

Budget as Enacted

FY 2005 Budget as Enacted

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Overview

***Enacted
Appropriations***

The FY 2005 Budget was enacted by the General Assembly under 04-H-8219, Substitute A, as amended, and became law on July 30, 2004 after an override of the Governor's veto.

Fiscal Year 2005 appropriations from all funds total \$5,959,490,958, an increase of 1.4 percent from the revised FY 2004 all funds appropriation level of \$5,876,032,603. General revenue appropriations total \$2,937,776,732, an increase of 5.4 percent from the revised FY 2004 general revenue appropriation level of \$2,789,669,524. Major components of the \$148.1 million net change in general revenue appropriations reflect: increases in local and education aid of \$22.1 million, in debt service of \$27.6 million, in human service appropriations of \$76.4 million, and in the support of state hospitals and long term care of \$11.5 million, and in support of the State Police of \$3.6 million. Federal funds total \$1,861,852,808, reflecting a decrease of approximately \$44.1 million from FY 2004. The significant increase from one year to the next in General Revenue funding and decline in federal funding is associated with the one time FY 2004 Federal Jobs and Growth Tax Relief Reconciliation Act funding of \$41.2 million in a FMAP supplement that was not reoccurring. This loss of special federal funding resulted in a need for increased state resources support for FY 2005. Restricted receipts total \$114,139,493, a decrease of \$21.3 million. Other funds total \$1,043,721,925, a decrease of \$1.3 million.

***Enacted
Revenues***

The opening surplus increases available resources by \$43.9 million. The amount of \$60.0 million will be transferred to the Budget Reserve and Cash Stabilization Fund pursuant to Rhode Island General Law 35-3-20. After this transfer, there is \$2.938 billion available for appropriation.

The Governor's original proposed budget was based upon the November 2003 Revenue Estimating Conferences' general revenue estimates of \$2.789 billion, plus \$168.9 million in proposed revenue changes. Included in the Governor's proposed revenue changes were increases of:

- \$62.4 million in departmental licenses and fees from the reinstatement of the hospital licensing fee for FY 2005;
- \$40.3 million in cigarette excise and sales taxes from an increase in the cigarette excise tax to \$2.46 per pack of 20 cigarettes;
- \$11.5 million in personal income and business corporations taxes from the repeal of ineffective business tax credits and an increase in the corporate minimum/franchise tax;
- \$10.7 million in lottery transfers from the elimination of the subsidy that the dog kennel owners receive from the operation of video lottery terminals at Lincoln Park.

The budget as enacted is based upon the May 2004 Revenue Estimating Conference's general revenue estimates of \$2.814 billion, plus additional revenues of \$140.0 million attributable to changes to existing law and other adjustments. This combination yields total general revenue receipts of \$2.954 billion for FY 2005. Enacted FY 2005 general revenue receipts are \$4.0 million less than the budget originally proposed by the Governor.

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***Resource
Changes from
the Governor's
Recommended
Budget***

Some of the major revenue *increases* included in the enacted budget which were not included in the Governor's budget are:

- \$25.0 million net enhancement in general revenues estimated by the May 2004 Revenue Estimating Conference.
- \$1.8 million in additional corporate income and business franchise taxes resulting from an increase in the corporate minimum income and franchise tax to \$500 from the Governor's proposal of \$450,
- \$1.9 million in unclaimed property revenues resulting from the reduction in the holding period for stocks, from three years to one year, before they can be sold and the proceeds transferred to the general fund, and
- \$1.0 million in alcohol and sales taxes resulting from the repeal of the statewide prohibition on Sunday sales of alcohol.

The major revenue *decreases* in the enacted budget relative to the Governor's budget are:

- \$6.4 million in lottery revenues due to the General Assembly not fully allocating the elimination the dog kennel owners 3.4 percent claim on the video lottery net terminal income generated at Lincoln Park to the state general fund,
- \$3.8 million in departmental license and fee revenues due to the General Assembly simultaneously reducing the hospital licensing fee from 4.0 to 3.14 percent of net patient services revenue and shifting the base year upon which the rate is applied from 2001 to 2003,
- \$2.6 million in sales tax and cigarette tax revenues due to the General Assembly's failure to adopt the Governor's proposals to require cigarette distributors to prepay the state sales tax on cigarettes and freeze the cigarette stamping discount, and
- \$1.7 million in miscellaneous departmental receipts due to the General Assembly's reconstituting the \$50 per month custodial parent distribution from the state's collection of child support from non-custodial parents from a regulation to an entitlement.

***Expenditure
Changes from
Governor's
Recommended
Budget***

The enacted FY 2005 expenditure budget is \$13.3 million greater than the budget recommended by Governor Carcieri in February of 2004. General revenue funds increase by \$38.8 million. The major items in the general revenue change are: \$22.9 million for human services agencies, primarily for caseload adjustments and elimination of proposed entitlement restrictions, \$13.0 million to increase school and state aid to municipalities, and \$3.5 million for expenditures in the Judiciary.

***Structural
Deficit***

The Governor faced a structural deficit of \$191.8 million for FY 2005 when he began to prepare that year's budget last fall. The most significant driver of that deficit was the one time receipt in FY 2004 of Jobs Growth and Tax Reconciliation Act (JGTRRA) funding which would not be reoccurring in FY 2005. JGTRRA funding in FY 2004 amounted to \$50 million in essentially unrestricted revenues and \$41.2 million in additional FMAP (Federal Medical Assistance Percentage) in

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support of Medical Assistance Expenses. The following table records the FY 2005 structural deficit projected, the Governor's FY 2005 budget as proposed in February, and the enacted 2005 budget.

	FY 2005 Projected	FY 2005 Proposed	FY 2005 Enacted
Opening Surplus	\$ -	\$ 0.1	\$ 43.9
Revenues and Transfers			
Revenues	\$ 2,449.0	\$ 2,449.0	\$ 2,427.1
Revenue Enhancements	\$ 67.0	\$ 168.9	\$ 140.0
May Revenue Estimating Conference			\$ 25.0
Other Sources	\$ 340.4	\$ 340.4	\$ 362.3
Subtotal	\$ 2,856.4	\$ 2,958.3	\$ 2,954.4
Cash Stabilization Fund	\$ (57.1)	\$ (59.2)	\$ (60.0)
Total Available	\$ 2,799.3	\$ 2,899.2	\$ 2,938.3
Projected Expenditures	\$ 2,991.1	\$ 2,899.0	\$ 2,937.8
Free Surplus	\$ (191.8)	\$ 0.2	\$ 0.5

The FY 2006 structural deficit was projected to be \$69 million at the time of introduction of the Governor's budget. Current projections yield a higher deficit.

Fiscal Fitness

In April of 2003, Governor Carcieri announced the formation of the Governor's Fiscal Fitness Program. The goal of Fiscal Fitness is to make Rhode Island government cost-efficient and, at the same time, to improve customer service. Commitment to Fiscal Fitness marked the first step in fulfilling the Governor's pledge to comprehensively audit state government. The Fiscal Fitness vision statement is:

Rhode Island will become a model for the delivery of cost-effective government services to satisfied citizens who have confidence that tax dollars are being spent efficiently. State employees will be treated with dignity and respect, and be recognized for innovation and superior service to the citizens of Rhode Island.

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The FY 2005 Budget includes actions proposed by the Fiscal Fitness team valued at \$28.0 million in general revenues. The savings are reflected throughout the agency budgets and include the following:

<u>General Revenue Receipts</u>	<u>FY 2005</u>
DEM - Agriculture Registration fees	\$273,145
DEM - Water permit fees	17,058
DEM - Boating Fees	75,592
DLT - Trade Exam	124,800
DBR - Increase various license fees	605,045
DCYF - Child Care Licensing	386,300
DOT - Physical Alteration Permits	211,700
RIDE - Teacher Certification Fees	450,000
DOA - Tax Clearance for Renewals	6,500,000
DOA - Increase Tax Field Audits (net)	560,043
DOA - Tobacco Dealer Annual License fees	40,000
Revenue Total	9,243,683
<u>Expenditure Savings</u>	
Statewide Spend Analysis - Purchasing	(1,823,096)
Statewide - Employee Medical Co-Premium, 7%	*
DHS - Monitor Child Care Eligibility (4 FTE)	(2,800,000)
DHS - Strengthen LTC/Estate Collections	(973,500)
DHS - Third Party Recoveries	(945,880)
DHS - Overpayment Recoveries	(2,155,000)
DHS - Claims Reviews	(312,556)
DHS - Casualty Recoveries	(856,680)
DHS - Medical Support Enforcement	(440,000)
DHS - Error Reduction	(880,000)
Subtotal, RFP (2 FTE)	(6,563,616)
DHS - Medicaid Qualify Reviews (HIPAA)	(2,501,838)
Expenditure Total	(13,688,550)
Total General Revenue Impact	(22,932,233)

*Excludes an estimated \$5.9 million employee medical premium co-share (7%) which is subject to negotiation for the majority of the workforce.

Overview

*The Jobs
Agenda*

In his FY 2004 budget, the Governor set an ambitious goal of creating 20,000 jobs in his first term. For 2003, the first full year of the Governor's first term, the Rhode Island economy created 4,217 net new jobs, a growth rate of 0.9 percent. In 2003, Rhode Island was the only state in New England to experience positive job growth. For the record, when the Governor made his jobs pledge, neither of the State's two economic forecasting firms nor the Revenue Estimating Conference's Consensus Economic Forecast (CEF) projected the creation of 20,000 net new jobs in Rhode Island over the 2003 – 2006 period. Now, all three are predicting total non-farm employment gains of 20,000 net new jobs.

The Governor's FY 2005 budget proposed further initiatives in furtherance of the jobs creation goal. These initiatives are focused on the three major policy areas identified by the Governor in the FY 2004 budget. These policy areas are workforce quality, coherent economic development policy, and Rhode Island's position in the new economy. The Governor proposed new spending of \$2.5 million from all sources in FY 2005 for his *Jobs Agenda*. In the FY 2005 budget, the Governor's proposals involve a combination of spending on current services and capital investments.

Regarding the quality of the State's workforce, the Governor's proposed FY 2005 budget provided \$500,000 more for adult literacy programs than was appropriated in FY 2004, for a total of \$3.4 million. The source of this funding is the revenue collected by the Human Resources Investment Council (HRIC). The General Assembly agreed to this initiative. The Governor's FY 2005 budget proposed an increase of \$300,000 to the Rhode Island Higher Education Assistance Authority from all sources of funds. The enacted FY 2005 budget contains the necessary funding to meet the Governor's proposal. In capital investment, the Governor proposed in the FY 2005 budget to give the Rhode Island Economic Development Corporation (RIEDC) the authority to issue \$15.0 million in revenue bonds to finance the acquisition of land and the development and construction of a manufacturing facility for use by Hexagon AB, the parent company of Browne & Sharp, Inc. The General Assembly declined to accept this proposal.

Regarding coherent economic development policy, Governor Carcieri proposed \$500,000 in the FY 2005 budget for the state matching grant fund for city and town economic development projects that was initiated in the FY 2004 budget. This level of funding was the same as that contained in the revised FY 2004 budget. In the enacted FY 2005 budget, the General Assembly reduced this appropriation to \$375,000. In addition, the Governor's FY 2005 budget continued the phase-in of the double weighted sales corporate income tax apportionment formula for Rhode Island manufacturers. This proposal is estimated to yield reduced manufacturers corporate income tax liabilities by \$4.3 million in the 2005 tax year. The General Assembly agreed with the Governor's proposal in this area and fully funded his request. The Governor's FY 2005 budget also contained two proposals related to the Quonset Point /Davisville Port and Commerce Park. The first proposed the creation of an independent seven member board of directors with the power to directly manage the facility. The second proposed the placement on the November 2004 ballot of a \$48.0 million bond referendum for infrastructure improvements at the park. The General Assembly concurred with the Governor on both of these proposals.

Regarding Rhode Island's position in the new economy, the Governor's FY 2005 budget proposed deferring \$200,000 of the \$500,000 appropriated in FY 2004 into FY 2005 to reflect the revised timing of the disbursements associated with the architectural and engineering work for the biotechnology research

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center at the University of Rhode Island (URI). In addition, Governor Carcieri included in his FY 2005 budget, \$4.0 million in funding for the Samuel Slater Technology Fund. In the enacted FY 2005 budget, the General Assembly concurred with the Governor on the first item and cut \$1.0 million from the Governor's FY 2005 funding request for the Slater fund. In addition, the Governor's FY 2005 budget proposed \$200,000 for the architectural and engineering work for the establishment of a Marine BioScience Research and Business Park in the state, \$1.5 million in funding for the State's participation in the National Science Foundation's *Experimental Program to Stimulate Competitive Research (EPSCoR)*, and the placement on the November 2004 ballot of a \$50.0 million bond referendum for the construction of the Center for Biotechnology and Life Sciences at URI. The General Assembly concurred with each of these recommendations. Finally, Governor Carcieri proposed in the FY 2005 budget the passage of the *Creative Companies Act (CCA)*. The CCA gave the RIEDC the ability to grant exemption from Rhode Island personal income tax any income, capital gain, or preference items for investors in, managers of, and owners of companies that have been certified as a creative company. The General Assembly declined to pass the legislation.

Local Aid

The General Revenue Sharing program distributes a percentage of total state tax revenues as general state aid to cities and towns. In the enacted FY 2005 budget, the planned increase from 2.7 percent to 3.0 percent of state tax revenues was delayed by one year. The Governor's FY 2005 budget proposal funded total general revenue sharing at the same level in FY 2005 as in FY 2004. The FY 2005 enacted budget includes \$52.4 million to fund this program which is \$1 million more than in FY 2004. All future increases in general revenue sharing are moved out one year with the final 4.7% of state revenues requirement occurring in FY 2011.

Funding for aid to local libraries increases by \$505,101 to \$8.1 million. This meets the state's obligation to finance 25 percent of local library expenditures. The FY 2005 appropriations act also amends the legislation governing the state library aid program to allow all public libraries to include endowment funding as part of the total funding to be matched by the state. This change accounted for \$224,544 of the overall increase in library aid. In addition, funding for library construction aid increased by \$464,477 to \$2.6 million to finance anticipated debt service or construction reimbursement obligations under this program in FY 2005.

The Distressed Communities Relief Fund is financed in the enacted budget at \$8.5 million which is \$1 million more than in FY 2004.

The Payment-in-Lieu-of-Taxes (PILOT) program is funded at \$22.7 million, also an increase of \$1 million from the FY 2004 enacted level, and will not fully fund the recommended reimbursement rate of 27 percent of local taxes.

The FY 2005 budget continues to provide funding for the Property Revaluation Program, which reimburses cities and towns for legislatively mandated property revaluation on a per parcel basis. Funding in FY 2005 totals \$.8 million.

The FY 2005 budget funds the Motor Vehicle Excise Tax Phase-out program at the \$4,500 exemption level. The Governor recommended, and the Legislature adopted, moving the reference year for reimbursement back one year thereby level funding the program for FY 2005. Total funding for this program is enacted at \$105.0 million.

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<p><i>General Government</i></p>

The FY 2005 enacted budget for the Department of Administration totals \$531.4 million, including \$415.6 million of general revenues, \$38.6 million of federal funds, \$10.8 million of restricted receipts, and \$66.4 million of other funds. The Department's FY 2005 general revenue budget reflects an increase of \$23.2 million, or 5.9 percent, over the FY 2004-revised budget. State Aid payments to local communities totaling \$199.4 million comprise the largest portion of the general revenue budget, followed by \$89.7 million for debt service payments. The Department's budget continues to include funding for several of the Governor's Jobs Agenda initiatives including \$3.0 million for the Slater Centers of Excellence and \$325,000 for the Office of Community and Town Development at the Economic Development Corporation. The Governor's request for \$1.5 million in new funding for the state's participation in the National Science Foundation's *Experimental Program to Stimulate Competitive Research* (EPSCoR) is also included in the enacted budget. A total of \$2.1 million has been budgeted in FY 2005 for continued investment in technology projects under the direction of the state's Chief Information Officer. Projects to be funded with this money include continuing work on the state's financial management information system, improvements to state's networks and disaster recovery systems and implementation of a statewide system for data sharing in support of various revenue collection initiatives.

In FY 2005, the Department of Administration's authorized FTE level of 1269.2 is 8.0 FTE higher than the FY 2004-revised level. This includes new audit and collection staff in the Division of Taxation to support various revenue collection initiatives.

The FY 2005 enacted general revenue budget for the Department of Business Regulation totals \$10.1 million. This budget represents an increase of \$378,157 over the FY 2004 enacted general revenue budget. The increase results from the addition of \$460,000 for the department's Insurance Regulation Division. Included in this funding is the establishment of a new Insurance Commissioner position.

The FY 2005 enacted budget for the Department of Labor and Training from all fund sources totals \$449.1 million, including \$6.9 million of general revenues, \$28.7 million of federal funds, \$26.0 million of restricted receipts, and \$387.4 million of other funds. The Department's FY 2005 general revenue budget is \$318,924 less than the FY 2004 budget reflecting the following net changes: a \$1.4 million reduction for Adult Literacy Program expenditures which were shifted from general revenues to restricted receipts (Human Resource Investment Council); a \$1.3 million increase for Professional Regulation Division expenditures which were shifted from restricted receipts (Tardy and Interest Funds) to general revenues; reductions of \$173,426 associated with Workforce Regulation and Safety programs; and a reduction of \$64,545 associated with the Labor Relations Board. A total of \$371.3 million of the department's \$449.1 spending plan is budgeted for Temporary Disability Insurance Program and Unemployment Insurance Program income support payments.

The enacted budget for the Secretary of State totals \$8.2 million in FY 2005, including \$5.0 million of general revenue, \$0.5 million in restricted receipts and \$2.6 million in Federal Funds. The general revenue recommendation represents an increase of \$0.5 million from the FY 2004 revised recommendation. This primarily reflects expenditures in FY 2005 for the primary and general election cycle not required in FY 2004. The budget provides for 59.0 FTE positions for FY 2005.

The FY 2005 enacted general revenue budget for the Treasurer's Office totals \$5.0 million. This represents an increase of \$1.4 million over the FY 2004 revised general revenue budget. This increase

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results from additional funding for the agency's Crime Victim's Compensation Program. This funding, which will compliment \$800,000 of general revenue funding in the agency's FY 2004 budget, is necessary due to anticipated claims attributed to victims of the Station nightclub fire. In FY 2005, this general revenue appropriation will be matched with \$4.1 million in federal funding and \$1.3 million in restricted receipt revenues.

The total enacted FY 2005 budget of \$2.6 million finances the operating requirements of the Board of Elections, including \$1.0 million in federal funding relating to a national election reform initiative, The Help America Vote Act, and \$1.6 million in general revenues. The FY 2005 enacted general revenue appropriation represents an increase of approximately \$0.2 million from the revised FY 2004 budget. The increase reflects the fact that additional costs are required for conducting the primary and general elections. The operating budget includes full and part-time personnel costs, as well as leased equipment and vendor payments for the optical scan ballot system. A total of 15.0 FTE positions are recommended for the board in FY 2005. The Board of Elections will be working in concert with the Secretary of State's Office to implement these and other requirements of the Federal election reform legislation passed in 2002.

The Ethics Commission received an increased appropriation of \$230,000 from the revised enacted FY 2004 budget. This increase will fund three new staff positions and allow for the upgrading of the Commission's information system.

For FY 2005, \$6.2 million has been appropriated for the Public Utilities Commission. This authorized level of funding comprises of \$820,154 in general revenue, \$73,038 in federal funds, and \$5.3 million in restricted receipts. Compared to final FY 2004 authorization, the new year's budget is 6.0 percent higher. Restricted receipts expenditures are increased by \$214,962 accounting for 60.6 percent of the total increase from FY 2004 final authorization, followed by general revenue of \$136,308 or 38.4 percent. The general revenue increase reflects a program increase of two FTEs in the Division of Public Utilities and Carriers.

<i>Human Services</i>

The FY 2005 budget for the Department of Children, Youth and Families totals \$240.5 million. This budget is comprised of \$143.7 million in general revenues, \$95.3 million in federal funds, and \$1.5 million in restricted receipts. The Department's general revenue budget reflects an increase of \$3.2 million (2.3 percent) from the FY 2004 general revenue revised budget. The state share of Medicaid costs decreased from 44.18% in FY 2004 to 44.13% in FY 2005. Other drivers of the FY 2005 budget include an increase in Purchase of Service placements and increased expenses for psychiatric hospitalizations. These increases in general revenue expenditures have been slightly offset by reductions in operating expenses throughout the department. The enacted budget FY 2005 also includes an additional 2 FTEs and the implementation of licensing fees for child care providers and a parental contribution program. The final appropriation act reduced the governor's recommendation for board and care by over \$300,000. Also, general revenue funding for the Rhode Island Child Welfare and Research Project was increased by \$125,000. This program, which allows the department to build analytical capacity to utilize the Statewide Automated Child Welfare Information System, has been financed by federal funding that will expire in September of 2004.

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The enacted budget for FY 2005 for the Department of Human Services includes a net addition from revised FY 2004 levels of \$73.0 million in general revenues for Medicaid costs. \$36.2 million of this increase is not due to benefits growth, but to the reversion to base levels of federal Medicaid participation, compared to enhanced FY 2004 rates authorized in the Federal Jobs and Growth Tax Relief Reconciliation. Program growth recognizes caseload conference adopted estimates, modified by several initiatives proposed to save \$9.9 million in general revenues. Initiatives reducing Medicaid costs include modification of certain eligibility, claiming, reimbursement and purchasing procedures to sustain delivery of services to eligible clients in the most cost-effective manner. Increased general revenue appropriations for Medicaid include \$3.1 million for expanded payments to nursing care facilities, and \$4.9 million for client benefits from transfer of the Early Intervention program to the department from the Department of Health. Final Medicaid appropriations thus represent underlying growth on the expenditure base of approximately \$38.2 million, or 9.2 percent for benefits, exclusive of uncompensated care changes.

