Connecticut's Fiscal Guardrails: A Data-Driven Analysis

Stakes of the Debate

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In the coming months, the future of Connecticut's fiscal guardrails will likely be a topic of discussion and debate as Connecticut faces its first budget in recent years without substantial amounts of federal assistance to supplement state revenues. As policymakers consider the future of the fiscal guardrails, they will have to contend with the looming challenge of a FY26 budget cliff, potentially requiring severe austerity despite another projected surplus. At the same time, policymakers will have to contend with the long-term challenge: the fact that Connecticut's unfunded long-term liabilities remain daunting.

This paper examines both of those challenges.

THE LOOMING CHALLENGE: THE END OF COVID-19 FEDERAL ASSISTANCE

The impact of the fiscal guardrails has been masked, to some extent, by the influx of federal COVID response and recovery dollars to Connecticut. Together, the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 and the American Rescue Plan Act (ARPA) of 2021 provided Connecticut with approximately $4.2 billion to supplement state funding of government services, public health, and municipality functions.[1]

While these funds have been allocated over multiple years, they represent a significant supplement to state revenue: in total, these funds represent nearly 20 percent of Connecticut's FY21 budget or essentially the equivalent of Connecticut's Budget Reserve Fund (BRF) estimated as of November 2024.[2]

Beyond these general-purpose funds used to support state operations, specific provisions of these trillion-dollar federal aid packages bolstered core local government services such as K-12 and early childhood education, provided substantial aid to municipalities, and enabled Connecticut to extend support to many of its most disadvantaged residents through new programs such as emergency rental assistance. Highlighting a few significant examples, Connecticut received:

- $1.7 billion through ARPA and CARES with 90 percent going to local school districts, 50 percent of the state's FY21 contribution to K-12 education[3]

1 "American Rescue Plan Act (ARPA) Funding & Project Inventory Dashboard," CT Data, https://data.ct.gov/stories/s/3bjc-brqy; "CARES Payments to States and Eligible Units of Local Government," U.S. Department of the Treasury, 2021, https://home.treasury.gov/system/files/136/Payments-to-States-and-Units-of-Local-Government.pdf.

2 "Fiscal Accountability Report Fiscal Years 2025–2028," Jeffrey R. Beckham, Office of Policy and Management, https://portal.ct.gov/-/media/opm/budget/fiscalaccountability/opm-2024-fiscal-accountability-report-final.pdf?rev=62b1ee2e4449447aae844475a9a500c7&hash=C76D46300CDD088FFD55F6A05E6CA60C%20%20,%2052, 49; "Connecticut State Budget FY 22–FY 23," Office of Fiscal Analysis, https://www.cga.ct.gov/ofa/Documents/year/BB/2021BB-20210927_FY%2022%20and%20FY%2023%20Connecticut%20Budget.pdf.

3 "COVID-19 Relief Funding for Education," School + State Finance Project, accessed November 14, 2024, https://schoolstatefinance.org/issues/esser-funding.

- $276 million in childcare stabilization and development funds to support early childhood education (ECE), more than 100 percent of the Office of Early Childhood's $252 million FY21 budget[4]
- An additional $1.56 billion directly to Connecticut municipalities (including counties, metropolitan cities, and non-entitlement units), about 2.5 times the municipal aid provided by the state in FY21 or 8 percent of FY21 general revenues at the local level[5]
- $236 million in emergency rental assistance to prevent evictions in a state with a significant housing shortage[6]

While the state of Connecticut, local school districts, and municipalities used a portion of these COVID-related federal funds to offset increased public health expenses and to address one-time, non-recurring needs, it is equally clear that these funds have also been used (and continue to be used) to fill structural gaps in the state and local budgets.

In the current budget year, FY25, ARPA funds are supporting approximately $510 million in spending on current services that would otherwise have to be cut or funded with state revenue.[7] Another $184 million in FY25 is being funded with a carryforward of operating surplus from FY24—additional one-time funding that would either need to be cut or funded with state revenue in FY26 (see Figure III.A).

