution requirements for fiscal years 1983 through 1988. In 1989, 1990, 1991, and 1992 the actuarially determined contribution requirements were \$302.9 million, \$348.6 million, \$304.3 million, and \$325 million respectively, while the actual contributions made were \$282.9 million, \$321.6 million, \$158.3 million, and \$133.0 million respectively.



**Judicial Retirement System**  
**Required Supplementary Information**  
**Revenues by Source and Expenses by Type**  
**(In Thousands)**

Revenues by Source

State Contributions

Fiscal Year	Employee Contributions	Dollar Amount	% of Annual Covered Payroll	Investment Income	Other	Total
1983	\$301	\$3,234	53.8%	\$23	-	\$3,558
1984	\$370	\$4,220	60.1%	\$41	-	\$4,631
1985	\$388	\$5,966	76.0%	\$222	-	\$6,576
1986	\$451	\$7,317	88.7%	\$415	-	\$8,183
1987	\$490	\$8,605	97.8%	\$599	-	\$9,694
1988	\$561	\$9,919	102.1%	\$1,058	-	\$11,538
1989	\$607	\$10,430	99.0%	\$1,698	-	\$12,735
1990	\$688	\$10,833	91.5%	\$3,014	-	\$14,535
1991	\$738	\$11,413	79.2%	\$2,615	\$196	\$14,962
1992	\$773	\$7,045	46.0%	\$4,230	-	\$12,048

Expenses by Type

Administrative

Fiscal Year	Benefits	Administrative & Other	Refunds	Total
1983	\$3,064	\$17	-	\$3,081
1984	\$3,478	\$12	\$13	\$3,503
1985	\$3,761	\$12	(\$13)	\$3,760
1986	\$4,188	\$9	-	\$4,197
1987	\$4,550	\$2	\$9	\$4,561
1988	\$4,931	\$10	-	\$4,941
1989	\$5,383	\$184	\$17	\$5,584
1990	\$5,876	\$3	\$17	\$5,896
1991	\$6,313	\$7	\$22	\$6,342
1992	\$6,950	\$4	\$2	\$6,956

Contributions were made in accordance with actuarially determined contribution requirements for fiscal years 1983-1991. In 1992 the actuarially determined contribution requirements was \$10.6 million while the actual contribution was \$7 million.



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*Combining  
Financial  
Statements*

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## **SPECIAL REVENUE FUNDS**

Special Revenue funds account for the proceeds of specific revenue sources (other than expendable trusts, major capital projects and higher education and university hospital sources) that are legally restricted for specified purposes. Significant Special Revenue Funds include the following:

***Transportation Fund:***

to account for motor vehicle related taxes, receipts and transportation related federal revenues collected for the purposes of payment of debt service requirements and budgeted appropriations made to the Department of Transportation. The Department of Transportation is responsible for all aspects of the planning, development, maintenance and improvement of transportation in the state.

***Workers' Compensation:***

to account for the payment of workers' compensation claims.

***Banking:***

to account for monies collected from various banking institutions throughout the state.

***Consumer Council and Public Utility Control:***

to account for monies collected from various public utility companies.

***Insurance:***

to account for monies collected from authorized insurers within the state.

***Regional Market Fund:***

to account for rents and other monies collected for the purpose of providing for the payment of expenses relating to the operation and maintenance of the regional market.

***Soldiers, Sailors and Marines Fund:***

to account for interest earned or accumulated interest for the purpose of furnishing food, wearing apparel, medical or surgical care, or funeral expenses of soldiers, sailors and marines who served in any branch of military service.

***Employment Security Administration:***

to account for monies collected from various sources for the purpose of defraying the cost of the administration of unemployment compensation.

***Lottery and Off Track Betting:***

to account for lottery and off track betting proceeds collected for the purposes of paying prizes and certain compensation to agents or claim centers. Balances in excess of the needs of the fund are transferred to the General Fund from time to time as determined by the executive director.

***Grants and Loan Programs:***

to account for monies collected for the purpose of giving various grants to local governments, organizations and individuals.

***Environmental Programs:***

to account for monies collected for the purpose of providing funds for various environmental programs throughout the state.

***Housing Programs:***

to account for monies collected for the purpose of providing funds for various housing programs throughout the state.



# Combining Balance Sheet

## SPECIAL REVENUE FUNDS

June 30, 1992

(Expressed in Thousands)

	Transportation	Workers' Compensation	Banking	Consumer Council and Public Utility Control	Insurance	Regional Market
<b>Assets:</b>						
Cash and Cash Equivalents.....	\$ 52,888	\$14,529	\$3,191	\$ 1,116	\$3,406	\$240
Investments.....	-	-	-	-	-	-
Receivables:						
Taxes.....	33,617	-	-	-	-	-
Accounts, Net of Allowances.....	622	-	-	-	-	-
Loans, Net of Allowances.....	-	-	-	-	-	-
Interest.....	883	-	-	-	-	1
Due From Other Funds.....	29,696	-	-	-	-	-
Receivable From Other Governments.....	9,835	-	-	-	-	-
Inventories and Prepaid Items.....	8,478	-	-	-	-	-
<b>Total Assets.....</b>	<b>\$136,019</b>	<b>\$14,529</b>	<b>\$3,191</b>	<b>\$ 1,116</b>	<b>\$3,406</b>	<b>\$241</b>
<b>Liabilities and Fund Balances:</b>						
Liabilities:						
Accounts Payable and Accrued Liabilities...	\$ 18,094	\$ 476	\$ 340	\$ 1,369	\$ 174	\$ 19
Due to Other Funds.....	627	83	88	80	50	5
Payable to Other Governments.....	-	-	-	-	-	-
Advance Due to Other Funds.....	-	-	-	-	-	-
Deferred Revenue.....	20,277	-	-	1,971	1,727	-
Obligation Under Reverse Repurchase Agreements.....	-	-	-	-	-	-
<b>Total Liabilities.....</b>	<b>38,998</b>	<b>559</b>	<b>428</b>	<b>3,420</b>	<b>1,951</b>	<b>24</b>
Fund Balances:						
Reserved for Inventories.....	8,478	-	-	-	-	-
Reserved for Loans.....	-	-	-	-	-	-
Reserved for Continuing Appropriations.....	66,771	-	-	-	-	-
Unreserved, undesignated.....	21,772	13,970	2,763	(2,304)	1,455	217
<b>Total Fund Balances.....</b>	<b>97,021</b>	<b>13,970</b>	<b>2,763</b>	<b>(2,304)</b>	<b>1,455</b>	<b>217</b>
<b>Total Liabilities and Fund Balances.....</b>	<b>\$136,019</b>	<b>\$14,529</b>	<b>\$3,191</b>	<b>\$ 1,116</b>	<b>\$3,406</b>	<b>\$241</b>



<u>Soldiers, Sailors &amp; Marines</u>	<u>Employment Security Administration</u>	<u>Lottery &amp; OTB</u>	<u>Grant &amp; Loan Programs</u>	<u>Environmental Programs</u>	<u>Housing Programs</u>	<u>Other</u>	<u>Total</u>
\$ -	\$ -	\$19,693	\$175,197	\$ 81,841	\$ 53,291	\$26,534	\$ 431,926
-	-	-	9,468	215,770	-	-	225,238
-	-	-	-	-	-	-	33,617
-	-	7,644	-	6,756	61	1,160	16,243
-	-	-	45,714	187,724	129,584	20	363,042
1	5	-	453	7,599	1,233	89	10,264
471	170	-	1	-	18	2,534	32,890
-	8,246	-	104	318	84	30	18,617
-	-	-	-	-	-	-	8,478
<u>\$ 472</u>	<u>\$ 8,421</u>	<u>\$27,337</u>	<u>\$230,937</u>	<u>\$500,008</u>	<u>\$184,271</u>	<u>\$30,367</u>	<u>\$1,140,315</u>
\$ 58	\$ 3,060	\$18,183	\$ 9,805	\$ 7,566	\$ 564	\$ 2,531	\$ 62,239
314	3,701	5	7	139	95	10,977	16,171
-	-	172	-	-	-	455	627
-	-	-	-	-	33	-	33
-	-	773	-	3,195	582	1,158	29,683
-	-	-	9,634	-	-	-	9,634
<u>372</u>	<u>6,761</u>	<u>19,133</u>	<u>19,446</u>	<u>10,900</u>	<u>1,274</u>	<u>15,121</u>	<u>118,387</u>
-	-	-	-	-	-	-	8,478
-	-	-	45,714	187,724	129,584	20	363,042
-	-	-	-	-	-	-	66,771
<u>100</u>	<u>1,660</u>	<u>8,204</u>	<u>165,777</u>	<u>301,384</u>	<u>53,413</u>	<u>15,226</u>	<u>583,637</u>
<u>100</u>	<u>1,660</u>	<u>8,204</u>	<u>211,491</u>	<u>489,108</u>	<u>182,997</u>	<u>15,246</u>	<u>1,021,928</u>
<u>\$ 472</u>	<u>\$ 8,421</u>	<u>\$27,337</u>	<u>\$230,937</u>	<u>\$500,008</u>	<u>\$184,271</u>	<u>\$30,367</u>	<u>\$1,140,315</u>



# Combining Statement of Revenues, Expenditures and Changes in Fund Balances

## SPECIAL REVENUE FUNDS

For The Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	Transportation	Workers' Compensation	Banking	Consumer Council and Public Utility Control	Insurance	Regional Market
<b>Revenues:</b>						
Taxes.....	\$ 365,065	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Fees.....	224,053	-	10,567	10	-	18
Intergovernmental.....	63,059	-	-	-	-	-
Charges for Services.....	17,488	-	7	-	-	-
Fines, Forfeits and Rents.....	-	-	470	3	-	690
Investment Earnings.....	18,108	-	-	-	-	10
Lottery and Off Track Betting.....	-	-	-	-	-	-
Miscellaneous.....	192	29,032	2	6,357	6,839	1
<b>Total Revenues.....</b>	<b>687,965</b>	<b>29,032</b>	<b>11,046</b>	<b>6,370</b>	<b>6,839</b>	<b>719</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General Government.....	1,146	-	-	-	-	-
Regulation and Protection.....	37,208	15,577	10,141	8,674	5,384	-
Natural Resources and Recreation.....	-	-	-	-	-	532
Health and Hospitals.....	-	-	-	-	-	-
Transportation.....	333,502	-	-	-	-	-
Human Services.....	-	-	-	-	-	-
Education, Libraries and Museums.....	-	-	-	-	-	-
Corrections.....	-	-	-	-	-	-
Judicial.....	-	-	-	-	-	-
Federal and Other Grants.....	54,990	-	-	-	-	-
<b>Debt Service:</b>						
Principal Retirement.....	37,830	-	-	-	-	60
Interest and Fiscal Charges.....	35,130	-	-	-	-	100
<b>Total Expenditures.....</b>	<b>499,806</b>	<b>15,577</b>	<b>10,141</b>	<b>8,674</b>	<b>5,384</b>	<b>692</b>
<b>Excess (Deficiency) of Revenues Over Expenditures..</b>	<b>188,159</b>	<b>13,455</b>	<b>905</b>	<b>(2,304)</b>	<b>1,455</b>	<b>27</b>
<b>Other Financing Sources (Uses):</b>						
Proceeds from Sale of Bonds.....	-	-	-	-	-	-
Operating Transfers In.....	18,591	310	-	-	-	-
Operating Transfers Out.....	(204,106)	-	-	-	-	-
Capital Lease Obligations.....	1,284	205	-	-	-	-
<b>Total Other Financing Sources (Uses).....</b>	<b>(184,231)</b>	<b>515</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses.....</b>	<b>3,928</b>	<b>13,970</b>	<b>905</b>	<b>(2,304)</b>	<b>1,455</b>	<b>27</b>
<b>Fund Balances - July 1.....</b>	<b>93,830</b>	<b>-</b>	<b>1,858</b>	<b>-</b>	<b>-</b>	<b>190</b>
<b>Changes in Reserves for Inventories.....</b>	<b>(737)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances (deficit) - June 30.....</b>	<b>\$ 97,021</b>	<b>\$13,970</b>	<b>\$ 2,763</b>	<b>\$(2,304)</b>	<b>\$1,455</b>	<b>\$217</b>



Soldiers, Sailors & Marines	Employment Security Administration	Lottery & OTB	Grant & Loan Programs	Environmental Programs	Housing Programs	Other	Total
\$ -	\$ -	\$ -	\$ -	\$ 13,073	\$ -	\$ 78	\$ 378,216
-	2	-	-	9,822	-	23,602	268,074
-	91,413	-	-	30,317	-	-	184,789
-	8	-	-	1,805	-	365	19,673
-	-	-	-	-	-	236	1,399
5	52	-	4,900	10,841	2,409	1,335	37,660
-	-	709,423	-	-	-	-	709,423
-	110	1,653	-	4,386	-	5,618	54,190
<u>5</u>	<u>91,585</u>	<u>711,076</u>	<u>4,900</u>	<u>70,244</u>	<u>2,409</u>	<u>31,234</u>	<u>1,653,424</u>
207	-	466,364	38,301	2,438	46,577	8,043	563,076
-	91,519	-	1,454	-	-	21,177	191,134
-	-	-	67,103	78,833	-	706	147,174
-	-	-	3,378	-	-	10,376	13,754
-	-	-	3,965	-	-	-	337,467
2,988	-	-	14,772	-	794	-	18,554
-	-	-	120,542	-	-	2,529	123,071
-	-	-	7,963	-	-	-	7,963
-	-	-	-	-	-	2,177	2,177
-	-	-	-	-	-	-	54,990
-	-	-	-	-	-	-	37,890
-	-	-	-	7,824	-	-	43,054
<u>3,195</u>	<u>91,519</u>	<u>466,364</u>	<u>257,478</u>	<u>89,095</u>	<u>47,371</u>	<u>45,008</u>	<u>1,540,304</u>
<u>(3,190)</u>	<u>66</u>	<u>244,712</u>	<u>(252,578)</u>	<u>(18,851)</u>	<u>(44,962)</u>	<u>(13,774)</u>	<u>113,120</u>
-	-	-	298,686	185,094	41,624	10,100	535,504
3,311	1,171	-	24,254	4,688	9,194	-	61,519
(121)	-	(235,700)	(4,199)	(236)	(1,045)	(16,087)	(461,494)
-	-	-	-	53	-	-	1,542
<u>3,190</u>	<u>1,171</u>	<u>(235,700)</u>	<u>318,741</u>	<u>189,599</u>	<u>49,773</u>	<u>(5,987)</u>	<u>137,071</u>
-	1,237	9,012	66,163	170,748	4,811	(19,761)	250,191
100	423	(808)	145,328	318,360	178,186	35,007	772,474
-	-	-	-	-	-	-	(737)
<u>\$ 100</u>	<u>\$ 1,660</u>	<u>\$ 8,204</u>	<u>\$ 211,491</u>	<u>\$489,108</u>	<u>\$182,997</u>	<u>\$ 15,246</u>	<u>\$1,021,928</u>



# Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

BUDGET AND ACTUAL - NON-GAAP BUDGETARY BASIS  
 BUDGETED SPECIAL REVENUE FUNDS  
 For the Fiscal Year Ended June 30, 1992  
 (Expressed in Thousands)

		<u>Transportation</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Budgeted Revenues:</b>			
Taxes, Net of Refunds.....	\$368,600	\$365,565	\$ (3,035)
Licenses, Permits and Fees.....	224,000	223,741	(259)
Other.....	38,800	36,813	(1,987)
Federal Grants.....	8,100	8,065	(35)
<b>Total Budgeted Revenues.....</b>	<u>639,500</u>	<u>634,184</u>	<u>(5,316)</u>
<b>Expenditures:</b>			
General Government.....	1,100	1,100	-
Regulation and Protection.....	38,875	35,684	3,191
Natural Resources and Recreation.....	-	-	-
Transportation.....	300,978	269,594	31,384
Human Services.....	-	-	-
Non Functional.....	346,675	336,034	10,641
Appropriations Lapsed.....	(45,216)	-	(45,216)
<b>Total Expenditures.....</b>	<u>642,412</u>	<u>642,412</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures.....</b>	<u>(2,912)</u>	<u>(8,228)</u>	<u>(5,316)</u>
<b>Other Financing Sources (Uses):</b>			
Federal and Other Restricted Sources.....	-	41,858	41,858
Federal and Other Restricted Uses.....	-	(41,858)	(41,858)
Transfers Between Funds.....	-	-	-
Miscellaneous Adjustments.....	-	450	450
<b>Total Other Financing Sources (Uses).....</b>	<u>-</u>	<u>450</u>	<u>450</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses.....</b>	<u>\$ (2,912)</u>	<u>(7,778)</u>	<u>\$ (4,866)</u>
<b>Budgetary Fund Balances - July 1.....</b>		164,528	
Changes in Reserves.....		<u>(8,878)</u>	
<b>Budgetary Fund Balances - June 30.....</b>		<u>\$147,872</u>	





<u>Workers' Compensation</u>			<u>Banking</u>			<u>Consumer Council &amp; Public Utility Control</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22,799	29,032	6,233	12,369	11,046	(1,323)	9,635	9,430	(205)
<u>22,799</u>	<u>29,032</u>	<u>6,233</u>	<u>12,369</u>	<u>11,046</u>	<u>(1,323)</u>	<u>9,635</u>	<u>9,430</u>	<u>(205)</u>
22,799	14,813	7,986	12,369	10,003	2,366	9,635	8,314	1,321
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>22,799</u>	<u>14,813</u>	<u>7,986</u>	<u>12,369</u>	<u>10,003</u>	<u>2,366</u>	<u>9,635</u>	<u>8,314</u>	<u>1,321</u>
-	14,219	14,219	-	1,043	1,043	-	1,116	1,116
-	-	-	-	-	-	-	-	-
-	310	310	-	-	-	-	-	-
-	310	310	-	-	-	-	-	-
<u>\$ -</u>	<u>14,529</u>	<u>\$14,529</u>	<u>\$ -</u>	<u>1,043</u>	<u>\$ 1,043</u>	<u>\$ -</u>	<u>1,116</u>	<u>\$1,116</u>
-	-	-	-	2,144	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>\$14,529</u>			<u>\$ 3,187</u>			<u>\$1,116</u>		



# Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

BUDGET AND ACTUAL - NON-GAAP BUDGETARY BASIS  
 BUDGETED SPECIAL REVENUE FUNDS (Continued)  
 For the Fiscal Year Ended June 30, 1992  
 (Expressed in Thousands)

	<u>Budget</u>	<u>Insurance Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Budgeted Revenues:</b>			
Taxes, Net of Refunds.....	\$ -	\$ -	\$ -
Licenses, Permits and Fees.....	-	-	-
Other.....	6,939	7,929	990
Federal Grants.....	-	-	-
<b>Total Budgeted Revenues.....</b>	<u>6,939</u>	<u>7,929</u>	<u>990</u>
<b>Expenditures:</b>			
General Government.....	-	-	-
Regulation and Protection.....	6,939	5,161	1,778
Natural Resources and Recreation.....	-	-	-
Transportation.....	-	-	-
Human Services.....	-	-	-
Non Functional.....	-	-	-
Appropriations Lapsed.....	-	-	-
<b>Total Expenditures.....</b>	<u>6,939</u>	<u>5,161</u>	<u>1,778</u>
<b>Excess (Deficiency) of Revenues Over Expenditures.....</b>	<u>-</u>	<u>2,768</u>	<u>2,768</u>
<b>Other Financing Sources (Uses):</b>			
Federal and Other Restricted Sources.....	-	-	-
Federal and Other Restricted Uses.....	-	-	-
Transfers Between Funds.....	-	638	638
Miscellaneous Adjustments.....	-	-	-
<b>Total Other Financing Sources (Uses).....</b>	<u>-</u>	<u>638</u>	<u>638</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses.....</b>	<u>\$ -</u>	<u>3,406</u>	<u>\$3,406</u>
<b>Budgetary Fund Balances - July 1.....</b>		-	
Changes in Reserves.....		-	
<b>Budgetary Fund Balances - June 30.....</b>		<u>\$3,406</u>	



<u>Regional Market</u>			<u>Soldiers, Sailors and Marines</u>			<u>Total</u>		<u>Variance Favorable (Unfavorable)</u>
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$368,600	\$365,565	\$ (3,035)
-	-	-	-	-	-	236,369	234,787	(1,582)
740	719	(21)	3,550	3,317	(233)	82,463	87,240	4,777
-	-	-	-	-	-	8,100	8,065	(35)
<u>740</u>	<u>719</u>	<u>(21)</u>	<u>3,550</u>	<u>3,317</u>	<u>(233)</u>	<u>695,532</u>	<u>695,657</u>	<u>125</u>
-	-	-	216	202	14	1,316	1,302	14
-	-	-	-	-	-	90,617	73,975	16,642
579	532	47	-	-	-	579	532	47
-	-	-	-	-	-	300,978	269,594	31,384
-	-	-	3,313	2,993	320	3,313	2,993	320
160	160	-	-	-	-	346,835	336,194	10,641
-	-	-	-	-	-	(45,216)	-	(45,216)
<u>739</u>	<u>692</u>	<u>47</u>	<u>3,529</u>	<u>3,195</u>	<u>334</u>	<u>698,422</u>	<u>684,590</u>	<u>13,832</u>
1	27	26	21	122	101	(2,890)	11,067	13,957
-	-	-	-	-	-	-	41,858	(41,858)
-	-	-	-	-	-	-	(41,858)	41,858
-	-	-	(21)	(122)	(101)	(21)	826	847
-	-	-	-	-	-	-	450	450
-	-	-	<u>(21)</u>	<u>(122)</u>	<u>(101)</u>	<u>(21)</u>	<u>1,276</u>	<u>1,297</u>
<u>\$ 1</u>	27	<u>\$ 26</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ (2,911)</u>	12,343	<u>\$ 15,254</u>
-	213	-	-	100	-	-	166,985	-
-	-	-	-	-	-	-	(8,878)	-
-	<u>\$240</u>	-	-	<u>\$ 100</u>	-	-	<u>\$170,450</u>	-



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## CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and infrastructure (other than those financed by proprietary funds, trust funds and higher education and university hospital funds). Significant Capital Projects Funds are described as follows:

***State Facilities:***

to account for proceeds of bond issues and other sources and the subsequent expenditures for the construction of various state buildings and structures.

***Infrastructure:***

to account for the proceeds of bond issues and related capital project grants to finance the state's transportation infrastructure program over a ten-year period. This program encompasses the planning, acquisition, removal, construction, equipping, reconstruction, repair, rehabilitation and improvement of, and acquisition of easements and rights-of-way with respect to, State highways and bridges, projects on the interstate high-

way system, alternate highway projects in the interstate substitution program (the "interstate trade-in program"), waterway facilities, mass transportation and transit facilities, aeronautic facilities (excluding Bradley International Airport), the highway safety program, maintenance garages and administrative facilities of the Department, payment of the State's share of the costs of the local bridge program and payment of State contributions to the local bridge revolving fund.

***Other Transportation:***

to account for the proceeds of bond issues and related grants to be used for other transportation related capital projects.



# Combining Balance Sheet

## CAPITAL PROJECTS FUNDS

June 30, 1992

(Expressed in Thousands)

	<u>State Facilities</u>	<u>Infra- Structure</u>	<u>Transportation</u>	<u>Total</u>
<b>Assets:</b>				
Cash and Cash Equivalents.....	\$ 220	\$ 55,857	\$63,179	\$119,256
Investments.....	12,625	11,622	-	24,247
Receivables:				
Accounts, Net of Allowances.....	4,435	26	146	4,607
Interest.....	1,011	547	83	1,641
Due From Other Funds.....	218,304	97,424	-	315,728
Receivable From Other Governments.....	72	56,735	444	57,251
<b>Total Assets.....</b>	<b><u>\$236,667</u></b>	<b><u>\$222,211</u></b>	<b><u>\$63,852</u></b>	<b><u>\$522,730</u></b>
<b>Liabilities and Fund Balances:</b>				
Liabilities:				
Accounts Payable and Accrued Liabilities...	\$35,105	\$79,919	\$1,038	\$116,062
Due to Other Funds.....	1,714	950	7	2,671
Deferred Revenue.....	110	-	-	110
Obligation Under Reverse Repurchase				
Agreements.....	12,845	11,824	-	24,669
<b>Total Liabilities.....</b>	<b><u>49,774</u></b>	<b><u>92,693</u></b>	<b><u>1,045</u></b>	<b><u>143,512</u></b>
Fund Balances:				
Unreserved, undesignated.....	186,893	129,518	62,807	379,218
<b>Total Fund Balances.....</b>	<b><u>186,893</u></b>	<b><u>129,518</u></b>	<b><u>62,807</u></b>	<b><u>379,218</u></b>
<b>Total Liabilities and Fund Balances...</b>	<b><u>\$236,667</u></b>	<b><u>\$222,211</u></b>	<b><u>\$63,852</u></b>	<b><u>\$522,730</u></b>



## Combining Statement of Revenues, Expenditures and Changes in Fund Balances

### CAPITAL PROJECTS FUNDS

For The Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	State Facilities	Infra- Structure	Transportation	Total
<b>Revenues:</b>				
Intergovernmental.....	\$ 6,872	\$ 397,400	\$ 6,845	\$ 411,117
Investment Earnings.....	9,258	-	805	10,063
Miscellaneous.....	11	-	-	11
<b>Total Revenues.....</b>	<b>16,141</b>	<b>397,400</b>	<b>7,650</b>	<b>421,191</b>
<b>Expenditures:</b>				
Capital Projects.....	228,200	702,076	7,726	938,002
<b>Total Expenditures.....</b>	<b>228,200</b>	<b>702,076</b>	<b>7,726</b>	<b>938,002</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over Expenditures.....</b>	<b>(212,059)</b>	<b>(304,676)</b>	<b>(76)</b>	<b>(516,811)</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Bonds.....	254,839	264,306	18,718	537,863
Operating Transfers In.....	595	-	166	761
Operating Transfers Out.....	(69,767)	(44,007)	(735)	(114,509)
<b>Total Other Financing Sources (Uses).....</b>	<b>185,667</b>	<b>220,299</b>	<b>18,149</b>	<b>424,115</b>
<b>Excess (Deficiency) of Revenues and Other</b>				
<b>Sources Over Expenditures and Other Uses..</b>	<b>(26,392)</b>	<b>(84,377)</b>	<b>18,073</b>	<b>(92,696)</b>
<b>Fund Balances - July 1.....</b>	<b>213,285</b>	<b>213,895</b>	<b>44,734</b>	<b>471,914</b>
<b>Fund Balances - June 30.....</b>	<b>\$ 186,893</b>	<b>\$ 129,518</b>	<b>\$62,807</b>	<b>\$ 379,218</b>



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## ENTERPRISE FUNDS

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Significant Enterprise Funds of the State of Connecticut are described as follows:

### ***Rental Housing Fund:***

The Rental Housing Fund is used to account for the financing of various housing programs offered by the State from bond proceeds and the retirement of such obligations. Revenue is received from interest earned on program loans, investment income and proceeds from various bond issuances.

### ***Bradley International Airport:***

The airport is owned by the State of Connecticut and is operated by the Bureau of Aeronautics of the State of Connecticut, Department of Transportation. In 1982, the State issued the Airport, 1982 series, Revenue Bonds in the aggregate principal amount of \$100,000,000. The Bonds are secured by and payable solely from the gross operating revenues generated by the State from the operations of the Airport and other receipts, funds or monies pledged in the Indenture.

### ***Connecticut Development Authority:***

The Connecticut Development Authority is a public instrumentality and political subdivision of the State of

Connecticut. The Authority was created to stimulate industrial and commercial development within the State through its Self-Sustaining Bond Program, its Umbrella Program and its Insurance Program.

### ***Connecticut Housing Finance Authority:***

The Connecticut Housing Finance Authority is a public instrumentality and political subdivision of the State of Connecticut created for the purpose of increasing the housing supply and encouraging and assisting in the purchase, development and construction of housing for low and moderate income families throughout the State.