Adopted cash assistance caseload conference requirements were enacted, less savings from adjustment of provider reimbursements for child care slots, establishing stricter review criteria for child care determinations, and revising the penalty provisions for cash assistance clients out of compliance with employment plans. Core costs for all adopted general revenue cash assistance benefits, including Supplemental Security Income, TANF/FIP, Child Care and General Public Assistance decreased \$1.7 million compared to FY 2004 adopted levels; enacted totals decreased \$2.1 million, recognizing the savings noted above, after adjustments for approximately \$4.5 million in reduced federal offsets. An addition of \$1.0 million general revenue for reimbursements to local education authorities for special education expenditures is recorded in the Health Care Quality program.

The final Health Department budget authorizes total expenditures of \$106.5 million for the FY 2005 budget, including \$30.0 million in general revenue, \$64.9 million in federal funds, \$11.5 million in restricted receipts and \$98,979 in other funds. This represents a decrease of \$14.5 million or 13.7 percent in total funds authorized from the FY 2004 final appropriations budget. General revenue appropriations are reduced by \$4.3 million, reflecting primarily the transfer of the Early Intervention program to the Department of Human Services, including 6.7 full time equivalent positions. The general revenue value of the transfer is \$4.1 million (\$11.0 million all funds). Federal funds decrease by \$10.3 million compared to final FY 2004 appropriations, again reflecting this transfer to DHS. In addition, a federal ceiling increase of \$2.3 million in FY 2004 was not repeated in FY 2005 for an increase in HIV drug rebates. The General Assembly authorizes a ceiling of full time equivalent positions of 493.2 or 9.7 FTEs less than the final ceiling authorized for FY 2004. The reduction reflects the transfer of 6.7 FTEs in the Early Intervention program and a reduction of 3.0 FTEs for rebasing to the May 29, 2004 experience level.

The FY 2005 enacted budget for Elderly Affairs totals \$47.2 million, including \$30.0 million of general revenues, \$12.4 million of federal funds, and \$4.8 million of other funds. The department's FY 2005 general revenue budget increases by \$1.0 million from the FY 2004 revised budget, reflecting additional financing for community service organizations and in-home care programs. Federal funds decrease by \$2.7 million from FY 2004 revised levels, reflecting the realignment of grant periods for federal grant recipients in FY 2004. The FY 2004 level also reflected prior year grant balances not available after FY 2004. Other funds in the FY 2005 enacted budget increase by \$60,000, reflecting adopted estimates of dedicated gas tax proceeds for the elderly paratransit program.

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The FY 2005 enacted budget for Mental Health, Retardation and Hospitals totals \$463.7 million, including \$226.3 million of general revenues, \$232.9 million of federal funds, \$4.4 million of Rhode Island Capital Plan Funds and \$75,000 of restricted receipts. The general revenue portion of the budget reflects an increase of approximately \$11.5 million, or 5.4 percent, from the FY 2004 revised level. The net change from FY 2004 to FY 2005 would appear to indicate a significant general revenue increase however, approximately \$10.7 million of Federal Medicaid costs have been reassigned to general revenues as a result of the change in the Federal Matching Assistance Percentage rate (FMAP) due to the Jobs and Growth Tax Relief Act. The enacted general revenue recommendations do however include several specific program reductions including a \$2.0 million reduction in Developmental Disability services. The budget provides for 1,999.7 FTE positions for FY 2005.

<i>Education</i>

The enacted budget for the Department of Elementary and Secondary Education for fiscal year 2005 totals \$948.0 million of which \$797.6 million is derived from general revenues. This represents a \$20.3 million increase in general revenues from the revised FY 2004 enacted budget. The main components of that increase are education aid, totaling \$7.4 million; State contributions to teacher retirement, \$6.4 million; school construction aid, \$3.1 million; Metropolitan career and technical school, \$1.5 million; Davies career and technical school, \$1.5 million; and, the agencies administrative program, \$.8 million. Funding for the School for the Deaf decreased \$.4 million from the FY 2004 revised level.

The increase in the State contributions for teacher retirement costs of \$6.4 million are primarily driven by employer contribution rate changes and by projected increases in teacher payroll costs. Employer rates increased from 13.72 percent to 14.84 percent for FY 2005 of which the state pays approximately 40%.

State costs for the reimbursement to local districts of school construction costs is expected to increase by \$3.1 million. This reflects the continued increase in the upgrade of school facilities across the State. In FY 1998, reimbursement costs totaled \$19.7 million. For FY 2005, costs are estimated at \$43.9 million, an increase of \$24.2 million over the period.

The FY 2005 budget for the Davies career and technical school totals \$12.5 million. This is \$1.5 million more than the revised FY 2004 budget and includes provisions for an increased enrollment of 60 students, 40 of which are to be from Providence.

The FY 2005 budget provides the School for the Deaf with \$352,269 less in general revenue resources than in FY 2004. This is more than offset however by the transfer of the Vision Service program from the school to the administrative program operated by the department effective July 1, 2004.

For Public Higher Education, the FY 2005 general revenue budget of \$174.3 million is \$3.3 million more than revised FY 2004 appropriations for all personnel, operating, aid, and capital requirements at the State's three schools of higher learning: the University of Rhode Island, Rhode Island College, the Community College of Rhode Island, and at the Office of Public Higher Education. The primary reduction is a \$5.0 million shift from general revenue support to tuition increases at the schools. All institutions tuition and fee revenue increases from \$194.9 million in FY 2004 to \$218.0 million in FY 2005, a total increase of \$23.1 million. \$18.1 million of this increase is as originally proposed by the Board.

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The enacted FY 2005 budget includes \$10.1 million in RI Capital Plan funds of which \$7.2 million is for asset protection, \$0.2 million is for the University's Biological Science Center plans, \$1.2 million is for repairs at Alger Hall at Rhode Island College, and \$1.5 million is for the new Community College Newport Campus.

The Legislature eliminated both the Board of Governors single budget line item and reallocation authority, included since the Board's 1981 creation when it was separated from the Department of Elementary and Secondary Education, and an exemption, initiated in 2001, for Higher Education FTE authorized limits for positions established by the Board of Governors whose incumbents are performing research financed by a third party. For FY 2005, all FTE positions, a department total of 4,337.7, will count for each program with a Legislative provision that third party sponsored research ones can not exceed a specified total.

The FY 2005 general revenue budget of \$10.9 million for the Rhode Island Higher Education Assistance Authority decreases \$1,096,420 from the revised FY 2004 budget of \$11.1 million. The enacted budget decreased scholarship grants by \$1.0 million.

The FY 2005 general revenue budget for the Rhode Island Public Telecommunications Authority totals \$1.2 million. This is the same funding as in FY 2004. Also included in the FY 2005 budget is \$2.8 million in Rhode Island Capital Plan Funds to enable the Authority to meet FCC guidelines for the conversion of Channel 36's signal from analog to digital. This is an increase of \$2.3 million from revised FY 2004 levels.

Public Safety

The FY 2005 enacted budget finances \$161.2 million in total expenditures for the Department of Corrections, including \$147.5 million in general revenue, an increase of \$2.2 million from the FY 2004 revised budget. The budget finances the last of four retroactive compensation payments to correctional union members, as well as benefit adjustments for all employees. The FY 2005 budget assumes an inmate population average of 3,570. The budget also reflects an increase in general revenue expenditures to offset the loss of restricted receipt revenue generated from housing federal detainees, due to the March 2004 closing of the program. In conformance with these population assumptions, the enacted budget includes funding for an increased level of some population-related operating costs, as well as increased overtime. The budget includes full funding for various medical costs, including prescription medications, medical contract employees, and inpatient/outpatient services, as well as additional state funding for substance abuse treatment programs to make up for the end of federal funding. In order to reduce medical and custodial costs, the Department is working to establish a Geriatric Unit within the Moran Facility and a secure medical ward unit at Slater Hospital. At the Intake Service Center, the awaiting trial population and staff are shifted on a day-to-day basis to minimize overtime requirements. As in the past, the Department continues to be committed to a more efficient process of filling existing posts. In FY 2004 and FY 2005, the Department has conducted a class for correctional officers to fill existing vacancies and reduce overtime expenditure.

The FY 2005 enacted budget for the Judiciary is \$84.0 million, including \$71.7 million in general revenues, \$4.1 million in federal funds, \$7.2 million in restricted receipts, and \$1.0 million in other funds. The Judiciary's general revenue budget for FY 2005 is \$4.4 million, or 6.6 percent higher than FY 2004. Compared to FY 2004, the general revenue budget includes an additional \$4.2 million for

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personnel costs, \$98,660 for operating costs, and \$76,364 for grants and benefits. The FY 2004 enacted budget provides an additional 9.0 FTE positions, including 6.0 FTE for a new Interpreter Services Unit, 2.0 FTE for the Fugitive Task Force, and 1.0 FTE for a Drug Court Magistrate. Since FY 2001, the Judiciary's staffing level has increased by 6.3 percent from 700.0 to 743.5 positions, most of which are funded with general revenues. The final Appropriation Act included a new Article (45) which expanded the administrative authority of the Judicial Department. The Article provided comprehensive financial and personnel administrative authority for the Judiciary under the Court Administrator subject to the direction of the Chief Justice. The Article also provided that the Judicial budget should be submitted intact at the level of request by the Governor to the General Assembly. Also, the authority of the unclassified pay plan board to approve compensation levels for judicial employees was eliminated.

The FY 2005 enacted budget for the Office of Public Defender is \$7.3 million, including \$6.9 million in general revenues, 7.5 percent higher than the FY 2004 revised budget. The increase reflects statewide adjustments for fringe benefits, a reduced turnover allowance, funds to replace federal funds with a state match for the Juvenile Response Unit (which provides immediate defense intervention and advocacy to incarcerated youth), salary upgrades for certain positions, and an additional FTE to manage information systems.

The FY 2005 budget for the Military Staff includes \$23.5 million in federal funds for homeland security. Both the current (FFY 2003) grant and the upcoming (FFY 2004) grants will be used to train emergency personnel for response to terrorist attacks, and to conduct simulated disaster exercises. Emergency response equipment, including interoperable communication equipment, hazardous material suits and chemical and biohazard testing equipment, will be purchased for state and local police and fire first responders. The grants will also fund an additional FTE who will coordinate and manage program procurement activities. The FY 2005 general revenue budget of \$2.2 million includes funds for maintenance contracts for state armories, including gardening and snowplowing work in the Air Guard program, as well as full funding for state personnel and operating expenditures, including fringe benefit adjustments and increased overtime funding for firefighters.

The FY 2005 enacted budget for the E-911 Emergency Telephone System is \$5.5 million, including \$3.8 million of general revenues and \$1.7 million of restricted receipts. This amount is 30 percent higher than the FY 2004 appropriations of \$4.2 million. The enacted budget creates a new E-911 Geographic Information System (GIS) and Technology Fund for three years. The Fund is projected to receive \$1.7 million of restricted receipt revenues in FY 2005 from a new monthly 26-cent surcharge on wireless phones. Monies in the fund will be used to: establish and maintain a geographic information system database that will help locate wireless phone callers with emergencies; create system redundancy and improve system reliability; and maintain state-of-the art equipment technology. Of the \$1.7 million amount, approximately \$1.1 million will be expended on mapping the greater Providence area, while \$543,816 will be expended on establishing of a backup E-911 facility to create system redundancy.

The FY 2005 general revenue budget for the State Police totals \$43.0 million. This represents a \$2.9 million increase over revised FY 2004 levels enacted by the General Assembly. The budget contains \$944,380 in personnel cost for new troopers that are expected to begin employment in January 2005. It also reflects additional costs of \$1.1 million to train those new troopers. The loss of existing uniformed staff is expected to generate \$802,127 in savings, while pension costs are projected to

Overview

increase by \$1.1 million. The State Police budget also includes an additional \$170,000 to continue the purchase of patrol vehicles through the three year lease program.

The FY 2005 budget for the Attorney General totals \$20.1 million. This budget is composed of \$17.3 million in general revenues, \$1.6 million in federal funds, \$0.8 million in restricted receipts, and \$0.4 million in other funds. The department's general revenue budget reflects an increase of 4.2 percent. This increase includes \$668,158 for salaries and benefits and \$176,461 in general revenue for Station Fire expenditures.

The FY 2005 budget for the State Fire Marshal totals \$2.0 million, \$300,089 more than the revised FY 2004 budget. The budget includes \$232,781 for 5.0 new FTE positions for a phase two response to the Station Fire in West Warwick, increases for overtime (\$30,000) and operating (\$40,153).

For the Rhode Island Justice Commission, the FY 2005 enacted budget is \$6.0 million, including \$248,367 in general revenue, \$5.7 million in federal funds, and \$90,000 in restricted receipts. This authorized level of funding is \$125,340 less than the final budget authorized for FY 2004. This net decreased funding consists of an increase in general revenue of \$86,146 that is offset by a decrease in federal funds expenditures of \$211,486. The increase in general revenue appropriations is for the continuation of the racial profiling study previously undertaken by the Attorney General; the decrease in federal appropriations reflects anticipated reduced federal funding of the Byrne formula grant in FY 2005.

***Natural
Resources &
Environmental
Protection***

The FY 2005 enacted general revenue budget for the Department of Environmental Management decreases from FY 2004 revised levels by \$1.2 million reflecting the offset of Rosehill Landfill Superfund project costs to recoveries in the Environmental Response fund. Also added is \$50,000 for an assessment study of a dam in the Slacks Reservoir. In Coastal Resources, general revenue in the amount of \$1.5 million is provided, with slight reductions from the FY 2004 revised level. In the Water Resources Board, \$1.2 million of general revenue is budgeted, an increase of \$324,126 from the FY 2004 revised level, reflecting a return to general revenue financing for personnel and operating costs that had been offset in fiscal years 2002, 2003 and 2004 to restricted receipt resources.

The FY 2005 enacted budget provides federal fund financing in the amount of \$25.4 million in Environmental Management including the addition of \$2.5 million in new grants for specialty crops, \$400,000 for homeland security, \$500,000 for air toxic monitoring and \$693,000 for the Narragansett Bay Window project. The new federal awards are offset by the reduction of \$3.2 million in federal funds base to more closely align expected expenditures with resources. Federal Funds in the Coastal Resources Management Council are reduced \$216,591 from the FY 2004 revised level to reflect the FY 2005 level of Federal support for the Coastal Zone Management Program. Water Resources Board federal financing is reduced \$327,500 from the FY 2004 revised level, reflecting expected award for the Coastal Zone Management Program.

Restricted Receipts in the FY 2005 enacted budget increase by \$1.4 million from the FY 2004 revised level in Environmental Management reflecting the continued use of environmental recoveries for the state share of the RoseHill Landfill Superfund site construction, and continued offsets of eligible

Overview

personnel and operating costs to specific receipt resources. Restricted Receipts in Coastal Resources Management Council total \$250,000, a reduction of \$4.96 million from the FY 2004 revised level, reflecting the end of the Providence River dredging project and the rescheduling of payments for the South Coat Restoration Project, and providing \$250,000 for other habitat restoration projects and studies.

In the FY 2005 enacted budget, RICAP funding totaling \$3.4 million for Environmental Management finances projects for recreational facilities, state-owned dam repair, the Wickford Marine facility, Fort Adams, and the state piers at Galilee and Newport. The FY 2005 enacted level is \$786,918 above the revised FY 2004 level. RICAP funding is included for the Water Resources Board in the combined amount of \$492,075, to continue the supplemental water supplies study and to finance improvements in the Big River Reservoir.

Transportation

For FY 2005, the State's gasoline tax will remain constant at 30.0 cents per gallon. The estimated yield value of each cent of gasoline tax is set at \$4.78 million for FY 2005. This represents an increase of \$60,000 over the FY 2004 estimate. The disbursement of this revenue will remain consistent with the allocation plan that was adjusted in March 2004. This revision, which decreased RIPTA's gasoline tax allocation by six-tenths of one cent, was made in conjunction with an increase of general revenue and federal funds provided to the Authority through the Department of Human Services.

The Department of Transportation budget for FY 2005 totals \$311.7 million. This represents a decrease of \$14.1 million over the revised FY 2004 budget. The DOT budget is comprised of \$207.4 million in Federal funds, \$99.8 million in other sources of revenue, and \$4.5 million from restricted receipts. The most notable change to this budget is a \$21.5 million decrease in restricted receipt revenues. These revenues, derived from the general obligation bonds issued for the Economic Development Corporation, are dedicated to the Freight Rail Improvement Program. The \$4.5 million being budgeted represents the remaining funds from a bond issue for the FRIP project. Federal revenues increase \$10.1 million based on estimated funding that will be available through the Federal Highway Administration for highway construction projects. The Department's FY 2005 budget for "other" sources of revenue decreases by \$2.6 million as compared to FY 2004.

Gasoline tax revenue makes up \$94.7 million of the \$99.8 million budget for other revenue sources. Of this total, DOT receives \$65.4 million and RIPTA is allocated \$29.3 million. The total gasoline tax budget for FY 2005 is \$2.1 million (2.2 percent) below the FY 2004 spending plan. Debt service costs are the major contributor to this decrease. Debt financing for DOT and RIPTA (budgeted in the Department of Administration) increase \$3.6 million and \$235,090 respectively. Other adjustments include additional gas tax funds available to these departments resulting from the noted increase in the estimated revenue yield for each cent of gas tax. This \$60,000 per penny increase (estimated by the May Revenue Estimating Conference) provides an additional \$1.3 million to DOT and \$375,000 to RIPTA. DOT's gas tax budget for FY 2005 will also include \$787,500 carry over funds which resulted from savings in FY 2004 that resulted from debt service cost reductions. The annualized affect of the change to the gas tax allocation plan in mid FY 2004 for RIPTA will result in \$1.4 million less in this revenue for the Authority in FY 2005. However, general revenue and federal funding in FY 2005 provided to RIPTA by DHS for RIte Care transit services will increase by \$3.9 million over that in FY 2004.

Overview

FY 2005 Gas Tax Allocation (cents per gallon)

<u>Recipient</u>	<u>Fiscal Year</u>						
	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
DOT	17.50	18.00	19.50	20.50	20.50	20.75	20.75
RIPTA	5.00	5.50	5.75	6.25	6.25	6.85*	6.25
General Fund	4.50	3.50	1.75	0.25	2.25	1.40	2.00
DEA	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total:	28.00	28.00	28.00	28.00	30.00	30.00	30.00

**Decreased to 6.25 cents in May with a corresponding increase to the General Fund allocation*

Capital

The FY 2005 enacted budget continues funding from the Rhode Island Capital Plan Fund for various pay-as-you-go asset protection and other capital projects. This program will dedicate approximately \$34.7 million in FY 2005 for infrastructure maintained by several state departments and agencies. Major projects financed in FY 2005 include: \$570,000 of continuing repairs and renovations to the State House; \$7.0 million for asset protection projects at the three institutions of higher education; \$1.25 million for improvements to the sewer system at the Pastore Center; \$2.5 million for mental health/developmental disabilities residential and community facilities; and \$1.1 million for repairs to state-owned dams.

The FY 2005 enacted budget also includes authorization for various referenda to be placed on the November 2004 ballot. The twelve referenda, totaling \$392.02 million, listed in the following table will be on the ballot for consideration by the voters.

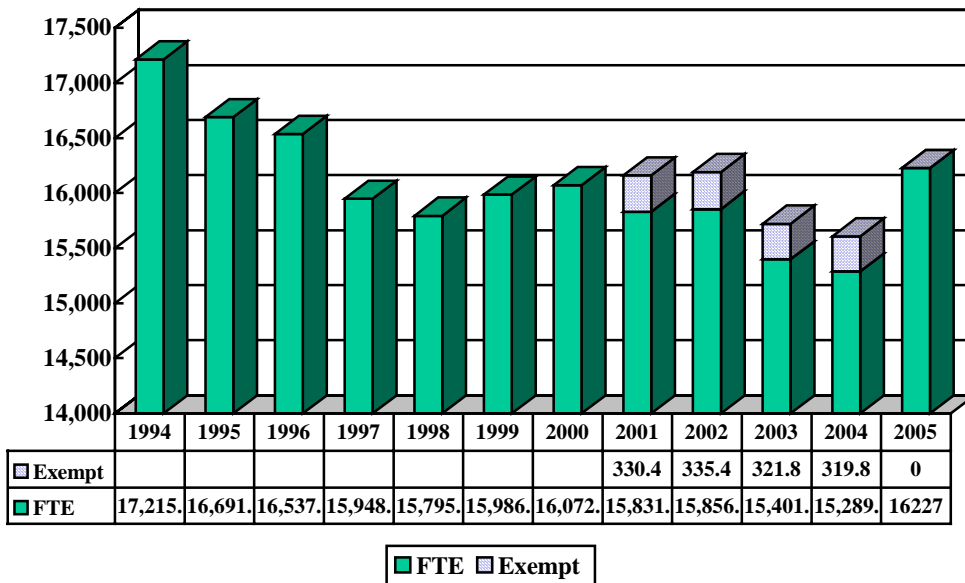
<u>Ballot Item</u>	<u>Description</u>	<u>Amount</u>
1	Transportation	\$66.5 million
2	Regional Career and Technical Schools	\$15.0 million
3	Higher Education Residence Halls	\$50.0 million
4	Cranston Street Armory	\$12.3 million
5	Emergency Water Interconnect	\$10.0 million
6	Environmental Protection	\$70.0 million
7	Pell Library & Undersea Exploration Center	\$14.0 million
8	URI Athletic Performance Center/Meade Stadium	\$6.7 million
9	Historic Preservation and Heritage	\$3.0 million
10	Rehabilitation of State-Owned Facilities	\$46.5 million
11	URI – Center Biotechnology and Life Sciences	\$50.0 million
12	Quonset Point/Davisville	\$48.0 million
	Total Referenda	\$392.0 million

Overview

Full Time Equivalent Positions

The number of full time equivalent positions authorized within the agency FTE caps in FY 2005 totals 16,227.2, an increase of 937.8 from the FY 2004 final FTE cap of 15,289.4. The FTE increase is centered in Public Higher Education and consists of the following elements. 1) The Agency's request that 361.8 FTE's in third party sponsored research positions be exempt from the FTE cap has been rejected; instead the FTE's are included in the cap. 419.2 additional third party sponsored research FTE's have been added, including 2.0 FTE's for the State Crime Lab, to accommodate the Agency's projected needs over the next two years, for a total of 781.0 sponsored research FTE's. 2) The General Assembly has added 13.0 FTE's in the Nursing program and one FTE in the Learning Enhancement for Adults program to the 70.6 FTE increase recommended by the Governor for the Vision Impaired program, the Newport and Providence CCRI campuses, and the Pharmacy program. Besides these changes, the General Assembly has also set separate caps for the Office of Higher Education and the three institutions (URI, RIC, and CCRI), and separate sub-caps within each FTE cap for sponsored research positions. The remaining 72.2 FTE increase is distributed among various State agencies, as shown in the Schedules section under the FTE table.

