

ONE BALDWIN STREET
MONTPELIER, VT 05633-5701

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SEN. PETER SHUMLIN

STATE OF VERMONT
LEGISLATIVE JOINT FISCAL COMMITTEE

Agenda

Thursday, July 15, 2010

Room 10, State House

- 9:30 a.m. Call to Order and Approve minutes of June 29, 2009 [enclosure]
Representative Michael Obuchowski, Chair
- 9:35 a.m. A. Fiscal Office's Updates/Issues
1. Fiscal Officer's Report - Stephen Klein, Chief Fiscal Officer [2 enclosures]
 - a. Contracts - Health Care [Sec. 6 of Act 128 of 2010]
 - b. Office Evaluations
 - c. Other
 2. Updates:
 - a. Education Fund - Mark Perrault [handout]
 - b. Medicaid - Stephanie Barrett [handout]
 - c. FMAP Update - Nolan Langweil
 - d. 30-day Grant Acceptance Policy Adoption **[approved]** [enclosure]
- 10:10 a.m. B. Administration's Updates/Issues:
1. BISHCA - Transfer of unencumbered balances **[approved]** [handout]
[Sec. 60 (a)(2) of Act 67 of 2010] Michael Bertrand, Commissioner
 2. Disbursement of funds - Emergency Personnel Survivors Benefit Special Fund **[approved]**
[20 V.S.A. § 3173] James Reardon and John Booth, Treasurer's Office [handout]
 3. Preliminary Closeout Report [handout]
James Reardon, Commissioner, Dept. of Finance & Management
 4. Environmental Contingency Fund Expenditures - JARD site in Bennington **[approved]**
[10 V.S.A. § 1283(b)(9)] Justin Johnson, Commissioner, Dept. of Environ. Con. [enclosure]
 5. Web Portal Board e-Procurement Fee Approval [enclosure] [packet] **[approved]** [Letter] [packet]
[22 V.S.A. § 953 (c) as amended by Sec. B16 (1) and (2) of Act 146 of 2010]
David Tucker, Commissioner, & Harry Bell, Webmaster, Dept. of Information & Innovation
Deborah Damore, Office of Purchasing and Contracting, Dept. of Buildings & Gen. Services
 6. VT State Hospital; Secure Residential Recovery Program Quarterly Update [handout]
[Sec. 31 (f)(3) of Act 43 of 2009] Beth Tanzman, Dpty. Commissioner, Dept. of Mental Health
- 11:15 a.m. C. Challenges for Change Update - Senator Diane Snelling [handout]
Quarterly Report on Measures and Milestones of Challenges for Change.
[Sec. H4 (a) of Act 146 of 2010] [Quarterly Report Filed]
- 11:25 a.m. D. American Recovery and Reinvestment Act - grants update [Act 1 Sec. E.129 (b) of SS2009] [handout]
Coleen Krauss, Dir. of Econ. Dev. and Community Programs, Office of Economic Stimulus and Recovery
- 11:35 a.m. E. Other Business
1. Geothermal System Funding for Bennington State Office Building [Rep. Heath]
 2. Notification of an Emergency Grant for TANF Food Stamp Benefit [handout] [Stephanie Barrett]
- 11:45 p.m. F. Revenue Update - Tom Kavet, Legislature's Economist [handout]
- 12:30 p.m. Adjourn for Emergency Board Meeting [Next meeting Friday, September 10, 2010]

[OVER]

VT LEG #257417 v.1

Other Reports/Information:

- I. Quarterly Report of costs and expenditures for proceedings of the Federal Energy Regulatory Commission [30 V.S.A. § 20 (b)(9)] [Department and Board – Public Service] [handout]
- II. Annual Report of costs and expenditures for proceedings of the Federal Energy Regulatory Commission [30 V.S.A. § 20 (a)(2)(C): amended Sec. F25 of Act 146 of 2010] [Agency of Natural Resources] [enclosed letter, nothing to report]
- III. Global commitment fund detailed end of fiscal year report of managed care investments. [33 V.S.A. § 1901e (c)] [enclosed letter for extension]
- IV. Health Access quarterly progress report on purchasing agreements for pharmacy best practices and cost control program. [33 V.S.A. § 1998 (c)(6)] [Agency of Human Services and DVHA]
- V. 2010 Joint Annual Report on Economic Advancement Tax Incentives [32 V.S.A. § 5930a. (j)] [Department of Taxes and VT Economic Progress Council] [enclosure]
- VI. 2010 Joint Annual Report on Vermont Economic Growth Incentives [32 V.S.A. § 5930b (e)] [Department of Taxes and VT Economic Progress Council] [enclosure]
- VII. Report on completed transfers of unexpended funds for out-of-state beds. [Act 67 Sec. 87 of 2010, adding Sec. E.338 (d) of Act 1 of SS2009] [Corrections] [Nothing to report at this time]
- VIII. Small Grants Quarterly Report [32 V.S.A. § 5(a)(3) as amended in Secs. 394 and 406 of Act 65 of 2007, and Sec. 92 of Act 4 of 2009 and further amended in Sec. B15 of Act No. 146 of 2010] [Joint Fiscal Office]
- IX. Burlington Tax Increment Financing (TIF) Annual Report [September 9, 2009 JFC Approved Motion]

2010 Reports previously submitted (copies upon request):

- 1) Brownfield Revitalization Fund Report [10 V.S.A. Sec. 6654 (f)(6), repealed in Sec. 96 (1) in Act 67 of 2010] [ACCD and VEDA] [on file]
- 2) Vermont Drinking Water Revolving Fund - VEDA Report on Fund Balance [24 V.S.A. Sec. 4774 (b)] [VEDA and Secretary of Administration] [on file]
- 3) Offender Work Program Board Report [28 V.S.A. Sec. 761 (a)(3), repealed in Sec. 96 (2) of Act 67 of 2010; (b)(2), repealed in sec. 96 (3) of Act 67 of 2010] [VOWP Board] [on file]
- 4) Report on Consumer Credit Card Transaction Fees/Charges. [32 V.S.A. Sec. 583 (e)] [Treasurer and Court Administrator] [not found]
- 5) Quarterly Report on excess receipts. 1st quarter (7/1/09 – 9/30/09) and 2nd quarter of 2010 (10/1/10 – 12/31/10) [32 V.S.A. § 511] [Agency of Administration] [on file]
- 6) Quarterly Report of costs and expenditures for proceedings of the Federal Energy Regulatory Commission [30 V.S.A. § 20(b)(9)] [October 1, 2009 – December 31, 2009] [Dept. of Public Service] [on file]
- 7) Update Regarding the Financing Arrangement for a New Psychiatric Wing at the Rutland Regional Medical Center [JFC Motion on October 28, 2009] [State Treasurer and Dept. of Mental Health] [on file]

JFC July 15, 2010 Statutory Language

Item B.1.: Sec. 60 of Act 67 of 2010 – BISHCA – Transfer of unencumbered balances

- (a) Notwithstanding any other provisions of law, in fiscal year 2010:
- (2) All or a portion of the unencumbered balances in the insurance regulatory and supervision fund (Fund Number 21075), the captive insurance regulatory and supervision fund (Fund Number 21085), and the securities regulatory and supervision fund (Fund Number 21080), expected to be approximately \$3,829,182, shall be transferred to the general fund, provided that on or before July 1, 2010, the commissioner of banking, insurance, securities, and health care administration certifies to the joint fiscal committee that the transfer of such balances or any smaller portion deemed proper by the commissioner will not impair the ability of the department in fiscal year 2011 to provide thorough, competent, fair, and effective regulatory services or to maintain accreditation by the National Association of Insurance Commissioners; and that the joint fiscal committee does not reject such certification.

Item B.2.: 20 V.S.A. § 3173. Monetary benefit (Disbursement of Funds EPSBSF)

- (b) The state treasurer shall disburse from the trust fund established in section 3175 of this title the monetary benefit described in subsection (a) of this section, and shall adopt necessary procedures for the disbursement of such funds. The state treasurer shall not disburse money from the fund without the approval of the joint fiscal committee if the disbursement would create a negative balance in the fund.

Item B.4.: 10 V.S.A. § 1283 - Conservation and Development - Water Pollution Control - Contingency fund (Environmental Contingency Fund Expenditures – JARD site in Bennington)

- (b) Disbursements under this subsection may be made for emergency purposes or to respond to other than emergency situations; provided, however, that disbursements in response to an individual situation which is not an emergency situation shall not exceed \$100,000.00 for costs attributable to each of the subdivisions of this subsection, unless the secretary has received the approval of the general assembly, or the joint fiscal committee, in case the general assembly is not in session. Furthermore, the balance in the fund shall not be drawn below the amount of \$100,000.00, except in emergency situations. If the balance of the fund becomes insufficient to allow a proper response to one or more emergencies that have occurred, the secretary shall appear before the emergency board, as soon as possible, and shall request that necessary funds be provided. Within these limitations, disbursements from the fund may be made:
- (9) to pay costs of required capital contributions and operation and maintenance when the remedial or response action was taken pursuant to 42 U.S.C. § 9601 et seq.

Item B.5.: 22 V.S.A. § 953. Vermont web portal board; duties

- (c) Any charges created or changed by the board shall be approved by the joint fiscal committee before taking effect.

As Amended by Sec. B16 of Act 146 of 2010:

(c) Any charges created or changed by the board shall be approved ~~by the joint fiscal committee before taking effect~~ as follows:

(1) All such charges shall be submitted to the governor who shall send a copy of the approval or rejection to the joint fiscal committee through the joint fiscal office together with the following information with respect to those items:

(A) the costs, direct and indirect, for the present and future years related to the charge;

(B) the department or program which will utilize the charge;

(C) a brief statement of purpose;

(D) the impact on existing programs if the charge is not accepted.

(2) The governor's approval shall be final unless within 30 days of receipt of the information a member of the joint fiscal committee requests the charge be placed on the agenda of the joint fiscal committee or, when the general assembly is in session, be held for legislative approval. In the event of such request, the charge shall not be accepted until approved by the joint fiscal committee or the legislature. During the legislative session, the joint fiscal committee shall file a notice with the house clerk and senate secretary for publication in the respective calendars of any charge approval requests that are submitted by the administration.

Item B.6.: Sec. 31 of Act 43 of 2009 – Vermont State Hospital – Secure Residential Recovery Program Quarterly Update

(f) The agency of human services shall submit the response of CMS, if any, or the fact that CMS has not responded to the request, to the senate committee on institutions and the house committee on corrections and institutions, the senate and house committees on appropriations, the senate committee on health and welfare, the house committee on human services, the joint fiscal committee, and the mental health oversight committee.

(3) Outside the legislative session, the department of mental health shall provide quarterly updates to the joint fiscal committee and the mental health oversight committee on the progress toward completing the facility and developing the residential recovery program.

Item C.: Sec. H4 of Act 146 of 2010 – Challenges for Change – Quarterly Reporting and Implementation

(a) On a quarterly basis, beginning with July 1, 2010, the administration shall report to the chairs of the house and senate committees of jurisdiction, the joint legislative government accountability committee, and the joint fiscal committee. Each report shall include a statement of the measures and milestones summarized by the government accountability committee for that Challenge, a brief summary of milestones met and progress made in that Challenge, and the data collected to measure that progress. Reports shall also include any modifications or additions proposed for the plan of implementation, and how these modifications or additions are designed to achieve the outcomes for that Challenge.

Item D.: Sec. E.129 of Act 1 of SS2009 - Acceptance of ARRA Grants

(a) During fiscal years 2009, 2010, and 2011, the joint fiscal committee shall consider grants under 32 V.S.A. § 5 that are received from the American Recovery and Reinvestment Act (ARRA) with the following procedural changes:

- (1) Where a grant is received from ARRA funding, the chairs of the house and senate legislative committees of most relevant jurisdiction, as determined by the chair of the joint fiscal committee, shall be informed of the grant receipt and request for acceptance.
- (2) Said chairs may request that a joint fiscal committee member place a grant on the agenda of the joint fiscal committee in a manner consistent with committee policy under 32 V.S.A. § 5(a)(2)
- (3) Where a grant is held for the joint fiscal committee agenda, the chairs of the legislative committees of jurisdiction shall be invited to the meeting and may participate in any related discussion.
- (b) At joint fiscal committee regular meetings the administration shall report on ARRA grant applications submitted and on the current status of such grant submissions.

Reports Due:

I. Quarterly Report of costs and expenditures for proceedings of the Federal Energy Regulatory Commission [30 V.S.A. § 20]

- (b) Proceedings, including appeals therefrom, for which additional personnel may be retained are:
 - (9) proceedings at the Federal Energy Regulatory Commission which involve Vermont utilities or which may affect the interests of the state of Vermont. Costs under this subdivision shall be charged to the involved electric or natural gas companies pursuant to section 21(a) of this title. In cases where the proceeding is generic in nature the costs shall be allocated to electric or natural gas companies in proportion to the benefits sought for the customers of such companies from such advocacy. The public service board and the department of public service shall report quarterly to the joint fiscal committee all costs incurred and expenditures charged under the authority of this subsection, and the purpose for which such costs were incurred and expenditures made;

II. Annual Report of costs and expenditures for proceedings of the Federal Energy Regulatory Commission [30 V.S.A. § 20 (a)(2)(C) as amended by Sec. F25 of Act 146 of 2010]

- (a)(1) The board or department may authorize or retain legal counsel, official stenographers, expert witnesses, advisors, temporary employees, and other research services:
- (2) The agency of natural resources may authorize or retain legal counsel, official stenographers, expert witnesses, advisors, temporary employees, other research, scientific or engineering services to:
- (C) assist the board or department in any proceedings described in subdivisions (b)(9) (Federal Energy Regulatory Commission) and (11) (Nuclear Regulatory Commission) of this section. Allocation of agency of natural resources costs under this subdivision (C) shall be in the same manner as provided under subdivisions (b)(9) and (11) of this section. The agency of natural resources shall report annually to the joint fiscal committee all costs incurred and expenditures charged under the authority of this subsection with respect to proceedings under subdivision (b)(9) of this section and the purpose for which such costs were incurred and expenditures made; and

III. Quarterly Report on excess receipts [32 V.S.A. § 511] [Postponed]

IV. Global commitment fund detailed end of fiscal year report of managed care investments. [33 V.S.A. § 1901e]

(c) At the close of the fiscal year, the agency shall provide a detailed report to the joint fiscal committee which describes the managed care organization's investments under Term and Condition 40 of the Global Commitment for Health Medicaid Section 1115 waiver, including the amount of the investment and the agency, department, or office authorized to make the investment.

V. Health Access quarterly progress report on purchasing agreements for pharmacy best practices and cost control program. [33 V.S.A. § 1998]

(c)(1) The director may implement the pharmacy best practices and cost control program for any other health benefit plan within or outside this state that agrees to participate in the program. For entities in Vermont, the director shall directly or by contract implement the program through a joint pharmaceuticals purchasing consortium. The joint pharmaceuticals purchasing consortium shall be offered on a voluntary basis no later than January 1, 2008, with mandatory participation by state or publicly funded, administered, or subsidized purchasers to the extent practicable and consistent with the purposes of this chapter, by January 1, 2010. If necessary, the office of Vermont health access shall seek authorization from the Centers for Medicare and Medicaid to include purchases funded by Medicaid. "State or publicly funded purchasers" shall include the department of corrections, the division of mental health, Medicaid, the Vermont Health Access Program (VHAP), Dr. Dynasaur, Vermont Rx, VPharm, Healthy Vermonters, workers' compensation, and any other state or publicly funded purchaser of prescription drugs.

(6) The director, the commissioners, and the secretary shall report quarterly to the health access oversight committee and the joint fiscal committee on their progress in securing Vermont's participation in such joint purchasing agreements.

VI. 2010 Joint Annual Report on Economic Advancement Tax Incentives [32 V.S.A. § 5930a. (j)]

By April 1 of each year, the council and the department of taxes shall file a joint report on economic advancement tax incentives with the chairs of the house committee on ways and means, the house committee on commerce, the senate committee on finance, the senate committee on economic development, housing and general affairs, the house and senate committees on appropriations, and the joint fiscal committee of the general assembly and provide notice of the report to the members of those committees. The joint report shall contain the gross and net value of incentives granted pursuant to subdivisions (b)(1), (4), and (5) of this section and pursuant to subdivisions (b)(2) and (3) of this section during the preceding year. The joint report shall include an account of each incentive granted under subsection (b) of this section, from inception of the program to the date of the report, including the date and amount of the award, the expected calendar year or years in which the award will be exercised, whether the award is currently available, the date the award will expire, and the amount and date of all incentives

exercised. The joint report shall also describe the extent to which the tax credits allowed by the department of taxes in the previous calendar year supported economic activity that complied with the performance expectations in the written notification of approval under subsection (k) of this section. The joint report shall summarize all credits awarded and earned, applied for, and carried forward by entities participating in the economic advancement tax incentives program authorized by this subchapter through the end of the preceding calendar year. The joint report shall include the claims by specific type of credit, number of participating entities, and tax type against which the credit is applied. The joint report shall also include information on award recaptures. The joint report shall also include information on economic activity, benefits to the state, and recipient performance in the fiscal year in which the credit was applied. The department of taxes shall develop the capacity to report by fiscal year the amount of total credits applied by tax type against the tax liabilities for the prior fiscal year and any award recaptures. The joint report shall also address the council's conformance with the annual authorizations established in subsection (i) of this section. The council and department may use measures to protect confidential financial information, such as reporting information in an aggregate form or masking the identity of the tax award recipient.

VII. 2010 Joint Annual Report on Vermont Economic Growth Incentives [32 V.S.A. § 5930b]

(e) Reporting. By May 1, 2008 and by May 1 each year thereafter, the council and the department of taxes shall file a joint report on the employment growth incentives authorized by this section with the chairs of the house committee on ways and means, the house committee on commerce, the senate committee on finance, the senate committee on economic development, housing and general affairs, the house and senate committees on appropriations, and the joint fiscal committee of the general assembly and provide notice of the report to the members of those committees. The joint report shall contain the total authorized award amount of incentives granted during the preceding year, amounts actually earned and paid from inception of the program to the date of the report, including the date and amount of the award, the expected calendar year or years in which the award will be exercised, whether the award is currently available, the date the award will expire, and the amount and date of all incentives exercised. The joint report shall also include information on recipient performance in the year in which the incentives were applied, including the number of applications for the incentive, the number of approved applicants who complied with all their requirements for the incentive, the aggregate number of new jobs created, the aggregate payroll of those jobs and the identity of businesses whose applications were approved. The council and department shall use measures to protect proprietary financial information, such as reporting information in an aggregate form.

VIII. Report on completed transfers of unexpended funds for out-of-state beds. [Act 67 Sec. 87 of 2010, adding Sec. 338 (d) of Act 1 of SS2009] [Nothing to report at this time]

IX. Small Grants Quarterly Report [32 V.S.A. § 5(a)(3) as amended in Secs. 394 and 406 of Act 65 of 2007, and Sec. 92 of Act 4 of 2009 and further amended in Sec. B15 of Act No. 146 of 2010]

(3) This section shall not apply to the acceptance of grants, gifts, donations, loans, or other things of value with a value of \$5,000.00 or less, or to the acceptance by the department of forests, parks and recreation of grants, gifts, donations, loans, or other things of value with a value of \$15,000.00 or less, provided that such acceptance will not incur additional expense to the state or create an ongoing requirement for funds, services, or facilities. The secretary of administration and joint fiscal office shall be promptly notified of the source, value and purpose of any items received under this subdivision. The joint fiscal office shall report all such items to the joint fiscal committee quarterly.

**X. Burlington Tax Increment Financing (TIF) Annual Report
[September 9, 2009 JFC Approved Motion]**

Reporting Requirements

The City of Burlington will prepare a report annually, beginning July 1, 2010, for both the Joint Fiscal Committee and the Tax Department, which will contain: a) the above calculation; b) a listing of each parcel within the Waterfront TIF District and the 1996 original taxable value, 2010 extended base value, and the most recent values for all homestead and nonresidential property; c) a history of all of the TIF revenue and debt service payments; and d) details of new debt authorized including repayment schedules.

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STATE OF VERMONT
LEGISLATIVE JOINT FISCAL COMMITTEE

Thursday, July 15, 2010

Minutes

Members present: Representatives Obuchowski, Ancel, Branagan, Larson, and Heath, and Senators Cummings, Bartlett, Sears, and Snelling.

Other Attendees: Administration, Joint Fiscal Office, and Legislative Council staff, various media, lobbyists, advocacy groups, and members of the public.

The Chair, Representative Obuchowski, called the meeting to order at 9:30 a.m., and Senator Snelling made a motion to amend the minutes of June 29, 2010 to reflect that she was in attendance, and then approve them. The Committee adopted the minutes with the correction.

A.1. – Fiscal Office's Updates/Issues – Fiscal Office's Report

Stephen Klein, Chief Fiscal Officer, Joint Fiscal Office, highlighted areas of his report sent earlier to members. The Hsiao health care contract was in the process of negotiation. The revenue forecaster contract would go out to bid through various media Friday, July 16, 2010.

Mr. Klein then updated the Committee on the annual JFO evaluations, commenting that the Joint Fiscal Office had received the most evaluations from legislators to date. The overall response from legislators was positive; and after the submission deadline, the office would send feedback to the Legislature by e-mail.

Chair Obuchowski asked Mr. Klein to give a summary of the Vermont Economic Growth Incentive (VEGI) cap issue in the fiscal officer's report. Mr. Klein explained that the Emergency Board raised the cap of VEGI in January of 2010 for one calendar year from \$10 million to \$23 million starting July 22, 2010. Chair Obuchowski inquired whether there was still room in the cap. Mr. Klein replied in the affirmative and that there was \$5 million remaining in the cap. Representative Ancel added that the Emergency Board could raise it further if the need should arise.

Chair Obuchowski inquired about the City of Burlington's delay of its annual report to JFC on the Tax Incremental Finance (TIF), due July 1, 2010. Mr. Klein

explained that his office had been in contact with the City, and the City was working on the report. JFO would forward it to JFC members when it arrived.

a. – Education Fund Update

Mark Perrault, Fiscal Analyst, Joint Fiscal Office, handed out an Education Fund Outlook for FY2010 through FY2012 based on revenues that were up for adoption at the Emergency Board meeting that afternoon. Recalling that the Education Stabilization Reserve Fund had been close to its minimum at the end of the 2010 legislative session, he pointed out the highlighted area of the handout on line 34, showing that the five-percent maximum was expected to be met going forward through FY2012. With that said, the FY2012 full reserve was dependent on school districts meeting the 2% reduction from Act 146 of 2010 (Challenges for Change). Currently, the Department of Education was in the process of creating targets for supervisory unions to distribute to its districts, and would then forward those targets to the Government Accountability Committee.

Chair Obuchowski inquired whether the department was taking into consideration those schools that had already scaled back their budgets during the first part of 2010. Mr. Perrault stated that the department had taken those reduced budgets into consideration and was developing criteria for the targets. Representative Heath commented that the challenge was for supervisory unions to implement reductions without causing anxiety among the schools.

Mr. Perrault explained about an error in a letter sent out by the Department of Taxes to over 7,000 Vermonters. The department recently sent a follow-up letter to those who had received the incorrect statements with a correction. Chair Obuchowski inquired as to why the error occurred and what actions the department was taking to avoid the mistake in the future, such as a review process. Mr. Perrault stated he was unsure of its process for handling such mistakes. Senator Sears pointed out that on side two of the handout there were some errors in the numbers that the department had quoted to JFO, and Mr. Perrault agreed. He then elaborated that out of the 7,100 letters sent to Vermonters, 5600 needed readjustment in the statement calculations. Senator Bartlett suggested that the JFO do an issue brief for all members on the changes. Mr. Klein agreed a simple explanation of the income sensitivity changes should be created and sent out to members.

b. – Medicaid Update

Stephanie Barrett, Fiscal Analyst, Joint Fiscal Office, handed out and highlighted areas of a report on Medicaid for Fiscal Year 2010, intended for the Emergency Board meeting later that day. Overall enrollment for all Medicaid eligibility groups came in just slightly higher than what the Emergency Board adopted in January of 2010. The Vermont Health Access Program (VHAP) had the most growth, believed to be due to economic factors. Medicaid expenditures are expected to be close to targets but not all departments have reported final numbers. The Global Commitment Fund is on target for FY2010 and could be slightly higher at close, with an anticipated \$43 million for the FY2011 budget.

The Catamount Fund revenue for FY2010 decreased; and the cause is being analyzed. The State Health Care Resources Fund had a \$2.6 million increase due to an increase in tobacco tax revenues and settlements. The FY2011 Budget Adjustment may have a \$3 - 4 million gap as a result of the impact of lower unemployment on the baseline of ARRA enhanced funding. She stated the enhanced Federal Medicaid Assistance Program (FMAP) extension for which \$62 million was contingently reserved in the FY2011 budget is unlikely to happen, or if so, at a much lower level. Therefore, the contingent allocations from the reserve are unlikely to be made. Senator Sears asked how the Corrections investments were affected as a result of this. Ms. Barrett explained that \$5 million of these Emergency FMAP contingent funds were for Corrections and was unclear how that would be addressed. Senator Sears stated that there is a question of what ability Corrections had in meeting targets without the additional funds and the repercussions of not meeting targets. This would be discussed August 4, 2010, at the Corrections Oversight meeting.

c. - FMAP Update

Nolan Langweil, Fiscal Analyst, Joint Fiscal Office, gave an update on Congress's efforts to revive an extension of the enhanced FMAP to states. While there continues to be efforts within Congress to revive the legislation, it appears to be in a holding pattern, and its prospects of passage remain unclear. Thus far, many avenues have been used to pass the legislation but have been unsuccessful. If the legislation does move forward, whether as a stand-alone bill or as part of a bigger package, it is likely to be less than the \$62 million anticipated by Vermont earlier on. The Office will continue to monitor the situation.

d. – 30-day Grant Acceptance Policy Adoption

Nathan Lavery, Fiscal Analyst, Joint Fiscal Office, provided a proposed draft Expedited Grant Review Policy to the Committee, and gave a brief summary on it. American Recovery and Reinvestment Act (ARRA) grants were typically the most common requests. The Chair queried of the amount of days for an expedited process, and Mr. Lavery responded that typically it took between 10 and 14 days. Representative Ancel inquired about step 4 of the process, needing seven affirmative JFC responses to the grant. Mr. Lavery explained the seven responses was an arbitrary number but the intent was to garner at least seven. Representative Larson asked if a request would proceed through the regular statutory process if it failed to receive approval in an expedited fashion, and Mr. Lavery said it would.

Senator Snelling made a motion to approve the draft policy (see motion below), and the committee adopted the motion.

Consistent with Sec. 127.2 of Act 156 of 2010, the Legislative Joint Fiscal Committee accepts the Expedited Grant Review policy set forth by the Joint Fiscal Office.

Notation of Intent: On July 16, a request for expedited review of a grant was received by JFC. In consultation with the Chair, it was clarified that, pursuant to the new policy, the Chair's duty to

"decide whether or not to grant this request" refers to the request to expedite the review, not decide whether or not to accept the Governor's approval of the item.

B.1. – BISHCA – Transfer of unencumbered balances

Michael Bertrand, Commissioner, Department of Banking, Insurance, Health Care, and Administration, distributed a handout summarizing the unencumbered balances of the Insurance Regulatory and Supervision Fund, the Securities Regulatory and Supervision Fund and the Captive Insurance Regulatory and Supervision Fund. The total amount of unencumbered fund balance available for transfer to the General Fund was \$6,786,539.24.

Representative Heath inquired what the 2010 budget estimates had been, and Ms. Barrett responded the fund balance amount was \$2.9 million higher than anticipated. Commissioner Bertrand hypothesized that the ease of using electronic payment may have contributed to the increase in revenue to the department.

Senator Sears made a motion to approve the transfer of funds (see motion below), and the committee approved the motion.

In accordance with Sec. 60(a)(2) of Act 67 of 2010, the Legislative Joint Fiscal Committee approves the transfer of the unencumbered balances estimated at \$6,786,539.24 from BISHCA to the General Fund.

2. - Disbursement of funds – Emergency Personnel Survivors Benefit Special Fund

James Reardon, Commissioner, Department of Finance & Management, and John Booth, Vermont Treasurer's Office, distributed a handout to the committee, explaining a technical language fix to the FY2010 Budget Adjustment Act through the FY2011 Budget Adjustment process in regards to the Emergency Personnel Survivors Benefit Special Fund (EPSBSF)

Representative Heath made the motion below, and the Committee approved the motion.

Pursuant to 20 V.S.A. § 3173(b), the Joint Fiscal Committee hereby authorizes the state treasurer to make disbursements of any awards that may be granted by the Emergency Personnel Survivors Benefit Review Board in FY2011 up to a total of \$100,000.

3. - Preliminary Closeout Report

Commissioner Reardon provided a handout to the Committee and explained that the FY2010 final closeout numbers would be available at JFC's September meeting. He commented there may be some areas that would need addressing in the FY2011 Budget Adjustment process. He noted that the General Fund amounts on the handout were calculated before any reversions and carryforwards. The positive outlook for FY2010 was that figures were in excess of projections by an estimated \$7.5 million that may allow for

the fulfillment of waterfall projects in the FY2011 budget, and the long-term care deficit had been covered by closeout funds as well.

Representative Heath inquired whether the projected \$7.5 million in excess General Funds for FY2010 included the property transfer tax. Stephanie Barrett responded that it did not include about \$1.1 million as the revenues came in higher than anticipated; that would increase excess General Funds.

4. - Environmental Contingency Fund Expenditures – JARD site in Bennington

Justin Johnson, Commissioner, Department of Environmental Conservation (DEC), referred to a letter sent earlier to the Committee, requesting additional authority for expenditures from the Environmental Contingency Fund for the former JARD site in Bennington (Site #77-0138). Senator Sears asked what other funds the JARD site had utilized. Commissioner Johnson explained that some funds were transferred from the Brownfield Fund to repair a cap and to cleanup contaminated water on the site. Senator Sears inquired whether a correlation between the contaminated water issues at the JARD site and the air quality issues at the Bennington State Office Building had been investigated, since the two buildings were in close proximity to one another. Trish Coppolino, Project Manager for the JARD site, informed the Committee the Department would sample the site and check on this further.

Chair Obuchowski requested JFO to draft a letter in respect to Senator Sears' inquiry and forward it to the commissioner of DEC and the commissioner of the Department of Buildings & General Services, and then schedule the commissioner/s to respond at the JFC's September meeting.

Senator Snelling made a motion (below) to approve the JARD site request, and the Committee passed the motion.

In accordance with 10 V.S.A. § 1283 (b)(9), the Legislative Joint Fiscal Committee grants the additional authority for the expenditure of \$100,000 from the Environmental Contingency Fund for the former JARD site in Bennington (site #77-0138) to be spent under (b)(2) of the above referenced statute.

5. - Web Portal Board e-Procurement Fee Approval

David Tucker, Commissioner, and Harry Bell, Webmaster, Department of Information and Innovation, handed out a packet of materials to the Committee. Commissioner Tucker explained that the e-Procurement System would modernize how things are accomplished by the state. Positive revenues from the proposed fee structure of the system were projected in 2013. Representative Ancel inquired whether the fees would remain at the current proposed structure in the future or would they decline when a profit was obtained. Additionally, she asked where the excess receipts would be transferred. Commissioner Tucker responded that the additional funds would cover all the public nongenerating revenue sites, and allow hosting of the Web Portal.

In responding to Chair Obuchowski's questions, Commissioner Tucker explained that if the state bought an e-Procurement system outright, the estimated cost would be \$2-3 million. Sycom.net, the outsourced company providing the e-Procurement System, would receive 70% of the proceeds from the fees and the Web Portal Board would gain the remainder of the revenue of 30%.

Representative Larson asked for an analysis of a public versus a private e-Procurement system showing data from other states that utilize the different approaches. Senator Bartlett commented that the concept of the e-Procurement system began four years ago as a long-term investment strategy to save money and to be self-sustaining. Chair Obuchowski and Representative Ancel agreed that an analysis mentioned by Representative Larson of the system was important.

Deborah Damore, Office of Purchasing and Contracting, Department of Buildings & General Services, informed the committee that two years ago her office viewed a previous proposed self-funded e-Procurement model, and the proposed fee structure then was higher and did not include a cap as the current proposal outlined. She offered that her office would review the fee structure annually and adjust it accordingly if found to be unfair.

Representative Branagan inquired as to why the proposal was not brought to the House Committee on Ways & Means instead of delaying for JFC. Commissioner Tucker responded that the Web Portal Board had to deliberate on the proposal, and then statutory authority specified JFC to then approve or disapprove the proposal.

Representative Branagan agreed that an analysis of the different structures should be performed. Representative Heath showed concern for the future fee structure from Representative Ancel's earlier inquiry, but felt more comfortable with Ms. Damore's testimony that her office would be monitoring the fee structure. Chair Obuchowski requested a more detailed list of the system's cost of sale and expenses. He suggested that the department do a further data exercise of adding historical data on profit and loss of the Web Portal services to show viability of the program.

Representative Ancel commented that a former fee on filing taxes raised concerns. Commissioner Tucker agreed to return to JFC at its September meeting with further information from Committee members' requests.

Senator Cummings made a motion to approve the fee structure (below), and the Committee agreed to the motion.

In accordance with 22 V.S.A. § 953(c), the Legislative Joint Fiscal Committee approves the proposed fee structure for the e-Procurement system, formally approved by the Web Portal Board on February 2010.

B.6. – Vermont State Hospital’s Secure Residential Recovery Program Quarterly Update

Beth Tanzman, Deputy Commissioner, Department of Mental Health, handed out a written report, and highlighted the Certificate of Need (CON) application process the program currently was undergoing. She added that the department was considering alternative locations at the Waterbury state complex for the secure residential recovery program.

C. - Challenges for Change Update

Senator Snelling, Co-chair, Government Accountability Committee (GAC), handed out an update on the Challenges for Change initiatives, and explained that GAC received the second quarterly report from the administration. She anticipated that the third quarterly report, due in October, would include a more complete list of enacted programs with savings plans.

Representative Heath queried whether GAC was encouraging the administration to strategize ideas for further savings beyond the current challenges. Senator Snelling responded that the biggest struggle for the administration and GAC has been to define clear measures from the outcomes of Act 68 and Act 146 of 2010. Representative Heath commented that as time passes it will get harder to fill the FY2011 projected deficit. Representative Larson added that, in the most recent quarterly report, he found it difficult to understand which measures were related to the approved challenges in Act 68 and Act 146 and which ones related to new or failed ideas. He then asked whether there has been a process for committees of jurisdiction to meet and discuss potential new challenges as set out by Act 146. Senator Snelling responded the planning process for committee responses was in the planning stages. Representative Heath suggested that, in the next quarterly report, the administration separate out the approved challenges from Act 68 and Act 146 from proposed challenges.

D. – American Recovery and Reinvestment Act (ARRA) Grants Update

Coleen Krauss, Director of Economic Development and Community Programs, Office of Economic Stimulus and Recovery, provided a handout to the Committee, and explained that within two weeks, more conclusive numbers would be forwarded to the Committee. She commented that Vermont was in a better position to expend funds compared to its neighboring states. The planning of recipient monitoring training was under way to ensure compliance with ARRA rules for reporting.

Chair Obuchowski inquired whether Vermont, in utilizing ARRA funds, met expectations. Ms. Krauss responded that Vermont exceeded its own expectations because funding went smoother and faster than expected. Representative Larson commented that it appeared from viewing the handout that ARRA funds were being spent too slowly. Ms. Krauss explained that there are some larger ARRA grants that were just received. Representative Larson in referring to the handout clarified that to provide a more accurate reflection of the state’s cumulative receipts, it should be noted when Medicaid receipts were included or not included in the numbers.

E.1. – Other Business – Geothermal System Funding for Bennington State Office Building (BSOB)

Representative Heath explained that \$2 million for the BSOB Geothermal System had been approved during the FY2011 budget process. The difficulty was a difference of opinion between the administration and the legislature on the funding stream. The administration's preference was the Clean Energy Development Fund but the legislature's was ARRA funds. This difference resulted in two sections of two different Acts in conflict with each other. Due to conversations between the Legislative Counsel, JFO, the Speaker, and herself, the administration will move forward using ARRA funds. In the FY2011 BAA, the references in the Capital Bill relating to the Clean Energy Development Fund will be deleted as the funding source.

2. – Notification of an Emergency Grant for TANF Food Stamp Benefit

Ms. Barrett handed out an e-mail from David Cohen of the Agency of Human Services, explaining an upcoming Emergency Grant for TANF Food Stamp benefits. Representative Larson and others showed a positive response to the concept and asked Ms. Barrett to send more information when known.

F. – Revenue Update

Tom Kavet, Legislative Economist, handed out a July 2010 Economic Review and Revenue Forecast Update, and commented that the data in June 2010 showed that revenue should be monitored closely while business cycles were fluctuating and uncertain. The upsides were: leading indicators tentatively showed positive growth in FY2012, while a withdrawal of stimulus funding may stymie growth. Mr. Kavet cautioned that there was still a lot of economic fragility for the state moving forward. He pointed out a couple of errors in his handout: on page 1, the Transportation Fund should reflect an increase of 0.5, showing a 0.3 difference instead of a 0.2; and page 19, the numbers needed truing-up. Representative Heath commented even though the deficit may have decreased for FY2012, Vermont had already made such deep budget reductions in the last three years, it would be extremely difficult to find further savings.

The Committee adjourned by a motion from Representative Heath at 12:31 p.m.

Respectfully Submitted,



Theresa Utton-Jerman, Legislative Joint Fiscal Office

Joint Fiscal Committee 7/15/2010 Motions

A.1.d. 30-day Grant Acceptance Policy Adoption

Consistent with Sec. E.127.2 of Act 156 of 2010, the Legislative Joint Fiscal Committee accepts the Expedited Grant Review policy set forth by the Joint Fiscal Office.

B.1. – BISHCA – Transfer of Unencumbered Balances

In accordance with Sec. 60 (a)(2) of Act 67 of 2010, the Legislative Joint Fiscal Committee approves the transfer of the unencumbered balances estimated at \$6,786,539.24 from BISHCA to the General Fund.

B.4. – Environmental Contingency Fund Expenditures – JARD site in Bennington

In accordance with 10 V.S.A. § 1283 (b)(9), the Legislative Joint Fiscal Committee grants the additional authority for the expenditure of \$100,000 from the Environmental Contingency Fund for the former JARD site in Bennington (site #77-0138) to be spent under (b)(2) of the above referenced statute.

B.5. – Web Portal Board e-Procurement Fee Approval

In accordance with 22 V.S.A. § 953 (c), the Legislative Joint Fiscal Committee approves the proposed fee structure for the e-Procurement system, formally approved by the Web Portal Board on February, 2010.

Joint Fiscal Office

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MEMORANDUM

To: Representative Michael Obuchowski, Chair, and Senator Ann Cummings
Vice Chair, Members of the Joint Fiscal Committee

From: Stephen Klein, Chief Fiscal Officer

Date: July 8, 2010

Subject: July 2010 – Fiscal Officers Report

What follows is an update on post-session developments – some of which will be part of the July Fiscal Committee meeting.

1. FY 2010 Revenues and Closeout:

- a. FY 2010 – Revenues - Very preliminary results indicate that Vermont closed the fiscal year with revenues exceeding the official January General Fund (GF) forecast by about \$7.3 million. The Transportation Fund is expected to be \$500,000 over target with the Education Fund over forecast by about \$1.1 million. The final General Fund surplus number will be adjusted by the actual direct applications received, which may be slightly higher than the estimate. It will also be adjusted by \$1.2 million in property transfer tax receipts.
 - i. The General Fund's relative strength is due largely to corporate tax revenues, which are up \$11.7 million over estimates. This is in part due to the unitary tax provisions which capture revenue from multistate corporations, indicating some returning strength to Vermont businesses. Tom Kavet will be asked to provide more detail on this development.
 - ii. In June, estimated income tax payments and withholding payments exceeded targets, the monthly income tax receipts were up \$3.5 million, but for the year, income receipts were down by about \$6 million.
 - iii. Sales, rooms and meals, and property transfer taxes came in just over target, and combined, are above the forecast by about \$3.2 million.
 - iv. Early revenue returns indicate the Transportation Fund will end the year up \$500,000 with strength in purchase and use receipts and weakness in fees.
 - v. The Education Fund is up \$1.1 million with sales and use and purchase and use revenues being the key contributors to the increase.

vi. Revenues will continue to be counted for much of July and so changes may occur as the books are closed on the fiscal year.

b. FY 2010 - Closeout:

With the FY 2010 revenue surplus, we anticipate an overall closeout of \$8-\$10 million which can be used to address waterfall appropriations. This will not be sufficient to meet all the demands of the FY 2010 waterfall which could have absorbed \$13.3 million (\$6.9 million for the Education Fund and \$6.4 million for information technology projects.) At the meeting, we will provide an update on where the closeout appears to be heading. Closeout will not be finalized until the end of July.

2. FY 2011 and Beyond - Revenues and Budget Pressures

- a. The FY 2011 revenue forecast revision will be available at the meeting. The revenues through June were positive and, coupled with improving economic conditions, could indicate a limited improvement on the current forecast, but the variation is likely to be small. As you are aware, we continue to operate in a time of economic uncertainty which creates a difficult environment for forecasting.
- b. Probably the largest area of uncertainty is the final disposition of FMAP funding. The Legislature built about \$9 million into the FY 2011 budget from the federal FMAP extension. Specifically, we were to use \$5.2 million for corrections challenge investments, \$2.1 million for a one-time long-term care payment, and \$1 million for a hospital rate increase. Additionally, there was \$22 million in capital expenditures that will not happen, including \$12 million for major IT expenditures and \$10 million for the Vermont State Hospital. The IT expenditures may be covered in part by the waterfall; however, failure to cover these expenditures raises an issue as we are relying on them to produce savings in future year's budgets. The final \$23.4 million of anticipated FMAP extension funds were intended to be carried forward into FY 2012 to support Medicaid and the education fund.
- c. We also enter FY 2011 with a need to address the \$1,600,000 shortfall due to the current use legislation veto. Based on the forecast revision, the FMAP resolution, and other factors discussed in the health care sections of this memorandum, once closeout is completed, we will develop a picture of FY 2011 budget adjustment needs and FY 2012 deficit projections.

3. Health Care Reform

The decision not to require repayment by the Medicare Part D clients of the \$250 for pharmacy benefits will have a negative budget impact of about \$590,000 for FY 2011.

4. Medicaid

- a. FY10 Year End:
 - ii. Enrollment for the year appears to be on track with the targets adopted for FY10 by the Emergency Board in January.
 - iii. The Global Commitment fund appears to be on track to end FY10 meeting the anticipated \$43 million (gross) balance that was planned on when building the FY11 budget, with a potential for modestly exceeding the target. All the year-end budgets for departments are not yet closed. Final numbers will be available later this month.
 - iv. Revenues into the Catamount Fund are lower than anticipated. The plan was to close FY10 with a positive balance of \$750k. Preliminary indications are that the year-end balance may not show a positive balance. Lack of a carryforward balance from FY 2010 creates a shortfall in FY11 that may need to be addressed in the Budget Adjustment Act, if other offsets are not available.
 - v. As a result of cigarette taxes coming in higher than expected, the State Health Care Resources Fund is ending with a balance that is \$2 million higher than anticipated.
- b. FMAP Issues caused by lower unemployment:
 - i. If Vermont does not receive the two-quarter extension of the enhanced FMAP, freed up general funds from the Medicaid program, transferred to the Human Serve Caseload Reserve, will go back to the Medicaid appropriation. Investments (VSH, IT, DOC, EF) planned from the extended FMAP are not likely to occur, at least not from the FMAP funds. The Ed Fund allocation and some of the IT investments may be covered by the FY 2010 year-end balance. However, investment of funds in the Department of Corrections, long-term care, and hospital rates are not likely to occur. The Corrections investments, in particular, create a significant gap in the FY 2011 budget. The loss of FMAP will mean we do not have caseload reserves to create a higher Global Commitment rate assumption in FY 2011. Our hope was to do that and potentially generate carryforward. The lack of this resource will increase the FY12 budget gap, pending new revenue forecast levels.
 - ii. Additionally, the Enhanced FMAP that was calculated for the first two quarters of the fiscal year was based on the assumption that Vermont would be in the highest tier. However, our recent unemployment rate is lower than expected, moving Vermont down a tier. This shifts the calculation for the FMAP for the first two quarters of FY 2011, increasing the state share by up to \$7 million. This funding shortfall will need to be addressed in the BAA. However, a federal extension of the enhanced FMAP would alleviate this problem.

- c. Global Commitment and Long-Term Care Waiver renewals:
 - i. At this point, it looks as if the state's approach to the Global Commitment waiver expiration and the long-term care waiver will be proposals for straight extensions with minimal changes.
 - ii. The extension period is generally three years; trend rates will be the main area of discussion in the extension negotiations. However, how these waivers interplay with federal health care reform remains an area of uncertainty.

5. Catamount:

- a. Present indications are that there will be no premium increases until January, at the earliest. This represents a small savings for the Catamount budget. It says little for long-term costs. Again, federal health care reform hangs over all of these programs.
- b. We remain concerned that the health care reform initiative respect existing waivers and allow for extensions of waivers for a limited period. It is likely that federal health care reform will be implemented over time. The ability to extend our current waiver would give Vermont time to make necessary adjustments.

6. Department of Information and Innovation request

The Department of Information and Innovation has developed the concept of an e-procurement site which should allow for faster and more economical purchases by the state by using a reverse auction approach to procurement pricing. Bidders would be able to submit competing prices that the state could use. A letter concerning this proposal and the relevant statute is in the mailing. Under the law that existed prior to July 1, 2010, such a proposal, and the related fees would require approval of the Joint Fiscal Committee. Under new law, the Joint Fiscal Committee would have the option of voting on the submission, a process similar to the one used now for grants. Given that the proposal was signed by the Governor on June 18, 2010, and submitted to the Joint Fiscal Committee on July 7, we have added it to the agenda for a vote of approval in order to avoid any uncertainty over the approval process.

7. Legislative intent:

The legislative intent document for the budget has been circulated and is available on our web page.

<http://www.leg.state.vt.us/jfo/Appropriations/Act%20156%20of%202010%20%28FY11%20Budget%29%20Statement%20of%20Intent.pdf>

8. The Entergy Nuclear Vermont Yankee relicensing update:

Our ENVY contracts are all extended through January 30, 2011, but we are not drawing on them. Arnie Gundersen will continue his monitoring work, but barring an unforeseen event, there will be limited activity until the next legislature provides guidance.

9. Education Fund Stabilization Reserve review:

16 V.S.A. § 4026(e) requires that the Joint Fiscal Committee review the education fund when anticipated reserves fall below 3.5%. It is expected that FY 2011 reserve levels will be close to this level, with FY 2012 estimated at 3.9%. Again, more will be known when closeout is finished.