### ***Connecticut Resources Recovery Authority:***

The Connecticut Resources Recovery Authority is a public instrumentality and political subdivision of the State of Connecticut. The Authority is responsible for implementing the State's solid waste management plan, which includes design, construction and operation of resources recovery facilities and the marketing of recovered products.



# Combining Balance Sheet

## ENTERPRISE FUNDS

June 30, 1992

(Expressed in Thousands)

	<u>Rental Housing</u>	<u>Bradley International Airport</u>	<u>Connecticut Development Authority</u>
<b>Assets:</b>			
Cash and Cash Equivalents.....	\$ 5,521	\$ 10,705	\$ 69,011
Investments.....	37,350	-	33,134
Receivables:			
Accounts, Net of Allowances.....	1,259	2,521	-
Loans, Net of Allowances.....	100,920	-	148,675
Interest.....	2,856	-	1,941
Due From Other Funds.....	447	287	158
Receivable From Other Governments.....	1,119	1,742	-
Inventories and Prepaid Items.....	-	104	2,879
Restricted Assets.....	-	43,391	-
Property, Plant & Equipment.....	36	130,650	6
Other Assets.....	-	6,132	-
<b>Total Assets.....</b>	<b><u>\$149,508</u></b>	<b><u>\$195,532</u></b>	<b><u>\$255,804</u></b>
<b>Liabilities and Equity:</b>			
<b>Liabilities:</b>			
Accounts Payable and Accrued Liabilities.....	\$ 3,651	\$ 5,586	\$ 10,116
Due to Other Funds.....	1,287	2,538	-
Payable to Other Governments.....	-	-	-
Advances Due Other Funds.....	79,190	-	-
Deferred Revenue.....	-	-	54
Escrow Deposits.....	-	-	312
Notes and Loans Payable.....	-	-	-
Revenue Bonds.....	130,777	99,325	161,215
Compensated Absences.....	1	-	-
<b>Total Liabilities.....</b>	<b><u>214,906</u></b>	<b><u>107,449</u></b>	<b><u>171,697</u></b>
<b>Equity:</b>			
Contributed Capital.....	-	81,416	54,696
Retained Earnings:			
Reserved.....	-	9,692	-
Unreserved.....	(65,398)	(3,025)	29,411
<b>Total Retained Earnings.....</b>	<b><u>(65,398)</u></b>	<b><u>6,667</u></b>	<b><u>29,411</u></b>
<b>Total Equity.....</b>	<b><u>(65,398)</u></b>	<b><u>88,083</u></b>	<b><u>84,107</u></b>
<b>Total Liabilities and Equity.....</b>	<b><u>\$149,508</u></b>	<b><u>\$195,532</u></b>	<b><u>\$255,804</u></b>



<u>Connecticut Housing Finance Authority (12-31-91)</u>	<u>Connecticut Resources Recovery Authority</u>	<u>Other</u>	<u>Total</u>
\$ 147,100	\$ 23,289	\$ 863	\$ 256,489
381,507	-	-	451,991
-	18,839	321	22,940
2,312,158	44,073	-	2,605,826
23,666	1,144	-	29,607
-	-	26	918
-	-	-	2,861
-	3,604	86	6,673
334,547	112,094	-	490,032
-	265,805	15	396,512
15,502	22,545	-	44,179
<u>\$3,214,480</u>	<u>\$491,393</u>	<u>\$1,311</u>	<u>\$4,308,028</u>
\$ 32,839	\$ 21,124	\$ 102	\$ 73,418
-	-	3	3,828
-	3,377	-	3,377
-	-	-	79,190
-	1,507	11	1,572
63,472	-	-	63,784
-	5,300	-	5,300
2,817,499	442,816	-	3,651,632
-	-	40	41
<u>2,913,810</u>	<u>474,124</u>	<u>156</u>	<u>3,882,142</u>
-	1,350	350	137,812
290,765	-	-	300,457
9,905	15,919	805	(12,383)
<u>300,670</u>	<u>15,919</u>	<u>805</u>	<u>288,074</u>
300,670	17,269	1,155	425,886
<u>\$3,214,480</u>	<u>\$491,393</u>	<u>\$1,311</u>	<u>\$4,308,028</u>



# Combining Statement of Revenues, Expenses and Changes in Fund Equity

## ENTERPRISE FUNDS

For The Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	<u>Rental Housing</u>	<u>Bradley International Airport</u>	<u>Connecticut Development Authority</u>
<b>Operating Revenues:</b>			
Charges for Services.....	\$ 859	\$ 28,308	\$ 1,298
Interest on Financing Activities.....	5,642	-	19,914
Miscellaneous.....	938	-	20
<b>Total Operating Revenues.....</b>	<u>7,439</u>	<u>28,308</u>	<u>21,232</u>
<b>Operating Expenses:</b>			
Administrative.....	1,267	16,675	2,106
Depreciation and Amortization.....	6	6,079	351
Other Program Expenses.....	-	-	5,962
Interest on Financing Activities.....	8,562	-	15,651
<b>Total Operating Expenses.....</b>	<u>9,835</u>	<u>22,754</u>	<u>24,070</u>
<b>Operating Income (Loss).....</b>	<u>(2,396)</u>	<u>5,554</u>	<u>(2,838)</u>
<b>Nonoperating Revenues (Expenses):</b>			
Interest and Investment Income.....	-	2,999	-
Other.....	-	(104)	-
Interest and Fiscal Charges.....	-	(10,384)	-
<b>Total Nonoperating Income (Expense).....</b>	<u>-</u>	<u>(7,489)</u>	<u>-</u>
<b>Income (Loss) Before Operating Transfers and Extraordinary Item.....</b>	<u>(2,396)</u>	<u>(1,935)</u>	<u>(2,838)</u>
Operating Transfers In (Out):			
Operating Transfers Out.....	(840)	-	-
Extraordinary Item-Loss on Defeasance of Debt.....	(947)	-	-
<b>Net Income (Loss).....</b>	<u>(4,183)</u>	<u>(1,935)</u>	<u>(2,838)</u>
<b>Retained Earnings - July 1.....</b>	<u>(61,215)</u>	<u>8,602</u>	<u>32,249</u>
<b>Retained Earnings - June 30.....</b>	<u>(65,398)</u>	<u>6,667</u>	<u>29,411</u>
<b>Contributed Capital - July 1.....</b>	<u>-</u>	<u>76,122</u>	<u>31,296</u>
Capital Additions.....	-	5,294	23,400
<b>Contributed Capital - June 30.....</b>	<u>-</u>	<u>81,416</u>	<u>54,696</u>
<b>Fund Equity (deficit) - June 30.....</b>	<u><b>\$(65,398)</b></u>	<u><b>\$ 88,083</b></u>	<u><b>\$84,107</b></u>



<u>Connecticut Housing Finance Authority (12-31-91)</u>	<u>Connecticut Resources Recovery Authority</u>	<u>Other</u>	<u>Total</u>
\$ -	\$107,172	\$ 2,464	\$140,101
249,156	-	-	274,712
<u>1,947</u>	<u>13,264</u>	<u>-</u>	<u>16,169</u>
<u>251,103</u>	<u>120,436</u>	<u>2,464</u>	<u>430,982</u>
6,224	92,311	1,898	120,481
2,974	15,165	5	24,580
28,595	-	-	34,557
<u>207,415</u>	<u>-</u>	<u>-</u>	<u>231,628</u>
<u>245,208</u>	<u>107,476</u>	<u>1,903</u>	<u>411,246</u>
<u>5,895</u>	<u>12,960</u>	<u>561</u>	<u>19,736</u>
-	7,770	-	10,769
(1,235)	1,131	-	(208)
<u>-</u>	<u>(27,972)</u>	<u>-</u>	<u>(38,356)</u>
<u>(1,235)</u>	<u>(19,071)</u>	<u>-</u>	<u>(27,795)</u>
4,660	(6,111)	561	(8,059)
-	-	-	(840)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(947)</u>
4,660	(6,111)	561	(9,846)
<u>296,010</u>	<u>22,030</u>	<u>244</u>	<u>297,920</u>
<u>300,670</u>	<u>15,919</u>	<u>805</u>	<u>288,074</u>
-	1,350	350	109,118
-	-	-	28,694
<u>-</u>	<u>1,350</u>	<u>350</u>	<u>137,812</u>
<u>\$300,670</u>	<u>\$ 17,269</u>	<u>\$1,155</u>	<u>\$425,886</u>



# Combining Statement of Cash Flows

## ENTERPRISE FUNDS

For The Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	<u>Rental Housing</u>	<u>Bradley International Airport</u>	<u>Connecticut Development Authority</u>
<b>Cash Flows From Operating Activities:</b>			
Operating income (loss).....	\$(2,396)	\$ 5,554	\$ (2,838)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Amortization and depreciation.....	6	6,079	351
Investment income.....	(5,642)	-	(7,173)
Interest expense.....	8,562	-	15,651
Changes in assets and liabilities:			
(Increase) decrease in receivables.....	(174)	215	(43)
(Increase) decrease in due from other funds.....	1,752	(26)	-
(Increase) decrease in receivable from other governments.....	2,266	170	-
(Increase) decrease in inventories and prepaid items.....	-	16	-
(Increase) decrease in accounts payable and accrued liabilities.....	(154)	15	68
Increase (decrease) in due to other funds.....	(1,631)	54	-
Increase (decrease) in payable to other governments.....	-	-	-
Other.....	-	(74)	5,320
Issuance of loans, notes & installment contracts receivable.....	(823)	-	(28,675)
Collection of loans, notes & installment contracts receivable.....	2,632	-	10,973
<b>Net cash provided by (used in) operating activities.....</b>	<b>4,398</b>	<b>12,003</b>	<b>(6,366)</b>
<b>Cash Flows From Noncapital Financing Activities:</b>			
Contributed Capital.....	-	-	23,400
Proceeds from sale of bonds and notes.....	-	-	-
Retirement of bonds and notes payable.....	(1,550)	(1,285)	(7,340)
Interest on bonds and notes payable.....	(8,827)	(352)	(15,726)
Transfers to other funds.....	(840)	-	-
Other-net.....	3,803	-	-
<b>Net cash provided by (used in) noncapital financing activities.....</b>	<b>(7,414)</b>	<b>(1,637)</b>	<b>334</b>
<b>Cash Flows From Capital And Related Financing Activities:</b>			
Purchase of fixed assets.....	(5)	(9,384)	(7)
Proceeds from sale of bonds and notes.....	-	-	-
Retirement of bonds and notes payable.....	-	-	-
Interest on bonds and notes payable.....	-	(10,009)	-
Capital contributions received.....	-	5,293	-
Other-net.....	-	-	-
<b>Net cash provided by (used in) capital and related financing     activities.....</b>	<b>(5)</b>	<b>(14,100)</b>	<b>(7)</b>
<b>Cash Flows From Investing Activities:</b>			
Proceeds from sales of investment securities.....	-	-	1,093
Purchases of investment securities.....	-	-	(250)
Interest and income on investments.....	4,487	3,427	7,151
Decrease (increase) in restricted assets.....	-	247	-
<b>Net cash provided by (used in) investing activities.....</b>	<b>4,487</b>	<b>3,674</b>	<b>7,994</b>
<b>Increase (decrease) in cash.....</b>	<b>1,466</b>	<b>(60)</b>	<b>1,955</b>
<b>Cash and cash equivalents, July 1.....</b>	<b>4,055</b>	<b>52,716</b>	<b>67,056</b>
<b>Cash and cash equivalents, June 30.....</b>	<b>\$ 5,521</b>	<b>\$ 52,656</b>	<b>\$ 69,011</b>

Non cash investing, capital and financing activities:

The debt of the Rental Housing Fund increased by \$947 representing its share of the refunding bonds issued by the State during the year.



<b>Connecticut Housing Finance Authority (12-31-91)</b>	<b>Connecticut Resources Recovery Authority</b>	<b>Other</b>	<b>Total</b>
\$ 5,895	\$ 12,960	\$561	\$ 19,736
2,974	15,165	5	24,580
(55,607)	-	-	(68,422)
207,415	-	-	231,628
(224)	(3,136)	(214)	(3,576)
-	-	38	1,764
-	-	-	2,436
-	(2,189)	(26)	(2,199)
(3,072)	5,158	102	2,117
-	-	(5)	(1,582)
-	1,701	-	1,701
17,873	(336)	-	22,783
(270,486)	-	-	(299,984)
134,036	-	-	147,641
<u>38,804</u>	<u>29,323</u>	<u>461</u>	<u>78,623</u>
-	-	-	23,400
263,220	-	-	263,220
(103,405)	-	-	(113,580)
(211,332)	-	-	(236,237)
(26,981)	-	-	(27,821)
(3,252)	(192)	-	359
<u>(81,750)</u>	<u>(192)</u>	<u>-</u>	<u>(90,659)</u>
-	(25,759)	-	(35,155)
-	24,215	-	24,215
-	(12,198)	-	(12,198)
-	(27,650)	-	(37,659)
-	-	-	5,293
-	2,924	-	2,924
-	(38,468)	-	(52,580)
525,205	45,885	-	572,183
(532,059)	(69,620)	-	(601,929)
58,611	9,592	-	83,268
-	-	-	247
51,757	(14,143)	-	53,769
8,811	(23,480)	461	(10,847)
138,289	102,420	402	364,938
<u>\$ 147,100</u>	<u>\$ 78,940</u>	<u>\$863</u>	<u>\$ 354,091</u>



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## INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the State, or to other governments, on a cost-reimbursement basis. The following operations are included in these funds:

### ***Correction Industries:***

to account for the revenues and expenses associated with the sale of goods resulting from the industrial activities of the inmates at correctional institutions.

### ***Administrative Services:***

to account for the various activities of the Department of Administrative Services including the purchasing of supplies and data processing equipment for the State, the operations of the motor pool, the operations of data processing services and certain other activities. Revenues consist of user charges to agencies.