The reliance on time-limited federal funds to supplement state revenue for operating costs is well illustrated by looking at Connecticut's higher education system, where substantial federal funds have been used to fund ongoing operating expenses for the Connecticut State Colleges and Universities system (CSCU), UConn, and UConn Health:

4 "FACT SHEET: Biden-Harris Administration Announces American Rescue Plan Funding to Rescue the Child Care Industry so the Economy Can Recover," The White House, 2021, https://www.whitehouse.gov/briefing-room/statements-releases/2021/04/15/fact-sheet-biden-harris-administration-announces-american-rescue-plan-funding-to-rescue-the-child-care-industry-so-the-economy-can-recover/; "Connecticut State Budget FY 22–FY 23," 266.
5 "Allocation for Metropolitan Cities," U.S. Department of the Treasury, https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-metrocitiesfunding1.pdf; "Allocation for Non-Entitlement Units," U.S Department of the Treasury, https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-nonentitlementfunding1-508A.pdf; "Allocation for Counties," U.S Department of the Treasury, https://home.treasury.gov/system/files/136/fiscalrecoveryfunds_countyfunding_2021.05.10-1a-508A.pdf; "State and Local Finance Data Exploring the Census of Governments," State and Local Finance Initiative, Urban-Brookings Tax Policy Center, https://state-local-finance-data.taxpolicycenter.org/pages.cfm (Note: Filters include: Level = Local; State = Connecticut; Series = (R03) General Revenue; Year = 2021; Units = Total; Nominal/Real = Nominal); "Fiscal Accountability Report Fiscal Years 2023–2026," Jeffrey R. Beckham, Office of Policy and Management, https://portal.ct.gov/-/media/opm/budget/fiscalaccountability/opm-2022-fiscal-accountability-report.pdf?rev=8da8ec5489a34eb7a985331c5a57d6f5&hash=ACDA98549FE3D59FB1C8AC50359BEB81.
6 "Emergency Rental Assistance Program: Payments to States and Eligible Units of Local Government," U.S. Department of the Treasury, https://home.treasury.gov/system/files/136/Emergency-Rental-Assistance-Payments-to-States-and-Eligible-Units-of-Local-Government.pdf.
7 Keith M. Phaneuf, "New CT Budget Leaves Huge Gap One Year down the Road," *CT Mirror*, June 6, 2024, https://ctmirror.org/2024/06/06/ct-budget-arpa-temporary-money/.

- Since FY22, Connecticut has used $410 million in ARPA dollars to fund CSCU operating and higher education expenses, including $128.8 million of a $440 million operating budget in FY25[8]
- UConn has received $169 million and UConn Health has received $245 million since FY22, including $117 million in temporary supports in the current fiscal year (FY25)[9]

The challenge facing Connecticut is magnified by the fact that, even as non-recurring sources of funds dry up, the cost of maintaining current services is rising. While the focus is often on the growth of relatively fixed expenses such as debt service, pensions, OPEB, Medicaid, and other entitlements (which OPM estimates will grow by $503.1 million in FY26) this likely under-represents year-to-year general fund growth.[10] If we assume that the cost of providing current services will grow at a rate of 2.6 percent, the current rate of inflation per the November 2024 CPI adjustment, the state's appropriations can be expected to grow by $621.0 million in FY26.[11] The average rate of year-over-year General Fund appropriations growth in Connecticut over the last eight years (FY18–FY25) is higher, however, at 3.12 percent.[12] At that rate, the cost of providing current services would grow by $744.4 million in FY26. It is possible that both of those assumptions understate the actual increase in the cost of current services as contractual increases in compensation may push the rate of personal services costs higher in coming years, perhaps as high as 4.5 percent, based on the rate at which personal services costs have grown in recent years. In Figure III.A below, we apply the eight-year average rate of 3.12 percent to provide an estimate of the fiscal cliff facing Connecticut.

8 "Connecticut State Budget FY 24–FY 25," Office of Fiscal Analysis, https://www.cga.ct.gov/ofa/Documents/year/BB/2023BB-20231005_FY%2024%20and%20FY%2025%20Connecticut%20Budget.pdf, 306; "House Bill No. 5523, Public Act No. 24–81., An Act Concerning Allocations of Federal American Rescue Plan Act Funds and Provisions Related To General Government, Human Services, Education And The Biennium Ending June 30, 2025," State of Connecticut, 2024, https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00081-R00HB-05523-PA.PDF, 2.

9 "House Bill No. 5523, Public Act No. 24-81," 25.