10. Legislative Budgets:

- a. The Legislature's budget will close FY 2010 with an unallocated surplus of just under \$100,000, although the gross surplus (before anticipated obligations) will be closer to \$400,000. The Legislature's FY 2011 budget request included a deficit of \$250,000, with the understanding that we would work to achieve the necessary carryforward. Thus, the first \$250,000 of carryforward is dedicated to closing the FY 2011 legislative budget deficit. Additional obligations include outstanding FY 2010 invoices, and additional funding for the Challenges for Change work. The Legislature's FY 2011 budget, as is the case for all legislative department budgets, does not include any salary increases for employees. Those earning more than \$60,000 will continue with current furloughs.
- b. The Joint Fiscal Office ended the budget year with an unallocated surplus of just under \$70,000 and a gross surplus of about \$215,000. The largest part of the obligated funds pertains to the Tax Commission. The Commission's carryforward is \$145,000 which it is budgeted to spend over the next 14 months. The Commission received one-time funding for two or more years of work. It is anticipated that the current Tax Commission appropriation will last through FY 2011 and enable the Commission to take on the new responsibilities that it received regarding Education Finance in the Miscellaneous Tax bill.¹
- c. The Legislative Council, the Sergeant at Arms, and the Information Technology departments all met or exceeded their carryforward targets. Furloughs will be continued, and there are no planned salary increases. The budgets will be managed with an awareness of FY 2012's tight budget environment.
- d. Work will continue with other staff entities on Legislative budget development and preparation. Nathan Lavery continues to be extremely helpful in working with all legislative departments on budget issues.

11. Vermont Economic Growth Incentives (VEGI) Cap

¹ Section 35 of the Miscellaneous Tax Bill mandated that Vermont's Blue Ribbon Tax Structure Commission examine the State's education governance and finance policies. The Commission is charged with identifying the five most important short-term goals and the five most important long-term goals for an education system, designing a quantifiable nonmonetary measure of whether schools provide a "substantially equal educational opportunity" for student educational achievement, evaluating Vermont's current education governance and finance system, and drafting proposals for new systems of education governance and finance. Furthermore, the Commission is tasked with determining the proper level of funding for education in relation to the State's overall revenues. The Commission is required to report its findings to the Legislature by September 15, 2011.

Early in the session, the Emergency Board adjusted the cap for the VEGI program for one calendar year from \$10 million to \$23 million. As of 7/22/2010, the program had used the additional \$13 million and about one-half its normal annual cap. The companies authorized for VEGI incentives with activity commencing in 2010 project the creation of 1,256 full-time qualifying (above wage threshold) jobs over 5 years (2010 - 2014). A one-page summary of VEGI cap usage is attached for your review.

12. The Transportation Agency VTRANS submissions include two reports which are transmitted to the Joint Transportation Oversight Committee:

- a. **FY11 Project Status:** This report summarizes significant changes to planned FY 2011 project spending. The change in spending could be due to a number of factors, including a change in a project's scope, contract bids coming in above or below estimates, or an acceleration or delay in the timing of projects. The purpose of the report was to flag such changes so that JTOC members could solicit from VTRANS more detailed explanations for projects of interest. Since VTRANS is no longer testifying, if members want the background story on projects, contact Neil Schickner at JFO.
- b. **Contract bid awards vs. cost estimates:** This report compares contract bid awards to project cost estimates. The good news here is that the trend of bids coming in below estimates is continuing. Of the 35 contracts listed, 32 came in at or below the cost estimate, resulting in aggregate budget savings of \$20.8 million. Key points:
 - i. The savings of \$20.8 million includes both federal and state funds so the approximate breakdown is \$16.6 million federal and \$4.2 million state.
 - ii. Most of the contracts cover a multiyear period, so the savings will be spread over FY 2011 and FY 2012.
 - iii. Ironically, the savings make it more difficult for VTRANS to comply with the ARRA maintenance of effort requirements. The legislature gave the department some flexibility to address this issue as the requirements impact spending prior to the end of the FFY2010, ending in September 2010.

13. Joint Fiscal Office Updates

- a. **Staff Evaluation -** We have completed our legislative evaluation of our office. For the first time we used the Internet to conduct the evaluation rather than stamped mailing envelopes. We received about 80 responses which is the best in the years of doing the evaluation. Overall, the JFO score in all areas combined was 3.71 of a possible 4.0, the second highest score in the 6 biennium's that we have done the evaluation. Among the specific areas of concern were timeliness and responsiveness, especially to non-money committee requests. 94.4% did not have concerns about minority vs. majority party service but the 6%, or four responses that did

have concerns represent the most concerns which we have received, so it remains an area for staff attention.

- b. Richard Reed will be leaving our staff at the end of October. He has taken the budget computer to the point where it is operational. Nathan and Jeremy will pick up the operational end of things. He stayed considerably longer than the two years we anticipated using his services, and we appreciate his work. He will be available as a consultant on an as-needed basis. We will not be filling the position and expect this vacancy to give us some room to address the fiscal exigencies of the tight budget year ahead.
- c. The Joint Fiscal Office will issue an RFP for revenue estimation services on July 16, right after the fiscal committee meeting. We hope to have a proposed vendor selected for committee consideration by the September 10 meeting.
- d. Small (generally under \$20,000) contracts with Steve Kappel and Deb Brighton are being negotiated. Deb Brighton's contract is shared with the Administration, and we have agreed with them to raise her pay rate to \$85 per hour, consistent with the rate we offer Steve Kappel.
- e. Steve Gold will be conducting the evaluation of the Vermont Training Program which was passed as part of the Jobs bill. Up to \$15,000 of the costs are reimbursable from the Vermont Training Program.

VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM

CALENDAR 2010 CAP

CAP AS APPROVED BY EMERGENCY BOARD, JANUARY 22, 2010:

Revised VEGI Cap for 2010:		\$23,000,000
2010 VEGI Incentives authorized prior to start of 2010:	-	<u>\$ 4,913,838</u>
2010 Cap Balance:		\$18,086,162

CAP UTILIZATION AS OF JULY 22, 2010 VEPC BOARD MEETING:

Revised VEGI Cap for 2010:		\$23,000,000
2010 VEGI Incentives authorized prior to start of 2010:	-	<u>\$ 4,913,838</u>
2010 Cap Balance:		\$18,086,162
Applications Authorized January 28, 2010:	-	\$12,556,600
Application Denied January 28, 2010:	-	\$ 162,473
Applications Authorized March 25, 2010:	-	\$ 67,953
Applications Authorized May 27, 2010:	-	\$ 230,094
Applications on Agenda for July 22, 2010 (Estimate):	-	<u>\$ 701,372</u>
Cap remaining for applications filed Aug-Dec 2010:		\$ 4,367,670

Education Fund Outlook

(millions of dollars)	FY2010 Before closeout	FY2011 Appropriations	FY2012 Projections
a Base Homestead Tax Rate	\$0.86	\$0.86	\$0.86
b Uniform Non-Homestead Tax Rate	\$1.35	\$1.35	\$1.35
c Base Rate on Household Income	1.80%	1.80%	1.80%
d Household Income Limit	\$90,000	\$90,000	\$90,000
e Housesite Value Limit if Income Over \$90K	\$200,000	\$200,000	\$200,000
f Base Education Amount Per Pupil	\$8,544	\$8,544	\$8,667
g Equalized Pupil Count	94,107	92,569	91,731
h Education Grand List Growth Rate	6.9%	2.2%	-0.9%
i Education Spending Growth Rate	2.0%	-0.1%	-2.0%
Sources			
1 Homestead Education Tax	489.5	520.4	501.4
1a Homestead Property Tax Adjustment	(141.6)	(161.5)	(164.4)
2 Non-Homestead Education Tax	558.2	554.5	551.1
3 Sales & Use Tax	103.7	107.0	111.7
4 Purchase & Use Tax	23.3	24.5	26.2
5 General Fund Transfer	259.2	259.2	303.9
a. GF Transfer Reduction	(18.4)	(18.4)	-
b. Challenges for Change GF Savings	-	(6.0)	(14.2)
c. CHSVT & Early Ed Initiative Adjustment	-	-	(4.4)
d. Contingent transfer and repayment	-	3.0	(3.0)
6 Lottery Transfer	21.0	21.4	21.9
7 Medicaid Transfer	0.0	6.9	6.9
8 Vermont Yankee Education Tax	2.0	2.0	1.4
9 Total Sources	1,296.9	1,313.0	1,338.5
Uses			
10 Education Payment (excludes ARRA funds)	1,098.9	1,099.5	1,111.6
11 Special Education	142.5	142.5	149.6
12 State-Placed Students	15.6	15.3	16.1
13 Transportation	15.5	15.8	16.1
14 Technical Education	12.8	12.8	13.2
15 Small Schools	7.0	7.0	7.5
16 EEE Block Grant	5.7	5.7	6.0
17 Early Education Initiative	1.1	1.1	-
18 Capital Debt	0.2	0.2	0.1
19 Adult Education & Literacy	4.8	4.8	4.8
20 Renter Rebate (EF share only)	5.9	5.8	6.1
21 Reappraisal & Listing Payment	3.5	3.2	3.2
22 Other (EF interest; Other)	(0.1)	(0.2)	(0.2)
23 Total Uses	1,313.3	1,313.5	1,334.1
Fund Balance			
24 Current Year Revenue Surplus/(Deficit)	(16.4)	(0.5)	4.4
25 Prior Year Fund Balance	42.4	26.0	25.5
28 Current Year Fund Balance	26.0	25.5	29.9
Stabilization Reserve			
29 Revenue Surplus/(Deficit)	(16.4)	(0.5)	4.4
30 Prior Year Reversions	(3.5)	(0.6)	-
31 Transfer to/(from) Stabilization Reserve	(6.4)	0.1	4.4
32 Transfer to/(from) Unreserved/Unallocated	(6.5)	-	-
33 Stabilization Reserve	24.7	24.8	29.2
34 Percent of Prior Year Net Appropriations	4.1%	4.2%	4.9%
35 Maximum Reserve Target @ 5.0%	29.8	29.6	29.6
36 Minimum Reserve Target @ 3.5%	20.9	20.7	20.7

Taxpayers affected by property tax adjustment changes in FY2011

Total taxpayers affected:	14,400
Repeal of "excess" acreage payment:	33,400
Inclusion of 2X interest and dividends over \$10K in household income:	5,600
Creation of \$500K housesite value cap:	1,400

Source: Vermont Department of Taxes, July 14, 2010.

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Creation of \$500K housesite value cap:	1,400

Source: Vermont Department of Taxes, July 14, 2010.

July 15, 2010
Emergency Board Meeting
Report on Medicaid for Fiscal Year 2010

32 V.S.A. § 305a(c) requires a year end report on Medicaid and Medicaid related expenditures and caseload. In January the Emergency Board is required to adopt specific caseload and expenditure for Medicaid and Medicaid-related programs. Action is not required at the July meeting of the board unless the Board determines a new forecast is needed as result of the year-end report. Staff does not recommend a new forecast as the year-end expenditure information does not at this time indicate a revision to the forecast. However issues related to the Federal Medical Assistance Percentage (FMAP) may significantly impact the FY11 budget.

This report contains the following:

Year End Summaries:

- Summary of Enrollment
- Summary of Total Expenditures
- Global Commitment Fund Summary
- Catamount and State Health Care Resources Fund Summaries
- Catamount Fund Detail
- State Health Care Resources Fund Detail

Key Issues

The data in this report reflects current estimates to date. There may be changes as the financial close out for fiscal year is completed and finalized. If necessary, significant changes will be included in a subsequent revised report.

Enrollment: Actual FY10 enrollment appears to have ended mostly on target in almost all eligibility groups. Overall total enrollment was 0.35% above the target adopted for FY10 in January of this year. New enrollment estimates for Federal FY11 will be made in September, the consensus process for that is underway. The trend analysis thus far is indicating continued growth in the adult category, particularly the VHAP program the program that we expect the greatest volatility in as a result of economic factors. At this point, little impact from the federal health care reform is anticipated in the current FY11 enrollment estimates, but as we look ahead such impacts will continue to be analyzed.

Expenditures: Final close out is not complete in all departments but we appear to be essentially on target overall for FY10 expenditures. Areas where spending is below expectation, such as long term care, will carryforward funds for FY11 needs. The FY11 budget reflects the totals included in the budget as passed. Approximately \$17m (gross) of funding reductions were estimated with the passage of the Challenge for Change implementation bill. These in addition to any other challenge funding reductions, will be reflected in the total as the appropriations adjustments are made as authorized in the Challenge bills. All of the Catamount enrollees between 200%-300% of the Federal Poverty Limit (FPL) are now included in the Global Commitment Waiver.

Global Commitment Fund: The Global Commitment Fund (GCF) is on target to close FY10 with the \$43 million (gross) balance expected in building the FY11 budget. We may modestly exceed this target once all departments are closed out. Under the GC waiver the state draws federal funds by payment of set actuarially determined rates to the managed care organization (MCO). FY10 cash capitated payments reflect the full current-year per-member per-month payment obligation. As a result, the FY11 capitation payments do not assume any payments for prior years (as was the case in FY09 and FY10) other than technical adjustments associated with retroactive enrollment. Over July and August, the actuary will be analyzing the most recent expenditure information. The Agency of Human Services, in consultation with the Agency of Administration and the Joint Fiscal Office, will be setting the Global Commitment actuarial rates for federal fiscal year 2011 in August; the rates are due to CMS on or before September 1. This analysis will further inform any revisions that may be required for the FY11 estimates and developing the initial FY12 estimates in January.

Catamount Fund: FY10 revenues in the Catamount Fund were below expectations primarily to lower than expected premium revenue being collected. The cause of this is not yet understood will continue to be analyzed. Instead of ending FY10 with \$730k balance, FY10 has a \$110k deficit. This results in an \$800k+ deficit in FY11 which may increase if the premium issue described herein reflects a new baseline versus a one-off timing event.

State Health Care Resources Fund: The FY10 balance is estimated to be \$3.9m which is \$2.6m higher than the amount anticipated in the budget. This is mainly because cigarette tax revenues and legal settlement revenues came in higher than expected. This \$2.6m will be available in FY11. The main reason FY11 revenues in total are estimated to be significantly higher than in FY10 is the change in the base year for the hospital provider tax that was included in the budget this year.

Federal Medical Assistance Percentage (FMAP): The budget assumed an extension to the enhanced FMAP until the end of state fiscal year 2011. The total estimated value of the enhancement was \$62.264 million. These funds were removed from the budget and placed into the human services caseload reserve and will be allocated from the reserve if a federal extension is enacted. Without an extension the funds will be restored to the Medicaid programs and the allocations will not go forward from the reserve.

In addition to the allocations not being funded, one other issue that we are facing as a result of not having an extension is the base estimate FMAP for FY11 and the impact of the our actual unemployment rate. The assumption for the FY11 base FMAP assumed we would remain in the highest adjustment tier under ARRA for the first two quarters of this year. The good news is our unemployment rate did not stay at the level that would have allowed us remain in this tier. The bad news is we are facing a 0.56% increase in the state share from 35.67% to 36.23% which is a \$6.8 million increase in state fund need. Extension of the enhanced FMAP would eliminate this problem, if an ARRA extension includes language continuing the unemployment hold harmless provision which expired effective July 1, 2010.

PROGRAM ENROLLMENT					
	FY08 Actual	FY09 Actual	FY10 Budget (Jan '10 Ebrd)	FY10 Final Est	FY11 Budget (Jan '10 Ebrd)
Adults					
Aged, Blind, or Disabled (ABD)/Medically Needy	11,804	12,547	13,184	13,337	13,866
Dual Eligibles	14,197	14,779	15,111	15,192	15,536
General	9,258	9,858	10,297	10,358	10,786
VHAP	24,763	28,214	32,429	33,249	36,862
VHAP ESI	274	329	1,195	949	1,564
Catamount	2,296	6,353	9,081	8,985	11,862
ESIA	176	476	710	677	930
Subtotal Adults	62,767	72,556	82,007	82,746	91,406
Children					
Blind or Disabled (BD)/Medically Needy	3,491	3,608	3,680	3,610	3,771
General	50,674	52,242	53,863	54,232	55,631
Underinsured	1,147	1,212	1,248	1,176	1,282
SCHIP (Uninsured)	3,280	3,414	3,721	3,510	3,966
Subtotal Children	58,591	60,476	62,512	62,528	64,650
Pharmacy Only Programs	12,727	12,453	12,659	12,550	12,580
Choices for Care	4,062	4,016	4,010	3,929	4,010
Nursing Home, Home & Community Based, ERC					
Total Direct Services	138,147	149,501	161,188	161,754	172,646

Summary of Total Expenditures

	FY08 Actual	FY09 Actual	FY10 Budgeted	FY10 Final Est.	FY11 Budget As Passed	Challenge Estimate As Passed
Non Capitated Administration	5,764,748	6,116,390	6,078,177	6,128,458	6,033,133	
Global Commitment Waiver						
GC - Administration	70,078,963	74,349,470	80,992,624	78,470,772	82,244,844	
GC - Program	688,768,873	779,104,938	852,092,860	856,585,269	969,668,432	
GC - Investments (CNOM)	50,961,849	53,463,741	56,509,033	55,667,759	54,712,118	
GC - Certified (non -cash program & cnom)	23,989,739	28,079,069	28,984,660	28,984,660	25,674,647	
	833,799,424	934,997,218	1,018,579,177	1,019,708,459	1,136,536,461	(12,382,669)
Choices For Care Waiver (LTC)	189,742,595	197,954,288	198,503,702	194,600,000	206,544,910	(5,000,000)
Pharmacy - State Only	7,055,010	6,534,312	1,399,166	1,700,000	3,183,320	
Catamount - State Only >200% -Administration	1,270,333	905,626	175,814	628,951	* 100% incl in GC	
Catamount - State Only >200% -Program	3,981,434	8,682,014	6,960,389	6,675,825	* 100% incl in GC	
DSH	49,003,898	35,648,781	37,448,781	37,448,781	37,448,781	
Clawback	20,339,254	20,779,093	13,213,134	13,300,000	17,614,748	
SCHIP	6,193,009	7,231,315	7,575,658	7,200,000	8,452,339	
Total	1,117,149,705	1,218,849,037	1,289,933,998	1,287,390,474	1,415,813,692	

* FY10 >200% Catamount is 1/2 year - these expenses are moved into GC after Jan 1, 2010.
Most of the Buy-In program is included in the GC waiver and a small portion is in the CFC waiver

Global Commitment - Cash Balance Sheet - FY09 to FY11 (Appropriated)

	<u>FY08 Actual</u>	<u>FY09 Actual</u>	<u>FY10 ESTIMATED Final (4)</u>	<u>FY11 Appropriated</u>
Cash Carryforward from Prior Year	38,913,512	42,285,554	25,026,759	43,167,252
Revenues - Cash Capitated Payments (5)	813,181,969	889,659,354	1,008,864,292	1,063,528,627
Expenses - Cash Capitated				
Administration	70,078,963	74,349,470	78,470,772	82,244,844
Program	688,768,873	779,104,938	856,585,269	969,668,432
Investment	50,961,849	53,463,741	55,667,759	54,712,118
Total Cash Expenses	809,809,685	906,918,149	990,723,799	1,106,625,394
End-of-Year Cash Balance	42,285,798	25,026,759	43,167,252	70,485
Non-capitated administrative expenses (1)	5,764,748	6,116,390	6,128,458	6,033,133
Non-cash expenses (2)	23,989,739	28,079,069	28,984,660	29,911,067
Non-cash revenues (3)	32,448,537	31,170,027	29,758,594	30,608,548

Notes:

- (1) Non-capitated expenses are cash expenses but are paid outside of capitation pmt and do not affect fund balance.
- (2) Non-cash expenses include 3 certified programs in which non-federal expenses are not State cash expenses.
- (3) Non-cash revenues include 4 certified programs in which non-federal revenues are not State cash revenues.
- (4) FY10 revenues and expenses are **ESTIMATED ONLY** - actual revenues and expenses may be different based on final closeout, and may vary between administration, program, and MCO investment.
- (5) FY10 cash capitated payments reflect the full current-year per-member per-month payment obligation. As a result, the FY11 capitation payments do not assume any payments for prior years other than technical adjustments associated with retroactive enrollment. FY09 and FY10 capitation payments included payments for prior-year shortfalls of \$21,379,986 and \$25,972,014.

Catamount Fund

	FY08 Actual	FY09 Actual	FY10 Final Est	FY11 Budgeted	
Beg. Balance	4,644,780	9,775,791	7,311,891	(109,156)	<i>estimate was +\$732k</i>
Total Catamount Revenue	15,742,568	20,216,600	18,169,364	21,689,254	
Revenue from GF	3,500,000	0	0	0	
Total Catamount Expenses	14,111,558	22,680,501	25,590,411	30,243,322	<i>approp= 21,980,856</i>
Expense moved to GF	0	0	0	(7,822,019)	<u>22,421,303</u>
					<i>(440,447)</i>
End. Balance	<u>9,775,791</u>	<u>7,311,891</u>	<u>(109,156)</u>	<u>(841,205)</u>	

State Healthcare Resources Fund

	FY08 Actual	FY09 Actual	FY10 Actual Est	FY11 Budgeted
Beg. Balance	8,766,595	(582,703)	(1,432,526)	3,904,842
Total Revenue	138,976,113	146,828,492	158,188,830	175,109,034
Total Expenses	148,325,411	147,678,315	152,851,462	176,395,700
End. Balance	<u>(582,703)</u>	<u>(1,432,526)</u>	<u>3,904,842</u>	<u>2,618,176</u>

CATAMOUNT BALANCE SHEET

	SFY '08 Actuals			SFY '09 Actuals			SFY '10 Estimate				SFY '11 Appropriated		
	<=200%	>200%	Total	<=200%	>200%	Total	<=200%	>200% before 1/1/10	>200% after 1/1/10	Total	< 200% FPL	> 200% FPL	TOTAL
Catamount Health	3,593,323	3,845,009	7,438,332	21,965,784	8,327,448	30,293,232	31,140,504	6,436,111	7,368,521	44,945,136	45,091,811	16,621,443	61,713,254
Catamount Eligible Employer-Sponsored Insurance	121,863	136,425	258,308	720,889	354,566	1,075,455	1,048,781	239,713	278,261	1,566,756	2,076,890	863,710	2,940,600
Subtotal New Program Spending	3,715,206	3,981,434	7,696,639	22,686,673	8,682,014	31,368,687	32,189,285	6,675,825	7,646,782	46,511,892	47,168,701	17,485,153	64,653,854
Catamount and ESI Administrative Costs	1,688,833	1,270,333	2,959,166	1,278,217	905,626	2,183,843	1,254,021	628,951	314,476	2,197,448	1,554,749	1,142,276	2,697,025
TOTAL GROSS PROGRAM SPENDING	5,404,039	5,251,766	10,655,805	23,964,890	9,587,640	33,552,530	33,443,306	7,304,776	7,961,258	48,709,340	48,723,450	18,627,429	67,350,879
TOTAL STATE PROGRAM SPENDING	2,215,116	5,251,766	7,466,882	8,191,199	9,587,640	17,778,839	10,046,369	7,304,776	3,271,281	20,622,426	17,463,399	7,832,788	25,296,187
Immunizations Program	-	4,000,000	4,000,000	-	2,254,334	2,254,334	-	1,327,000	1,250,000	2,577,000	-	2,500,000	2,500,000
VT Dept. of Labor Admin Costs Assoc. With Employer Assess.	-	258,466	258,466	-	384,046	384,046	-	197,036	197,036	394,072	-	394,072	394,072
Marketing and Outreach	1,316,167	-	1,316,167	500,000	-	500,000	500,000	-	-	500,000	500,000	-	500,000
Blueprint	-	1,846,713	1,846,713	-	2,092,381	2,092,381	-	923,357	923,357	1,846,713	-	1,846,713	1,846,713
TOTAL OTHER SPENDING	1,316,167	6,105,179	7,421,346	500,000	4,730,761	5,230,761	500,000	2,447,393	2,370,393	5,317,785	500,000	4,740,785	5,240,785
TOTAL STATE OTHER SPENDING	539,497	6,105,179	6,644,676	170,900	4,730,761	4,901,661	150,200	2,447,393	2,370,393	4,967,985	206,350	4,470,785	4,947,135
TOTAL ALL STATE SPENDING	2,754,612	11,356,945	14,111,559	8,362,099	14,318,401	22,680,500	10,196,569	9,752,169	5,641,673	25,590,311	17,669,749	12,303,573	30,243,322
Catamount Health Premiums	399,085	1,028,066	1,427,151	3,533,837	2,556,838	6,090,675	4,748,770	1,704,249	2,216,648	8,669,667	6,230,445	5,009,960	11,240,405
Catamount Eligible Employer-Sponsored Insurance Premiums	30,864	67,134	97,998	225,965	160,898	386,863	315,618	115,175	150,941	581,734	517,094	447,771	964,865
Subtotal Premiums	429,949	1,095,200	1,525,149	3,759,801	2,717,736	6,477,538	5,064,388	1,819,424	2,367,589	9,251,401	6,747,539	5,457,732	12,205,270
Federal Share of Premiums	(253,713)	-	(253,713)	(2,474,701)	-	(2,474,701)	(3,543,046)	-	(1,394,747)	(4,937,793)	(4,320,029)	(3,204,487)	(7,524,516)
TOTAL STATE PREMIUM SHARE	176,236	1,095,200	1,271,436	1,285,100	2,717,736	4,002,836	1,521,342	1,819,424	972,842	4,313,609	2,427,510	2,253,245	4,680,754
Cigarette Tax Increase (\$.60 / \$.80)	-	-	8,686,425	-	-	9,361,695	-	-	-	9,762,004	-	-	9,408,500
Floor Stock	-	-	29,329	-	-	348,117	-	-	-	370,269	-	-	-
Employer Assessment	-	-	5,421,491	-	-	6,378,000	-	-	-	6,908,000	-	-	7,600,000
Interest	-	-	333,887	-	-	125,951	-	-	-	15,021	-	-	-
General Fund - Gov. Rec.	-	-	-	-	-	-	-	-	-	-	-	-	3,858,361
General Fund - Legislature	-	-	-	-	-	-	-	-	-	-	-	-	3,963,658
State Fund Transfer due to Enhanced ARRA	-	-	-	-	-	-	-	-	-	(3,200,538)	-	-	-
TOTAL OTHER REVENUE	-	-	14,471,132	-	-	16,213,764	-	-	-	13,855,756	-	-	24,830,519
TOTAL STATE REVENUE	176,236	1,095,200	15,742,568	1,285,100	2,717,736	20,216,500	-	-	-	18,169,364	-	-	29,511,274
State-Only Balance	-	-	1,631,010	-	-	(2,463,900)	-	-	-	(7,421,047)	-	-	(732,049)
Carryforward	-	-	4,644,780	-	-	9,775,791	-	-	-	7,311,891	-	-	732,049
(DEFICIT)/SURPLUS	-	-	6,275,790	-	-	7,311,891	-	-	-	(1,099,156)	-	-	80
Reserve Account Funding	-	-	3,500,000	-	-	-	-	-	-	-	-	-	-
REVISED (DEFICIT)/SURPLUS WITH RESERVE FUNDING	-	-	9,775,790	-	-	7,311,891	-	-	-	(1,099,156)	-	-	80

State Health Care Resources Fund

	FY08 Actual	FY09 Actual	FY10 BAA	FY10 Actuals (projected)	FY11 As Passed
State Health Care Resources Fund					
Beg. Balance	8,766,595	(582,703)	(1,432,526)	(1,432,526)	1,286,665
Onetime '06 GF Waterfall		-	-	-	
	<u>8,766,595</u>	<u>(582,703)</u>	<u>(1,432,526)</u>	<u>(1,432,526)</u>	<u>1,286,665</u>
Revenue					
Cig Tax @ 84.5% ('07 was 91.1%)	47,350,202	51,036,337	53,085,700	54,476,275	52,346,132
Tobacco Products Tax - 100%	3,180,785	3,398,280	5,100,000	5,244,840	5,000,000
Prov Tax - Hospital	62,563,216	67,299,073	73,134,572	73,163,741	94,997,944
Prov Tax - NH	14,559,205	13,004,774	13,536,996	13,445,884	13,060,927
Prov Tax - HH	4,426,736	3,864,347	4,101,901	3,994,644	4,088,575
Prov Tax - ICF-MR	61,104	62,059	66,002	66,002	66,002
Pharmacy \$0.10/script	603,986	835,186	800,000	802,905	800,000
Bene Prems - VHAP (mgd care)	2,005,226	1,883,041	2,127,112	1,935,145	2,931,829
Bene Prems - Dr. D (medicaid)	189,559	170,189	217,896	147,920	409,855
Bene Prems - SCHIP	291,108	442,231	460,586	459,898	838,979
Bene Prems - VPH1	1,259,642	1,391,274	1,129,678	1,231,353	1,129,756
Bene Prems - VPH2	614,967	680,716	504,727	613,706	536,336
Bene Prems - add'l Fed giveback (Waiver Amendment)			(100,000)		(2,022,631)
Enhanced ARRA FMAP extension					(545,451)
Bene Prems - VPH3	1,306,084	1,512,963	1,405,481	1,518,711	1,470,781
Bene Prems -VHAP Rx	704	230	-	255	-
Bene Prems -Vscript	4,935	434	-	20	-
Bene Prems -Vscript Exp	11,385	2,340	-	200	-
Premium Fees - future	99,762	45,900	-	129,352	-
Abandoned Property	(4,091)	1,287	-	(177)	-
Recoveries	204,092	1,251,168	-	979,964	-
Interest Income	247,506	(53,337)	-	(21,808)	-
Total Fund Revenue	<u>138,976,113</u>	<u>146,828,492</u>	<u>155,570,651</u>	<u>158,188,830</u>	<u>175,109,034</u>
 Total Available	 147,742,708	 146,245,789	 154,138,125	 156,756,304	 176,395,699
 Expenditures					
AHS GC appropriation	148,325,411	147,678,315	156,955,519	152,851,462	176,395,700
Rescission			(1,516,973)		
BAA Estimate			(1,432,526)		
BAA Estimate			(1,154,560)		
	<u>148,325,411</u>	<u>147,678,315</u>	<u>152,851,460</u>	<u>152,851,462</u>	<u>176,395,700</u>
End. Balance	<u>(582,703)</u>	<u>(1,432,526)</u>	<u>1,286,665</u>	<u>3,904,842</u>	<u>(1)</u>

“Expedited Grant Review” policy

Under current law, 32 V.S.A. Sec. 5, the Joint Fiscal Committee has 30 days to review any “grant, gift, loan, or any sum of money or thing of value” to the State of Vermont that have been accepted by the Governor. Unless the Committee acts to place an item on its agenda, the grant is considered approved. When a grant is placed on the Joint Fiscal Committee agenda, approval is subject to a vote of the Committee.

Under limited circumstances, it may be necessary for the Joint Fiscal Committee to take action on an item in advance of the expiration of the 30 day review period. The Fiscal Year 2011 Appropriations Act, in Sec. E.127.2, amended current law to explicitly allow the Joint Fiscal Committee to establish a policy for expediting review of these requests. The following policy is set forth to allow the Joint Fiscal Committee to approve acceptance of an item prior to the end of the 30 day review period without necessitating a formal committee meeting.

Pursuant to 32 V.S.A. Sec. 5(a)(2), it is the policy of the Joint Fiscal Committee that the statutory 30 day review period may be waived, and the Governor’s approval considered final, if members of the Joint Fiscal Committee agree to waive the balance of the review period.

The process for waiving the balance of the review period is as follows:

1. An agency or department, or a member of the General Assembly, must make a request for expedited consideration of an item to the Chair (or vice-chair) of the Joint Fiscal Committee.
2. The Chair of the Joint Fiscal Committee (or vice-chair) will decide whether or not to grant this request. If the request is granted, staff will be authorized to conduct a canvass of the Committee for the purpose of waiving the balance of the review period.
3. Staff shall canvass members via email, telephone, or mail, and maintain a record of all responses.
4. At least seven (7) affirmative responses to the request to waive the balance of the review period must be received. The review period shall not be waived in the event of an objection by any member of the Joint Fiscal Committee.
5. The Joint Fiscal Office shall notify the requesting agency or department of the result of this action.
6. A memorandum recording the waiving of a review period shall be placed on file at the Joint Fiscal Office.

Statutory Basis:

32 V.S.A. § 5. Acceptance of grants

(a) No original of any grant, gift, loan, or any sum of money or thing of value may be accepted by any agency, department, commission, board, or other part of state government except as follows:

(2) The governor’s approval shall be final unless within 30 days of receipt of such information a member of the joint fiscal committee requests such grant be placed on the agenda of the joint fiscal committee, or, when the general assembly is in session, be held for legislative approval. In the event of such request, the grant shall not be accepted until approved by the joint fiscal committee or the legislature. **The 30-day period may be reduced where expedited consideration is warranted in accordance with adopted joint fiscal committee policies.** During the legislative session the joint fiscal committee shall file a notice with the house and senate clerks for publication in the respective calendars of any grant approval requests that are submitted by the administration.



State of Vermont
Department of Banking, Insurance,
Securities and Health Care Administration
 89 Main Street
 Montpelier, VT 05620-3101
www.bishca.state.vt.us

Consumer Assistance Only:
 Insurance: 1-800-964-1784
 Health Care Admin.: 1-800-631-7788
 Securities: 1-877-550-3907

July 15, 2010

Honorable Michael Obuchowski, Chair
 Joint Fiscal Committee
 1 Baldwin Street
 Montpelier, Vt 05602

Dear Representative Obuchowski:

Below are the final figures for Fiscal Year 2010 receipts available to the General Fund from the Insurance, Captive Insurance and Securities Regulatory and Supervision Funds.

Pursuant to Section 60 (a) (2) of No. 67 of the Acts of 2010, I hereby certify that the transfer of the below will not impair the ability of this Department in Fiscal Year 2011 to provide thorough, competent, fair, and effective regulation of insurance companies, banking and other financial services companies, and securities companies or impair the ability of the Department to maintain accreditation by the National Association of Insurance Commissioners.

Fund	Amount
Insurance Regulatory and Supervision Fund	\$2,504,802.47
Securities Regulatory and Supervision Fund	\$3,723,740.59
Captive Insurance Regulatory and Supervision Fund	\$ 557,996.18
Total	\$6,786,539.24

Sincerely,

Michael Bertrand
 Commissioner

MB/svb



JEB SPAULDING
STATE TREASURER



UNCLAIMED PROPERTY DIVISION
TEL: (802) 828-2407

RETIREMENT DIVISION
TEL: (802) 828-2305
FAX: (802) 828-5182

ACCOUNTING DIVISION
TEL: (802) 828-2301
FAX: (802) 828-2884

STATE OF VERMONT
OFFICE OF THE STATE TREASURER

TO: Joint Fiscal Committee; Jeb Spaulding, State Treasurer; Jim Reardon, Commissioner of Finance & Management; David Beatty
FROM: John Booth, Director of Treasury Operations
DATE: July 07, 2010
RE: Request for approval to disburse funds from the Emergency Personnel Survivors Benefit Special Fund (EPSBSF)

The Treasurer's Office is requesting approval from the Joint Fiscal Committee to disburse funds from the EPSBSF.

The Office of the State Treasurer oversees the expenditure of funds under 20 V.S.A. Chapter 181: Benefits for the Survivors of Emergency Personnel. A special fund was created by the statute to pay awards granted under the statute. In addition, the statute authorizes payment of claims only from this special fund. During FY2010 three claims of \$50,000.00 each were paid, which brought the balance in the special fund down to approximately \$37,000.00.

In response to the decline in the fund balance, the legislature included a one-time general fund appropriation in the FY2010 Budget Adjustment Act, 2010 Act 67 Sec. 71, of \$70,000.00 "To the treasurer's office for the Benefits For the Survivors Of Emergency Personnel to be used in accordance with the requirements of 20 V.S.A. § 3173." The intent of this legislation was to bring the balance in the EPSBSF to an amount equal to or above \$100,000.00 as of FY2010 year-end. Due to a technical omission in the FY2010 Budget Adjustment Act no authority was created to transfer the \$70,000 general fund appropriation to the EPSBSF.

Our office has received a claim for benefits under this statute. If the review board determines a grant award should be made the amount would be \$50,000.00. Payment of a grant from the special fund would create a negative balance in this fund at this time. The statute requires approval from the Joint Fiscal Committee for the State Treasurer to make a disbursement that would create a negative balance in the fund.

After consulting with Commissioner Reardon, the Treasurer's Office is requesting approval from the Joint Fiscal Committee to make disbursements of any awards that may be granted by the review board in FY2011 up to a total of \$100,000.00. This amount would be covered by the current fund balance and transfer of the \$70,000.00 FY2010 Budget Adjustment Act one-time general fund appropriation to the special fund in FY2011 through language in the FY11 Budget Adjustment Act.

Reardon
B.2.

Joint Fiscal Committee meeting, July 15, 2010

Draft Motion: Disbursement of funds – Emergency Personnel Survivors Benefit Special Fund

Pursuant to 20 V.S.A. § 3173(b), the joint fiscal committee hereby authorizes the state treasurer to make disbursements of any awards that may be granted by the emergency personnel survivors benefit review board in FY2011 up to a total of \$100,000.

State of Vermont

Department of Finance & Management
109 State Street, Pavilion Building
Montpelier, VT 05620-0401

Agency of Administration

[phone] 802-828-2376
[fax] 802-828-2428

Joint Fiscal Committee
July 15, 2010

Presentation by: Jim Reardon, Commission of Finance & Management

- FY 2010 Preliminary Revenue vs. Target*

FUND (\$ millions)	FY 2010 Preliminary	FY 2010 Target (April 2009)	FY 2010 vs. Target	
			Amount	Percent
General Fund	\$1,038.40	\$1,030.90	+\$7.50	+0.73%
Transportation Fund	\$ 213.26	\$ 212.23	+\$1.02	+0.48%
Education Fund	\$ 147.19	\$ 146.06	+\$1.13	+0.78%

* Differences due to rounding.

- FY 2010 Preliminary Close-out
 - Carryforwards, Direct Applications & Reversions



State of Vermont
Department of Environmental Conservation
Waste Management Division
103 South Main Street/West Building
Waterbury, VT 05671-0404
(802) 241-3888

AGENCY OF NATURAL RESOURCES

MEMORANDUM

To: Neil Lunderville, Secretary, Agency of Administration *Neil Lunderville*

Through: Jonathan Wood, Secretary, Agency of Natural Resources
Justin Johnson, Commissioner, Department of Environmental Conservation *Justin Johnson*

From: George Desch, Director, Waste Management Division *George Desch*

Date: June 17, 2010

Subject: Request for additional authority for expenditures from the Environmental Contingency Fund for the former JARD site in Bennington, Vermont (Site #77-0138)

The Agency of Natural Resources (Agency) requests to appear before the Joint Fiscal Committee of the General Assembly to discuss expenditures from the Environmental Contingency Fund (ECF) on the JARD site in Bennington. In this appearance the Agency requests:

Approval of an additional \$100,000 to be spent under subdivision (b)(2) (investigations). The details of this request are more fully explained below.

Site Background

The Site formally hosted the JARD Company facility, a manufacturer of small capacitors, small non-fluid transformers, and small motors from 1969 to 1989. Capacitors manufactured at the facility were coated with zinc and filled with oils containing PCBs. In the 1970s PCBs were replaced with dioctyl-phthalates (DOP; aka DEHP). During a routine industrial waste survey performed by the State of Vermont in October, 1979, inspectors noted an area of dark, oil-stained soil located near a vent pipe on the outside of the south wall of the building. Analysis of soil collected from the approximate 100 square foot area indicated the presence of PCBs. A similar inspection in 1987 identified zinc oxide in the vicinity of a dust collector and a dry well that reportedly had received PCB-contaminated wastewater. In September 1989, the Agency conducted a final Resource Conservation and Recovery Act (RCRA) inspection at approximately the same time that JARD, Inc. announced that it was in bankruptcy. Ultimately, the Agency failed to obtain relief against JARD to clean the property and as a part of the Bankruptcy proceeding, the property was abandoned and JARD dissolved.

Over the intervening years, a number of investigations and investigation and cleanup actions were conducted by the USEPA, the Agency, and the Town of Bennington to characterize Site conditions and abate imminent threats to human health and the environment. USEPA ultimately conducted three soil removal actions; the most recent culminating with a cap of imported soils and vegetative cover.

There is a request to redevelop the JARD property to supplement parking for an adjacent industrial building. This re-use of the property is appropriate based upon the contaminants found at the property. The redevelopment proposal would require the purchaser to manage the current cap and groundwater contamination at the site. Surface water samples collected by the

JUN 25 2010

Agency prior to settlement discussions with a redeveloper indicated that PCBs were entering the Roaring Branch of the Walloomsac River and a Duck Pond located on Park Street at concentrations greater than the Surface Water Quality Standards. The Waste Management and Water Quality Divisions of the Department of Environmental Conservation, as well as the Department of Fish and Wildlife have reviewed the existing data and have determined that additional information is required to determine whether any adverse impacts exist from these releases. Additional work may be required as a result of the environmental sampling planned under this request.

Request for Joint Fiscal Committee Approval.

The funds spent at this site have been allocated to the following categories, as indicated in 10 V.S.A. § 1283, as follows:

- 10 V.S.A. §1283(b)(9) To pay costs of required capital contributions and operation and maintenance when the remedial or response action was taken pursuant to 42 U.S.C. § 9601 et seq:

The Agency has currently spent \$10,130 to monitor the groundwater at the site after the CAP was installed. These funds were used to determine if concentrations of PCBs had declined at the site since the removal and capping efforts were conducted by the EPA.

- 10 V.S.A. § (b)(2) To investigate an actual or threatened release to the environment of any pollutant or contaminant which may present an imminent and substantial danger to the public health and welfare or to the environment. The secretary may use this fund for those investigations necessary to: (A) determine the magnitude and extent of the existing and potential public exposure and risk and environmental damage; (B) determine appropriate remedial action to prevent or minimize the impact of such release; or (C) to prescribe other environmentally sound measures to protect the long-range public health and welfare or to ensure environmental protection, or to prescribe additional investigations to determine same:

The Agency has not spent any funds under this subdivision. At this time, the Agency requests approval to increase the allowable \$100,000.00 under this subdivision to add an additional \$100,000. The current cost to conduct a full groundwater, surface water, and sediment assessment is estimated to be 156,880. The results from this investigation will be used to determine extent of contaminated groundwater migrating off of the site, locations of groundwater discharge to surface water bodies, concentration of groundwater discharging to surface water bodies, and guidance to develop additional sampling, risk characterization, biomonitoring studies and remediation efforts.

APPROVED

Secretary of Administration

Date _____



B.5.

State of Vermont
Agency of Administration
Office of the Secretary
Pavilion Office Building
109 State Street
Montpelier, VT 05609-0201
www.adm.state.vt.us

[phone] 802-828-3322
[fax] 802-828-3320

Agency of Administration

July 8, 2010

Rep. Michael Obuchowski, Chair
Joint Fiscal Committee
One Baldwin Street
Montpelier, Vermont 05633-5301

Dear Rep. Obuchowski,

Obie,

I am writing to express my strong support for the fee structure as proposed for the e-procurement system.

Currently, we rely on an inefficient, paper-bound procurement system and expend too much effort supporting a manual process that can be automated. Moving to an electronic purchasing system will not only save time and effort for the State, it will reduce the overall cost of procurement by reducing the administrative burden on suppliers. In addition, we hope that by making it easier to participate in the bid process, we'll see increased participation from smaller Vermont-based businesses that find the current system too cumbersome to utilize.

Over the past several years, we have all worked diligently to identify ways that the State can save money. The e-procurement system is a logical next step to trim costs and is consistent with our *Challenges for Change* approach. I'm happy to answer any additional questions the Committee might have.

Sincerely,

Neale F. Lunderville
Secretary of Administration



State of Vermont
Department of Information & Innovation
133 State Street, 5th Floor
Montpelier, VT 05633-0210

Agency of Administration

[phone] 802-828-4141

June 14, 2010

The Honorable Governor James Douglas
Pavilion Building
Montpelier, Vermont 05602

Dear Governor Douglas:

In 2006, the Department of Information and Innovation (DII) entered into a contract with Vermont Information Consortium (VIC), which provides development and hosting services for the Vermont.gov web portal. The web portal includes sites that are primarily informational in nature, and is financed through an assessment of fees on a growing number of sites that process certain types of transactions. An example of a transaction based site that includes fees is the Department of Motor Vehicles vehicle registration site.

When the State web portal was created in statute, a two-step process was put in place for approval of sites that include fees. The Web Portal Board, made up of a number of agency and department officials and two members of the Legislature, meet to consider proposals that are first vetted by DII. If the Web Portal Board approves the fee structure, the next step is for the Joint Fiscal Committee to review and approve or reject the fee structure. While all fee proposals have been approved, the process takes time that in effect slows down the development of fee generating sites. The fee generating sites are critical to the maintenance of the web portal because they serve as the funding source for all other sites developed and launched through the web portal.

Last year, DII worked with the Purchasing Division at the Department of Buildings and General Services to develop a statement of work to launch an e-Procurement site, and VIC agreed to make capital investments to launch the site provided a fee structure was put in place that would over time cover the cost of investment into this site and generate a reasonable return on their investment. The new e-Procurement system offers a way to modernize the way that procurement is done in the State of Vermont. It will result in lower costs for commodity items like fuel and paper, which can be procured using a "reverse auction" system that has vendors bidding down the cost of items based on bids submitted by other vendors. In addition, by providing a way for vendors to interact with State Purchasing electronically, we hope that it will also increase participation by smaller Vermont based vendors who now may find the paperbound system difficult to administer within their organizations.

The Web Portal Board met in late February, 2010 and approved the proposed fee structure for the e-Procurement system. We were not able to schedule a meeting with the Joint Fiscal Committee because the Legislative session was already underway.

During the session, the Legislature, as part of the Budget Bill, changed the process for gaining approval of fees from the Joint Fiscal Committee. Therefore, this letter is submitted in accordance with the changes that are expected to become law in July. The new process is as follows:

(1) All such charges (following approval by the Web Portal Board) shall be submitted to the governor who shall send a copy of the approval or rejection to the joint fiscal committee through the joint fiscal office together with the following information with respect to those items:

- (A) the costs, direct and indirect, for the present and future years related to the charge;
- (B) the department or program which will utilize the charge;
- (C) a brief statement of purpose;
- (D) the impact on existing programs if the charge is not accepted.

With regard to this new process and the fees associated with the development of the E-Procurement system, we submit the following for your consideration:

A) All cost of the system would be borne by the vendors using the system. It is forecast the savings by the state in commodity purchases will eventually be at least 6% of current costs based on the experiences of other state governments initiating similar systems.

Proposed Fees and Compensation

- Type 1: Statewide Commodity Contracts
 Associated Transaction Fee: 0.85% of all purchases
- Type 2: One-time Transactions
 Associated Transaction Fee: 0.85% with a cap of \$5,000 on each purchase
- Type 3: Fuel Contracts
 Associated Transaction Fee: 0.25% with cap of \$5,000 (fee) per contract
- Type 4: IT solicitations in which BGS handles the bid administration only
 Associated Transaction Fee: 0.85% with cap of \$5,000

Forecasted Fees Collected:

Timeline:	Year 1	Year 2	Year 3	Year 4
BGS Purchases (estimated)	\$25,500,000	\$51,000,000	\$51,000,000	\$51,000,000
Total Fees Collected	\$872,250	\$246,750	\$361,250	\$433,500

B) The system is being designed for the Department of Buildings and General Services (BGS), specifically the Purchasing Division. There are plans to expand use of the system statewide, covering types of purchasing other than commodities, in the future. At that point other departments would be able to use the system to meet their procurement needs, including personal service contracts and other types of commodity and system procurements.