# Combining Balance Sheet

## INTERNAL SERVICE FUNDS

June 30, 1992

(Expressed in Thousands)

	<u>Correction Industries</u>	<u>Administrative Services</u>	<u>Total</u>
<b>Assets:</b>			
Cash and Cash Equivalents.....	\$ -	\$20,421	\$20,421
Receivables:			
Accounts, Net of Allowances.....	116	6,079	6,195
Due From Other Funds.....	205	3,342	3,547
Inventories and Prepaid Items.....	2,352	3,201	5,553
Property, Plant & Equipment.....	756	16,020	16,776
Other Assets.....	-	837	837
<b>Total Assets.....</b>	<b><u>\$ 3,429</u></b>	<b><u>\$49,900</u></b>	<b><u>\$53,329</u></b>
<b>Liabilities and Equity:</b>			
<b>Liabilities:</b>			
Accounts Payable and Accrued Liabilities.....	\$ 508	\$ 4,381	\$ 4,889
Due to Other Funds.....	394	277	671
Deferred Revenue.....	1	130	131
Notes and Loans Payable.....	-	11	11
Compensated Absences.....	203	2,228	2,431
<b>Total Liabilities.....</b>	<b><u>1,106</u></b>	<b><u>7,027</u></b>	<b><u>8,133</u></b>
<b>Equity:</b>			
Contributed Capital.....	5,730	8,072	13,802
Retained Earnings:			
Unreserved.....	<u>(3,407)</u>	<u>34,801</u>	<u>31,394</u>
<b>Total Equity.....</b>	<b><u>2,323</u></b>	<b><u>42,873</u></b>	<b><u>45,196</u></b>
<b>Total Liabilities and Equity.....</b>	<b><u>\$ 3,429</u></b>	<b><u>\$49,900</u></b>	<b><u>\$53,329</u></b>



# Combining Statement of Revenues, Expenses and Changes in Fund Equity

## INTERNAL SERVICE FUNDS

For The Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	<u>Correction Industries</u>	<u>Administrative Services</u>	<u>Total</u>
<b>Operating Revenues:</b>			
Charges for Services.....	\$ 4,276	\$68,457	\$72,733
<b>Total Operating Revenues.....</b>	<u>4,276</u>	<u>68,457</u>	<u>72,733</u>
<b>Operating Expenses:</b>			
Cost of Sales and Services.....	3,444	37,257	40,701
Administrative.....	688	16,711	17,399
Depreciation and Amortization.....	284	11,236	11,520
<b>Total Operating Expenses.....</b>	<u>4,416</u>	<u>65,204</u>	<u>69,620</u>
<b>Operating Income (Loss).....</b>	<u>(140)</u>	<u>3,253</u>	<u>3,113</u>
<b>Operating Transfers In (Out):</b>			
Operating Transfers In.....	-	2,507	2,507
Operating Transfers Out.....	-	(105)	(105)
<b>Net Income (Loss).....</b>	<u>(140)</u>	<u>5,655</u>	<u>5,515</u>
<b>Retained Earnings - July 1.....</b>	<u>(3,267)</u>	<u>29,146</u>	<u>25,879</u>
<b>Retained Earnings - June 30.....</b>	<u>(3,407)</u>	<u>34,801</u>	<u>31,394</u>
<b>Contributed Capital - July 1.....</b>	<u>5,730</u>	<u>8,072</u>	<u>13,802</u>
<b>Contributed Capital - June 30.....</b>	<u>5,730</u>	<u>8,072</u>	<u>13,802</u>
<b>Fund Equity - June 30.....</b>	<u>\$ 2,323</u>	<u>\$42,873</u>	<u>\$45,196</u>



# Combining Statement of Cash Flows

## INTERNAL SERVICE FUNDS

For The Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	<u>Correction Industries</u>	<u>Administrative Services</u>	<u>Total</u>
<b>Cash Flows From Operating Activities:</b>			
Operating income (loss).....	\$ (140)	\$ 3,253	\$ 3,113
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Amortization and depreciation.....	284	11,236	11,520
Changes in assets and liabilities:			
(Increase) decrease in receivables.....	65	(2,077)	(2,012)
(Increase) decrease in due from other funds.....	(14)	(1,161)	(1,175)
(Increase) decrease in inventories and prepaid items.....	(312)	829	517
Increase (decrease) in accounts payable and accrued liabilities.....	121	(161)	(40)
Increase (decrease) in due to other funds.....	166	(47)	119
Other.....	(15)	118	103
<b>Net cash provided by (used in) operating activities.....</b>	<u>155</u>	<u>11,990</u>	<u>12,145</u>
<b>Cash Flows From Noncapital Financing Activities:</b>			
Transfer from other funds.....	-	2,507	2,507
Transfer to other funds.....	-	(105)	(105)
<b>Net cash provided by (used in) noncapital financing activities..</b>	<u>-</u>	<u>2,402</u>	<u>2,402</u>
<b>Cash Flows From Capital And Related Financing Activities:</b>			
Purchase of fixed assets.....	(155)	(3,815)	(3,970)
Retirement of notes payable.....	-	(19)	(19)
<b>Net cash provided by (used in) capital and related financing     activities.....</b>	<u>(155)</u>	<u>(3,834)</u>	<u>(3,989)</u>
Increase in cash.....	-	10,558	10,558
Cash and cash equivalents, July 1.....	-	9,863	9,863
Cash and cash equivalents, June 30.....	<u>\$ -</u>	<u>\$20,421</u>	<u>\$20,421</u>



## FIDUCIARY FUNDS

Trust and Agency Funds are maintained to account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations or other funds. These Fiduciary Funds include expendable trust, non-expendable trust, pension trust and agency funds. Significant Trust and Agency Funds of the State are described as follows:

### Trust Funds

#### ***Employment Security:***

to account for the collection of unemployment insurance premiums from employers and the payment of unemployment benefits to eligible claimants.

#### ***Second Injury and Compensation Assurance:***

an extension of the Worker's Compensation Act, the fund is currently used to pay claimants whose injuries are made more severe because of a pre-existing condition, and in cases where an injured worker receiving worker's compensation subsequently undergoes an incapacitating relapse.

#### ***Soldiers, Sailors and Marines:***

to account for the principal and interest earned on investments of this fund. Interest earned has been earmarked by the General Assembly for the benefit of resident veterans to provide such things as food, wearing apparel, medical or surgical aid, care and relief or funeral benefits.

#### ***Pension:***

See notes 9 and 10 for a description of the Pension Funds.

### Agency Funds

#### ***Deferred Compensation:***

to account for the investments accumulated in the State's IRC Section 457 deferred compensation plan.

#### ***Insurance Companies Securities:***

to account for securities that are deposited with the Treasurer to be held for policyholders of insurance companies as a prerequisite to such companies transacting business in the State.

#### ***Investment Pool/Non-State Portion:***

to account for the portion of Short Term Investment Fund (STIF) that is made up of non-state monies. STIF is made up of excess cash balances which can be added or withdrawn on a daily basis. The investments are primarily short term paper and the Secondary Market for Student Loans.



# Combining Balance Sheet

FIDUCIARY FUNDS

June 30, 1992

(Expressed in Thousands)

	Employment Security	Expendable Trust		Other
		Local Property Tax Relief	Second Injury & Compensation Assurance	
<b>Assets:</b>				
Cash and Cash Equivalents.....	\$ -	\$181	\$14,014	\$6,654
Investments.....	-	-	-	-
Receivables:				
Accounts, Net of Allowances.....	12,421	-	25,204	-
Loans, Net of Allowances.....	-	-	-	-
Interest.....	-	1	30	12
Due From Other Funds.....	799	-	-	-
Receivable From Other Governments.....	3,719	-	-	-
Inventories and Prepaid Items.....	-	-	102	-
Other Assets.....	-	-	-	-
<b>Total Assets.....</b>	<b>\$ 16,939</b>	<b>\$182</b>	<b>\$39,350</b>	<b>\$6,666</b>
<b>Liabilities and Fund Balances:</b>				
Liabilities:				
Accounts Payable and Accrued Liabilities.....	\$ -	\$ -	\$ -	\$ 14
Due to Other Funds.....	18,757	-	-	67
Payable to Other Governments.....	503,481	-	-	-
Deferred Revenue.....	7,500	-	6,388	-
Obligation Under Reverse Repurchase Agreements.....	-	-	-	-
Deferred Compensation Liability.....	-	-	-	-
Agency Deposit Liabilities.....	-	-	-	-
<b>Total Liabilities.....</b>	<b>529,738</b>	<b>-</b>	<b>6,388</b>	<b>81</b>
Fund Balances:				
Reserved for Trust Activities.....	-	-	-	-
Reserved for Pension Obligations.....	-	-	-	-
Unreserved, undesignated.....	(512,799)	182	32,962	6,585
<b>Total Fund Balances.....</b>	<b>(512,799)</b>	<b>182</b>	<b>32,962</b>	<b>6,585</b>
<b>Total Liabilities and Fund Balances.....</b>	<b>\$ 16,939</b>	<b>\$182</b>	<b>\$39,350</b>	<b>\$6,666</b>



**Nonexpendable Trust**

<u>School</u>	<u>Soldiers Sailors &amp; Marines</u>	<u>Other</u>	<u>Pension</u>	<u>Agency</u>	<u>Total</u>
\$ 685	\$ 1,168	\$ 9,137	\$ 379,113	\$ 452,892	\$ 863,844
3,122	49,504	1,304	8,692,244	250,798	8,996,972
-	-	-	3,895	713	42,233
-	-	-	-	16	16
3	4	30	10,819	1,515	12,414
-	52	-	1,246	7,303	9,400
-	-	-	-	8	3,727
-	-	-	-	711	813
-	-	-	-	599,983	599,983
<u>\$3,810</u>	<u>\$50,728</u>	<u>\$10,471</u>	<u>\$9,087,317</u>	<u>\$1,313,939</u>	<u>\$10,529,402</u>
\$ -	\$ -	\$ -	\$ 16	\$ 3,789	\$ 3,819
-	470	-	5	11,196	30,495
-	-	-	-	24	503,505
-	-	-	-	-	13,888
-	-	-	-	29,798	29,798
-	-	-	-	221,464	221,464
-	-	-	-	1,047,668	1,047,668
-	470	-	21	1,313,939	1,850,637
3,810	50,258	10,471	-	-	64,539
-	-	-	9,087,296	-	9,087,296
-	-	-	-	-	(473,070)
<u>3,810</u>	<u>50,258</u>	<u>10,471</u>	<u>9,087,296</u>	<u>-</u>	<u>8,678,765</u>
<u>\$3,810</u>	<u>\$50,728</u>	<u>\$10,471</u>	<u>\$9,087,317</u>	<u>\$1,313,939</u>	<u>\$10,529,402</u>



# Combining Balance Sheet

## PENSION TRUST FUNDS

June 30, 1992

(Expressed in Thousands)

	<u>State Employees</u>	<u>State Teachers</u>	<u>Judicial</u>
<b>Assets:</b>			
Cash and Cash Equivalents.....	\$ 174,822	\$ 186,062	\$ 1,586
Investments.....	3,240,741	4,870,416	49,655
Receivables:			
Accounts, Net of Allowances.....	781	-	-
Interest.....	8,559	706	128
Due From Other Funds.....	880	361	-
<b>Total Assets.....</b>	<b><u>\$3,425,783</u></b>	<b><u>\$5,057,545</u></b>	<b><u>\$51,369</u></b>
 <b>Liabilities and Fund Balances:</b>			
Liabilities:			
Accounts Payable and Accrued Liabilities.....	\$ 16	\$ -	\$ -
Due to Other Funds.....	-	-	-
<b>Total Liabilities.....</b>	<b><u>16</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
Fund Balances:			
Reserved for Pension Obligations.....	3,425,767	5,057,545	51,369
<b>Total Fund Balances.....</b>	<b><u>3,425,767</u></b>	<b><u>5,057,545</u></b>	<b><u>51,369</u></b>
<b>Total Liabilities and Fund Balances.....</b>	<b><u>\$3,425,783</u></b>	<b><u>\$5,057,545</u></b>	<b><u>\$51,369</u></b>





<u>Connecticut Municipal Employees</u>	<u>Probate Judges</u>	<u>Other</u>	<u>Total</u>
\$ 16,254	\$ 230	\$159	\$ 379,113
500,666	30,510	256	8,692,244
3,113	1	-	3,895
1,339	85	2	10,819
-	5	-	1,246
<u>\$521,372</u>	<u>\$30,831</u>	<u>\$417</u>	<u>\$9,087,317</u>
\$ -	\$ -	\$ -	\$ 16
-	5	-	5
-	5	-	21
<u>521,372</u>	<u>30,826</u>	<u>417</u>	<u>9,087,296</u>
<u>521,372</u>	<u>30,826</u>	<u>417</u>	<u>9,087,296</u>
<u>\$521,372</u>	<u>\$30,831</u>	<u>\$417</u>	<u>\$9,087,317</u>



# Combining Balance Sheet

AGENCY FUNDS

June 30, 1992

(Expressed in Thousands)

	<u>Payroll &amp; Fringe Benefit Clearing</u>	<u>Receipts Pending Distribution</u>	<u>Investment Pool Non-State Portion</u>
<b>Assets:</b>			
Cash and Cash Equivalents.....	\$1,453	\$18,165	\$404,832
Investments.....	-	-	29,287
Receivables:			
Accounts, Net of Allowances.....	-	88	-
Loans, Net of Allowances.....	-	-	-
Interest.....	-	-	1,437
Due From Other Funds.....	1,644	-	-
Receivable From Other Governments.....	-	8	-
Inventories and Prepaid Items.....	-	-	-
Other Assets.....	-	-	-
<b>Total Assets.....</b>	<u><b>\$3,097</b></u>	<u><b>\$18,261</b></u>	<u><b>\$435,556</b></u>
<b>Liabilities:</b>			
Accounts Payable and Accrued Liabilities.....	\$ -	\$ 2,521	\$ -
Due to Other Funds.....	-	11,196	-
Payable to Other Governments.....	-	24	-
Obligation Under Reverse Repurchase Agreements.....	-	-	29,798
Deferred Compensation Liability.....	-	-	-
Agency Deposit Liabilities.....	3,097	4,520	405,758
<b>Total Liabilities.....</b>	<u><b>\$3,097</b></u>	<u><b>\$18,261</b></u>	<u><b>\$435,556</b></u>



