



DEPARTMENT OF AGRICULTURE

AGENCY PURPOSE

To foster agriculture by:

- Developing, promoting, and regulating agricultural businesses.
- Protecting agricultural and aquacultural resources.
- Enforcing laws pertaining to the humane treatment of domestic animals.

RECOMMENDED SIGNIFICANT CHANGES

<i>Reductions to Current Services</i>	<u>2005-2006</u>	<u>2006-2007</u>
• Remove Inflation	-15,920	-41,327
• Transfer Equipment to CEPF	-36,100	-16,200
• Fund Non-ERIP accruals through the RSA account	-42,995	-73,798
• Eliminate funding for the CT Seafood Advisory Council, the Food Council and the Connecticut Wine Council	-120,000	-120,000
• Reduce Compensation Increases for Exempt, Appointed & Unclassified Employees <i>limit increases to 3% in FY06 and 2% in FY07</i>	-3,483	-8,586
• Reduce Compensation Increases for Managers & Confidentials in FY07 <i>provide 2% general wage increase and delay PARS by 6 months</i>	0	-10,748
• Reduce Funded Vacancies	-200,000	-210,000
• Carryforward FY05 Funds <i>Personal Services - \$204,958 and Other Expenses - \$23,819</i>	-228,777	0
• Regional Market - Remove Inflation	-2,609	-6,703

AGENCY SUMMARY

Personnel Summary

	2004-2005 Total Authorized	2005-2006 Change From 2004-2005	2005-2006 Total Recommended	2006-2007 Change From 2005-2006	2006-2007 Total Recommended
<u>Permanent Full-Time Positions</u>					
General Fund	58	-4	54	0	54
Regional Market Operation Fund	9	0	9	0	9
Private Contributions	2	0	2	0	2
<u>Other Positions Equated to Fulltime</u>					
General Fund	1	0	1	0	1
Regional Market Operation Fund	2	0	2	0	2
Federal Contributions	1	0	1	0	1
Private Contributions	1	0	1	0	1

Financial Summary

	2004-2005 Estimated	2005-2006 Current Services	2005-2006 Total Recommended	2006-2007 Current Services	2006-2007 Total Recommended
Personal Services	3,621,483	3,800,000	3,348,564	3,890,000	3,586,868
Other Expenses	730,032	792,521	758,213	773,617	747,032
<u>Capital Outlay</u>					
Equipment	23,500	36,200	100	16,300	100
<u>Other Current Expenses</u>					
Oyster Program	93,575	94,791	93,575	96,876	93,575
CT Seafood Advisory Council	47,500	48,118	0	49,177	0
Food Council	25,000	25,325	0	25,882	0
Vibrio Bacterium Program	10,000	10,130	10,000	10,353	10,000
Connecticut Wine Council	47,500	48,118	0	49,177	0
TOTAL - Other Current Expenses	223,575	226,482	103,575	231,465	103,575
<u>Pmts to Other than Local Govts</u>					
WIC Pgm for Fresh Produce for Seniors	88,267	89,414	88,267	91,381	88,267
Collection of Agricultural Statistics	1,200	1,216	1,200	1,243	1,200
Tuberculosis and Brucellosis Indemnity	1,000	1,000	1,000	1,000	1,000

Exhibits and Demonstrations	5,600	5,673	5,600	5,798	5,600
Connecticut Grown Product Promotion	15,000	15,195	15,000	15,530	15,000
WIC Coupon Program for Fresh Produce	84,090	85,183	84,090	87,057	84,090
TOTAL - Pmts to Other than Local Govts	<u>195,157</u>	<u>197,681</u>	<u>195,157</u>	<u>202,009</u>	<u>195,157</u>
TOTAL - General Fund	4,793,747	5,052,884	4,405,609	5,113,391	4,632,732
Personal Services	451,893	462,598	462,598	482,344	481,396
Other Expenses	173,539	176,148	173,539	180,242	173,539
<u>Capital Outlay</u>					
Equipment	23,500	35,000	35,000	25,000	25,000
<u>Other Current Expenses</u>					
Fringe Benefits	185,000	218,302	218,302	223,316	223,316
TOTAL - Regional Market Operation Fund	<u>833,932</u>	<u>892,048</u>	<u>889,439</u>	<u>910,902</u>	<u>903,251</u>
<u>Additional Funds Available</u>					
Bond Funds	500,000	0	6,000,000	0	6,000,000
Federal Contributions	4,294,844	5,541,279	5,541,279	5,541,279	5,541,279
Private Contributions	653,000	668,000	668,000	668,000	668,000
TOTAL - All Funds Net	<u>11,075,523</u>	<u>12,154,211</u>	<u>17,504,327</u>	<u>12,233,572</u>	<u>17,745,262</u>



DEPARTMENT OF ENVIRONMENTAL PROTECTION

AGENCY PURPOSE

The agency's purpose is to ensure that:

- The state's natural resources are preserved, conserved and protected.
- Strict environmental quality standards are implemented fairly and effectively.
- All parts of society – communities, individuals, business, state and local governments – have access to accurate

information sufficient to effectively participate in managing human health and environmental risks.