C) The proposed eProcurement system initially will provide the state with a reverse auction system for commodities that the state purchases. Vendors would sign up for the service and then be able to propose a price per unit for any ongoing auction. When the auction ends the lowest bid

from an acceptable vendor would be accepted. The vendor would then pay a bidding fee based on the Fees and Compensation table shown above. The fees would fund the eProcurement project as well as the ongoing efforts of the enterprise Web Portal Project.

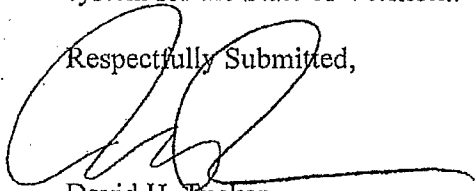
D) If the State of Vermont had to budget to buy a commercial-off-the-shelf system similar to the electronic procurement system proposed here, costs could top \$2-3 million in Year 1 alone, and another \$100,000 to \$200,000 annually thereafter. (Year 1 costs include Software License, Business Process Analysis, implementation, system configuration, vendor outreach and training).

If nothing is done and the state continues to manage the purchase of commodities in the current manner, the state will continue to overpay, as compared to other states, for the same goods. The efficiencies to be gained through the use of an integrated purchasing system will also not be realized.

Completion of this system will also contribute to the further strengthening of the Web Portal Project by allowing VIC to add to their development staff. This will increase the state's ability to react nimbly and develop eGovernment solutions in a rapid manner, including those related to the Challenges for Change initiative.

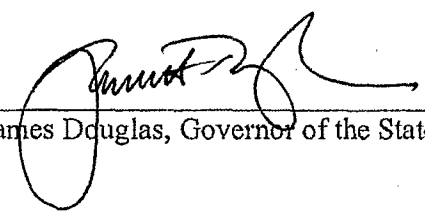
Based on the above description of the need for the system and on knowledge and belief that the fees associated with the system are both necessary and reasonable, I recommend that you approve the fee structure as proposed and forward this letter, along with your approval, to the Joint Fiscal office, so they may take the next steps to help us create a modern procurement system for the State of Vermont.

Respectfully Submitted,



David H. Tucker
Commissioner and CIO
DII

Approved



6/10/10
James Douglas, Governor of the State of Vermont

Department of Buildings & General Services
Office of the Commissioner
2 Governor Aiken Ave.
Montpelier, VT 05633

[phone] 802-828-3519
[fax] 802-828-3533

Agency of Administration

July 15, 2010

Joint Fiscal Committee
One Baldwin Street
Montpelier, VT 05633-5701

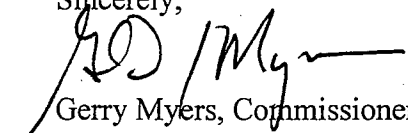
To the Members of the Joint Fiscal Committee:

I am writing to express my support for the fee structure as proposed for the e-Procurement system. Deb Damore, Director of Purchasing and Commissioner Tucker, the Vermont Information Consortium (VIC) and others have worked together to bring forth a proposed system that will modernize the way we manage procurement for the State of Vermont.

Not only will this new system create efficiencies for my staff and the departments in state government that we support, it provides a new mechanism, the reverse auction process that has been demonstrated to drive down the cost of commodity items like fuel and paper. By developing this system, VIC has assumed the capital costs of providing a modern e-Procurement system, and the fees represent a reasonable return on the investment required for the system.

Reports from other states that have implemented e-Procurement all point to an overall savings over and above the fees that will be charged by VIC. With your support, we can move the Vermont procurement system into the 21st Century and provide better value overall to the departments and agencies we support.

Sincerely,


Gerry Myers, Commissioner
Buildings and General Services

GJM/wlc





Vermont Information Consortium METRICS: eProcurement & Beyond

eProcurement Service: Estimated VIC Revenue/Costs - Years 1-4:

Based on the BGS Purchasing Office estimates of **\$51 million** in total commodity contract purchases, the following fees, costs, and revenues are calculated below. Further information and category definitions are available in the Statement of Work.

In addition to helping support VIC's role in deploying and maintaining the service, vendor outreach & marketing, and long-term support, this revenue will be dedicated toward additional resources and enterprise services for the portal. It is anticipated that VIC will eventually be able to hire at least one additional staff member depending upon the success of the service.

	Year 1 (2011)	Year 2 (2012)	Year 3 (2013)	Year 4 (2014)
Forecasted Fees Collected	\$ 72,250	\$ 216,750	\$ 361,250	\$ 433,500
Estimated VIC Team Costs	\$ 375,000	\$ 156,250	\$ 93,750	\$93,750
Projected Cumulative Cashflow	\$ (302,750)	\$ (242,250)	\$ 25,250	\$365,000

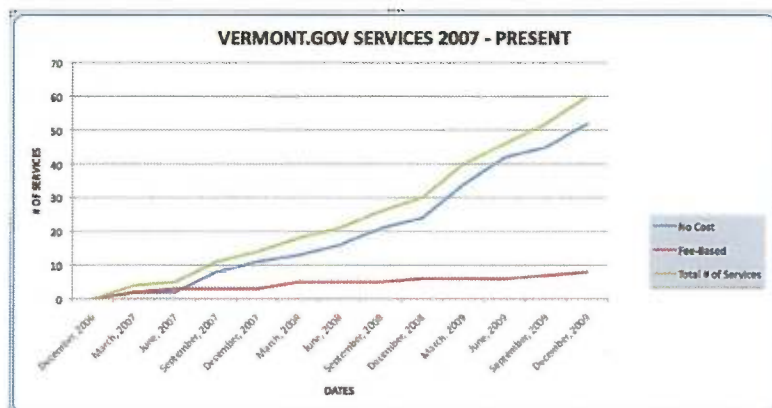
Vermont Information Consortium - P & L 2007-2010

	2007	2008	2009	2010 (thru Q2)
Revenue	\$4,012,600	4,737,628	\$4,747,865	\$2,562,580
Cost of Sale	\$3,066,108	\$3,577,854	\$3,503,858	\$1,795,491
Gross Margin	\$946,492	\$1,159,772	\$1,244,007	\$767,089
Expenses	\$1,089,828	\$1,396,212	\$1,484,880	\$793,193
Net Income	\$(143,336)	\$(236,440)	\$(240,873)	\$(26,104)

VIC Application & Website Development: Fee vs. No-Cost Services

In the nearly four years that VIC has been an eGovernment service provider for the state, we have launched 73 services or websites, 11 fee-based (15%) and 62 (85%) no-cost services. Of the 62 no-cost services, we have designed, trained, and launched 39 websites in our Content Management System.

It has been estimated that overall, no-cost services developed by VIC have saved the state well over \$1 million in service development during this time.



Select Services Developed by VIC at No-Cost	
	State Portal www.Vermont.gov Launched September 2007
	Content Management System September 2007
	Google Search Appliance September 2007
	State Multimedia Center May 2008
	PCI Compliant Payment Engine Certification Award September 2008
	Amber Alert Request Service September 2008
	DMV Enhanced Driver's License Branding Campaign January 2009
	State Online Directory February 2009

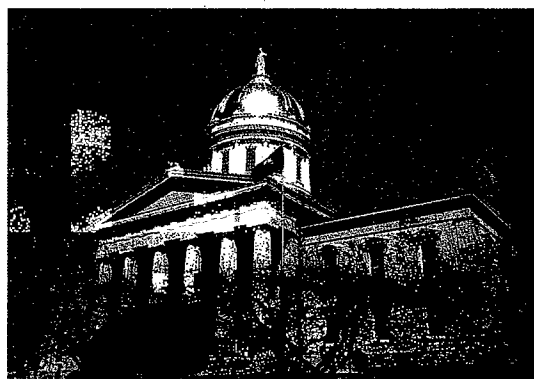
#	DATE	NAME	SERVICE	DEPARTMENT	NO COST	FEE
2007						
1	January	Homestead Declaration	Online Service	Tax	√	
2	February	Vermont Court Pay	Online Service	Judiciary		√
3	February	BizFile IVR	IVR Service	Tax	√	
4	March	Motor Vehicle Record Retrievals (MVRs)	Online Service	DMV		√
5	May	Attorney Licensing	Online Service	Judiciary		√
6	September	www.Vermont.gov	Portal	Enterprise	√	
7	September	Statewide Google search appliance	Online Service	Enterprise	√	
8	September	Enterprise Content Management System (CMS)	Online Service	Enterprise	√	
9	October	eCMS User Manual	Online Service	Enterprise	√	
10	October	Webmaster Resource Center	Online Service	Enterprise	√	
11	October	PursueVT	CMS Website	ACCD	√	
12	October	Green Mountain Care	CMS Website	OVHA	√	
13	November	Vermont.gov - Mobile Portal	Online Service	Enterprise	√	
2008						
14	January	Tax Filing & Refund Status Lookup	Online Service	Tax	√	
15	February	Vital Records	Online Service	VDH/VSARA		√
16	March	Reinstatement Payment	Online Service	DMV		√
17	March	Agency of Administration	CMS Website	AOA	√	
18	March	Department of Information and Innovation	CMS Website	DII	√	
19	May	Multimedia Center	Online Service	Enterprise	√	
20	May	Cost Savings Calculator	Online Service	Enterprise	√	
21	June	Department of Children and Families	CMS Website	DCF	√	
22	July	Department of Buildings and General Services	CMS Website	BGS	√	
23		DII Training Application	Online Service	DII	√	
24		DOC Training Application	Online Service	DOC	√	
25		BGS Fleet Management Application	Online Service	BGS	√	
26		AOT Rideshare Request Form	Online Service	AOT	√	
27	September	Vermont Scenic Byways	CMS Website	VSBP	√	
28		Department of Libraries	CMS Website	DOL	√	
29		Help for VT	CMS Website	GOV	√	
30		Health Care Reform	CMS Website	AOA	√	
33		Department of Finance & Management	CMS Website	F & M	√	
34		Town Payments Lookup Tool	Online Service	F & M	√	
31	November	Amber Alert Online Service	Online Service	DPS	√	
32	December	Criminal Convictions Records	Online Service	DPS		√

2009

35		VtShares Campaign	CMS Website	ACCD	√	
36		Office of the Defender General	CMS Website	Judiciary	√	
37		Enhanced 9-1-1 Board	CMS Website	Enterprise	√	
38		State's Attorney and Sheriff's Association	CMS Website	Enterprise	√	
39	January	Enhanced Driver's License – DMV	Branding	DMV	√	
40	February	Mobile Tax Filing & Refund Status Lookup	Online Service	Tax	√	
41		Connecting Commuters	CMS Website	AOT	√	
42		Veteran's Services Directory	CMS Website	Veterans	√	
43	April	Economic Stimulus and Recovery	CMS Website	VOESR	√	
44		Information Security	CMS Website	DII	√	
45		Human Rights Commission	CMS Website	HRC	√	
46	June	Vermont.gov Portal Redesign	Portal Website	Portal	√	
47	July	DPS - Police Reports	Online Service	DPS		√
48		DED-DHCA Page	CMS Website	ACCD	√	
49		Mobile Home Park Registration Service	Online Service	ACCD		√
50		Chief Marketing Officer	CMS Website	CMO	√	
51		Department of Mental Health	CMS Website	AHS	√	
52	August	Public Service Board	CMS Website	PSB	√	
53	October	DHR - Human Resources	CMS Website	DHR	√	
54		DMV - Motor Vehicles	CMS Website	DMV	√	
55		Office of the State Treasurer	CMS Website	OST	√	
56		ARRA Reporting Service	Online Service	VOESR		√
57	November	Vermont Veteran's Home	CMS Website	VVH	√	
58	December	Lieutenant Governor's Office	CMS Website	LTGOV	√	
59		Chief Technology Office	CMS Website	CTO	√	
60		MyBenefits page (DCF)	CMS Website	DCF	√	

2010

61	January	Commission on Women	CMS Website	COW	√	
62	February	Event Registration redesign	Online Service	ACCD		√
63		Town Highway Bridge Limits Service	Online Service	DMV	√	
64	March	Vermont Communications Website	CMS Website	DPS	√	
65		State Auditor	CMS Website	AUD	√	
66		Public Records Request (FOIA)	Online Service	DII	√	
67	April	Police Reports/FOIA upgrade	Online Service	DPS/DII	√	
68	May	Attorney Licensing Updates	Online Service	JUD	√	
69	June	MyVermont.gov	Online Service	SOV	√	
70		Homeland Security	CMS Website	DPS	√	
71		AOT Event Registration	Online Service	AOT		√
72		Mobile Home Parks Front End	Online Service	ACCD	√	
73		Governor's Highway Safety Program	CMS Website	DPS	√	



Vermont State House, April 1, 2010

General Manager's Report Quarter 1 - 2010

Prepared by Jamie Gage
General Manager
April 8, 2010

Table of Contents

EXECUTIVE SUMMARY	3
Q1 2010: DETAILS	4
<u>Service/Website Launches</u>	4
<u>Media</u>	4
<u>Partner Relations</u>	4
<u>2010 Projects in Development (14):</u>	5
<u>Other notable 2010 potential projects (7):</u>	5
<u>ECMS Sites Currently in Progress Toward Launch (12):</u>	5
Q1 2010: PORTAL STATISTICS	6
PORTAL HIGHLIGHTS 2009	7
Attachment A: VIC Update Report	7

EXECUTIVE SUMMARY

The first quarter of 2010 was extremely busy for Vermont Information Consortium, with six new service and/or website launches, two large new project starts with the Department of Health, and significantly increased demand for e-government services. In fact, by the end of Q1, that demand resulted in VIC having 14 new e-government services in the works (requirements gathering or development) and 18 additional ECMS websites lined up in the queue.

Our success since 2007 (60 websites and services) and especially in 2009 (20 websites and 5 awards, including a Best of the Web Finalist award) contributed to the increased demand, with awareness about VIC and the portal reaching more state employees and citizens than ever before. In early March I also appeared on the radio show "The Charlie and Ernie and Lisa Show" to promote Vemont.gov and e-government services with Chief Marketing Officer Christine Werneke, and this may have helped as well.

The "Challenges for Change" bill, S.286, also resulted in increased demand in Q1. First introduced as a Joint Legislative document in January and then passed into law in late February, the Challenge initiative poses new challenges and opportunities to help Vermont state government deal with the realities of shrinking budgets both now and in the future. One of those opportunities is a stronger reliance on electronic technologies, and thus we were called upon in March to be key contributors on several new e-government initiatives related to the bill, including the development of two online service prototypes for the Administration.

Although the final outcomes from the bill have not been determined, we expect that demand will continue to rise for VIC services, as the advantages of e-government services become apparent to more and more people. As this demand grows, it is incumbent upon VIC to try to meet that demand and thus we are hoping to be able to expand beyond our staff of seven (7) in the coming months.

Overall, the first quarter of 2010 was a great start to what we believe will be a watershed year for VIC and e-government services in Vermont.

Q1 2010: DETAILS

Service/Website Launches

January:

- Commission on Women: <http://women.vermont.gov/>

February:

- Event Registration (redesign). <https://secure.vermont.gov/ACCD/eventreg/>
- Town Highway/Bridge Limits service <http://dmv.vermont.gov/municipal-highways-bridges>

March:

- Vermont Communications Website (DPS) <http://vcomm.vermont.gov/public>
- State Auditor's Website <http://auditor.vermont.gov/>
- Public Records Request System (FOIA) <https://secure.vermont.gov/DII/foia/index.php>

Media

- **Radio interview - WVMT** On March 11, I appeared on WVMT talk show in Burlington with CMO Christine Werneke to promote www.Vermont.gov and online services.

Partner Relations

Vermont Web Portal Board: February 26 Went very well. The Board agreed on the funding structure for eProcurement and agreed to take a more active role, and we are now planning to meet once per quarter.

DPS partnership continues to grow and strengthen with continued work on two new applications – the Sex Offender Registry and Criminal Convictions Subscription Service.

VDH relationship also continues to grow and strengthen with project starts on professional licensing (Cavu) for the Medical Practice Board and Lead Compliance. Since the beginning of the year, they have also requested our help on several new applications, including the Ladies First cancer screening program and a Food and Lodging Inspection application.

Tax relationship continues to be very strong, with continued work on the Property Transfer Tax application and two new initiatives related to Challenges for Change.

DMV relationship also continues to be strong with two new potential services or service enhancements, as well as our sustained work on service migration to VTDrives backend system.

VIC branding is an aim for 2010, as we create new iconography and marketing materials to define our company and reinforce the best facets of our state. We continue to work on the VIC Partner Portal when we have time to more positively carve out our own strong and unique identity.

2010 Projects in Development (14):

- Challenges for Change (2): Business Tax Registration & Rule Changes website
- AHS/MyVermont portal
- VDH: Cavu
- VDH: Lead Compliance
- Sex Offender Registry
- eProcurement
- Property Transfer Tax Returns
- Vital Records redesign
- Criminal Convictions Subscription service
- VTDrives project: DMV Migration
- Attorney Licensing Updates.
- Ladies First health screening application
- Mobile Home Parks Registration (public site)

Other notable 2010 potential projects (7):

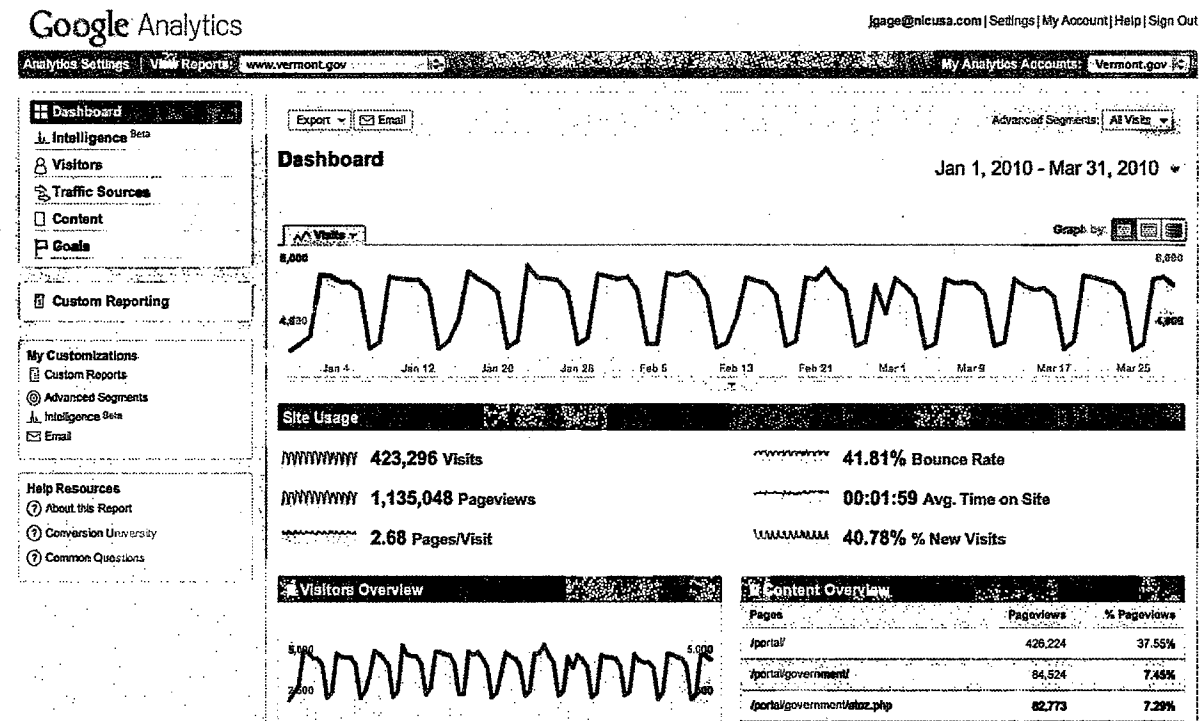
- Health Premiums
- Fire Safety Licensing
- Broadband service
- VDH Food & Lodging Mobile Inspections
- IRP & IFTA Permitting (DMV)
- Business Tax Registrations
- Proposed Rule Changes website

ECMS Sites Currently in Progress Toward Launch (12):

The following is a listing of state agency websites that are in the active queue toward development. Please note this does not include the multitude of state websites which are in early resources/requirements gathering phase.

- Office of Vocational Rehabilitation
- Vermont Emergency Management
- Agency of Transportation
- BISHCA (5)
- Voyages of Discovery
- Vermont Governor's Highway Safety Program
- Department of Labor
- Homeland Security

Q1 2010: PORTAL STATISTICS



January:

Total Page Views (actual pages viewed): 382,729

Total Visits (visitors to the site – one visitor could have multiple page views): 141,310=

February:

Total Page Views (actual pages viewed): 359,908

Total Visits (visitors to the site – one visitor could have multiple page views): 135,012

March:

Total Page Views (actual pages viewed): 392,411

Total Visits (visitors to the site – one visitor could have multiple page views): 146,974

Most Popular Pages (page views given):

1. Homepage
2. Government
3. A-Z Listing
4. Employment
5. Employment Opportunities
6. Search
7. About Vermont
8. Business
9. Travel
10. Residents

Top Search Queries:

1. Search Vermont government
2. dmv
3. taxes
4. unemployment
5. DMV
6. unclaimed property
7. secretary of state
8. Food stamps
9. Forms
10. tax forms

PORTAL HIGHLIGHTS 2009

2009 Awards & Rankings

February	Mobile Portal A+ Grade – Vermont.gov http://www.govtech.com/dc/619028	<i>Government Technology</i> magazine
March	SafeKIDS Award – DPS/VCIC	Vermont Department of Health
May	Public Service Recognition Award Finance & Management Website	State of Vermont
September	2009 Best of the Web Finalist Award http://www.centerdigitalgov.com/survey/88	Center for Digital Government
December	Director's Award for Adam Woodworth http://www.vermont.gov/portal/media/video.php?mid=121	Department of Public Safety

2009 Launched CMS Websites (20):

In 2009, VIC helped develop and deploy 20 websites at no cost to Vermont state government in the ECMS. As a result, total cost savings through the ECMS are estimated at over \$500,000 for 2009. The websites include:

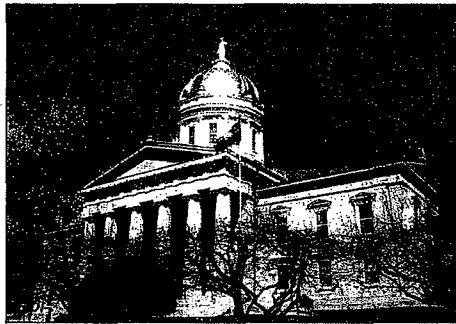
DMV - Motor Vehicles	DHR - Human Resources	Office of the State Treasurer
Office of the Defender General	Public Service Board	Vermont Veteran's Home
Enhanced 9-1-1 Board	DED DHCA Page	Lieutenant Governor's Office
State's Attorney/Sheriff's Ass.	Chief Marketing Officer	Chief Technology Office
Connecting Commuters (GoVT)	Department of Mental Health	MyBenefits page (DCF)
Veteran's Services Directory	Information Security	Human Rights Commission
VOESR	VtShares Campaign	

Attachment A: VIC Update Report

Please refer to the attached "VIC Update Report" which now includes a project spreadsheet and graph listing of all open and launched projects, including CMS projects. Links to each service and/or website are provided in the far right column.

Respectfully Submitted,

Jamie Gage
General Manager, Vermont Information Consortium



**General Manager's Report
Quarter 2 - 2010**

Prepared by Jamie Gage
General Manager
July 1, 2010

Table of Contents

EXECUTIVE SUMMARY	3
Q2 2010: DETAILS	4
<u>Service/Website Launches& Upgrades (8).....</u>	4
<u>Press</u>	4
<u>2010 Projects in Development/Technical Analysis (11):</u>	5
<u>ECMS Sites Currently in Progress Toward Launch (8):</u>	5
<u>Other potential 2010-2011 online service projects (4):</u>	6
<u>Partner Relations.....</u>	6
Q1 2010: PORTAL STATISTICS.....	7
PORTAL HIGHLIGHTS 2009.....	8

EXECUTIVE SUMMARY

The second quarter of 2010 was another extremely busy time for Vermont Information Consortium.

During this period VIC:

- **Launched 8 new online services, state websites, or service upgrades, including the new MyVermont portal (a Challenges for Change project);**
- **Worked on over 30 additional online service projects, including 8 new CfC projects;**
- **Drafted or signed 4 new Statements of Work for large online service projects for 2011**

Through the "Challenges for Change" bill/law, the State and VIC worked together over the 2nd Quarter of 2010 to demonstrate the efficiency and speed of e-government. In April and May, VIC developed two prototypes in short order for the initiative – the Proposed Rules Postings service for the Secretary of State's office (the full service will launch very soon), and a Business Registration prototype for the Department of Taxes.

Over these months we also worked with a number of key Administration stakeholders to gather requirements, develop, and then launch (on Memorial Day) the robust single sign-on solution, *MyVermont* (www.vermont.gov/myvermont). This solution, heralded in the press and by the Chief Technology Officer for the state, allows users to the state portal the ability to create a kind of home page of state information that interests them -- links to state officials they want to contact, personalized traffic reports, updated listings of state jobs, and personal transactional information from relevant business that users may have conducted with the state (registration renewals, for example).

The Challenges law also allowed us to grow our staff by another individual, so that we will soon total 8 employees. On April 27, DII and the State signed a contract amendment to fund this new VIC employee for a six-month term to allow us to more aggressively pursue the various projects associated with the new law. The new developer will begin on July 1.

Additionally, our track record continues to grow, and more agencies are embracing online services than at any other time in our four-year history. The gubernatorial election and transition will allow us to celebrate our successes thus far, as we begin to educate and re-educate key government personnel. Though we expect this may also result in a lull in new service development in early 2011, we're confident that the projects we have lined up for those six months will continue to keep us very busy.

Overall, the second quarter (and the first half as a whole) of 2010 has been a continuation of the trend toward online service development that we've been seeing over the last year at VIC. More people than ever understand the inherent value of e-government services in Vermont, and we are extremely enthusiastic about the future.

Respectfully Submitted,
Jamie Gage
General Manager, Vermont Information Consortium

Q2 2010: DETAILS

Service/Website Launches& Upgrades (8)

April:

- Police Reports/FOIA request upgrade (DPS)

May:

- Attorney Licensing updates (JUD)

June:

- Myvermont.gov single sign-on portal <https://secure.vermont.gov/myvermont> (STATE - Cfc*)
- Portal Feature Upgrades - Online Services <http://www.vermont.gov/portal/services/> (STATE)
- Homeland Security (DPS): www.hsu.vermont.gov (DPS)
- AOT Event Registration: <https://secure.vermont.gov/AOT/eventreg/> (AOT)
- Mobile Home Parks front end: <https://secure.vermont.gov/DHCA/mobilehomes/> (ACCD)
- Governor's Highway Safety Program: <http://ghsp.vermont.gov> (DPS)

Award Applications:

June:

- Best of the Web (Center for Digital Government)

Press

May:

- "Vermont's DMV Express Surpasses 500,000 Online Vehicle Registration Renewals"
<http://finance.yahoo.com/news/Vermonts-DMV-Express-bw-219889071.html?x=0&.v=1>

June:

- "Vermont launches new "door" to state services"
<http://www.burlingtonfreepress.com/article/20100609/NEWS03/6090302/1095/Vermont-launches-new-door-to-state-services#ixzz0qSXM4jW2>

Conference/Appearances:

- NASPO Conference, San Francisco, CA April 18-20 (JG)
- Vermont Businesses for Social Responsibility Conference, Burlington, May 17 (JG)
- NIC Marketing Conference, Austin, TX May 24-27 (JG & RS)

2010 Projects in Development/Technical Analysis (11):

• Sex Offender Registry Launch date (DPS)	<i>PROPOSED LAUNCH: JULY 1</i>
• Criminal Convictions Subscription service (DPS)	<i>PROPOSED LAUNCH: JULY 1</i>
• Proposed Rules Postings (SOS/VSARA – Cfc*)	<i>PROPOSED LAUNCH: JULY</i>
• Vital Records redesign (SOS/VSARA)	<i>PROPOSED LAUNCH: JULY</i>
• Lead Compliance (HEALTH)	<i>PROPOSED LAUNCH: JULY</i>
• IRP & IFTA Permitting (DMV)	<i>PROPOSED LAUNCH: SEPTEMBER</i>
• VTDrives project: Services Migration (DMV)	<i>PROPOSED LAUNCH: OCTOBER</i>
• Property Transfer Tax Returns (TAX)	<i>PROPOSED LAUNCH: JAN 2011</i>
• Ladies First health screening application (HEALTH)	<i>PROPOSED LAUNCH: FEB 2011</i>
• Cavu professional licensing (HEALTH)	<i>PROPOSED LAUNCH: FEB 2011</i>
• eProcurement (BGS)	<i>ONGOING/UPCOMING</i>

Additional Challenges for Change projects (8)

• MyVermont portal: www.vermont.gov/myvermont	<i>LAUNCHED MEMORIAL DAY</i>
• Business Registration (Taxes)	<i>PROTOTYPE DEVELOPED</i>
• Unified Business Portal	<i>ONGOING/UPCOMING</i>
• Permitting and Compliance Portal	<i>ONGOING/UPCOMING</i>
• AHS myBenefits Portal	<i>ONGOING/UPCOMING</i>
• Act 250 Forms online	<i>ONGOING/UPCOMING</i>
• Creative Workforce website	<i>ONGOING/UPCOMING</i>
• DigSafe website	<i>ONGOING/UPCOMING</i>

ECMS Sites Currently in Progress Toward Launch (8):

The following is a listing of state agency websites that are in the active queue toward development. Please note this does not include the multitude of state websites which are in early resources/requirements gathering phase.

- Agency of Transportation/VTrans
- Office of Vocational Rehabilitation
- Vermont Forensics Laboratory
- Voyages of Discovery
- Vermont Criminal Information Center
- Vermont Labor Relations Board
- Department of Children and Families (redesign)
- Vermont Emergency Management

Other potential 2010-2011 online service projects (4):

- Health Premiums
- Fire Safety Licensing
- Broadband service
- VDH Food & Lodging Mobile Inspections

Partner Relations

VDH partnership continues to grow with a signed SOW for the Ladies First project, a draft SOW for the Cavu professional licensing project, and the imminent launch of the Lead Compliance service. We are also in discussions with them regarding 2-3 additional projects over the next 18 months.

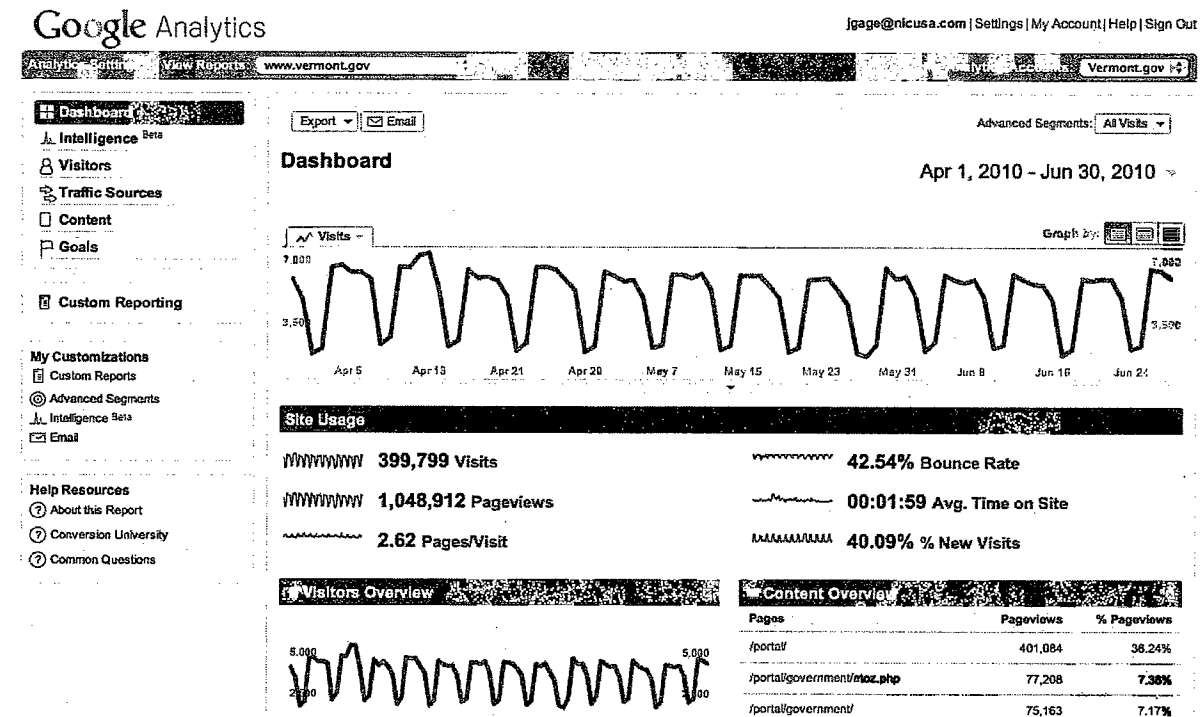
DMV partnership continues to be strong with a recent service upgrade (DMV Express), and the future IRP-IFTA service. We also are working over the next several months on the service migration to VTDrives, and hope to re-introduce the credit card processing payment service again soon.

Tax partnership also continues to be strong, with continued work on the Property Transfer Tax application and two CfC initiatives.

DPS partnership continues to grow and strengthen with the launch of the new Sex Offender Registry and Criminal Convictions Subscription Service.

Judiciary partnership is strong with the potential use of VIC's payment engine for filings and fees in conjunction with their new case management system

Q1 2010: PORTAL STATISTICS



April:

Total Page Views (actual pages viewed): 374,146

Total Visits (visitors to the site – one visitor could have multiple page views): 141,580

May:

Total Page Views (actual pages viewed): 336,302

Total Visits (visitors to the site – one visitor could have multiple page views): 125,564

June:

Total Page Views (actual pages viewed): 338,468

Total Visits (visitors to the site – one visitor could have multiple page views): 132,665

Most Popular Pages (page views given):

Page	None	Entrances
1. /portal/		104,368
2. /portal/government/		5,936
3. /portal/government/atoz.php		3,662
4. /portal/employment/		2,125
5. /portal/vermont/		1,306
6. /portal/index.php		1,305
7. /portal/agriculture/weather.php		1,209
8. /portal/business/		970
9. /portal/travel/		858
10. /portal/help/contact.php		602

State Websites in the Content Management System (39):

aoa.vermont.gov
auditor.vermont.gov
bgs.vermont.gov
cno.vermont.gov
cto.vermont.gov
dcf.vermont.gov
defgen.vermont.gov
development.vermont.gov
dii.vermont.gov
dmv.vermont.gov
e911.vermont.gov
finance.vermont.gov
ghsp.vermont.gov
governor.vermont.gov
hcr.vermont.gov
hrc.vermont.gov
hsu.vermont.gov
humanresources.vermont.gov
itsecurity.vermont.gov
libraries.vermont.gov
ltgov.vermont.gov
mentalhealth.vermont.gov
prosecutors.vermont.gov
psb.vermont.gov
recovery.vermont.gov
vcnaa.vermont.gov
vcomm.vermont.gov
vermontbyways.vermont.gov
veterans.vermont.gov
vtcncs.vermont.gov
vtshares.vermont.gov
vvh.vermont.gov
women.vermont.gov
www.connectingcommuters.org
www.greenmountaincare.org
www.helpforvt.org
www.pursuevt.org
✓ www.vermont.gov
www.vermonttreasurer.gov

PORTAL HIGHLIGHTS 2009

2009 Awards & Rankings

February	Mobile Portal A+ Grade – Vermont.gov	<i>Government Technology magazine</i>
March	SafeKIDS Award – DPS/VCIC	<i>Vermont Department of Health</i>
May	Public Service Recognition Award - F&M site	<i>State of Vermont</i>
September	2009 Best of the Web Finalist Award	<i>Center for Digital Government</i>
December	Director's Award for Adam Woodworth	<i>Department of Public Safety</i>

**Act 43 of 2009- Required Quarterly Summary Report:
Status of Planning to Replace the Functions of Vermont State Hospital**

Consistent with legislative intent as expressed in the 2008, 2009 and 2010 Capital Bills, the Department of Mental Health is continuing planning to replace the functions of the Vermont State Hospital.

Development of the Secure Recovery Residence

Certificate of Need Application Under Review

On March 19, 2010, DMH filed a Certificate of Need Application with the Department of Banking, Insurance, Securities and Health Care Administration for the proposed 15-bed secure recovery residence (SRR) on the grounds of the State Office Complex in Waterbury. The SRR is intended as the final residential project (joining Second Spring and Meadowview) to replace the long term care function of VSH. It will serve current VSH patients who no longer need acute inpatient treatment but do require an intensive clinical program for longer term care and a level of security commensurate with the current VSH program. The design of the building:

- should support recovery by providing a welcoming and attractive environment that is residential in character;
- should balance individual freedom and safety such that opportunities exist for individuals to demonstrate enhanced control over their own behavior in a context that promotes safety;
- should support growth and learning by creating an environment that offers opportunities for appropriate social interactions and the development of new skills;

DMH and BGS are currently responding to the third round of questions put forward by BISHCA as part of the review process and there are several interested parties, including residents of nearby Randall Street in Waterbury, to the application.

Planning Activities to Date

The 2010 Capital Bill (§37 (c)) directed the Commissioners of Mental Health and Buildings and General Services to continue to plan, design and work to obtain permits for an appropriately designed secure residential recovery facility in Waterbury. The Commissioners were directed to further review all potential building sites within the Waterbury complex, consult with the Waterbury village and town officials, and report on the final site to the chairs and vice chairs of the Senate Committee on Institutions and House Committee on Corrections and Institutions by July 1, 2010.

On June 22, 2010, DMH and BGS representatives met with Waterbury town and village officials and residents, including representatives of concerned residents of Randall Street, about the proposed site of the SRR. This community meeting was a non-binding forum to discuss the concerns of Randall Street neighbors about the location of the proposed facility. At the meeting, residents objected to the proposed location of the building while expressing support for its development. Commissioner Myers explored three potential site options for the building. During the discussion he described one potentially feasible alternative location behind the Osgood building. Waterbury residents and town officials expressed support for this option. The Waterbury Municipal Manager subsequently confirmed support for this location in a letter dated June 25. Commissioner Myers issued his report on June 30 to the chairs of the House and Senate committees on institutions in which he reported the results of his site review and the meeting with the residents and officials of Waterbury.

Acute Inpatient Services

The 2010 Capital Bill (§37 (d)) directs the Commissioners of Mental Health and Buildings and General Services to plan for the replacement of Vermont state hospital inpatient beds in consultation with Brattleboro Retreat, Rutland Regional Medical Center, and Dartmouth Medical School. Current estimates are that forty-five (45) inpatient beds are required to fulfill the needs of Vermonters requiring intensive, psychiatric inpatient care.

Rutland Regional Medical Center: Twelve (12) Beds

DMH recommends developing a new 28 bed facility at Rutland Regional Medical Center (RRMC) that builds on the existing psychiatric inpatient program and creates a net increase of twelve (12) VSH replacement beds. RRMC remains interested in advancing this proposal pending available capital financing. The interested financial institution advised that the financing arrangement would need to include both a long-term operating agreement between the State and RRMC, and an agreement from both the State and RRMC to contribute to capital construction cost. DMH and RRMC continue to explore options to finance the project.

Dartmouth Medical School & Veteran's Administration

DMH continues its ongoing conversations to explore ways to develop a 16-bed psychiatric facility on Veteran's Administration donated land with psychiatric and other medical services to be provided through contractual arrangements with Dartmouth Medical School and the Veteran's Administration.

Brattleboro Retreat

DMH is exploring the development of intensive psychiatric bed capacity at the Brattleboro Retreat. Advancing this option would require at least seven million dollars of capitalization, but in partnership with Brattleboro Memorial Hospital the proposed intensive service 16-bed unit offers promise of bypassing the federal rules governing Institution for Mental Disease exclusions.

Next Steps

The 2010 Capital Bill (§37 (b)) directs the Commissioner of Buildings and General Services to use previously allocated planning funds to continue planning and development activities for the SRR and VSH inpatient replacement beds. The bill stipulates that "These funds shall be replaced with up to \$10,000,000 in federal case load reserve funds (Federal Medicaid Assistance Percentage---FMAP dollars), if available." At this time, Congress has not reached a consensus on whether to extend FMAP funds beyond December 31, 2010, however, states across the country are advocating positive action. In the event no FMAP monies become available, DMH will seek inclusion of construction cost for the SRR in the FY 2012 Capital bill.



STATE OF VERMONT
GENERAL ASSEMBLY

MEMORANDUM

To: Neale Lunderville, Secretary of Administration
From: Senator Diane Snelling
Representative Donna Sweaney
Date: July 9, 2010
Subject: Challenges for Change July Progress Report

Dear Neale,

Thank you for the electronic 2nd Quarterly Progress Report received on July 1, 2010, on the Challenges for Change Acts 68 and 146, of 2010.

On behalf of the former Joint Legislative Government Accountability Committee, and the new Government Accountability Committee, we thank you for the hard work that is represented in this quarterly report. We appreciate your efforts to provide an organizational approach and a detailed update to legislators.

After an initial review and a series of discussions with the co-chair of the Joint Legislative Government Accountability Committee and others, what follows are some specific comments on the report and its approach.

The Report Format:

We are developing a format which should guide the discussion of Vermont's move to outcome based budgeting. In doing so we need to be thoughtful as to what we want the legislature to focus on.

To this end, we would prefer that the report be organized first to be specific to the outcomes as defined in Act 68, and the measures which indicate results in achieving the outcomes. This part of the report only needs to be long enough to list all outcomes, measures and baselines, with related data.

The more detailed content of what has been done and specific actions taken could be a part two of the report. In the next report, this component could be reduced as the administration and legislature become more comfortable with performance based evaluation.

The Availability of Baselines:

The report as submitted lacks baseline information for measurement in many areas and this is a key concern. As you add the baseline data this will bring the concept of measuring against the baseline into focus. This report should have had July 1 baseline information or at least a clear timeline when that will be in place.

For example, an outcome on performance contracting is to increase by \$70 million the dollar value of contracts that are performance based. The measure for this outcome is the value of grants and contracts that are performance based. We are expecting to see a baseline number as of July 1, 2010. What is the current dollar value of contracts that are performance based?

A focus on spending appropriated funds rather than savings:

A key conceptual change that we need to make is spending available appropriated funds rather than the constant reference to savings. We know what we have appropriated. If agencies can not live within their appropriation they would bring that need forward in the budget adjustment process. Finance and Management, with the help of the Joint Fiscal Office, should develop a tracking spreadsheet showing cross-agency budgets for Challenges. As part of this effort we need to move away from departmental silos. Some of the creativity in the Challenges was multidepartment initiatives and that should be reflected in budgeting information.

The use of investment dollars:

The concept of investment funds to bring long term savings needs its own follow up. We appropriated investment money for the purpose of supporting real redesign, stakeholder and employee engagement, improved measurement and reporting, technology improvements, and to get outside help doing redesign which is new to all of us. It would be valuable to have a clear presentation on the dollars invested and how they are used to increase innovation. This could be done in a spreadsheet format.

The GAC expects to work on improving the template for our continued review of Challenges outcomes and measures, and we would like to work with you to develop a format which will facilitate the most direct and transparent communication on the Challenges and move us all forward in a way that can achieve a greater outcome-based approach.

Again, we appreciate the care and effort that obviously went into the preparation of this report. We need to work together to bring about the focus on redesign that we are all trying to achieve. Thank you for your attention to these issues. We, and the entire Government Accountability Committee, look forward to working with you.

cc:

Jim Reardon, Commissioner of Finance and Management
Tom Evslin, Chief Technology Officer
Government Accountability Committee

State of Vermont ARRA Report for the Quarter Ended June 30, 2010

I. July 1, 2010 JOBS REPORTING Preliminary numbers for 2nd quarter

A. Total ARRA jobs ⁽¹⁾ created in Vermont - Includes all jobs - public and private sector

February 17 - September 30, 2009

2,027.78

October 1 - December 31, 2009

1,523.19

January 1 - March 31, 2010

1,624.21

April 1 - June 30, 2010

Not available yet ⁽²⁾

Source: Recovery.gov

B. Total ARRA jobs ⁽¹⁾ created in Vermont - For ARRA funds received by and through the State of Vermont

February 17 - September 30, 2009

1990.86

October 1 - December 31, 2009

1,164.89

January 1 - March 31, 2010

1,169.38

April 1 - June 30, 2010 - Preliminary

674.55

Source:

Vermont Economic Stimulus & Recovery

(1) Job calculations are based on the number of hours worked in a quarter and funded under the Recovery Act.

(2) Due to the July 4th holiday, FederalReporting.gov remained open for reporting until 11:59 EDT July 14th. July 20th will be the beginning of review and correction period, thus creating only preliminary numbers for this report.

Breakdown Total Jobs (B):

- **674.55 Jobs** created or retained with ARRA funds which passed through State government include:
 - Jobs created in state government - limited services positions (temporary)
 - Jobs retained in State government with ARRA funding. It's impossible to know whether these jobs or others would have been eliminated in the absence of ARRA-funding; these jobs were in existence and were maintained by other fund sources.
 - Jobs created or retained outside of State government with ARRA funds in which the State granted or contracted with other organizations. For example:



State Fiscal Stabilization Funds (SFSF) provided grants to Farm to Plate and local schools. Transportation hires private contractors to build bridges, pave roads, etc.

C. Total ARRA jobs ⁽¹⁾ created throughout the entire United States

February 17 - September 30, 2009

633,342

October 1 - December 31, 2009

608,311

January 1 - March 31, 2010

682,370

April 1 - June 30, 2010

Not available yet ⁽²⁾

Source: Recovery.gov

(1) Job calculations are based on the number of hours worked in a quarter and funded under the Recovery Act.

(2) Due to the July 4th holiday, FederalReporting.gov remained open for reporting until 11:59 EDT July 14th. July 20th will be the beginning of review and correction period, thus creating only preliminary numbers for this report.

II. ARRA Cumulative Receipts and Expenditures through June 30, 2010

ARRA through VT State Government Only

Cumulative Receipts	Cumulative Expenditures	% Expended
\$201,234,822.99	\$132,097,380.22	65.64%

Source: Vermont Economic Stimulus & Recovery Office

ARRA - All Vermont

Cumulative Receipts	Cumulative Expenditures	% Expended
\$590,276,250	\$189,180,655	32.05%

Source: Recovery.gov

All Vermont vs. Other States

ARRA - All New Hampshire

Cumulative Receipts	Cumulative Expenditures	% Expended
\$766,280,000	\$241,170,000	31.47%

Source: Recovery.gov

ARRA - All Maine

Cumulative Receipts	Cumulative Expenditures	% Expended
\$941,290,000	\$341,790,000	36.08%

Source: Recovery.gov

ARRA - All Massachusetts

Cumulative Receipts	Cumulative Expenditures	% Expended
\$5,134,960,000	\$1,366,200,000	26.61%

Source: Recovery.gov

ARRA - All New York

Cumulative Receipts	Cumulative Expenditures	% Expended
\$12,467,820,000	\$2,533,160,000	20.32%

Source: Recovery.gov



III. ARRA Update:

On April 6 2010, President Obama issued a memorandum "Combating Noncompliance with Recovery Act Reporting Requirements," directing Federal agencies to use every means available to identify any prime recipient required to file a report on FederalReporting.gov who has failed to do so and hold such recipients accountable to the fullest extent permitted by law. As required by the President's Memorandum, OMB has reviewed existing guidance and is providing updated guidance, including additional actions and strategies, designed to assist agencies in fulfilling their responsibility to hold recipients accountable for reporting compliance.