<u>Insurance Companies' Securities</u>	<u>State Institution Activity</u>	<u>Deferred Compensation</u>	<u>Other</u>	<u>Total</u>
\$ -	\$14,250	\$ -	\$14,192	\$ 452,892
-	47	221,464	-	250,798
-	412	-	213	713
-	16	-	-	16
-	13	-	65	1,515
-	-	-	5,659	7,303
-	-	-	-	8
-	711	-	-	711
<u>599,387</u>	<u>596</u>	<u>-</u>	<u>-</u>	<u>599,983</u>
<u>\$599,387</u>	<u>\$16,045</u>	<u>\$221,464</u>	<u>\$20,129</u>	<u>\$1,313,939</u>
\$ -	\$ 1,117	\$ -	\$ 151	\$ 3,789
-	-	-	-	11,196
-	-	-	-	24
-	-	-	-	29,798
-	-	221,464	-	221,464
<u>599,387</u>	<u>14,928</u>	<u>-</u>	<u>19,978</u>	<u>1,047,668</u>
<u>\$599,387</u>	<u>\$16,045</u>	<u>\$221,464</u>	<u>\$20,129</u>	<u>\$1,313,939</u>



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# Combining Statement of Revenues, Expenditures and Changes in Fund Balances

## EXPENDABLE TRUST FUNDS

For The Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	Employment Security	Local Property Tax Relief	Second Injury & Compensation Assurance	Other	Total
<b>Revenues:</b>					
Unemployment Taxes.....	\$ 250,464	\$ -	\$ -	\$ -	\$ 250,464
Licenses, Permits and Fees.....	-	-	-	86	86
Intergovernmental.....	267,404	-	-	-	267,404
Investment Earnings.....	-	302	742	1,511	2,555
Miscellaneous.....	-	-	89,998	3,409	93,407
<b>Total Revenues.....</b>	<b>517,868</b>	<b>302</b>	<b>90,740</b>	<b>5,006</b>	<b>613,916</b>
<b>Expenditures:</b>					
Current:					
General Government.....	-	8,447	4,982	2,855	16,284
Regulation and Protection.....	879,049	-	63,005	3,629	945,683
Education, Libraries and Museums.....	-	-	-	42	42
<b>Total Expenditures.....</b>	<b>879,049</b>	<b>8,447</b>	<b>67,987</b>	<b>6,526</b>	<b>962,009</b>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over Expenditures.....</b>	<b>(361,181)</b>	<b>(8,145)</b>	<b>22,753</b>	<b>(1,520)</b>	<b>(348,093)</b>
<b>Other Financing Sources (Uses):</b>					
Operating Transfers Out.....	(1,171)	-	-	(319)	(1,490)
<b>Total Other Financing Sources (Uses)...</b>	<b>(1,171)</b>	<b>-</b>	<b>-</b>	<b>(319)</b>	<b>(1,490)</b>
<b>Excess (Deficiency) of Revenues and Other</b>					
<b>Sources Over Expenditures and Other Uses..</b>	<b>(362,352)</b>	<b>(8,145)</b>	<b>22,753</b>	<b>(1,839)</b>	<b>(349,583)</b>
<b>Fund Balances (deficit) - July 1.....</b>	<b>(150,447)</b>	<b>8,327</b>	<b>10,209</b>	<b>8,424</b>	<b>(123,487)</b>
<b>Fund Balances (deficit) - June 30.....</b>	<b>\$(512,799)</b>	<b>\$ 182</b>	<b>\$32,962</b>	<b>\$ 6,585</b>	<b>\$(473,070)</b>



# Combining Statement of Revenues, Expenses and Changes in Fund Balances

## NONEXPENDABLE AND PENSION TRUST FUNDS

For The Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	<u>Nonexpendable Trust</u>			<u>Total Nonexpendable</u>
	<u>School</u>	<u>Soldiers Sailors &amp; Marines</u>	<u>Other</u>	
<b>Operating Revenues:</b>				
Participants' Contributions.....	\$ -	\$ -	\$ -	\$ -
State Contribution.....	-	-	-	-
Investment Earnings.....	405	5,656	628	6,689
Miscellaneous.....	-	-	43	43
<b>Total Operating Revenues.....</b>	<u>405</u>	<u>5,656</u>	<u>671</u>	<u>6,732</u>
<b>Operating Expenses:</b>				
Administrative.....	-	-	-	-
Benefit Payments and Refunds.....	-	-	-	-
Other Program Expenses.....	-	-	558	558
<b>Total Operating Expenses.....</b>	<u>-</u>	<u>-</u>	<u>558</u>	<u>558</u>
<b>Operating Income .....</b>	<u>405</u>	<u>5,656</u>	<u>113</u>	<u>6,174</u>
<b>Operating Transfers In (Out):</b>				
Operating Transfers In.....	25	121	1,000	1,146
Operating Transfers Out.....	(274)	(3,311)	(38)	(3,623)
<b>Net Income (Loss).....</b>	156	2,466	1,075	3,697
<b>Fund Balances - July 1.....</b>	3,654	47,792	9,396	60,842
<b>Fund Balances - June 30.....</b>	<u>\$3,810</u>	<u>\$50,258</u>	<u>\$10,471</u>	<u>\$64,539</u>



<u>Pension Trust</u>						
<u>State Employees</u>	<u>State Teachers</u>	<u>Judicial</u>	<u>Connecticut Municipal Employees</u>	<u>Probate Judges</u>	<u>Other</u>	<u>Total Pension</u>
\$ 33,170	\$ 124,926	\$ 773	\$ 29,449	\$ 283	\$ 27	\$ 188,628
195,322	133,037	7,045	-	-	-	335,404
312,675	469,155	4,230	48,134	3,048	41	837,283
51,448	2,567	-	25	6	-	54,046
<u>592,615</u>	<u>729,685</u>	<u>12,048</u>	<u>77,608</u>	<u>3,337</u>	<u>68</u>	<u>1,415,361</u>
133	-	4	-	83	-	220
306,872	286,417	6,952	25,401	1,020	84	626,746
-	8,803	-	28	-	-	8,831
<u>307,005</u>	<u>295,220</u>	<u>6,956</u>	<u>25,429</u>	<u>1,103</u>	<u>84</u>	<u>635,797</u>
285,610	434,465	5,092	52,179	2,234	(16)	779,564
-	-	-	-	5	-	5
-	-	-	-	-	-	-
285,610	434,465	5,092	52,179	2,239	(16)	779,569
3,140,157	4,623,080	46,277	469,193	28,587	433	8,307,727
<u>\$3,425,767</u>	<u>\$5,057,545</u>	<u>\$51,369</u>	<u>\$521,372</u>	<u>\$30,826</u>	<u>\$417</u>	<u>\$9,087,296</u>



## Combining Statement of Cash Flows

NONEXPENDABLE TRUST FUNDS  
 For The Fiscal Year Ended June 30, 1992  
 (Expressed in Thousands)

	<u>School</u>	<u>Soldiers, Sailors &amp; Marines</u>	<u>Other</u>	<u>Total</u>
<b>Cash Flows From Operating Activities:</b>				
Operating income.....	\$405	\$5,656	\$113	\$6,174
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Investment income.....	(405)	(5,656)	(628)	(6,689)
Changes in assets and liabilities:				
(Increase) decrease in receivables.....	-	5	11	16
<b>Net cash provided by (used in) operating activities...</b>	<u>-</u>	<u>5</u>	<u>(504)</u>	<u>(499)</u>
<b>Cash Flows From Noncapital Financing Activities:</b>				
Transfers from other funds.....	25	121	1,000	1,146
Transfers to other funds.....	(274)	(3,311)	(38)	(3,623)
<b>Net cash provided by (used in) noncapital financing     activities.....</b>	<u>(249)</u>	<u>(3,190)</u>	<u>962</u>	<u>(2,477)</u>
<b>Cash Flows From Investing Activities:</b>				
Interest and income on investments.....	236	2,545	531	3,312
<b>Net cash provided by (used in) investing activities....</b>	<u>236</u>	<u>2,545</u>	<u>531</u>	<u>3,312</u>
<b>Increase (decrease) in cash.....</b>	<u>(13)</u>	<u>(640)</u>	<u>989</u>	<u>336</u>
<b>Cash and cash equivalents, July 1.....</b>	<u>698</u>	<u>1,808</u>	<u>8,148</u>	<u>10,654</u>
<b>Cash and cash equivalents, June 30.....</b>	<u>\$685</u>	<u>\$ 1,168</u>	<u>\$9,137</u>	<u>\$10,990</u>





## Combining Statement of Changes in Assets & Liabilities

ALL AGENCY FUNDS

June 30, 1992

(Expressed in Thousands)

	<u>Balance</u> <u>July 1, 1991</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 1992</u>
<b><u>Payroll and Fringe Benefit Clearing</u></b>				
<b>ASSETS</b>				
Cash and Cash Equivalents.....	\$1,426	\$ 27	\$ -	\$1,453
Due From Other Funds.....	1,613	1,644	1,613	1,644
Total Assets.....	<u>\$3,039</u>	<u>\$1,671</u>	<u>\$1,613</u>	<u>\$3,097</u>
<b>LIABILITIES</b>				
Agency Deposit Liability.....	\$3,039	\$1,671	\$1,613	\$3,097
Total Liabilities.....	<u>\$3,039</u>	<u>\$1,671</u>	<u>\$1,613</u>	<u>\$3,097</u>
<b><u>Receipts Pending Distribution</u></b>				
<b>ASSETS</b>				
Cash and Cash Equivalents.....	\$20,732	\$ 208	\$2,775	\$18,165
Accounts, Net of Allowances.....	121	64	97	88
Receivable From Other Governments.....	27	8	27	8
Total Assets.....	<u>\$20,880</u>	<u>\$ 280</u>	<u>\$2,899</u>	<u>\$18,261</u>
<b>LIABILITIES</b>				
Accounts Payable and Accrued Liabilities.....	\$ 1,877	\$ 644	\$ -	\$ 2,521
Due to Other Funds.....	13,882	-	2,686	11,196
Payable to Other Governments.....	23	1	-	24
Agency Deposit Liability.....	5,098	1,922	2,500	4,520
Total Liabilities.....	<u>\$20,880</u>	<u>\$2,567</u>	<u>\$5,186</u>	<u>\$18,261</u>
<b><u>Investment Pool Non-State Portion</u></b>				
<b>ASSETS</b>				
Cash and Cash Equivalents.....	\$239,444	\$178,193	\$12,805	\$404,832
Investments.....	-	29,287	-	29,287
Interest.....	1,273	1,437	1,273	1,437
Total Assets.....	<u>\$240,717</u>	<u>\$208,917</u>	<u>\$14,078</u>	<u>\$435,556</u>
<b>LIABILITIES</b>				
Obligation Under Reverse Repurchase Agreements.....	\$ -	\$ 29,798	\$ -	\$ 29,798
Agency Deposit Liability.....	240,717	179,119	14,078	405,758
Total Liabilities.....	<u>\$240,717</u>	<u>\$208,917</u>	<u>\$14,078</u>	<u>\$435,556</u>

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**Combining Statement of Changes in Assets & Liabilities**

ALL AGENCY FUNDS (Continued)

June 30, 1992

(Expressed in Thousands)

	<u>Balance</u> <u>July 1, 1991</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 1992</u>
<b><u>Insurance Companies' Securities</u></b>				
<b>ASSETS</b>				
Other Assets.....	\$566,776	\$32,611	\$-	\$599,387
Total Assets.....	<u>\$566,776</u>	<u>\$32,611</u>	<u>\$-</u>	<u>\$599,387</u>
<b>LIABILITIES</b>				
Agency Deposit Liability.....	\$566,776	\$32,611	\$-	\$599,387
Total Liabilities.....	<u>\$566,776</u>	<u>\$32,611</u>	<u>\$-</u>	<u>\$599,387</u>
<b><u>State Institution Activity</u></b>				
<b>ASSETS</b>				
Cash and Cash Equivalents.....	\$14,151	\$3,474	\$3,375	\$14,250
Investments.....	-	47	-	47
Accounts, Net of Allowances .....	344	68	-	412
Loans, Net of Allowances.....	15	1	-	16
Interest.....	17	13	17	13
Inventories and Prepaid Items.....	582	129	-	711
Other Assets.....	332	264	-	596
Total Assets.....	<u>\$15,441</u>	<u>\$3,996</u>	<u>\$3,392</u>	<u>\$16,045</u>
<b>LIABILITIES</b>				
Accounts Payable and Accrued Liabilities.....	\$ 996	\$ 121	\$ -	\$ 1,117
Agency Deposit Liability.....	14,445	3,875	3,392	14,928
Total Liabilities.....	<u>\$15,441</u>	<u>\$3,996</u>	<u>\$3,392</u>	<u>\$16,045</u>
<b><u>Deferred Compensation</u></b>				
<b>ASSETS</b>				
Investments.....	\$194,492	\$26,972	\$-	\$221,464
Total Assets.....	<u>\$194,492</u>	<u>\$26,972</u>	<u>\$-</u>	<u>\$221,464</u>
<b>LIABILITIES</b>				
Deferred Compensation.....	\$194,492	\$26,972	\$-	\$221,464
Total Liabilities.....	<u>\$194,492</u>	<u>\$26,972</u>	<u>\$-</u>	<u>\$221,464</u>

Continued on next page



## Combining Statement of Changes in Assets & Liabilities

ALL AGENCY FUNDS (Continued)

June 30, 1992

(Expressed in Thousands)

	Balance July 1, 1991	Additions	Deletions	Balance June 30, 1992
<b>Other</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents.....	\$23,808	\$ 4,051	\$13,667	\$14,192
Accounts, Net of Allowances.....	151	213	151	213
Interest.....	76	65	76	65
Due From Other Funds.....	5,986	5,659	5,986	5,659
<b>Total Assets.....</b>	<b>\$30,021</b>	<b>\$ 9,988</b>	<b>\$19,880</b>	<b>\$20,129</b>
<b>LIABILITIES</b>				
Accounts Payable and Accrued Liabilities.....	\$ 665	\$ 15	\$ 529	\$ 151
Due to Other Funds.....	103	-	103	-
Agency Deposit Liability.....	29,253	13,005	22,280	19,978
<b>Total Liabilities.....</b>	<b>\$30,021</b>	<b>\$13,020</b>	<b>\$22,912</b>	<b>\$20,129</b>
<b>TOTALS-ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents.....	\$ 299,561	\$185,953	\$32,622	\$ 452,892
Investments.....	194,492	56,306	-	250,798
Accounts, Net of Allowances .....	616	345	248	713
Loans, Net of Allowances.....	15	1	-	16
Interest.....	1,366	1,515	1,366	1,515
Due From Other Funds.....	7,599	7,303	7,599	7,303
Receivable From Other Governments.....	27	8	27	8
Inventories and Prepaid Items.....	582	129	-	711
Other Assets.....	567,108	32,875	-	599,983
<b>Total Assets.....</b>	<b>\$1,071,366</b>	<b>\$284,435</b>	<b>\$41,862</b>	<b>\$1,313,939</b>
<b>LIABILITIES</b>				
Accounts Payable and Accrued Liabilities.....	\$ 3,538	\$ 780	\$ 529	\$ 3,789
Due to Other Funds.....	13,985	-	2,789	11,196
Payable to Other Governments.....	23	1	-	24
Obligation Under Reverse Repurchase Agreements.....	-	29,798	-	29,798
Deferred Compensation.....	194,492	26,972	-	221,464
Agency Deposit Liability.....	859,328	232,203	43,863	1,047,668
<b>Total Liabilities.....</b>	<b>\$1,071,366</b>	<b>\$289,754</b>	<b>\$47,181</b>	<b>\$1,313,939</b>



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**GENERAL FIXED ASSETS ACCOUNT GROUP**

The General Fixed Assets Account Group is maintained to account for land, buildings, improvements, and equipment which are accounted for in the governmental type funds. Fixed Assets of the proprietary fund types and similar trusts and the Higher Education Funds are accounted for within those funds. Infrastructures, including highways, bridges and rights-of-way are not capitalized.