Full Time Equivalent Positions



Schedules

Greater detail relative to the FY 2005 enacted budget may be found in the Schedules section of this document. This section contains schedules displaying expenditures by agency and funding source, revenues by major component,

Overview

changes in general revenues and full-time equivalent authorizations by agency. All tables display four years of information, including the actual data for fiscal years 2002 and 2003, the revised authorizations for FY 2004, and the enacted levels for FY 2005.

All Funds

Total appropriations for FY 2005 from all funds are just under \$6.0 billion. Of this total, grants and benefits expenditures are the largest single expenditure category. For FY 2005, the authorized expenditures for this category are \$2.72 billion. The majority of these funds, \$2.01 billion, are expended in the Human Services function for various safety net programs such as Medicaid, WIC, Food Stamps, Health Insurance, Cash Assistance, Elderly Care, and Child Care programs. The second largest grants component is in General Government and it totals \$457.3 million in FY 2005. This primarily reflects income support payments by the Department of Labor and Training for unemployment insurance and temporary disability insurance claims.

The second largest component of all-funds authorized expenditures is for personnel at \$1.408 billion, or 23.6 percent of the total. Approximately 29.7 percent of all personnel costs are represented by appropriations of \$418.5 million to Education agencies including the State's Higher Education system and \$389.5 million or 27.9 percent to personnel for human services programs.

Local Aid appropriations total \$1.1 billion. The majority of these funds, \$879.9 million or 81.3 percent of all local aid authorizations are for education aid to local school districts. Local school aid expenditures are shown in the final section of this document.

FY 2005 Enacted Expenditures

All Funds Expenditures						
(in Thousands)	Personnel	Other State Operations	Local Aid	Grants & Benefits	Capital	Total
General Government	\$186,457	\$72,583	\$202,067	\$457,293	\$166,374	\$1,084,774
Human Services	389,528	90,933	0	2,012,201	6,278	2,498,939
Education	418,540	155,110	879,877	141,774	16,051	1,611,352
Public Safety	269,697	39,172	0	51,571	11,888	372,328
Natural Resources	51,360	12,239	0	4,838	11,972	80,411
Transportation	92,769	23,161	0	50,365	145,392	311,687
Totals	\$1,408,350	\$393,198	\$1,081,944	\$2,718,043	\$357,956	\$5,959,491

Overview

General Revenues

Total appropriations for FY 2005 from general revenues are \$2.9 billion. Of this amount, local aid expenditures constitute 32.9 percent or \$966.8 million of which \$745.9 million is distributed to local education agencies. The balance of all authorized local aid expenditures will be distributed to the state's thirty-nine cities and towns in the form of general revenue sharing, payment in lieu of tax exempt property, and motor vehicle excise tax reimbursements, as the major sub categories of all local aid expenditures.

The second largest category of expenditures authorized for FY 2005 is for grants and benefits expenditures of \$982.4 million or 33.4 percent of all enacted expenditures. The human services function accounts for a majority of these expenditures of \$899.0 million or 91.5 percent of all grants and benefits expenditures authorized for FY 2005. These authorized expenditures will cover the costs of the state's social services safety net programs including Medicaid, pharmaceutical assistance to the elderly, cash assistance, elder care, and childcare. Capital expenditures constitute the smallest categorical expenditure of three percent, reflecting primarily debt service expenditures.

FY 2005 Enacted Expenditures

General Revenue Expenditures						
(in Thousands)	Personnel	Other State Operations	Local Aid	Grants & Benefits	Capital	Total
General Government	\$119,816	\$37,668	\$201,347	\$31,006	\$89,725	\$479,562
Human Services	193,849	47,230	0	899,049	0	1,140,128
Education	158,321	32,918	765,442	30,767	0	987,447
Public Safety	242,722	31,804	0	20,679	0	295,205
Natural Resources	29,054	5,450	0	930	0	35,434
Transportation	0	0	0	0	0	0
Totals	\$743,762	\$155,070	\$966,790	\$982,430	\$89,725	\$2,937,777

All Sources

The total budget of all funds expenditures of \$5.959.5 billion includes all sources of funds from which state agencies make expenditures. It should be noted that \$60.0 million of this amount is allocated directly to the budget stabilization fund.

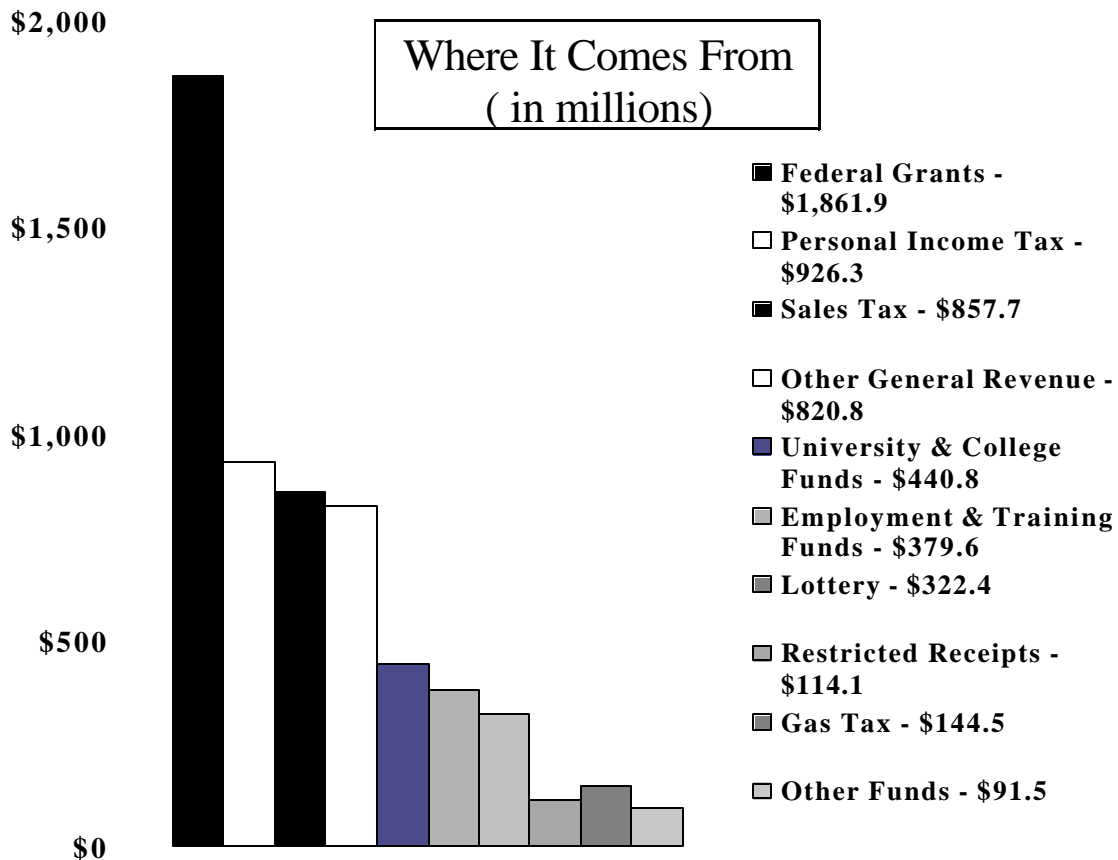
Federal funds are the largest source at 31.2 percent of the total. This is lower than last year and reflects the one year payment boost in FY 2004 received relating to the Jobs and Growth Tax Relief Reconciliation Act of 2003.

Personal income and the state's sales and use tax provide a combined 30.0 percent of total general fund support.

Income support benefit payments provide 6.0 percent of total general revenues, and University and College Funds, including tuition payments, provide another 6.7 percent of the total.

General Business Taxes and other General Revenue sources less the net surplus provide 13.8 percent of the funding.

The remaining sources of funding include restricted receipts, 1.9 percent, gas tax, 2.4 percent, lottery proceeds, 5.4 percent, and other funds, 1.5 percent.



All Expenditures

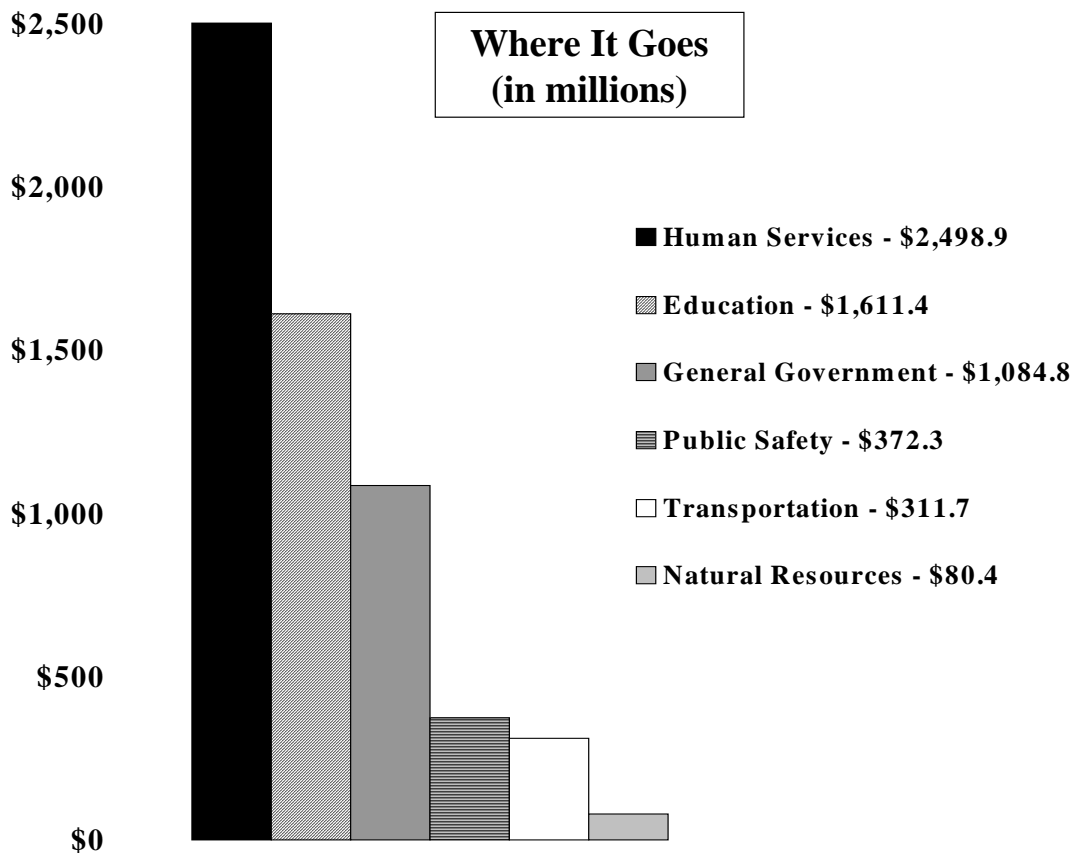
Approximately 68.9 percent of all expenditures are for human services and education programs. The budgets for the human service agencies total almost \$2.5 billion, or 41.9 percent of all expenditures.

Education expenditures are 27.0 percent of the total expenditures with \$879.9 million for aid to local units of government. This is approximately 54.6 percent of all education expenditures, including higher education, which is 10.5 percent of all spending authorized for FY 2005.

Approximately 60.8 percent of the \$1,084.8 million authorized for general government are for aid to local units of government and assistance, grants and benefits to individuals. 42.2 percent of these expenditures are for employment and training, including unemployment compensation.

Transportation expenditures compose 5.2 percent of the total budget including funds for public transportation---highway, road and bridge expenditures.

Overall, expenditures from all funds increased 1.4 percent or \$83.5 million over the final budget authorized for FY 2004.



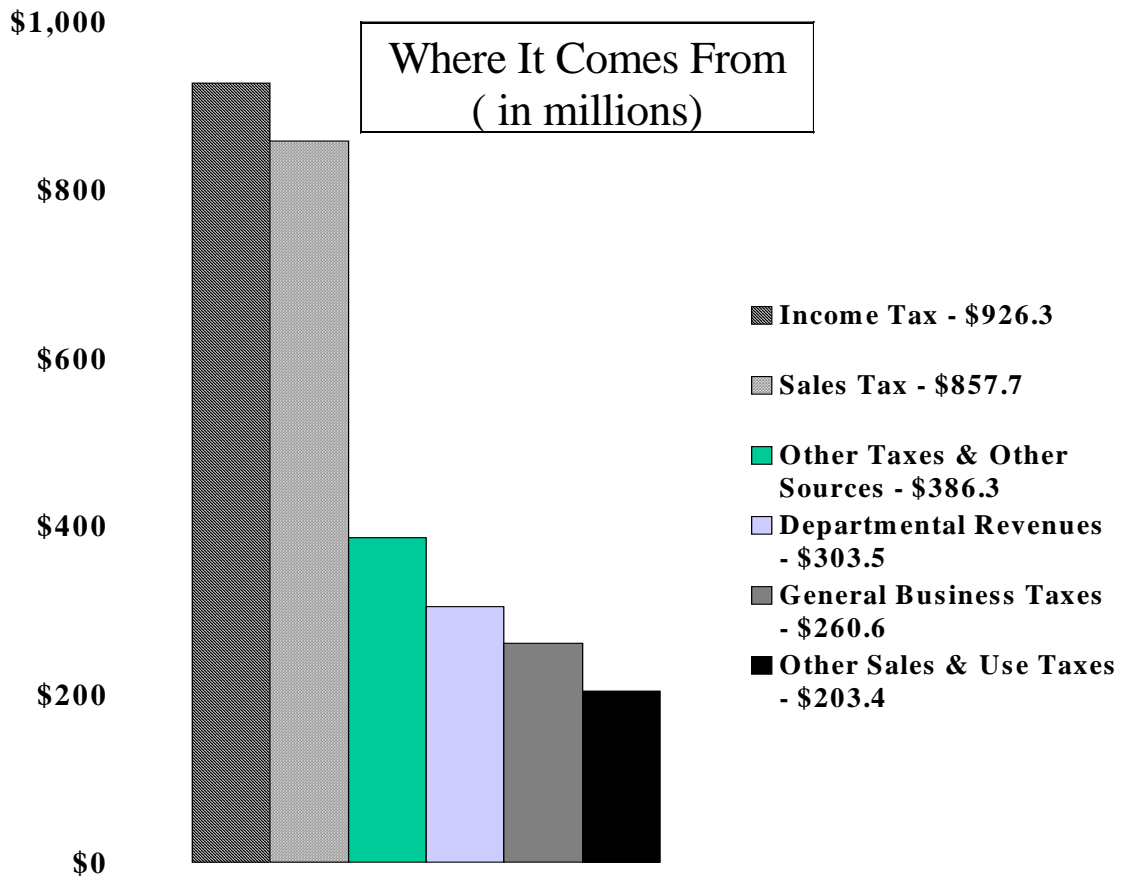
General Revenues

The enacted FY 2005 general revenue budget is based upon \$2.938 billion of general revenues. General revenues are subject to appropriation for any lawful government purpose.

The personal income tax is the largest single general revenue source at 31.5 percent. All sales and use taxes, including the sales tax, the motor vehicles tax, cigarette taxes and alcohol taxes, are an additional 36.1 percent of general revenue. The sales tax on its own is projected at \$857.7 million, or 29.2 percent of general revenue.

General business taxes, including corporate income taxes, are 8.9 percent of general revenue while all departmental receipts equal 10.3 percent of general revenues.

Other revenue sources of \$386.3 million include the transfer from the lottery, and 1.40 cents of the gas tax. This is a substantial decline from FY 2004 when the state received \$50 million in federal funding under the Jobs and Growth Tax Relief Act. The remainder of the gas tax is dedicated for the state's transportation needs.



General Revenue Expenditures

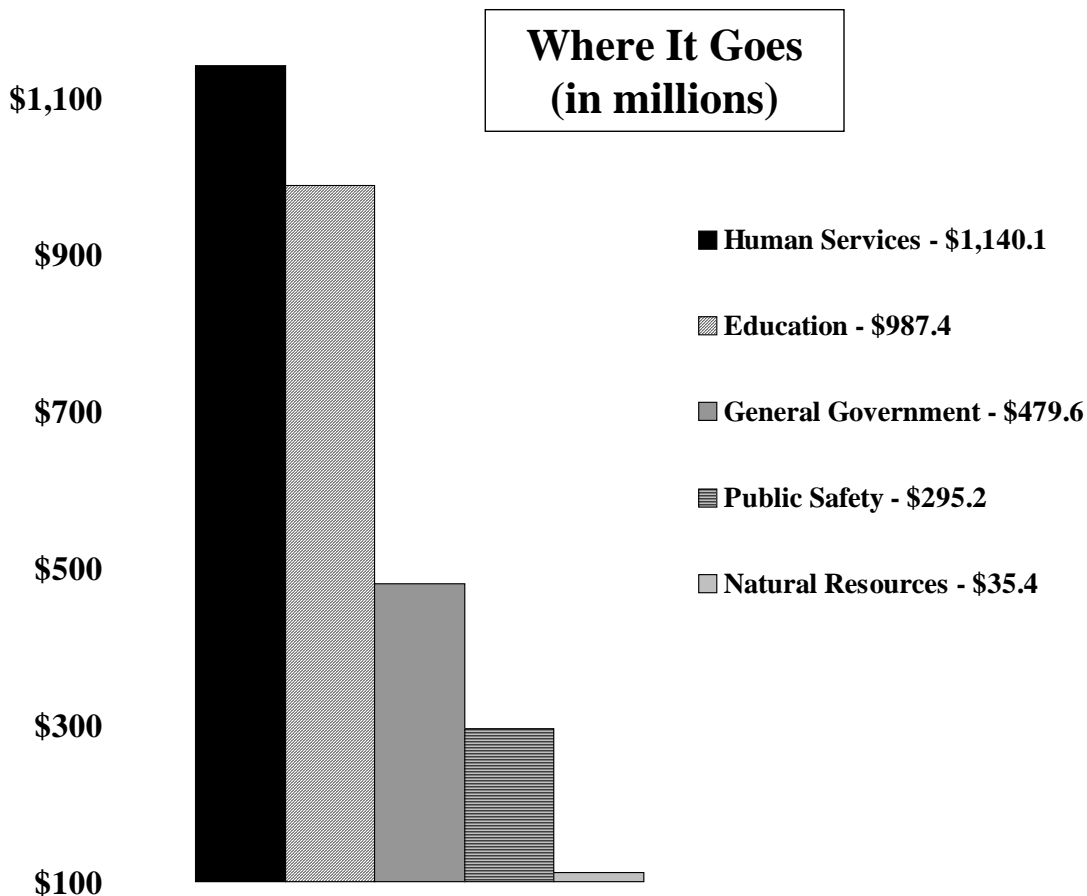
The FY 2005 enacted budget from general revenues is \$2938 billion or \$148.1 million (5.3 percent) greater than the final FY 2004 budget authorized. This allows for the constitutional mandate that the state spends no more than 98% of taxes and departmental receipts. The remaining two percent (\$60.0 million) is deposited in the Rainy Day Fund (Budget Reserve and Cash Stabilization Fund).

Human services programs comprise the largest share of expenditures from general revenue at almost 39 percent. Of this percentage, 30.6 percent or \$899.0 million is for assistance, grants, and benefits expenditures, with Medicaid accounting for \$463.9 million or 44.9 percent of all human services enacted budget.

Education programs, which include local education aid, are the second largest at nearly 33.6 percent of all FY 2005 authorizations.

Authorized public safety expenditures are 10.0 percent of all general revenue enacted budgets. Natural resource programs will receive \$35.4 million in general revenues or 1.2 percent of all general revenue authorizations.

Transportation receives all of its funding from the gas tax and other non-general revenues.