- Open space acquisition, urban development and ecosystem management reflect the understanding that our natural and fiscal resources are finite, and our preservation and utilization of both must be systematically managed.

RECENT HIGHLIGHTS

Long Island Sound Restoration

DEP's strategic planning and implementation approach to the restoration of Long Island Sound (LIS) is a model for DEP's watershed management efforts. Efforts to restore critical natural resource habitat has complemented the water quality improvements of LIS. Tidal wetland restoration efforts resulted in 149.9 acres restored during the past several years. Over the last 30 years 1600 acres of tidal wetlands have been restored.

Nitrogen General Permit and the Nitrogen Credit Exchange

DEP purchased \$1.4 million in excess credits generated in 2003 and successfully completed the first year of exchanges between Connecticut's 79 municipal sewage treatment plants participating in the program. DEP has issued a general permit that assigns annually decreasing nitrogen discharge levels to each Connecticut plant that collectively will meet the 58.5% target reduction by 2014. Achieving this goal will dramatically improve water quality in Long Island Sound. CT's Clean Water Fund has invested nearly \$500 million in these upgrades with nearly \$150 million going towards nitrogen removal.

No Discharge Zones

U.S. EPA has approved the designation of Connecticut's second federally approved No Discharge Area (NDA). The discharge of all sewage, treated or untreated, from boats is now prohibited in Connecticut from Wamphassuc Point in Stonington to Eastern Point in Groton. This is adjacent to CT's first designated NDA, the Pawcatuck River, Little Narragansett Bay and Stonington Harbor.

Lobster Research and Aid Programs

DEP distributed almost \$1.5M in economic assistance to lobstermen who participated in the department's Lobster Pot Tag Buyback Program. This will assist in conserving the depressed lobster resource as it begins to rebuild from the effects of the die-off. The department's research efforts, also funded by the federal disaster aid, have continued with lobster population monitoring and tagging studies in cooperation with commercial fishermen.

Wetlands Habitat Restoration

DEP and its partners received a 2004 Coastal America Partnership Award for the nationally recognized history of successful tidal marsh protection, restoration and research at Barn Island Wildlife Management Area (WMA) in Stonington as well as the latest 144 acre addition to the Barn Island WMA. The WMA now encompasses 1,013 acres constituting the state's largest protected coastal area. Audubon CT also recognized Barn Island WMA as a globally significant Important Bird Area.

Environmental Conditions Online

DEP's Environmental Data and Geographic Exchange (EDGE) project was enhanced to include additional environmental information. The Environmental Conditions Online (ECO) provides direct access to geography-based, natural resource and environmental information to department staff through their web browser on their desktop computers. ECO provides the foundation for sharing access to information maintained by DEP and other state and federal agencies.

Environmental Compliance

The department has continued integrating and targeting its permitting assistance and enforcement efforts to provide the greatest degree of environmental protection. During the year over 3,100 permits and other authorizations were issued. Over 10,000 visitors a month accessed DEP's website for permit assistance materials. In addition, DEP is now publishing a quarterly newsletter to provide timely updates to agency initiatives and actions. Enforcement efforts have been directed toward sectors with higher rates of noncompliance. In the last year, DEP has conducted more than 7,000 inspections and issued over 700 notices of violation, 13 unilateral orders, 250 consent orders including \$1,297,460 in civil penalties and \$1,472,194 in supplemental environmental projects and made 33 case referrals to the Attorney General's Office.

Clean School Bus Program

The department has established a pilot program designed to reduce diesel emissions from school buses and other sources. Relying on cleaner fuels and innovative technology to significantly cut harmful bus emissions, the program is expected to reduce risk exposure to children and improve air quality. In 2004 the largest urban school bus retrofit project was launched in the City of New Haven. Improvements will be made to 182 school buses. DEP will also work with science teachers in New Haven to implement air quality curriculum to complement the school bus retrofit project. In addition, DEP introduced a new ant-idling signage program for voluntary posting in school bus load areas. DEP completed a similar pilot program in the City of Norwich in 2003. DEP will continue to expand to the cities of Hartford and Bridgeport using supplemental environment project monies.

Clean Marina Program

DEP encourages inland and coastal marina operators to voluntarily minimize pollution by certifying as "Clean Marinas" those marinas, boatyards and yacht clubs that operate at environmental standards above and beyond regulatory compliance. To date, DEP has certified 5 marinas and an additional 23 facilities have taken a pledge to become certified within one year.

Site Remediation

Responding to the most serious cases of groundwater and soil contamination, the department approved over 25 remedial action plans in the last year and provided over 100 families with a safe supply of drinking water to replace their contaminated supply. In addition, almost \$2 million in special grants were obtained from EPA to enhance the state's site remediation programs.