The General Fixed Assets Account Group is stated at historical cost or estimated historical cost, with no provision made for depreciation.



## General Fixed Assets Account Group

June 30, 1992

(Expressed in Thousands)

### SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE

	<u>1992</u>
<b>General Fixed Assets:</b>	
Land	\$ 256,485
Buildings	1,063,960
Improvements Other Than Buildings	129,242
Machinery and Equipment	656,081
Construction in Progress	280,037
<b>Total General Fixed Assets</b>	<u><u>\$2,385,805</u></u>
<b>Investment in General Fixed Assets:</b>	
Investment in Property Acquired Prior to June 30, 1988-Source Unidentified	\$1,350,504
General Fund	84,966
Special Revenue Funds	143,430
Capital Project Funds	803,454
Other	3,451
<b>Total Investment in General Fixed Assets</b>	<u><u>\$2,385,805</u></u>



## General Fixed Assets Account Group

June 30, 1992

(Expressed in Thousands)

### SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION

<u>Function</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements</u>	<u>Equipment</u>	<u>Totals</u>
Legislative.....	\$ -	\$ 154,364	\$ -	\$ 15,699	\$ 170,063
General Government.....	8,312	19,840	2,902	44,093	75,147
Regulation and Protection.....	5,504	57,545	4,485	56,401	123,935
Natural Resources and Recreation.....	185,074	14,812	12,024	24,623	236,533
Health and Hospitals.....	9,874	158,000	14,943	30,513	213,330
Transportation.....	31,946	153,981	42,327	257,068	485,322
Human Services.....	-	-	-	8,300	8,300
Education, Libraries and Museums.....	3,117	192,603	22,544	152,306	370,570
Corrections.....	7,587	230,008	29,405	23,409	290,409
Judicial.....	5,071	82,807	612	43,669	132,159
<b>Total General Fixed Assets</b>					
<b>Allocated to Functions.....</b>	<b><u>\$256,485</u></b>	<b><u>\$1,063,960</u></b>	<b><u>\$129,242</u></b>	<b><u>\$656,081</u></b>	<b><u>\$2,105,768</u></b>
<b>Construction in Progress.....</b>					<b><u>280,037</u></b>
<b>Total General Fixed Assets.....</b>					<b><u>\$2,385,805</u></b>

### SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION

<u>Function</u>	<u>General Fixed Assets 7/1/91</u>	<u>Additions</u>	<u>Deletions</u>	<u>General Fixed Assets 6/30/92</u>
Legislative.....	\$ 170,116	\$ 160	\$ 213	\$ 170,063
General Government.....	71,796	4,720	1,369	75,147
Regulation and Protection.....	114,621	11,366	2,052	123,935
Natural Resources and Recreation.....	226,637	10,447	551	236,533
Health and Hospitals.....	199,069	15,017	756	213,330
Transportation.....	466,521	20,208	1,407	485,322
Human Services.....	11,375	570	3,645	8,300
Education, Libraries and Museums.....	363,982	12,857	6,269	370,570
Corrections.....	236,639	63,222	9,452	290,409
Judicial.....	127,102	5,581	524	132,159
Construction in Progress.....	207,466	148,750	76,179	280,037
<b>Total General Fixed Assets.....</b>	<b><u>\$2,195,324</u></b>	<b><u>\$292,898</u></b>	<b><u>\$102,417</u></b>	<b><u>\$2,385,805</u></b>



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## HIGHER EDUCATION AND UNIVERSITY HOSPITAL FUNDS

Higher Education and University Hospital Funds are used to account for all transactions relating to public institutions of higher education including a teaching hospital and the State's technical colleges. These include five universities, twelve community colleges and five technical colleges. College and University Funds used are described as follows:

***Current Unrestricted Fund:***

accounts for currently expendable resources which may be either designated or not designated by the colleges and universities for specific purposes.

***Current Restricted Fund:***

accounts for resources restricted by the donor or external agency for a specific use or program.

***Hospital Funds:***

accounts for revenues and expenditures relating to the operation of the John Dempsey Hospital and the Dental Clinics.

***Loan Funds:***

accounts for loans made to assist students in the financing of their education.

***Endowment Funds:***

accounts for resources which are restricted by the gift instruments requiring that the principal be invested and only the income be expended.

***Agency Funds:***

accounts for amounts held in custody for students, university-related organizations, and others.

***Plant Funds:***

accounts for activities relating to institutional properties. These activities include funds used for the acquisition, renewal and replacement of institutional properties, funds set aside for debt service requirements of institutional properties and funds invested in institutional properties.



# Combining Balance Sheet

## HIGHER EDUCATION AND UNIVERSITY HOSPITAL FUNDS

June 30, 1992

(Expressed in Thousands)

	Current Funds		Hospital Funds	Endowment and Similar Funds
	Unrestricted	Restricted		
<b>Assets:</b>				
Cash and Cash Equivalents.....	\$160,834	\$25,585	\$10,208	\$2,101
Investments.....	726	-	1,568	1,772
Receivables:				
Accounts, Net of Allowances.....	19,749	14,313	27,951	14
Loans, Net of Allowances.....	-	-	-	-
Interest.....	53	29	-	-
Due From Other Funds.....	6,232	83	-	-
Inventories and Prepaid Items.....	6,000	-	1,356	-
Property, Plant & Equipment.....	-	-	644	-
Other Assets.....	1,578	-	-	-
<b>Total Assets.....</b>	<b>\$195,172</b>	<b>\$40,010</b>	<b>\$41,727</b>	<b>\$3,887</b>
<b>Liabilities and Equity:</b>				
Liabilities:				
Accounts Payable and Accrued Liabilities.....	\$ 20,211	\$ 3,697	\$21,424	\$ -
Due to Other Funds.....	4,840	1,623	42	7
Deferred Revenue.....	24,643	-	2,024	-
Notes and Loans Payable.....	-	-	-	-
Agency Deposit Liabilities.....	-	-	-	-
Revenue Bonds.....	-	-	-	-
Capital Leases.....	-	-	-	-
Compensated Absences.....	7,528	304	3,259	-
<b>Total Liabilities.....</b>	<b>57,222</b>	<b>5,624</b>	<b>26,749</b>	<b>7</b>
Equity:				
Investment in Fixed Assests.....	-	-	-	-
Fund Balances:				
Reserved.....	-	34,386	-	3,880
Unreserved, undesignated.....	137,950	-	14,978	-
<b>Total Equity.....</b>	<b>137,950</b>	<b>34,386</b>	<b>14,978</b>	<b>3,880</b>
<b>Total Liabilities and Equity .....</b>	<b>\$195,172</b>	<b>\$40,010</b>	<b>\$41,727</b>	<b>\$3,887</b>



<u>Loan Funds</u>	<u>Agency Funds</u>	<u>Unexpended</u>	<u>Plant Funds Retirement of Indebtedness</u>	<u>Investment in Plant</u>	<u>Total</u>
\$2,285	\$8,888	\$ -	\$31,263	\$ -	\$ 241,164
31	-	-	-	-	4,097
-	84	155	-	-	62,266
24,988	195	-	-	-	25,183
208	15	-	100	-	405
54	-	-	52	-	6,421
-	48	-	-	-	7,404
-	976	-	-	1,256,577	1,258,197
-	-	-	-	-	1,578
<u>\$27,566</u>	<u>\$10,206</u>	<u>\$155</u>	<u>\$31,415</u>	<u>\$1,256,577</u>	<u>\$1,606,715</u>
\$ -	\$ 682	\$ -	\$ -	\$ -	\$ 46,014
-	4	-	-	-	6,516
-	-	-	-	-	26,667
-	-	-	-	9,165	9,165
-	9,520	-	-	-	9,520
-	-	-	-	64,729	64,729
-	-	-	-	1,666	1,666
-	-	-	-	-	11,091
-	<u>10,206</u>	-	-	<u>75,560</u>	<u>175,368</u>
-	-	-	-	1,181,017	1,181,017
27,566	-	-	31,415	-	97,247
-	-	155	-	-	153,083
<u>27,566</u>	-	<u>155</u>	<u>31,415</u>	<u>1,181,017</u>	<u>1,431,347</u>
<u>\$27,566</u>	<u>\$10,206</u>	<u>\$155</u>	<u>\$31,415</u>	<u>\$1,256,577</u>	<u>\$1,606,715</u>



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*Statistical  
Section*

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# General Governmental Expenditures By Function

Last Ten Fiscal Years  
(Expressed in Thousands)

<u>SOURCE (1)</u>	<u>FOR THE YEAR ENDED JUNE 30</u>				
	<u>1983</u>	<u>(3)</u> <u>1984</u>	<u>1985</u>	<u>1986</u>	<u>(2)</u> <u>1987</u>
1. Legislative	\$ 14,906	\$ 15,877	\$ 18,597	\$ 19,421	\$ 22,912
2. General Government	235,546	308,869	374,451	395,949	442,150
3. Regulation and Protection	357,987	405,517	443,837	204,889	236,409
4. Natural Resources and Protection	36,633	37,218	40,930	47,715	89,409
5. Health and Hospitals	276,908	309,353	349,410	405,211	511,863
6. Transportation	187,567	220,320	281,638	331,419	304,110
7. Human Services	802,178	896,572	903,564	981,946	1,177,226
8. Education, Libraries and Museums	940,431	1,050,529	1,180,376	1,307,526	1,414,218 (4)
9. Corrections	132,516	147,921	163,602	187,130	219,901
10. Judicial	68,183	79,425	87,340	87,873	102,709
11. Nonfunctional	296,306	327,975	386,790	455,359	562,541
12. Federal and Other Grants	324,130	347,338	343,386	363,027	463,386 (4)
13. Debt Service	307,779	325,641	330,511	371,987	335,095
<b>Total Expenditures</b>	<b>\$3,981,070</b>	<b>\$4,472,555</b>	<b>\$4,904,432</b>	<b>\$5,159,452</b>	<b>\$5,881,929</b>

- (1) Includes General, Special Revenue, and Debt Service Funds.
- (2) Represents First Year Prepared on GAAP Basis.
- (3) Data Presented on a (Legal) Budgetary Basis as it was Impractical to Restate this Data to Generally Accepted Accounting Principle (GAAP) Basis.
- (4) Includes Higher Education Expenditures Treated as Operating Transfers Out on Operating Statements.
- (5) Beginning in 1989, Nonfunctional Expenditures were Reclassified to the Proper Function of Government.

SOURCES: Annual Report of the State Comptroller 1983-1986  
Combined Statement of Revenues, Expenditures and Changes in Fund Balances 1987-1992



<u>1988</u>	(5) <u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
\$ 27,419	\$ 38,453	\$ 40,748	\$ 41,798	\$ 38,057
466,452	1,056,167	1,143,948	1,020,494	996,980
251,099	312,359	313,466	322,473	316,333
83,282	133,746	163,589	191,727	203,926
587,700	802,655	845,026	907,938	862,534
322,876	421,240	432,350	396,077	337,467
1,262,257	1,488,276	1,780,134	2,130,706	2,278,812
1,635,888 (4)	2,061,221 (4)	2,220,106 (4)	2,144,504 (4)	2,216,166 (4)
250,366	358,188	423,239	499,079	509,268
110,184	160,821	173,594	189,774	213,602
613,773	-	-	-	-
420,533 (4)	561,107 (4)	533,033 (4)	538,069 (4)	791,892 (4)
340,518	384,730	464,586	547,505	776,274
<u>\$6,372,347</u>	<u>\$7,778,963</u>	<u>\$8,533,819</u>	<u>\$8,930,144</u>	<u>\$9,541,311</u>



## Revenues By Source

Last Ten Fiscal Years  
(Expressed in Thousands)

<u>SOURCE (1)</u>	<u>FOR THE YEAR ENDED JUNE 30</u>				
	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
1. Taxes	\$2,628,544	\$3,190,306	\$3,573,702	\$3,594,448	\$4,024,113
2. Licenses, Permits and Fees	175,157	202,354	262,673	310,427	289,912
3. Intergovernmental	377,012	409,947	441,481	485,651	1,080,103
4. Charges for Services	216,925	269,513	363,328	430,252	375,863
5. Fines, Forfeits and Rents	17,721	12,435	12,304	11,943	20,881
6. Investment Earnings	16,822	15,975	20,757	20,340	38,763
7. Lottery and Off Track Betting	-	-	-	-	-
8. Miscellaneous	640,910	639,583	650,750	658,783	108,709
<b>Total Revenues</b>	<b>\$4,073,091</b>	<b>\$4,740,113</b>	<b>\$5,324,995</b>	<b>\$5,511,844</b>	<b>\$5,938,344</b>

(1) Includes General, Special Revenue and Debt Service Funds.