10 "Fiscal Accountability Report Fiscal Years 2025-2028," Jeffrey R. Beckham, Office of Policy and Management, https://portal.ct.gov/-/media/opm/budget/fiscalaccountability/opm-2024-fiscal-accountability-report-final.pdf?rev=62b1ee2e4449447aae844475a9a500c7&hash=C76D46300CDD088FFD55F6A05E6CA60C, 1.

11 "Consumer Price Index Summary," U.S. Bureau of Labor Statistics, November 13, 2024, https://www.bls.gov/news.release/cpi.nro.htm.

12 "Connecticut State Budget FY 20 and FY 21," Office of Fiscal Analysis, https://www.cga.ct.gov/ofa/Documents/year/BB/2020BB-20191022_FY%2020%20and%20FY%2021%20Connecticut%20Budget.pdf, 340; "Connecticut State Budget FY 22 and FY 23," 363; "Connecticut State Budget FY 23 Revisions," Office of Fiscal Analysis, https://www.cga.ct.gov/ofa/Documents/year/BB/2022BB-20220809_FY%2023%20Connecticut%20Budget%20Revisions.pdf, 304; "Connecticut State Budget FY 24–FY 25," 393.

Figure III.A: Estimated Connecticut budget cliff, FY26 (dollars in millions)

FY26 Budget Cliff	Assumed ARPA + Carryforward Expenses Continuing into FY26		
	100%	50%	0%
FY26 Estimated Total General Fund Revenues	$25,157.9	$25,157.9	$25,157.9
Volatility Cap Adjustment	-$1,278.2	-$1,278.2	-$1,278.2
Revenue Cap Adjustment	-$298.5	-$298.5	-$298.5
FY26 General Fund Spendable Revenues	$23,581.2	$23,581.2	$23,581.2
FY25 Estimated General Fund Expenditures	$23,189.6	$23,189.6	$23,189.6
FY25 ARPA Investments	$510.0	$255.0	$0.0
FY25 Carryforwards	$184.0	$92.0	$0.0
FY26 Est. Growth in Cost of Current Services (3.12%)	$744.4	$733.6	$722.8
FY26 Estimated Appropriations	$24,628.0	$24,270.2	$23,912.4
FY26 Budget Cliff	**-$1,046.8**	**-$689.0**	**-$331.2**

Source: OPM Fiscal Accountability Reports, OPM Consensus Revenues, OPM Monthly Comptroller Letters

Note: We apply 3.12% as the estimated growth in cost of current services for FY26 because it is the average change in Connecticut's General Fund appropriations over the last eight years.[13] Alternatively, we could use the most updated CPI change (November 2023 to November 2024), which is 2.6%[14]; or we could use the rate at which personal services costs are growing, per union contract negotiations, which is 4.5%.[15] In those cases, the FY26 budget cliff would be $923.4 million or $1.4 billion, respectively. We apply the cost of current services growth rate to FY25 Estimated General Fund Expenditures + FY25 ARPA Investments + FY25 Carryforwards because, as discussed, these expenditures are mostly on recurring programs (i.e., current services), rather than one-time costs. In the case that we apply the low-end growth rate, CPI change, (2.6%), to the assumption that 0% of FY25 ARPA and carryforwards are needed in FY26, the FY26 budget cliff is $211.3 million.

As highlighted in Figure III.A, the state anticipates revenues of $25.2 billion in FY26 with $1.3 billion captured by the application of the volatility cap and another $298.5 million held in reserve with the application of the revenue cap, leaving spendable revenues at an estimated $23.6 billion in FY26. Meanwhile, on the spending side, the state is supplementing its General Fund budget in FY25 with one-time revenue sources, including $510 million in federal ARPA dollars and $184 million in operational surplus carried forward into the FY25 budget. Assuming that Connecticut's cost of current services will grow in line with the growth trend in the last eight years, the starting point for FY26 estimated expenditures is $24.6 billion.

