

State of Rhode Island and Providence Plantations

Fiscal Year 2019 Budget



Volume I – General Government and Quasi-Public Agencies

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General Government and Quasi-Public Agencies

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General Government

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Summary

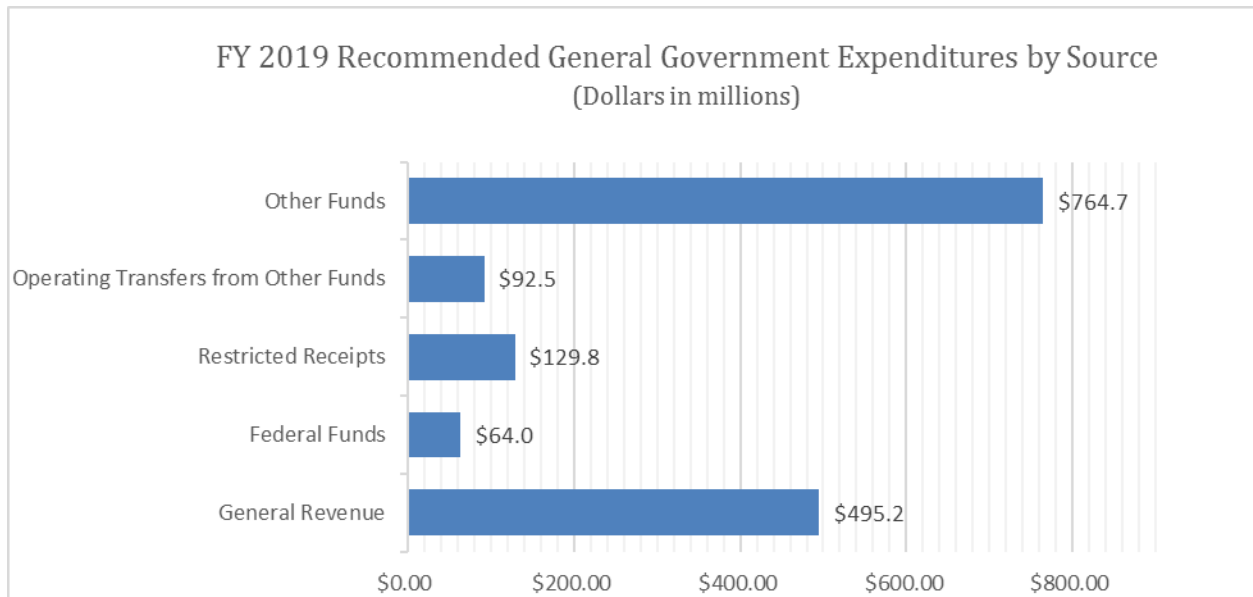
General Government includes agencies that provide general administrative services to all other state agencies, and those that perform state licensure and regulatory functions. It includes: most elected officials, including the Governor, Lieutenant Governor, General Treasurer, the Secretary of State, and the Legislature; administrative agencies, including the Department of Administration, the Department of Revenue, Executive of Commerce, the Department of Labor and Training, the Board of Elections, and the Commission for Human Rights; and regulatory agencies, including the Department of Business Regulation and the Public Utilities Commission.

The FY 2018 revised Budget for General Government agencies totals \$1.487 billion, including \$452.4 million from general revenue, \$82.8 million from federal funds, \$124.6 million from restricted receipts, and \$826.8 million from other funds. The revised FY 2018 Budget from all fund sources for General Government agencies decreases by \$16.9 million, or 1.1 percent less than the FY 2018 Enacted Budget of \$1.504 billion. The largest share of this decrease, \$22.5 million, is in general revenue, followed by a net other funds decrease of \$10.0 million. Federal financing increases \$10.7 million and restricted receipt financing increases \$4.8 million. Of the \$1.487 billion recommended for FY 2018, \$416.4 million is for grants and benefits, \$449.3 million for operating, \$205.1 million for personnel, \$105.6 million for state and local aid, \$179.9 million for debt service, \$64.5 million for capital purchases, and \$33.3 million for operating transfers.