(2) Represents First Year Prepared on a GAAP Basis.

(3) Data Presented on a Legal (Budget) Basis as it was Impractical to Restate this Data to a GAAP Basis.

NOTE: Beginning in 1989 Lottery and Off Track Betting revenues have been split from Charges for Services and are reported at gross proceeds.

SOURCES: Annual Report of the State Comptroller 1983-1986  
Combined Statement of Revenues, Expenditures and Changes in Fund Balances 1987-1992





<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
\$4,079,663	\$4,565,136	\$4,961,739	\$4,639,536	\$5,596,447
320,441	330,802	380,011	365,780	372,146
1,159,223	1,331,263	1,479,412	1,688,731	2,135,220
382,915	65,051	59,863	61,153	62,364
12,866	25,177	44,178	21,811	27,151
38,824	44,727	45,579	69,715	65,284
-	697,672	718,473	731,095	709,423
125,591	115,543	145,004	144,715	172,494
<u>\$6,119,523</u>	<u>\$7,175,371</u>	<u>\$7,834,259</u>	<u>\$7,722,536</u>	<u>\$9,140,529</u>



## Computation of Legal Debt Margin

July 1, 1992

(Expressed in Thousands)

Estimated General Fund Tax Receipts for the Fiscal Year Ending June 30, 1993	\$5,349,700
Factor	<u>1.6</u>
Statutory Debt Limit for Debt Incurred	8,559,520
Less: Authorized Bonds, Notes, and Other Obligations subject to certain limitations.	<u>7,121,718</u>
<b>Legal Debt Margin</b>	<b><u>\$1,437,802</u></b>

SOURCE: State of Connecticut General Obligation Bonds Offering Statement  
Dated September 1, 1992.

## Net General Long-Term Bonded Debt Per Capita

Last Ten Fiscal Years

(Expressed in Thousands)

<u>FOR THE YEAR ENDED JUNE 30,</u>	<u>POPULATION</u>	<u>GENERAL LONG-TERM DEBT</u>			<u>NET DEBT PER CAPITA</u>
		<u>TOTAL DEBT</u>	<u>LESS DEBT SERVICE FUND</u>	<u>NET</u>	
1983	3,163	\$1,919,120	\$36,189	\$1,882,931	\$595
1984	3,180	1,930,750	29,203	1,901,547	598
1985	3,201	2,033,260	45,063	1,988,197	621
1986	3,224	2,001,495	40,882	1,960,613	608
1987	3,248	2,049,465	56,055	1,993,410	614
1988	3,272	2,394,513	159,802	2,234,711	683
1989	3,283	3,232,491	209,175	3,023,316	920
1990	3,290	4,249,439	291,621	3,957,818	1,203
1991	3,291	5,650,182	349,206	5,300,976	1,611
1992	3,291 (est.)	6,503,455	388,425	6,115,030	1,858

SOURCES: Economic Report of the Governor 1993-1994  
Combined Balance Sheet



## Ratio of Annual Debt Service

### GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES

Last Ten Fiscal Years

(Expressed in Thousands)

<u>FOR THE YEAR ENDED JUNE 30,</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL DEBT SERVICE</u>	<u>(1) TOTAL GENERAL EXPENDITURES</u>	<u>RATIO OF DEBT SERVICE TO TOTAL GENERAL EXPENDITURES</u>
1983	188,865	118,914	307,779	3,981,070	7.7%
1984	192,992	132,649	325,641	4,472,555	7.3%
1985	204,731	125,780	330,511	4,904,432	6.7%
1986	218,290	153,697	371,987	5,159,452	7.2%
1987(2)	180,685	154,410	335,095	5,881,929	5.7%
1988	179,950	160,568	340,518	6,372,347	5.3%
1989	201,203	183,527	384,730	7,778,963	4.9%
1990	230,876	233,710	464,586	8,533,819	5.4%
1991	248,544	298,961	547,505	8,930,144	6.1%
1992	312,571	413,703	726,274	9,541,311	7.6%

(1) Includes General, Special Revenue and Debt Service Funds. Also Included are Higher Education Expenditures Treated as Operating Transfers Out on Operating Statements.

(2) 1987-First Year Prepared on a GAAP Basis.

SOURCES: Annual Report of the State Comptroller 1983-1986  
Combined Statement of Revenues, Expenditures and Changes in Fund Balances 1987-1992



# Revenue Bond Coverage

Last Ten Fiscal Years  
(Expressed in Thousands)

## RENTAL HOUSING

FOR THE YEAR ENDED JUNE 30,	GROSS RECEIPTS USED		NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS			
	FOR DEBT SERVICES(1)	DIRECT OPERATING EXPENSES(2)		PRINCIPAL	INTEREST	TOTAL	COVERAGE
1983	\$ 6,436	\$1,283	\$ 5,153	\$1,250	\$ 7,068	\$ 8,318	.62
1984	8,539	1,508	7,031	7,150	7,651	14,801	.48
1985	8,414	1,491	6,923	3,750	7,221	10,971	.63
1986	9,790	1,979	7,811	2,450	6,970	9,420	.83
1987	11,379	2,257	9,122	2,450	6,293	8,743	1.04
1988	7,985	2,483	5,502	5,950	6,090	12,040	.46
1989	13,206	3,210	9,996	1,550	7,480	9,030	1.11
1990	16,106	4,205	11,901	1,550	8,694	10,244	1.16
1991	18,113	3,234	14,879	1,550	11,360	12,910	1.15
1992	10,071	1,267	8,804	1,550	8,562	10,112	.87

(1) Includes Operating and Non-Operating Revenues and Principal Collections.

(2) Includes Operating Expenses Less Depreciation, Amortization and Interest Expenses.

SOURCES: Annual Report of the State Comptroller 1983-1986  
 Annual Report of the Treasurer 1983-1986  
 Combining Statement of Revenues, Expenses & Changes in Retained Earnings  
 Combining Statement of Cash Flows



## Revenue Bond Coverage

Last Ten Fiscal Years  
(Expressed in Thousands)

### BRADLEY INTERNATIONAL AIRPORT

<u>FOR THE YEAR ENDED JUNE 30,</u>	<u>GROSS REVENUE(1)</u>	<u>DIRECT OPERATING EXPENSES(2)</u>	<u>NET REVENUE</u>	<u>DEBT SERVICE REQUIREMENTS</u>			
			<u>AVAILABLE FOR DEBT SERVICE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>COVERAGE</u>
1983	\$11,026	\$ 3,282	\$ 7,744	\$ -	\$ 6,366	\$ 6,366	1.22
1984	18,744	6,389	12,355	-	10,075	10,075	1.23
1985	19,075	6,518	12,557	-	9,138	9,138	1.37
1986	18,963	8,332	10,631	-	7,333	7,333	1.45
1987	22,074	12,100	9,974	-	9,242	9,242	1.08
1988	25,619	13,487	12,132	-	10,283	10,283	1.18
1989	32,049	14,395	17,654	995	10,093	11,088	1.59
1990	37,000	15,711	21,289	1,075	10,250	11,325	1.88
1991	33,589	16,312	17,277	1,175	10,305	11,480	1.50
1992	31,307	16,675	14,632	1,285	10,384	11,669	1.25

(1) Includes Operating and Non-Operating Revenues.

(2) Includes Operating Expenses Less Depreciation and Interest Expenses.

SOURCE: Bradley International Airport Financial Statements



# Revenue Bond Coverage

Last Ten Fiscal Years  
(Expressed in Thousands)

## CONNECTICUT DEVELOPMENT AUTHORITY

FOR THE YEAR ENDED JUNE 30,	GROSS RECEIPTS			DEBT SERVICE REQUIREMENTS			
	USED FOR DEBT SERVICES(1)	DIRECT OPERATING EXPENSES(2)	AVAILABLE FOR DEBT SERVICE	PRINCIPAL	INTEREST	TOTAL	COVERAGE
1983	\$132,725	\$1,349	\$131,376	\$ 59,440	\$ 67,823	\$127,263	1.03
1984	134,614	1,505	133,109	47,078	79,889	126,967	1.05
1985	225,335	1,897	223,438	82,864	131,677	214,541	1.04
1986	279,002	1,830	277,172	126,178	141,057	267,235	1.04
1987	253,375	1,901	251,474	103,157	135,561	238,718	1.05
1988	272,954	2,034	270,920	122,331	137,169	259,500	1.04
1989	341,359	2,494	338,865	192,285	139,536	331,821	1.02
1990	236,158	2,880	233,278	83,363	144,287	227,650	1.02
1991	308,592	8,812	299,780	177,784	122,300	300,084	1.00
1992(3)	32,205	8,068	24,137	7,340	15,651	22,991	1.05

(1) Includes Operating and Non-Operating Revenues and Principal Collected on Loans.

(2) Includes Operating Expenses Less Depreciation, Amortization and Interest Expenses.

(3) Beginning in 1992, the Authority no longer includes the assets and liabilities of its Self-Sustaining Bond Program in its financial statements. See Note 18b.

SOURCE: Connecticut Development Authority Financial Statements



# Revenue Bond Coverage

Last Ten Fiscal Years  
(Expressed in Thousands)

## CONNECTICUT HOUSING FINANCE AUTHORITY

<u>FOR THE YEAR ENDED DEC. 31,</u>	<u>GROSS RECEIPTS</u>		<u>AVAILABLE FOR DEBT SERVICE</u>	<u>DEBT SERVICE REQUIREMENTS</u>			
	<u>USED FOR DEBT SERVICES(1)</u>	<u>DIRECT OPERATING EXPENSES(2)</u>		<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>COVERAGE</u>
1982	\$183,065	\$ 6,814	\$176,251	\$ 39,920	\$116,561	\$156,481	1.13
1983	232,315	7,999	224,316	47,715	137,929	185,644	1.21
1984	280,359	8,858	271,501	59,030	155,980	215,010	1.26
1985	354,257	9,980	344,277	66,350	175,298	241,648	1.42
1986	482,135	11,719	470,416	222,425	190,105	412,530	1.14
1987	451,530	11,282	440,248	241,835	179,003	420,838	1.05
1988	367,793	15,444	352,349	140,915	175,957	316,872	1.11
1989	362,041	23,911	338,130	105,335	190,882	296,217	1.14
1990	382,364	40,999	341,365	260,750	202,547	463,297	.74
1991	385,139	34,819	350,320	103,405	207,415	310,820	1.13

(1) Includes Operating and Non-Operating Revenues and Principal Collected on Loans.

(2) Includes Operating Expenses Less Depreciation, Amortization and Interest Expenses.

SOURCE: Connecticut Housing Finance Authority Financial Statements



# Revenue Bond Coverage

Last Four Fiscal Years  
(Expressed in Thousands)

## CONNECTICUT RESOURCES RECOVERY AUTHORITY

<u>FOR THE YEAR ENDED JUNE 30,</u>	<u>GROSS REVENUE(1)</u>	<u>DIRECT OPERATING EXPENSES(2)</u>	<u>NET REVENUE AVAILABLE FOR DEBT SERVICE</u>	<u>DEBT SERVICE REQUIREMENTS</u>			<u>COVERAGE</u>
				<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	
1989	\$ 97,385	\$71,264	\$26,121	\$ -	\$28,441	\$28,441	.92
1990	133,435	92,959	40,476	6,531	27,700	34,231	1.18
1991	128,492	90,228	38,264	10,989	26,389	37,378	1.02
1992	128,206	92,311	35,895	12,198	27,972	40,170	.89

(1) Includes Operating Revenues and Investment Income.

(2) Includes Operating Expenses Less Depreciation and Amortization.

NOTE: Prior to 1989, Connecticut Resources Recovery Authority was considered a development stage enterprise as many of its facilities were still being constructed.

SOURCE: Connecticut Resources Recovery Authority Financial Statements





## Annual Estimates of the Resident Population

### CONNECTICUT COMPARED TO THE UNITED STATES

Last Ten Fiscal Years  
(Expressed in Thousands)

<u>FOR THE YEAR ENDED JUNE 30,</u>	<u>UNITED STATES</u>	<u>CONNECTICUT</u>	<u>%</u>
1983	233,806	3,163	1.4%
1984	235,847	3,180	1.3%
1985	237,950	3,201	1.3%
1986	240,162	3,224	1.3%
1987	242,321	3,248	1.3%
1988	244,534	3,272	1.3%
1989	246,820	3,283	1.3%
1990	249,415	3,290	1.3%
1991	252,177	3,291	1.3%
1992	N/A	N/A	N/A

SOURCE: Economic Report of the Governor 1993-1994

## Bank Deposits

Last Ten Fiscal Years  
(Expressed in Thousands)

<u>TOTAL AS OF</u>	<u>BANK DEPOSITS</u>
1983	\$36,612,750
1984	38,943,193
1985	45,132,675
1986	51,732,175
1987	57,414,311
1988	64,533,081
1989	67,747,035
1990	69,505,683
*1991	44,897,318
1992	38,322,461

\*NOTE: Beginning in 1991 totals are as of 6/30, before 1991 totals were as of 12/31.

