

CONNECTICUT'S FIXED COSTS

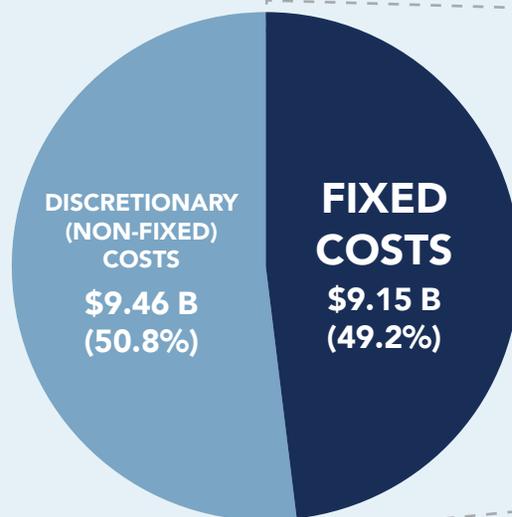
In fiscal year 2018, Connecticut's total General Fund expenditures were approximately \$18.6 billion. Almost half of those expenditures were categorized as "fixed costs."

As the State's fixed costs are increasing, the amount of money available for the discretionary—or non-fixed—portion of Connecticut's General Fund is shrinking.

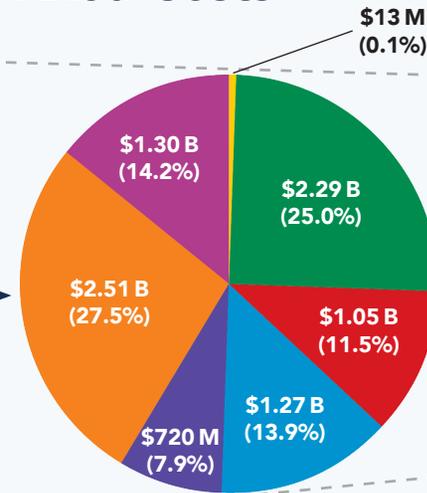
CONNECTICUT'S FINANCES

An initiative of the Connecticut School Finance Project

General Fund Expenditures

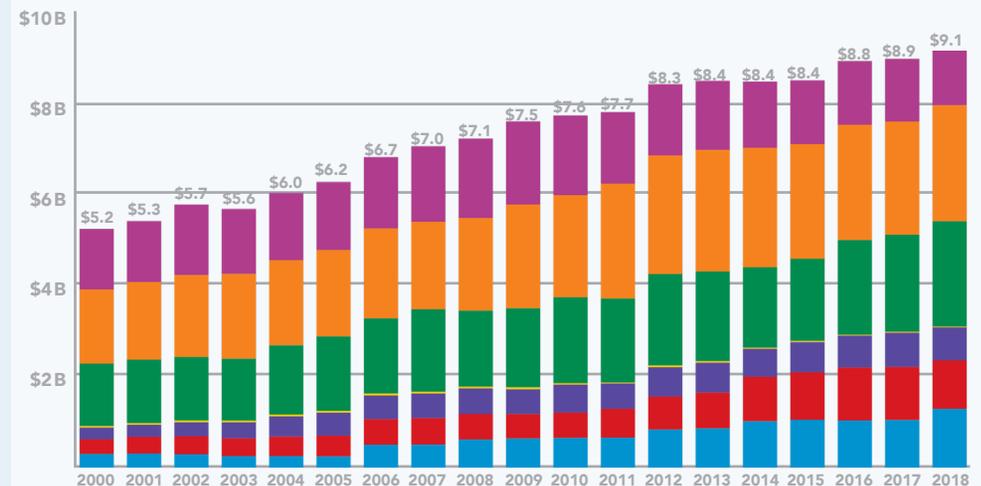


Fixed Costs



- Medicaid
- Debt Service
- Other Entitlement Accounts
- State Employees Retirement System (SERS)
- Teachers' Retirement System (TRS)
- State and Teacher OPEB
- Other State Pensions

Growth of CT's Fixed Costs (in 2018-adjusted dollars) (in billions)



- Connecticut's fixed costs have increased from 35% of General Fund expenditures in FY 2000 to 49% of General Fund expenditures in FY 2018.
- In terms of total dollars, Connecticut's fixed costs have risen from \$5.17 billion in FY 2000 to \$9.15 billion in FY 2018 — a 77% increase. During the same time period, Connecticut's total General Fund discretionary spending, or non-fixed costs, decreased by \$50 million.
- Contributing to this increase have been the State's rising contributions to the State Employees Retirement System (SERS) and Teachers' Retirement System (TRS), as well as increases in debt service payments.
- Since FY 2000, the State's contributions to SERS and TRS have increased by \$742 million (239%) and \$974 million (328%), respectively.
- While in FY 2000 contributions to SERS and TRS accounted for 11.8% of Connecticut's total fixed costs, they accounted for 25.4% in FY 2018.
- Additionally, since FY 2000, debt service payments have increased from roughly \$1.35 billion to \$2.29 billion in FY 2018 — an increase of \$937 million or 70%.

What is *Connecticut's Finances*?

Nonpartisan, nonprofit initiative of the Connecticut School Finance Project devoted to providing transparent, accessible information about Connecticut's fiscal and economic health

Includes interactive website with in-depth looks into Connecticut's:

- Budget
- Tax revenue
- Spending
- Long-term pension and debt obligations
- Bonding
- And more!

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