13 "Connecticut State Budget FY 17 Revisions," Office of Fiscal Analysis, https://www.cga.ct.gov/ofa/Documents/year/BB/2017BB-20161101_FY%2017%20Connecticut%20Budget%20Revisions.pdf, 16; "Connecticut State Budget FY 18 & FY 19 Budget," https://www.cga.ct.gov/ofa/Documents/year/BB/2018BB-20180214_FY%2018%20and%20FY%2019%20Connecticut%20Budget.pdf, 18; "Connecticut State Budget FY 19 Revisions," https://www.cga.ct.gov/ofa/Documents/year/BB/2019BB-20180920_FY%2019%20Connecticut%20Budget%20Revisions.pdf, 224; "Connecticut State Budget FY 20 and FY 21," 339; "Connecticut State Budget FY 22 and FY 23," 362; "Connecticut State Budget FY 23 Revisions," 303; "Connecticut State Budget FY 24–FY 25," 392.
14 "Consumer Price Index Summary."
15 "RESOLUTION PROPOSING APPROVAL OF AN AGREEMENT BETWEEN THE STATE OF CONNECTICUT AND THE STATE EMPLOYEES BARGAINING AGENT COALITION (SEBAC)," State of Connecticut General Assembly, Senate, 2024, https://www.cga.ct.gov/2024/fc/pdf/2024SR-00012-R000466-FC.PDF.

This estimate indicates that the state could face a difference in spendable revenues and anticipated expenses of up to $1.05 billion in FY26 – in other words, a $1.05 billion budget cliff, even as the state projects substantial surplus revenues.

The size of the cliff would be reduced, of course, if the expenditures supported by ARPA and carryforwards were to not be included in future budgets. However, examination of ARPA expenditures in FY25 reveals $246 million in funding for UConn, UConn Health Center, and the Connecticut State Colleges and Universities, as well as over $100 million in funding for early childhood education, children's behavioral health, homelessness, salary increases for employees of private providers of state services, and voting. In other words, a substantial portion of ARPA funds and funds carried forward from 2024 support ongoing programming and operating costs as opposed to one-time expenditures.[16] Figure III.A accordingly depicts two alternative scenarios: one in which 50 percent of the obligations currently funded by ARPA and carryforwards are included in the FY26 budget and one in which none of those obligations are funded in FY26. Even in the latter case, the state still faces a gap of approximately $331.2 million.[17]

The spending cap further complicates this picture, limiting General Fund appropriations to an estimated $24.1 billion[18], roughly $540 to $860 million less than FY26 estimated General Fund expenditures assuming that Connecticut will need to cover 100 percent of FY25 ARPA investments and carryforwards in FY26. As a result, even if the state were to free up funds captured by the revenue and/or volatility cap to support the General Fund budget, the state could still be forced to reduce current spending levels by up to $863.5 million due to the spending cap restriction.

Ultimately, without adjustments to the guardrails, Connecticut would need to close this gap of $331 million to $1.05 billion merely to maintain current services – even as calls grow louder for *new* investment in areas such as childcare, K-12 education, higher education, the non-profit sector that supports government services, and Medicaid, among others.

This convergence of factors – the growth of the cost of current services, the exhaustion of non-recurring revenue sources, and the limitations placed by the guardrails on the state's ability

16 "An Act Concerning Allocations of Federal American Rescue Plan Act Funds," 2, 24-25.

17 The figure is constructed using revenue and volatility cap estimates from November 2024 consensus revenues. Expenditures are calculated based on estimated General Fund spending in FY25 (from the October Comptroller's Letter), FY25 ARPA expenditures estimated at $510 million, and FY25 carryforwards of $184 million, plus estimated growth in current costs of 3.12%, to arrive at an estimated FY26 starting point for appropriations – essentially holding state expenditures constant. A 1.25% deduction from revenues is applied consistent with the state's revenue cap. See, "Consensus Revenues Estimate," Office of Policy and Management, Office of Fiscal Analysis, November 12, 2024, https://portal.ct.gov/-/media/opm/bud-other-projects/reports/consensus_revenue/fy-2025/final_consensus_nov12_2024.pdf; "Comptroller's Letter," Office of Policy and Management, October 18, 2024, https://portal.ct.gov/-/media/opm/budget/comptrollerletter/fy-2025/fy-25_october_2025_comptroller_-letter.pdf.