Protection Open Space

DEP closed on 22 projects totaling approximately 7,079 acres through the Recreation and Natural Heritage Trust Program.

In addition the department awarded 34 grants to assist municipalities, private nonprofit land conservation organizations and water companies acquire 2,382 acres more of open space. To date the state has now awarded a total of 267 grants through the Open Space and Watershed Land Acquisition Grant Program for the acquisition of 18,578 acres of permanently protected open space land. The state also holds approximately 250,150 acres as open space land in its system of park, forest, wildlife, fishery, and natural resource management areas.

RECOMMENDED SIGNIFICANT CHANGES**Reductions to Current Services**

	<u>2005-2006</u>	<u>2006-2007</u>
• Remove Inflation	-75,951	-194,063
• Transfer Equipment to CEPF	-1,099,900	-1,099,900
• Fund Non-ERIP accruals through the RSA account	-102,000	-105,000
• Reduce Compensation Increases for Exempt, Appointed & Unclassified Employees <i>limit increases to 3% in FY06 and 2% in FY07</i>	-11,176	-27,552
• Reduce Compensation Increases for Managers & Confidentials in FY07 <i>provide 2% general wage increase and delay PARS by 6 months</i>	0	-65,043
• Carryforward FY05 Funds <i>Personal Services - \$247,696 and Other Expenses - \$106,952</i>	-354,648	0
• Eliminate State Emergency Response Commission	-146,149	-145,697
• Eliminate nominal funding for Long Island Sound Research Fund, Soil Conservation Districts & Environmental Review Teams	-3,040	-3,040

AGENCY SUMMARY**Personnel Summary**

	2004-2005 Total Authorized	2005-2006 Change From 2004-2005	2005-2006 Total Recommended	2006-2007 Change From 2005-2006	2006-2007 Total Recommended
<u>Permanent Full-Time Positions</u>					
General Fund	367	0	367	0	367
Special Funds, Non-Appropriated	281	-5	276	0	276
Bond Funds	28	0	28	0	28
Federal Contributions	222	0	222	0	222
Private Contributions	93	0	93	0	93
<u>Other Positions Equated to Fulltime</u>					
Federal Contributions	2	0	2	0	2
Private Contributions	3	1	4	0	4

Financial Summary

	2004-2005 Estimated	2005-2006 Current Services	2005-2006 Total Recommended	2006-2007 Current Services	2006-2007 Total Recommended
Personal Services	29,836,611	30,315,000	29,954,128	31,060,000	30,862,405
Other Expenses	3,125,506	3,176,879	3,018,554	3,252,837	3,125,506
<u>Capital Outlay</u>					
Equipment	5,100	1,100,000	100	1,100,000	100
<u>Other Current Expenses</u>					
Stream Gaging	157,600	159,640	157,600	163,150	157,600
Mosquito Control	352,717	357,301	352,717	365,160	352,717
State Superfund Site Maintenance	391,000	396,080	391,000	404,790	391,000
Laboratory Fees	275,875	279,460	275,875	285,600	275,875
Dam Maintenance	129,314	130,995	129,314	135,653	131,091
Long Island Sound Research Fund	1,000	1,013	0	1,035	0
Emergency Response Commission	144,439	148,020	0	150,778	0
Artesian Well Repairs	10,000	0	0	0	0
TOTAL - Other Current Expenses	1,461,945	1,472,509	1,306,506	1,506,166	1,308,283

Budget Summary

Pmts to Other than Local Govts

Soil Conservation Districts	1,040	1,050	0	1,070	0
Agree USGS-Geology Investigation	47,000	47,610	47,000	48,650	47,000
Agreement USGS-Hydrological Study	122,770	124,360	122,770	127,090	122,770
N E Interstate Water Pollution Comm	8,400	8,500	8,400	8,680	8,400
Northeast Interstate Forest Fire Comp	2,040	2,060	2,040	2,100	2,040
Conn River Valley Flood Control Comm	40,200	40,720	40,200	41,610	40,200
Thames River Valley Flood Control Comm	50,200	50,850	50,200	51,960	50,200
Environmental Review Teams	1,000	1,013	0	1,035	0
Agree USGS Quality Stream Monitoring	170,119	172,330	170,119	176,120	170,119
TOTAL - Pmts to Other than Local Govts	<u>442,769</u>	<u>448,493</u>	<u>440,729</u>	<u>458,315</u>	<u>440,729</u>
TOTAL - General Fund	34,871,931	36,512,881	34,720,017	37,377,318	35,737,023