Schedules

General Revenues

	FY 2002 Audited	FY 2003 Preliminary	FY 2004 Revised	FY 2005 Enacted
Personal Income Tax	\$808,076,953	\$813,342,788	\$885,000,000	\$926,275,286
General Business Taxes				
Business Corporations	24,222,910	62,818,292	80,000,000	91,330,674
Franchise	8,545,064	-	-	-
Public Utilities Gross Earnings	80,813,972	76,134,288	85,000,000	86,500,000
Financial Institutions	3,385,254	9,804,211	(3,000,000)	(3,000,000)
Insurance Companies	32,351,132	51,287,425	42,600,000	41,000,000
Bank Deposits	1,138,120	1,697,630	1,000,000	1,010,000
Health Care Provider Assessment	27,843,707	28,140,784	39,900,000	43,800,000
Sales and Use Taxes				
Sales and Use	745,908,753	777,664,132	821,800,000	858,600,000
Motor Vehicle	46,108,282	47,043,143	45,800,000	47,100,000
Motor Fuel	812,579	1,022,168	1,075,000	1,092,000
Cigarettes	85,478,817	94,379,289	117,000,000	143,800,000
Alcohol	10,039,097	10,059,399	10,200,000	10,500,000
Controlled Substances	-	-	-	-
Other Taxes				
Inheritance and Gift	22,244,911	24,351,448	24,600,000	25,000,000
Racing and Athletics	5,470,031	5,309,872	4,785,000	4,610,000
Realty Transfer	2,691,142	9,481,801	12,300,000	11,000,000
Total Taxes	1,905,130,724	2,012,536,670	2,168,060,000	2,288,617,960
Departmental Receipts				-
Licenses and Fees	137,463,458	159,087,072	-	-
Fines and Penalties	24,663,283	33,627,147	-	-
Sales and Services	24,800,112	31,338,999	-	-
Miscellaneous	56,437,976	65,527,931	-	-
Total Departmental Receipts	243,364,829	289,581,149	293,900,000	303,475,075
Taxes and Departmentals	2,148,495,553	2,302,117,819	2,461,960,000	2,592,093,035
Other Sources				
Gas Tax Transfer	553,531	25,506,330	8,024,000	9,560,000
Other Miscellaneous	232,339,319	185,738,126	70,400,000	19,173,000
Lottery	214,141,576	236,540,055	283,900,000	322,397,366
Unclaimed Property	7,419,763	8,458,048	16,650,000	11,150,000
Other Sources	454,454,189	456,242,559	378,974,000	362,280,366
Total General Revenues	\$2,602,949,742	\$2,758,360,378	\$2,840,934,000	\$2,954,373,401

* The Revenue Estimating Conference's principals agreed to combine Business Corporations and Franchise Taxes into a single estimate at the May 2003 Conference. Similarly, the principals agreed to combine all Departmental Receipts components into a single estimate at the November 2002 Conference.

General Revenue Changes to Adopted Estimates

	FY 2004	FY 2005
<u>Taxes</u>		
<i>Personal Income Tax</i>		
Require Income Tax Withholding for Nonresident Shareholders		2,000,000
Reduce Enterprise Zone Wage Tax Credit		1,797,924
Repeal Enterprise Zone Donations Tax Credit		664,466
Repeal Enterprise Zone Interest Income Tax Credit		198,576
Repeal ISO Certification Tax Credit		6,874
Repeal SBA Loan Guaranty Fee Tax Credit		476,073
Fiscal Fitness: Require Tax Clearance for State Issued Licenses		6,500,000
Fiscal Fitness: Increase Division of Taxation Field Auditors by 6.0 FTE		831,373
<i>Subtotal: Personal Income Taxes</i>	0	12,475,286
<i>General Business Taxes</i>		
Business Corporations: Reduce Enterprise Zone Wage Tax Credit		340,308
Business Corporations: Repeal Enterprise Zone Donations Tax Credit		30,816
Business Corporations: Repeal Enterprise Zone Interest Income Tax Credit		8,200
Business Corporations: Repeal ISO Certification Tax Credit		40,180
Business Corporations: Repeal SBA Loan Guaranty Fee Tax Credit		107,420
Business Corporations: Increase Corporate Minimum and Franchise Tax by \$250		8,803,750
<i>Subtotal: General Business Taxes</i>	0	9,330,674
<i>Sales and Use Taxes</i>		
Sales Tax: Exemption of Aircraft & Aircraft Parts		(200,000)
Sales Tax: Collections on Increased Cigarette Tax		1,400,000
Sales Tax: Collections from Sunday Liquor Store Sales		1,000,000
Cigarette Tax: Increase Cigarette Tax to \$2.46 per Pack		31,797,143
Cigarette Tax: Cigarette Floor Stock Tax from Higher Cigarette Tax		3,402,857
<i>Subtotal: Sales and Use Taxes</i>	0	37,400,000
<i>Subtotal: All Taxes</i>	0	59,205,960
<u>Departmental Revenues</u>		
<i>Licenses and Fees</i>		
Fiscal Fitness: Increase DLT Licensing Exam Fees for Apprentice Trades		124,800
DHS: Reinstitute Hospital Licensing Fee at 3.14 percent		58,605,605
Fiscal Fitness: Increase DOE Teacher Certification Fees*		[450,000]
Fiscal Fitness: Increase DOT Fee for Physical Alteration Permits*		[211,700]
Fiscal Fitness: Increase Various Licenses and Fees for DEM ^{1,2}		338,825
Fiscal Fitness: Increase Various Licenses and Fees for DBR ¹		513,175
Fiscal Fitness: Implement Child Care Facility Licensing Fee for DCYF		386,300
Fiscal Fitness: Institute Annual Fee for DOA Tobacco Dealers License		40,000
<i>Subtotal: Licenses and Fees</i>	0	60,008,705
<i>Fines and Penalties</i>		
Judiciary: Income Tax Refund Intercept for Fines Owed		3,996,761
<i>Subtotal: Fines and Penalties</i>	0	3,996,761
<i>Sales and Services</i>		
DEM: Sale of Surplus Land - Promet Property*		[1,000,000]
DHS: Veterans Allowance Disregard		(200,000)
MHRH: Enhance Uncompensated Care Revenues at Slater Hospital*	[10,024,940]	[10,551,250]
MHRH: Additional Uncompensated Care Enhancement for Slater Hospital		861,079
Military Staff: Distance Learning Fees		40,000
<i>Subtotal: Sales and Services</i>	0	701,079

General Revenue Changes to Adopted Estimates

	FY 2004	FY 2005
Miscellaneous Departmental Revenues		
Attorney General: Bristol-Meyers Squibb Company Settlement		117,579
DEA: Increased RIPAE Pharmaceutical Rebates*	[710,856]	[1,220,059]
DEA: Decreased RIPAE Pharmaceutical Rebates for Medicare Drug Card		(679,050)
Fiscal Fitness: Eliminate Child Support Enforcement Parent Distribution* ³	[428,564]	(1,700,000)
E-911: \$0.26 Wireless Surcharge Indirect Cost Recovery		120,000
Unclaimed Property: Indirect Cost Recovery on Stock Holding Period Change		210,000
Subtotal: Miscellaneous Departmental Revenues	0	(1,931,471)
Subtotal: All Departmental Revenues	0	62,775,074
Other Sources		
Gas Tax		
RIPTA: Transfer \$0.006 of Gas Tax Allocation to General Fund Eff. 3/1/04	1,416,000	2,868,000
Subtotal: Gas Tax	1,416,000	2,868,000
Other Miscellaneous		
Resource Recovery Corporation: Transfer of Retained Earnings		4,300,000
Sinking Fund: Transfer Bond Proceeds Earnings to General Fund		4,000,000
Sinking Fund: Transfer Other Earnings to General Fund		173,000
Sinking Fund: Transfer DEPCO Proceeds to General Fund		450,000
Subtotal: Other Miscellaneous	0	8,923,000
Lottery		
Eliminate Dog Kennel Owners Allocation of Lincoln Park VLT Revenue		10,794,904
Increase Lincoln Park's Share of VLT Revenue from 27.0% to 28.85%		(5,992,630)
Increase Town of Lincoln's Allocation of Lincoln Park VLT Revenue by 0.25%		(404,907)
Subtotal: Lottery	0	4,397,367
Unclaimed Property		
Decrease Holding Period for Unclaimed Stocks from 3 Years to 1 Year		1,860,000
Subtotal: Unclaimed	0	1,860,000
Subtotal: Other Sources	1,416,000	18,048,367
Total Adjustments	\$1,416,000	\$140,029,401

* Items in brackets were initially proposed in either the revised FY 2004 budget or the FY 2005 budget and implemented prior to the May 2004 Revenue Estimating Conference (REC). The value of these items are included in the May 2004 REC adopted estimates.

¹ The May 2004 Revenue Estimating Conference's (REC) adopted Departmental Revenues estimate includes the following revenue enhancements proposed in the Governor's FY 2005 Budget: (i) \$33,970 in DEM fee increases; and (ii) \$91,870 in DBR fee increases.

² The General Assembly corrected for a \$75,592 oversight in the Governor's FY 2005 Budget.

³ The General Assembly passed legislation making the child support enforcement parent distribution an entitlement effective July 1, 2004.

Total Statewide Expenditures

	FY 2002	FY 2003	FY 2004	FY 2005
	Actual	Preliminary	Revised	Enacted
Expenditure by Function				
General Government	1,040,640,039	1,041,792,302	1,090,770,092	1,084,773,777
Human Services	2,116,478,257	2,239,647,126	2,414,771,182	2,498,939,419
Education	1,379,177,105	1,470,530,162	1,605,549,269	1,611,352,394
Public Safety	301,014,791	306,142,957	355,827,946	372,327,995
Natural Resources	63,070,357	65,910,724	83,328,125	80,410,537
Transportation	289,476,131	274,804,504	325,785,989	311,686,836
Total Expenditures	\$5,189,856,680	\$5,398,827,775	\$5,876,032,603	\$5,959,490,958
Expenditure by Object				
Personnel	1,227,337,476	1,299,219,547	1,363,860,549	1,408,350,359
Other State Operations	362,379,917	388,852,515	396,552,590	393,197,710
Aid to Local Units of Government	945,349,275	1,005,720,873	1,103,305,094	1,081,943,870
Assistance, Grants, and Benefits	2,324,921,411	2,424,834,315	2,653,169,369	2,718,043,145
Capital	329,868,601	280,200,525	359,145,001	357,955,874
Subtotal: Operating Expenditures	5,189,856,680	5,398,827,775	5,876,032,603	5,959,490,958
Expenditures by Funds				
General Revenue	2,651,654,648	2,682,028,719	2,789,669,524	2,937,776,732
Federal Funds	1,465,428,350	1,587,467,667	1,905,939,116	1,861,852,808
Restricted Receipts	92,738,341	114,254,861	135,393,389	114,139,493
Other Funds	980,035,341	1,015,076,528	1,045,030,574	1,045,721,925
Total Expenditures	\$5,189,856,680	\$5,398,827,775	\$5,876,032,603	\$5,959,490,958
FTE Subject to Authorization	15,831.3	15,856.3	15,382.6	16,227.2
Higher Education Sponsored Research	330.4	335.4	321.8	-
Total FTE Complement	16,161.7	16,191.7	15,704.4	16,227.2

Expenditures from All Funds

	FY 2002 Actual	FY 2003 Unaudited	FY 2004 Revised	FY2005 Enacted
General Government				
Administration	515,415,898	472,327,028	516,913,139	531,394,787
Business Regulation	8,850,190	9,522,833	10,376,912	10,683,006
Labor and Training	443,918,521	481,683,937	477,291,492	449,107,307
Legislature	26,929,068	27,929,128	30,022,521	30,175,912
Lieutenant Governor	756,501	790,404	839,352	865,343
Secretary of State	4,997,096	6,384,689	7,577,124	8,200,250
General Treasurer	27,119,112	27,902,074	33,472,725	39,492,281
Boards for Design Professionals	347,865	437,247	405,063	413,929
Board of Elections	2,453,874	3,106,424	2,561,808	2,610,178
Rhode Island Ethics Commission	873,597	875,624	940,320	1,170,328
Governor's Office	4,525,550	6,178,510	4,425,278	4,345,275
Public Utilities Commission	4,315,014	4,526,002	5,876,571	6,231,542
Rhode Island Commission on Women	137,753	128,402	67,787	83,639
Subtotal - General Government	\$ 1,040,640,039	\$ 1,041,792,302	\$ 1,090,770,092	\$ 1,084,773,777
Human Services				
Children, Youth, and Families	227,311,304	235,627,463	245,122,930	240,511,474
Elderly Affairs	38,697,258	42,593,632	48,834,119	47,190,336
Health	90,289,770	102,092,534	121,041,733	106,503,177
Human Services	1,336,974,968	1,417,877,411	1,542,225,745	1,637,159,679
Mental Health, Retardation, & Hospitals	419,953,703	437,880,307	453,818,154	463,672,053
Office of the Child Advocate	835,387	880,250	555,980	555,340
Commission on Deaf & Hard of Hearing	165,141	215,334	267,634	272,198
RI Developmental Disabilities Council	406,272	497,722	556,445	570,511
Governor's Commission on Disabilities	328,536	524,158	770,291	949,239
Commission for Human Rights	1,225,200	1,151,072	1,263,245	1,223,744
Office of the Mental Health Advocate	290,718	307,243	314,906	331,668
Subtotal - Human Services	\$ 2,116,478,257	\$ 2,239,647,126	\$ 2,414,771,182	\$ 2,498,939,419
Education				
Elementary and Secondary	816,337,013	871,468,183	973,341,398	948,019,607
Higher Education - Board of Governors	543,522,588	578,426,870	599,421,973	628,507,865
RI Council on the Arts	2,198,247	2,212,388	3,098,038	3,362,564
RI Atomic Energy Commission	789,477	804,847	1,174,805	1,264,213
Higher Education Assistance Authority	12,879,955	14,380,467	23,647,826	23,417,692
Historical Preservation and Heritage Commission	1,770,824	1,606,150	1,874,931	1,992,543
Public Telecommunications Authority	1,679,001	1,631,257	2,990,298	4,787,910
Subtotal - Education	\$ 1,379,177,105	\$ 1,470,530,162	\$ 1,605,549,269	\$ 1,611,352,394

Expenditures from All Funds

	FY 2002 Actual	FY 2003 Unaudited	FY 2004 Revised	FY2005 Enacted
Public Safety				
Attorney General	16,385,077	17,696,225	19,380,944	20,070,135
Corrections	142,342,187	142,760,255	158,171,254	161,163,442
Judicial	72,732,817	73,273,311	79,990,394	84,018,493
Military Staff	10,971,209	12,988,141	34,123,237	37,964,316
E-911 Emergency Telephone System	3,893,219	3,935,390	4,205,401	5,471,423
Fire Safety Code Board of Appeal & Review	210,518	240,105	223,491	241,338
State Fire Marshal	1,606,579	1,497,690	2,039,642	2,406,224
Commission on Judicial Tenure & Discipline	101,764	111,692	127,525	102,842
Rhode Island Justice Commission	4,488,302	4,831,555	6,151,427	6,026,087
Municipal Police Training Academy	418,870	360,158	425,049	504,327
State Police	41,917,527	42,186,609	44,086,837	47,087,763
Office Of Public Defender	5,946,722	6,261,826	6,902,745	7,271,605
Subtotal - Public Safety	\$ 301,014,791	\$ 306,142,957	\$ 355,827,946	\$ 372,327,995
Natural Resources				
Environmental Management	59,152,776	57,367,577	71,191,988	73,839,088
Coastal Resources Management Council	2,322,182	6,595,624	9,205,815	3,855,351
Water Resources Board	1,595,399	1,947,523	2,930,322	2,716,098
Subtotal - Natural Resources	\$ 63,070,357	\$ 65,910,724	\$ 83,328,125	\$ 80,410,537
Transportation				
Transportation	289,476,131	274,804,504	325,785,989	311,686,836
Subtotal - Transportation	\$ 289,476,131	\$ 274,804,504	\$ 325,785,989	\$ 311,686,836
Total	\$ 5,189,856,680	\$ 5,398,827,775	\$ 5,876,032,603	\$ 5,959,490,958
General Revenue Adjustments to Preliminary Closing		9,096,320		
		\$ 5,407,924,095		

Expenditures from General Revenues

	FY 2002 Actual	FY 2003 Unaudited	FY2004 Revised	FY2005 Enacted
General Government				
Administration	383,413,506	365,404,946	\$392,430,524	\$415,624,076
Business Regulation	8,609,251	9,120,775	9,675,192	10,053,349
Labor and Training	7,291,073	6,801,323	7,240,126	6,921,202
Legislature	26,037,482	26,672,594	28,738,218	27,576,547
Lieutenant Governor	756,501	790,404	839,352	865,343
Secretary of State	4,718,796	5,941,549	4,584,593	5,041,567
General Treasurer	5,079,346	3,451,764	3,617,035	5,037,957
Boards for Design Professionals	347,865	437,247	405,063	413,929
Board of Elections	2,453,874	3,106,424	1,402,058	1,608,350
Rhode Island Ethics Commission	873,597	875,624	940,320	1,170,328
Governor's Office	4,525,550	6,178,510	4,425,278	4,345,275
Public Utilities Commission	702,507	657,016	683,846	820,154
Rhode Island Commission on Women	137,753	128,402	67,787	83,639
Subtotal - General Government	\$ 444,947,101	\$ 429,566,578	455,049,392	479,561,716
Human Services				
Children, Youth, and Families	137,678,216	141,104,522	140,460,849	143,688,465
Elderly Affairs	25,363,463	27,296,583	29,011,958	30,014,372
Health	34,028,273	34,446,598	34,267,208	30,011,800
Human Services	603,152,771	602,799,235	631,120,087	707,486,242
Mental Health, Retardation, & Hospitals	221,123,456	219,909,933	214,775,802	226,303,781
Office of the Child Advocate	491,878	514,005	474,980	501,168
Commission on Deaf & Hard of Hearing	165,141	215,334	267,634	272,198
RI Developmental Disabilities Council	-	-	-	-
Governor's Commission on Disabilities	303,540	513,501	538,602	533,865
Commission for Human Rights	733,075	806,591	1,031,225	984,444
Office of the Mental Health Advocate	290,718	307,243	314,906	331,668
Subtotal - Human Services	\$ 1,023,330,531	\$ 1,027,913,545	1,052,263,251	1,140,128,003
Education				
Elementary and Secondary	707,302,342	742,377,641	777,360,960	797,635,750
Higher Education - Board of Governors	174,472,786	169,439,718	171,041,442	174,255,556
RI Council on the Arts	1,638,620	1,679,661	2,287,371	2,442,064
RI Atomic Energy Commission	631,147	664,107	699,342	727,045
Higher Education Assistance Authority	6,934,216	6,024,022	11,052,009	9,955,589
Historical Preservation and Heritage Commission	777,395	1,018,675	1,078,212	1,192,997
Public Telecommunications Authority	1,158,308	1,113,655	1,237,768	1,238,482
Subtotal - Education	\$ 892,914,814	\$ 922,317,479	964,757,104	987,447,483

Expenditures from General Revenues

	FY 2002 Actual	FY 2003 Unaudited	FY2004 Revised	FY2005 Enacted
Public Safety				
Attorney General	14,673,107	15,471,318	16,593,076	17,294,162
Corrections	128,169,352	136,041,022	145,300,352	147,450,150
Judicial	60,688,095	63,812,515	67,235,940	71,666,839
Military Staff	2,460,657	2,190,828	2,101,915	2,175,898
E-911 Emergency Telephone System	3,893,219	3,935,390	4,205,401	3,821,407
Fire Safety Code Board of Appeal & Review	210,518	240,105	223,491	241,338
State Fire Marshal	1,471,137	1,346,179	1,677,745	1,977,834
Commission on Judicial Tenure and Discipline	101,764	111,692	127,525	102,842
Rhode Island Justice Commission	177,298	165,173	162,221	248,367
Municipal Police Training Academy	359,824	341,623	352,177	361,327
State Police	37,999,881	38,198,641	39,380,736	43,012,525
Office Of Public Defender	5,544,192	5,888,550	6,376,881	6,852,438
Subtotal - Public Safety	\$ 255,749,044	\$ 267,743,036	283,737,460	295,205,127
Natural Resources				
Environmental Management	32,484,833	32,005,256	31,495,500	32,745,029
Coastal Resources Management Council	1,156,179	1,450,970	1,461,920	1,460,351
Water Resources Board	1,072,146	1,031,855	904,897	1,229,023
Subtotal - Natural Resources	\$ 34,713,158	\$ 34,488,081	33,862,317	35,434,403
Transportation				
Transportation	-	-	-	-
Subtotal - Transportation	\$ -	\$ -	\$ -	\$ -
Total	\$ 2,651,654,648	\$ 2,682,028,719	2,789,669,524	2,937,776,732
Adjustments to Preliminary Closing		9,096,320		
		\$2,691,125,039		

Expenditures from Federal Funds

	FY 2002 Actual	FY 2003 Unaudited	FY2004 Revised	FY2005 Enacted
General Government				
Administration	29,252,557	32,429,416	\$37,684,657	\$38,602,116
Business Regulation	-	-	-	-
Labor and Training	33,591,666	35,584,044	36,190,730	28,735,191
Legislature	-	-	-	-
Lieutenant Governor	-	-	-	-
Secretary of State	17,236	28,638	2,505,520	2,635,250
General Treasurer	1,997,878	342,005	4,542,000	4,371,766
Boards for Design Professionals	-	-	-	-
Board of Elections	-	-	1,159,750	1,001,828
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Public Utilities Commission	36,638	64,116	69,337	73,038
Rhode Island Commission on Women	-	-	-	-
Subtotal - General Government	\$ 64,895,975	\$ 68,448,219	\$ 82,151,994	\$ 75,419,189
Human Services				
Children, Youth, and Families	88,177,105	91,894,382	102,349,457	95,254,068
Elderly Affairs	8,839,258	10,341,332	15,092,161	12,395,964
Health	49,253,249	59,027,502	75,160,709	64,874,315
Human Services	729,611,752	811,463,633	906,915,539	925,296,476
Mental Health, Retardation, & Hospitals	197,281,194	216,675,898	237,806,392	232,928,272
Office of the Child Advocate	343,509	366,245	63,000	54,172
Commission on Deaf & Hard of Hearing	-	-	-	-
RI Developmental Disabilities Council	406,272	497,722	556,445	570,511
Governor's Commission on Disabilities	10,180	1,405	88,286	180,208
Commission for Human Rights	492,125	344,481	232,020	239,300
Office of the Mental Health Advocate	-	-	-	-
Subtotal - Human Services	\$ 1,074,414,644	\$ 1,190,612,600	\$ 1,338,264,009	\$ 1,331,793,286
Education				
Elementary and Secondary	107,749,220	127,804,162	191,403,968	147,283,110
Higher Education - Board of Governors	2,550,660	2,829,215	3,021,042	3,351,931
RI Council on the Arts	519,827	575,300	610,667	720,500
RI Atomic Energy Commission	8,881	(2,558)	325,000	325,000
Higher Education Assistance Authority	4,782,837	4,988,960	7,259,826	8,048,830
Historical Preservation and Heritage Commission	559,257	536,718	522,827	592,746
Public Telecommunications Authority	-	-	555,601	-
Subtotal - Education	\$ 116,170,682	\$ 136,731,797	\$ 203,698,931	\$ 160,322,117