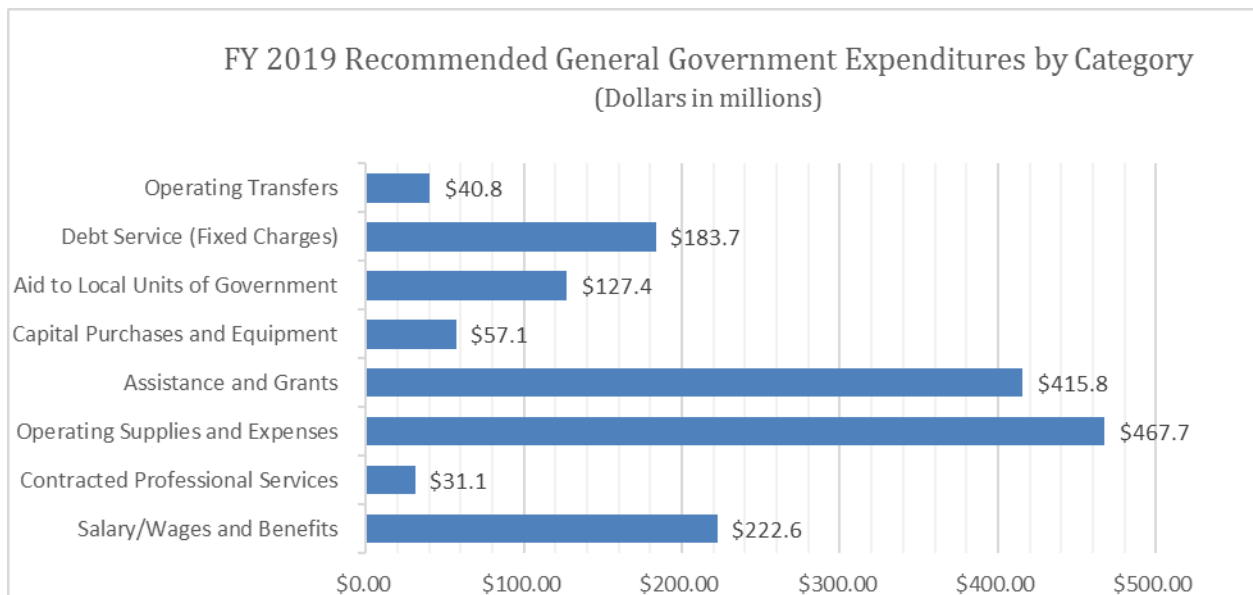
In the FY 2018 Appropriations Act, the General Assembly included the authorization to convert the Division of Capital Asset Management and Maintenance (DCAMM), the Division of Human Resources, and the Division of Information Technology (DoIT) to internal service funds. Internal service funds enable a “best practice” incentive structure for service by allocating the cost of these services directly to the benefiting agency, while increasing non-general revenue recovery for the services. The FY 2018 revised budget includes the allocation of the costs formerly budgeted in the Department of Administration. In FY 2018, there is also the recommended transfer of the Water Resources Board from the Department of Administration to the Division of Public Utilities and Carriers, which would be funded through restricted receipts.

For FY 2019, the Governor recommends expenditures of \$1.546 billion for General Government programs. The programs are financed with \$495.2 million from general revenue, \$64.0 million from federal funds, \$129.8 million from restricted receipts, and \$857.2 million from other funds. The FY 2019 recommendation for General Government agencies is \$42.5 million, or 2.8 percent, more than the FY 2018 enacted level across all fund sources.

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Of the \$1.546 billion recommended for FY 2019, \$415.8 million is for assistance, grants and benefits, \$467.7 million is for operating, \$222.6 million is for personnel, \$127.4 million is for state and local aid, \$183.7 million is for debt service, \$57.1 million is for capital purchases, and \$40.8 million is for operating transfers.



To improve the business climate in the state and bring together all professions related to building and construction design, inspection, and enforcement of the building and fire codes, the Governor's recommendation shifts 59.0 FTE positions to reflect the creation of a new program in the Department of Business Regulation. The new program will be comprised of 36.0 FTE positions of the Office of the State Fire Marshal from the Department of Public Safety, 23.0 FTE positions of the Construction Permitting, Approvals and Licensing program from the Department of Administration, and 3.0 FTE positions of the

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Boards for Design Professionals program, currently housed at the Department of Business Regulation. There is also a statewide net savings of \$4.0 million from general revenue that is included in the Department of Administration for contract and insurance reduction initiatives.

The Governor recommends the addition of 23.0 FTE positions in the Lottery Commission to oversee operations at the new Tiverton Casino that is anticipated to open in late calendar year 2018. There is also a general revenue increase of \$2.6 million and 22.0 FTE in the Division of Taxation to support enhancements to revenue collections through improvements to the discovery, collections and audit functions. The estimated revenue impact from this initiative is \$13.5 million in FY 2019.

General revenue financing for General Government agencies in FY 2019 increases by \$20.3 million, or 4.3 percent, from the FY 2018 enacted appropriations. This includes an increase of \$18.7 million for the motor vehicle excise phase out plan, \$3.4 million in debt service payments, and \$2.6 million for the public financing of general elections for the November 2018 election of general officers. In General Government, there is a decrease of \$1.6 million for personnel expenses and a statewide operational savings of \$6.2 million less than the FY 2018 enacted level.