Additional Funds Available

Special Funds, Non-Appropriated	46,582,046	47,250,838	47,250,838	48,215,233	48,215,233
Bond Funds	2,400,000	0	57,000,000	0	149,000,000
Federal Contributions	29,054,761	28,791,788	28,791,788	28,817,907	28,817,907
Private Contributions	12,925,693	13,885,964	13,885,964	14,391,430	14,391,430
TOTAL - All Funds Net	<u>125,834,431</u>	<u>126,441,471</u>	<u>181,648,607</u>	<u>128,801,888</u>	<u>276,161,593</u>



COUNCIL ON ENVIRONMENTAL QUALITY

AGENCY PURPOSE

- To monitor, analyze and report the status of Connecticut's air, water, land and wildlife
- To recommend appropriate legislation and program improvements to correct deficiencies in state environmental policy.
- To publish the *Environmental Monitor* on-line.
- To investigate citizens' complaints on environmental matters.
- To review projects and policies of other state agencies from an environmental standpoint.

AGENCY SUMMARY

Personnel Summary

Permanent Full-Time Positions

	2004-2005 Total Authorized	2005-2006 Change From 2004-2005	2005-2006 Total Recommended	2006-2007 Change From 2005-2006	2006-2007 Total Recommended
General Fund	1	0	1	0	1

Financial Summary

	2004-2005 Estimated	2005-2006 Current Services	2005-2006 Total Recommended	2006-2007 Current Services	2006-2007 Total Recommended
Personal Services	45,000	88,464	88,464	93,977	92,978
Other Expenses	5,000	5,066	5,000	5,176	5,000
TOTAL - General Fund	50,000	93,530	93,464	99,153	97,978
<u>Additional Funds Available</u>					
Private Contributions	21,221	0	0	0	0
TOTAL - All Funds Net	71,221	93,530	93,464	99,153	97,978



COMMISSION ON CULTURE AND TOURISM

AGENCY PURPOSE

- Preserve and promote Connecticut's cultural and tourism assets in order to enhance the quality of life and economic vitality of the state.
- Administer programs that identify, register and protect the buildings, sites, structures, districts and objects that comprise Connecticut's cultural heritage.
- Operate six state-owned historic properties, including the four state-owned museums.
- Develop and strengthen the arts in Connecticut; make artistic experiences widely accessible; and encourage public participation in the arts.
- Receive, coordinate, and disburse state, federal and private funds to individuals and organizations in support of the arts.
- Provide film, television, and media industry professionals with a variety of production, location, business and economic development information, and services.
- Work with Connecticut's business community and tourism regions to position the state as a prime destination for leisure and business travelers.
- Provide marketing, research, hospitality services, direct sales and business marketing assistance to state tourism partners, venues and destinations, including operation of the state's six Visitor Welcome Centers and publication of the Connecticut Vacation Guide and www.ctbound.org.

RECENT HIGHLIGHTS

- In April 2004, CCT hosted a day-long summit, "New Age, New Agency", which attracted over 350 constituents. The summit brought together representatives of museums, theaters, historical sites, cultural and heritage organizations, tourism districts and attractions, arts groups, the media and the general public. This allowed this diverse group to begin forging the relationships necessary to meet the new agency's mission and purpose.
- CCT developed a Strategic Plan. Over 140 interviews were conducted, public comment and input was solicited, and Internet posting of the draft plan all provided contributions to the plan, which maps out a vision for culture and tourism in Connecticut.
- In June 2004, CCT awarded 101 Culture and Tourism Partnership Grants totaling \$183,500 to 469 partnering organizations for innovative projects across Connecticut. The grants supported partnerships that successfully combined history, historic preservation, heritage, humanities, art, film, and/or tourism activities to benefit Connecticut communities. Grantees were selected based on project creativity, impact and quality.
- In 2004, the CCT Arts Division provided 546 grants, for a total of \$3,169,179 to support 149 artists and 304 organizations to create and/or present art in Connecticut.
- CCT expanded the Governor's Arts Awards Presentations to recognize artistic achievement in Historic Preservation and in Film. Over 1,000 people attended the event, which recognized the highest levels of achievement in the arts, with emphasis on the interrelatedness of the arts, film, history, and tourism industries.
- CCT has created a Cultural Guide that will serve as a statewide resource for residents and travelers, and will showcase Connecticut as a state rich in cultural attractions, venues activities and events. The guide will be published twice annually and will serve as a companion to the Vacation Guide.