Expenditures from Federal Funds

	FY 2002 Actual	FY 2003 Unaudited	FY2004 Revised	FY2005 Enacted
Public Safety				
Attorney General	1,174,112	1,649,252	1,998,742	1,575,948
Corrections	4,850,061	3,126,899	8,330,876	9,711,742
Judicial	2,550,317	2,869,173	4,712,791	4,153,433
Military Staff	8,001,637	10,626,043	30,957,990	35,044,011
E-911 Emergency Telephone System	-	-	-	-
Fire Safety Code Board of Appeal & Review	-	-	-	-
State Fire Marshal	135,442	151,511	341,897	408,390
Commission on Judicial Tenure & Discipline	-	-	-	-
Rhode Island Justice Commission	4,262,082	4,654,786	5,899,206	5,687,720
Municipal Police Training Academy	59,046	18,535	72,872	143,000
State Police	1,040,654	1,768,724	2,204,340	1,715,334
Office Of Public Defender	402,530	373,276	525,864	419,167
Subtotal - Public Safety	\$ 22,475,881	\$ 25,238,199	\$ 55,044,578	\$ 58,858,745
Natural Resources				
Environmental Management	15,365,640	14,710,059	26,249,389	25,393,017
Coastal Resources Management Council	1,166,003	1,646,691	2,361,591	2,145,000
Water Resources Board	-	172,500	827,500	500,000
Subtotal - Natural Resources	\$ 16,531,643	\$ 16,529,250	\$ 29,438,480	\$ 28,038,017
Transportation				
Transportation	170,939,525	149,907,602	197,341,124	207,421,454
Subtotal - Transportation	\$ 170,939,525	\$ 149,907,602	\$ 197,341,124	\$ 207,421,454
Total	\$ 1,465,428,350	\$ 1,587,467,667	\$ 1,905,939,116	\$ 1,861,852,808

Expenditures From Restricted Receipts

	FY 2002 Actual	FY 2003 Unaudited	FY2004 Revised	FY2005 Enacted
General Government				
Administration	6,295,231	9,624,326	\$10,614,984	\$10,817,803
Business Regulation	240,939	402,058	701,720	629,657
Labor and Training	22,076,440	20,315,829	23,661,935	26,017,487
Legislature	891,586	1,256,534	1,284,303	1,099,365
Lieutenant Governor	-	-	-	-
Secretary of State	261,064	414,502	487,011	523,433
General Treasurer	9,886,168	16,474,921	19,201,517	22,371,639
Boards for Design Professionals	-	-	-	-
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Public Utilities Commission	3,575,869	3,804,870	5,123,388	5,338,350
Rhode Island Commission on Women	-	-	-	-
Subtotal - General Government	\$ 43,227,297	\$ 52,293,040	\$ 61,074,858	\$ 66,797,734
Human Services				
Children, Youth, and Families	1,253,356	2,494,922	2,267,033	1,518,941
Elderly Affairs	-	-	-	-
Health	6,802,105	8,577,588	11,507,730	11,518,083
Human Services	4,209,593	3,474,543	4,190,119	4,189,961
Mental Health, Retardation, & Hospitals	61,913	43,760	75,000	75,000
Office of the Child Advocate	-	-	18,000	-
Commission on Deaf & Hard of Hearing	-	-	-	-
RI Developmental Disabilities Council	-	-	-	-
Governor's Commission on Disabilities	14,816	9,252	43,403	35,166
Commission for Human Rights	-	-	-	-
Office of the Mental Health Advocate	-	-	-	-
Subtotal - Human Services	\$ 12,341,783	\$ 14,600,065	\$ 18,101,285	\$ 17,337,151
Education				
Elementary and Secondary	874,511	1,214,292	2,559,343	2,990,339
Higher Education - Board of Governors	-	-	-	44,685
RI Council on the Arts	39,800	(42,573)	200,000	200,000
RI Atomic Energy Commission	-	-	-	-
Higher Education Assistance Authority	-	-	-	-
Historical Preservation and Heritage Commission	434,172	50,757	273,892	206,800
Public Telecommunications Authority	-	-	-	-
Subtotal - Education	\$ 1,348,483	\$ 1,222,476	\$ 3,033,235	\$ 3,441,824

Expenditures From Restricted Receipts

	FY 2002 Actual	FY 2003 Unaudited	FY2004 Revised	FY2005 Enacted
Public Safety				
Attorney General	537,858	575,655	789,126	802,525
Corrections	5,367,901	2,456,374	2,108,140	136,875
Judicial	5,851,785	6,517,408	7,640,544	7,173,221
Military Staff	112,257	114,010	176,768	188,157
E-911 Emergency Telephone System	-	-	-	1,650,016
Fire Safety Code Board of Appeal & Review	-	-	-	-
State Fire Marshal	-	-	-	-
Commission on Judicial Tenure & Discipline	-	-	-	-
Rhode Island Justice Commission	48,922	11,596	90,000	90,000
Municipal Police Training Academy	-	-	-	-
State Police	239,326	193,184	590,023	298,089
Office Of Public Defender	-	-	-	-
Sheriffs of Several Counties	-	-	-	-
Subtotal - Public Safety	\$ 12,158,049	\$ 9,868,227	\$ 11,394,601	\$ 10,338,883
Natural Resources				
Environmental Management	7,768,695	9,206,936	9,595,106	11,028,878
Coastal Resources Management Council	-	3,352,963	5,210,304	250,000
Water Resources Board	94,004	596,555	984,000	495,000
Subtotal - Natural Resources	\$ 7,862,699	\$ 13,156,454	\$ 15,789,410	\$ 11,773,878
Transportation				
Transportation	15,800,030	23,114,599	26,000,000	4,450,023
Subtotal - Transportation	\$ 15,800,030	\$ 23,114,599	\$ 26,000,000	\$ 4,450,023
Total	\$ 92,738,341	\$ 114,254,861	\$ 135,393,389	\$ 114,139,493

Expenditures From Other Funds

	FY 2002 Actual	FY 2003 Unaudited	FY2004 Revised	FY2005 Enacted
General Government				
Administration	96,454,604	64,868,340	76,182,974	\$66,350,792
Business Regulation	-	-	-	-
Labor and Training	380,959,342	418,982,741	410,198,701	387,433,427
Legislature	-	-	-	1,500,000
Lieutenant Governor	-	-	-	-
Secretary of State	-	-	-	-
General Treasurer	10,155,720	7,633,384	6,112,173	7,710,919
Boards for Design Professionals	-	-	-	-
Board of Elections	-	-	-	-
Rhode Island Ethics Commission	-	-	-	-
Governor's Office	-	-	-	-
Public Utilities Commission	-	-	-	-
Rhode Island Commission on Women	-	-	-	-
Subtotal - General Government	\$ 487,569,666	\$ 491,484,465	\$ 492,493,848	\$ 462,995,138
Human Services				
Children, Youth, and Families	202,627	133,637	45,591	50,000
Elderly Affairs	4,494,537	4,955,717	4,730,000	4,780,000
Health	206,143	40,846	106,086	98,979
Human Services	852	140,000	-	187,000
Mental Health, Retardation, & Hospitals	1,487,140	1,250,716	1,160,960	4,365,000
Office of the Child Advocate	-	-	-	-
Commission on Deaf & Hard of Hearing	-	-	-	-
RI Developmental Disabilities Council	-	-	-	-
Governor's Commission on Disabilities	-	-	100,000	200,000
Commission for Human Rights	-	-	-	-
Office of the Mental Health Advocate	-	-	-	-
Subtotal - Human Services	\$ 6,391,299	\$ 6,520,916	\$ 6,142,637	\$ 9,680,979
Education				
Elementary and Secondary	410,940	72,088	2,017,127	110,408
Higher Education - Board of Governors	366,499,142	406,157,937	425,359,489	450,855,693
RI Council on the Arts	-	-	-	-
RI Atomic Energy Commission	149,449	143,298	150,463	212,168
Higher Education Assistance Authority	1,162,902	3,367,485	5,335,991	5,413,273
Historical Preservation and Heritage Commissio	-	-	-	-
Public Telecommunications Authority	520,693	517,602	1,196,929	3,549,428
Subtotal - Education	\$ 368,743,126	\$ 410,258,410	\$ 434,059,999	\$ 460,140,970

Expenditures From Other Funds

	FY 2002 Actual	FY 2003 Unaudited	FY2004 Revised	FY2005 Enacted
Public Safety				
Attorney General	-	-	-	397,500
Corrections	3,954,873	1,135,960	2,431,886	3,864,675
Judicial	3,642,620	74,215	401,119	1,025,000
Military Staff	396,658	57,260	886,564	556,250
E-911 Emergency Telephone System	-	-	-	-
Fire Safety Code Board of Appeal & Review	-	-	-	-
State Fire Marshal	-	-	20,000	20,000
Commission on Judicial Tenure & Discipline	-	-	-	-
Rhode Island Justice Commission	-	-	-	-
Municipal Police Training Academy	-	-	-	-
State Police	2,637,666	2,026,060	1,911,738	2,061,815
Office Of Public Defender	-	-	-	-
Subtotal - Public Safety	\$ 10,631,817	\$ 3,293,495	\$ 5,651,307	\$ 7,925,240
Natural Resources				
Environmental Management	3,533,608	1,445,326	3,851,993	4,672,164
Coastal Resources Management Council	-	145,000	172,000	-
Water Resources Board	429,249	146,613	\$213,925	492,075
Subtotal - Natural Resources	\$ 3,962,857	\$ 1,736,939	\$ 4,237,918	\$ 5,164,239
Transportation				
Transportation	102,736,576	101,782,303	102,444,865	99,815,359
Subtotal - Transportation	\$ 102,736,576	\$ 101,782,303	\$ 102,444,865	\$ 99,815,359
Total	\$ 980,035,341	\$ 1,015,076,528	\$ 1,045,030,574	\$ 1,045,721,925

Full-Time Equivalent Positions

	FY 2002	FY 2003	FY 2004 Enacted	FY 2004 Revised	FY 2005 Enacted
General Government					
Administration	1,350.0	1,278.2	1,261.2	1,261.2	1,269.2
Business Regulation	111.0	106.0	109.0	109.0	111.0
Labor & Training	558.0	538.7	536.7	536.7	536.7
Legislature	280.0	280.0	280.0	280.0	280.0
Lieutenant Governor	10.0	10.0	10.0	10.0	10.0
Secretary of State	59.2	59.0	59.0	59.0	59.0
General Treasurer	87.5	84.5	84.5	84.5	87.5
Boards for Design Professionals	4.0	4.0	4.0	4.0	4.0
Board Of Elections	22.3	15.0	15.0	15.0	15.0
Rhode Island Ethics Commission	10.0	9.0	9.0	9.0	12.0
Office of the Governor	50.0	47.5	47.5	47.5	47.5
Public Utilities Commission	44.0	43.0	45.0	45.0	47.0
Rhode Island Commission on Women	2.0	2.0	2.0	2.0	1.0
Subtotal - General Government	2,588.0	2,476.9	2,462.9	2,462.9	2,479.9
Human Services					
Children, Youth, and Families	868.9	853.8	849.8	849.8	851.8
Elderly Affairs	60.6	52.6	52.6	52.6	52.0
Health	477.1	506.9	502.9	502.9	493.2
Human Services	1,139.9	1,069.6	1,058.6	1,058.6	1,071.3
Mental Health, Retardation, & Hospitals	2,138.0	2,067.7	2,021.7	2,021.7	1,999.7
Office of the Child Advocate	13.0	12.5	5.8	5.8	5.8
Commission On the Deaf & Hard of Hearing	3.0	3.0	3.0	3.0	3.0
RI Developmental Disabilities Council	3.0	2.0	2.0	2.0	2.0
Governor's Commission on Disabilities	4.6	6.6	6.6	6.6	6.6
Commission for Human Rights	17.0	17.0	15.0	15.0	15.0
Office of the Mental Health Advocate	4.3	3.7	3.7	3.7	3.7
Subtotal - Human Services	4,729.4	4,595.4	4,521.7	4,521.7	4,504.1
Education					
Elementary and Secondary	345.2	328.7	326.7	326.7	333.1
Office of Higher Education Non-Sponsored Research	-	-	-	-	22.0
URI Non-Sponsored Research	-	-	-	-	1,952.6
RIC Non-Sponsored Research	-	-	-	-	856.2
CCRI Non-Sponsored Research	-	-	-	-	725.9
Higher Education - Total Non-Sponsored	3,589.9	3,487.4	3,472.1	3,472.1	3,556.7
RI State Council On The Arts	6.0	6.0	7.0	7.0	7.0
RI Atomic Energy Commission	8.6	8.6	8.6	8.6	8.6
Higher Education Assistance Authority	46.6	45.6	45.6	45.6	46.0
Historical Preservation and Heritage Commission	17.6	17.6	17.6	17.6	17.6
Public Telecommunications Authority	22.0	22.0	22.0	22.0	22.0
Subtotal - Education	4,035.9	3,915.9	3,899.6	3,899.6	3,991.0

Full-Time Equivalent Positions

	FY 2002	FY 2003	FY 2004 Enacted	FY 2004 Revised	FY 2005 Enacted
Public Safety					
Attorney General	229.0	227.9	228.5	228.5	230.5
Corrections	1,550.6	1,538.0	1,522.0	1,522.0	1,539.0
Judicial	707.0	721.7	734.5	734.5	743.5
Military Staff	94.0	90.0	93.0	93.0	98.0
E-911	48.6	47.6	50.6	50.6	50.6
Fire Safety Code Board of Appeal and Review	3.0	3.0	3.0	3.0	3.0
RI State Fire Marshal	21.5	21.0	27.0	27.0	32.0
Commission on Judicial Tenure and Discipline	1.0	1.0	1.0	1.0	1.0
Rhode Island Justice Commission	9.0	9.0	9.0	9.0	9.0
Municipal Police Training Academy	4.0	4.0	4.0	4.0	4.0
State Police	267.0	259.0	257.0	257.0	281.0
Office of the Public Defender	79.5	83.2	86.2	86.2	87.2
Subtotal - Public Safety	3,014.2	3,005.4	3,015.8	3,015.8	3,078.8
Natural Resources					
Environmental Management	585.5	549.7	539.7	539.7	538.7
Coastal Resources Management Council	30.0	28.0	28.0	28.0	29.0
Water Resources Board	9.0	9.0	9.0	9.0	9.0
Subtotal - Natural Resources	624.5	586.7	576.7	576.7	576.7
Transportation					
Transportation	864.3	820.7	812.7	812.7	815.7
Subtotal - Transportation	864.3	820.7	812.7	812.7	815.7
Total Non Sponsored	15,856.3	15,401.0	15,289.4	15,289.4	15,446.2
Higher Education Sponsored Research *					
Office	-	-	-	-	1.0
CCRI	-	-	-	-	100.0
RIC	-	-	-	-	78.0
URI	-	-	-	-	602.0
Subtotal Sponsored Research					781.0
Total All Positions	15,856.3	15,401.0	15,289.4	15,289.4	16,227.2
Statewide Adjustments					
Legislature Exempt		(280.0)			
Judicial Exempt		(721.7)			
Balance of Vacant Positions/Hiring Freeze		(18.4)			
Imposed Cap	15,856.3	14,380.9	15,289.4	15,289.4	16,227.2
Legislature		280.0			
Judiciary		721.7			
Total Personnel Authorizations	15,856.3	15,382.6	15,289.4	15,289.4	16,227.2
Higher Education Exempt Sponsored Research *	335.4	321.8	319.8	319.8	-
Total Personnel	16,191.7	15,704.4	15,609.2	15,609.2	16,227.2

*A total of 781.0 FTE positions in Higher Education in FY 2005 represent FTE's supported by sponsored research funds. Unlike prior years, these positions are included in the overall FTE Cap. In addition, there are separate caps for each program and for sponsored/non-sponsored research FTE's.

General Revenue Budget Surplus Statement

	FY2002	FY2003	FY 2004		FY2005
	Actual	Unaudited	Enacted	Revised	Recommended
Surplus					
Opening Surplus	\$ 131,182,473	\$ 31,038,882	\$ 35,708,894	\$ 42,951,335	\$ 43,884,617
Certain anticipated audit adjustments		42,024			
Reappropriated Surplus	11,056,417	7,770,428		7,991,948	
Reappropriation adjustment				(645,435)	
Subtotal	142,238,890	38,851,334	35,708,894	50,297,848	43,884,617
General Taxes	1,905,130,724	2,013,020,329	2,125,785,533	2,125,785,533	2,221,180,000
Revenue estimators' revision	-	-	-	42,274,467	8,232,000
Changes to adopted revenue estimates					59,205,960
Certain anticipated audit adjustments		(483,658)			
Subtotal	1,905,130,724	2,012,536,671	2,125,785,533	2,168,060,000	2,288,617,960
Departmental Revenues	243,364,829	283,308,490	287,037,601	287,037,601	227,800,000
Revenue estimators' revision	-	-	-	6,862,399	12,900,000
Changes to adopted revenue estimates					62,775,075
Certain anticipated audit adjustments		6,272,658			
Subtotal	243,364,829	289,581,148	287,037,601	293,900,000	303,475,075
Other Sources					
Gas Tax Transfers	553,531	25,506,330	6,608,000	6,608,000	6,720,000
Rev Estimators' revision-Gas Tax	-	-			(28,000)
Changes to adopted revenue estimates				1,416,000	2,868,000
Other Miscellaneous	232,339,319	184,014,133	71,341,582	71,341,582	10,116,632
Rev Estimators' revision-Miscellaneous	-	-	-	(941,582)	133,368
Changes to adopted revenue estimates					8,923,000
Certain anticipated audit adjustments		1,723,993			
Lottery	214,141,576	236,636,756	301,770,293	301,770,293	315,000,000
Revenue Estimators' revision-Lottery	-	-	-	(17,870,293)	3,000,000
Certain anticipated audit adjustments		(96,701)			
Changes to adopted revenue estimates					4,397,366
Unclaimed Property	7,419,763	8,458,048	12,900,000	12,900,000	8,570,000
Revenue Estimators' revision-Unclaimed	-	-	-	3,750,000	720,000
Changes to adopted revenue estimates					1,860,000
Subtotal	454,454,189	456,242,559	392,619,875	378,974,000	362,280,366
Total Revenues	\$ 2,602,949,742	\$ 2,758,360,378	\$ 2,805,443,009	\$ 2,840,934,000	\$ 2,954,373,401
Budget Stabilization	(54,682,648)	(55,788,826)	(56,823,039)	(57,677,707)	(59,965,160)
Total Available	\$ 2,690,505,984	\$ 2,741,422,887	\$ 2,784,328,865	\$ 2,833,554,141	\$ 2,938,292,858
Actual/Enacted Expenditures	\$ 2,651,654,648	\$ 2,682,753,719	\$ 2,783,776,459	\$ 2,783,776,459	\$ 2,937,776,732
Reappropriations	-	-	-	7,346,513	
Certain anticipated audit adjustments		8,371,320			
Recommended changes to appropriations	-	-	-	(1,453,448)	
Total Expenditures	\$ 2,651,654,648	\$ 2,691,125,039	\$ 2,783,776,459	\$ 2,789,669,524	\$ 2,937,776,732
Free Surplus	\$ 31,038,882	\$ 42,951,335	\$ 552,406	\$ 43,884,617	\$ 516,126
Reappropriations	7,812,454	7,346,513	-	-	-
Total Ending Balances	\$ 38,851,336	\$ 50,297,848	\$ 552,406	\$ 43,884,617	\$ 516,126
Budget Reserve and Cash Stabilization Account	\$ 82,023,966	\$ 83,683,239	\$ 85,234,557	\$ 86,516,560	\$ 89,947,741

FY 2004 Budget

Changes to FY2004 Enacted General Revenue Budget

	FY 2004		Change from Enacted
	Enacted	Revised	
Surplus			
Opening Surplus*	\$ 35,708,894	\$ 42,951,335	\$ 7,242,441
Reappropriated Surplus		7,991,948	7,991,948
Reappropriation adjustment		(645,435)	(645,435)
Subtotal	35,708,894	50,297,848	15,234,389
General Taxes	2,125,785,533	2,125,785,533	-
Revenue estimators' revision	-	42,274,467	42,274,467
Changes to adopted revenue estimates			-
Certain anticipated audit adjustments			-
Subtotal	2,125,785,533	2,168,060,000	42,274,467
Departmental Revenues	287,037,601	287,037,601	-
Revenue estimators' revision	-	6,862,399	6,862,399
Changes to adopted revenue estimates			-
Certain anticipated audit adjustments			-
Subtotal	287,037,601	293,900,000	6,862,399
Other Sources			
Gas Tax Transfers	6,608,000	6,608,000	-
Rev Estimators' revision-Gas Tax			-
Changes to adopted revenue estimates		1,416,000	1,416,000
Other Miscellaneous	71,341,582	71,341,582	-
Rev Estimators' revision-Miscellaneous	-	(941,582)	(941,582)
Changes to adopted revenue estimates			-
Certain anticipated audit adjustments			-
Lottery	301,770,293	301,770,293	-
Revenue Estimators' revision-Lottery	-	(17,870,293)	(17,870,293)
Certain anticipated audit adjustments			-
Changes to adopted revenue estimates			-
Unclaimed Property	12,900,000	12,900,000	-
Revenue Estimators' revision-Unclaimed	-	3,750,000	3,750,000
Changes to adopted revenue estimates			-
Subtotal	392,619,875	378,974,000	(13,645,875)
Total Revenues	\$ 2,805,443,009	\$ 2,840,934,000	\$ 35,490,991
Budget Stabilization	(56,823,039)	(57,677,707)	(854,669)
Total Available	\$ 2,784,328,865	\$ 2,833,554,141	\$ 49,870,712
Actual/Enacted Expenditures	\$ 2,783,776,459	\$ 2,783,776,459	-
Reappropriations	-	7,346,513	7,346,513
Recommended changes to appropriations	-	(1,453,448)	(1,453,448)
Total Expenditures	\$ 2,783,776,459	\$ 2,789,669,524	\$ 5,893,065
Free Surplus	\$ 552,406	\$ 43,884,617	\$ 43,332,211
Reappropriations	-	-	-
Total Ending Balances	\$ 552,406	\$ 43,884,617	\$ 43,332,211
Budget Reserve and Cash Stabilization Account	\$ 85,234,557	\$ 86,516,560	\$ 1,282,003