Recipients are required by Section 1512 of the American Recovery and Reinvestment Act of 2009 (Recovery Act) to report quarterly as a condition of the receipt of funds. The vast majority of recipients have complied with the reporting obligations; however, where a recipient has failed to meet these obligations, agencies will be held accountable for taking appropriate actions to enforce the reporting requirements. The President's Memorandum provides examples of the types of actions agencies should take, where authorized and appropriate, including terminating awards; pursuing measures such as suspension and debarment; reclaiming funds; and considering, initiating, and implementing punitive actions. Federal agencies are reminded that the terms and conditions of Recovery Act awards, when coupled with other existing policies and procedures, provide a robust mix of actions available to address non-compliance.

This Memorandum highlights additional steps beyond existing policies and procedures that OMB has determined necessary to carry out the President's directive for more aggressive action in addressing recipient non-compliance.

This Memorandum key components pertaining to Vermont:

- Instructs Federal agencies to contact new recipients prior to the beginning of each reporting period to notify them of their reporting obligations.
- Mandates use of available tools to actively monitor recipients during the reporting period and requires outreach to recipients that have not reported prior to the close of the reporting period.
- Requires Federal agencies to obtain recipient compliance with their reporting responsibilities or pursue sanctions and remedies.



E.2.

Stephanie Barrett - ARRA Food Stamps

From: "Cohen, David" <David.Cohen@ahs.state.vt.us>
To: "Stephanie Barrett" <sbarrett@leg.state.vt.us>
Date: 7/15/2010 10:34 AM
Subject: ARRA Food Stamps
CC: "White, Priscilla" <Priscilla.White@ahs.state.vt.us>, "Cohen, David" <Da...

Stephanie – I believe that JFC is meeting today and we have an emergency that I would like to make you aware of. ARRA funding is available for a special program to provide a one time TANF benefit to eligible recipients for the months of July and August. It requires a 20% match to draw down the 80% funds that we can get from the feds. This special one time program had been discussed at several legislative sessions. Unfortunately, we had been unsuccessful in obtaining the match. However, the Vermont Community Foundation has said that they would conduct a fund raising that we could use as the match. They would donate the money to DCF and we would be able to use that as the match. After a discussion with Sue Zeller, she confirmed that we had to get JFC approval.

I am on my way to meeting with Commissioner Dale to strategize how we can get this done ASAP. We need to put the benefit into our payment tables in the ACCESS system by July 23rd. Sue suggested that we alert you to this need. What I am trying to determine is whether there is time on the JFC agenda today if we decide to proceed. I am copying Priscilla who get access to Steve and myself during the next 45 minutes. I am doing this as a heads up as I am unsure of which direction we will take. Thanks.



Kavet, Rockler & Associates, LLC
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July 2010 Economic Review and Revenue Forecast Update

Prepared for the
State of Vermont
Emergency Board and
Legislative Joint Fiscal Committee

July 15, 2010

Economic Review and Revenue Forecast Update

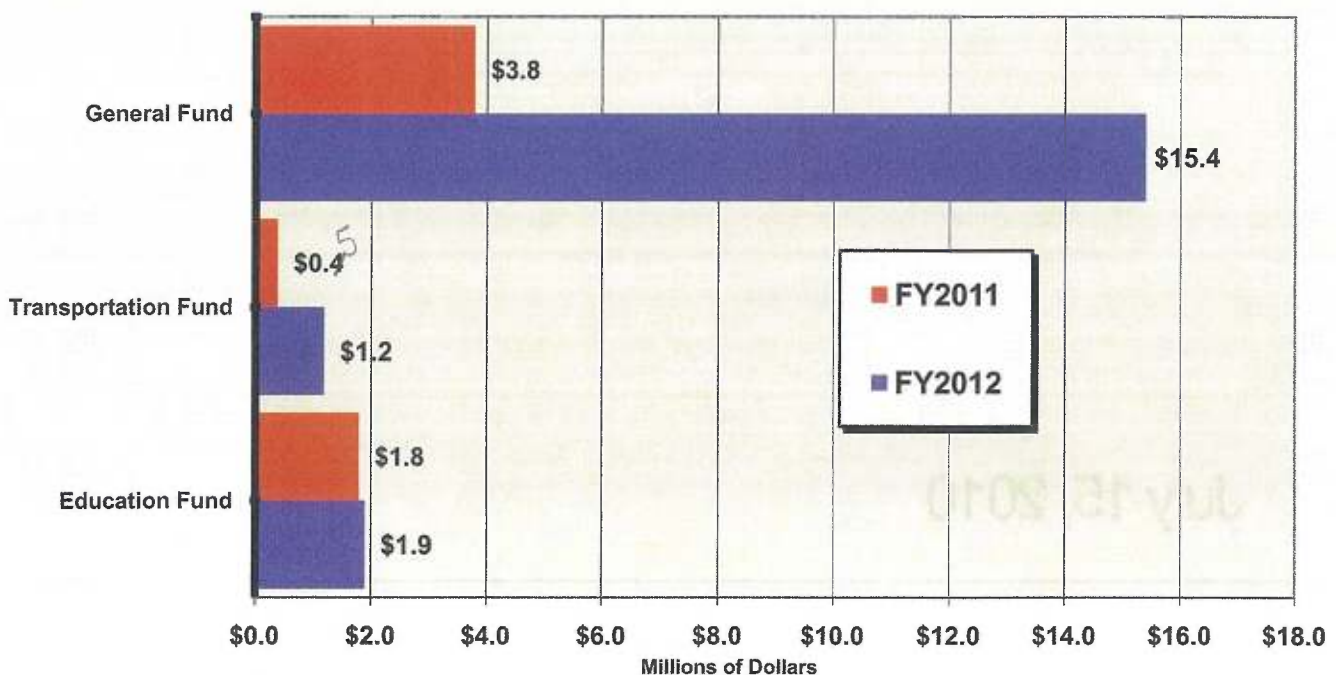
July 2010

Overview

A tentative and uneven economic recovery is now underway, supporting FY2010 year-end State revenue receipts that were very close to expectations. Risks of slower growth ahead or even a double dip recession remain, however, as the European debt crisis weighs on fragile financial markets and the removal of critical federal fiscal and monetary props could offset any near-term growth in private sector demand. Real estate and construction remain mired in an epic downturn that still has about a year of declining home prices and continued high foreclosure rates to endure. Labor markets, which typically lag the business cycle, are also still experiencing extreme stress, as businesses resume spending, sales growth and profitability, but not hiring. Despite all this, real U.S. GDP grew 5.6% in the fourth quarter of 2009, 2.7% in the first quarter of this year and is poised to grow between 2.0% and 5.5% throughout the forecast period.

Total revenues for all three major funds closed FY10 less than 1% above forecast targets. Even with mounting downside risks, current external economic projections are close to or slightly above those used in January of 2010. Accordingly, most revenue changes in the forecasts herein represent technical adjustments, most of which resulted in expectations of additional revenues in the three major funds in FY11 and FY12 (see chart below).

Recommended Net Revenue Changes from January 2010 Forecast

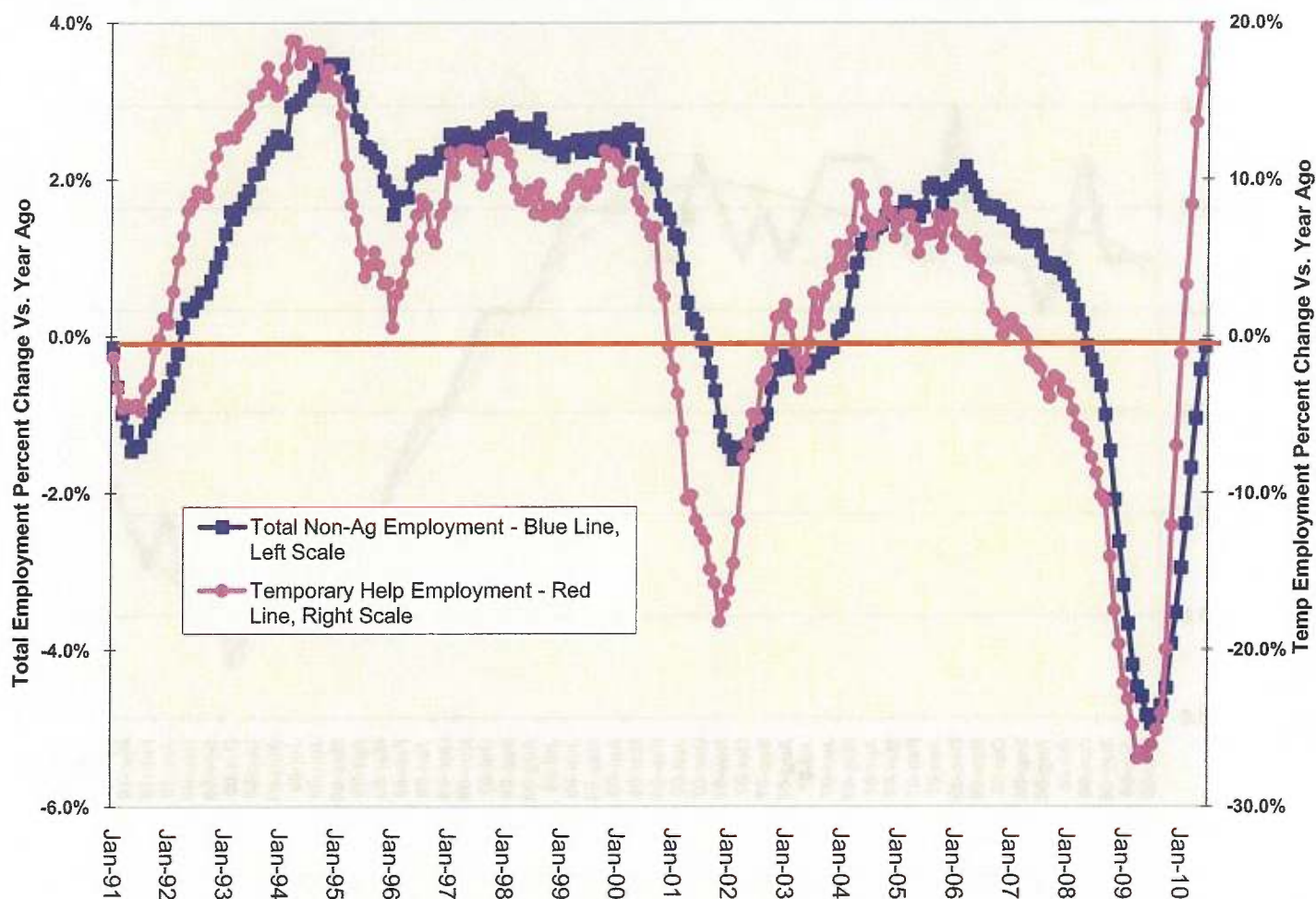


July 2010 Economic and Revenue Forecast Commentary

- One year ago, Federal Reserve Board Chairman Ben Bernanke boldly reported sighting “green shoots” of growth sprouting throughout the economic landscape. Although these visions proved to be a mirage, clear signs of growth now clearly abound: real GDP has been positive since the third quarter of 2009, corporate balance sheets – especially among larger firms – are exceptionally strong, with profits up more than 40%, consumer spending is again expanding and forward-looking indicators, such as the Conference Board’s Leading Economic Index portend continued future growth through at least the end of the year. Only lagging indicators, such as employment, and real estate markets, which are responding to a longer and unique sectoral cycle, remain depressed.

Temp Employment Gains Suggests U.S. Job Growth Will Resume Soon

Year Ago Percent Change, Seasonally Adjusted Data, Source: U.S. Bureau of Labor Statistics



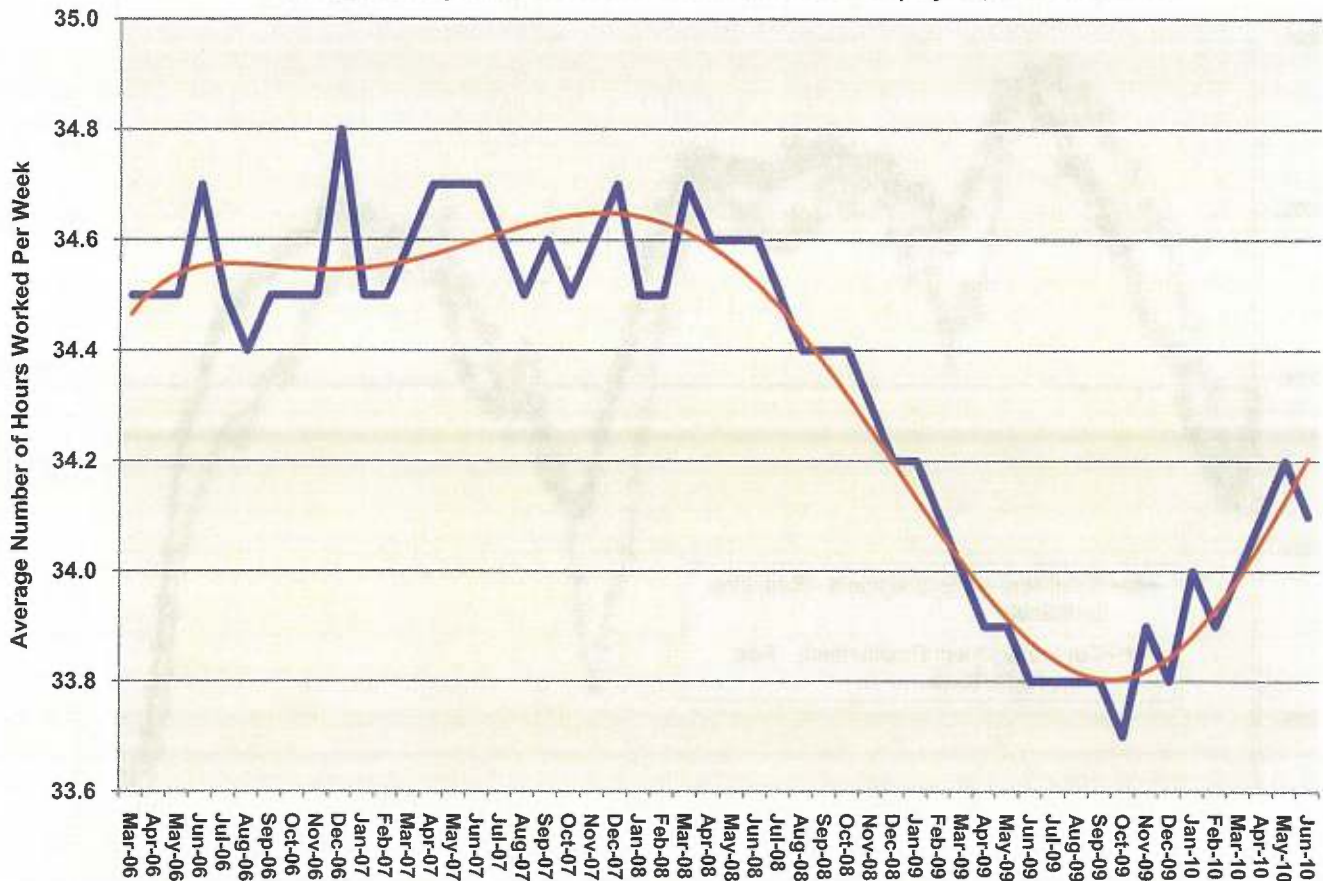
- While there are many risks to the continued expansion, there are also some signs that it may soon take a firmer hold and finally result in more widespread hiring and employment growth. As illustrated in the above chart, temporary

help employment growth has tended to be an extraordinarily accurate harbinger of total employment changes, both during periods of recession and recovery. During the past 5 months, year over year hiring of temps has increased dramatically. As businesses experience more sustained demand growth, many of these positions will turn into permanent jobs.

- Longer average hourly work weeks also suggest stronger employment growth may be at hand. Economy.com estimates that every 6 minute increase in the average workweek is the equivalent in productive capacity to the addition of about 300,000 jobs. By this accounting, the uptick in hours worked since the October 2009 low of 33.7 hours to the current June 2010 level of 34.1 hours represents an equivalent demand for approximately 1.2 million jobs. As this figure continues to climb back to historic averages, job growth is likely to follow.

Longer Hourly Workweeks Will Eventually Lead to New Hiring...

Average Weekly Hours Worked for All Private Sector Employees, Source: U.S. BLS

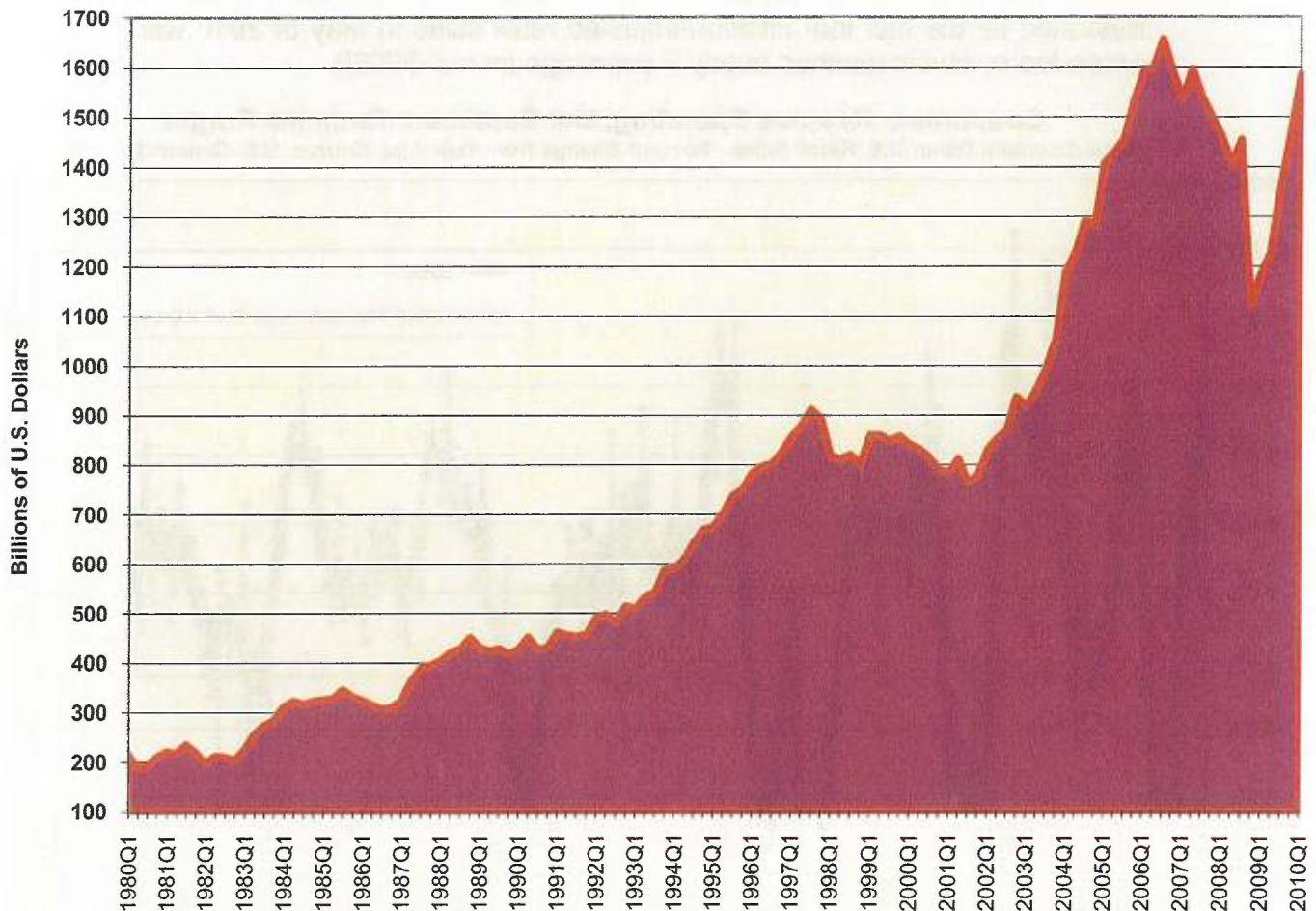


- Rebounding corporate profit growth, as illustrated in the chart on the following page, is another reason job growth could pick up soon. Corporate balance sheets are exceptionally healthy, benefiting from extraordinary productivity growth – recently as high as 6% – as outsized profit growth accompanies resumed growth in sales. These productivity gains should also leave U.S. firms in a strong global competitive position during the recovery, especially

with a relatively weak dollar. All this will eventually lead to new hiring as sustained demand outstrips capacity.

Productivity Growth Drives "V-Shaped" Recovery for Corporate Profits

U.S. corporate profits with inventory valuation and capital consumption adjustment-Source: US BEA

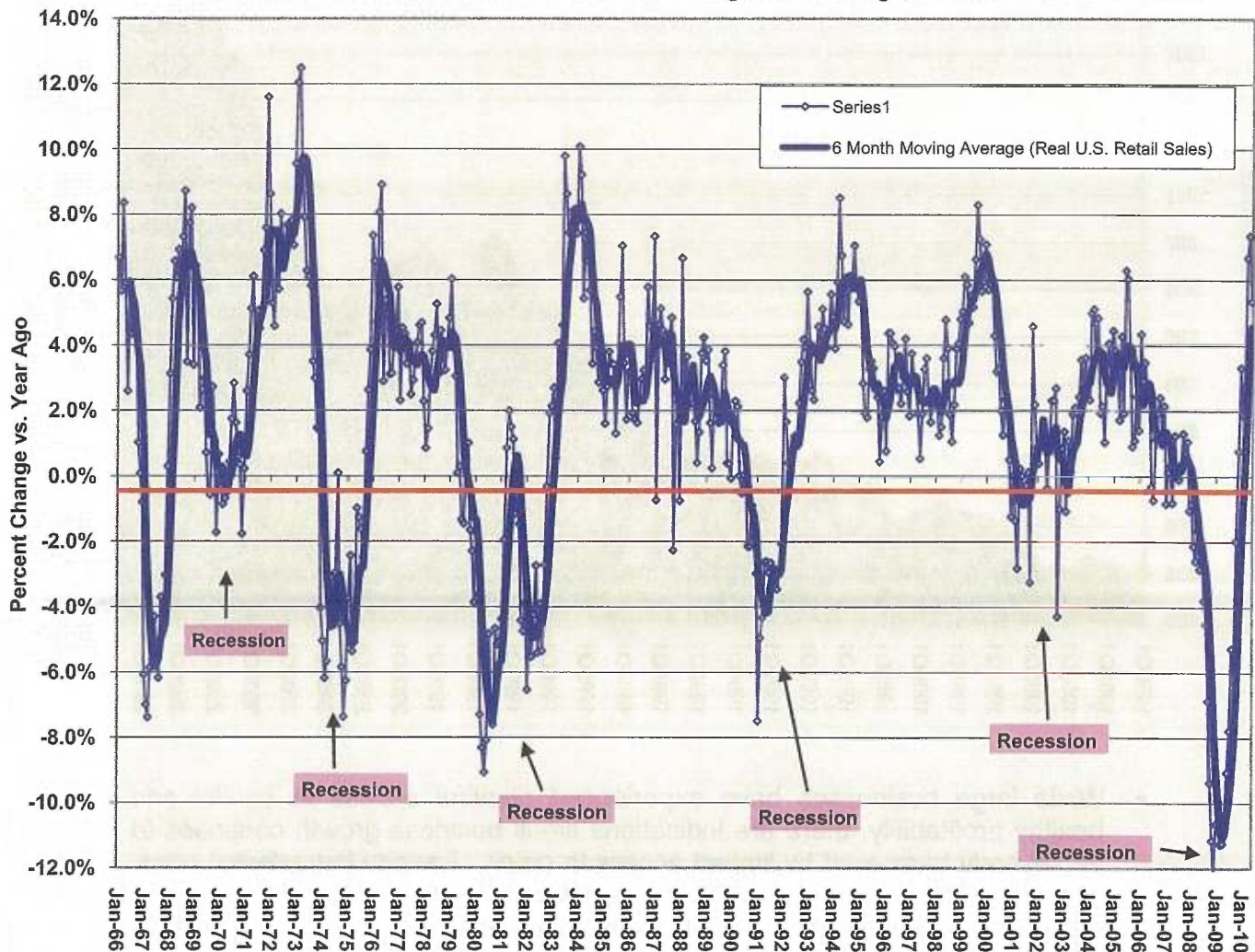


- While large businesses have experienced plentiful access to capital and healthy profitability, there are indications small business growth continues to be severely hampered by limited access to credit. Despite low interest rates, bank lending standards for loans to small businesses tightened sharply in 2008 and 2009, leaving these firms with limited access to critical capital flows for expansion, new hiring and in some cases, survival. While the most recent Federal Reserve survey on bank lending standards in April reported that lending standards to small businesses are no longer tightening, Fed Chairman Bernanke noted that "credit conditions [for small businesses] remain very difficult." Fed data shows that outstanding loans to small businesses actually *declined* by \$40 billion between 2008 and 2010. Given that small firms employ about half of all U.S. workers and account for about 60% of all new job creation, the resumption of normal credit flows to these companies is essential to a revival of U.S. job growth in the years ahead.

- Per the below chart, consumer spending, which represents almost 70% of the U.S. economy, continued to bounce back in the first half of 2010, with consistent year-over-year growth. This, in turn, fueled slightly stronger consumption tax revenues in Vermont, with Sales and Use, Motor Vehicle Purchase and Use, and Meals and Rooms revenues all ending FY10 above target. The magnitude of the decline in U.S. consumer demand, however, is illustrated by the fact that inflation-adjusted retail sales in May of 2010 were exceeded by levels reached nearly 7 years ago (in mid-2003!).

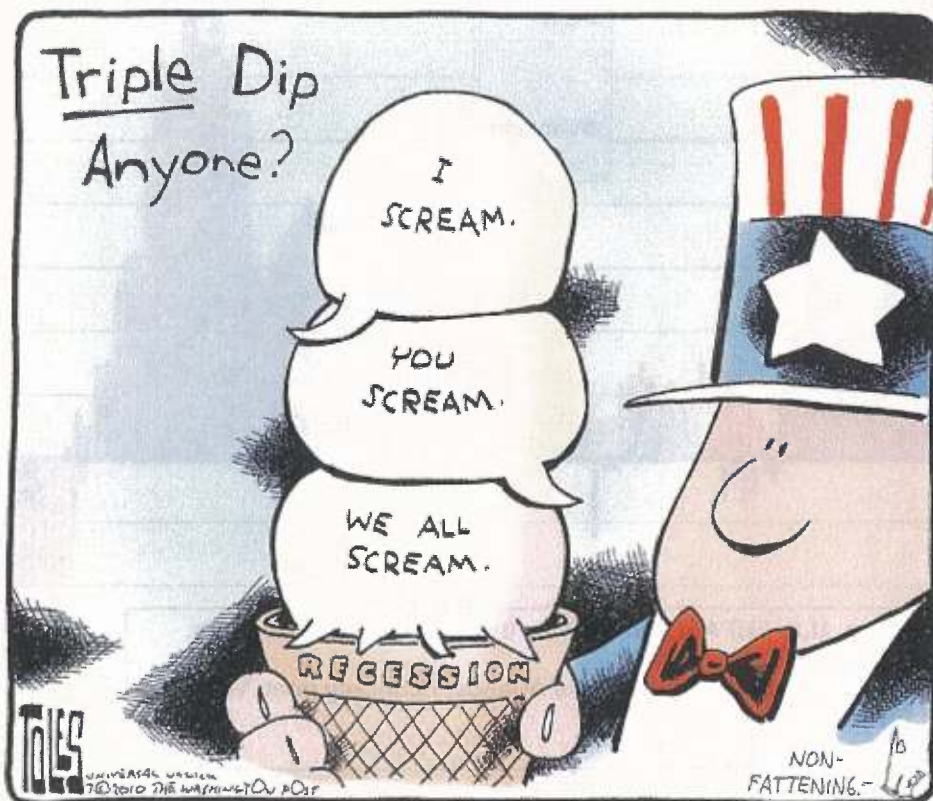
Consumers Resume Spending, But Sentiment Remains Fragile

Total Constant Dollar U.S. Retail Sales - Percent Change from Year Ago, Source: U.S. Census Bureau



- Like the economy at large, and despite recent and significant improvement, consumers remain cautious and vulnerable to setback. This was illustrated in the June Consumer Confidence Index, which dropped sharply after 3 consecutive monthly gains. Apprehension associated with weaker job growth and stock market declines left the Index at 52.9 in June vs. 62.7 in May. Of the 5,000 U.S. households who were surveyed, those claiming "jobs are hard to get" increased from 43.9% to 44.8%, while those saying "jobs are plentiful" declined from 4.6% to 4.3%.

- Such vulnerability is characteristic of conditions at this phase of the business cycle, with downside risks heightened. The unprecedented reliance on federal fiscal and monetary support during this recovery and the increasing global interconnectivity of the world's economies exacerbates these risks.
- The European sovereign debt crisis is a case in point, with the sudden realization by credit rating agencies, banks and other investors that they may have facilitated too much lending to debt-heavy euro-zone countries like Greece, Portugal and Spain – especially now that economic growth has slowed in the wake of the Great Recession. The ensuing credit panic, withdrawal of credit, and contagion to other countries shows how fragile the global financial system still is and how mismatched existing political and monetary institutions are in the face of such challenges. Although European countries may yet respond with enough collective money and institutional creativity to solve this dilemma, there are many less attractive possible endings – all of which could negatively impact the U.S. economy.

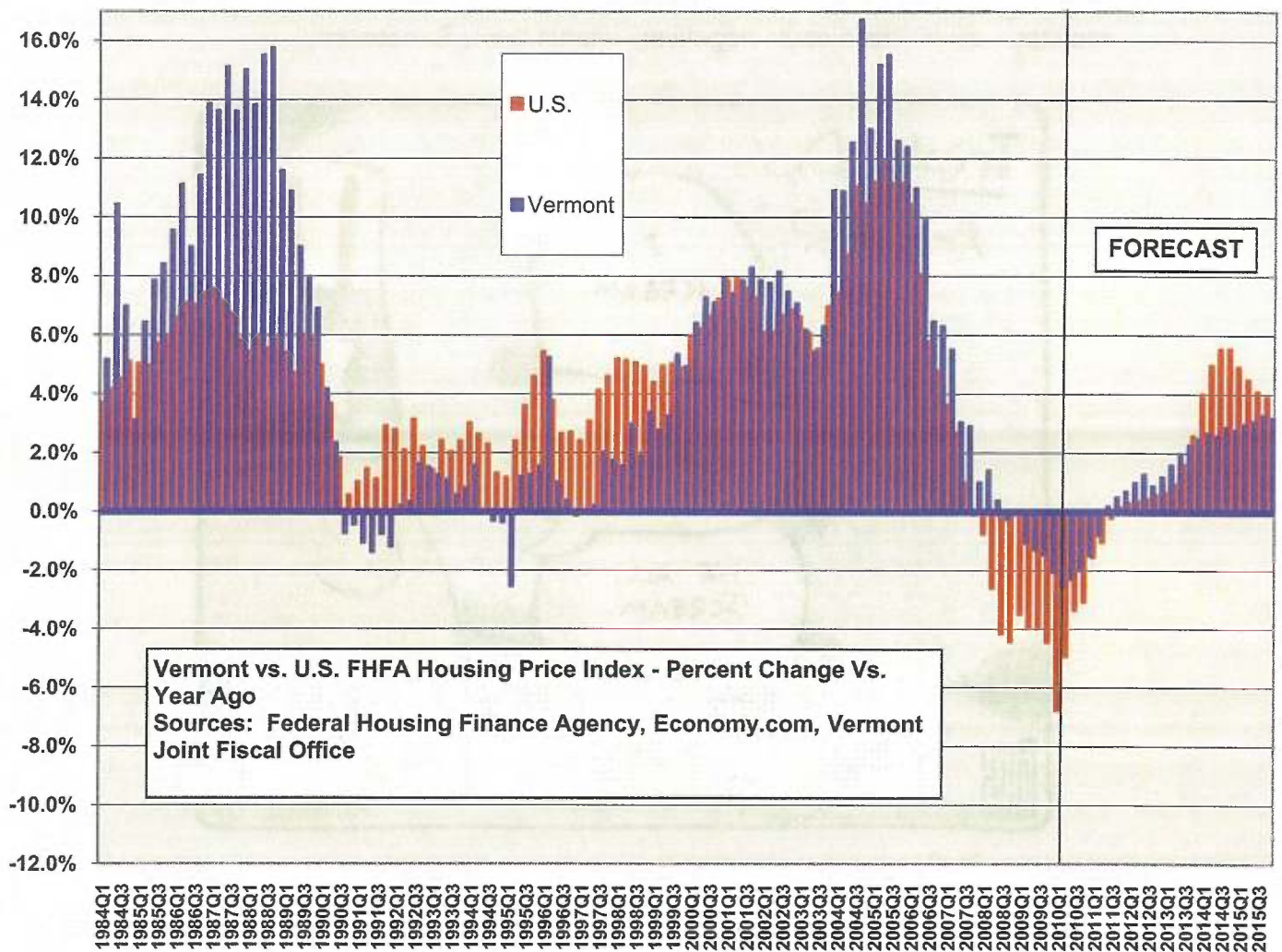


- While Europe may achieve a double-dip recession through financial market chaos, the most likely near term threat to the U.S. economy probably comes from the premature withdrawal of federal fiscal and monetary support. This support has totaled nearly \$1 trillion to date, almost 7% of total U.S. GDP, and was pivotal to ending the recession and stimulating recovery in both the U.S. and Vermont. The spendout of stimulus funding accelerated through the

fourth quarter of last year, but is now winding down and will have largely expired by the end of FY11. This economic drag will need to be offset with private sector growth or a double dip recession will result. While no one would argue that long term debt reduction must be a priority, the premature shift away from fiscal and monetary stimulus could be even more costly.

- Real estate markets are another continuing source of downside risk, with housing price declines in most markets expected to persist for at least another few quarters and foreclosure rates to hover near all-time highs during this period as well. Until prices stabilize, very little recovery will be possible in this sector, limiting both new construction and demand for products associated with housing resale activity.

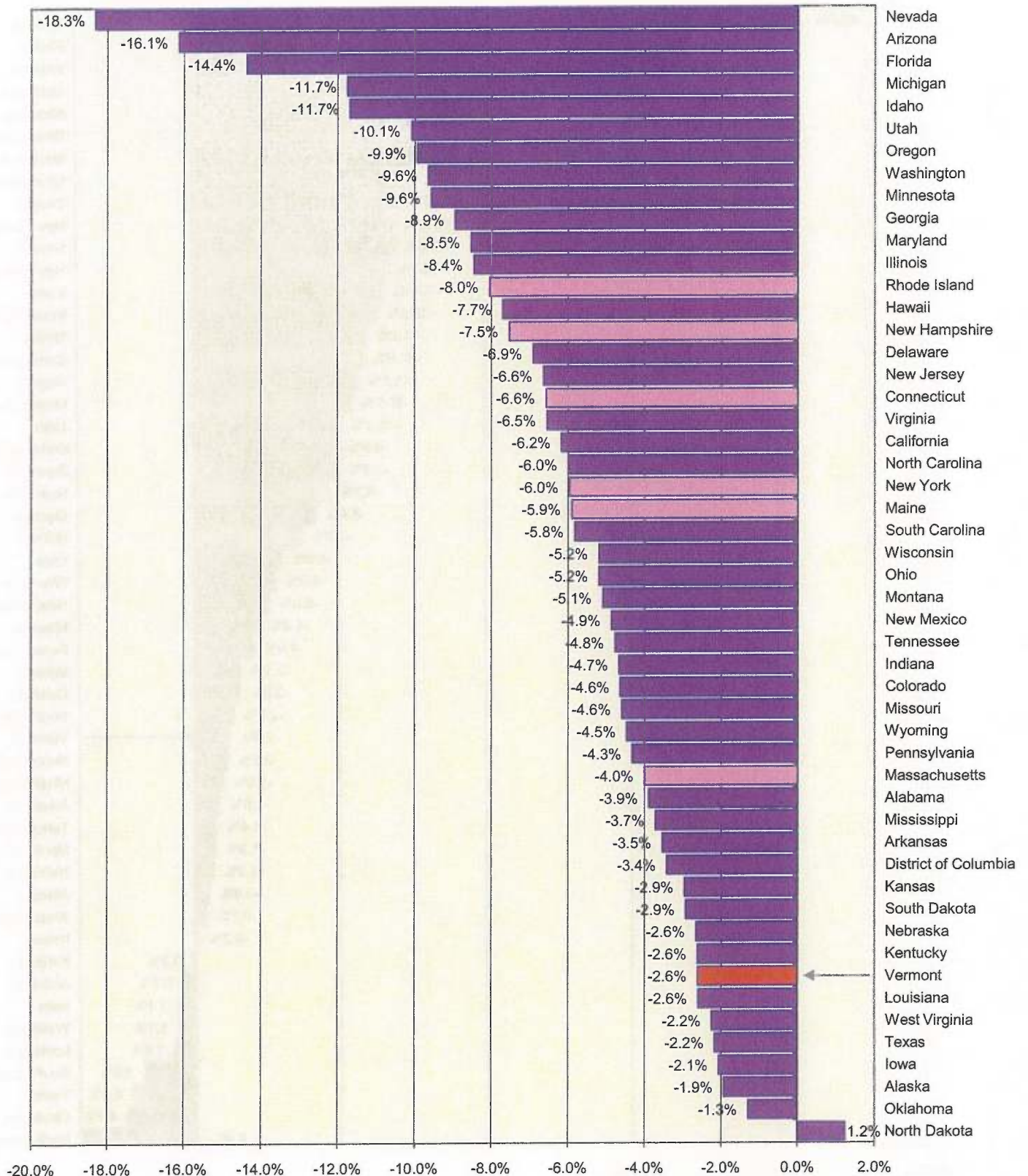
More Pain Ahead As Price Declines Continue to Weigh on Real Estate Markets



- As illustrated in the charts on the following three pages, housing price declines in Vermont have been the lowest in New England and well below average among all U.S. states over almost any time period in recent years.

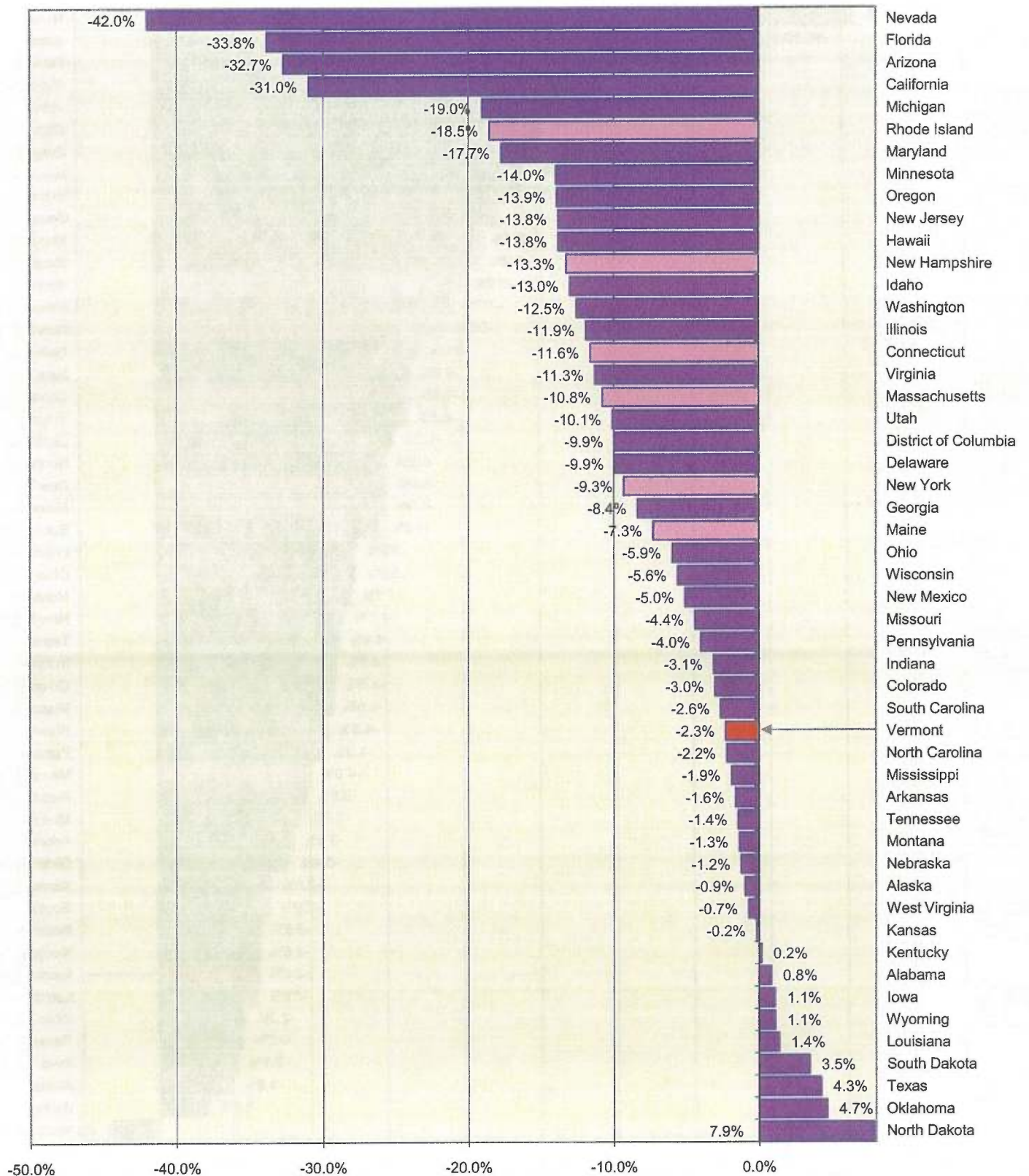
Real Estate Markets are Regional: Home Price Changes in 2010Q1

Percent Change, First Quarter of 2010 vs. First Quarter of 2009, Source: FHFA Home Price Index



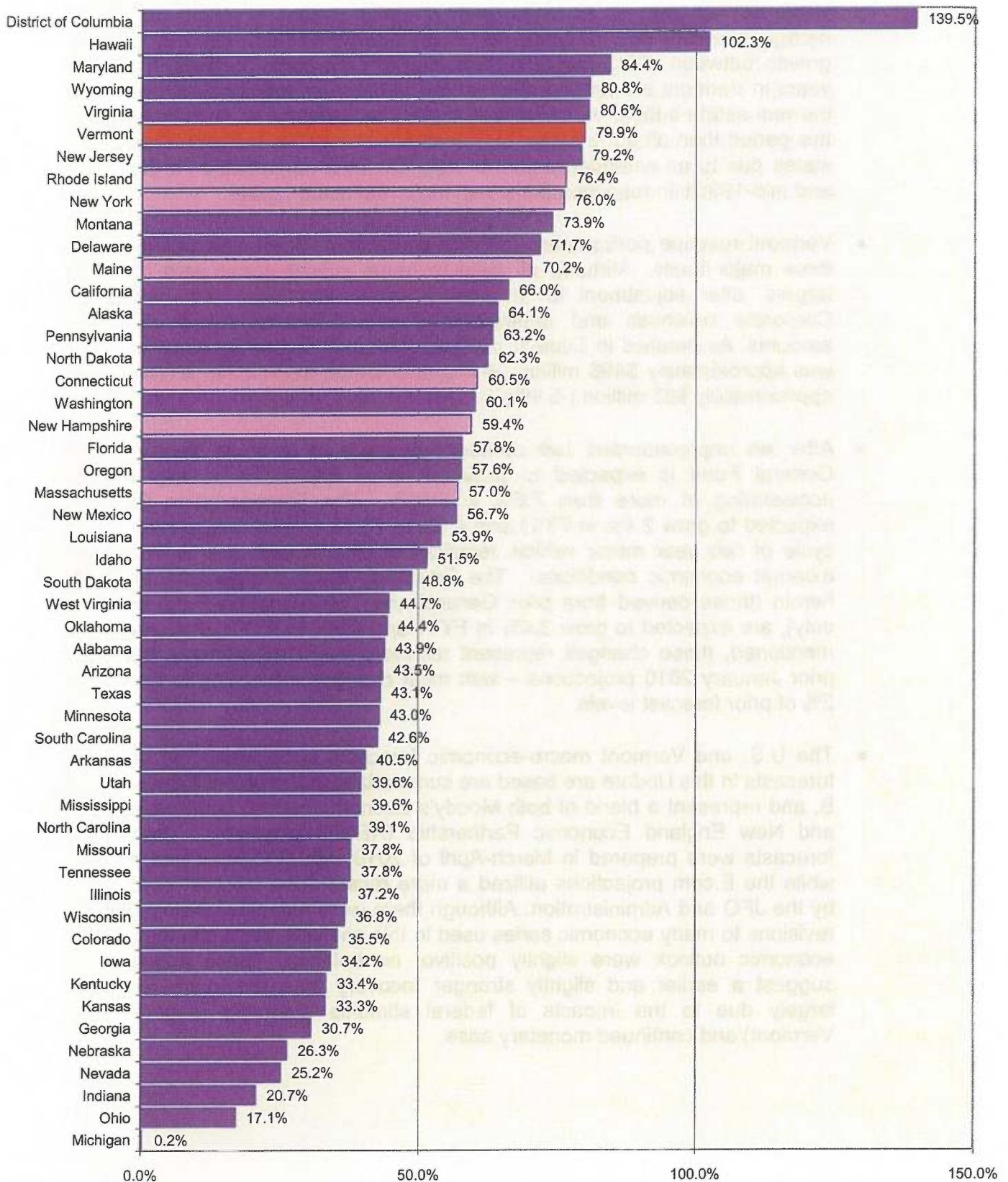
Real Estate Markets are Regional: 3 Year Change in Home Prices

Percent Change, First Quarter of 2010 vs. First Quarter of 2007, Source: FHFA Home Price Index



Real Estate Markets are Regional: 10 Year Growth in Home Prices

Percent Change, First Quarter of 2010 vs. First Quarter of 2000, Source: FHFA Home Price Index



Unlike the real estate cycle in the late 1980's, in which New England states were among the most severely affected, the current real estate downturn has been most extreme in the high growth states of Nevada, Arizona, Florida and California, as well as an assortment of other states in which sub-prime mortgage lending was rampant. As illustrated in the chart depicting 10 year growth between 2000 and 2010, the relatively low price declines in recent years in Vermont are not the result of low home price appreciation preceding the real estate bubble. Vermont had higher than average appreciation during this period than all but 5 states but markets were not as overpriced as many states due to an extended period of very low price appreciation in the early and mid-1990's in response to the last major real estate cycle.