18 The spending cap is estimated using the methodology employed by the Office of Policy and Management (OPM) and the Office of Fiscal Analysis (OFA) as outlined in the OFA Budget Books. The calculation relies on the estimated spending cap growth rate of 5.12 % as provided in the 2024 OPM Fiscal Accountability report, prior year appropriations provided in the OFA Budget Books and OPM Fiscal Accountability reports, and estimates of non-capped FY26 expenditures based on historical data. See, "Connecticut State Budget FY 22–FY 23," 363; "Fiscal Accountability Report Fiscal Years 2025–2028," 29.

to utilize more than a billion dollars of projected revenue – thus produces a budgeting paradox. Lawmakers will face a requirement to cut current services, even as the state continues to project more than enough revenue in coming years to avoid those cuts. The looming budget challenge dramatically raises the stakes of the debate over Connecticut's fiscal guardrails.

THE LONG-TERM CHALLENGE: CONNECTICUT REMAINS HIGHLY INDEBTED

While Connecticut has made significant progress in strengthening its long-term fiscal position in recent years, it is important to note that the state's unfunded pension obligations, unfunded OPEB, and bonded debt levels continue to rank among the worst in the nation.

As of 2024, Connecticut's debt to GDP ratio was $78.9 billion (Figure III.B) to $363.4 billion, or 21.7 percent.[19] Slightly less than half of Connecticut's total indebtedness comes from the state's two major pension funds, the State Employees' Retirement System and the Teacher Retirement System, which together account for 44.4 percent or $35.1 billion of the state's unfunded long-term liabilities (Figure III.B). Thus, while much conversation about Connecticut's long-term liabilities focuses on its pension obligations, bonded indebtedness and OPEB liabilities together contribute the majority of Connecticut's long-term liability.

Figure III.B: Connecticut long-term obligations (dollars in billions)

Bonded Indebtedness – As of 6/30/24	$26.0
State Employee Pensions – Unfunded as of 6/30/24	$19.2
Teachers' Pensions – Unfunded as of 6/30/24	$15.9
State Employee Post-Retirement Health and Life – Net Liability as of 6/30/23	$15.6
Teachers' Post-Retirement Health and Life – Net Liability as of 6/30/22	$1.6
Cumulative GAAP Deficit – As of 6/30/23	$0.6
Total	$78.9

Source: CT OPM 2024-2028 Fiscal Accountability Report

Putting these numbers in the context of Connecticut's economy as a whole, the state's unfunded pension obligations represented 136 percent of its own-source revenue in 2021, while OPEB liability represents 103.2 percent of own-source revenue and bonded debt 72.1 percent.[20]

Putting Connecticut's debt picture in the national context, Connecticut places third behind only the states of New Jersey and Hawaii in 2022, with estimated debt to GDP ratios of 31.5 percent and 29.2 percent respectively. The next worst states after Connecticut in 2022 are Vermont (20.6 percent) and Illinois (20.5 percent).[21] For further context on Connecticut's position on certain types of debt, as of 2021, Connecticut ranked

19 "SQGDP1 State quarterly gross domestic product (GDP) summary," U.S. Bureau of Economic Analysis, last revised on September 27, 2024, https://www.bea.gov/itable/regional-gdp-and-personal-income.
20 David Draine, Joanna Biernacka-Lievestro, Ph.D., Keith Sliwa, and Riley Judd, "Long-Term Liabilities Weigh on State Finances," Pew, May 7, 2024, https://www.pewtrusts.org/en/research-and-analysis/articles/2024/05/07/long-term-liabilities-weigh-on-state-finances.
21 Chris Edwards, Marc Joffe, and Krit Chanwong, "Government Debt Varies Widely by State," CATO *At Liberty*, July 19, 2024, https://www.cato.org/blog/government-debt-varies-widely-state.

- Third in unfunded pension liability behind Illinois and New Jersey (Connecticut's position has since improved to fourth in 2023)[22]
- Fourth in unfunded retiree health care liability behind New Jersey, Illinois, and Delaware[23]
- Second in terms of debt levels behind Hawaii and ahead of Massachusetts[24]

As noted throughout this series of papers, Connecticut's fiscal guardrails have played an important role in improving Connecticut's long-term position. Since FY20, Connecticut's guardrails have contributed approximately $8.6 billion towards unfunded pension obligations, above and beyond the annual actuarially required contributions. As of 2024, these payments are estimated to save Connecticut more than $18.3 billion over the next twenty-five years, or $730.6 million annually, and the savings will continue to grow with the estimated FY25 deposit of $1.45 billion.[25]