* Reflects preliminary closing

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
<u>General Government</u>				
Administration				
Central Management	2,131,791	47,616		
Personnel			(15,434)	
Blue Cross Settlement Adjustment			(19,819)	
Actuarial Study of Retirement System			30,000	
Fiscal Fitness - Spend Analysis			200,000	
Purchased Services			(5,312)	
Miscellaneous Operating			1,032	
Advertising Expenses Judicial Nom. Comm.			4,500	
	2,131,791	47,616	194,967	2,374,374
Accounts & Control	9,703,397	27,621		
Personnel			58,219	
Blue Cross Settlement Adjustment			(36,433)	
Information Processing Rotary Costs			(145,566)	
Miscellaneous Operating			24,143	
Shift Retiree Health Subsidy to General Prog.			(5,185,227)	
	9,703,397	27,621	(5,284,864)	4,446,154
Budgeting	2,304,799	90,011		
Personnel			9,008	
Blue Cross Settlement Adjustment			(17,440)	
Purchased Services			(3,000)	
Operating			(21,431)	
	2,304,799	90,011	(32,863)	2,361,947
Municipal Affairs	1,253,325			
Personnel			(40,021)	
Blue Cross Settlement Adjustment			(13,014)	
Purchased Services			22,940	
Operating			17,081	
	1,253,325		(13,014)	1,240,311
Purchasing	1,916,327	70,000		
Personnel			69,737	
Blue Cross Settlement Adjustment			(24,464)	
Purchased Services			20,600	
Operating/Grants			(25,843)	
	1,916,327	70,000	40,030	2,026,357
Auditing	1,677,216			
Personnel			(3,775)	
Blue Cross Settlement Adjustment			(13,821)	
Operating			3,775	
	1,677,216		(13,821)	1,663,395

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Human Resources	6,804,969	84,272	-	
Personnel			25,130	
Blue Cross Settlement Adjustment			(64,957)	
URI Healthcare Mgmt Center			105,000	
Blue Cross Settlement Audit			69,040	
Other Purchased Services			(43,322)	
Minority Business Enterprise - Temp				
Medical Benefits Consultant				
Operating			114,963	
Grants			(15,935)	
	6,804,969	84,272	189,919	7,079,160
Personnel Appeal Board	116,182			
Personnel			3,905	
Blue Cross Settlement Adjustment			(375)	
Legal Services			(1,393)	
	116,182		2,137	118,319
Taxation	17,233,778	198,450		
Personnel			433,747	
Blue Cross Settlement Adjustment			(150,299)	
Purchased Services			(27,430)	
Operating			(209,956)	
Case Management System				
Grants and Benefits			524	
	17,233,778	198,450	46,586	17,478,814
Registry	15,541,057	350,137		
Personnel			565,144	
Blue Cross Settlement Adjustment			(145,163)	
Security and Janitorial			83,885	
Operating Expenses			(199,760)	
Digital Licenses - Monthly Costs				
Grants and Benefits			215	
	15,541,057	350,137	304,321	16,195,515
Child Support	3,294,395			
Personnel			80,987	
Blue Cross Settlement Adjustment			(31,075)	
Purchased Services			135,901	
Operating/Grants and Benefits			(216,888)	
	3,294,395		(31,075)	3,263,320
Central Services	14,291,837	1,894,491		
Energy Office Grants	356,407		20,126	
Renewable Energy			-	
Personnel			(250,030)	
Blue Cross Settlement Adjustment			(106,855)	

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Purchased Services			(269,305)	
Operating			711,345	
Grants and Benefits			111	
	14,648,244	1,894,491	105,392	16,648,127
Office of Library & Information Services	3,430,001		-	
Personnel			(71,035)	
Blue Cross Settlement Adjustment			(22,769)	
Purchased Services			426,875	
Operating			(385,645)	
Rivers Council Grants			5,250	
	3,430,001		(47,324)	3,382,677
General	229,924,239	1,456,360		
Motor Vehicle Exise Tax Rev Estimate			649,257	
Library Construction Aid			(380,348)	
General Revenue Sharing			12,469	
Shift of Retiree Health Subsidy from A&C			5,185,227	
Retiree Health Subsidy Adjustment			(222,963)	
Select Commission on Public Integrity				
Blue Cross Settlement Adjustment			(3,194)	
EDC- Tuscany delegation			(100,000)	
Rivers Council Grants			(5,250)	
	229,924,239	1,456,360	5,135,198	236,515,797
Debt Service Payments	84,998,150			
General Obligation Debt Service			(15,146,349)	
General Obligation Debt Service			(1,837,500)	
Convention Center Authority			(1,703,825)	
Interest on TANS			6,228	
COPS - DLT Center General Bldg			(27,357)	
COPS - Center General Furniture			3,567	
COPS - Telecommunications			(15,205)	
COPS - Kent County Courthouse			(1,554,300)	
Fidelity Job Rent Credits			(589,000)	
	84,998,150		(20,863,741)	64,134,409
Sheriffs	14,016,893	37,370		
Personnel			(561,892)	
Pending Arbitrage Settlement				
Blue Cross Settlement Adjustment			(179,659)	
Security and Temporary Services			53,649	
Operating/Grants and Benefits			172,857	
Withdrawal of Reappropriated Funds			(37,370)	
	14,016,893	37,370	(552,415)	13,501,848
Total	408,994,763	4,256,328	(20,820,567)	392,430,524

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Business Regulation				
Central Management	1,645,971			
Personnel			(321)	
Contract Services			19	
Operating			46,086	
Blue Cross Settlement Adjustment			(11,387)	
	1,645,971		34,397	1,680,368
Banking Regulation	1,627,501			
Personnel			29,287	
Operating			14,270	
Blue Cross Settlement Adjustment			(12,441)	
	1,627,501		31,116	1,658,617
Securities Regulation	799,456			
Personnel			(5,365)	
Operating			1,836	
Blue Cross Settlement Adjustment			(8,340)	
	799,456		(11,869)	787,587
Commercial Licensing and Regulation	1,167,196			
Personnel			7,167	
Contract Services			1,000	
Operating			4,733	
Blue Cross Settlement Adjustment			(9,375)	
	1,167,196		3,525	1,170,721
Racing and Athletics	718,056			
Personnel			(51,308)	
Jai Alai Administration			(39,995)	
Operating			5,426	
Blue Cross Settlement Adjustment			(4,063)	
	718,056		(89,940)	628,116
Insurance Regulation	3,598,012			
Personnel			(68,415)	
Contract Services			4,400	
Operating			5,884	
Gramm-Leach-Bliley		287,941	(174,000)	
Blue Cross Settlement Adjustment			(32,699)	
	3,598,012	287,941	(264,830)	3,621,123
Board of Accountancy	124,713			
Personnel			5,301	
Contract Services				
Operating				

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Blue Cross Settlement Adjustment	124,713		(1,354) 3,947	128,660
Total	9,680,905	287,941	(293,654)	9,675,192
Labor and Training				
Central Management	352,820			
Arbitration of Teacher Disputes			(20,068)	
Turnover Savings from Vacancy			(102,226)	
Blue Cross Settlement Adjustment			(4,085)	
Purchased Services			513	
Operating			523	
	352,820		(125,343)	227,477
Workforce Development Sevices	1,400,000			
	1,400,000			1,400,000
Workforce Regulation and Safety	2,872,587			
Personnel			38,850	
Operating			26,694	
Blue Cross Settlnent Adjustment			(30,384)	
Shift Expend. to Tardy and Interest Funds			(683,884)	
Grants and Benefits			36	
	2,872,587		(648,688)	2,223,899
Income Support	2,899,417			
Personnel and Operating			14,495	
Blue Cross Settlement Adjustment			(968)	
Police and Fire Relief Payments			69,107	
	2,899,417		82,634	2,982,051
Labor Relations Board	390,989			
Personnel			(7,973)	
Blue Cross Settlement Adjustment			(3,263)	
Operating			26,946	
	390,989		15,710	406,699
Total	7,915,813	-	(675,687)	7,240,126

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Legislature				
Legislature	27,326,547			
General Assembly		225,000		
Capital TV		65,000		
Joint Committee on Legislative Affairs		1,444,898		
General Assembly			(48,267)	
Fiscal Advisory Staff			(47,932)	
Legislative Council			46,544	
Joint Committee on Legislative Affairs			45,090	
Auditor General			4,565	
Blue Cross Settlement Adjustment			(323,227)	
Total	27,326,547	1,734,898	(323,227)	28,738,218
Office of the Lieutenant Governor				
Lt. Governor's Office - General	860,138			
Reappropriation-Vehicle		3,203	(3,203)	
Salary & Fringe Costs			(19,200)	
Blue Cross Settlement Change			(6,535)	
DataLogic Request			5,827	
Computer Upgrades			6,622	
Vehicle Purchase-COPS			(7,500)	
Total	860,138	3,203	(23,989)	839,352
Secretary of State				
Administration	1,180,127			
Reallocate FTE's and Reorganization			222,372	
Blue Cross Settlement			(9,010)	
Maintenance Contract			3,500	
Legal Services			35,856	
Automotive Equipment/Maint.			(41,533)	
	1,180,127		211,185	1,391,312
Corporations	1,785,231			
Reallocate FTE's and Reorganization			(220,702)	
Blue Cross Settlement			(20,821)	
Temporary Personnel Services			23,703	
Operating Expenses			(220)	
	1,785,231		(218,040)	1,567,191

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
State Archives	97,823			
Shift Personnel Costs to G.R			69,575	
Security and Fire Protection Services			1,000	
Shift Operating Expense to Restricted			(73,973)	
	97,823		(3,398)	94,425
Elections	363,039			
Salary and Fringe Benefit Costs			8,871	
Blue Cross Settlement			(3,157)	
Translation Services - Pres. Pref. Prim.			5,000	
Presidential Preference Primary			27,205	
	363,039		37,919	400,958
State Library	680,008			
Reduce Turnover & Adj. Fringe Ben.			31,353	
Blue Cross Settlement			(2,772)	
Operating			350	
	680,008		28,931	708,939
Office of Public Information	519,461			
Reallocate FTE's and Reorganization			(87,296)	
Blue Cross Settlement			(5,336)	
Education and Special Clerical Services			9,922	
Telephone, Printing & Other Operating			(14,983)	
	519,461		(97,693)	421,768
Total	4,625,689	-	(41,096)	4,584,593
Office of the General Treasurer				
Treasury	2,550,213			
Payroll			18,776	
Operating			(34,995)	
Blue Cross Adjustment			(25,503)	
	2,550,213		(41,722)	2,508,491
RI Refunding Bond Authority	79,996			
Payroll			(14)	
Blue Cross Adjustment			(180)	
	79,996		(194)	79,802

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Crime Victim Compensation Program	215,080			
Payroll			4,678	
Operating			11,555	
Station Fire Compensation Fund			800,000	
Blue Cross Adjustment			(2,571)	
	215,080		813,662	1,028,742
Total	2,845,289	-	771,746	3,617,035
Boards For Design Professionals				
Boards For Design Professionals	391,338			
Operating			6,091	
Personnel			(700)	
Purchased Services			1,000	
Legal Services			11,544	
Blue Cross Settlement Adjustment			(4,210)	
Total	391,338	-	13,725	405,063
Board of Elections				
Board Of Elections	1,365,467			
Salary and Fringe Benefits			22,723	
Blue Cross Settlement			(13,028)	
Purchased Legal Services			(20,000)	
Presidential Pref. Prim./Local Elections			38,875	
Building & Grounds/Misc. Operating			8,021	
Total	1,365,467	-	36,591	1,402,058
R I Ethics Commissions				
RI Ethics Commission	942,594			
Reappropriation- Program Operations		26,397		
Personnel Adjustments			(18,962)	
Operating Adjustments			(1,410)	
Legal Services				
Blue Cross Settlement Adjustment			(8,299)	
Total	942,594	26,397	(28,671)	940,320

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Office of the Governor				
Office Of Governor	4,277,878			
Reappropriation		184,356		
Blue Cross Settlement Change			(36,956)	
Total	4,277,878	184,356	(36,956)	4,425,278
Public Utilities Commission				
Public Utilities Commission	693,237			
Payroll			(8,603)	
Blue Cross Settlement Adjustment			(4,141)	
Contract Services			1,880	
Other Operating			1,410	
Benefits - Postemployment			63	
Total	693,237	-	(9,391)	683,846
Rhode Island Commission on Women				
Rhode Island Commission on Women	143,393			
Personnel			(77,798)	
Operating			2,567	
Blue Cross Settlement Adjustment			(375)	
Total	143,393	-	(75,606)	67,787
Sub-Total General Government	470,063,051	6,493,123	(21,506,782)	455,049,392
<u>Human Services</u>				
Children, Youth, and Families				
Central Management	7,688,399			
Salaries and Fringe Benefits			300,652	
Consultants			88,220	
Operating			(255,343)	
Grants and Benefits			451	
Blue Cross Settlement Adjustment			(45,228)	
	7,688,399		88,752	7,777,151
Children's Behavioral Health	19,349,256			
Salaries and Fringe Benefits			362,949	
Consultant Services			310,705	
Operating			30,980	

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Increased Federal Offsets, Board and Care Grants and Benefits			1,527,873	
Blue Cross Settlement Adjustment			(10,785)	
	19,349,256		2,221,722	21,570,978
Juvenile Corrections	26,659,023			
Salaries and Fringe Benefits			312,426	
Consultant Services			116,310	
Operating			261,958	
Increased federal match				
Grants and Benefits			242,466	
Blue Cross Settlement Adjustment			(217,416)	
	26,659,023		715,744	27,374,767
Child Welfare	82,413,103			
Salaries and Fringe Benefits			(387,790)	
Consultant Services			(211,899)	
Operating			(349,093)	
Increased Federal Reimbursements				
Grants and Benefits			2,283,656	
Blue Cross Settlement Adjustment			(210,024)	
	82,413,103		1,124,850	83,537,953
Higher Education Opportunity Incentive Grant	200,000			
Total	200,000			200,000
Total	136,309,781	-	4,151,068	140,460,849

Elderly Affairs

Elderly Affairs	27,694,995			
Personnel - Administrative Services			252,587	
Personnel - Program Services			(293,868)	
Operating			3,388	
Blue Cross Settlement Adjustment			(29,062)	
Rental of Outside Property			(31,982)	
RIPAE - Drug Cost			1,027,829	
RIPAE - Management Services			95,667	
Other Grants				

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
MMIS Medicaid Payments - Taxable			(9,096)	
Core S - Home Care				
Home & Community Care/Home-Day Care				
Medicaid Waiver				
Consultants			1,500	
Transportation- Paratransit Program			300,000	
All other				
Total	27,694,995	-	1,316,963	29,011,958
 Health				
Central Management	2,646,349			
Payroll			(447,714)	
Blue Cross Settlement Adjustment			(24,521)	
Contract Services			13,086	
Assistance and Grants				
Other Operating			3,719	
	2,646,349		(455,430)	2,190,919
State Medical Examiner	1,810,305			
Payroll			(18,740)	
Blue Cross Settlement Adjustment			(13,009)	
Contract Services			10,295	
Other Operating			8,445	
	1,810,305		(13,009)	1,797,296
Family Health	8,636,010			
Payroll			(112,735)	
Blue Cross Settlement Adjustment			(15,082)	
Contract Services			71,886	
Other Operating			(2,999)	
Medicaid Adjustment			12,941	
Early Intervention Services			787,167	
	8,636,010		741,178	9,377,188
Health Services Regulation	4,487,878			
Payroll			(106,036)	
Blue Cross Settlement Adjustment			(45,517)	
Contract Services			180,551	
Other Operating			(11,446)	
Benefits - Postemployment			1,160	
	4,487,878		18,712	4,506,590
Environmental Health	4,384,145			
Payroll			(124,393)	
Blue Cross Settlement Adjustment			(46,199)	
Contract Services			104,775	
Other Operating			41,141	

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Benefits - Retirees			1,040	
Medicaid Adjustment			(22,563)	
	4,384,145		(46,199)	4,337,946
Health Laboratories	6,179,326			
Payroll			71,392	
Blue Cross Settlement Adjustment			(57,955)	
Contract Services			3,570	
Other Operating			(73,310)	
Benefits - Retirees			(1,650)	
	6,179,326		(57,953)	6,121,373
Disease Prevention and Control	5,948,337			
Payroll			11,129	
Blue Cross Settlement Adjustment			(12,439)	
Contract Services			107,700	
Other Operating			3,724	
Grants Reallocation to Contract			(122,555)	
	5,948,337		(12,441)	5,935,896
Total	34,092,350	-	174,858	34,267,208
 Human Services				
Central Management	6,473,722			
Forand Building Maintenance		31,791		
Blue Cross Settlement Adjustment			(20,833)	
Personnel				
Operating Costs			(47,862)	
Turnover and offsets to increased indirect cost recoveries			(132,391)	
Reallocation, grants to HQF, State Funded		(65,000)		
	6,473,722	(33,209)	(201,086)	6,239,427
Individual and Family Support	20,137,036			
Information Services			132,666	
Blue Cross Settlement Adjustment			(150,504)	
Reallocation, InRhodes to Health Care		(197,699)		
Net other personnel and operating			2,780	
FIP Training Grants			(250,000)	
Office Rentals			52,607	
	20,137,036	(197,699)	(212,451)	19,726,886
Veterans' Affairs	16,340,861			
Reduced federal reimbursents			43,687	
Blue Cross Settlement Adjustment			(238,327)	
Contract services			100,656	
Personnel			(6,787)	

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
	16,340,861		(100,771)	16,240,090
Health Care Quality, Financing and Purchasing	23,746,254			
HIPAA Contracting		234,998		
Blue Cross Settlement Adjustment			(117,401)	
Record Local Special Education Match			1,773,658	
Personnel, including vacancies			(843,197)	
Reallocation grant from Central Management		60,000		
Reallocation, InRhodes from IFS		197,699		
Operating			(179,281)	
Contract Services			409,212	
	23,746,254	492,697	1,042,991	25,281,942
Medical Benefits	449,738,713			
Caseload Conference			8,161,552	
Rite Care- Enhanced reimbursements to RIPTA			558,677	
Increased Uncompensated Care, State Match			4,588,023	
Additional Offsets to federal S-CHIP			(500,000)	
Revenue Maximization Initiative			(727,150)	
	449,738,713		12,081,102	461,819,815
S.S.I. Program- Caseload Conference	26,824,008		(180,849)	
	26,824,008		(180,849)	26,643,159
Family Independence Program	77,040,192			
TANF/FIP Caseload Conference			837,871	
Child Care- Caseload Conference			(370,446)	
TANF Grant Penalty from Child Support Enforcement				
Child Care - Increased federal resources			(5,449,802)	
	77,040,192		(4,982,377)	72,057,815
State Funded Programs	2,974,132			
GPA- Caseload Conference			103,521	
Reallocate grant from Central Management		5,000		
GPA- Hardship (non-CEC)			28,300	
	2,974,132	5,000	131,821	3,110,953
Total	623,274,918	266,789	7,578,380	631,120,087

Mental Health, Retardation, & Hospitals

Central Management	2,260,725			
Turnover Savings			(239,113)	
Blue Cross Settlement			(21,592)	

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Consulting Engineer			59,850	
Information Technology Services			21,893	
	2,260,725		(178,962)	2,081,763
Hosp. & Community System Support	20,075,397			
Turnover Savings			(1,230,046)	
Blue Cross Settlement			(138,814)	
Power Plant Operating Contract			1,831,436	
Energy Consultant			140,000	
Other Purchased Services			(5,787)	
Temporary Boilers and Generators			426,082	
Utilities - Oil			1,404,382	
Utilities - Gas			1,358,644	
Utilities - Electricity			(239,998)	
Campus Repairs			(600,000)	
Utilities - Sewer			125,000	
Other Operating Adjustments			(23,869)	
Total	20,075,397		3,047,030	23,122,427
Services. for the Developmentally Disabled	94,583,493			
RICLAS Overtime and Turnover Sav.			912,715	
Blue Cross Settlement			(229,143)	
Purchased Services			84,682	
Repairs to Group Homes				
Group Home Insurance & Auto. Exp			81,427	
Rebase Private Comm. Grant based Ser.			(1,032,609)	
Pirovano Trust		52,498		
	94,583,493	52,498	(182,928)	94,453,063
Integrated Mental Health Services	33,660,790			
Shift Personnel to Federal/Turnover			(66,066)	
Blue Cross Settlement			(9,257)	
Medicaid Utilization			731,915	
In-Patient Psy. Hosp. to DSH - Pool I			(764,931)	
Inpatient Psychiatric Hospitalization			1,216,796	
	33,660,790		1,108,457	34,769,247
Hosp. & Community Rehab. Services	44,647,530			
Purch. Medical & Other Personnel Ser.			(16,949)	
Blue Cross Settlement			(467,594)	