- Vermont revenue performance in FY10 was within 1% of expectations in all three major funds. Virtually all major revenue subcategories were close to targets, after adjustment for a revenue accounting issue that overstated Corporate revenues and understated Personal Income by a offsetting amounts. As detailed in Table 1, restated Personal Income revenue in FY10 was approximately \$498 million (-6.1%) and Corporate Income revenue was approximately \$63 million (-5.1%).
- After an unprecedented two consecutive years of revenue declines, the General Fund is expected to grow by about 5% in FY11, with growth accelerating to more than 7.5% in FY12. The Transportation Fund is expected to grow 2.4% in FY11 and 4.3% in FY12, in part due to the normal cycle of two year motor vehicle registrations and in part due to improving external economic conditions. The Education Fund components reported herein (those derived from prior General and Transportation Fund sources only), are expected to grow 3.4% in FY11 and 4.5% in FY12. As previously mentioned, these changes represent relatively minor adjustments from the prior January 2010 projections – with most changes amounting to less than 2% of prior forecast levels.
- The U.S. and Vermont macro-economic forecasts upon which the revenue forecasts in this Update are based are summarized in the below Tables A and B, and represent a blend of both Moody's Economy.com (E.com) projections and New England Economic Partnership (NEEP) forecasts. The NEEP forecasts were prepared in March-April of 2010 with JFO input and review, while the E.com projections utilized a more recent June forecast purchased by the JFO and Administration. Although there were extensive historical data revisions to many economic series used in this analysis, most changes to the economic outlook were slightly positive, on balance. These adjustments suggest a earlier and slightly stronger recovery than previously forecast, largely due to the impacts of federal stimulus spending (especially in Vermont) and continued monetary ease.

TABLE A
Comparison of Recent NEEP/Economy.com U.S. Macroeconomic Forecasts
December-08 Through June-10, Selected Variables, Calendar Year Basis

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Real GDP Growth									
December-08	2.9	2.8	2.0	1.2	-1.5	2.1	4.8	5.1	
June-09	2.9	2.8	2.0	1.1	-3.0	1.2	4.4	5.8	
November-09	3.1	2.7	2.1	0.4	-2.6	1.8	3.9	5.4	3.6
June-10	3.1	2.7	2.1	0.4	-2.4	3.1	3.9	5.0	3.4
S&P 500 Growth (Annual Avg.)									
December-08	6.8	8.6	12.7	-18.3	-12.4	30.8	7.6	8.8	
June-09	6.8	8.6	12.7	-17.3	-23.7	31.1	8.2	7.5	
November-09	6.8	8.6	12.7	-17.3	-23.9	24.6	8.0	7.4	5.0
June-10	6.8	8.6	12.7	-17.3	-22.5	21.2	5.8	4.2	5.9
Employment Growth (Non-Ag)									
December-08	1.7	1.8	1.1	-0.2	-2.2	0.4	2.5	3.1	
June-09	1.7	1.8	1.1	-0.4	-3.7	-0.8	2.4	3.6	
November-09	1.7	1.8	1.1	-0.4	-3.7	-1.0	2.2	3.5	3.3
June-10	1.7	1.8	1.1	-0.6	-4.3	-0.4	1.5	2.9	3.2
Unemployment Rate									
December-08	5.1	4.6	4.6	5.7	8.0	8.7	7.4	5.9	
June-09	5.1	4.6	4.6	5.8	9.3	9.9	8.6	6.6	
November-09	5.1	4.6	4.6	5.8	9.2	10.0	8.9	7.0	5.8
June-10	5.1	4.6	4.6	5.8	9.3	9.9	9.5	7.5	6.1
West Texas Int. Crude Oil \$/Bbl									
December-08	56.5	66.1	72.4	101.2	53.4	77.5	85.4	82.4	
June-09	56.5	66.1	72.4	100.8	58.1	74.6	84.5	82.4	
November-09	56.5	66.1	72.4	100.8	60.6	75.9	87.5	89.4	90.2
June-10	56.5	66.1	72.4	99.6	61.7	79.5	87.3	89.4	90.2
Prime Rate									
December-08	6.19	7.96	8.05	4.96	3.28	5.02	7.34	7.60	
June-09	6.19	7.96	8.05	5.09	3.25	3.53	5.32	7.07	
November-09	6.19	7.96	8.05	5.09	3.22	3.35	5.15	7.01	7.50
June-10	6.19	7.96	8.05	5.09	3.25	3.2	4.6	6.78	7.07
Consumer Price Index Growth									
December-08	3.4	3.2	2.9	4.2	0.9	2.7	1.8	1.7	
June-09	3.4	3.2	2.9	3.8	-0.6	1.7	2.0	2.0	
November-09	3.4	3.2	2.9	3.8	-0.5	1.7	1.9	2.1	2.0
June-10	3.4	3.2	2.9	3.8	-0.3	1.8	2.1	3.1	2.8
Avg. Home Price Growth									
December-08	11.6	7.8	2.5	-3.0	-8.1	-6.4	1.7	4.4	
June-09	11.5	7.5	2.2	-2.5	-5.5	-9.9	-0.1	4.0	
November-09	11.5	7.4	2.0	-2.6	-5.0	-10.4	-1.5	4.2	5.7
June-10	11.4	7.2	1.8	-3.0	-4.0	-4.6	-0.7	0.4	1.5

TABLE B
Comparison of Adjusted NEEP/Economy.com/JFO Vermont State Forecasts
July-08 Through June-10, Selected Variables, Calendar Year Basis

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Real GSP Growth									
July-08	2.0	1.2	1.5	-0.4	1.6	4.0	3.4	2.4	
October-08	2.0	1.2	1.5	1.3	0.1	2.8	3.3	3.2	
December-08	2.0	1.2	1.5	1.2	-0.8	1.8	3.9	4.5	
June-09	2.2	1.3	1.7	1.7	-3.3	0.5	3.4	5.1	
November-09	2.2	1.3	1.7	1.7	-3.1	-0.5	4.5	5.3	4.3
June-10	2.2	1.3	1.7	1.7	-0.3	3.5	4.0	5.1	3.2
Population Growth									
July-08	0.2	0.2	0.1	0.1	0.2	0.2	0.3	0.4	
October-08	0.2	0.1	0.1	0.1	0.2	0.2	0.2	0.2	
December-08	0.2	0.2	0.1	0.2	0.3	0.3	0.3	0.3	
June-09	0.1	0.1	0.1	0.1	0.0	0.1	0.3	0.3	
November-09	0.1	0.1	0.1	0.1	0.0	0.2	0.3	0.3	0.3
June-10	0.1	0.2	0.1	0.1	0.1	0.1	0.3	0.3	0.3
Employment Growth									
July-08	0.9	0.7	0.0	-0.5	-0.1	1.3	1.1	0.6	
October-08	0.9	0.7	0.0	-0.3	-1.7	-0.6	1.0	1.4	
December-08	0.9	0.7	0.0	-0.2	-1.3	0.2	1.6	1.6	
June-09	0.9	0.7	0.2	-0.7	-4.6	-1.7	1.4	2.9	
November-09	0.9	0.7	0.2	-0.7	-3.8	-1.1	1.3	2.3	2.9
June-10	0.8	0.7	0.2	-0.4	-3.3	-0.4	0.8	2.2	1.9
Unemployment Rate									
July-08	3.5	3.7	3.9	4.9	5.4	5.0	4.6	4.4	
October-08	3.5	3.7	3.9	4.9	6.3	6.7	6.0	5.3	
December-08	3.5	3.7	3.9	4.9	6.6	7.2	6.3	5.1	
June-09	3.5	3.7	4.0	4.8	8.0	8.9	7.7	6.1	
November-09	3.5	3.7	4.0	4.8	7.2	8.1	7.4	6.0	5.1
June-10	3.5	3.7	3.9	4.5	6.9	6.7	6.6	5.4	4.5
Personal Income Growth									
July-08	2.9	6.4	5.2	3.7	2.8	4.0	4.1	4.3	
October-08	2.5	7.6	6.6	3.6	1.9	2.9	3.8	3.9	
December-08	2.5	7.6	6.6	3.9	1.3	2.5	3.6	4.5	
June-09	2.5	7.6	6.7	3.8	0.1	0.7	2.4	4.4	
November-09	2.5	7.6	6.7	4.3	1.4	1.1	2.4	3.5	5.1
June-10	2.3	8.0	4.8	2.7	-0.3	2.8	3.4	5.5	6.0
Home Price Growth (JFO*)									
July-08	14.2	9.4	4.0	0.1	-1.4	0.2	1.1	1.8	
October-08	14.2	9.2	4.0	0.8	-2.7	0.2	1.6	1.5	
December-08*	14.1	9.1	3.9	0.7	-1.3	0.1	1.1	1.5	
June-09*	14.0	8.9	3.4	0.9	-1.7	-1.6	0.5	1.1	
November-09*	14.0	8.5	3.2	0.8	-1.8	-1.9	0.4	1.1	2.1
June-10	13.9	8.4	3.1	0.4	-1.5	-2.1	0.1	1.1	2.1

Methodological Notes and Other Comments

- This analysis has benefited significantly from the input and support of Tax Department and Joint Fiscal Office personnel. In the Joint Fiscal Office, Sara Teachout, Stephanie Barrett, Catherine Benham, Neil Schickner and Mark Perrault have contributed to numerous policy and revenue impact analyses and coordinated JFO forecast production and related legislative committee support functions. Theresa Utton-Jerman has organized and maintains large tax and other databases in support of JFO revenue forecasting activities. In the Tax Department, Susan Mesner, Tax Department Economist, has made important analytic contributions to many tax and revenue forecasts, including tax law change analyses and Bill Smith, Tax Department Statistician and Policy Analyst, has provided a wealth of statistical and related background information from the detailed tax databases he has developed and maintained. Our thanks to all of the above for their many contributions to this analysis.
- The analysis in support of JFO economic and revenue projections are based on statistical and econometric models, and professional analytic judgment. All models are based on 32 years of data for each of the 25 General Fund categories (three aggregates), 29 years of data for each of the Transportation Fund categories (one aggregate), and 11 to 32 years for each of the Education Fund categories. The analyses employed includes seasonal adjustment using the X-11 and X-12 Census methods, various moving average techniques (such as Henderson Curves, etc.), Box-Jenkins ARIMA type models, pressure curve analysis, comparable-pattern analysis of monthly, quarterly and half year trends for current year estimation, and behavioral econometric forecasting models.
- Because the State does not currently fund an internal State or U.S. macro-economic model, this analysis relies primarily on macro-economic models from Moody's/Economy.com and the New England Economic Partnership (NEEP). The NEEP forecast for Vermont is managed by Jeff Carr, of Economic & Policy Resources, Inc., who is also the current Administration economist. Since October of 2001, input and review of initial Vermont NEEP model design and output prior to its release has been provided by the JFO Consulting Economist. Dynamic and other input/output-based models for the State of Vermont, including those from Regional Economic Models, Inc. (REMI), Regional Dynamics, Inc. (REDYN), and IMPLAN are also maintained and managed by the JFO for use in selected economic impact and simulation analyses used herein.
- The Consensus JFO and Administration forecasts are developed following discussion, analysis and synthesis of independent revenue projections produced by Administration and Joint Fiscal Office economic advisors.

TABLE 1A - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
SOURCE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2010

SOURCE G-FUND

revenues are prior to all E-Fund allocations

and other out-transfers. Used for

analytic and comparative purposes only.

	FY 2006	%	FY 2007	%	FY 2008	%	FY 2009	%	FY 2010	%	FY 2011	%	FY 2012	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Preliminary)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE														
Personal Income	\$542.0	8.3%	\$581.2	7.2%	\$622.3	7.1%	\$530.3	-14.8%	\$498.0	-6.1%	\$530.4	6.5%	\$590.8	11.4%
Sales & Use*	\$325.5	4.7%	\$333.7	2.5%	\$338.4	1.4%	\$321.2	-5.1%	\$311.1	-3.1%	\$321.0	3.2%	\$335.1	4.4%
Corporate	\$75.9	25.8%	\$72.8	-4.1%	\$74.6	2.4%	\$66.2	-11.3%	\$62.8	-5.1%	\$66.4	5.7%	\$73.1	10.1%
Meals and Rooms	\$111.8	-1.1%	\$114.9	2.8%	\$121.1	5.4%	\$117.1	-3.3%	\$118.0	0.8%	\$121.1	2.7%	\$126.0	4.0%
Cigarette and Tobacco**	\$48.9	0.3%	\$64.3	31.4%	\$59.2	-7.9%	\$64.1	8.3%	\$70.1	9.2%	\$67.3	-4.0%	\$65.1	-3.3%
Liquor	\$13.2	5.1%	\$13.7	4.0%	\$14.2	3.7%	\$15.0	6.0%	\$14.9	-1.0%	\$15.2	2.1%	\$15.7	3.3%
Insurance	\$52.5	4.2%	\$52.9	0.8%	\$54.8	3.8%	\$53.7	-2.1%	\$53.3	-0.9%	\$54.5	2.3%	\$56.0	2.8%
Telephone	\$10.4	-1.4%	\$10.0	-4.0%	\$9.5	-4.6%	\$9.1	-3.8%	\$7.9	-13.9%	\$11.0	39.9%	\$9.3	-15.5%
Beverage	\$5.4	2.8%	\$5.5	1.3%	\$5.6	1.9%	\$5.6	0.3%	\$5.7	0.4%	\$5.8	1.6%	\$5.9	2.6%
Electric	\$2.6	0.0%	\$2.6	1.2%	\$2.7	3.3%	\$2.8	4.0%	\$2.9	2.5%	\$2.9	-0.6%	\$1.4	-50.0%
Estate	\$26.2	39.0%	\$17.8	-32.1%	\$15.7	-11.9%	\$23.4	49.1%	\$14.2	-39.5%	\$16.8	18.6%	\$16.2	-3.6%
Property	\$43.7	-3.4%	\$39.3	-10.0%	\$34.0	-13.5%	\$25.9	-23.7%	\$23.8	-8.2%	\$26.3	10.4%	\$29.5	12.2%
Bank	\$10.2	18.3%	\$10.5	3.6%	\$10.2	-3.4%	\$20.6	102.5%	\$10.4	-49.7%	\$10.6	2.4%	\$10.8	1.9%
Other Tax	\$7.2	9.1%	\$6.5	-10.2%	\$3.2	-51.1%	\$2.8	-12.7%	\$3.7	32.1%	\$2.8	-23.4%	\$3.1	10.7%
Total Tax Revenue	\$1275.4	6.8%	\$1325.7	3.9%	\$1365.5	3.0%	\$1257.9	-7.9%	\$1196.5	-4.9%	\$1252.0	4.6%	\$1338.0	6.9%
Business Licenses	\$2.8	-0.5%	\$2.8	-1.0%	\$2.7	-1.0%	\$3.0	9.4%	\$3.0	-0.2%	\$3.1	3.9%	\$3.2	3.2%
Fees	\$13.2	6.1%	\$14.2	7.4%	\$14.7	3.6%	\$19.1	29.5%	\$19.2	0.9%	\$19.5	1.4%	\$20.3	4.1%
Services	\$1.3	-35.3%	\$1.5	17.1%	\$1.7	15.9%	\$1.5	-11.0%	\$1.2	-19.9%	\$1.3	4.9%	\$1.4	7.7%
Fines	\$3.2	-26.7%	\$3.2	-2.1%	\$4.4	38.6%	\$9.8	122.0%	\$7.4	-24.8%	\$5.4	-26.6%	\$5.6	3.7%
Interest	\$2.7	67.0%	\$3.6	33.5%	\$3.9	10.1%	\$1.4	-63.9%	\$0.6	-56.0%	\$0.9	43.9%	\$1.8	100.0%
Lottery	\$21.9	7.3%	\$23.3	6.5%	\$22.7	-2.5%	\$20.9	-7.7%	\$21.0	0.1%	\$21.4	2.0%	\$21.9	2.3%
All Other	\$0.2	-40.9%	\$1.1	365.2%	\$0.6	-44.1%	\$0.2	-64.7%	\$0.3	57.3%	\$0.4	15.7%	\$0.5	25.0%
Total Other Revenue	\$45.3	2.9%	\$49.6	9.5%	\$50.9	2.5%	\$56.0	10.0%	\$52.8	-5.7%	\$52.0	-1.4%	\$54.7	5.2%
TOTAL GENERAL FUND	\$1320.8	6.7%	\$1375.4	4.1%	\$1416.4	3.0%	\$1313.9	-7.2%	\$1249.3	-4.9%	\$1304.0	4.4%	\$1392.7	6.8%
OTHER														
Fuel Gross Receipts Tax***	\$6.3	8.0%	\$7.0	10.6%	\$7.3	4.7%	\$7.3	-0.2%	\$6.9	-5.4%	\$7.3	4.9%	\$7.6	4.1%

* Includes Telecommunications Tax; includes \$3.76M transfer in FY08 to the T-Fund for prior years Jet Fuel tax processing error

** Includes Cigarette, Tobacco Products and Floor Stock tax revenues

*** FY09 Fuel Gross Receipts data are forecast, not preliminary or actual, due to data processing delays

TABLE 1 - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2010

CURRENT LAW BASIS

Including all Education Fund

allocations and other out-transfers

REVENUE SOURCE

	FY 2006	%	FY 2007	%	FY 2008	%	FY 2009	%	FY 2010	%	FY 2011	%	FY 2012	%
	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Actual)</i>	<i>Change</i>	<i>(Preliminary)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>	<i>(Forecast)</i>	<i>Change</i>
Personal Income	\$542.0	8.3%	\$581.2	7.2%	\$622.3	7.1%	\$530.3	-14.8%	\$498.0	-6.1%	\$530.4	6.5%	\$590.8	11.4%
Sales and Use*	\$216.9	4.7%	\$222.5	2.6%	\$225.6	1.4%	\$214.1	-5.1%	\$207.4	-3.1%	\$214.0	3.2%	\$223.4	4.4%
Corporate	\$75.9	25.8%	\$72.8	-4.1%	\$74.6	2.4%	\$66.2	-11.3%	\$62.8	-5.1%	\$66.4	5.7%	\$73.1	10.1%
Meals and Rooms	\$111.8	-1.1%	\$114.9	2.8%	\$121.1	5.4%	\$117.1	-3.3%	\$118.0	0.8%	\$121.1	2.7%	\$126.0	4.0%
Cigarette and Tobacco	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Liquor	\$13.2	5.1%	\$13.7	4.0%	\$14.2	3.7%	\$15.0	6.0%	\$14.9	-1.0%	\$15.2	2.1%	\$15.7	3.3%
Insurance	\$52.5	4.2%	\$52.9	0.8%	\$54.8	3.8%	\$53.7	-2.1%	\$53.3	-0.9%	\$54.5	2.3%	\$56.0	2.8%
Telephone	\$10.4	-1.4%	\$10.0	-4.0%	\$9.5	-4.6%	\$9.1	-3.8%	\$7.9	-13.9%	\$11.0	39.9%	\$9.3	-15.5%
Beverage	\$5.4	2.8%	\$5.5	1.3%	\$5.6	1.9%	\$5.6	0.3%	\$5.7	0.4%	\$5.8	1.6%	\$5.9	2.6%
Electric	\$2.6	0.0%	\$2.6	1.2%	\$2.7	3.3%	\$2.8	4.0%	\$2.9	2.5%	\$2.9	-0.6%	\$1.4	-50.0%
Estate**	\$26.2	39.0%	\$17.8	-32.1%	\$15.7	-11.9%	\$21.9	39.4%	\$14.2	-35.2%	\$16.8	18.6%	\$16.2	-3.6%
Property	\$13.5	-8.9%	\$12.8	-4.5%	\$10.7	-16.3%	\$8.5	-21.1%	\$7.8	-8.2%	\$8.6	10.4%	\$9.6	12.2%
Bank	\$10.2	18.3%	\$10.5	3.6%	\$10.2	-3.4%	\$20.6	102.5%	\$10.4	-49.7%	\$10.6	2.4%	\$10.8	1.9%
Other Tax	\$7.2	9.1%	\$6.5	-10.2%	\$3.2	-51.1%	\$2.8	-12.7%	\$3.7	32.1%	\$2.8	-23.4%	\$3.1	10.7%
Total Tax Revenue	\$1087.7	7.6%	\$1123.7	3.3%	\$1170.3	4.1%	\$1067.7	-8.8%	\$1006.7	-5.7%	\$1060.0	5.3%	\$1141.4	7.7%
Business Licenses	\$2.8	-0.5%	\$2.8	-1.0%	\$2.7	-1.0%	\$3.0	9.4%	\$3.0	-0.2%	\$3.1	3.9%	\$3.2	3.2%
Fees	\$13.2	6.1%	\$14.2	7.4%	\$14.7	3.6%	\$19.1	29.5%	\$19.2	0.9%	\$19.5	1.4%	\$20.3	4.1%
Services	\$1.3	-35.3%	\$1.5	17.1%	\$1.7	15.9%	\$1.5	-11.0%	\$1.2	-19.9%	\$1.3	4.9%	\$1.4	7.7%
Fines	\$3.2	-26.7%	\$3.2	-2.1%	\$4.4	38.6%	\$9.8	122.0%	\$7.4	-24.8%	\$5.4	-26.6%	\$5.6	3.7%
Interest	\$3.4	60.7%	\$4.9	43.9%	\$5.3	7.2%	\$1.2	-77.8%	\$0.5	-54.7%	\$0.7	32.5%	\$1.6	128.6%
All Other	\$0.2	-40.9%	\$1.1	365.2%	\$0.6	-44.1%	\$0.2	-64.7%	\$0.3	57.3%	\$0.4	15.7%	\$0.5	25.0%
Total Other Revenue	\$24.2	-0.1%	\$27.7	14.3%	\$29.5	6.5%	\$34.8	18.0%	\$31.7	-8.8%	\$30.4	-4.1%	\$32.6	7.2%
TOTAL GENERAL FUND	\$1111.9	7.4%	\$1151.4	3.5%	\$1199.7	4.2%	\$1102.5	-8.1%	\$1038.4	-5.8%	\$1090.4	5.0%	\$1174.0	7.7%

* Includes \$2.5M transfer to the T-Fund in FY08 for prior years Jet Fuel tax processing errors

** Excludes transfer to the Higher Education Trust Fund of \$2.4M in FY05 and \$5.2M in FY06

TABLE 2A - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
SOURCE TRANSPORTATION FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2010

SOURCE T-FUND

revenues are prior to all E-Fund allocations

and other out-transfers. Used for

analytic and comparative purposes only.

	FY 2006	%	FY 2007	%	FY 2008	%	FY 2009	%	FY 2010	%	FY 2011	%	FY 2012	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Preliminary)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE														
Gasoline	\$63.8	-2.7%	\$63.6	-0.3%	\$62.6	-1.6%	\$60.6	-3.1%	\$61.0	0.6%	\$62.1	1.8%	\$63.6	2.4%
Diesel	\$17.7	14.0%	\$18.0	1.7%	\$16.6	-7.8%	\$15.5	-6.5%	\$15.1	-2.6%	\$15.6	3.3%	\$16.3	4.5%
Purchase and Use*	\$80.3	-4.4%	\$80.6	0.4%	\$79.0	-2.0%	\$65.9	-16.6%	\$69.8	5.8%	\$73.4	5.2%	\$78.6	7.1%
Motor Vehicle Fees	\$57.4	2.3%	\$65.4	14.1%	\$67.5	3.2%	\$65.5	-3.0%	\$72.4	10.5%	\$72.9	0.7%	\$76.0	4.3%
Other Revenue**	\$18.2	8.6%	\$20.2	11.1%	\$23.7	17.2%	\$18.0	-24.0%	\$18.2	1.4%	\$18.9	3.6%	\$19.5	3.2%
TOTAL TRANS. FUND	\$237.4	-0.3%	\$247.8	4.4%	\$249.4	0.6%	\$225.6	-9.6%	\$236.5	4.8%	\$242.9	2.7%	\$254.0	4.6%

TABLE 2 - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE TRANSPORTATION FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - January 2010

CURRENT LAW BASIS

including all Education Fund

allocations and other out-transfers

	FY 2006	%	FY 2007	%	FY 2008	%	FY 2009	%	FY 2010	%	FY 2011	%	FY 2012	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Preliminary)	Change	(Forecast)	Change	(Forecast)	Change
REVENUE SOURCE														
Gasoline	\$63.8	-2.7%	\$63.6	-0.3%	\$62.6	-1.6%	\$60.6	-3.1%	\$61.0	0.6%	\$62.1	1.8%	\$63.6	2.4%
Diesel	\$17.7	14.0%	\$18.0	1.7%	\$16.6	-7.8%	\$15.5	-6.5%	\$15.1	-2.6%	\$15.6	3.3%	\$16.3	4.5%
Purchase and Use*	\$53.9	-3.8%	\$53.7	-0.3%	\$52.7	-2.0%	\$44.0	-16.6%	\$46.5	5.8%	\$48.9	5.2%	\$52.4	7.1%
Motor Vehicle Fees	\$57.4	2.3%	\$65.4	14.1%	\$67.5	3.2%	\$65.5	-3.0%	\$72.4	10.5%	\$72.9	0.7%	\$76.0	4.3%
Other Revenue**	\$17.1	7.6%	\$19.2	11.9%	\$23.7	23.5%	\$18.0	-24.0%	\$18.2	1.4%	\$18.9	3.6%	\$19.5	3.2%
TOTAL TRANS. FUND	\$209.9	0.4%	\$219.9	4.8%	\$223.1	1.4%	\$203.6	-8.7%	\$213.3	4.7%	\$218.4	2.4%	\$227.8	4.3%

OTHER

TIB Gasoline

TIB Diesel

Total TIB

	\$13.4	NM	\$16.1	20.6%	\$17.8	10.4%
	\$1.5	NM	\$1.9	26.1%	\$2.0	4.3%
	\$14.9	NM	\$18.0	21.2%	\$19.8	9.7%

* As of FY04, includes Motor Vehicle Rental tax revenue

** Beginning in FY07, includes Stabilization Reserve interest; FY08 data includes \$3.76M transfer from G-Fund for prior Jet Fuel tax processing errors and inclusion of this tax in subsequent years

TABLE 3 - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE
AVAILABLE EDUCATION FUND* REVENUE FORECAST UPDATE
(Partial Education Fund Total - Includes Source General and Transportation Fund Allocations Only)
Consensus JFO and Administration Forecast - January 2010

CURRENT LAW BASIS

* Source General and Transportation

Fund taxes allocated to or associated
with the Education Fund only.

	FY 2006	%	FY 2007	%	FY 2008	%	FY 2009	%	FY 2010	%	FY 2011	%	FY 2012	%
	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Actual)	Change	(Preliminary)	Change	(Forecast)	Change	(Forecast)	Change
GENERAL FUND														
Meals and Rooms	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Sales & Use**	\$108.5	4.8%	\$111.2	2.5%	\$112.8	1.4%	\$107.1	-5.1%	\$103.7	-3.1%	\$107.0	3.2%	\$111.7	4.4%
Bank	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Corporate	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Security Registration Fees	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM	\$0.0	NM
Interest	(\$0.7)	NM	(\$1.3)	NM	(\$1.3)	-0.8%	\$0.3	NM	\$0.1	NM	\$0.2	NM	\$0.2	0.0%
Lottery	\$21.9	7.3%	\$23.3	6.5%	\$22.7	-2.5%	\$20.9	-7.7%	\$21.0	0.1%	\$21.4	2.0%	\$21.9	2.3%
TRANSPORTATION FUND														
Purchase and Use***	\$26.4	-5.8%	\$26.9	1.8%	\$26.3	-2.0%	\$22.0	-16.6%	\$23.3	5.8%	\$24.5	5.2%	\$26.2	7.1%
TOTAL	\$156.1	3.0%	\$160.1	2.6%	\$160.5	0.3%	\$150.2	-6.4%	\$148.0	-1.5%	\$153.1	3.4%	\$160.0	4.5%

** Includes Telecommunications Tax; Includes \$1.25M transfer to T-Fund in FY08 for prior Jet Fuel Tax processing errors

*** Includes Motor Vehicle Rental revenues, restated

TABLE 4 - JFO BUDGET SUMMARY **Budget Impact of Revenue Forecast**

(JFO Budgetary Statement Consistent With July 2010 Revenue Forecasts)

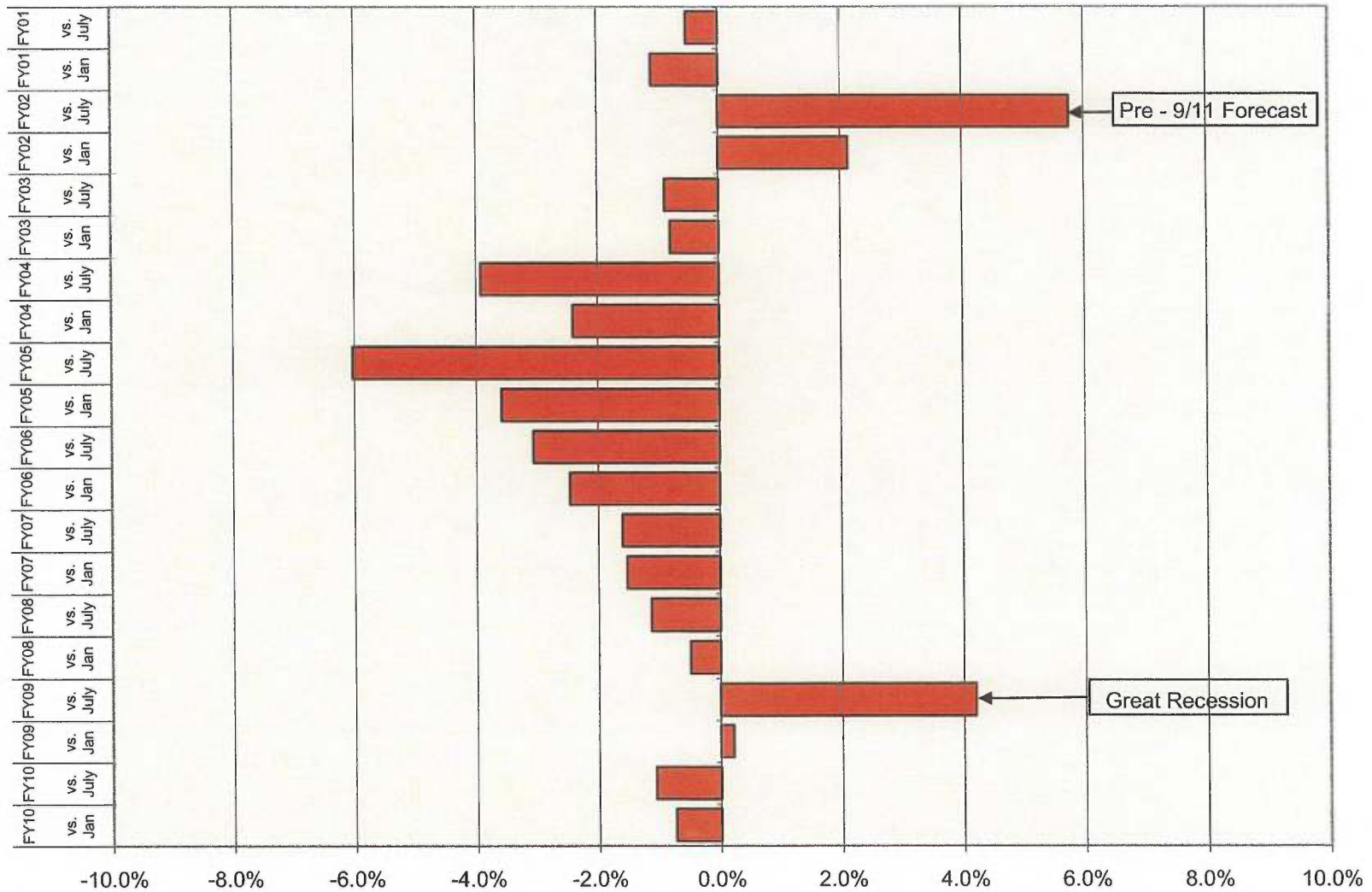
General Fund			Transportation Fund			Education Fund		
	FY 2011	FY 2012		FY 2011	FY 2012		FY 2011	FY 2012
Jan 2010	1086.6	1158.6	Jan 2010	218.0	226.6	Jan 2010	151.3	158.1
Other - PTT*	5.9	0.0	Other	0.0	0.0	Other	0.0	0.0
Tax Changes estimate	1.0	(9.1)	Tax Changes estimate	0.2	0.2	Tax Changes estimate	0.0	0.0
Budget Revenue Level	1093.5	1149.46	Budget Revenue Level	218.2	226.8	Budget Revenue Level	151.3	158.1
July 2010 incl.changes	1090.4	1174.0	July 2010 incl.changes	218.4	227.8	July 2010 incl.changes	153.1	160
Other - PTT	7.9	0.0	Other	0.0	0.0	Other	0.0	0.0
	1098.3	1174.0		218.4	227.8		153.1	160
difference	4.8	24.5	difference	0.2 0.3	1.0	difference	1.8	1.9

PTT-property transfer tax formula redirected, FY12 no redirect yet

TIB Fund		
Jan 2010	18.6	20.9
July 2010	18.0	19.8
difference	-0.6	-1.1

Vermont Consensus Revenue Forecasting Accuracy

(Percent Difference, Estimated to Actual Values, FY2001 to FY2010 - Source: Joint Fiscal Office)



	FY10	FY10	FY09	FY09	FY08	FY08	FY07	FY07	FY06	FY06	FY05	FY05	FY04	FY04	FY03	FY03	FY02	FY02	FY01	FY01
	vs. Jan	vs. July	vs. Jan	vs. July	vs. Jan	vs. July	vs. Jan	vs. July	vs. Jan	vs. July	vs. Jan	vs. July	vs. Jan	vs. July	vs. Jan	vs. July	vs. Jan	vs. July	vs. Jan	vs. July
Total	-0.7%	-1.1%	0.2%	4.2%	-0.5%	-1.1%	-1.5%	-1.6%	-2.5%	-3.1%	-3.6%	-6.0%	-2.4%	-3.9%	-0.8%	-0.9%	2.1%	5.8%	-1.1%	-0.5%

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July 7, 2010

STATE OF VERMONT
LEGISLATIVE JOINT FISCAL COMMITTEE
ONE BALDWIN STREET
MONTPELIER, VT 05633-5701

To: The Legislative Joint Fiscal Committee
Rep. Michael J. Obuchowski, Chair
Sen. Ann Cummings, Vice-Chair
Sen. Diane Snelling, Clerk
Rep. Janet Ancel
Sen. Susan Bartlett
Rep. Martha Heath
Rep. Mark Larson
Sen. Richard Sears, Jr.
Sen. Peter Shumlin
Rep. Richard Westman

Enclosed is the Quarterly Report of costs and expenditures for proceedings of the Federal Energy Regulatory Commission [30 V. S. A. § 20 (b)(9)] covering the period from April 1, 2010 through June 30, 2010.

Respectfully Submitted,
Vermont Department of Public Service



David O'Brien
Commissioner

Enclosure



**Public Service Department Expenditures
Related to Proceedings
At the
Federal Energy Regulatory Commission
For the period
April 1, 2010 through June 30, 2010**

General Description of Activity

The Department takes action at FERC to protect the interest of Vermont ratepayers in many different proceedings. We have FERC counsel on contract to monitor general FERC actions and proceedings and to also represent Vermont's interests in particular proceedings. For example, the Department has been active at FERC in ensuring fairness in cost allocations for utility projects and in ensuring Vermont's interests are represented in New England transmission projects. The issues vary from quarter to quarter but it is crucial to Vermont consumers that the Public Service Department intervenes at FERC when necessary to ensure that the costs flowing back to Vermont ratepayers as a result of FERC activity and proceedings are true, accurate, just and reasonable.

Expenditures

For FERC related activity affecting Vermont ¹	\$5,773.40
Indirect Expenditures ²	<u>\$0</u>
Total Expenditures ³ for the Quarter	\$5,773.40

¹In accordance with Title 30, § 20 (b) (9) the department of public service provides the following quarterly report for expenditures related to FERC proceedings affecting the State of Vermont Utilities for the period October 1, 2009 through December 31, 2009.

§20. Particular proceedings; personnel

(b) Proceedings, including appeals therefrom, for which additional personnel may be retained are:

(9) proceedings in the Federal Energy Regulatory Commission which involve Vermont utilities or which may affect the interests of the state of Vermont. Costs under this subdivision shall be charged to the involved electric or natural gas companies pursuant to section 21(a) of this title. In cases where the proceeding is generic in nature the costs shall be allocated to electric or natural gas companies in proportion to the benefits sought for the customers of such companies from such advocacy. The public service board and the department of public service shall report quarterly to the joint fiscal committee all costs incurred and expenditures charged under the authority of this subsection, and the purpose for which such costs were incurred and expenditures made;

²Indirect expenditures include telephone, postage and copying expense.

³Expenditures include amounts actually paid for the quarter.



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July 7, 2010

STATE OF VERMONT
LEGISLATIVE JOINT FISCAL COMMITTEE
ONE BALDWIN STREET
MONTPELIER, VT 05633-5701

To: The Legislative Joint Fiscal Committee
Rep. Michael J. Obuchowski, Chair
Sen. Ann Cummings, Vice-Chair
Sen. Diane Snelling, Clerk
Rep. Janet Ancel
Sen. Susan Bartlett
Rep. Martha Heath
Rep. Mark Larson
Sen. Richard Sears, Jr.
Sen. Peter Shumlin
Rep. Richard Westman

Enclosed is the Quarterly Report of costs and expenditures for proceedings of the Federal Energy Regulatory Commission [30 V. S. A. § 20 (b)(9)] covering the period from January 1, 2010 through March 31, 2010.

Respectfully Submitted,
Vermont Department of Public Service

A handwritten signature in blue ink, appearing to read "David O'Brien", with a long, sweeping underline.

David O'Brien
Commissioner

Enclosure



**Public Service Department Expenditures
Related to Proceedings
At the
Federal Energy Regulatory Commission
For the period
January 1, 2010 through March 31, 2010**

General Description of Activity

The Department takes action at FERC to protect the interest of Vermont ratepayers in many different proceedings. We have FERC counsel on contract to monitor general FERC actions and proceedings and to also represent Vermont's interests in particular proceedings. For example, the Department has been active at FERC in ensuring fairness in cost allocations for utility projects and in ensuring Vermont's interests are represented in New England transmission projects. The issues vary from quarter to quarter but it is crucial to Vermont consumers that the Public Service Department intervenes at FERC when necessary to ensure that the costs flowing back to Vermont ratepayers as a result of FERC activity and proceedings are true, accurate, just and reasonable.

Expenditures

For FERC related activity affecting Vermont ¹	\$6,814.63
Indirect Expenditures ²	<u>\$0</u>
Total Expenditures ³ for the Quarter	\$6,814.63

¹In accordance with Title 30, § 20 (b) (9) the department of public service provides the following quarterly report for expenditures related to FERC proceedings affecting the State of Vermont Utilities for the period October 1, 2009 through December 31, 2009.

§20. Particular proceedings; personnel

(b) Proceedings, including appeals therefrom, for which additional personnel may be retained are:

(9) proceedings in the Federal Energy Regulatory Commission which involve Vermont utilities or which may affect the interests of the state of Vermont. Costs under this subdivision shall be charged to the involved electric or natural gas companies pursuant to section 21(a) of this title. In cases where the proceeding is generic in nature the costs shall be allocated to electric or natural gas companies in proportion to the benefits sought for the customers of such companies from such advocacy. The public service board and the department of public service shall report quarterly to the joint fiscal committee all costs incurred and expenditures charged under the authority of this subsection, and the purpose for which such costs were incurred and expenditures made;

²Indirect expenditures include telephone, postage and copying expense.

³ Expenditures include amounts actually paid for the quarter.

1. The first part of the report is a general introduction to the project.

The second part of the report is a detailed description of the methodology used in the study. This includes a discussion of the data sources, the sampling method, and the statistical techniques used to analyze the data.

The third part of the report is a discussion of the results of the study.

The fourth part of the report is a conclusion.

The fifth part of the report is a list of references. This includes a list of the books, articles, and other sources used in the study.

The sixth part of the report is a list of appendices. This includes a list of the tables, figures, and other supplementary material.

The seventh part of the report is a list of abbreviations. This includes a list of the abbreviations used in the report.

The eighth part of the report is a list of symbols. This includes a list of the symbols used in the report.

The ninth part of the report is a list of footnotes.

The tenth part of the report is a list of references. This includes a list of the books, articles, and other sources used in the study.

The eleventh part of the report is a list of references.

The twelfth part of the report is a list of references.

The thirteenth part of the report is a list of references.

The fourteenth part of the report is a list of references.

The fifteenth part of the report is a list of references.

The sixteenth part of the report is a list of references.

Vermont Department of Environmental Conservation*Agency of Natural Resources*

Commissioner's Office

103 South Main Street, 1 South [phone] 802-241-3808

Waterbury, VT 05671-0401 [fax] 802-244-5141

MEMORANDUM

TO: The Legislative Joint Fiscal Committee
Rep. Michael Obuchowski, *Chair*
Sen. Ann Cummings, *Vice Chair*
Sen. Diane Snelling, *Clerk*
Rep. Janet Ancel
Sen. Susan Bartlett
Rep. Carolyn Branagan
Rep. Martha Heath
Rep. Mark Larson
Sen. Richard Sears
Sen. Peter Shumlin

FROM: Catherine Gjessing, DEC General Counsel

DATE: July 8, 2010

SUBJECT: Legislative Report – Agency of Natural Resources Report of costs and expenditures to provide assistance to the board or department in any proceedings under the Federal Energy Regulatory Commission and the Nuclear Regulatory Commission, in accordance with F25 of Act 146 of 2010; 30 V.S.A. §20(a)(2)(C).

The above referenced provision of Act 146 of 2010 became effective on July 1, 2010. As such, at this time, the Agency has nothing to report for costs and expenditures in accordance with 30 V.S.A. §20(a)(2)(C).

Please feel free to contact Catherine Gjessing at (802) 241-3753 or catherine.gjessing@state.vt.us if you have questions.

cc: Theresa Utton-Jerman, Staff Associate

Agency of Human Services
Office of the Secretary
103 South Main Street
Waterbury, VT 05671-0204
[phone] 802-241-2220
[fax] 802-241-2979

MEMORANDUM

TO: Theresa Utton-Jerman, Staff Associate, Legislative Joint Fiscal Office

CC: Nolan Langweil, Fiscal Analyst, Legislative Joint Fiscal Office

FROM: Monica Light, Financial Director, Agency of Human Services (ML)

DATE: July 7, 2010

RE: SFY10 Final MCO Investment Documentation

Pursuant to 33 V.S.A. § 1901e (c), at the close of the fiscal year, the Agency of Human Services is required to provide a detailed report to the joint fiscal committee which describes the managed care organization's investments under Term and Condition 40 of the Global Commitment for Health Medicaid Section 1115 waiver, including the amount of the investment and the agency, department, or office authorized to make the investment.

The Agency has historically provided the Joint Fiscal Office with this information after the completion of the State fiscal year closeout process. We anticipate that we will provide JFO with the final SFY10 MCO Investment detail in August, which is consistent with prior years' timing.

Please let me know if you have any questions. Thank you.

V.



State of Vermont

Department of Vermont Health Access

312 Hurricane Lane Suite 201

Williston, VT 05495-2087

www.dvha.vermont.gov

[phone] 802-879-5900

[Fax] 802-879-5651

Agency of Human Services

M E M O R A N D U M

TO: Joint Fiscal Committee; Health Access Oversight Committee

CC: Susan Besio, PhD, Commissioner, Department of Vermont Health Access
Robert D. Hofmann, Secretary, Agency of Human Services

FROM: Nancy Hogue, Pharm.D., Director of Pharmacy Services

DATE: July 8, 2010

RE: Legislative report: 33 V.S.A. §1998(c)(6)

33 VSA § 1998. Pharmacy best practices and cost control program established

(c)(1) The director may implement the pharmacy best practices and cost control program for any other health benefit plan within or outside this state that agrees to participate in the program. For entities in Vermont, the director shall directly or by contract implement the program through a joint pharmaceuticals purchasing consortium.

(c)(6) The director, the commissioners, and the secretary shall report quarterly to the health access oversight committee and the joint fiscal committee on their progress in securing Vermont's participation in such joint purchasing agreements.

* * * *

Please accept this memo as the response to the legislative requirement under 33 V.S.A. §1998(c)(6) to report on the establishment of a state drug purchasing consortium.

The Department of Vermont Health Access (DVHA) has identified and met with other state departments who may have interest in participating in a drug purchasing consortium. Discussions with the Department of Corrections (DOC), the Department of Mental Health (DMH) and the Department of Human Resources (DHR) has confirmed that the current drug purchasing arrangements provides each agency the best price available.

DVHA participates in the Federal Omnibus Budget Reconciliation (OBRA) drug rebate program and negotiates additional state supplemental rebates that cannot be shared with other state programs.

These are unique purchasing arrangements with advantages to one population that are not available to the other populations. This negates the value of establishing a consortium for the purpose of leveraging price.

Please contact me with any questions regarding this report summary.

Economic Advancement Tax Incentive Program

2010 Annual Report



VERMONT ECONOMIC PROGRESS COUNCIL

VERMONT DEPARTMENT OF TAXES



**Department of Economic Development
Vermont Economic Progress Council**

One National Life Drive
Montpelier, VT 05620-0501

www.economicdevelopment.vermont.gov/programs/VEPC

*Agency of Commerce and
Community Development*

[phone] 802-828-5765
[fax] 802-828-3383

LETTER OF TRANSMITTAL

April 1, 2010

Senator Susan Bartlett, Chair, Senate Appropriations Committee

Senator Ann Cummings, Chair, Senate Finance Committee

Senator Vincent Illuzzi, Chair, Senate Economic Development Committee

Representative Martha Heath, Chair, House Appropriations Committee

Representative Bill Botzow, Chair, House Commerce Committee

Representative Michael Obuchowski, Chair, House Ways & Means Committee

Dear Committee Chairpersons:

In compliance with the reporting requirement contained in 32 VSA Chapter 151, § 5930a(j), we are submitting herewith the 2010 Annual Report on the Economic Advancement Tax Incentive program for authorizations through the end of the program in December 2006 and the resulting economic activity through December 2008.