RECOMMENDED SIGNIFICANT CHANGES

Reductions to Current Services

	<u>2005-2006</u>	<u>2006-2007</u>
• Remove Inflation	-269,636	-731,564
• Transfer Equipment to CEPF	-61,000	-61,000
• Reduce Compensation Increases for Managers & Confidentials in FY07 <i>Provide 2% general wage increase and delay PARS by 6 months</i>	0	-11,253
• Fund Non-ERIP Accruals Through the RSA Account	-115,000	-87,000
• Reduce Compensation Increases for Exempt, Appointed & Unclassified Employees <i>Limit increases to 3% in FY06 and 2% in FY07</i>	-3,607	-4,967
• Eliminate Selected Subsidies <i>The New Haven Coliseum has ceased to exist and does not require an operating subsidy. Mark Twain and Harriet Beecher Stowe's Houses have other significant sources of income and already receive states subsidies through other state agencies. Create parity in the distribution of funding among the tourism districts by eliminating the additional subsidies to selected tourism districts.</i>	-1,211,000	-1,211,000
• Reduce Grants <i>In addition to an across-the-board 10% reduction, some grants to organizations that are adept at fund-raising were also reduced.</i>	-2,837,500	-2,837,500
• Carryforward FY05 Funds	-260,035	0

AGENCY SUMMARY

Personnel Summary	2004-2005	2005-2006	2005-2006	2006-2007	2006-2007
	Total	Change From	Total	Change From	Total
	Authorized	2004-2005	Recommended	2005-2006	Recommended
<u>Permanent Full-Time Positions</u>					
General Fund	45	0	45	0	45
<u>Other Positions Equated to Fulltime</u>					
General Fund	8	0	8	0	8
Financial Summary	2004-2005	2005-2006	2005-2006	2006-2007	2006-2007
	Estimated	Current	Total	Current	Total
		Services	Recommended	Services	Recommended
Personal Services	3,480,803	3,662,618	3,315,018	3,711,300	3,608,080
Other Expenses	1,035,792	1,049,488	1,004,728	1,072,675	1,035,753
<u>Capital Outlay</u>					
Equipment	50,000	62,000	1,000	62,000	1,000
<u>Other Current Expenses</u>					
Statewide Marketing	4,000,000	4,052,000	3,600,000	4,141,144	3,600,000
<u>Pmts to Other than Local Govts</u>					
Discovery Museum	0	506,500	450,000	517,643	450,000
<u>Pmts to Local Governments</u>					
Greater Hartford Arts Council	150,000	151,950	90,000	155,293	90,000
Stamford Center for the Arts	1,500,000	1,519,500	900,000	1,552,929	900,000
Stepping Stone Child Museum	50,000	50,650	45,000	51,764	45,000
Maritime Center Authority	675,000	683,775	607,500	698,818	607,500
Basic Cultural Resources Grant	2,250,000	2,279,250	1,800,000	2,329,394	1,800,000
Tourism Districts	4,750,000	4,811,750	4,275,000	4,917,609	4,275,000
Connecticut Humanities Council	1,000,000	1,013,000	900,000	1,035,286	900,000
Amistad Committee for the Freedom Trail	50,000	50,650	45,000	51,764	45,000
Amistad Vessel	100,000	101,300	90,000	103,529	90,000
New Haven Festival of Arts and Ideas	1,000,000	1,013,000	675,000	1,035,286	675,000
New Haven Arts Council	150,000	151,950	90,000	155,293	90,000
Palace Theater	900,000	911,700	810,000	931,757	810,000
Beardsley Zoo	400,000	405,200	360,000	414,114	360,000
Mystic Aquarium	1,000,000	1,013,000	900,000	1,035,286	900,000
Quinebaug Tourism	114,000	115,482	0	118,023	0
Northwestern Tourism	114,000	115,482	0	118,023	0
Eastern Tourism	114,000	115,482	0	118,023	0
Central Tourism	114,000	115,482	0	118,023	0
New Haven Coliseum	630,000	638,190	0	652,230	0
Twain/Stowe Homes	125,000	126,625	0	129,411	0
TOTAL - Pmts to Local Governments	15,186,000	15,383,418	11,587,500	15,721,855	11,587,500
TOTAL - General Fund	23,752,595	24,716,024	19,958,246	25,226,617	20,282,333
<u>Additional Funds Available</u>					
Special Funds, Non-Appropriated	16,000	16,000	16,000	16,000	16,000
Bond Funds	44,000	44,000	44,000	44,000	44,000
Federal Contributions	1,179,868	1,179,868	1,179,868	1,179,868	1,179,868
Private Contributions	277,967	246,000	246,000	220,000	220,000
TOTAL - All Funds Net	25,270,430	26,201,892	21,444,114	26,686,485	21,742,201



DEPT OF ECONOMIC & COMMUNITY DEVELOPMENT



AGENCY PURPOSE

- Responsible for strategies and programs to improve the business environment in Connecticut; provide affordable housing opportunities for moderate and low income families; revitalize neighborhoods and communities; promote job creation and retention; and to foster public/private partnerships that strengthen the state's economy and the development capacity of Connecticut's cities and towns.
- Help position Connecticut to meet the challenges of the emerging 21st century economy by developing and administering flexible and innovative programs and policies that promote business, housing and community development.
- Implement the state's long-term economic development strategy, known as the Industry Cluster

Initiative, which is based on the economic premise that clusters of industries, not individual companies, will drive Connecticut's economy and that the expansion of quality jobs and wealth will only occur where large number of companies can successfully compete in the global marketplace. The ultimate goal of this strategy is to increase the competitiveness of Connecticut's businesses, to identify and nurture industry clusters, and for the businesses involved in these clusters to make a high level of commitment to help strengthen the "economic foundations" and the environment in which they compete.