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Unachieved Ward Closures			1,750,729	
	44,647,530		1,266,186	45,913,716
Substance Abuse	14,339,975			
Shift Personnel to Federal/Turnover			(163,837)	
Blue Cross Settlement			(19,466)	
Information Processing & Other Oper.			27,184	
Medicaid Utilization			251,730	
	14,339,975		95,611	14,435,586
Total	209,567,910	52,498	5,155,394	214,775,802
Office of the Child Advocate	414,844			
Personnel Adjustments			59,911	
Personnel Cost Allocation				
Operating			5,200	
Blue Cross Settlement Adjustment			(4,975)	
Total	414,844	-	60,136	474,980
Commission on Deaf and Hard of Hearing	285,014			
Personnel Adjustments			(10,658)	
Blue Cross Settlement Adjustment			(1,972)	
Strategic Plan & Internal Database			5,000	
Operating Adjustments			6,250	
Adjustment to Interpreter Services			(16,000)	
Total	285,014		(17,380)	267,634
Governor's Commission on Disabilities	534,430			
Personnel			3,549	
Contract Services			(1,313)	
Legal Services			(2,236)	
Operating			7,500	
Blue Cross Settlement Adjustment			(3,328)	
Total	534,430	-	4,172	538,602
Commission for Human Rights	895,306			
Net operating- rental increase			27,533	
Blue Cross Settlement Adjustment			(8,171)	
Irrecoverable Federal Costs, Prior Years			116,557	
Total	895,306	-	135,919	1,031,225

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Office of the Mental Health Advocate	317,656			
Unrealized Turnover			4,281	
Blue Cross Settlement			(2,750)	
Purchased Medical Services			(1,939)	
Operating			(2,342)	
Total	317,656	-	(2,750)	314,906
Sub-Total Human Services	1,033,387,204	319,287	18,556,760	1,052,263,251
<u>Education</u>				
Elementary and Secondary Education				
State Education Aid	617,153,303			
Reappropriation-PSI		12,500		
Charter School Addition			233,168	
School Breakfast Surplus			(52,127)	
	617,153,303	12,500	181,041	617,346,844
School Housing Aid	40,747,193			
Housing Aid Adjustment			(6,585)	
	40,747,193			40,740,608
Teacher's Retirement	45,448,832			
Retirement Adjustment			763,774	
	45,448,832		763,774	46,212,606
RI School for the Deaf	5,631,171			
Personnel & Operating			83,201	
Blue Cross Settlement Change			(59,498)	
Medicaid Offsets			256,762	
Facility A & E Costs			10,000	
Vision Serv-Perkins School			130,425	
	5,631,171		420,890	6,052,061
Central Falls School District	35,635,332			
	35,635,332			35,635,332
Davies Career & Technical School	11,329,692			
Personnel Costs			(240,347)	
Blue Cross Settlement Change			(107,260)	
Contract Services				
Repair of Heating Units			185,000	

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Operating Costs	11,329,692		(101,078) (263,685)	11,066,007
Met. Career & Tech. School	5,750,000			
	5,750,000			5,750,000
Administration of the Comp. Education Strategy	14,873,548			
Reappropriation-IT Upgrade		60,000		
Reallocation- Hope High School Grant to OHE		(75,000)		
Reallocation from Transportation Study		10,000	(10,000)	
Reallocation- Drivers Education to Higher Education			(357,640)	
Personnel Costs			53,924	
Blue Cross Settlement Change			(69,728)	
Contract Services			12,488	
Education Comm. Of the States Dues			45,000	
Operating Costs			54,910	
Amer-I-can Grant Reduction			(50,000)	
	14,873,548	(5,000)	(321,046)	14,547,502
Tranportation Study	10,000			
Reallocation to ACES		(10,000)	10,000	
	10,000	(10,000)	10,000	10,000
Total	776,579,071	(2,500)	784,389	777,360,960
Higher Education	172,088,777			
Reappropriation		176,149		
Reallocation- Hope High School Grant from RIDE		75,000	-	
Blue Cross Settlement Adjustment			(1,298,484)	
Total	172,088,777	251,149	(1,298,484)	171,041,442
RI Council On The Arts	2,314,223			
Film Office Restructuring			(3,748)	
Blue Cross Settlement Adjustment			(3,908)	
Restrict First Night grant			(18,000)	
Net other items			(1,196)	
Total	2,314,223	-	(26,852)	2,287,371
RI Atomic Energy Commission	646,012			
Atomic Energy Commission				
Personnel			54,655	
Operating			2,631	
Blue Cross Settlement Adjustment			(3,956)	
Total	646,012	-	53,330	699,342

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
RI Higher Education Assistance Authority	11,059,662			
Personnel Adjustments			(11,445)	
Operating			11,445	
Blue Cross Settlement Adjustment			(7,653)	
Total	11,059,662	-	(7,653)	11,052,009
RI Historical Preservation & Heritage Commission	1,074,360			
Personnel			10,909	
Blue Cross Settlement Adjustment			(15,110)	
Operating			(4,107)	
Eisenhower House Operating		20,502	(8,343)	
Total	1,074,360	20,502	(16,650)	1,078,212
RI Public Telecommunications Authority	1,196,530			
Reappropriation-Closed Captioning		16,500		
Reappropriation-Tower Lease Costs		39,338		
Salary & Fringe Benefits Increases			79,535	
Blue Cross Settlement Change			(9,708)	
Operating Increases-DTV Related			13,879	
Other Operating Adjustments			(16,350)	
Personnel Reductions			(56,956)	
Closed Captioning Adjustment			(25,000)	
Total	1,196,530	55,838	(14,600)	1,237,768
Sub-Total Education	964,958,635	324,989	(526,520)	964,757,104
<u>Public Safety</u>				
Attorney General				
Criminal	10,652,958			
Station Fire Consulting		89,000		
Station Fire Adjustment			41,284	
Personnel			(85,753)	
Purchased Services			2,232	
Operating			6,052	
Blue Cross Settlement Adjustment			(75,239)	
	10,652,958	89,000	(111,424)	10,630,534
Civil	3,388,226			
Racial Profiling		14,890		
Civil Reappropriation		100,000		
Reduce .2 FTE			(15,047)	
Personnel			(62,926)	

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Purchased Services			29,471	
Operating			(51,500)	
Blue Cross Settlement Adjustment			(22,440)	
	3,388,226	114,890	(122,442)	3,380,674
Bureau of Criminal Identification	715,765			
BCI Maintenance Costs		3,000		
Personnel			(7,621)	
Purchased Services			(15,000)	
Operating			61,304	
Blue Cross Settlement Adjustment			(3,941)	
	715,765	3,000	34,742	753,507
General	1,810,149			
General - Reappropriation		10,000		
Personnel			(113,955)	
Purchased Services			-	
Operating			(28,346)	
Basement Repairs			163,000	
Blue Cross Settlement Adjustment			(12,487)	
	1,810,149	10,000	8,212	1,828,361
Total	16,567,098	216,890	(190,912)	16,593,076

Corrections

Central Management	9,603,293			
Inmate Accounts		-	291,472	
VOI/TIS Admin Match		-	(3,684)	
Payroll			(42,210)	
Blue Cross Settlement Adjustment			(93,017)	
Medical Benefits			19,667	
Purchased Services			30,657	
MIS Contract Delay			(74,314)	
Operating			78,927	
Per Diem Expenditures			14,922	
Training			(76,694)	
Computer Equipment			(157,382)	
Recruitment Class			141,502	
	9,603,293	-	129,846	9,733,139
Parole Board	999,141			
Payroll			(15,165)	
Medical Benefits			9,375	
Blue Cross Settlement Adjustment			(8,889)	
Purchased Services			(7,509)	
Operating			4,320	

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Sex Offender Community Notification	999,141		72,356 54,488	1,053,629
Institutional Corrections	117,627,236			
Transfer to Central Management				
Transfer from Rehabilitative Services			866,697	
Other Payroll			(4,005,818)	
Medical Benefits			148,951	
Blue Cross Settlement Adjustment			(1,024,353)	
SCAAP Offset			(614,869)	
Federal Detainee Revenue Decrease			1,129,360	
Population-Related Overtime			1,244,600	
Unbudgeted Overtime (including briefing time)			8,412,870	
RIBCO Retro			41,805	
Medical Contracts			245,087	
Other Purchased Services			(56,057)	
Repairs			173,797	
Uniforms			(217,317)	
Other Operating			(8,210)	
Medical Supplies/Drugs			(399,396)	
Patient Services			943,531	
Population-Related Operating (Food)			(1,172,171)	
Population-Related Operating (Other)			49,626	
Video Arraignment			72,000	
Grants and Benefits			(61,542)	
Capital Repairs			(98,387)	
	117,627,236	-	5,670,204	123,297,440
Community Corrections	11,847,743			
Transfer from Institutional Custody		-	(1,102,146)	
Other Payroll			(755,945)	
Blue Cross Settlement Adjustment			(220,505)	
Medical Benefits			62,551	
Overtime			319,236	
Other Purchased Services			(13,332)	
Inpatient/Outpatient/Lab Services			637,927	
Medical Contract Services			89,880	
Physician Services			60,795	
Dental Services			79,325	
Psychiatric Services			121,522	
Laboratory Testing				
Operating			81,962	
Grants			7,131	
	11,847,743	-	(631,599)	11,216,144
Total	140,077,413	-	5,222,939	145,300,352

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Judiciary				
Supreme Court	23,887,094			
Reduce Civil Computer System			(273,034)	
Turnover Savings				
Law Library				
Board of Bar Examiners				
Justice Link Technology Imp.				
Increase Court Technology Imp			273,034	
Reduce Operating			(298,964)	
Reduce Purchased Services			(50,500)	
Shift Payroll Savings to other Courts			(438,946)	
Shift Pensions Savings to other Courts			(244,957)	
Increase Indigent Defense Fund			125,000	
Increase Grants (retiree health)			(1,145)	
Credit Card 1.7% Fee Payments			24,000	
Blue Cross Settlement Adjustment			(115,833)	
Shift Justice Link to Supreme Court			434,040	
	23,887,094		(567,305)	23,319,789
Justice Link	434,040			
Computer Equipment			(434,040)	
	434,040		(434,040)	-
Superior Court	16,681,473			
Shift Payroll from Supreme			49,011	
Increase Judicial Pensions			120,498	
Juror Transportation Program			125,000	
Reduce Juror Fees			(125,000)	
Purchased Sevices			61,800	
Grants (retiree health)			5,100	
Blue Cross Settlement Adjustment			(139,118)	
Increase Operating			27,761	
	16,681,473		125,052	16,806,525
Family Court	12,621,565			
Shift Payroll from Supreme			193,367	
Increase Purchased Services			71,253	
Increase Operating			55,843	
Blue Cross Settlement Adjustment			(145,112)	
Reduce Judicial Pensions			(101,819)	

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
	12,621,565		73,532	12,695,097
District Court	7,923,671			
Shift Payroll from Supreme			151,305	
Increase Purchased Services			37,769	
Increase Operating			58,488	
Shift Pension Savings to Other Courts			(22,581)	
Blue Cross Settlement Adjustment			(69,938)	
Shift Grants from Supreme			75,000	
	7,923,671		230,043	8,153,714
Traffic Tribunal	6,219,918			
Shift Payroll from Supreme			45,263	
Overtime				
Decrease Purchased Services			(4,866)	
Increase Operating			64,215	
Increase Grants (retiree health)			89	
Blue Cross Settlement Adjustment			(61,820)	
Shift Pension Savings to Other Courts			(1,984)	
	6,219,918		40,897	6,260,815
Total	67,767,761	-	(531,821)	67,235,940
Military Staff				
National Guard	1,677,623			
Centralized Personnel Plan (CCP)			(68,428)	
Maintenance Employees			23,500	
Firefighters' Overtime			8,851	
Blue Cross Settlement Adjustment			(17,019)	
Other Payroll			(31,306)	
Firing Squads Transfer to Fed Funding			(64,487)	
Purchased Services			(9,386)	
Heating Oil Adjustment			31,116	
Insurance			(88)	
Other Operating Adjustment				
	1,677,623		(127,247)	1,550,376
Emergency Management	1,119,097			
Payroll-Overtime			44,604	
Other Payroll			(25,976)	
Purchased Services			2,736	
Operating			11,078	
Wide Area Incident Tracking System			(600,000)	
	1,119,097		(567,558)	551,539
Total	2,796,720	-	(694,804)	2,101,916

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
E-911 Emergency Telephone System				
E-911 Emergency Telephone System	4,365,704			
E-911 Telephone Service		61,038	(13,908)	
GIS Database Development		11,000	83,208	
Personnel Savings			(174,467)	
Blue Cross Settlement Adjustment			(39,580)	
Operating			(87,594)	
Total	4,365,704	72,038	(232,341)	4,205,401
Fire Safety Code Commission				
Fire Code Commission	235,469			
Personnel Adjustments			(27,842)	
Operating			17,842	
Blue Cross Settlement Adjustment			(1,978)	
Total	235,469	-	(11,978)	223,491
State Fire Marshal				
State Fire Marshal	1,739,123			
Personnel Adjustments			(233,137)	
Operating and Equipment			154,137	
Overtime			30,000	
Blue Cross Settlement Adjustment			(12,378)	
Total	1,739,123	-	(61,378)	1,677,745
Commission on Judicial Tenure and Discipline				
	113,455			
Legal and Stenographic Services		20,000	10,026	
Payroll Turnover Savings			(17,941)	
Blue Cross Settlement Adjustment			(1,052)	
Operating			3,037	
Total	113,455	20,000	(5,930)	127,525
Rhode Island Justice Commission				
Rhode Island Justice Commission	163,492			
Payroll			(790)	
Blue Cross Settlement Adjustment			(1,271)	
Other Operating			790	
Total	163,492	-	(1,271)	162,221
Municipal Police Training Academy				
Municipal Police Training Academy	356,387			
Blue Cross Settlement Adjustment			(4,210)	
Total	356,387	-	(4,210)	352,177

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
State Police				
State Police	40,575,638			
Reappropriation		110,276		
Personnel Reduction			(1,214,536)	
Contract Services Increase			42,645	
Blue Cross Settlement Change			(231,647)	
Auto Maintenance			(10,728)	
Operating-Repairs			33,537	
Operating-Staff Education			23,295	
Pension Costs			214,606	
Vehicle Purchase-Master Lease			(162,350)	
Total	40,575,638	110,276	(1,305,178)	39,380,736
Office Of Public Defender				
Public Defenders Office	6,567,522			
Unpaid FY 2003 Obligations		7,278		
Tax Escalator Adjustment			2,926	
Insurance			987	
Blue Cross Settlement Adjustment			(63,201)	
Vacancy Adjustment			(30,000)	
Other Payroll Adjustments			(93,817)	
Purchasing Adjustments			26,192	
Operating Adjustments			2,625	
Court Improvement Federal Funds			(43,631)	
Total	6,567,522	7,278	(197,919)	6,376,881
Sub-Total Public Safety	281,325,782	426,482	1,985,197	283,737,461
<u>Natural Resources</u>				
Environmental Management				
Policy and Administration	8,194,611			
Personnel Adjustments			(60,182)	
Blue Cross Settlement Adjustment			(49,330)	
Operating Adjustments			(10,100)	
Assignment of OLIS charges			53,100	
	8,194,611		(66,512)	8,128,099
Natural Resources	15,053,323			
Personnel Adjustments			303,466	
Blue Cross Settlement Adjustment			(130,225)	

Changes to FY 2004 Enacted General Revenue Expenditures

	FY2004 Enacted Appropriation	Reappropriation/ Appropriation Transfer	FY 2004 Supplemental Changes	FY 2004 Final Supplemental
Overtime			42,650	
Host Beach Community Revenue Share			(115,461)	
Operating			(86,664)	
	15,053,323		13,766	15,067,089
Environmental Protection	7,769,300			
Personnel Adjustments			(18,663)	
Operating			(11,000)	
Blue Cross Settlement Adjustment			(101,865)	
Reappropriation- Rose Hill Landfill		298,667	(298,667)	
	7,769,300	298,667	(430,195)	7,637,772
RIPDES	662,540			
	662,540			662,540
Total	31,679,774	298,667	(482,941)	31,495,500
Coastal Resources Management Council	1,421,021			
Database Management System		129,400	(39,344)	
Payroll Adjustments			(1,230)	
Blue Cross Settlement Adjustment			(14,096)	
Purchased Services Adjustments			(4,679)	
Agency Relocation			(30,000)	
Other Operating Adjustments			848	
Total	1,421,021	129,400	(88,501)	1,461,920
State Water Resources Board	940,992			
Vacancy Savings			(30,000)	
Security Services			300	
Operating			(300)	
Blue Cross Settlement Adjustment			(6,095)	
Total	940,992	-	(36,095)	904,897
Sub-Total Environment	34,041,787	428,067	(607,537)	33,862,317
Statewide General Revenue Total	2,783,776,459	7,991,948	(2,098,882)	2,789,669,524

Changes to FY 2004 Enacted Transportation Expenditures

	FY2004 Enacted Appropriation	Carry Over From FY2003 Appropriations	Supplemental Changes	FY2004 Recommend
Transportation ISTEA Fund Changes				
Central Management	3,263,692			
Payroll			131,217	
Purchased Services			(9,000)	
Operating			24,750	
Capital Improvements			31,009	
	3,263,692		177,976	3,441,668
Management & Budget	2,065,834			
Payroll			(153,687)	
Operating			6,400	
Capital Improvements			(16,526)	
	2,065,834		(163,813)	1,902,021
Infrastructure-Maintenance	39,117,378			
Payroll			(685,777)	
Purchased Services			(91,600)	
Operating			84,513	
Winter Maintenance Operations		333,666	458,735	
Winter Maintenance Overtime			120,000	
Capital Improvements			50,000	
	39,117,378	333,666	(64,129)	39,386,915
Infrastructure-Engineering	53,608,993			
Payroll			(173,940)	
Purchased Services			(25,000)	
Operating			(29,768)	
RIPTA Debt Service Savings			26,250	
RIPTA Gas Tax Allocation Decrease			(1,416,000)	
Capital Improvements			73,161	
	53,608,993		(1,545,297)	52,063,696
Total Transportation	98,055,897	333,666	(1,595,263)	96,794,300
Gas tax budgeted outside DOT				
DOT Debt service	31,784,914		(787,500) *	30,997,414
RIPTA Debt Service	431,190		(26,250)	404,940
Gas tax budgeted in DOA-planning	32,216,104	-	(813,750)	31,402,354

Changes to FY 2004 Enacted Transportation Expenditures

	FY2004 Enacted Appropriation	Carry Over From FY2003 Appropriations	Supplemental Changes	FY2004 Recommend
DEA- Elderly Transportation	4,720,000		-	4,720,000
Total Gas Tax for Transportation	134,992,001	333,666	(2,409,013)	132,916,654

* This savings will be reallocated to FY 2005 in order for the Department to meet necessary spending increases.

Changes are reflective of gas tax funding only.

Aid to Cities and Towns/Schools

Formula Aid to Cities and Towns

The FY 2005 enacted budget for formula aid to cities and towns totals \$214.0 million. This represents a \$1.5 million, increase from the FY 2004 revised level of funding. The table on the following page displays FY 2005 enacted levels of funding for formula aid to cities and towns by community. The narrative below describes each of the programs included on the tables.

***General
Revenue
Sharing***

Beginning in FY 1994, one percent of total state tax revenues from the second prior fiscal year was earmarked for general state aid to cities and towns. Beginning in FY 1999, this percentage has been increased annually and will continue until reaching 4.7 percent in FY 2011. The FY 2005 enacted budget postponed the increase from 2.7 percent to 3.0 percent to FY 2006. Funds are distributed based on a legislated formula encompassing per-capita income and the taxes imposed by each city or town for public purposes, excluding amounts allocated to education expenses.

***Payment in Lieu of
Tax Exempt Property
(PILOT)***

Legislation creating this program enables the State of Rhode Island to reimburse cities and towns for property taxes that would have been due on certain types of real property which are exempted from taxation by state law. This includes property owned by nonprofit educational institutions, nonprofit hospitals, or any state owned hospital, veterans' residential facility, airport or correctional facility. Reimbursement is made for twenty-seven percent of all tax that would have been collected had the property been taxable, prorated by the amount appropriated for a given fiscal year.

***Distressed
Communities Relief
Program***

This program provides state assistance to those Rhode Island communities with the highest property tax burdens relative to the wealth of taxpayers. Funding for this program is derived from \$5.0 million from the video lottery terminal revenue and the state's receipts from the real estate conveyance tax.

***Public Service
Corporation Tax***

The tangible personal property of telegraph, cable and telecommunications corporations is exempted from local taxation, but is subject to taxation by the state. Funds collected from this tax are distributed to cities and towns within the state based on the ratio of the city or town population to the population of the State as a whole. This funding is a pass-thru to the local communities and is not appropriated by the state as part of the annual budget.

Library Aid

This program provides financial support for local public library services and for the construction and capital improvement of any free public library. A portion of library aid is disbursed directly to local public and private libraries while other aid is disbursed to the individual cities and towns.

***Motor Vehicle Excise
Tax Phase-Out***

This program reimburses cities and towns for the lost revenues previously generated from the motor vehicle excise tax. An exemption set by statute and reimbursed by the State reduces the assessed value subject to taxation and results in local taxpayer relief. The funding in FY 2005 is based on a \$4,500 exemption per vehicle. This program is subject to annual review and appropriation by the General Assembly.