Respectfully,

Fred Kenney, Executive Director, VEPC

Karen Marshall, Chair, VEPC

Richard Westman, Commissioner

Vermont Department of Taxes



Vermont Economic Progress Council:

Karen Marshall, Chair; Chris Keyser, Vice-Chair; Janet Ancel, John Campbell, Betsy Gentile, Mary Lintermann, Stephan Morse, Nancy Port, Carl Rosenquist, Rachel Smith, Mark Young, Members

EATI Program Summary

ECONOMIC IMPACT TO DATE

(1998 TO 2008)

Number of Net New Jobs Created:	2105
Average Compensation:	\$47,773
Total New Investment:	\$735,497,062
New Payroll Created:	\$186,839,898
New Research and Development Investments:	\$84,530,476
New Capital Investments:	\$453,101,193
Other New Investments:	\$11,025,495

INCENTIVES AUTHORIZED AND UTILIZED

Total Net Incentives Authorized:	\$96,002,532
(Available to earn between 1998 and 2010)	
Incentives Authorized for Utilization between 1998 and 2008:	\$93,847,933
Actually Utilized Between 1998 and 2008:	\$35,576,846
Income Tax Credits Earned:	\$48,838,843
In Carry-Forward (net disallowed):	\$5,368,334
Income Tax Credits Applied:	\$27,172,325
Property Tax Incentives:	\$5,831,859
Estimated Sales & Use Tax Exemptions Utilized:	\$2,572,662
Incentives that remain available to be earned through tax year 2010:	
Income Tax:	\$6,593,224
Property Tax:	\$454,793
Sales & Use Tax:	\$24,217

Table of Contents

LETTER OF TRANSMITTAL

PROGRAM HIGHLIGHTS

INTRODUCTION

PART I: AUTHORIZATION ACTIVITY

Table 1-A: Incentive Application Activity Summary—All Applications	2
Table 1-B: Costs as Applied to the Net Negative Cap	3
Table 1-C: Theoretical Schedule for Claiming Credits	3
Table 1-D: Employment, Wages & Investment Detail	4

PART II: EARNING & APPLICATION ACTIVITY

Table 2-A: Summary of Credits Earned & Applied 1998—2007	5
Table 2-B: Basis Expenditures & Investments on which EATI Credits Calculations are Based	6
Table 2-C: Program Overview—Sales & Use Exemptions	8
Table 2-D: Program Overview—Property Tax Exemptions & Reductions	8

APPENDICES

APPENDIX I: All Applications as of December 31, 2006—In Chronological Order	9
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Introduction

In 1998, the Vermont Legislature enacted a package of tax incentives designed to achieve three goals: creation of quality jobs, closing the gap between Vermont wages and the national average wage, and maintaining and enhancing the quality of life in Vermont. The Economic Advancement Tax Incentives (EATI) program used income tax credits, sales tax exemptions, and property tax reductions and reallocations to help recruit businesses to Vermont and to encourage growth and job creation by Vermont companies.

Through an application process, the Vermont Economic Progress Council (VEPC) authorized tax incentives for a business or municipality in three categories:

1. Income tax credits based on payroll increases, research and development expenditures, workforce development expenditures, or capital expenditures in facilities and machinery or equipment, and sales of product shipped outside the state.
2. Property tax reductions for businesses including stabilization agreements, construction-in-progress exemptions, and brownfields redevelopment exemptions, Tax Increment Financing (TIF) Districts and Education Tax Reallocations for municipalities.
3. Sales Tax Exemptions including exemptions for computers used in high-tech companies, exemption for building materials in excess of \$250,000 used to construct manufacturing facilities, and, until 1999, exemptions for certain equipment, fuel and electricity.

VEPC reviewed applications for these incentives, approving or denying them based on:

1. Whether the proposed project would not occur, or would occur in a significantly different and less desirable manner, without the incentive (the "but-for" test);
2. The net impact of a project on Vermont's economy and state tax revenues, calculated through the measurement of the costs and revenue benefits of the project; and
3. Conformity of the applicant and the proposed activity with nine guidelines.

EATI income tax incentives were authorized for periods of up to five years and property tax incentives for up to ten years. Therefore, although authorization of any new incentives under the EATI program ended December 31, 2006, administration of the program continues until all authorized incentives expire or are terminated. A new incentive program, the Vermont Employment Growth Incentive (VEGI) program started January 1, 2007.

Further information on VEPC, the Economic Advancement Tax Incentive Program, and the Vermont Employment Growth Incentive Program is available at: www.thinkvermont.com/vepc. Further information on the Department of Taxes is available at: www.state.vt.us/tax.

KEY TO ABBREVIATIONS

CIP:	Construction-in-Progress	M&E:	Machinery and Equipment
DBA:	Doing Business As	R&D:	Research and Development
EATI:	Economic Advancement Tax Incentive program	S&U:	Sales and Use Tax Exemption
FKA:	Formerly Known As	TIF:	Tax Increment Financing
HT:	High Tech	VEPC:	Vermont Economic Progress Council
		WFD:	Workforce Development

PART I: Economic Advancement Tax Incentive Authorization Activity

The Authorization Activity section of this report includes data regarding application activity through **December 2006** and economic activity through **December 2008**. The information on pages 2–3 and in Appendix I provides the reader with an overview of authorizations made by the Vermont Economic Progress Council (VEPC) under the Economic Advancement Tax Incentive program pursuant to 32 VSA, Chapter 151, § 5930a(b) for the period October 1998 through the end of the program in December 2006. The economic activity that has resulted from those applications for the period October 1998 to December 2008 is covered on page 4.

Table 1-A summarizes all application activity. From the beginning of the program in October 1998 through December 2006, VEPC considered 237 applications: 199 from businesses and 38 from municipalities. Of the 237 applications, 212 were authorized (approved) and 25 were denied. VEPC staff worked very closely with the regional development corporation directors and others who counseled potential applicants regarding whether this program was appropriate for the project and the project's likelihood of approval given the program's statutory limitations. This "weeding out" process resulted in an undetermined number of applications that were never considered by the VEPC Board that might have been denied.

Of the 212 applications authorized, 18 remain active, 85 are inactive¹, and 109 are completed³. Appendix I shows every application to the program chronologically, including the name of the applicant, the date the application was considered, the status of the application, the total amount of incentives authorized or denied, the years the incentives are or were expected to be utilized, and the location of the project.

As indicated in Table 1-A, as of December 2006, VEPC has authorized incentives valued at \$149,640,566. However, for various reasons in accordance with statute, the Council and/or Tax Department have taken action to rescind or terminate 85 authorizations valued at \$53,638,034, which renders the incentives unavailable, the authorization to being listed as "inactive," and the removal of the project data from tracking.

Therefore, as of December 31, 2006, the universe of incentives authorized, which were or are available to be earned between 1998 and 2010 (and utilized between 1998 and 2016), are **\$96,002,532**. Not all incentives authorized will be earned or utilized. Please see Part II for details on credits that have been earned and applied through 2008.

TABLE 1-A INCENTIVE APPLICATION ACTIVITY SUMMARY ALL APPLICATIONS (1998 - Dec 2006)		
	#	Dollar Value
Total Applications Considered	237	\$154,870,593
Denied Applications	25	\$5,230,027
Total Applications Authorized	212	\$149,640,566
Inactive Applications ¹	85	\$53,638,034
Total Authorized Applications Available ²	127	\$96,002,532
Active Applications	18	\$7,337,376
Completed Applications ³	109	\$88,665,156
¹ An application is considered "inactive" if it has been rescinded, replaced, cancelled or some other action by the applicant or VEPC that renders the authorized credits unavailable.		
² This is the amount of incentives that have been authorized by applications approved through December 31, 2006. These incentives are or were authorized for utilization, if earned, for various five and ten year periods between 1998-2016.		
³ Completed means that the authorization period has expired. Company may have credits remaining in carry-forward.		

AUTHORIZATION ACTIVITY

The Council had the authority to approve individual projects that result in a net negative revenue impact and therefore represent a cost to the state. That is, the projected net new revenues to the state generated by the project are less than the cost of the foregone revenue (the credits authorized). Use of this authority was limited through an annual cap of \$1 million for general fund (income tax credits) and \$300,000 for education fund impact (property tax incentives). Table 1-B shows that the Council was very judicious in its use of this authority, utilizing only a fraction of the annual net negative cap during three of the fiscal years since the inception of the program.

TABLE 1-B COSTS AS APPLIED TO THE NET NEGATIVE CAP		
Fiscal Year:	General Fund	Education Fund
1998	\$0.00	\$0.00
1999	\$438,200.00	\$0.00
2000	\$0.00	\$0.00
2001	\$0.00	\$0.00
2002	\$0.00	\$0.00
2003	\$0.00	\$0.00
2004	\$144,700.00	\$0.00
2005	\$0.00	\$0.00
2006	\$0.00	\$0.00
2007	\$333,500.00	\$0.00

Table 1-C shows the theoretical schedule for claiming incentives based on the five or ten year authorization periods authorized by the Vermont Economic Progress Council. The schedule estimates the credits that would be claimed if all applicants make the investments as projected in their applications and have a tax liability sufficient to apply to the earned credits during their five year earning period.

TABLE 1-C THEORETICAL SCHEDULE FOR CLAIMING INCENTIVES (1998 - 2016) ACTIVE & COMPLETED									
Year	Payroll	Capital Invest	R&D	WFD	Export	HT	Municipal	S&U	Total
1998	\$1,205,898	\$3,014,521	\$514,592		\$464,481			\$2,781,845	\$7,981,337
1999	\$1,559,177	\$4,218,665	\$1,457,743	\$10,142	\$579,975			\$2,757,256	\$10,582,958
2000	\$2,610,040	\$6,160,479	\$1,829,506	\$26,291	\$616,614		\$379,475	\$2,701,361	\$14,323,767
2001	\$2,436,344	\$4,460,816	\$2,445,295	\$13,978	\$645,001		\$411,016	\$57,500	\$10,469,950
2002	\$2,772,166	\$4,394,589	\$1,853,002	\$15,768	\$764,926		\$678,326	\$5,650	\$10,484,428
2003	\$1,913,389	\$3,806,557	\$1,147,820	\$17,554	\$564,811	\$222,998	\$675,755	\$80,800	\$8,429,684
2004	\$1,341,116	\$2,638,446	\$434,996	\$1,935	\$399,910	\$278,758	\$1,147,977	\$43,300	\$6,286,438
2005	\$1,440,948	\$4,078,442	\$536,257	\$7,604	\$753,101	\$256,720	\$1,132,144	\$43,300	\$8,248,516
2006	\$855,015	\$4,000,045	\$625,931	\$19,376	\$363,682	\$263,922	\$1,231,057	\$63,020	\$7,422,048
2007	\$1,066,185	\$2,445,433	\$677,389	\$27,805	\$333,565	\$287,243	\$1,222,833	\$144,020	\$6,204,473
2008	\$592,139	\$1,297,597	\$223,049	\$27,982	\$34,367	\$4,341	\$1,204,137	\$10,720	\$3,394,332
2009	\$270,703	\$615,116	\$57,581	\$32,129		\$5,412	\$106,721		\$1,087,662
2010	\$167,697	\$542,697	\$50,787	\$2,555		\$6,428	\$106,186		\$876,350
2011							\$105,670		\$105,670
2012							\$79,163		\$79,163
2013							\$25,754		\$25,754
2014									\$0
2015									\$0
2016									\$0
Totals	\$18,230,816	\$41,673,404	\$11,853,948	\$203,119	\$5,520,433	\$1,325,822	\$8,506,218	\$8,688,772	\$96,002,532

Table 1-D provides information on the economic activity and actual investments made and jobs created that actually occurred as a result of the incentives actually earned through 2008, the latest year for which activity information is available.

TABLE 1-D	
INVESTMENTS & JOBS SUMMARY (1998 - 2008)	
	Totals
Employees Retained	8552
Net New Employees Added	2105
Average Annual Wage of All Employees	\$39,194
Average Annual Benefits as % of Payroll	22%
Average Annual Compensation Level	\$47,773
New Payroll	\$186,839,898
Capital Investment	\$453,101,193
Research & Development	\$84,530,476
Workforce Development	\$954,749
High Tech Investment	\$10,070,746
TOTAL NEW INVESTMENT	\$735,497,062

Table 1-D totals, for the companies that earned credits during the period 1998 to 2008, the net number of jobs created and the investments made in new payroll, research and development, workforce training and education, capital expenditures, including new and renovated facilities and machinery and equipment and high-tech investments.

The jobs at companies utilizing EATI credits have an average wage of \$39,194, well above the state private sector average of \$37,574 (2008) and below the national private sector average of \$46,176 (2009). All applicants to the program offer standard benefits packages that include medical insurance, life insurance, short and long-term disability insurance, a retirement package and paid holidays, sick days and vacation days.

Many offer bonuses, dental and eye care, and profit sharing. The level of medical insurance premiums covered by the employer varies widely, but in most cases is above 50%. Overall, the benefits packages at these companies averaged 22% of payroll. Therefore, the jobs at the companies that earned credits have an average compensation level of \$47,773.

The creation of 2105 net new full-time jobs brought \$187 million in new payroll to Vermont. Also, the projects that occurred because of the incentives invested \$453 million in new facilities, renovations to their own existing facilities or acquired idle facilities, and machinery and equipment that strengthen the competitive positions of the companies involved and the Vermonters they employ. The companies also invested \$84 million in research and development, \$10 million in high-tech investments, and \$955,000 in workforce training and education. Most companies made further investments, but these figures represent only the investments made that are directly tied to the credits earned. Also, some companies made investments and created jobs but did not claim any credits.

PART II: Economic Advancement Tax Incentive Earning & Application Activity

The following data is the most recent summary of information about the Economic Advancement Tax Incentive program. It is based on Tax Department administration of the EATI program through April 1, 2010. At that point in time, review of the 2007 tax year (fiscal years beginning anytime in 2007) was partly complete, and review of the 2008 year was underway, with about one quarter of company filings completed, and many more underway.

All references to the Sustainable Technology Research & Development Credit and the Sustainable Technology Export Credit have been removed from the report because no company ever applied for or was authorized to earn them.

Credits Earned and Applied

Table 2-A summarizes all credits that have been earned by companies and applied to offset income tax liability over the life of the program.

Note that the total amount of tax credits applied to offset income tax over the 11 years of the program that have been accounted for is \$27,172,325. This is the total confirmed gross income tax expenditure to date.

Table 2A EATI Credits Earned and Applied 1998-2008

	Payroll		R & D		Capital Investment		Export		Workforce Development		High-Tech		Total	
	Earned	Applied	Earned	Applied	Earned	Applied	Earned	Applied	Earned	Applied	Earned	Applied	Earned	Applied
1998	\$1,880,164	\$748,079	\$1,299,956	\$359,599	\$4,916,097	\$1,485,066	\$253,128	\$135,232	\$15,193	\$10,843	\$0	\$0	\$8,364,538	\$2,738,849
1999	\$1,996,433	\$663,914	\$1,413,090	\$993,296	\$3,759,386	\$1,515,629	\$105,143	\$48,295	\$9,923	\$8,215	\$0	\$0	\$7,283,975	\$3,229,349
2000	\$1,486,335	\$968,072	\$1,474,593	\$577,451	\$3,132,783	\$1,734,850	\$96,976	\$65,903	\$7,194	\$7	\$0	\$0	\$6,197,881	\$3,346,283
2001	\$509,740	\$553,982	\$1,632,717	\$457,041	\$1,366,634	\$1,538,491	\$81,841	\$59,064	\$3,033	\$0	\$0	\$0	\$3,593,965	\$2,608,578
2002	\$757,208	\$412,786	\$679,477	\$455,277	\$2,828,240	\$1,044,462	\$118,105	\$86,888	\$57,499	\$54,652	\$0	\$0	\$4,440,529	\$2,053,865
2003	\$1,182,154	\$695,813	\$384,718	\$134,241	\$2,476,832	\$856,192	\$286,435	\$310,222	\$360	\$8	\$251,458	\$251,458	\$4,581,957	\$2,247,934
2004	\$892,983	\$601,409	\$499,496	\$636,561	\$3,130,851	\$2,052,000	\$288,076	\$256,867	\$0	\$0	\$300,636	\$300,636	\$5,112,042	\$3,847,473
2005	\$823,970	\$653,392	\$133,221	\$247,058	\$4,031,512	\$3,002,034	\$252,771	\$159,970	\$0	\$0	\$0	\$0	\$5,241,474	\$4,062,454
2006	\$344,820	\$219,784	\$107,255	\$89,854	\$1,903,590	\$1,310,004	\$3,187	\$31,526	\$0	\$802	\$2,058	\$23	\$2,360,910	\$1,651,993
2007	\$262,019	\$180,802	\$70,543	\$162,649	\$1,056,417	\$579,025	\$0	\$63,034	\$0	\$0	\$7,519	\$3,382	\$1,396,498	\$988,892
2008	\$42,363	\$35,136	\$82,948	\$79,148	\$139,763	\$282,371	\$0	\$0	\$0	\$0	\$0	\$0	\$265,074	\$396,655
Total	\$10,178,189	\$5,733,169	\$7,778,014	\$4,192,175	\$28,742,105	\$15,400,154	\$1,485,662	\$1,216,801	\$93,202	\$74,527	\$561,671	\$555,499	\$48,838,843	\$27,172,325

The annual average for earned and applied credits is:

\$4,439,895 Annual average of Earned credits over eleven years

\$2,470,211 Annual average of Applied credits over eleven years

As of April 1, 2010, claim review status is as follows:

EATI Review Status		
	2007	2008
Completed	45%	21%
Filed—needs review	34%	75%
Recaptured	7%	2%
Need more information	14%	2%

For the tax years 2007 and 2008, the amount of credits applied to offset income for corporate income and individual income tax types are as follows:

	2007	2008
Corporate Income Tax	\$634,999	\$227,323
Individual Income Tax	\$353,893	\$169,332

*Note: Statistics are based on completed reviews.

Basis Expenditures

With the exception of the Export Credits, all credits are based on a percentage of investments in the Vermont economy, including incremental payroll, capital investments, and investments in research and development made by authorized companies because of the incentive. The following table summarizes the \$735.4 million in basis expenditures by approved companies for the income tax credits earned from 1998 to 2008.

Table 2-B : Basis Investments 1998-2008

	Total	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Payroll	\$186,839,898	\$33,679,648	\$36,042,973	\$26,882,022	\$7,376,066	\$11,678,702	\$23,982,732	\$14,791,695	\$16,111,074	\$8,082,094	\$6,683,558	\$1,529,334
R & D	\$84,530,476	\$13,035,856	\$14,207,814	\$14,745,934	\$16,412,607	\$7,067,716	\$7,603,733	\$4,877,322	\$1,729,857	\$2,159,612	\$1,860,550	\$829,475
Capital Investment Total	\$453,101,193	\$85,001,891	\$63,078,675	\$52,782,954	\$22,898,240	\$49,765,816	\$53,053,563	\$46,408,187	\$47,053,614	\$17,713,210	\$13,499,549	\$1,845,494
M & E	\$137,984,851						\$46,159,026	\$35,952,935	\$34,258,310	\$8,890,522	\$11,518,497	\$1,205,561
P & F	\$41,162,766						\$6,894,537	\$10,345,252	\$12,795,304	\$8,506,688	\$1,981,052	\$639,933
Land	\$426,000							\$110,000		\$316,000		
Export	Export Credit is not calculated using a base expenditure or investment											
Workforce Development	\$954,749	\$151,928	\$99,231	\$71,935	\$30,325	\$586,762	\$14,568					
High Tech Total	\$10,070,746						\$2,524,092	\$7,385,135		\$34,306	\$127,213	
Totals Expenditures	\$735,497,062	\$131,869,323	\$113,428,693	\$94,482,845	\$46,717,238	\$69,098,996	\$87,178,688	\$73,462,339	\$64,894,545	\$27,989,222	\$22,170,870	\$4,204,303

Credits Available to Carry-Forward

Credits that are earned, but not yet applied to offset tax in a given year are available for a company to carry-forward for up to five years after the earning period. The confirmed amount of income tax credits available for carry-forward at present is \$5,368,334, held by 25 companies. This amount is net of credits that have been earned but subsequently disallowed.

It is certain that some of the carry-forward credits will expire without being used. Expiration would result from a company not incurring sufficient tax liability to apply the credits. It is also reasonable to assume, based on experience, that some credits will be disallowed due to failure to maintain required employment levels. It is possible that half or more of the credits currently held in carry-forward will never be applied to offset tax liability.

Credits Available to Earn

Though no new EATI authorizations will be issued (the program was repealed at the end of 2006), all credits authorized through December 2006 remain available to be earned by the taxpayer until 2010, unless disallowed or recaptured. The total amount of credits that remain available to be earned is \$6,593,224.

Similar to carry-forward credits, it is unlikely that all available credits will be earned. A reasonable estimate based on program history is that about half the available credits (just over three million dollars) will be earned in the program's remaining years.

Potential Tax Expenditures:

The sum of the credits currently earned and available to carry-forward and credits that remain available to be earned represents the total potential gross income tax expenditure to the state (not accounting for the offsetting tax revenues gained due to the jobs and investments that occurred because of the incentives). This expenditure would be incurred between now and 2016, when the last possible carry-forwards will expire.

The maximum possible remaining income tax expenditure is \$11,961,558 million. It is very likely that the actual expenditure will be substantially less than that amount.

Disallowances & Recaptures:

VEPC and the Department have diligently upheld statutes 32 V.S.A. §§5930a(m) and 5930h, which guide disallowance and recapture of credits due to failure to meet performance expectations or substantial curtailment of employment, respectively. Since the last annual report to the legislature was issued, the Department has assessed one authorized company for the recapture of credits.

The Department also assesses companies and individuals that have improperly applied credits to a current tax return. These assessments are classified as disallowances rather than recaptures. The disallowances most often result from Department and VEPC review of a current year claim pursuant to 32 V.S.A. §5930a(l) & (m). Statistics on disallowances are not readily available.

Sales & Use Tax Exemptions:

At the inception of the EATI program, statute allowed four different exemptions from Sales and Use Tax. The fiscal impact of these exemptions is detailed in Table 2-C.

Please note that the exemption for building materials is available to any manufacturing company for purchases greater than \$1,000,000. An EATI authorization reduces that threshold to \$250,000. Only the additional impact created by the EATI authorization is included in the total.

TABLE 2-C EATI SALES & USE EXEMPTIONS 1998 - 2008					
Exemption and Statute	# Entities Authorized	Estimated Value at Authorization	# Entities that Utilized the Exemption	Actual Revenue Impact to Date	Remaining Exemptions to be Exercised
High Tech Exemption for Personal Computers Sec. 9741(47) - enacted in 2001	3	\$248,660	1	\$7,943	\$24,217
Electricity and Fuels Sec. 9741(34) - repealed in 1999	5	\$26,519	2	\$395	\$0
Machinery and Equipment Sec. 9741(40) - repealed in 1999	7	\$7,883,900	6	\$2,240,685	\$0
Building Materials (threshold Reduction) Sec. 9741(39)	19	\$529,693	11	\$323,639	\$0
Totals		\$8,688,772		\$2,572,662	\$24,217

Property Tax Incentives

Table 2-D shows actual forgone Education Fund revenues resulting from stabilization agreements, brownfield exemptions, construction-in-progress exemptions, Tax Increment Financing Districts and property tax allocations. The report calculates actual forgone revenues on grand list values immediately preceding the fiscal year in question.

TABLE 2-D EATI PROPERTY TAX INCENTIVES FISCAL YEAR 2000 - FISCAL YEAR 2011	
Property Tax Stabilization	\$1,139,332
Tax Increment Financing	\$4,855,705
Property Tax Allocation	\$0
Construction-in-Progress Exemption	\$0
Brownfields Exemption	\$0
Subtotal	\$5,995,037
Recaptured Education Tax Revenue	\$163,178
Net Total	\$5,831,859

APPENDIX I

ALL APPLICATIONS AS OF December 31, 2008 - IN CHRONOLOGICAL ORDER

Entity ¹	Month Year Authorized	Total Authorized ² or Denied	Income Tax Credits	Sales & Use Exemption (Est. value)	Property Tax Incentives (Est. Value)	Years Authorization Expected to be Exercised ³	Status	County
Glenbrook Manufacturing Company/Glenbrook Realty Partnership dba Hubbardton Forge	Oct-98	\$243,150	\$232,000	\$11,150		1998-2002	Completed	Rutland
Town of Castleton - Hubbardton Forge	Oct-98	\$47,400			\$47,400	1999-2003	Completed	Rutland
City of South Burlington - IDX IDX Systems Corporation and Subsidiaries	Nov-98	\$2,693,000			\$2,693,000	1998-2008	Replaced	Chittenden
	Nov-98	\$7,587,670	\$7,200,170	\$387,500		1998-2002	Completed	Chittenden
Stratton Corporation	Nov-98	\$0	\$0			N/A	Rescinded	Windham
Town of Milton - Husky	Nov-98	\$6,808,500			\$6,808,500	2000-2009	Completed	Chittenden
Town of Randolph - Quickpull	Nov-98	\$25,600			\$25,600	1999-2004	Completed	Orange
Business Air, Inc.	Dec-98	\$585,700	\$375,700	\$210,000		1998-2002	Completed	Bennington
Husky Injection Molding Systems, Inc.	Dec-98	\$17,919,950	\$10,598,100	\$7,321,850		August 1998-July 2003	Completed	Chittenden
Mack Molding Company, Inc.	Dec-98	\$6,455,600	\$6,418,100	\$37,500		July 1998 - June 2003	Completed	Bennington
Plastic Technologies of Vermont, Inc./Tab Realty	Dec-98	\$168,000	\$168,000			1998-2001	Completed	Chittenden
Speciality Filaments, Inc.	Dec-98	\$518,200	\$518,200			1998-2002	Rescinded	Addison
Tri-Tech USA, Inc.	Dec-98	\$301,400	\$263,900	\$37,500		1998-2002	Completed	Chittenden
Vermont Furniture Designs/AW Rental Properties, LLC	Dec-98	\$119,390	\$119,390			1998-2002	Completed	Chittenden
Vertek Corporation	Dec-98	\$949,200	\$949,200			1998-2002	Completed	Chittenden
Subtotal 1998 Authorizations		\$44,422,760	\$26,842,760	\$8,005,500	\$9,574,500			
Clifford of Vermont, Inc. / Quickpull Earth Brothers Ltd. dba Black River Produce	Jan-99	\$259,200	\$259,200			1998-2002	Completed	Windsor
G.W. Plastics, Inc.	Jan-99	\$194,100	\$194,100			1998-2002	Completed	Windsor
Kalow Technologies, Inc.	Jan-99	\$627,800	\$627,800			1998-2002	Completed	Windsor
Leahy Press, Inc.	Jan-99	\$187,800	\$187,700	\$100		1998-2002	Completed	Rutland
MacDermid Equipment Inc	Jan-99	\$139,400	\$139,400			1998-2002	Completed	Washington
New England Precision, Inc.	Jan-99	\$121,000	\$121,000			N/A	Rescinded	Windsor
	Jan-99	\$196,700	\$196,700			1998-2002	Completed	Orange
Town of Cavendish - Black River Produce	Jan-99	\$120,000			\$120,000	2000-2009	Rescinded	Windsor
Twincraft, Inc.	Jan-99	\$544,300	\$544,300			1998-2002	Completed	Chittenden
Abacus Automation/DADZ Realty	Feb-99	\$192,679	\$155,679	\$37,000		1998-2002	Completed	Bennington
Champlain Chocolate Company	Feb-99	\$65,952	\$65,952			July 1998 - June 2003	Completed	Chittenden
Concepts ETI, Inc.	Feb-99	\$507,758	\$507,183	\$575		1998-2002	Completed	Windsor
Controlled Energy Corporation	Feb-99	\$135,285	\$135,285			1999-2003	Completed	Washington
K-2 Construction dba North Woods Joinery/Little Grey Rabbit, LLC	Feb-99	\$129,928	\$129,928			July 1998 - June 2003	Completed	Lamoille
Oak Knoll Assisted Living, LLP	Feb-99	\$355,406	\$355,406			N/A	Rescinded	Bennington
Town of Bennington - Abacus Automation	Feb-99	\$77,963			\$77,963	1999-2003	Completed	Bennington
Town of West Rutland - Juvenile Furniture	Feb-99	\$23,000			\$23,000	N/A	Denied	Rutland
Vermont Precision Woodworks dba MJ Wood Products, Inc.	Feb-99	\$186,389	\$186,389			1998-2002	Completed	Lamoille
WICOR Americas dba EHV Weidmann	Feb-99	\$233,173	\$233,173			1999-2003	Completed	Caledonia
CHEMFAB Corporation	Mar-99	\$239,021	\$239,021			N/A	Rescinded	Bennington
Country Home Products, Inc.	Mar-99	\$700,512	\$629,624	\$70,888		1998-2002	Completed	Addison
IVEK Corporation/Marko Enterprises, LLC	Mar-99	\$245,988	\$194,075	\$51,913		July 1998 - June 2003	Completed	Windsor
Precision Valley Communications Corporation/Sub River Holdings, Inc.	Mar-99	\$271,009	\$256,503	\$14,506		1998-2002	Completed	Windsor
Rhino Foods, Inc.	Mar-99	\$92,067	\$92,067			1998-2002	Completed	Chittenden
Vermont Fastener Sales Corporation	Mar-99	\$157,009	\$157,009			1998-2002	Rescinded	Franklin
Stoweflake	Mar-99	\$619,600	\$619,600			N/A	Denied	Lamoille
Advanced Illumination, Inc.	Apr-99	\$49,362	\$49,362			1999-2003	Completed	Windsor
Burton Corporation dba Burton Snowboards	Apr-99	\$1,870,742	\$1,870,742			1999-2003	Completed	Chittenden
Charles E. Tuttle Company, Inc.	Apr-99	\$208,651	\$208,651			1999-2003	Completed	Rutland
Competitive Computing, Inc.	Apr-99	\$576,428	\$576,428			1998-2002	Completed	Chittenden

ALL APPLICATIONS AS OF December 31, 2008 - IN CHRONOLOGICAL ORDER

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H.A. Manosh, Inc.	Apr-99	\$190,251	\$190,251			1999-2003	Completed	Lamoille
Sands, Taylor & Wood dba King Arthur Flour Company/Sandsland Holding Ltd.	Apr-99	\$481,500	\$481,500			1998-2002	Completed	Windsor
Northeast Cooperatives	Apr-99	\$848,412	\$804,135	\$44,277		1999-2003	Terminated	Windham
Northern Lights Cable, Inc.	Apr-99	\$94,118	\$94,118			1998-2002	Rescinded	Bennington
PKC Corporation	Apr-99	\$440,938	\$440,938			1999-2003	Completed	Chittenden
Village of Essex Junction - Stewart Construction	Apr-99	\$16,926			\$16,926	N/A	Rescinded	Chittenden
Knight Industries	May-99	\$238,852	\$238,852			N/A	Rescinded	Rutland
Mylan Technologies, Inc.	May-99	\$576,729	\$539,229	\$37,500		1999-2003	Completed	Franklin
RSD Transportation, Inc.	May-99	\$124,940	\$124,940			1998-2002	Rescinded	Windsor
Wild Apple Graphics, Ltd.	May-99	\$74,308	\$74,308			1999-2003	Completed	Windsor
Sugarbush Resort	May-99	\$0	\$0			N/A	Denied	Washington
Killington Resort	May-99	\$0	\$0			N/A	Denied	Rutland
Mount Snow Resort	May-99	\$0	\$0			N/A	Denied	Windham
Okemo Mountain Resort	May-99	\$1,282,600	\$1,282,600			N/A	Denied	Windsor
Town of Arlington - Keelan Company	May-99	\$58,700			\$58,700	N/A	Denied	Bennington
Agri-Mark, Inc.	Jun-99	\$213,915	\$213,915			1999-2003	Completed	Addison
Barry Callebaut USA, Inc.	Jun-99	\$180,251	\$180,251			1999-2003	Terminated	Franklin
C & S Wholesale Grocers, Inc.	Jun-99	\$1,945,642	\$1,863,142		\$82,500	1999-2003	Completed	Windham
Eveready Battery Company, Inc.	Jun-99	\$542,718	\$542,718			1999-2003	Completed	Franklin
WCPR Polaris	Jun-99	\$72,200	\$72,200			N/A	Denied	Windsor
Fab-Tech, Inc.	Jul-99	\$311,558	\$311,558			1999-2003	Completed	Chittenden
Simonds Precision Products, Inc. dba B.F.								
Goodrich Aerospace	Aug-99	\$2,006,991	\$2,006,991			1999-2003	Rescinded	Addison
Bennington Iron Works, Inc.	Aug-99	\$58,251	\$53,921	\$4,330		1999-2003	Completed	Bennington
CRMI, Inc.	Aug-99	\$485,810	\$485,810			1999-2003	Rescinded	Orleans
Lydall Westex	Aug-99	\$119,251	\$119,251			1999-2003	Completed	Caledonia
Resolution, Inc.	Aug-99	\$1,325,177	\$1,325,177			1999-2003	Completed	Chittenden
Town of Bennington - Bennington Iron Works	Aug-99	\$15,657			\$15,657	2000-2004	Completed	Bennington
Town of St. Johnsbury - Lydall Westex	Aug-99	\$301,490			\$301,490	2000-2009	Completed	Caledonia
Bond Auto Parts, Inc.	Sep-99	\$185,364	\$185,364			N/A	Denied	Washington
City of Barre-Bond Auto Parts	Sep-99	\$0	\$0			N/A	Denied	Washington
First Fiber Corporation	Sep-99	\$1,604,248	\$1,604,248			N/A	Rescinded	Essex
Madhouse Munchies	Sep-99	\$93,675	\$93,675			N/A	Rescinded	Windsor
MED Associates, Inc.	Sep-99	\$158,524	\$121,024	\$37,500		1999-2003	Rescinded	Franklin
Town of Randolph - Vermont Pure	Sep-99	\$54,400			\$54,400	2000-2006	Completed	Orange
Vermont Pure Holdings, Ltd.	Sep-99	\$99,199	\$99,199			1999-2003	Terminated	Orange
Barry T. Chouinard, Inc.	Oct-99	\$107,853	\$107,853			1999-2000	Completed	Washington
America's Gardening Resource, Inc. aka Gardener's Supply Company/Gardener's Intervale Partnership	Oct-99	\$1,268,818	\$1,268,818			1999-2003	Completed	Chittenden
Murphy Realty	Oct-99	\$0	\$0			N/A	Denied	Caledonia
Northern Power Systems, Inc.	Oct-99	\$623,003	\$623,003			1999-2003	Terminated	Washington
Superior Technical Ceramics, Inc.	Oct-99	\$55,228	\$55,228			N/A	Rescinded	Franklin
Food Science Corporation	Nov-99	\$553,100	\$553,100			N/A	Denied	Chittenden
Sam's Department Store	Nov-99	\$0	\$0			N/A	Denied	Windham
American Tissue	Dec-99	\$1,730,483	\$1,730,483			N/A	Rescinded	Essex
Autumn Harp, Inc.	Dec-99	\$336,480	\$336,480			2000-2004	Completed	Addison
Blodgett Corporation	Dec-99	\$3,066,923	\$3,066,923			N/A	Replaced	Chittenden
Select Design/Two Wills, LLC	Dec-99	\$424,996	\$387,496	\$37,500		2000-2004	Completed	Chittenden
Subtotal 1999 Authorizations		\$31,697,701	\$30,610,976	\$336,089	\$750,636			
Aslen Johnson Filaments	Jan-00	\$362,189	\$362,189			2000-2004	Completed	Chittenden
Cornell Trading, Inc.	Jan-00	\$581,642	\$581,642			2000-2004	Terminated	Chittenden
Shettex U.S.A., Inc.	Jan-00	\$275,336	\$275,336			N/A	Terminated	Caledonia
Tansitor Electronics, Inc.	Jan-00	\$679,515	\$679,515			2000-2004	Completed	Bennington
Town of St. Johnsbury - Shettex	Jan-00	\$0			\$0	N/A	Denied	Caledonia
U.S. Tsubaki, Inc.	Jan-00	\$146,815	\$146,815			1999-2003	Terminated	Bennington
Vermont Fasteners Manufacturing Corporation	Feb-00	\$364,128	\$364,128			2000-2004	Rescinded	Franklin
Tuttle Law Print, Inc.	Mar-00	\$157,721	\$157,071	\$650		2000-2004	Completed	Rutland

APPENDIX I

ALL APPLICATIONS AS OF December 31, 2008 - IN CHRONOLOGICAL ORDER

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City of Montpelier - Cabot Creamery, Inc.(Admin Bldg.)	Apr-00	\$43,700			\$43,700	2001-2006	Completed	Washington
City of Newport - Newport Pediatrics and Adolescent Medicine	Apr-00	\$15,158			\$15,158	2001-2007	Completed	Orleans
Vermont Precision Tools, Inc.	Apr-00	\$471,500	\$434,000	\$37,500		2000-2004	Completed	Franklin
National Hanger Company	May-00	\$271,215	\$271,215			2000-2004	Completed	Bennington
Town of Hartford - Madhouse Munchies	May-00	\$0			\$0	N/A	Denied	Windsor
Mass Bay Brewing Company dba Harpoon Brewery/Windsor Vermont Properties, LLC	Jun-00	\$170,942	\$170,942			2000-2004	Completed	Windsor
Riser Management Systems, LLP	Jun-00	\$1,293,490	\$1,293,490			2000-2004	Rescinded	Chittenden
Northeast Cooperatives	Jul-00	\$353,652	\$311,602	\$42,050		2000-2004	Rescinded	Windham
Allan's Vending Company	Aug-00	\$14,906	\$14,906			N/A	Denied	Windsor
Huber & Suhner Corporation	Aug-00	\$2,479,102	\$2,441,602	\$37,500		2000-2004	Rescinded	Chittenden
T. Copeland & Sons/Copeland Properties, LLC	Aug-00	\$372,453	\$372,453			2000-2004	Completed	Orange
Town of Hartford - Allan's Vending	Aug-00	\$14,906			\$14,906	2001-2005	Completed	Windsor
Hanover Capital Management/Aldrich House Associates, LLC	Sep-00	\$1,339,220	\$1,339,220			2000-2004	Completed	Windsor
North East Precision	Sep-00	\$324,345	\$324,345			2000-2004	Rescinded	Caledonia
Town of Hartford - Hanover Capital Management	Sep-00	\$91,700			\$91,700	2001-2005	Completed	Windsor
Northern Lights Cable, Inc.	Oct-00	\$1,820,243	\$1,820,243			2000-2004	Completed	Bennington
H. Hirschmann, LTD	Nov-00	\$83,774	\$83,774			2001-2005	Completed	Rutland
Preci Manufacturing, Inc.	Nov-00	\$1,420,500	\$1,420,500			N/A	Denied	Chittenden
City of Burlington - Gilbane	Dec-00	\$1,461,700		\$0	\$1,461,700	N/A	Replaced	Chittenden
Stratford Publishing, Inc.	Dec-00	\$336,601	\$314,101	\$22,500		2001-2005	Rescinded	Windham
Subtotal 2000 Authorizations		\$14,946,453	\$13,179,089	\$140,200	\$1,627,164			
Town of Stowe - StoweLake	Jan-01	\$0			\$0	N/A	Denied	Lamoille
Blodgett Corporation	Apr-01	\$1,069,093	\$1,069,093			N/A	Rescinded	Chittenden
City of Burlington - Gilbane	Apr-01	\$1,551,709			\$1,551,709	2002-2011	Rescinded	Chittenden
Global Z International, Inc.	Apr-01	\$50,266	\$50,266			2001-2005	Completed	Bennington
Integrated Vision, Inc.	Apr-01	\$973,411	\$973,411			2001-2005	Rescinded	Caledonia
Town of Bennington - Global Z Intl	Apr-01	\$19,520			\$19,520	2002-2005	Completed	Bennington
Vermont Slate and Copper Services, Inc.	Apr-01	\$28,900	\$28,900			2001-2005	Completed	Lamoille
American Flatbread Company	Jun-01	\$67,367	\$67,367			N/A	Rescinded	Washington
Mobile Medical International Corporation	Jun-01	\$1,103,466	\$1,103,466			2001-2005	Completed	Caledonia
New England Precision, Inc.	Jun-01	\$82,148	\$82,148			2001-2005	Completed	Orange
Town of Northfield - Paine Consulting	Jun-01	\$1,900			\$1,900	N/A	Denied	Washington
Hancor, Inc.	Nov-01	\$44,354	\$44,354			2002-2006	Completed	Windsor
Subtotal 2001 Authorizations		\$4,992,134	\$3,419,005	\$0	\$1,573,129			
Ascension Technology Corporation	Jan-02	\$367,848	\$367,848			2002-2006	Terminated	Chittenden
Homebound Mortgage, Inc.	Jan-02	\$1,860,261	\$1,860,261			2002-2006	Terminated	Chittenden
Vermont Composites, Inc.	Mar-02	\$457,970	\$452,320	\$5,650		2002-2006	Completed	Bennington
GSP Coatings, Inc.	Mar-02	\$96,600	\$96,600			N/A	Denied	Windham
GSP Coatings, Inc.	Apr-02	\$108,435	\$108,435			2002-2006	Completed	Windham
Town of Berlin - Connor Group	Apr-02	\$93,300			\$93,300	2003-2012	Replaced	Washington
BF Acquisitions, LLC	May-02	\$967,427	\$967,427			2002-2006	Rescinded	Windsor
Dubois & King, Inc.	May-02	\$268,046	\$268,046			2002-2006	Replaced	Orange

ALL APPLICATIONS AS OF December 31, 2008 - IN CHRONOLOGICAL ORDER

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Town of Randolph - Dubois & King	May-02	\$108,700			\$108,700	2004-2013	Replaced	Orange
Vermont Machine Tool Corporation	May-02	\$1,461,282	\$1,461,282			N/A	Rescinded	Windsor
NASTECH, Inc.	Jun-02	\$811,588	\$811,588			2002-2006	Completed	Bennington
Vermont Machine Tool Corporation	Jun-02	\$316,408	\$316,408			2002-2006	Terminated	Windsor
Bourne & Koch, Inc.	Jul-02	\$118,643	\$118,643			2002-2006	Completed	Windsor
Mary Meyer Corporation/ Mary Grace, LLC	Jul-02	\$73,857	\$73,857			2002-2006	Terminated	Windham
Preci Manufacturing, Inc.	Jul-02	\$223,080	\$223,080			2002-2006	Completed	Windsor
Speciality Filaments, Inc.	Jul-02	\$806,956	\$752,956	\$37,500	\$16,500	2002-2006	Rescinded	Addison
Tivoly, Inc.	Aug-02	\$465,918	\$465,918			2002-2006	Terminated	Orleans
Town of Waterbury - Green Mountain Coffee Roasters	Sep-02	\$200,127			\$200,127	2003-2012	Rescinded	Washington
Town of Waitsfield - Northern Power Systems, Inc.	Sep-02	\$151,876			\$151,876	2003-2012	Completed	Washington
North Hartland LLC	Nov-02	\$192,177	\$192,177		N/A	2003-2012	Denied	Windsor
Sonnax Industries, Inc./Neil Joseph, LLC	Nov-02	\$725,332	\$725,332			2002-2006	Completed	Windham
Elsworth Ice Cream, Inc./Elsworth Ice Cream of Vermont, LLC	Dec-02	\$408,550	\$408,550			2003-2007	Terminated	Windsor
Hampton Direct, Inc.	Dec-02	\$365,508	\$365,508			2003-2007	Completed	Chittenden
Subtotal 2002 Authorizations		\$10,649,889	\$10,036,236	\$43,150	\$570,503			
Cornell Trading, Inc./Pike River, Inc./Cornell Campus, LLC	Jan-03	\$1,786,498	\$1,786,498			2003-2007	Replaced	Chittenden
Energizer Battery Manufacturing, Inc.	Jan-03	\$526,232	\$526,232			2003-2005	Completed	Franklin
MicroData GIS, Inc.	Feb-03	\$374,587	\$374,587			2003-2007	Completed	Caledonia
Vermont Quality Wood Products, Inc.	Feb-03	\$712,680	\$712,680			2003-2007	Replaced	Rutland
Dirigo Paper Company	Mar-03	\$517,835	\$517,835			2003-2007	Replaced	Essex
Evergreen Paper Company/Phoenix Paper Company	Mar-03	\$592,452	\$592,452			2003-2007	Rescinded	Caledonia
Town of Berlin - Connor Group	Mar-03	\$142,428			\$142,428	2004-2012	Active	Washington
Hubbardton Forge Corporation/Glenbrook Realty Partnership	May-03	\$579,621	\$579,621			2003-2007	Completed	Rutland
Mylan Technologies, Inc.	May-03	\$2,426,152	\$2,388,652	\$37,500		April 2003-March 2008	Completed	Franklin
Moore Wallace, Inc.	May-03	\$162,167	\$162,167			2003-2007	Replaced	Bennington
Vermont Quality Wood Products, Inc.	May-03	\$687,455	\$687,455			2003-2007	Completed	Rutland
Town of St. Johnsbury - Caledonia Kiln	May-03	\$9,308			\$9,308	N/A	Denied	Caledonia
R.J. Wright Dolls, Inc./Nisus, LLC	May-03	\$284,614	\$284,614			2003-2007	Completed	Bennington
Husky Injection Molding Systems, Inc.	Jun-03	\$505,556	\$505,556			Aug 2003 - July 2008	Terminated	Chittenden
Verlux, Inc.	Jun-03	\$293,879	\$293,879			2003-2007	Completed	Washington
General Dynamics Armaments and Technical Products, Inc.	Jul-03	\$3,634,587	\$3,418,087	\$216,500		2003 - 2007	Completed	Chittenden
Hummel America, Inc.	Jul-03	\$163,488	\$163,488			2003 - 2007	Rescinded	Chittenden
Vermont Plywood, LLC	Jul-03	\$150,775	\$150,775			2003 - 2007	Terminated	Addison
Vermont Soapstone, LLC	Jul-03	\$41,391	\$41,391			2003 - 2007	Completed	Windham
Bromley Brook School, Inc.	Aug-03	\$567,230	\$567,230			2003-2007	Completed	Bennington
New England Dairy Processing Coop	Aug-03	\$87,218	\$87,218			2003-2007	Rescinded	Windsor
Twincraft, Inc./Asch Enterprises, LLC	Aug-03	\$884,573	\$884,573			2003-2007	Completed	Chittenden
Vermont Telephone Company	Sep-03	\$182,940	\$182,940			N/A	Denied	Windsor
EHM Production, Inc.	Nov-03	\$166,756	\$166,756			2004-2007	Completed	Orleans
City of Montpelier - Cabot Creamery (Dist Ctr)	Nov-03	\$259,760			\$259,760	2004-2013	Active	Washington
Subtotal 2003 Authorizations		\$15,740,182	\$15,074,686	\$254,000	\$411,496			
Cornel Trading, Inc./Pike River, Inc./Cornel Main Street, LLP	Jan-04	\$1,272,420	\$1,272,420			2004-2008	Rescinded	Chittenden
Dubois & King, Inc.	Jan-04	\$36,300	\$36,300			Nov 2003-Oct 2008	Completed	Orange
Green Mountain Coffee Roasters, Inc.	Jan-04	\$2,090,500	\$2,090,500			Jan 2004 - Sept 2008	Completed	Washington
High Pond Woodworking, LLC	Jan-04	\$127,827	\$127,827			2004-2008	Terminated	Rutland
Town of Randolph - Dubois & King	Jan-04	\$190,203			\$190,203	April 2004 - April 2013	Active	Orange
Dirigo Paper Company, Inc.	Feb-04	\$517,835	\$517,835			Feb 2004-Dec 2008	Terminated	Essex
Moore/Wallace Computers, Inc.	Feb-04	\$162,167	\$162,167			May 2003-Dec 2007	Terminated	Bennington
Stedfast, Inc.	Feb-04	\$330,035	\$330,035			Feb 2004-Dec 2008	Replaced	Franklin
IDX Systems Corporation and Subsidiaries	Mar-04	\$3,759,522	\$3,434,622	\$324,900		Mar 2004-Dec 2008	Rescinded	Chittenden
City of South Burlington - IDX	Mar-04	\$1,241,661			\$1,241,661	Mar 2004-Dec 2013	Rescinded	Chittenden
CIC Corporation	Apr-04	\$19,915	\$19,915			April 2004-Dec 2008	Rescinded	Windham
Lydall Thermal Acoustical, Inc.	Apr-04	\$243,329	\$243,329			April 2004-Dec 2008	Rescinded	Caledonia
Town of St. Johnsbury - Lydall	Apr-04	\$140,000			\$140,000	April 2005 - April 2015	Rescinded	Caledonia
Vermont Cheesecake Company	Apr-04	\$194,085	\$194,085			April 2004-Dec 2008	Rescinded	Windsor
General Abrasives, Inc.	May-04	\$110,256	\$110,256			May 2004-Jun 2008	Completed	Windsor
Nexus Customs Electronics, Inc.	May-04	\$258,231	\$258,231			May 2004-Jun 2008	Rescinded	Rutland