RECENT HIGHLIGHTS

Awards

- The DECD and CERC were approved to receive \$600,000 in federal aid from the Economic Development Administration (EDA) to provide technical assistance to Connecticut manufacturers. - The Aerospace Components Manufacturers (ACM) cluster was the first cluster to be awarded funding from the EDA assistance. The \$212,500 that went to ACM will be matched with private-sector investments, bringing the programs funding total to \$425,000.
- DECD was awarded a \$500,000 grant from the Federal EPA from the Brownfield Revolving Loan Program.

Economic Development and Business Expansion

- DECD provided business assistance funding that created the following new jobs: BAE Systems Inertial Products in Cheshire-150 new jobs by the end of 2004, Boehringer Ingelheim in Ridgefield and Danbury-500-700 jobs in the next six years, and Eppendorf AG in Enfield-115 new jobs.
- DECD awarded the Town of Ledyard a \$490,000 STEAP Grant for Infrastructure and Economic development activities.
- With the help of DECD, Pfizer is currently constructing a new \$35 million, 50-bed Clinical Research Unit adjacent to Yale University.
- Urban and Industrial Sites Tax Credit Program – Two companies, Diageo and Factset took advantage of this powerful business recruitment and expansion tool by making significant investments in one of the state's targeted investment communities: Norwalk. Diageo is investing over \$100,000,000 and creating and retaining 1,000 high quality jobs. FactSet is consolidating its headquarters operation and creating an additional 150 new jobs to its existing 380-employee operation. In Plainfield, Lowe's Home Improvement Centers will provide over 500 jobs to the region. In each case Connecticut was successful in competing against offers from other states for these companies.
- Enterprise Zone - In calendar year 2003, 63 companies were certified for Enterprise Zone and related incentive benefits. The gross floor space of all the projects certified

in 2003 was 1,137,155 square feet. In addition, 1,811 jobs were retained and 995 new positions were projected by certified businesses.

- DECD Supported Economic Development Programs - DECD funding support enabled the Connecticut State Technology Extension Program (ConnStep) to visit 510 companies, which resulted in projects that created 1,480 jobs and generated approximately \$7,300,000 in tax revenue to the state. DECD funding support enabled the Procurement Technical Assistance Centers (PTAC) to help primarily women and minority-owned small businesses secure \$161,300,000 in government contracts, which resulted in the creation of 3,790 jobs and generated approximately \$12,750,000 in tax revenue to the state. DECD provided \$400,000 loan guarantees to the Connecticut Economic Development Foundation (CEDF) which enabled \$1,300,000 in micro-loans to be awarded to 50 women and minority-owned small businesses. Over the past year, DECD staff has visited over 300 companies throughout the state.

Industry Cluster Initiative

- Over the past five years, DECD has invested approximately \$17 million in the Industry Cluster Initiative. This has been matched by the private sector through cash and in-kind investments. Also, more than \$23 million in federal funds and \$8 million in other public/foundation funds have been leveraged by the Industry Cluster Initiative. More than 180 CEOs are actively leading different cluster boards, resulting in initiatives that benefit thousands of companies and hundreds of thousands of workers in every part of the state. DECD in conjunction with the Governor's Competitiveness Council issued *Partnership for Growth II: A Competitiveness Agenda for Connecticut* in March 2003. The recommendations and strategies outlined in the report in the areas of manufacturing, workforce development, technology and innovation, and inner city revitalization are being implemented through DECD and its public/private partners.

Arts and Education

- The Connecticut Historical Society (CHS) was awarded a \$3,000,000 grant-in-aid to be used for capital

improvements such as gallery space, classroom renovations and an interactive exhibit, which will be open by the fall of 2005 in conjunction with the new convention center and hotel at Adriaen's Landing. These activities are part of a renovation of the Old State House (OSH) and a reorganization of the CHS/OSH organizations.

- The Connecticut Electric Railway Association's Trolley Museum in East Windsor was awarded a \$150,000 Urban Action Grant for facility improvements and ADA accessibility enhancements.
- The Town of Simsbury received a \$500,000 STEAP grant for construction of a symphony shell and related multi-use buildings at Iron Horse Boulevard in the Simsbury Meadows.