While Connecticut's fiscal guardrails are an important part of the story, Connecticut's adoption of other responsible fiscal practices has been critical, as well. In 2012, Connecticut began fully funding its annual actuarially required contributions to the pension funds after nearly eight decades of insufficient funding. In 2008, Connecticut created a trust fund for OPEB, to allow the state to begin shifting away from pay-as-you-go (PAYGO) funding over time. As of FY24, this fund has $2.7 billion in assets compared to $18.3 billion in liabilities—13 percent funded—a significantly improved position when compared to the PAYGO model used prior to 2007.[26]

Connecticut has also made changes in how its annual required contribution is calculated, the primary and most important of which was to reduce the assumed rate of return from 8 percent to 6.90 percent prior to 2019, bringing Connecticut in line with the national median.[27] This move resulted in not only a top-line increase to the amount of unfunded liabilities Connecticut carries on its balance sheet but also increases the amount that Connecticut is committed to funding each year and represents a more conservative and sustainable approach to measuring and funding Connecticut's unfunded liability.

Since 2018, Connecticut has made significant efforts to improve its position relative to its debt and unfunded obligations. Equally clear, when placed in a national context, is that Connecticut remains highly indebted. Unfunded long-term liabilities will continue to burden the state in the

22 "Unfunded Liabilities for State Pension Plans in 2023," Equable, 2023, https://equable.org/unfunded-liabilities-for-state-pension-plans-in-2023/.

23 Draine et al., "Long-Term Liabilities Weigh on State Finances."

24 Draine et al., "Long-Term Liabilities Weigh on State Finances."

25 "Fiscal Accountability Report FY 2025–FY 2028," 50, 52; "Treasurer Russell Deposits $608.2 Million Volatility Transfer into State Pension Funds," The Office of Treasurer Erick Russell, State of Connecticut's Treasurer's Office, 2024, https://portal.ct.gov/ott/newsroom/news/news-releases/volatilitytransfer_fy24.

26 "State of Connecticut State Employee OPEB Plan," Governmental Accounting Standards Board, Segal, 2023, https://osc.ct.gov/wp-content/uploads/2024/09/State-of-Connecticut-OPEB-GASB-75-for-June-30-2023-OSC.pdf, 7.

27 "Connecticut State Teachers' Retirement System Actuarial Valuation as of June 30, 2018 (Revised as of June 18, 2019)," Cavanaugh Macdonald Consulting, LLC, https://portal.ct.gov/-/media/trb/content/statisticsresearch/sr_actval18.pdf?rev=1c77b06e3806430489a447a30c3d8478&hash=8AA4C54D393282A17D4C03205A3DA9AD, 6; "Current Assumed Rate of Return for State Pensions," Equable, 2022, https://equable.org/current-assumed-rate-of-return-for-state-pensions/.

coming decades, placing ongoing pressures on the state budget and forcing tough decisions on how to best manage Connecticut's finite resources.

BALANCING THE CHALLENGE

Policymakers thus face an unenviable task. On one hand, Connecticut faces an imminent but somewhat artificial or self-imposed budget cliff as the constraints of the fiscal guardrails may compel deep cuts to current services even as the state generates sizeable annual surpluses. On the other, Connecticut continues to carry the burden of decades of imprudent fiscal practices, including a failure to adequately fund both pension and OPEB obligations.

A full analysis of Connecticut's long-term challenge would examine the actuarial assumptions that underly the estimate of long-term liabilities, the schedule at which Connecticut's existing bonded debt will be paid down, the projected annual actuarially determined contributions to the pension fund, and the projected annual OPEB costs in a hybrid pay-as-you-go and partially pre-funded model. These analyses are beyond the scope of this paper.

As daunting as Connecticut's long-term liabilities may be, however, it is important to recognize that there may be real costs from failing to meet current needs. And as illustrated in the "Impact of the Caps" paper, spending on key areas of government service from 2017 to 2021 has declined as Connecticut has dedicated more resources to debt service and long-term savings.

This paper seeks merely to frame the debate. "The Volatility Cap: A Closer Look" and "The Spending Cap: A Closer Look" offer some potential alternative designs to the existing guardrails, should policymakers seek to find a balance that allows for greater resources to be dedicated to meeting current needs.