APPENDIX I

ALL APPLICATIONS AS OF December 31, 2008 - IN CHRONOLOGICAL ORDER

Entity ¹	Month Year Authorized	Total Authorized ² or Denied	Income Tax Credits	Sales & Use Exemption (Est. value)	Property Tax Incentives (Est. Value)	Years Authorization Expected to be Exercised ³	Status	County
Ringmaster Software Corporation	May-04	\$418,568	\$418,568			May 2004-Dec 2008	Completed	Chittenden
Visual Learning Company	Jun-04	\$85,205	\$85,205			June 2004-Dec 2008	Completed	Rutland
Town of Randolph - Micropack	Jun-04	\$46,900			\$46,900	Apr 2004-Mar 2008	Completed	Orange
Autumn Harp Inc.	Jul-04	\$768,061	\$768,061			July 2004-Dec 2008	Completed	Addison
Barry Callebaut USA, LLC	Jul-04	\$801,306	\$801,306			July 2004-Aug 2008	Rescinded	Franklin
Sunhill Foods of Vermont, Inc.	Jul-04	\$365,388	\$365,388			N/A	Denied	Franklin
96 degrees, Inc. dba Drew's All Natural	Aug-04	\$99,209	\$99,209			Aug 2004-Dec 2008	Rescinded	Windsor
Ellison Surface Technologies, Inc.	Aug-04	\$440,029	\$440,029			Aug 2004-Dec 2008	Terminated	Rutland
TCC, LCC dba American Traders	Sep-04	\$73,981	\$73,981			Sep 2004-Dec 2008	Terminated	Windham
Leo D. Bernstein and Sons, Inc. dba								
Bernstein Display/TFB Realty	Sep-04	\$400,707	\$400,707			Sep 2004-Dec 2008	Replaced	Bennington
VERMED, Inc.	Sep-04	\$543,012	\$543,012			Sep 2004-Nov 2008	Completed	Windham
Leo D. Bernstein and Sons, Inc. dba								
Bernstein Display/TFB Realty	Oct-04	\$517,982	\$517,982			Oct 2004-Dec 2008	Completed	Bennington
FiberTip, LLC	Oct-04	\$93,252	\$93,252			Oct 2004-Dec 2008	Completed	Bennington
PBM Nutritionals, LLC	Oct-04	\$2,755,595	\$2,755,595			Oct 2004-Dec 2008	Completed	Franklin
Mass Bay Brewing Company, LLC dba								
Harpoon Brewery	Nov-04	\$83,395	\$83,395			Jan 2005-Dec 2009	Rescinded	Windsor
Pratt & Whitney Engine Services, Inc.	Nov-04	\$548,022	\$548,022			Jan 2005-Dec 2009	Rescinded	Chittenden
City of South Burlington - Pratt & Whitney	Nov-04	\$549,000			\$549,000	Jan 2005-Dec 2014	Rescinded	Chittenden
Simport Plastics, LTD	Dec-04	\$1,286,407	\$1,286,407			Jan 2005-Dec 2009	Rescinded	Franklin
Stedfast, Inc.	Dec-04	\$540,006	\$540,006			Jan 2005-Dec 2009	Rescinded	Franklin
Subtotal 2004 Authorizations		\$21,110,311	\$18,617,647	\$324,900	\$2,167,764			
Clinical Neuroscience Research								
Associates, Inc.	Jan-05	\$98,446	\$98,446			Jan 2005-Dec 2009	Completed	Bennington
Energizer Battery Manufacturing, Inc.	Jan-05	\$2,523,192	\$2,523,192			Jan 2005-Dec 2009	Completed	Franklin
Vermont Tissue, LLC	Mar-05	\$548,643	\$548,643			March 2005-Dec 2009	Rescinded	Bennington
Sonic Circus, Inc.	Apr-05	\$67,373	\$67,373			April 2005-Dec 2009	Completed	Windham
Flex-A-Seal, Inc.	Sep-05	\$163,437	\$163,437			Sept 2005-Dec 2009	Completed	Chittenden
Acrylic Designs, Inc.	Oct-05	\$84,749	\$84,749			Jan 2006-Dec 2010	Active	Windsor
TSL USA, LLC	Oct-05	\$214,925	\$214,925			Jan 2006-Dec 2010	Active	Chittenden
Vermont Culinary Islands, Inc.	Dec-05	\$87,461	\$87,461			Jan 2006-Dec 2010	Active	Windham
Rhino Foods, Inc./Zoo Holdings, LLC	Dec-05	\$1,140,132	\$1,095,132	\$45,000		Jan 2006-Dec 2010	Active	Chittenden
Champlain Chocolate Company dba Lake Champlain Chocolates/James Edward Company, LLC	Dec-05	\$980,824	\$935,824	\$45,000		Jan 2006-Dec 2010	Active	Chittenden
Subtotal 2005 Authorizations		\$5,909,182	\$5,819,182	\$90,000	\$0			
Champlain Cable Corporation	Feb-06	\$972,296	\$927,296	\$45,000		Feb 2006-Dec 2010	Rescinded	Chittenden
Town of Colchester - Champlain Cable Corporation	Feb-06	\$41,047			\$41,047	April 2007-March 2011	Rescinded	Chittenden
Dealer Dot Com, Inc.	Feb-06	\$208,489	\$197,329	\$11,160		Feb 2006-Dec 2010	Active	Chittenden
West Mountain Animal Hospital, Inc./Fauna Development, LLC	Mar-06	\$151,744	\$151,744			N/A	Denied	Bennington
Sentient Corporation	Mar-06	\$182,475	\$161,475	\$21,000		March 2006-Dec 2010	Active	Chittenden
Via Cheese, LLC fka L.F. Acquisition, LLC	May-06	\$772,862	\$763,862	\$9,000		May 2006-Dec 2010	Active	Franklin
Town of Swanton - via Cheese, LLC fka L.F. Acquisition, LLC	May-06	\$116,557			\$116,557	April 2007-March 2011	Active	Franklin
J.S. Burgess, Inc. dba Lucas Industries/ABW Partnership	May-06	\$184,509	\$184,509			May 2006-Dec 2010	Active	Windsor
Dale of Norway, Inc.	May-06	\$56,748	\$56,748			May 2006-Dec 2010	Active	Chittenden
Plasan USA, Inc.	Jul-06	\$1,064,461	\$1,064,461			July 2006-Dec 2010	Active	Bennington
Biocardel Vermont, LLC.	Sep-06	\$534,522	\$534,522			Sept 2006-Dec 2010	Active	Franklin
Autumn Harp, Inc.	Sep-06	\$627,534	\$627,534			Sept 2006-Dec 2010	Active	Chittenden
Jeld-Wen, Inc.	Dec-06	\$488,737	\$488,737			Dec 2006-Dec 2010	Active	Windsor
Subtotal 2006 Authorizations (to date)		\$5,401,981	\$5,158,217	\$86,160	\$157,604			

APPENDIX I

GRAND TOTAL ALL APPLICATIONS CONSIDERED	Total Authorized or Denied	Income Tax Credits	Sales & Use Exemption (Est. value)	Property Tax Incentives (Est. value)	Number of Applications
OCTOBER 1998 - December, 2006	\$154,870,593	\$128,757,798	\$9,279,999	\$16,832,796	237
LESS - TOTAL DENIED, through December 2006	\$5,230,027	\$5,137,119	\$0	\$92,908	25
LESS - TOTAL REPLACED, through December 2006	\$11,601,591	\$7,244,891	\$0	\$4,356,700	12
Subtotal	\$16,831,618	\$12,382,010	\$0	\$4,449,608	37
EQUALS = TOTAL AUTHORIZED AS OF December 31,	\$138,038,975	\$116,375,788	\$9,279,999	\$12,383,188	180
LESS- TOTAL RESCINDED, through December 31, 2008	\$33,810,773	\$29,386,853	\$546,950	\$3,876,970	53
LESS - TOTAL TERMINATED, through December 31, 2008	\$8,225,670	\$8,181,393	\$44,277	\$0	20
EQUALS =TOTAL INCENTIVES AVAILABLE Oct 1998 through Dec 2016	\$96,002,532	\$78,807,542	\$8,688,772	\$8,506,218	127
(TOTAL COMPLETED INCENTIVES AS OF December 2008)	\$88,665,156	\$72,310,274	\$8,557,612	\$7,797,270	109
(TOTAL ACTIVE INCENTIVES AS OF December 2007)	\$7,337,376	\$6,497,268	\$131,160	\$708,948	18

(1) Entity name at time of authorization

(2) Property tax stabilization, Allocation and TIF awards are estimates

(3) Unless otherwise noted, award period begins the first day of the month incentives are authorized and expires December 31 of the fifth year.

Active = Application was approved. Project activity is ongoing and still within authorization period.

Completed = Application was approved. Authorization period is completed. Company may still have credits in carryforward. Credits may have been disallowed and/or recaptured, but some credits were utilized.

Denied = VEPC did not approve application for reason given in "Explanation" column.

Replaced = Company filed and VEPC approved an application that replaced the original application. The original authorization is null and void.

Rescinded = Application was approved, but subsequently rescinded after economic activity had begun but before any credits were claimed.

Terminated = Application was approved, but subsequently terminated and credits were disallowed and/or recaptured. No credits were utilized.

Produced in-house by the staff of the
Vermont Economic Progress Council
and Vermont Department of Taxes
c. 2010 State of Vermont



Vermont Employment Growth Incentive Program

**Annual Report
2010**

VERMONT ECONOMIC PROGRESS COUNCIL

VERMONT DEPARTMENT OF TAXES

VEGI Program Summary

ACTUAL ECONOMIC IMPACT (January 1, 2007 - December 31, 2008)

New Qualifying Jobs Created	371
New Qualifying Payroll Created	\$14,153,705
New Qualifying Capital Investments	\$30,235,941
Net Incentive Installments Paid	\$129,854
Estimated Net Revenue Benefit	\$1,839,095

APPLICATION VOLUME (January 1, 2007—December 31, 2009)

	<u># of Applications</u>	<u>Incentive Value</u>
Applications Considered	41	\$22,314,643
Applications Denied	3	\$ 620,708
Applications Rescinded/Revoked	11	\$ 5,656,430
Net Approved-Active Applications	27	\$16,037,505

In January 2007, the Vermont Employment Growth Incentive (VEGI) program began offering new incentives for business recruitment, growth and expansion. The VEGI program provides a cash payment, based on new job and payroll creation, to companies that have been authorized to earn the incentive. Authorization occurs through application to the Vermont Economic Progress Council (VEPC), a citizen board that reviews the applications based on three criteria:

- Whether the economic activity would not occur or would occur in a significantly different and/or less desirable manner without the incentive (But For);
- If the economic activity will generate more new revenue for the state than is foregone through the incentive (cost-benefit modeling); and
- If the company and economic activity are consistent with a set of nine guidelines.

VEGI incentives are earned over a period of up to five years and paid out over a period of up to nine years. The incentives are earned only if payroll, employment, and capital investment targets are met each earning year. If the company earns the incentive, it is then paid out in five annual installments, if the new jobs and payroll are maintained. Claims for VEGI incentive installments are examined annually by the Vermont Department of Taxes.

This report presents the applications considered and the incentives authorized from the start of the program on January 1, 2007 through December 31, 2009. It includes all the actual economic activity that occurred during 2007 and 2008 as reported on claims filed and examined by the Tax Department in 2008 and 2009 (for activity in 2007 and 2008), and the incentives and installments paid in 2008 and 2009 for the economic activity that met targets.

Table 1 provides a complete list of all applications considered in 2007–2009 and the status as of December 31, 2009. Information on the projected annual economic and fiscal impact is presented in Table 2 and the projected and actual impacts are summarized in Table 3 and detailed for each year in Tables 4 and 5. The data presented on Tables 1 and 2 is updated monthly and is always available on the VEGI website. Charts 6-14 are included to provide further detail and perspective on the data represented by the 27 approved and active applications.

Further information on VEPC and the Vermont Employment Growth Incentive Program is available at: <http://economicdevelopment.vermont.gov/Programs/VEPC/tabid/124/Default.aspx>. Further information on the Department of Taxes is available at: www.state.vt.us/tax.

Vermont Statute (32 VSA §5930(b)(e)) requires the following elements of the program to be reported annually. The table in which each requirement is addressed is noted below:

- | | |
|---|--|
| 1. Total authorized amount of incentives during preceding year (Table 2) | (Tables 3, 4, 5) |
| 2. Amounts actually earned and paid out from inception to date of report (Tables 3, 4, 5) | 8. Number of applications for incentives (Table 2) |
| 3. Date and amount of authorization (Table 1) | 9. Number of approved applicants who complied with ALL their requirements for the incentive (Not Included ¹) |
| 4. Expected calendar year or years in which the authorization will be exercised (Table 1) | 10. Aggregate number of jobs created (Tables 3, 4, 5) |
| 5. Whether the authorization is currently available (Table 1) | 11. Aggregate payroll (Tables 3, 4, 5) |
| 6. Amount and date of all incentives exercised (Tables 3, 4, 5) | 12. Date the authorization will expire (Table 1) |
| 7. Recipient performance in the year in which the incentives were applied | 13. Identity of the business whose applications were approved (Table 1) |

Application Activity

Table 1 shows every application that has been considered by the Vermont Economic Progress Council (VEPC) since the inception of the Vermont Employment Growth Incentive (VEGI) program in January 2007. It includes the name of the applicant company, the date the application was considered, the authorization (or earning) period, the current status of the incentives and an explanation of the status, the maximum level of incentives considered, the estimated minimum net revenue benefit to the State of Vermont, the location of the project, and the type of economic development project.

The date listed for when applications are considered is the date a Final Application was considered if the company filed both an Initial and Final Application. If a Final Application has not yet been filed, the applicant's status is listed as "Active-Initial." Incentives are not considered authorized until a Final Application has been approved. However, the amount of incentives listed when an application has received Initial Approval is booked against that year's cap.

An application is considered "Rescinded" if, after Initial or Final approval, the Council takes action to rescind the company's authorization to earn any incentives. This action is taken only if no incentives have been earned or paid out. Authorizations are rescinded for many reasons, including when a project does not occur or when the company fails to file an annual VEGI claim by the statutory filing date of February 28. Authorizations are "Revoked" if the company has earned and/or been paid some of the incentives and something occurs that causes the incentives to be terminated. If the company is terminated but there is no recapture required the status is listed as "Revoked." If a recapture of incentives is required, the status is listed as "Revoked-Recapture." The recapture is carried out by the Department of Taxes and the level of recapture is included in this report in the aggregate (See Tables 3, 4, and 5).

The maximum incentive amount considered is the maximum level of incentives the company could possibly earn if the project occurs. If the project status indicates a rescission or revocation, the maximum incentive amount is listed only for reference in this report but the incentive is no longer available to the company.

Table 2 summarizes the application volume, application status, the total incentives considered and authorized, the annual level of incentives compared to the annual cap for each calendar year, and the direct and indirect fiscal and economic impact estimated by the VEGI cost-benefit model.

VEPC has considered 66 applications since the inception of the VEGI program in January 2007, an average of 22 per year. The 41 applications summarized in this report are the Final Applications submitted and considered by each company. Statute allows a company to file an Initial Application followed later by a Final Application. Both are formal applications considered and either approved or denied by VEPC. A company may file a Final Application without filing an Initial Application.

As of December 31, 2009, of the 41 Final Applications, 27(66%) are active, 10 (24%) have been rescinded, one has been revoked (2%), and 3 (7%) were denied. The one revocation was due to a plant closure. The company did earn and was paid two incentive installments. The Tax Department has billed the company for the recapture of those incentives. This closure and most of the rescinded authorizations, which are due primarily to projects not going forward, occurred because of the economic downturn. It should not be surprising that these project delays or cancellations are occurring during the worst economic downturn in decades. More project delays and cancellations, and companies not meeting targets on schedule should be expected until there is a turnaround in the economy.

In 2007, Governor Douglas proposed, and the General Assembly approved, an enhancement to the VEGI program for companies that will create jobs in certain the environmental technology sectors. Since its passage, seven applications have been considered for the “Green VEGI” enhancement, four of which remain active. These companies plan to employ over 340 Vermonters to design, research, develop, and produce wind turbines, capacitors for electric vehicles, energy efficient transformers, and innovative water treatment technologies.

As the summary data in Table 2 show, the net (not including denied and rescinded/revoked) incentives authorized through December 2009 total just over \$16 million. These incentives will be earned by 26 companies for 27 projects between 2007 and 2013 *only if* payroll, employment and capital investment targets are met.

As Table 2 indicates, the projects that have been approved through December 2009 are projected to create **1,885 new, direct, qualifying jobs** (full-time, permanent, paying over 160% of Vermont minimum wage), over **\$84 million in new qualifying payroll** (above and beyond “background growth” payroll), and **over \$137 million in capital investments** in machinery and equipment and building construction and renovation. The new jobs to be created are projected to have a weighted average wage of \$44,960 and **average total compensation of \$54,984** (including benefits). This economic activity, scheduled to occur between 2007 and 2013, is the basis for the incentives calculated and the incremental revenue projected to be generated.

The incentives will be paid out between 2008 and 2019 only if targets are met and maintained. The revenue to pay these incentives comes from the new revenue these companies generate to the state when the economic activity summarized in Table 2 and detailed in Table 3 occurs. Each company was approved only because a determination was made that the activity would not occur, or would occur in a materially different and less desirable manner, if the incentive was not authorized (But For). Therefore, the revenue to pay the incentive payments to the companies are generated by those companies and are revenues that would never have occurred, except for the incentive being approved.

In addition to the But For criteria, application consideration includes an extensive and detailed modeling of the economic and fiscal (revenue) benefits and costs to the State of Vermont. Net new revenues are generated primarily from payroll withholding taxes. But new revenues are also generated from new personal and corporate income taxes, sales and use taxes on machinery and equipment and building materials, transportation fees, property taxes, and other fees and taxes paid by the company, employees, contractors and their employees, and other companies involved in the project. The model also accounts for economic and fiscal costs to the State such as the costs of new students attending school and other additional services that will be required.

As Table 2 summarizes, the projects that have been approved will generate estimated new revenues to the State totaling \$43.3 million, and the revenue costs, including the incentive payments will be about \$31 million. In addition to the new jobs, payroll and capital investments, the State of Vermont will realize net new revenues totaling **\$12.4 million**.

Note that the estimates included in this report cover only the five-year earning period (revenue benefits, job creation, payroll generation, capital investments) and the nine year incentive payment period (revenue costs, incentive costs) that are included in the cost-benefit model. New revenues will continue to be generated to the State after this modeling period and jobs may continue to be created that are not accounted for in the modeling.

Application Activity

Table 2 also includes summary data on related and indirect economic activity that is projected to occur because of the incentives. The VEGI program is not a job retention program. However, the expansion projects approved will mean that *at least 2,254 existing jobs will be retained*. The projects will also create almost 70 non-qualifying full-time jobs (pay below 160% of Vermont minimum wage) and *over 2,000 indirect jobs* throughout the state.

The projects will also generate almost \$24 million in new payroll that is considered “background” or “organic” growth payroll. The calculation of the incentive for *all* applications includes the discounting of a certain level of the new payroll that will be generated. This is considered background growth payroll or payroll that would have occurred anyway. This is done even for applications from new or start-up companies and companies that are being recruited to Vermont, neither of which ever had payroll in Vermont before the application date. The projects approved will create \$24 million in new payroll because of the incentive that will not be counted in the incentive calculation because it is considered “background growth.”

In addition to the But For and cost-benefit criteria for approval, applications are also considered against a set of nine program guidelines. One of the guidelines (Guideline 7) involves the interaction of the applicant with other Vermont companies in customer, supplier, and vendor relationships. The greater these interactions, the more indirect economic impact the incentives will have. Table 2 shows that the expected business-to-business relationships of applicants is estimated at over \$100 million each year.

Also summarized in **Table 2** is the average level of employee health care costs that are paid by the VEGI applicant employers, at 71%. Further detail on this and other data related to the Program Guidelines are contained in Charts 6-14.

TABLE 1: INCENTIVE APPLICATIONS CONSIDERED, AND STATUS, THROUGH DECEMBER 31, 2009

Company Name (** Indicates "Green VEGI" application) ²	Date Application Considered	Authorization (Earning) Period	Status ³	Explanation	Maximum Incentive Considered	Minimum Net Revenue Benefit	Location	Type of Project
Ink Jet Machinery of Vermont	25-Jan-07	n/a	Rescinded Jan 24, 2008	Project did not proceed as planned	\$ 336,055	\$ -	Dorset	Startup
Olympic Precision, Inc./WIC/Town of Windsor	25-Jan-07	n/a	Rescinded Sept 6, 2007	Material change to project - Did not meet But For	\$ 474,428	\$ -	Windsor	Recruitment
Monahan SFI, LLC	15-Feb-07	n/a	Revoked-Recap Sept 28, 2009	Plant closed. Incentives in recapture.	\$ 791,277	\$ -	Middlebury	Plant Restart
Qimonda North America Corp.	15-Feb-07	n/a	Rescinded Mar 27, 2008	Project did not occur; Consolidated out-of-state	\$ 229,672	\$ -	So. Burl	Ret./Expansion
Rehab Gym, Inc.	22-Mar-07	n/a	Denied	Did not meet But For and Guidelines	\$ 255,439	\$ -	Colchester	Ret./Expansion
Applejack Art Partners	3-May-07	n/a	Rescinded Oct 25, 2007	Project did not occur	\$ 85,539	\$ -	Manchester	Recruitment
Omni Measurement Systems	3-May-07	2007 - 2011	Active - Final		\$ 677,944	\$ 324,549	Milton	Ret./Expansion
Vermont Timber Frames	3-May-07	2007 - 2011	Active - Final		\$ 156,126	\$ 70,611	Bennington	Recruitment
Battenkill Technologies, Inc.	28-Jun-07	n/a	Rescinded Jun 26, 2008	Failed to file claim	\$ 79,054	\$ -	Manchester	Recruitment
Burton Corporation	28-Jun-07	2007 - 2011	Active - Final		\$ 1,653,965	\$ 2,212,917	Burlington	Ret./Expansion
Energizer Battery Manufacturing, Inc.	26-Jul-07	n/a	Rescinded May 28, 2009	Project did not occur	\$ 607,347	\$ -	St Albans	Ret./Expansion
NEHP, Inc.	25-Oct-07	2007 - 2011	Active - Final		\$ 182,396	\$ 94,388	Williston	Ret./Expansion
Green Mountain Coffee Roasters	25-Oct-07	2007 - 2011	Active - Final		\$ 1,786,828	\$ 2,129,672	Waterbury/Essex	Ret./Expansion
Know Your Source, LLC	6-Dec-07	n/a	Denied	Did not meet But For and Guidelines	\$ 71,302	\$ -	Burlington	Start-up
Mascoma Corporation**	25-Oct-07	n/a	Rescinded Jun 26, 2008	No final application filed; Project did not occur	\$ 1,942,989	\$ -	WRJ	Recruitment
CNC North, Inc.	6-Mar-08	2008-2012	Active - Final		\$ 70,533	\$ 29,542	Springfield	Ret./Expansion
Vermont College of Fine Arts	27-Mar-08	2008-2012	Active - Final		\$ 206,737	\$ 126,260	Montpelier	Start-up
Isovolta, Inc.	26-Jun-08	n/a	Rescinded May 28, 2009	Project did not occur	\$ 568,330	\$ -	Rutland	Ret./Expansion
Vermont Castings Holding Company**	18-Sep-08	n/a	Rescinded May 28, 2009	Failed to file claim	\$ 488,000	\$ -	Bethel	Ret./Expansion
New England Precision, Inc./Clifford Properties, Inc.	18-Sep-08	2008-2012	Active - Final		\$ 241,236	\$ 350,926	Randolph	Ret./Expansion
Utility Risk Management Corp	23-Oct-08	2008-2012	Active - Final		\$ 377,371	\$ 185,973	Stowe	Recruitment
Helix Global Solutions, Inc.	4-Dec-08	n/a	Rescinded Dec 4, 2008	No final application filed; Project did not occur	\$ 53,739	\$ -	Burlington Area	Recruitment
Vermont Wood Energy Corp**	4-Dec-08	n/a	Denied	Did not meet But For and Guidelines	\$ 293,967	\$ -	Rutland	Start-up
Tata's Natural Alchemy	4-Dec-08	2008-2012	Active - Final		\$ 231,531	\$ 96,498	Whiting/Shoreham	Start-up
BioTek Instruments, Inc./Lionheart Technologies, Inc.	4-Dec-08	2009-2013	Active - Final		\$ 692,854	\$ 1,059,543	Winooski	Ret./Expansion
Dominion Diagnostics, LLC	22-Jan-09	2009-2010	Active - Final		\$ 103,300	\$ 52,239	Williston	Recruitment
Albany College of Pharmacy	22-Jan-09	2009-2013	Active - Final		\$ 630,859	\$ 345,716	Colchester	Recruitment
ASK-intTag, LLC	26-Mar-09	2009-2013	Active - Final		\$ 553,722	\$ 263,998	Essex	Recruitment/SU
Vermont Transformers, Inc.**	26-Mar-09	2009-2013	Active - Final		\$ 267,569	\$ 55,910	St. Albans	Recruitment
Project Graphics, Inc.	30-Apr-09	2009-2013	Active - Final		\$ 230,414	\$ 112,162	So. Burlington	Recruitment
Durasol Awnings, Inc.	28-May-09	2009-2013	Active - Final		\$ 245,795	\$ 125,920	Middlebury	Ret./Expansion
Commonwealth Yogurt, Inc.	25-Jun-09	2009-2013	Active - Final		\$ 1,201,154	\$ 614,505	Brattleboro	Recruitment/SU
AirBoss Defense USA, Inc.	24-Sep-09	2009-2013	Active - Final		\$ 243,280	\$ 116,725	Milton	Recruitment
MyWebGrocer, Inc.	22-Oct-09	2010-2014	Active - Final		\$ 453,475	\$ 286,567	Colchester	Ret./Expansion
Maple Mountain Woodworks, LLC	17-Dec-09	2009-2012	Active - Final		\$ 143,436	\$ 59,857	Richford	Start-up
Terry Precision Bicycles for Women, Inc.	17-Dec-09	2009-2011	Active - Final		\$ 126,296	\$ 53,440	Burlington	Recruitment
Northern Power Systems, Inc. **	17-Dec-09	2009-2013	Active - Final		\$ 808,104	\$ 235,796	Barre	Ret./Expansion
Green Mountain Coffee Roasters, Inc.	17-Dec-09	2009-2011	Active - Final		\$ 292,307	\$ 1,736,611	Chittenden County	Ret./Expansion
SBE, Inc. **	17-Dec-09	2010-2014	Active - Final		\$ 3,048,671	\$ 817,673	Barre	Ret./Expansion
Seldon Technologies, Inc. **	17-Dec-09	2010-2014	Active - Final		\$ 478,396	\$ 136,972	Windsor	Ret./Expansion
Revision Eyewear, Ltd.	17-Dec-09	2010-2012	Active - Initial		\$ 933,206	\$ 724,515	Essex	Ret./Expansion

**TABLE 2: INCENTIVE AUTHORIZATION DATA SUMMARY
FOR APPLICATIONS CONSIDERED AND STATUS. THROUGH DECEMBER 31, 2009**

Application Count	Total Considered	Approved - Active ⁴	Rescinded/ Revoked ⁵	Denied	
Total Applications Considered:	41	27	11	3	
Percent of Total Applications		66%	27%	7%	
Regular VEGI Applications:	34	23	9	2	
"Green VEGI" Applications ⁶ :	7	4	2	1	
Authorization Summary:		Direct Estimated Economic Impact:			
Total Incentives Considered To Date:	\$ 22,314,643	New Qualifying FT Jobs Projected:		1,885	
Total Incentives Denied To Date:	\$ 620,708	New Qualifying FT Payroll Projected:		\$ 84,024,096	
Total Incentives Rescinded/Revoked to Date:	\$ 5,656,430	Weighted Average Wage of New Qualifying Jobs:		\$ 44,960	
Net Incentives Authorized to Date:	\$ 16,037,505	Average Total Compensation for New Qualifying Jobs:		\$ 54,984	
		New Qualified Capital Investment Projected:		\$ 137,131,025	
Authorizations, by Year/Cap Balances ⁷:		Related Estimated Economic Activity:			
2007 Authorizations:	\$ 4,457,259	Retained Full-time Jobs ⁹ :		2,254	
2007 Cap Balance:	\$ 5,542,741	Full-time Non-Qualifying Job Creation ¹⁰ :		68	
2008 Authorizations:	\$ 1,127,408	Indirect Job Creation ¹¹ :		2,034	
2008 Cap Balance:	\$ 8,872,592	Total Full-time Job Creation:		3,987	
2009 Authorizations:	\$ 5,539,090	New Payroll Considered Background Growth ¹² :		\$ 23,891,192	
2009 Cap Balance:	\$ 4,460,910	Average Health Care Premium Paid by Employer ¹³ :		71%	
2010 Authorizations:	\$ 4,913,748	Approximate Value of VT Biz-to-Biz Interactions ¹⁴ :		\$ 101,774,415	
2010 Cap Balance:	\$ 5,086,252				
Direct Estimated Fiscal Impact ⁸					
Total Revenue Benefits to the State:	\$ 43,395,322				
Total Revenue Costs to the State, Including Incentive	\$ 30,975,838				
Net Fiscal Return to the State:	\$ 12,419,484				

Table 3 provides annual detail of the projected economic activity summarized in **Table 2**. Table 3 also shows the annual summary of “actuals” data compared to the annual projections. “Actuals” refer to the actual job creation, payroll generated, capital investments made, and incentives earned and paid each calendar year. Further details on “actuals” are included in **Tables 4 and 5**.

Table 4 summarizes, by calendar year, the number of claims filed, and the projected and actual job creation, payroll generation, capital investments made, incentives earned, incentive payments disbursed, and the net revenue benefit for the State.

Table 5 details the same information by “class” or “cohort.” This data breaks down the actuals for each group of companies by their earning period. The earning period is the five-year period during which the economic activity will occur and incentives will be earned. For example, all companies whose projects occur from 2007–2011 are in the Class of 2007. VEGI claims must be filed by the last day of February each year for the economic activity that occurred during the previous calendar year. For example, claims for activity in 2009 were filed in February 2010 and will be examined by the Tax Department during 2010 and incentive payments, if earned, will be paid in late 2010. Therefore, there is a one year delay before the claim and actual activity data is available. This is why this report includes application data through December 2009, but actual earning and economic activity for only 2007 and 2008.

In 2007, seven claims were filed. The Vermont Department of Taxes determined that five of these companies met their targets and two did not. In 2008, ten claims were filed. Four companies met their targets and six did not. The projected and actual data included in **Table 5** are for the companies that both met and did not meet targets. Companies are not included if their incentives were rescinded or revoked in subsequent years, through December 2009. Data for companies that did not meet targets are included because a company is not removed from the program if they do not meet their targets by the due date (December 31 of each year). These companies created jobs, generated payroll, and made capital investments, but not to the extent that met targets. Note that no incentive is paid to such a company until the targets are met. This economic activity, however, must be counted and is included in the calculation of the actual net revenue benefit to the State. If a company never meets the required targets after 24 months, no incentive for that year is earned and any future incentives are rescinded, and the data for that company is removed.

Table 5 shows that the five companies with expected activity in 2007 created more jobs, generated more payroll, and invested more in capital investments than was projected. The incentives earned and the first installment reflects the success of this first year. However, the nine companies with expected activity in 2008 (both the second year of activity for the Class of 2007 and the first year for the Class of 2008) fell short in all categories (only four companies met targets) and the incentives earned and installments paid were far below expectations. Also, in 2008, one company closed. The impact of this is reflected in the data, including the level of incentive installments that are in recapture status. This closure, and the difficulty companies faced meeting targets in 2008 corresponds with the downturn in the economy.

Actual Economic Activity

The data in **Table 5** also indicates how the structure of the VEGI program protects the state. In the first two years of the program, the total economic activity is below what was projected. Companies in the program created 371 new qualifying jobs (compared to 475 projected) and generated about \$14 million in new qualifying payroll (compared to \$17 million projected), and made \$30.2 million in capital investments (compared to \$37 million projected). However, the gross level of incentives paid were about \$395,000 (compared to \$818,000 projected). After subtracting the incentive installments that are in recapture (\$265,226), the net incentive installments paid out totals about \$130,000. This is the total incentive installments paid in 2008 and 2009 for the activity that met targets in 2007 and 2008.

Because absolute targets must be met before incentives are paid, the net revenue benefit to the State is greater than projected because a certain level of projected activity is occurring, even though targets are not met, but no incentive is paid until the targets are met. The state gets the benefit of the job creation, payroll generation, and capital investment, but no incentives are paid until and unless the targets are met. The net revenue benefit for economic activity and incentive payments through December 2008 was projected to be about \$866,000. The economic activity that has actually occurred, and the incentives installments paid was re-modeled using the same cost-benefit model used for the application approval process. The model estimates a **net revenue benefit to the State of \$1,839,095** for 2007 and 2008 only. The five-year estimate is \$4,817,126 for just the activity that occurred in 2007 and 2008. This estimate assumes that the jobs created during 2007 and 2008 are maintained for the five-year modeling period and that the payroll levels attained by 2008 are escalated by an inflationary annual increase. Only the revenue impacts of the capital investments made during 2007 and 2008 are included in this estimate. It should be noted that the economic activity of the rescinded companies was not included in the modeling for the revenue impact, but those companies may have contributed jobs and investments during this period.

TABLE 3: ESTIMATED AND ACTUAL INCENTIVE IMPACT, BY YEAR, FOR AUTHORIZATIONS THROUGH DECEMBER 31, 2009

COST-BENEFIT ESTIMATE (Present Value \$)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
Estimated New Revenues to State:		\$ 405,671	\$ 1,743,830	\$ 4,011,625	\$ 7,616,032	\$ 10,929,439	\$ 6,954,713	\$ 7,946,550	\$ 3,787,462					\$ 43,395,322
Estimated Costs to State Other Than Incentive Payments:		\$ 91,974	\$ 495,918	\$ 1,379,643	\$ 2,856,154	\$ 4,700,088	\$ 2,561,579	\$ 3,381,038	\$ 1,873,433					\$ 17,339,827
Estimated Annual Incentive Payments:		\$ 150,798	\$ 544,666	\$ 953,580	\$ 1,583,517	\$ 2,041,939	\$ 2,256,094	\$ 2,051,699	\$ 1,773,623	\$ 1,143,685	\$ 685,264	\$ 320,310	\$ 130,837	\$ 13,636,013
Estimated Net New Revenues to State Because of Incentives:		\$ 162,899	\$ 703,246	\$ 1,678,402	\$ 3,176,361	\$ 4,187,413	\$ 2,137,039	\$ 2,513,813	\$ 140,406	\$ (1,143,685)	\$ (685,264)	\$ (320,310)	\$ (130,837)	\$ 12,419,482
Actual Net New Revenues to the State (Nom: 2007 and 2008 Activity only):		\$ 504,102	\$ 1,334,993	\$ 1,207,468	\$ 958,568	\$ 712,645	\$ 99,350							
INCENTIVE EARNING SCHEDULE ESTIMATE	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	TOTAL
Maximum Incentives Possible to Earn (Nominal \$):	\$ 886,781	\$ 2,316,165	\$ 2,404,648	\$ 3,704,389	\$ 2,695,778	\$ 2,146,141	\$ 1,114,205	\$ 769,399						\$ 16,037,505
Estimated Incentives to be Earned Based on Application Data (Nom. \$):	\$ 771,548	\$ 2,025,214	\$ 2,127,852	\$ 3,360,763	\$ 2,407,104	\$ 1,936,570	\$ 1,030,881	\$ 700,839						\$ 14,360,770
Actual Incentives Earned:	\$ 869,330	\$ 373,122												
INCENTIVE PAYOUT SCHEDULE ESTIMATE	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	TOTAL
Maximum Incentives Possible to be Paid Out (Nominal \$):		\$ 177,356	\$ 640,589	\$ 1,121,519	\$ 1,862,397	\$ 2,401,552	\$ 2,653,424	\$ 2,413,032	\$ 2,085,982	\$ 1,345,104	\$ 805,949	\$ 376,721	\$ 153,880	\$ 16,037,505
Estimated Incentives to be Paid Based on Application Data (Nominal \$):		\$ 62,123	\$ 349,637	\$ 844,723	\$ 1,518,777	\$ 2,112,880	\$ 2,443,852	\$ 2,329,704	\$ 2,017,421	\$ 1,345,104	\$ 805,949	\$ 376,721	\$ 153,880	\$ 14,360,770
Actual Incentives Paid Out		\$ 208,653	\$ 186,427											
Less: Recapture Amount		\$ 132,712	\$ 132,613											
Less: Incentives Used to Offset Tax Liability		\$ 54,898	\$ -											
Net Incentives Paid		\$ 21,142	\$ 53,814											
ECONOMIC ACTIVITY PROJECTED AND ACTUAL	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	TOTAL
Estimated New Qualifying Jobs to be Created	142	333	293	388	341	240	89	59						27-Feb-05
Estimated New Qualifying Payroll to be Created	\$ 4,916,028	\$ 12,061,247	\$ 14,383,365	\$ 18,274,729	\$ 16,426,175	\$ 10,927,121	\$ 4,805,359	\$ 2,230,072						\$ 84,024,096
Estimated New Qualifying Capital Investments to be Made	\$ 17,295,702	\$ 19,692,891	\$ 26,412,561	\$ 38,353,411	\$ 17,607,911	\$ 13,640,789	\$ 3,475,680	\$ 652,080						\$ 137,131,025
Actual New Qualifying Jobs Created	145	226												
Actual New Qualifying Payroll Created	\$ 5,630,562	\$ 8,523,143												
Actual New Qualifying Capital Investments Made	\$ 17,688,856	\$ 12,547,085												
AUTHORIZED INCENTIVES AGAINST ANNUAL GROSS	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	TOTAL
Gross Cap	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	
Maximum Incentives Possible (Nominal Dollars)	\$ 4,457,260	\$ 1,127,405	\$ 5,539,093	\$ 4,913,747										\$ 16,037,505
Gross Cap Balance	\$ 5,542,740	\$ 8,872,595	\$ 4,460,907	\$ 5,086,253										
AUTHORIZED INCENTIVES AGAINST ANNUAL NET NEG	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	TOTAL
Net Negative Cap	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	
Incentives Approved Against Net negative Cap	\$ -	\$ -	\$ -	\$ -										\$ -
Net Negative Cap Balance	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000										

TABLE 4: PROJECTED AND ACTUAL ACTIVITY - SUMMARY

YEAR	2007	2008	2009	TOTALS
Claim Activity:				
Claims Expected:	9	14		
Claims Filed:	7	10		
Met Targets:	5	4		
Did Not Meet Targets:	2	6		
Revoked-recapture/Removed in Subsequent Year:	2	1		
Net Included in Projected and Actual Data:	5	9		
Projected Activity:				
New Qualifying Employees:	142	260		402
New Qualifying Payroll:	\$ 4,916,028	\$ 12,061,247		\$ 16,977,275
New Qualifying Capital Investments:	\$ 17,295,702	\$ 19,692,891		\$ 36,988,593
Est. Incentives to be Earned:	\$ 886,781	\$ 2,316,165		\$ 3,202,946
Est. Incentive Installments to be Paid:		\$ 177,356	\$ 640,589	\$ 817,945
Net Revenue Benefit:		\$ 162,899	\$ 703,246	\$ 866,145
Actual Activity:				
New Qualifying Employees:	145	226		371
New Qualifying Payroll:	\$ 5,630,562	\$ 8,523,143		\$ 14,153,705
New Qualifying Capital Investments:	\$ 17,688,856	\$ 12,547,085		\$ 30,235,941
Incentives Earned:	\$ 869,330	\$ 373,122		\$ 1,242,452
Incentive Installments Paid:		\$ 208,653	\$ 186,427	\$ 395,080
Less: In Recapture Status:		\$ 132,613	\$ 132,613	\$ 265,226
Less: Used to Offset Tax Liability:		\$ 54,898	\$ -	\$ 54,898
Net Incentives Paid to Companies:		\$ 21,142	\$ 53,814	\$ 74,956
Net Revenue Benefit (2007 and 2008 only):		\$ 504,102	\$ 1,334,993	\$ 1,839,095

TABLE 5: PROJECTED AND ACTUAL ACTIVITY - BY CLASS

YEAR:	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
CLASS OF 2007: (Incentives earned between 2007 and 2011 and paid out between 2008 and 2016)														
YEAR:	1	2	3	4	5	6	7	8	9	10				
Claim Activity:														
Claims Expected:	9	7												
Claims Filed:	7	6												
Met Targets:	5	2												
Did Not Meet Targets:	2	4												
Revoked-recapture/Removed in Subsequent Year	2	1												
Net Included in Projected and Actual Data	5	5												
Projected Activity:														
New Qualifying Employees:	142	219												
New Qualifying Payroll:	\$ 4,916,028	\$ 9,872,410												
New Qualifying Capital Inv.:	\$ 17,295,702	\$ 17,986,270												
Est. Incentives to be Earned:	\$ 886,781	\$ 1,862,609												
Est. Incentive Installments to be Paid:		\$ 177,356	\$ 549,878											
Actual Activity:														
New Qualifying Employees:	145	187												
New Qualifying Payroll:	\$ 5,630,562	\$ 6,511,728												
New Qualifying Capital Inv.:	\$ 17,688,856	\$ 11,647,133												
Incentives Earned:	\$ 821,856	\$ 24,107												
Incentive Installments Paid:		\$ 208,653	\$ 152,938											
Less: In Recapture Status:		\$ 132,613	\$ 132,613											
Less: Used to Offset Tax Liability:		\$ 54,898	\$ -											
Net Incentives Paid to Companies:		\$ 21,142	\$ 20,325											
CLASS OF 2008: (Incentives earned between 2008 and 2012 and paid out between 2009 and 2017)														
YEAR:	1	2	3	4	5	6	7	8	9	10				
Claim Activity:														
Claims Expected:		7												
Claims Filed:		4												
Met Targets:		2												
Did Not Meet Targets:		2												
Revoked-recapture/Removed in Subsequent Year:		0												
Net Included in Projected and Actual Data:		4												
Projected Activity:														
New Qualifying Employees:		41												
New Qualifying Payroll:		\$ 2,188,837												
New Qualifying Capital Inv.:		\$ 1,706,621												
Est. Incentives to be Earned:		\$ 453,556												
Est. Incentive Installments to be Paid:			\$ 90,711											
Actual Activity:														
New Qualifying Employees:		39												
New Qualifying Payroll:		\$ 2,011,415												
New Qualifying Capital Inv.:		\$ 899,952												
Incentives Earned:		\$ 349,015												
Incentive Installments Paid:			\$ 33,489											
Less: In Recapture Status:			\$ -											
Less: Used to Offset Tax Liability:			\$ -											
Net Incentives Paid to Companies:			\$ 33,489											

Supplemental Data: Active Applications

Charts 6 through 13 illustrate several interesting data points about the 27 active projects in the program. Note that the data presented in charts 6-14 is from *only* the 27 approved-active applications (not all applications ever considered). **Charts 6 through 8** cover issues related to the program guidelines. **Charts 9-11** show data that counters some assumptions that are often made about the program applicants and the projects that are approved. **Charts 12 and 13** are related to regional distribution of incentives.

Chart 6 shows the wage ranges of the 1,885 new, qualifying jobs to be created, in \$10,000 increments. This data relates to Guideline 2, regarding wages and benefits. While the largest segment of jobs, at 37% of total, are in the \$25,000 - \$29,000 range, the chart shows that the majority of the jobs (63% of total) will pay wages well above the state average and more than half of the jobs will pay above \$40,000 per year. Additionally, the companies project creating only 68 jobs that will pay wages at or below the VEGI Wage Threshold (160% of Vermont minimum wage; these jobs cannot be used to calculate the VEGI incentive). This data shows that the applicants to this program are creating very well-paying jobs, the majority of which far exceed the VEGI Wage Threshold. None of the applicants projected the creation of jobs at or even near the Vermont minimum wage.

Chart 7 shows the breakdown of jobs projected to be created by various job categories. Predictably, the largest category of jobs is production, at 50% of the total. Other jobs are about equally divided between management, IT, R&D, engineering, and administration/support.

Chart 8 illustrates one aspect of the fringe benefits that are and/or will be offered by the applicant companies (related to Guideline 2). The average benefits ratio (benefits as percentage of total compensation) for applicants is 22%. This means that the weighted average wage paid, \$44,960, is supplemented by an average benefits package valued at \$10,024 for a total compensation of \$54,984. All approved applicant companies in the VEGI program pay some portion of employee health care costs. No companies offer less than 30% coverage by the employer. One company offers 33%. All other companies offer 50% or more coverage. The majority of the companies (70%) cover 61% or more of health care costs for their employees.

Chart 9 shows the size of the company, by number of full-time employees, at the time of application. As the chart illustrates, the majority of the applicant companies are small to medium size companies. In fact, 16 (or 59%) of the applicants had under 20 employees and 21 (78%) of the companies under 100 employees. Only two applicants had 500 or more employees at the time of application. Over 70% of the applicants are Vermont-based/owned companies. These are companies that were started by, and are owned by Vermonters and their families.

Chart 10 illustrates the types of economic development projects applying for incentives. It shows that over 50% of the projects are retaining and expanding Vermont companies. Another 11% are start-ups by Vermont entrepreneurs. This data, when viewed together with **Chart 9**, indicates that the VEGI program is providing incentives primarily for the creation or retention and expansion of small, Vermont companies and is not “helping large, out-of-state corporations” as has been stated by some critics. However, the program is also proving to be a very helpful tool to recruit companies to Vermont. Recruitments make up 37% of the active projects. These have been primarily expansions by small and medium size companies establishing a presence in Vermont (5 companies), many of which are Canadian companies seeking to break into the U.S. market. Two were start-ups that were considering several locations and three were total relocations of the company to Vermont.