Community Development

- The Town of Ledyard has been awarded \$500,000 from the Small Cities Program to upgrade the water system in the Avery Hill Neighborhood.
- The Town of Colchester was awarded a \$500,000 Small Cities grant to fund commercial façade rehabilitation in the neighborhood revitalization target area.
- The Town of Stafford received a \$526,200 Small Cities program grant for the reconstruction of Church Street.
- The Town of East Haddam received a \$325,000 Small Cities program grant to construct a senior center in the Moodus section of town.
- The City of Norwich, DECD, and the Mashuntucket Pequot Tribal Nation (MPTN) partnered in funding a more than \$18 million, 80,000 square feet Class A Office Building, the Mercantile Exchange. Mystic Seaport Museum Inc. received a \$2 Million dollar DECD grant for the renovation and expansion of the H.B. DuPont Preservation Shipyard.
- The City of Bridgeport has been provided a grant for \$2,500,000 to demolish buildings and prepare a site for private development of a new Super Stop and Shop.
- DECD funding of over \$80 million for the Downtown Waterbury Development project is progressing toward completion by January 2005. The new UCONN downtown campus and the Arts Magnet School are open for the new

school semester, and the totally renovated Palace Theater opened on November 12, 2004.

Housing Development

- DECD awarded the Town of Middlefield \$800,000 to convert 19 efficiency units to 1 bedroom apartments at the Sugarloaf Terrace senior housing complex.
- The Town of Plymouth has been awarded \$300,000 to rehabilitate 34 housing units, 97% of which are occupied by very low-income persons.
- The Town of Litchfield was awarded \$325,000 to purchase 3 scattered sites for the purpose of building 3 new single-family homes that will be affordable to households between 60% - 80% of median income.
- The Town of Seymour received a \$750,000 Small Cities program grant for the rehabilitation of three of its moderate rental properties: Castle Heights, Smith Acres and Smith Acres Extension.
- The Town of Windsor received a \$300,000 Small Cities grant for its Housing Rehabilitation Program.
- DECD has recently transformed the former Rice Heights public housing project in Hartford into a new affordable housing subdivision of single-family units. All roads and infrastructure have been completed, as well as 49 new homes; 24 families have already purchased their homes in this subdivision. The State has also donated 10 building lots from this subdivision to the City of Hartford for the construction of the new Breakthrough Academy Inter district Magnet School. Construction for this school is anticipated to begin in the fall of 2004.
- Energy Conservation Loan Program - through a partnership with the Connecticut Housing Investment, Inc. (CHIF), DECD provided \$1.5 million in low-interest rate financing to Connecticut homeowners to rehabilitate their homes. Approximately 240 homeowners received 1%, 3% or 6% loans to replace heating systems and other energy-efficient improvements. Recent borrowers include a single parent from East Hartford with two young children who obtained a 1% interest rate loan to install a new heating system when her furnace had been cited as a health and safety hazard.

RECOMMENDED SIGNIFICANT CHANGES

Reductions to Current Services

- Remove Inflation
- Transfer Equipment to CEPF
- Reduce Compensation Increases for Exempt, Appointed & Unclassified Employees
Limit increases to 3% in FY06 and 2% in FY07
- Reduce Compensation Increases for Managers & Confidentials in FY07
Provide 2% general wage increase and delay PARS by 6 months
- Reduce Other Expenses
- Eliminate State Contribution to Tax Abatement Grants
- Eliminate State Contribution to PILOT Grants
- Carryforward FY05 Funds

	<u>2005-2006</u>	<u>2006-2007</u>
Remove Inflation	-189,124	-529,354
Transfer Equipment to CEPF	-134,000	-83,500
Reduce Compensation Increases for Exempt, Appointed & Unclassified Employees <i>Limit increases to 3% in FY06 and 2% in FY07</i>	-6,330	-9,966
Reduce Compensation Increases for Managers & Confidentials in FY07 <i>Provide 2% general wage increase and delay PARS by 6 months</i>	0	-30,847
Reduce Other Expenses	-500,000	-500,000
Eliminate State Contribution to Tax Abatement Grants	-2,131,112	-2,131,112
Eliminate State Contribution to PILOT Grants	-2,755,000	-2,755,000
Carryforward FY05 Funds	-527,320	0

Reallocations or Transfers

- Return IT Positions to Agencies
Returning unionized IT personnel to their original agencies per the Governor's decision.

Return IT Positions to Agencies <i>Returning unionized IT personnel to their original agencies per the Governor's decision.</i>	222,578	222,578
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AGENCY SUMMARY