SOURCES: 1983-1987 Branch Directory and Summary of Deposits, Decision Research Sciences, Inc.  
1988-1992 Commissioner's Annual Report

**Resident Employment, Unemployment and Unemployment Rate**

For the Last Ten Years

(Thousands)

<u>YEAR</u>	<u>LABOR FORCE</u>	<u>EMPLOYMENT</u>	<u>UNEMPLOYMENT</u>	<u>UNEMPLOYMENT RATE</u>
1983	1,599.3	1,487.6	111.7	7.0%
1984	1,635.7	1,556.9	78.8	4.8%
1985	1,694.1	1,612.4	81.7	4.8%
1986	1,727.2	1,653.0	74.2	4.3%
1987	1,749.5	1,687.3	62.2	3.6%
1988	1,745.1	1,693.2	51.9	3.0%
1989	1,749.7	1,693.3	56.4	3.2%
1990	1,774.3	1,693.8	80.5	4.5%
1991	1,780.1	1,685.8	94.3	5.3%
1992	1,795.3	1,670.0	125.3	7.0%

SOURCE: Economic Report of the Governor 1993-1994

**Total Personal Income and Per Capita Personal Income**

CONNECTICUT COMPARED TO THE UNITED STATES

Last Ten Calendar Years

<u>CALENDAR YEAR</u>	<u>TOTAL PERSONAL INCOME</u> (Billions of Dollars)			<u>PER CAPITA PERSONAL INCOME</u> (Dollars)			<u>PER CAPITA PERSONAL INCOME</u>
	<u>UNITED STATES</u>	<u>CONNECTICUT</u>	<u>%</u>	<u>UNITED STATES</u>	<u>CONNECTICUT</u>	<u>%</u>	<u>CT RANK</u>
1983	\$2,765.5	\$46.79	1.7%	\$11,826	\$14,793	125.1%	3
1984	3,007.3	51.10	1.7%	12,751	16,070	126.0%	3
1985	3,276.4	56.12	1.7%	13,769	17,533	127.3%	3
1986	3,487.5	60.35	1.7%	14,521	18,718	128.9%	1
1987	3,683.8	65.63	1.8%	15,202	20,206	132.9%	1
1988	3,934.6	71.89	1.8%	16,090	21,971	136.6%	1
1989	4,240.2	78.26	1.8%	17,179	23,839	138.8%	1
1990	4,517.7	81.87	1.8%	18,109	24,884	137.4%	1
1991	4,751.1	85.03	1.8%	18,840	25,836	137.1%	1
1992	4,940.7	87.08	1.8%	19,331	26,404	136.6%	N/A

SOURCE: Economic Report of the Governor 1993-1994



## Nonagricultural Employment

Last Ten Fiscal Years

FOR THE YEAR ENDED JUNE 30,	(THOUSANDS)	
	MANUFACTURING	NONMANUFACTURING
1983	406.35	1,022.83
1984	409.36	1,074.21
1985	415.41	1,131.59
1986	400.27	1,178.48
1987	389.45	1,236.80
1988	380.63	1,281.92
1989	366.44	1,312.79
1990	351.81	1,305.17
1991	332.10	1,261.20
1992	317.33	1,215.04

## June 30, 1992 Ten Largest Nonagricultural Industries

INDUSTRY	AVERAGE # OF EMPLOYEES (THOUSANDS)
Services	412.77
Wholesale and Retail Trade	330.76
Manufacture of Durable Goods	233.94
Government	208.21
Insurance	82.09
Finance and Real Estate	63.53
Manufacture of Nondurable Goods	66.64
Construction	48.89
Transportation	39.41
Communications	16.36

SOURCE: Economic Report of the Governor 1993-1994



# Top Twenty-Five Employers

June 30, 1992

## PRINCIPAL CONNECTICUT LOCATION

COMPANY	PRINCIPAL CONNECTICUT LOCATION
1. Pratt & Whitney Aircraft	Statewide
2. Aetna Life Insurance Co.	Hartford
3. General Dynamics Corp.	Groton
4. The Travelers Insurance Co.	Hartford
5. Yale University	New Haven
6. Stop & Shop	Statewide
7. SNET	New Haven
8. Sikorsky Aircraft	Bridgeport
9. Hamilton Standard	Hartford
10. Hartford Fire Insurance Co.	Hartford
11. Conn General Life Insurance Co.	Hartford
12. First National Supermarkets	Hartford
13. Pitney-Bowes, Inc.	Stamford
14. Yale-New Haven Hospital	New Haven
15. Connecticut National Bank	Hartford
16. Hartford Hospital	Hartford
17. Caldor, Inc.	Statewide
18. IBM	Hartford
19. J.C. Penney Co.	Hartford
20. UPS	Hartford
21. CBT (Fleet Bank)	Hartford
22. Textron Lycoming	Danbury/Torrington
23. Sears Roebuck	Statewide
24. G. Fox & Co.	Hartford
25. Combustion Engineering	Hartford

SOURCE: Department of Economic Development



## Economic Indicators

Last Ten Fiscal Years

<u>FOR THE YEAR ENDED JUNE 30,</u>	<u>RETAIL SALES (MILLIONS)</u>	<u>DEFENSE CONTRACT AWARDS (MILLIONS)</u>	<u>DISPOSABLE INCOME (BILLIONS)</u>	<u>TOTAL EMPLOYMENT (THOUSANDS)</u>	<u>NUMBER OF HOUSING STARTS (THOUSANDS)</u>
1983	\$18,925	\$5,126	\$39.44	1,487.6	14.56
1984	19,765	5,459	43.77	1,556.9	15.99
1985	21,909	5,543	47.56	1,612.4	20.66
1986	27,656	5,441	50.24	1,653.0	27.68
1987	27,790	5,031	55.04	1,687.3	27.60
1988	28,586	4,911	60.72	1,693.2	23.00
1989	29,021	6,082	66.55	1,693.3	15.07
1990	28,429	4,241	69.57	1,693.8	10.12
1991	29,362	4,979	72.29	1,685.8	7.07
1992	28,631	N/A	74.28	1,670.0	9.07

SOURCES: Economic Report of the Governor 1993-1994

## Demographics

Last Ten Fiscal Years

<u>FOR THE YEAR ENDED JUNE 30,</u>	<u>POPULATION (THOUSANDS)</u>	<u>PER CAPITA INCOME</u>	<u>SCHOOL ENROLLMENT</u>	<u>UNEMPLOYMENT RATE</u>
1983	3,163	\$14,793	489,187	7.0%
1984	3,180	16,070	474,475	4.8%
1985	3,201	17,533	465,031	4.8%
1986	3,224	18,718	465,896	4.3%
1987	3,248	20,206	461,724	3.6%
1988	3,272	21,971	460,564	3.0%
1989	3,283	23,839	460,190	3.2%
1990	3,290	24,884	464,563	4.5%
1991	3,291	25,836	473,015	5.3%
1992	N/A	26,404	482,314	7.0%

SOURCES: Economic Report of the Governor 1993-1994  
State of Connecticut Register and Manual



## Major Revenue Sources - General Fund

Last Ten Fiscal Years

(Millions)

FISCAL YEAR	SALES & USE TAX	% OF TOTAL REVENUE	PERSONAL INCOME TAX	% OF TOTAL REVENUE	CORPORATION TAX	% OF TOTAL REVENUE	CAPITAL GAINS TAX	% OF TOTAL REVENUE
1983	\$1,123.1	38.0%	\$ -	-	\$345.5	11.7%	\$183.7	6.2%
1984	1,362.9	38.6%	-	-	416.1	11.8%	289.5	8.2%
1985	1,542.0	39.0%	-	-	521.3	13.2%	302.4	7.6%
1986	1,652.6	38.3%	-	-	654.8	15.2%	317.3	7.3%
1987	1,840.6	38.8%	-	-	681.9	14.4%	467.8	9.9%
1988	2,000.4	41.2%	-	-	661.3	13.6%	386.3	7.9%
1989	2,097.5	38.1%	-	-	870.0	15.8%	508.7	9.2%
1990	2,479.0	40.6%	-	-	794.1	13.0%	624.7	10.2%
1991	2,417.8	41.6%	-	-	669.0	11.5%	520.5	8.9%
1992	2,080.2	28.2%	\$1,976.6	26.7%	641.4	8.7%	-	-

NOTES: Effective in 1992, the Capital Gains Tax became an integral part of the newly implemented Personal Income Tax. Gross Revenues Including Statutory Accruals.

SOURCE: Annual Report of the State Comptroller (Schedule B-2).

## Sales and Use Tax - Major Industrial Categories

June 30, 1992

(Millions)

INDUSTRY	TAX	%
Manufacturing	\$ 141.5	7.4%
Wholesale	100.3	5.2%
Retail:		
Hardware	65.6	3.4%
General Merchandise	108.1	5.6%
Food Products	104.7	5.5%
Auto Products	207.8	10.9%
Apparel	33.1	1.7%
Home Appliances & Furnishings	91.3	4.8%
Eating & Drinking Establishments	129.4	6.8%
Miscellaneous Shopping Stores	203.7	10.6%
Business	353.4	18.5%
All Other Businesses	374.9	19.6%
<b>Total Sales &amp; Use Tax</b>	<b>\$1,913.8</b>	

NOTE: The figures shown are based on returns filed on a timely basis and do not include audits or late returns.

SOURCE: Department of Revenue Services



## Miscellaneous Statistics

June 30, 1992

Date of Ratification	January 9, 1788
Form of Government	Legislative - Executive - Judicial
Miles of State Highway	4,035
Land Area	5,009 Square Miles

### State Police Protection:

Number of Stations	12
Number of State Police	972

### Higher Education (Universities, Colleges and Community Colleges):

Number of Campuses in State	22
Number of Educators	3,510
Number of Students	106,374

### Recreation:

Number of State Parks	91
Area of State Parks	30,043 Acres
Area of State Forests	139,377 Acres

### Employees:

Full-Time	49,570
Part-Time(Permanent)	2,658

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**SOURCE:** Connecticut State Register and Manual  
Office of Policy and Management



**OFFICE OF THE STATE COMPTROLLER ORGANIZATION**

As of June 30, 1992

William E. Curry Jr.  
*State Comptroller*

Anthony A. Williams  
*Deputy Comptroller*

Bernard McLoughlin  
*Chief Administrative Officer*

Mark Schillinger  
*Assistant  
Chief Administrative Officer*

Fred Gibson  
*Director, Central Payroll*

Jeffrey Holyst  
*Chief Fiscal Officer*

Margonis Janaus  
*Director, Accounting Systems*

Robert Kallin  
*Director, FMIS*

Carl Kask  
*Director, Computer Services*

Walter Olender  
*Director, Special Services*

A. Douglas Vallee  
*Director  
Central Accounts Payable*

Steven Weinberger  
*Director, Retirement Division*

*Central Accounting Division*

Raymond Girard - *Chief Accountant*

Robert Krueger - *Assistant Chief*

Hazel Brown

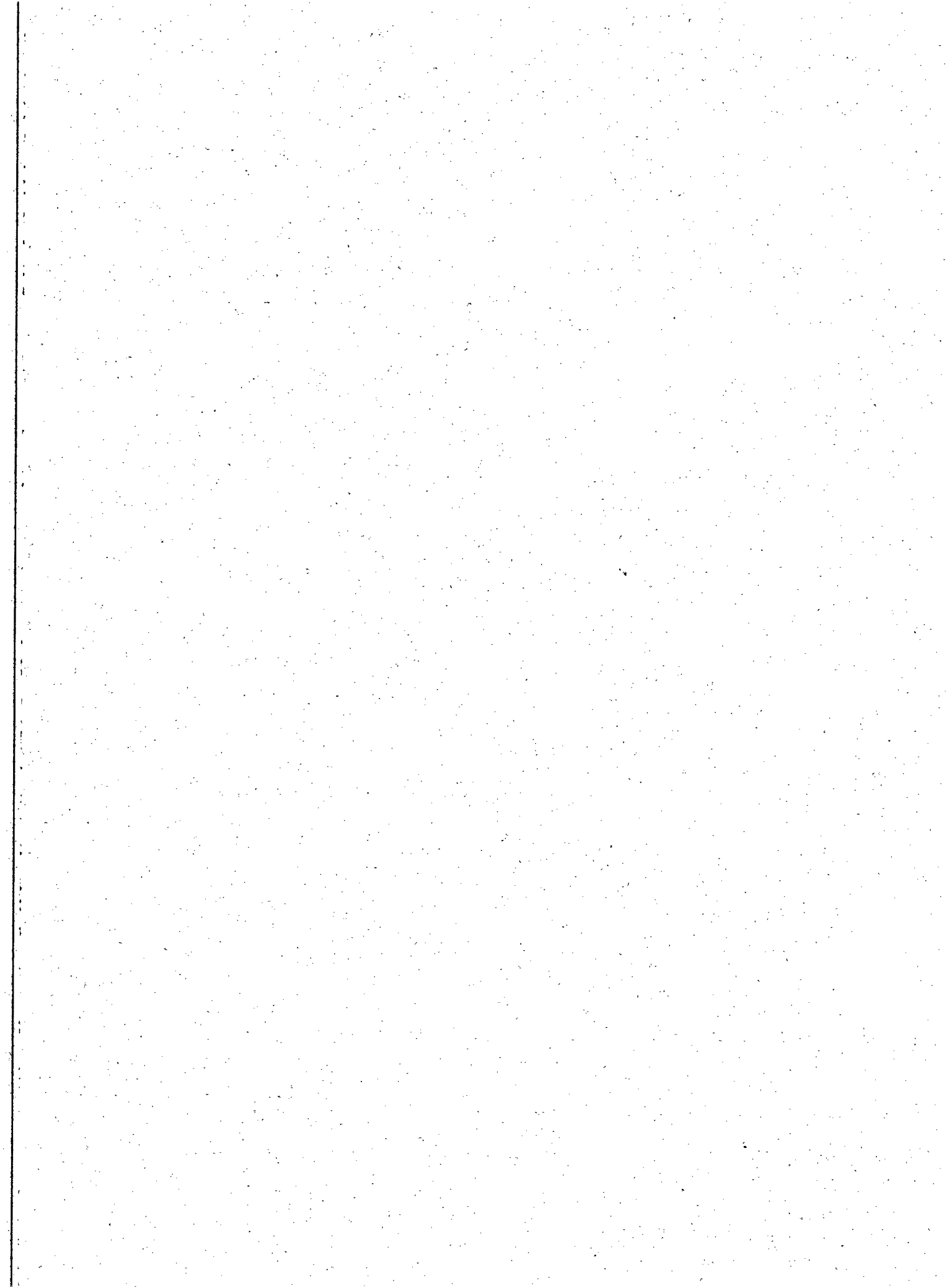
*Financial Reporting*

Gerardo Villa  
Nancy Fuda  
Doris Przygocki  
Janet Richardson

*Accounting Operations*

Raymond Evarts  
Diane Nolan  
Elizabeth Roy  
Patrick Collins  
Karen Hurst  
Karen Jones  
Beverly Hegstrom  
Judith Tollin  
Debra Morris







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