Fiscal Year 2004 State Aid to Cities and Towns

City or Town	General Revenue Sharing	Payment In Lieu of Tax Exempt Property	Distressed Community Relief Fund	Public Service Corporation Tax	State Library Aid	Motor Vehicle Excise Tax Reimbursement Value of Exemption	FY 2004 Total State Aid
Barrington	231,191	71,029	-	261,919	276,378	2,197,524	3,038,041
Bristol	805,463	421,492	-	349,905	75,665	1,118,422	2,770,947
Burrillville	610,930	76,977	-	245,988	61,881	2,053,956	3,049,732
Central Falls	1,346,691	20,649	182,474	294,762	63,470	1,208,411	3,116,457
Charlestown	346,452	-	-	122,387	39,137	374,379	882,355
Coventry	925,367	-	-	524,305	138,258	2,147,241	3,735,171
Cranston	3,293,868	2,611,611	-	1,234,440	479,014	9,485,112	17,104,045
Cumberland	1,067,249	81	-	495,838	183,570	2,048,308	3,795,046
East Greenwich	170,999	4,592	-	201,637	77,310	1,041,805	1,496,343
East Providence	2,200,038	63,139	-	758,208	430,627	4,994,050	8,446,062
Exeter	86,974	-	-	94,138	-	711,407	892,519
Foster	231,403	266	-	66,558	37,500	578,603	914,330
Glocester	442,690	-	-	154,918	57,839	868,249	1,523,696
Hopkinton	190,356	-	-	122,028	40,759	597,217	950,360
Jamestown	181,533	5	-	87,550	56,930	317,721	643,739
Johnston	2,006,020	-	-	439,075	117,925	4,114,297	6,677,317
Lincoln	577,113	-	-	325,440	151,390	2,195,453	3,249,396
Little Compton	89,499	-	-	55,953	22,962	214,723	383,137
Middletown	826,214	-	-	269,939	118,971	819,089	2,034,213
Narragansett	681,586	-	-	254,787	91,730	957,659	1,985,762
Newport	1,778,150	450,882	-	412,290	291,129	1,455,950	4,388,401
New Shoreham	71,860	-	-	15,728	67,411	65,343	220,342
North Kingstown	821,676	8,265	-	409,969	214,401	2,179,062	3,633,373
North Providence	1,897,449	385,144	-	504,730	155,319	3,867,875	6,810,517
North Smithfield	618,281	43,886	-	165,352	50,928	1,501,993	2,380,440
Pawtucket	4,490,377	311,780	1,324,945	1,136,160	309,373	8,006,234	15,578,869
Portsmouth	553,213	10,206	-	267,058	92,657	1,180,727	2,103,861
Providence	12,352,585	15,427,635	4,624,560	2,703,718	1,392,690	18,908,768	55,409,956
Richmond	162,490	426	-	112,467	24,792	578,451	878,626
Scituate	320,753	-	-	160,774	72,783	1,155,251	1,709,561
Smithfield	1,268,058	514,316	-	321,002	192,547	2,641,772	4,937,695
South Kingstown	928,824	123,224	-	434,808	148,885	1,578,608	3,214,349
Tiverton	523,660	-	-	237,641	59,477	1,022,440	1,843,218
Warren	416,220	-	-	176,907	43,788	854,507	1,491,422
Warwick	4,034,001	845,581	-	1,336,271	553,600	10,654,567	17,424,020
Westerly	447,184	149,941	-	357,645	98,381	2,238,068	3,291,219
West Greenwich	144,375	-	-	79,188	21,264	395,962	640,789
West Warwick	1,246,456	-	730,173	460,659	162,328	2,432,650	5,032,266
Woonsocket	3,051,285	174,990	671,181	673,119	190,936	4,207,412	8,968,923
Subtotal	51,438,532	21,716,117	7,533,333	16,325,261	6,664,005	102,969,264	206,646,513
Statewide Reference Library Resource Grant (Providence)					880,110		880,110
Library Construction Reimbursement					2,128,601		2,128,601
Motor Vehicle Excise Tax Reimbursement - Fire Districts						1,875,837	1,875,837
Total	51,438,532	21,716,117	7,533,333	16,325,261	9,672,716	104,845,101	211,531,061

Fiscal Year 2005 State Aid to Cities and Towns

City or Town	General Revenue Sharing	Payment In Lieu of Tax Exempt Property	Distressed Community Relief Fund	Public Service Corporation Tax	State Library Aid	Motor Vehicle Excise Tax Reimbursement Value of Exemption	FY 2005 Total State Aid
Barrington	234,285	47,886	-	230,975	295,433	2,197,524	3,006,103
Bristol	825,753	420,601	-	308,567	69,440	1,118,422	2,742,783
Burrillville	606,174	78,522	-	216,926	67,836	2,053,956	3,023,413
Central Falls	1,372,871	20,106	201,028	259,938	62,193	1,208,411	3,124,547
Charlestown	372,229	-	-	107,928	42,213	374,379	896,749
Coventry	917,864	-	-	462,362	147,975	2,147,241	3,675,442
Cranston	3,199,670	3,371,038	-	1,088,600	488,229	9,485,112	17,632,648
Cumberland	1,168,720	81	-	437,258	212,069	2,048,308	3,866,436
East Greenwich	189,331	7,242	-	177,815	85,192	1,041,805	1,501,385
East Providence	2,276,071	64,838	-	668,632	460,448	4,994,050	8,464,039
Exeter	85,686	-	-	83,016	8,495	718,053	895,251
Foster	252,920	255	-	58,695	34,756	578,603	925,228
Glocester	476,816	-	-	136,616	58,732	868,250	1,540,414
Hopkinton	184,276	-	-	107,612	39,185	597,217	928,289
Jamestown	162,060	5	-	77,207	62,279	317,721	619,273
Johnston	2,045,018	-	-	387,202	121,700	4,114,297	6,668,217
Lincoln	811,406	-	-	286,992	158,808	2,195,453	3,452,659
Little Compton	89,057	-	-	49,343	25,524	214,723	378,647
Middletown	842,795	-	-	238,048	129,464	881,663	2,091,970
Narragansett	703,202	-	-	224,685	99,601	957,099	1,984,587
Newport	1,728,739	511,083	-	363,581	325,516	1,455,950	4,384,869
New Shoreham	73,257	-	-	13,870	76,634	65,343	229,104
North Kingstown	806,625	8,301	-	361,535	224,789	2,179,062	3,580,311
North Providence	1,949,426	395,607	-	445,100	162,852	3,941,255	6,894,240
North Smithfield	698,892	44,215	-	145,817	51,913	1,501,993	2,442,829
Pawtucket	4,579,132	278,920	1,443,172	1,001,931	342,428	8,006,234	15,651,817
Portsmouth	547,679	10,147	-	235,507	103,012	1,180,727	2,077,072
Providence	12,592,728	15,573,005	5,322,212	2,384,294	1,383,493	18,908,768	56,164,499
Richmond	145,825	433	-	99,180	22,069	578,451	845,958
Scituate	372,523	-	-	141,779	79,690	1,155,251	1,749,243
Smithfield	1,346,867	544,555	-	283,078	213,206	2,641,772	5,029,479
South Kingstown	820,517	125,597	-	383,439	175,692	1,578,608	3,083,853
Tiverton	471,479	-	-	209,565	68,270	1,022,440	1,771,754
Warren	385,456	-	-	156,007	41,578	854,507	1,437,548
Warwick	4,050,212	855,013	-	1,178,400	590,590	10,654,567	17,328,782
Westerly	576,458	182,085	-	315,392	248,761	2,238,068	3,560,764
West Greenwich	161,935	-	-	69,832	20,301	395,962	648,030
West Warwick	1,278,641	-	812,031	406,236	178,697	2,432,650	5,108,255
Woonsocket	3,035,938	176,582	754,890	593,595	198,538	4,207,412	8,966,954
Subtotal	52,438,532	22,716,117	8,533,333	14,396,555	7,177,599	103,111,305	208,373,443
Statewide Reference Library Resource Grant (Providence)					880,110		880,110
Library Construction Reimbursement					2,621,329		2,621,329
Motor Vehicle Excise Tax Reimbursement - Fire Districts						1,875,837	1,875,837
Total	52,438,532	22,716,117	8,533,333	14,396,555	10,679,038	104,987,142	213,750,719

Changes in Formula Aid - FY 2005 vs. FY 2004

City or Town	General Revenue Sharing	Payment In Lieu of Tax Exempt Property	Distressed Community Relief Fund	Public Service Corporation Tax	State Library Aid	Motor Vehicle Excise Tax Reimbursement Value of Exemption	Change in State Aid
Barrington	3,094	(23,143)	-	(30,944)	19,055	-	(31,938)
Bristol	20,290	(891)	-	(41,338)	(6,225)	-	(28,164)
Burrillville	(4,756)	1,545	-	(29,062)	5,955	-	(26,319)
Central Falls	26,180	(543)	18,554	(34,824)	(1,277)	-	8,090
Charlestown	25,777	-	-	(14,459)	3,076	-	14,394
Coventry	(7,503)	-	-	(61,943)	9,717	-	(59,729)
Cranston	(94,198)	759,427	-	(145,840)	9,215	-	528,603
Cumberland	101,471	0	-	(58,580)	28,499	-	71,390
East Greenwich	18,332	2,650	-	(23,822)	7,882	-	5,043
East Providence	76,033	1,699	-	(89,576)	29,821	-	17,977
Exeter	(1,288)	-	-	(11,122)	8,495	6,646	2,732
Foster	21,517	(11)	-	(7,863)	(2,744)	-	10,898
Glocester	34,126	-	-	(18,302)	893	1	16,718
Hopkinton	(6,080)	-	-	(14,416)	(1,574)	-	(22,070)
Jamestown	(19,473)	0	-	(10,343)	5,349	-	(24,466)
Johnston	38,998	-	-	(51,873)	3,775	-	(9,100)
Lincoln	234,293	-	-	(38,448)	7,418	-	203,263
Little Compton	(442)	-	-	(6,610)	2,562	-	(4,490)
Middletown	16,581	-	-	(31,891)	10,493	62,574	57,757
Narragansett	21,616	-	-	(30,102)	7,871	(560)	(1,175)
Newport	(49,411)	60,201	-	(48,709)	34,387	-	(3,532)
New Shoreham	1,397	-	-	(1,858)	9,223	-	8,762
North Kingstown	(15,051)	36	-	(48,434)	10,388	-	(53,062)
North Providence	51,977	10,463	-	(59,630)	7,533	73,380	83,723
North Smithfield	80,611	329	-	(19,535)	985	-	62,389
Pawtucket	88,755	(32,860)	118,227	(134,229)	33,055	-	72,948
Portsmouth	(5,534)	(59)	-	(31,551)	10,355	-	(26,789)
Providence	240,143	145,370	697,652	(319,424)	(9,197)	-	754,544
Richmond	(16,665)	7	-	(13,287)	(2,723)	-	(32,668)
Scituate	51,770	-	-	(18,995)	6,907	-	39,682
Smithfield	78,809	30,239	-	(37,924)	20,659	-	91,784
South Kingstown	(108,307)	2,373	-	(51,369)	26,807	-	(130,495)
Tiverton	(52,181)	-	-	(28,076)	8,793	-	(71,464)
Warren	(30,764)	-	-	(20,900)	(2,210)	-	(53,874)
Warwick	16,211	9,432	-	(157,871)	36,990	-	(95,238)
Westerly	129,274	32,144	-	(42,253)	150,380	-	269,545
West Greenwich	17,560	-	-	(9,356)	(963)	-	7,241
West Warwick	32,185	-	81,858	(54,423)	16,369	-	75,989
Woonsocket	(15,347)	1,592	83,709	(79,524)	7,602	-	(1,968)
Subtotal	1,000,000	1,000,000	1,000,000	(1,928,706)	513,596	142,041	1,726,930
Statewide Reference Library Resource Grant (Providence)					-		-
Library Construction Reimbursement					492,728		492,728
Motor Vehicle Excise Tax Reimbursement - Fire Districts						-	-
Total	1,000,000	1,000,000	1,000,000	(1,928,706)	1,006,324	142,041	2,219,658

Education Aid to Local Units of Government

<i>FY 2005 Total Education Aid</i>

Education Aid to Local Governments total \$776.6 million for FY 2005. This includes aid to the Metropolitan School and Davies Career and Technical School. Total Education Aid in FY 2005 reflects an increase from the revised FY 2004 budget of \$19.9 million. The Education Aid by Category of Aid table shows the difference between the FY 2005 and the revised FY 2004 budget by category of aid. It shows an aid to locals increase of \$5.1 million of which \$3.0 million is attributable to Davies and the Met School. The remaining increase is in operations aid, \$627,702; group home financing, \$600,000; Central Falls aid, \$356,353; indirect aid from charter schools, \$289,948; and, full-day kindergarten, \$231,500. This growth, though small, reflects the State's continued commitment to education even in tough economic conditions. The FY 2005 budget also includes increases in other aid and set-aside funds of \$9.5 million and \$5.3 million respectively.

In FY 2003, the Metropolitan Career and Technical School was included in direct aid, and although the FY 2004 budget included the school as a separate line item, education aid is provided for students at the school and is therefore included as aid in these tables. This logic is also used to include the Davies Career and Technical School in the Education Aid tables. For the Met School, the \$7.3 million in aid is \$1.5 million greater than the revised FY 2004 level of \$5.8 million. With the completion of the main campus in South Providence, student enrollment can continue to increase at all the school's six facilities. The FY 2005 budget assumes an enrollment of 580 students. This is an increase of 135 students. At a capacity of 120 students at each site, the school will reach maximum capacity at 720 students. This would be achieved in FY 2006 or FY 2007.

Financing for the Davies Career and Technical School has increased in the FY 2005 budget growing from \$11.1 million in the revised FY 2004 budget to \$12.5 million. This growth in funding reflects the anticipated growth in the student population. October 2003 enrollment totaled 769, while the October 2004 enrollment is projected to total 829. This enrollment increase is specified by legislative action and is to include 40 students from Providence.

The following tables display the FY 2005 and FY 2004 revised Education Aid appropriations, including Teacher Retirement, School Capital Aid and other programs included in the total aid, but not distributed by community.

School Construction Aid increases \$3.1 million reflecting the continued growth in school construction and repair. In FY 1998, School Construction aid totaled \$19.7 million. In the FY 2005 budget, the State contributes \$43.9 million for these projects, an increase of \$24.2 million or, 123.0 percent over the period. State contributions for Teacher Retirement increased from the FY 2004 revised levels of \$46.2 million to \$52.6 million in FY 2005. This \$6.4 million increase is attributable to an employer contribution rate increase from 13.72 percent to 14.84 percent. Another factor impacting the State's teacher retirement contribution is the increasing teacher payroll base. It is assumed that the payroll base will increase 5.5 percent in FY 2005 from the estimated FY 2004 level.

Increases in Education Aid that are not distributed to local school districts include \$4.3 million in direct aid to charter schools, \$1.0 million in progressive support and intervention, and \$52,128 for the school breakfast program. The increase in progressive support and intervention reflects support of the Governor's urban high school initiative. Growth in charter school funding continues and reflects the growing enrollment in these schools. October 2002 enrollment in charter schools totaled 1,355 students. October 2003 enrollment totaled 1,825, or a growth of 470 students. This trend is projected to continue into the new year.

Education Aid to Local Units of Government

The Department of Elementary and Secondary Education records amounts categorized as local aid that are not included in the Education Aid program, but in the agency's Program Operations. The FY2005 budget these amounts total \$1.8 million. School Food Services account for the largest component at \$596,388. Other components include \$361,000 for the Coz's program, \$105,800 and \$197,040 for the instruction program and High School reform respectively, \$235,074 for teacher accreditation, and \$349,523 for legislative grants to local communities.

Education Aid by Category of Aid

Category of Education Aid	FY 2004	FY 2005	Variance
Operations Aid	457,980,419	458,608,121	627,702
Student Technology	3,397,692	3,397,692	
Core Instruction Equity			
Student Equity *	63,800,000	63,800,000	
Early Childhood *	6,800,000	6,800,000	
Student Language Assistance	31,715,459	31,715,459	
Professional Development	3,325,502	3,325,502	
Targeted Aid	20,000,000	20,000,000	
Charter School-Indirect Aid	695,889	985,837	289,948
Full Day Kindergarten	4,428,500	4,660,000	231,500
Vocational Equity	1,535,000	1,535,000	
Group Home Funding	8,310,000	8,910,000	600,000
Central Falls School District	35,635,332	35,991,685	356,353
Metropolitan School	5,750,000	7,261,970	1,511,970
Davies School	11,066,007	12,527,365	1,461,358
Sub-total	654,439,800	659,518,631	5,078,831
Set-Aside Funds			
On-Site Visits	407,935	407,935	
Textbook Expansion	325,000	325,000	
Hasbro Children's Hospital	100,000	100,000	
School Breakfast	647,872	700,000	52,128
Professional Development	120,000	120,000	
Charter School-Direct Aid	12,645,076	16,913,929	4,268,853
Progressive Support & Intervention	1,112,500	2,100,000	987,500
Sub-total	15,358,383	20,666,864	5,308,481
Other Aid			
Capital Construction	40,740,608	43,855,701	3,115,093
Teacher Retirement	46,212,606	52,583,171	6,370,565
Total	756,751,397	776,624,367	19,872,970

* The Student Equity Fund and the Early Childhood Fund both have required set asides for Literacy of three percent.

Education Aid to Local Units of Government

Local Education Authorities	FY 2004	FY 2005	Difference
Barrington	2,393,375	2,398,582	5,207
Burrillville	13,076,186	13,076,186	
Central Falls	35,670,888	36,068,644	397,756
Charlestown	1,852,720	1,852,720	
Coventry	18,881,202	18,881,202	
Cranston	32,907,994	33,029,208	121,214
Cumberland	12,594,809	12,594,809	
East Greenwich	1,796,345	1,810,042	13,697
East Providence	25,009,458	25,064,677	55,219
Foster	1,311,926	1,311,926	
Glocester	2,995,087	2,995,087	
Hopkinton	5,902,911	5,902,911	
Jamestown	486,504	492,652	6,148
Johnston	10,137,270	10,188,342	51,072
Lincoln	6,955,618	7,012,603	56,985
Little Compton	325,831	341,592	15,761
Middletown	9,916,122	9,916,122	
Narragansett	1,709,968	1,725,404	15,436
Newport	11,060,746	11,060,746	
New Shoreham	93,128	93,128	
North Kingstown	11,317,305	11,384,463	67,158
North Providence	12,449,559	12,511,050	61,491
North Smithfield	4,540,392	4,541,694	1,302
Pawtucket	61,074,964	61,615,712	540,748
Portsmouth	5,811,300	5,854,978	43,678
Providence	181,224,594	181,224,594	
Richmond	5,829,987	5,829,987	
Scituate	3,200,400	3,200,400	
Smithfield	5,306,854	5,332,948	26,094
South Kingstown	9,766,904	9,766,904	
Tiverton	5,553,102	5,553,102	
Warwick	34,941,323	35,195,465	254,142
Westerly	6,284,205	6,386,546	102,341
West Warwick	19,275,597	19,341,994	66,397
Woonsocket	43,813,046	43,913,617	100,571
Bristol/Warren	19,183,751	19,267,184	83,433
Exeter/W Greenwich	7,216,180	7,227,202	11,022
Charlho District	360,305	368,936	8,631
Foster/Glocester	5,395,937	5,395,937	
Met School Operations	5,750,000	7,261,970	1,511,970
Davies	11,066,007	12,527,365	1,461,358
Subtotal	\$654,439,800	\$659,518,631	\$5,078,831
Teacher Retirement	46,212,606	52,583,171	6,370,565
Capital Construction	40,740,608	43,855,701	3,115,093
On-Site Visits	407,935	407,935	
Program Support & Intervention	1,112,500	2,100,000	987,500
Professional Development	120,000	120,000	
Textbook Expansion	325,000	325,000	
Hasbro Children's Hospital	100,000	100,000	
Direct Aid-Charter Schools	12,645,076	16,913,929	4,268,853
School Breakfast	647,872	700,000	52,128
Subtotal	102,311,597	117,105,736	14,794,139
Total	\$756,751,397	\$776,624,367	\$19,872,970

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Five Year Forecast
Employee Benefits

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State Investment Commission
State Employee Retirement Board
Depositors Economic Protection Corporation
Tobacco Securitization Financing Corporation

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Public Higher Education
Higher Education Assistance Authority
Office of the Child Advocate
Atomic Energy Commission
State Fire Marshal
Fire Safety Code Board of Appeal and Review
Children's Crusade for Higher Education
Health and Educational Building Corporation
Student Loan Authority

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State Police
Public Telecommunications Authority
Office of the Governor
Office of the Lieutenant Governor

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Department of Environmental Management
Department of Elderly Affairs
Deaf and Hard of Hearing
Historical Preservation & Heritage Commission
Municipal Police Training Academy
Water Resources Board
Water Resources Board Corporate
NASBO Surveys

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Office Management

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Department of Corrections
Military Staff
Coastal Resources Management Council
Office of the Public Defender
Narragansett Bay Commission
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Department of Administration
Economic Development Corporation
Economic Policy Council
Rhode Island Industrial Facilities Corporation
Industrial-Recreational Building Corporation
Convention Center Authority
Housing and Mortgage Finance Corporation
Refunding Bond Authority
Housing Resources Commission
Capital Budget

Office of Budget

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Commission on Women
Board for Design Professionals

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Department of Transportation
Governor's Commission on Disabilities
Rhode Island Airport Corporation
Capital Center Commission
Rhode Island Public Transit Authority
Rhode Island Turnpike and Bridge Authority

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Expenditure vs. Allotment Analysis
Closing Report

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Local Government
Information Statement

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Department of Labor and Training
Judicial
E-911 Commission
Commission on Judicial Tenure and Discipline
Resource Recovery Corporation
Rhode Island Underground Storage Tank
Financial Responsibility Review Board
Appropriation Act

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Rhode Island Justice Commission
Commission on Human Rights
Public Utilities Commission
Rhode Island Developmental Disabilities Council

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Mental Health Advocate
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Legislature

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Department of Human Services
Council on the Arts
Caseload Estimating

Office of Strategic Planning**Robert K. Griffith****Chief, Office of Strategic Planning**

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William P. McKenna**Principal Strategic Planner**

Performance Measures