Personnel Summary	2004-2005	2005-2006	2005-2006	2006-2007	2006-2007
	Total	Change From	Total	Change From	Total
	Authorized	2004-2005	Recommended	2005-2006	Recommended
<u>Permanent Full-Time Positions</u>					
General Fund	97	-7	90	0	90
Special Funds, Non-Appropriated	22	0	22	0	22
Bond Funds	5	0	5	0	5
Federal Contributions	23	0	23	0	23
Private Contributions	1	0	1	0	1
Financial Summary	2004-2005	2005-2006	2005-2006	2006-2007	2006-2007
	Estimated	Current	Total	Current	Total
		Services	Recommended	Services	Recommended
Personal Services	6,125,387	6,651,315	6,544,280	6,775,160	6,734,347
Other Expenses	2,132,514	2,150,816	1,744,934	2,197,856	1,623,249
<u>Capital Outlay</u>					
Equipment	1,000	135,000	1,000	84,500	1,000
<u>Other Current Expenses</u>					
Elderly Rental Registry and Counselors	617,654	625,684	617,654	639,449	617,654
<u>Pmts to Other than Local Govts</u>					
Entrepreneurial Centers	142,500	144,353	142,500	147,529	142,500
Subsidized Assisted Living Demonstration	854,300	1,118,700	770,400	1,445,400	1,445,400
Congregate Facilities Operation Costs	5,258,151	5,326,507	5,258,151	6,197,750	5,995,979
Housing Assistance and Counseling Pgm	588,903	588,903	588,903	588,903	588,903
Elderly Congregate Rent Subsidy	1,523,004	1,542,803	1,523,004	1,576,745	1,523,004
TOTAL - Pmts to Other than Local Govts	8,366,858	8,721,266	8,282,958	9,956,327	9,695,786
<u>Pmts to Local Governments</u>					
Tax Abatement	2,131,112	2,158,816	0	2,206,310	0
Payment in Lieu of Taxes	2,755,000	2,790,815	0	2,852,213	0
TOTAL - Pmts to Local Governments	4,886,112	4,949,631	0	5,058,523	0
TOTAL - General Fund	22,129,525	23,233,712	17,190,826	24,711,815	18,672,036
<u>Additional Funds Available</u>					
Special Funds, Non-Appropriated	6,100,012	5,914,914	5,914,914	6,244,258	6,244,258
Bond Funds	5,496,150	3,602,328	3,602,328	3,628,919	3,628,919
Federal Contributions	40,821,489	41,366,556	41,366,556	41,979,504	41,979,504
Private Contributions	2,846,102	2,760,432	2,760,432	3,269,786	3,269,786
TOTAL - All Funds Net	77,393,278	76,877,942	70,835,056	79,834,282	73,794,503



AGRICULTURAL EXPERIMENT STATION

"Putting Science to Work for Society"

AGENCY PURPOSE

To perform a variety of research and analyses at laboratories in New Haven and Windsor and research farms in Hamden and Windsor. This research includes:

- Discovering insects and ticks that carry disease to people and animals and devising methods of detecting and reducing these diseases.



- Discovering methods of destroying toxic chemicals in soil and water.
- Devising ways to control pests using fewer and safer pesticides.
- Ensuring an ample and economical food supply by increasing yields, introducing successful crops, and controlling pests and plant diseases.
- Protecting people from toxic substances found in food and water and from deficient food, drugs and agricultural supplies.

RECOMMENDED SIGNIFICANT CHANGES

Reductions to Current Services

- Remove Inflation
- Transfer Equipment to CEPF
- Fund Non-ERIP accruals through the RSA account
- Reduce Compensation Increases for Managers & Confidentials in FY07
provide 2% general wage increase and delay PARS by 6 months
- Carryforward FY05 Funds
Personal Services - \$78,665 and Other Expenses - \$18,515

	<u>2005-2006</u>	<u>2006-2007</u>
	-14,262	-33,777
	-195,650	-200,600
	-53,450	-117,500
	0	-16,732
	-97,180	0

AGENCY SUMMARY

Personnel Summary

Permanent Full-Time Positions

	2004-2005 Total Authorized	2005-2006 Change From 2004-2005	2005-2006 Total Recommended	2006-2007 Change From 2005-2006	2006-2007 Total Recommended
General Fund	67	0	67	0	67
Federal Contributions	25	0	25	0	25
Private Contributions	2	0	2	0	2

Other Positions Equated to Fulltime

General Fund	1	0	1	0	1
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Financial Summary

	2004-2005 Estimated	2005-2006 Current Services	2005-2006 Total Recommended	2006-2007 Current Services	2006-2007 Total Recommended
Personal Services	5,248,693	5,375,000	5,242,885	5,500,000	5,365,768
Other Expenses	484,217	522,648	495,702	535,704	514,217
<u>Capital Outlay</u>					
Equipment	1,000	195,750	100	200,700	100
<u>Other Current Expenses</u>					
Mosquito Control	209,463	212,186	209,463	214,944	209,463
Wildlife Disease Prevention	74,000	77,108	74,000	80,809	74,000
TOTAL - Other Current Expenses	283,463	289,294	283,463	295,753	283,463
TOTAL - General Fund	6,017,373	6,382,692	6,022,150	6,532,157	6,163,548
<u>Additional Funds Available</u>					
Federal Contributions	2,487,500	2,530,500	2,530,500	2,530,500	2,530,500
Private Contributions	325,000	335,000	335,000	335,000	335,000
TOTAL - All Funds Net	8,829,873	9,248,192	8,887,650	9,397,657	9,029,048