In FY 2019, federal funds recommended in General Government agencies decrease by \$8.1 million from the FY 2018 enacted level. This includes a reduction of \$6.2 for personnel expenses, \$616,375 for purchased services, and \$7.3 million for grants and benefits. There is an increase of \$6.1 million for operating expenses and capital purchases.

The Governor's recommendation for the FY 2019 Budget includes \$129.8 million from restricted receipts, which is an overall increase of \$10.0 million above the FY 2018 Enacted Budget. Most of this increase is related to the Regional Greenhouse Gas Initiative. Operating transfers and other funds recommended in FY 2019 increase by a total of \$20.3 million, to a total of \$857.2 million, from the FY 2018 enacted level of \$836.9 million. Of this increase, \$17.0 million is related to anticipated lottery payments.

General Government Function Summary

Expenditures by Agency	2016 Actuals	2017 Actuals	2018 Enacted Budget	2018 Revised Budget	2019 Recommended
Board Of Elections	1,714,512	1,969,669	1,548,735	1,689,751	5,315,517
Department Of Administration	706,066,239	722,023,692	763,893,341	799,172,634	785,114,205
Department Of Business Regulation	13,204,877	14,129,016	15,606,183	16,214,659	24,530,291
Department Of Labor And Training	425,337,568	421,847,081	429,907,376	448,471,413	454,104,250
Department Of Revenue	458,777,131	471,375,964	525,371,718	524,687,839	582,477,370
Executive Office Of Commerce	73,415,799	73,418,290	58,598,372	58,003,215	62,814,751
General Assembly	37,669,916	38,325,853	42,252,464	47,064,142	44,635,033
Office Of Lieutenant Governor	1,026,362	1,059,509	1,084,217	1,047,496	1,039,971
Office Of The Governor	4,755,102	5,008,393	5,397,554	5,540,199	5,545,728
Public Utilities Commission	7,277,989	8,014,894	9,136,343	9,974,412	10,661,405
Rhode Island Commission For Human Rights	1,521,437	1,557,320	1,690,102	1,737,997	1,808,026
Rhode Island Ethics Commission	1,546,331	1,604,233	1,665,873	1,733,293	1,770,560
Secretary Of State	8,432,848	10,850,356	10,158,142	10,465,863	11,249,301
Treasury Department	49,277,318	42,002,140	42,764,450	43,340,030	42,674,171
Total Expenditures	1,790,023,429	1,813,186,410	1,909,074,870	1,969,142,943	2,033,740,579
Expenditures by Object					
Salary and benefits	548,067,505	572,300,678	589,418,715	610,305,621	628,914,313
Contract Professional Services	44,624,958	37,009,724	34,699,611	38,575,351	37,390,478
Operating supplies and Expenses	451,248,361	467,711,129	487,197,755	518,617,293	540,768,216
Assistance And Grants	386,048,764	387,654,256	410,889,933	416,711,151	416,117,399
Aid To Local Units Of Government	78,341,553	77,144,363	107,102,044	105,635,995	127,381,596
Subtotal: Operating	1,508,331,141	1,541,820,150	1,629,308,058	1,689,845,411	1,750,572,002
Capital Purchases And Equipment	24,792,901	36,454,618	57,721,172	64,668,988	57,277,925
Debt Service (Fixed Charges)	161,677,377	141,935,668	181,232,001	179,880,846	183,655,693
Operating Transfers	95,222,010	92,975,974	40,813,639	34,747,698	42,234,959
Subtotal: Other	281,692,288	271,366,260	279,766,812	279,297,532	283,168,577
Total Expenditures	1,790,023,429	1,813,186,410	1,909,074,870	1,969,142,943	2,033,740,579
Expenditures by Source of Funds					
General Revenue	455,147,747	460,169,445	474,512,537	452,040,602	495,215,976
Federal Funds	87,451,164	80,278,024	72,094,892	82,812,416	63,981,030
Restricted Receipts	116,517,503	108,808,902	120,124,810	124,968,985	129,772,250
Operating Transfers From Other Funds	71,254,107	81,843,580	92,916,753	98,806,276	92,508,034
Other Funds	1,059,652,908	1,082,086,458	1,149,425,878	1,210,514,664	1,252,263,289
Total Expenditures	1,790,023,429	1,813,186,410	1,909,074,870	1,969,142,943	2,033,740,579
FTE Authorization	2,330.7	2,344.7	2,365.9	2,369.9	2,490.9