Chart 11 summarizes the type of facility expansions occurring because of the incentives. As the data shows, the program has been very successful in providing incentives for the acquisition and/or reuse of existing buildings in Vermont that are un- or under-utilized. This type of project represents 63% of the active projects. Another 19% did not involve any facility expansion and 7% will expand the facility they currently occupy. A total of 89% of the projects will *not* involve building new facilities. Most will involve substantial investment in renovations to facilities, having a very positive impact on local construction companies. Eleven percent (or 3) of the projects will involve new construction, but all of them will occur within existing industrial or commercial parks or within sites zoned for that purpose.

Charts 12 and 13 show the regional distribution of the incentives by the number of active-approved applications per region (**Chart 12**) and by incentive dollars per region (**Chart 13**). There are active projects in every region of the state except the Northeast Kingdom and Rutland. The largest number of applications are from Chittenden County, which is expected as this is the economic engine of the state, the current location of most applicants, and the desired location for most companies recruited to Vermont. VEPC staff makes every effort to educate all regional economic development practitioners about the VEGI program. VEPC staff visits all regions regularly and VEGI informational seminars were conducted in every region at the start of the program. Additionally, in accordance with Program Guideline 1, applications from outside Chittenden County can be authorized for additional incentives. However, the Council and staff have no control over where existing Vermont companies (who represent the largest pool of applicants) are located, where new companies want to locate, or from which regions applications are submitted. Additionally, regional boundaries are meaningless to employment at a company. While most employees will come from the immediate area, many Vermonters cross county and regional borders for employment. The business-to-business relationships developed between companies within the state also occur regardless of regional boundaries.

Chart 14 shows the regional distribution of the direct, new, qualifying jobs that are projected to be created. As with Charts 12 and 13, there is direct impact in all regions except for Rutland and the Northeast Kingdom. However, Vermonters from all regions will fill these jobs and all regions will benefit from the job creation and capital investments. The projects that have been authorized for incentives will generate an estimated 2,034 indirect jobs all around the State and the companies estimate over \$100 million in business-to-business (vendor, supplier, customer, and client) interactions with other Vermont companies around the State.

NOTE: THE DATA PRESENTED IN CHARTS 6-14 IS FOR ONLY THE 27 APPROVED-ACTIVE APPLICATIONS THROUGH DECEMBER 2009, NOT ALL APPLICATIONS CONSIDERED.

Chart 6:
Wage Levels for Projected Jobs
(Wage Ranges in 000's)

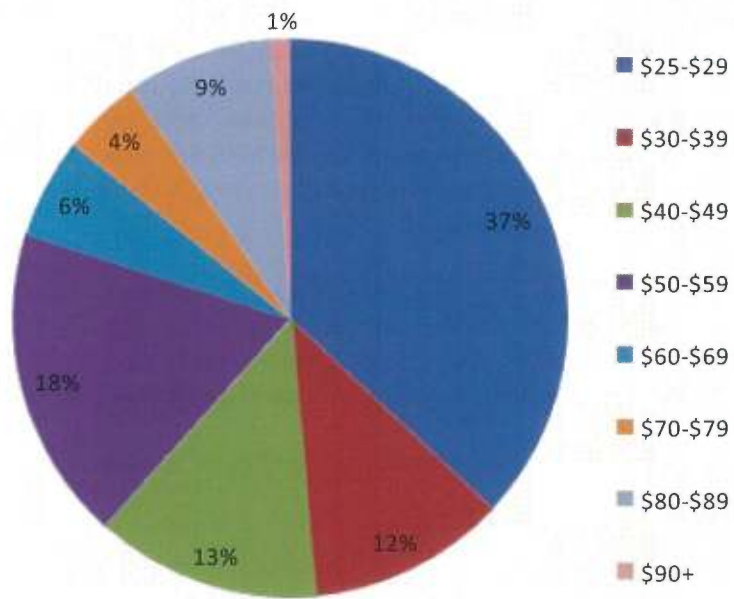
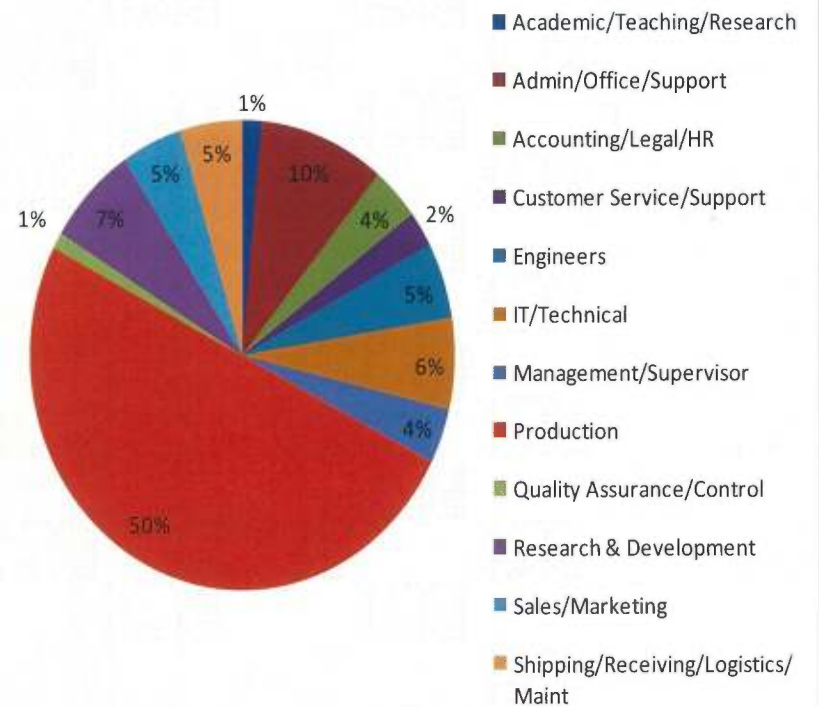


Chart 7:
Projected Job Types



Data includes 27 Approved, Active applications only.

Chart 8:
Percent of Health Care Paid by Employer
(By percent of total companies in each range)

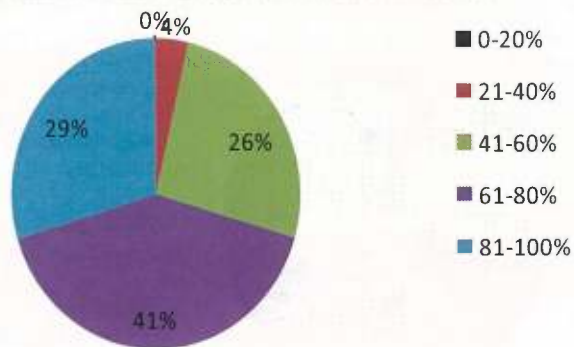
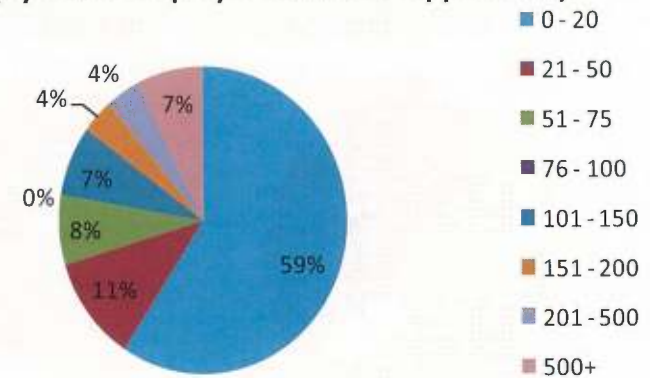


Chart 9:
Size of Business
(by # of FT employees at time of application)



Data includes 27 Approved, Active applications only.

Chart 10:
Type of Economic Development Project
(Percentage of total number of projects)

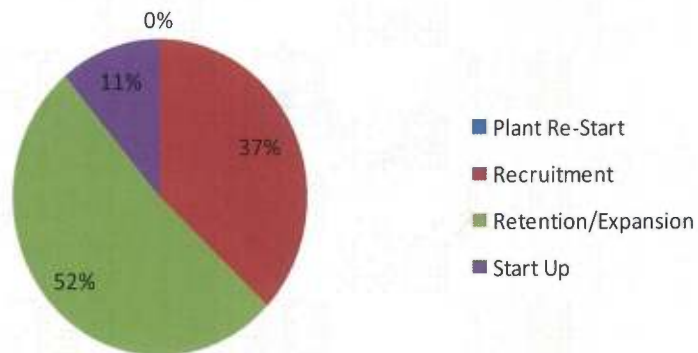
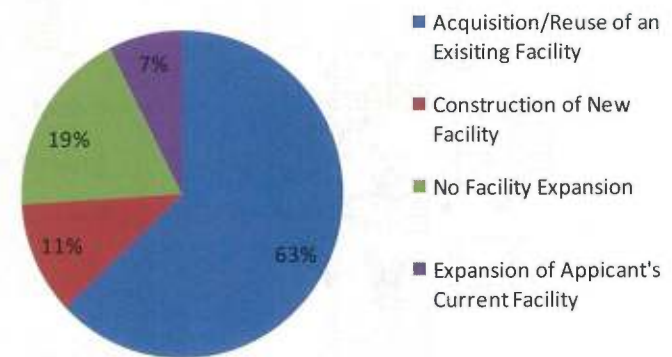


Chart 11:
Type of Facility Expansion
(Percentage of total number of projects)



Data includes 27 Approved, Active applications only.

Chart 12:
Regional Distribution of Incentives
(By percent of total applications filed)

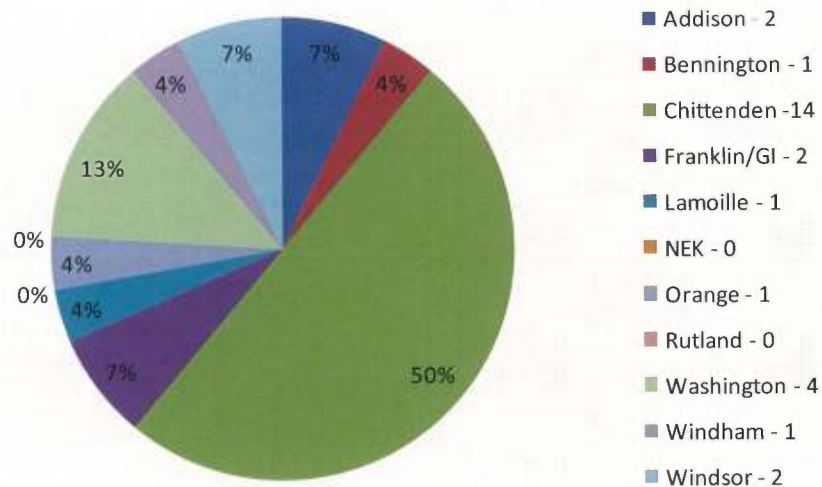
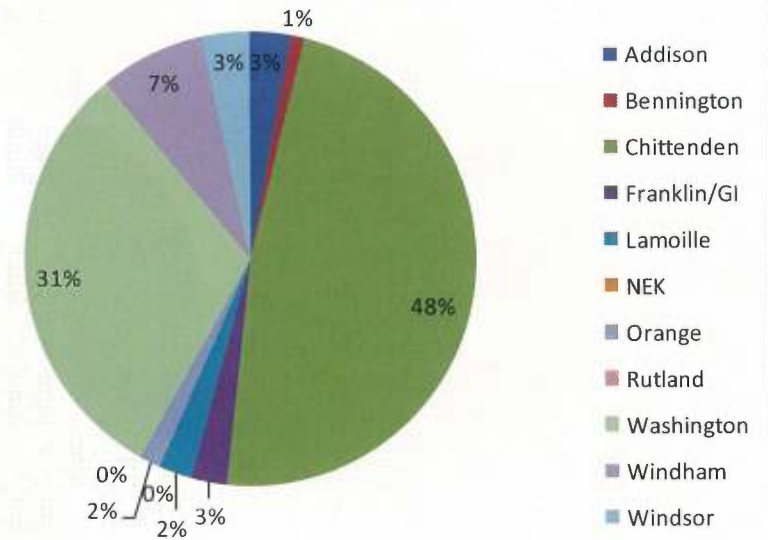
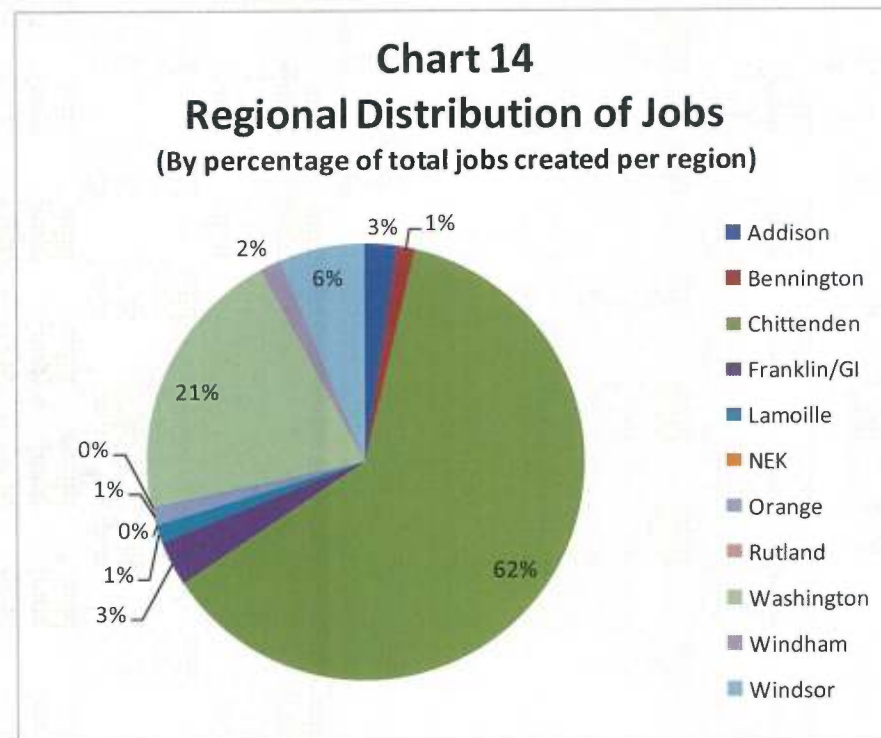


Chart 13:
Regional Distribution of Incentives
(By percent of total incentives authorized)



Data includes 27 Approved, Active applications only.



Data includes 27 Approved, Active applications only.

1	It is not possible to know this information until a company has completed an entire earning period. No company has completed an earning period yet. Table 5 includes information on the aggregate number of companies that met targets each year.
2	"Green VEG" authorizations are those approved for environmental technology companies in accordance with 32 VSA Section 5930b(g).
3	Status: "Active" indicates that an application was approved. "Active-Initial" indicates that an Initial Application was approved and the applicant still needs to file a Final Application for incentives to be authorized. "Active-Final" indicates a Final Application has been submitted and approved and incentives are authorized. "Denied" indicates that an application was submitted and was denied by the VEPC Board. "Rescinded" indicates that an application was approved, but the authorization to earn incentives was subsequently rescinded but no incentives were ever earned or paid. A rescission can occur for many reasons, including failure to file a VEGI claim, failure to meet targets, or if the applicant pulls out of the program because a project did not or will not occur. "Revoked" indicates that the authority to earn incentives is terminated after the company earned and was paid some incentives but there is no recapture. "Revoked-Recapture" indicates the authority to earn incentives is terminated and the company has earned some incentives, which must be recaptured.
4	Includes Initial and Final Applications
5	See footnote 3
6	"Green VEG" authorizations are those approved for environmental technology companies in accordance with 32 VSA Section 5930b(g).
7	Cap is \$10,000,000 for each calendar year. Cap balances do not carry forward to the next year.
8	Fiscal benefits and costs are estimated by an economic model. Majority of costs and benefits occur during the first five years of each project. The costs include not only the cost of the incentive, but also other revenue costs to the state such as new students in school and other services incurred by adding new people and buildings. Cost to pay incentive, if earned, continues for four years after the incentives are earned. Therefore, State of Vermont receives the benefit of each project before all incentive costs are incurred. The revenue benefits of the new jobs and payroll continue to accrue to the state after the five year earning period, but that benefit is not accounted for in the modeling. Therefore, the net revenue benefit is conservative. For a breakdown of estimated costs and benefits, by year, see Table 3.
9	The VEGI program cannot provide incentives for job retention. However, if a Vermont company receives incentives to expand in Vermont, an additional benefit is the retention of current employment.
10	VEGI incentives can only be authorized for new jobs that exceed a statutory wage threshold (160% of Vermont minimum wage). This number represents the new full-time jobs projected which will pay a wage at or under the VEGI wage threshold. The jobs occur because of the incentive, but cannot be counted toward the incentive calculation.
11	Indirect jobs are estimated by the VEGI cost-benefit model according to a multiplier factor for the particular region and sector of the project. These are the jobs created at other businesses in Vermont because of the project receiving the incentive.
12	All new payroll projected as new to Vermont due to the incentive, including for companies recruited to Vermont, is subject to a background growth calculation. This calculation discounts a portion of the new payroll that will be generated because of the incentive according to a factor for each business sector, thereby reducing the level of new payroll that is used to calculate the amount of incentive the applicant can earn. This payroll is considered "background" or "organic" or payroll that would have been created anyway. This number represents the amount of new payroll projected to be created in Vermont because of the incentive program, but for which no incentive will be earned or paid.
13	See Chart 6 for more detail on the level of health care paid by employers. This number represents the percentage of the health care costs for employees that are paid by the applicant companies.
14	This represents an estimate of the level of interaction by applicant companies with other Vermont companies as vendors, suppliers, and customers.

Contact Us:

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Produced in-house by the staff of the
Vermont Economic Progress Council
and Vermont Department of Taxes
Published June 2010
c. 2010 State of Vermont



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee Members
From: Nathan Lavery, Fiscal Analyst
Date: July 15, 2010
Subject: Small Grant & Gift Quarterly Report

In accordance with the provisions of 32 V.S.A. § 5(a)(3), the Joint Fiscal Office is required to submit quarterly reports for small grant and gift requests with a value of \$5,000 or less.* For the quarter ending June 30, 2010, the Joint Fiscal Office received notification of the following items with a value of \$5,000 or less:

1. \$200.00 grant from the Vermont Agricultural Credit Corporation (VACC) to the Agency of Agriculture, Food & Markets. This funding will support the Farm First program's efforts to provide Vermont dairy producers support and resources for a range of issues, including legal, financial, and family issues.
[JFO received 4/20/2010]
2. \$2,500.00 grant from the Ben & Jerry's Foundation to the Agency of Agriculture, Food & Markets. This funding will support the Farm First program's efforts to provide Vermont dairy producers support and resources for a range of issues.
[JFO received 5/13/2010]
3. \$500.00 grant from the Vermont Feed Dealers and Manufacturers to the Agency of Agriculture, Food & Markets. This funding will support the Farm First program's efforts to provide Vermont dairy producers support and resources for a range of issues.
[JFO received 5/13/2010]
4. \$5,000.00 grant from the U.S. Attorney's Office to the Vermont Center for Crime Victims' Services. This funding will be used to provide training to the Victim Advocates in the State's Attorneys' offices.
[JFO received 5/13/2010]
5. \$100.00 (estimated value) worth of name plates (10) from the City of Burlington to the Vermont General Assembly's Joint Fiscal Committee.
[JFO received 8/31/2009]

* Act 146 of the Acts of 2009 Adj. Session (2010), Sec. B.15 amended 32 V.S.A. § 5(a)(3) to permit the Department of Forests, Parks and recreation to accept grants with a value of up to \$15,000 under the "small grants" procedure. This change was part of the "Challenges for Change" initiative.

32 V.S.A. § 5(a)(3):

(3) This section shall not apply to the acceptance of grants, gifts, donations, loans, or other things of value with a value of \$5,000.00 or less, or to the acceptance by the department of forests, parks and recreation of grants, gifts, donations, loans, or other things of value with a value of \$15,000.00 or less, provided that such acceptance will not incur additional expense to the state or create an ongoing requirement for funds, services, or facilities. The secretary of administration and joint fiscal office shall be promptly notified of the source, value, and purpose of any items received under this subdivision. The joint fiscal office shall report all such items to the joint fiscal committee quarterly.



OFFICE OF THE CLERK/TREASURER

City of Burlington

City Hall, Room 20, 149 Church Street, Burlington, VT 05401

Voice (802) 865-7000

Fax (802) 865-7014

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July 19, 2010

Representative Michael Obuchowski
Chair Joint Fiscal Committee
72 Atkinson Street
Bellows Falls, Vt 05101-1321

To Representative Michael Obuchowski:

The City of Burlington is filing their 1st annual Tax Increment District (TIF) report in accordance with the Joint Fiscal Committee approved requirements. There are four requirements. This letter addresses each of them.

- a) 25% times the tax increment is due the State. April 1, 2010 is the baseline. Since the baseline is the current year there is no tax increment. The annual payment due December 10, 2010 is zero.
- b) A listing of each parcel within the Waterfront TIF District and the 1996 original taxable value, the 2010 extended base value, and the most recent values for all homestead and nonresidential property. This listing is attached as Exhibit A.
- c) A history of all of the TIF revenue and debt service payments. This listing is attached as Exhibit B.
- d) Details of new debt authorized including repayment schedules. No new debt was issued in the TIF district during Fiscal Year 2010.

Sincerely,

Marie J. Friedman

Marie J. Friedman, CPA

EXHIBIT A

CITY OF BURLINGTON, VERMONT									
Tax Increment Financing District Listing				1996	April 1, 2010	April 1, 2010	April 1, 2010	April 1, 2010	April 1, 2010
				FY 2011	FY 2011	FY 2011	FY 2011	FY 2011	2010/2011
				ORIGINAL					WATERFRONT TIF
114-035-SPAN	Account #	LOCATION AND DESCRIPTION	Property Owner	BASE VALUE	HOMESTEAD SH	NON-HOMESTD SN	TOTAL	Increment	BASE VALUE
				VALUE	Actuals	Actuals	Actuals		
114-035-14434	043-4-009-001	216 Lake St Unit 101	KELLEHER AND GOLEC	76,000	178,300	-	178,300	102,300	SH 178,300
114-035-14437	043-4-009-004	216 Lake St Unit 104	GLASER Adam T	75,000	178,300	-	178,300	103,300	SH 178,300
114-035-14447	043-4-009-014	216 Lake St - Unit 304	Eichhorn WILLIAM	75,000	178,300	-	178,300	103,300	SH 178,300
114-035-14448	043-4-009-015	216 Lake St - Unit 305	DRINKWINE USCHI	90,000	207,300	-	207,300	117,300	SH 207,300
114-035-14453	043-4-010-004	200 Lake St UNIT4	Hill		570,400	-	570,400	570,400	SH 570,400
114-035-14454	043-4-010-005	200 Lake St UNIT5	TURNER AMANDA D		561,100	-	561,100	561,100	SH 561,100
114-035-14455	043-4-010-006	200 Lake St UNIT6	Urbanowski	191,800	565,900	-	565,900	374,100	SH 565,900
114-035-14456	043-4-010-007	200 Lake St UNIT7	Moglenn	191,800	560,100	-	560,100	368,300	SH 560,100
114-035-14459	043-4-010-010	200 Lake St UNIT10	VAN WEES JOHANNES	191,800	576,900	-	576,900	385,100	SH 576,900
114-035-14461	043-4-010-012	200 Lake St UNIT12	Greenberg		617,400	-	617,400	617,400	SH 617,400
114-035-14462	043-4-010-013	200 Lake St UNIT13	DACYSHYN GREGORY		610,600	-	610,600	610,600	SH 610,600
114-035-20782	044-2-145-201	35 Cherry ST 201	Workman		450,700	-	450,700	450,700	SH 450,700
114-035-20788	044-2-145-303	35 Cherry ST 303	Duckman		473,500	-	473,500	473,500	SH 473,500
114-035-20789	044-2-145-304	35 Cherry ST 304	Patterson, John and Melinda		519,100	-	519,100	519,100	SH 519,100
114-035-20790	044-2-145-401	35 Cherry ST 401	Brown, Margaret		542,100	-	542,100	542,100	SH 542,100
114-035-20792	044-2-145-403	35 Cherry ST 403	Milne John and Catherine		546,800	-	546,800	546,800	SH 546,800
114-035-20798	044-2-145-601	35 Cherry ST 601	Church, NED		619,300	-	619,300	619,300	SH 619,300
114-035-20800	044-2-145-603	35 Cherry ST 603	BEILSTEIN, THOMAS AND LISA		602,700	-	602,700	602,700	SH 602,700
114-035-20801	044-2-145-604	35 Cherry ST 604	Bolanis Andrew and Anne		681,900	-	681,900	681,900	SH 681,900
114-035-20802	044-2-145-701	35 Cherry ST 701	Wertheimer Allan and Susan		652,200	-	652,200	652,200	SH 652,200
114-035-20803	044-2-145-702	35 Cherry ST 702	Hyde		618,900	-	618,900	618,900	SH 618,900
114-035-20809	044-2-145-804	35 Cherry ST 804	Lawrence, BRADLEY		732,600	-	732,600	732,600	SH 732,600
114-035-20810	044-2-145-901	35 Cherry ST 901	Russell		829,600	-	829,600	829,600	SH 829,600
114-035-20811	044-2-145-902	35 Cherry ST 902	Glen Don and Mira		1,170,100	-	1,170,100	1,170,100	SH 1,170,100
114-035-20812	044-2-145-904	35 Cherry ST 904	Dousecvicz Carol		1,092,200	-	1,092,200	1,092,200	SH 1,092,200
114-035-16988	049-1-080-003	1 Steele St #3 RES CONDO	Piper		167,000	-	167,000	167,000	SH 167,000
114-035-16989	049-1-080-004	1 Steele St #4 RES CONDO	STEWART CARYL J		265,000	-	265,000	265,000	SH 265,000
114-035-16991	049-1-080-006	3 Main Street Apt. #2	MILLHAM ERIC E & KARENZ		466,600	-	466,600	466,600	SH 466,600
114-035-16992	049-1-080-007	1 Main Street Unit 2	WALLMAN ELIZABETH ROSALIE &		459,800	-	459,800	459,800	SH 459,800
		Total Homestead Value		891,400	15,694,700	-	15,694,700	14,803,300	15,694,700
114-035-20566	043-3-208-001	300 Lake St - Apts 40 units	Waterfront Housing Limited		-	2,259,800	2,259,800	2,259,800	NR 2,259,800
114-035-14435	043-4-009-002	216 Lake St - Unit 102	Mowery Danielle	75,000	-	178,300	178,300	103,300	NR 178,300

EXHIBIT A

CITY OF BURLINGTON, VERMONT									
Tax Increment Financing District Listing				1996	April 1, 2010 FY 2011	April 1, 2010 FY 2011	April 1, 2010 FY 2011	April 1, 2010 FY 2011	April 1, 2010 FY 2011
SPAN	Account #	LOCATION AND DESCRIPTION	Property Owner	ORIGINAL BASE VALUE	HOMESTEAD SH	NON-HOMESTD SN	TOTAL		2010/2011 WATERFRONT TIF
				VALUE	Actuals	Actuals	Actuals	Increment	BASE VALUE
114-035-14436	043-4-009-003	216 Lake St - Unit 103	Casey, Eileen L	75,000	-	178,300	178,300	103,300	NR
114-035-14438	043-4-009-005	216 Lake St - Unit 105	Peter Pryor	80,000	-	178,300	178,300	98,300	NR
114-035-14439	043-4-009-006	216 Lake St Unit 106	Bourgeois Bryan	80,000	-	178,300	178,300	98,300	NR
114-035-14440	043-4-009-007	216 Lake St - Unit 107	Maynard McLaughlin	75,000	-	178,300	178,300	103,300	NR
114-035-14441	043-4-009-008	216 Lake St - Unit 108	Michael Conroy	75,000	-	178,300	178,300	103,300	NR
114-035-14442	043-4-009-009	216 Lake St Unit 109	Brodman, Vera	75,000	-	178,300	178,300	103,300	NR
114-035-14443	043-4-009-010	216 Lake St - Unit 110	Catherine Stanexhu	80,000	-	178,300	178,300	98,300	NR
114-035-14444	043-4-009-011	216 Lake St - Unit 301	RIMASH Tamare	80,000	-	178,300	178,300	98,300	NR
114-035-14445	043-4-009-012	216 Lake St - Unit 302	GRANT Susan G	75,000	-	178,300	178,300	103,300	NR
114-035-14446	043-4-009-013	216 Lake St - Unit 303	Benson GAIL	75,000	-	178,300	178,300	103,300	NR
114-035-14450	043-4-010-001	200 Lake St UNIT1	Grant	490,000	-	570,400	570,400	80,400	NR
114-035-14451	043-4-010-002	200 Lake St UNIT2	Lockwood	-	-	568,600	568,600	568,600	NR
114-035-14452	043-4-010-003	200 Lake St UNIT3	McNally John & Christine	-	-	570,400	570,400	570,400	NR
114-035-14457	043-4-010-008	200 Lake St UNIT8	Finley Stephen	191,800	-	561,100	561,100	369,300	NR
114-035-14458	043-4-010-009	200 Lake St UNIT9	ROTH CHARLES D	191,800	-	561,100	561,100	369,300	NR
114-035-14460	043-4-010-011	200 Lake St UNIT11	Platner	-	-	609,600	609,600	609,600	NR
114-035-14463	043-4-010-014	200 Lake St UNIT14	HALPERIN MICHAEL ARLENE	-	-	695,800	695,800	695,800	NR
114-035-14464	043-4-010-015	200 Lake St UNIT15	DAY JOHN JANE	-	-	665,000	665,000	665,000	NR
114-035-14465	043-4-010-016	200 Lake St UNIT16	SLANINA AND JAECKLE	-	-	698,000	698,000	698,000	NR
114-035-14861	044-2-001-000	102 Lake Street	Lake & College LLC	805,700	-	1,575,300	1,575,300	769,600	NR
114-035-14862	044-2-002-000	112 Lake Street	Haigh Mill Associates	1,765,900	-	2,014,100	2,014,100	248,200	NR
114-035-14863	044-2-003-000	86 Lake Street	Lake Street Associates	1,743,800	-	1,712,400	1,712,400	(31,400)	NR
114-035-14874	044-2-014-001	67 Burlington Square - MACYS	The May Department Stores Co	3,100,000	-	11,123,400	11,123,400	8,023,400	NR
114-035-20906	044-2-145-001	35 Cherry Street Parking condo	Westlake Residential Partners LLC	-	-	129,700	129,700	129,700	NR
114-035-20783	044-2-145-202	35 Cherry ST 202	Conner	-	-	439,100	439,100	439,100	NR
114-035-20784	044-2-145-203	35 cherry ST 203	Stonehenge Investment Corporation INC., Pension Plan	-	-	499,300	499,300	499,300	NR
114-035-20785	044-2-145-204	35 Cherry ST 204	Mossman, Barry	-	-	573,300	573,300	573,300	NR
114-035-20786	044-2-145-301	35 Cherry ST 301	Stonehenge Investment Corporation INC., Pension Plan	-	-	568,800	568,800	568,800	NR
114-035-20787	044-2-145-302	35 Cherry ST 302	Stonehenge Investment Corporation INC., Pension Plan	-	-	554,900	554,900	554,900	NR
114-035-20791	044-2-145-402	35 Cherry ST 402	Posdesta	-	-	527,800	527,800	527,800	NR
114-035-20793	044-2-145-404	35 Cherry ST 404	Krinsky, Terry and Laquer Brenda	-	-	557,600	557,600	557,600	NR
114-035-20794	044-2-145-501	35 Cherry ST 501	Greenberg Norman and Selma	-	-	598,500	598,500	598,500	NR

EXHIBIT A

CITY OF BURLINGTON, VERMONT									
Tax Increment Financing District Listing				1996	April 1, 2010	April 1, 2010	April 1, 2010	April 1, 2010	April 1, 2010
				ORIGINAL	FY 2011	FY 2011	FY 2011	FY 2011	2010/2011
114-035-SPAN	Account #	LOCATION AND DESCRIPTION	Property Owner	BASE VALUE	HOMESTEAD SH	NON-HOMESTD SN	TOTAL		WATERFRONT TIF
				VALUE	Actuals	Actuals	Actuals	Increment	BASE VALUE
114-035-20795	044-2-145-502	35 Cherry ST 502	Mcnamara		-	386,500	386,500		386,500
114-035-20796	044-2-145-503	35 Cherry ST 503	Robison		-	568,300	568,300		568,300
114-035-20797	044-2-145-504	35 Cherry ST 504	Hubbell, Richard and Dale, Rosemary		-	637,900	637,900		637,900
114-035-20799	044-2-145-602	35 Cherry ST 602	Westlake Residential Partners LLC		-	415,900	415,900		415,900
114-035-20804	044-2-145-703	35 Cherry ST 703	Westlake Residential Partners LLC		-	427,100	427,100		427,100
114-035-20805	044-2-145-704	35 Cherry ST 704	Carolyn A Chandler Revocable Trust		-	714,900	714,900		714,900
114-035-20806	044-2-145-801	35 Cherry ST 801	Marier Robert and Joanne		-	694,800	694,800		694,800
114-035-20807	044-2-145-802	35 Cherry ST 802	McDonnell James and Marion		-	683,100	683,100		683,100
114-035-20808	044-2-145-803	35 Cherry ST 803	Westlake Residential Partners LLC		-	468,200	468,200		468,200
114-035-20755	044-2-146-000	25 Cherry Street	Westlake Hospitality		-	16,268,700	16,268,700		16,268,700
114-035-15302	044-4-004-000	49 Church Street - MALL	The Burlington Town Center LLC	18,244,300	-	20,837,900	20,837,900	2,593,600	20,837,900
114-035-15303	044-4-004-001	5 Burlington Square - Office BLDG	DK Burlington Town Center LTD	2,800,000	-	4,117,100	4,117,100	1,317,100	4,117,100
114-035-15304	044-4-005-000	37 Church ST - Old Navy Clothing Store	Pomerieu Antonio	1,600,800	-	3,437,200	3,437,200	1,836,400	3,437,200
114-035-16980	049-1-075-000	197-209 Battery Street	Stone Store Holdings LLC	2,525,400	-	3,138,100	3,138,100	612,700	3,138,100
114-035-16981	049-1-076-000	181 Battery Street (Restaurant)	Spillane Lowell & Susan	396,700	-	851,300	851,300	454,600	851,300
114-035-16983	049-1-078-000	0 King ST - Ferry dock	Lake Champlain Transportation	1,782,500	-	3,816,400	3,816,400	2,033,900	3,816,400
114-035-16984	049-1-079-000	171 - 177 Battery ST - Office Building	Tarwood NV	866,400	-	1,555,600	1,555,600	689,200	1,555,600
114-035-16985	049-1-080-000	1 Main Street - Commercial Office Bldg	Main Street Landing Company	2,300,200	-	5,858,200	5,858,200	3,558,000	5,858,200
114-035-16986	049-1-080-001	1 Steele St - 1 RES CONDO	Hart Richard		-	270,000	270,000	270,000	270,000
114-035-16987	049-1-080-002	1 Steele St #2 RES CONDO	LAWRENCE JOHANNA & EMILY		-	167,000	167,000	167,000	167,000
114-035-16990	049-1-080-005	1 Main Street - Commercial Office Bldg	Main Street Landing Company		-	471,500	471,500	471,500	471,500
114-035-16993	049-1-080-008	1 Main Street - Commercial Office Bldg	Main Street Landing Company		-	474,000	474,000	474,000	474,000
114-035-16994	049-1-081-000	Cornell Trading Upgrade	Cornell Main Street LP	845,400	-	1,080,800	1,080,800	235,400	1,080,800
114-035-16995	049-1-082-000	117 Battery ST - conv store	Spillane Lowell & Susan	422,300	-	923,400	923,400	501,100	923,400
114-035-16999	049-1-086-000	60 Lake ST	Lake and College LLC	603,500	-	7,754,500	7,754,500	7,151,000	7,754,500
			TOTAL Non-Residential Value	41,521,500	-	106,613,700	106,613,700	65,092,200	106,613,700
			Total Homestead Value	891,400	15,694,700	-	15,694,700	14,803,300	
			Grand Total	42,412,900	15,694,700	106,613,700	122,308,400	79,895,500	122,308,400

EXHIBIT B
City of Burlington Tax Increment Financing (TIF) District
Schedule of TIF Revenues and TIF Debt Service payments

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Total
REVENUES:													
TIF Revenue	-	-	-	282,634	646,294	618,581	821,877	614,141	905,051	1,221,466	1,369,839	1,488,197	7,968,080
Returned TIF to VT (Gilabane)									(163,177)				(163,177)
Vt Trans. Revenue		500,000	250,000	250,000	-		750,000	250,000	250,000	250,000			2,500,000
Vt Sales Tax Reallocation			159,653		69,845								229,498
Developer's Payments						144,037							144,037
	-	500,000	409,653	532,634	716,139	762,618	1,571,877	864,141	991,874	1,471,466	1,369,839	1,488,197	10,678,438
DEBT SERVICE:													
Section 108 Lake St Reconstruction	20,000	90,948	95,856	93,432	110,167	116,518	107,893	108,847	100,049	163,304	14,692	72,694	1,094,400
Sect 108 Lake St Housing						12,765	26,410	26,446	26,411	26,411	26,411	26,411	171,265
COPS Urban Reserve	25,304	104,943	103,367	106,680	104,855	102,980	105,957	106,470	106,470	104,026	106,447	108,604	1,186,103
COPS Lakeview Garage	98,423	236,216	476,316	505,716	523,559	535,131	535,884	545,816	540,031	548,529	551,104	298,067	5,394,792
COP Fishing Pier			22,329	33,924	34,250	34,040	33,802	33,537	33,247	32,930	34,035	33,585	325,679
COPS Lakeview & Westlake Garages									330,194	635,194	632,994	635,393	2,233,775
Bank fees										3,195		3,125	6,320
	143,727	432,107	697,868	739,752	772,831	801,434	809,946	821,116	1,136,402	1,513,589	1,365,683	1,177,879	10,412,334
Net (Revenue less Expense)	(143,727)	67,893	(288,215)	(207,118)	(56,692)	(38,816)	761,931	43,025	(144,528)	(42,123)	4,156	310,318	266,104
Cumulative Net Revenue	(143,727)	(75,834)	(364,049)	(571,167)	(627,859)	(666,675)	95,256	138,281	(6,247)	(48,370)	(44,214)	266,104	

Debt Service includes the following: Portions of HUD Section 108 and Certificates of Participation debt service in TIF District

Brownfield Revolving Loan Fund

Report to the Legislature

2009

Joint Fiscal Committee

Senate Economic Development

Senate Natural Resources

House Commerce

House Natural Resources and Energy

The Vermont Brownfield Initiative

In 2009, the Agency of Commerce, in conjunction with the Agency of Natural Resources, continued to market the Vermont Brownfield Initiative and make awards from our initial \$1million grant from EPA to eligible projects that allowed for the clean-up of contaminated sites around Vermont. These funds were deployed throughout the state and a detailed summary of each project is included later in this report.

We were also allowed by EPA to use 40% of our funds to offer as subgrants, so we had \$150,000 to subgrant for hazardous contamination clean-up projects and \$250,000 for petroleum. That left \$600,000 to loan to eligible projects.

In 2009, we were awarded another grant for our Revolving Loan Fund from EPA through its ARRA funding opportunity totaling \$612,000. These funds are specifically targeted at projects that will lead to job creation and retention. We also forged a stronger partnership with another EPA RLF recipient, Southern Windsor County Regional Planning Commission. Together we worked to identify projects that we will fund separately and found several that we might be able to co-fund.

The projects that we currently anticipate funding with EPA ARRA funds are: Fonda Redevelopment, St. Albans; PVDC, Springfield (shared with Southern Windsor County RPC funding); Elm Street, Brattleboro and perhaps one more depending on fund availability.

The State portion of the Brownfield Revolving Loan fund was exhausted during 2009 with the a final award being made to Precision Valley Development Corporation in the amount of \$90,000 to jumpstart redevelopment of the PVDC facility. The funds were used to address PCB contamination in a part of the building that is nearing readiness for occupancy.

Brownfield Activity Update

Our new funds and management of existing projects made for a busy 2009. We funded the following projects:

Topsham - \$35,000 – a subgrant made to this small town allowed for the clean-up of the former plating facility in Topsham. The remediation of this site will allow for usable space for the municipality. It is located adjacent to the Topsham Fire Department.

Randolph - \$52,212 – a subgrant was made to RACDC to continue remediating the former Ethan Allen property, known as Salisbury Square. These funds were leveraged with State Brownfield Funds (\$101,000), a CDBG award and other funding. The property, once cleaned up, will be the site of approximately 36 new homes very close to Randolph's downtown.

ReSource (formerly known as ReCycle North) - \$33,334 – after the purchase of a former granite shed in Barre, the hazardous and petroleum contamination needed to be cleaned up. Using a subgrant from our EPA fund, they were able to remediate the site. Other funds in the project included CDBG and USDA Rural Development.

Moving Forward

We continue to actively market the Revolving Loan Fund to groups such as developers, Regional Development Corporations and Regional Planning Commissions. Additionally, we regularly solicit input from various parties that will help us improve the loan/subgrant process.

Brownfields Revitalization Fund

Priority List Pursuant to 10 V.S.A. §6654(f)(3)

<u>Site Name</u>	<u>Town</u>
10 West Second Street LLC	Barre
Adams Paper Mill	Wells River
Former H-Our Mart	Rutland
Fulcrum Arts, LLC	Brattleboro
Jones & Lamson Plant #1	Springfield
PVDC	Springfield
Salisbury Square	Randolph
Solo Cup	St. Albans
Tip Top Tire	Hartford
Topsham Plating	Topsham
Vermont Electric Co-op	Johnson
Vermont Tissue	Bennington
940 Water Street	Bennington
CVCAC – Gable Place	Barre
Prospect Street	Hartford
MSI	Morrisville

2)

Commissioner's Office
103 South Main Street
Waterbury, Vermont 05671-0401

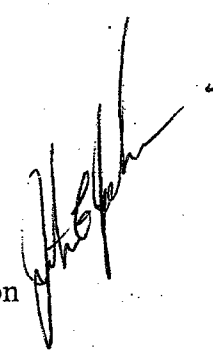
- MEMORANDUM -

To: Members of the Joint Fiscal Committee
House Committee on Corrections and Institutions
Senate Committee on Institutions
Senate Committee on Natural Resources and Energy
House Committee on Fish, Wildlife & Water Resources

From: Justin G. Johnson, Commissioner, Department of Environmental Conservation

Date: January 15, 2010

Subject: Vermont Drinking Water State Revolving Fund Annual Report



On behalf of the Agency of Natural Resources and the Vermont Economic Development Authority (VEDA), we are pleased to provide the attached report on the Vermont Drinking Water State Revolving Fund. This report was prepared by the Water Supply Division and submitted to the General Assembly pursuant to 24 V.S.A. §4774(b), which contains the following information:

- ☐ Project funding summary (Tables 1 and 2 – Program Funds Table and Funding Commitments Table through June 30, 2009)
- ☐ Summary of the status and disposition of loan applications received by VEDA
- ☐ State of Vermont Intended Use Plan (IUP) for the Drinking Water State Revolving Fund, Federal Fiscal Year 2009 American Recovery and Reinvestment Act Funds (ARRA), dated June 5, 2009 (26-page document)
- ☐ Current Status of ARRA funded projects (Table 3)

Taken together, these documents provide information on available funding, funding commitments, and active projects with project-specific information to satisfy legislative requirements for the Vermont Drinking Water State Revolving Fund. Please contact Eric Blatt, Water Supply Division, (802) 241-3425, or Thomas Porter of VEDA at (802) 828-5627, if you have questions regarding this report or would like to receive additional copies.

cc: Mr. David Gibson, Secretary of the Senate
Mr. Donald Milne, Clerk of the House

AGENCY OF NATURAL RESOURCES
DEPARTMENT OF ENVIRONMENTAL CONSERVATION
AND
VERMONT ECONOMIC DEVELOPMENT AUTHORITY

ANNUAL REPORT
DRINKING WATER STATE REVOLVING FUND

January 2010

This report is submitted pursuant to 24 V.S.A. §4774(b), which requires the Secretary of the Agency of Natural Resources and VEDA to submit an annual report on the Drinking Water State Revolving Fund (DWSRF) to members of the Joint Fiscal Committee. Additionally, in accordance with past practice, the report is submitted to the House and Senate Committees on Institutions, Senate Committee on Natural Resources and Energy, and House Committee on Fish, Wildlife & Water Resources. The report includes four tables that summarize funds received by the program for loans and loan commitments capitalized with those funds. The Drinking Water State Revolving Fund (DWSRF) was established in 1997 with federal funds appropriated in federal fiscal year (FFY) 1997 and state matching funds appropriated in state fiscal year (SFY) 1998. Funding received for the loan program through June 30, 2009 is summarized below in Table 1.

Table 1 – Total Funds Received for the SRF Program through June 30, 2009			
Funds Description	Federal Funds	State Match & Other State Funds	Total
FFY97 Grant	10,399,392	2,511,760	12,911,152
FFY98 Grant	5,505,827	1,424,260	6,930,087
FFY99 Grant	6,045,972	1,492,760	7,538,732
FFY00 Grant	6,241,580	1,551,400	7,792,980
FFY01 Grant	5,856,754	1,557,820	7,414,574
FFY02 Grant	6,264,100	1,610,500	7,874,600
FFY03 Grant	6,593,314	1,600,820	8,194,134
FFY04 Grant	6,391,744	1,660,620	8,052,364
FFY05 Grant	6,394,868	1,657,100	8,051,968
FFY06 Grant	6,129,679	1,645,860	7,775,539
FFY07 Grant	6,031,592	1,645,800	7,677,392
FFY08 Grant	5,925,927	1,629,200	7,555,127
FFY09 Grant (ARRA Funds) *	17,355,000	0	17,355,000
Cumulative Investment Interest & Misc. Funds		1,658,043	1,658,043
Cumulative Principal Repayments		8,851,694	8,851,694
Cumulative Interest Earnings on Loans		1,547,858	1,547,858
Total	95,135,749	32,045,495	127,181,244

* ARRA – American Recovery and Reinvestment Act - Special one-time federal appropriation. Vermont did not match the 2009 federal appropriation for the base DWSRF and relied solely on the ARRA funding to capitalize construction loans. See page 6 for more details.

Priority lists developed in accordance with Environmental Protection Agency (EPA) approved procedures are used to identify projects to be funded. Table 2 summarizes funding commitments through June 30, 2009. Table 3 is a summary of projects already awarded or to be awarded loans with FFY 2009 ARRA funds and as identified in the attached Intended Use Plan, which identifies the specific projects and estimated loan amount for each project.

Table 2 - Funding Commitments through June 30, 2009			
FFY Priority List	Municipally Owned Systems	Privately Owned Systems	Total
FFY97 Priority List Projects	11,448,499	815,301	12,263,800
FFY98 Priority List Projects	3,981,696	1,323,050	5,304,746
FFY99 Priority List Projects	5,910,182	423,376	6,333,558
FFY00 Priority List Projects	6,779,400	934,331	7,713,731
FFY01 Priority List Projects	8,492,710	1,216,765	9,709,475
FFY02 Priority List Projects	7,658,706	1,505,873	9,164,579
FFY03 Priority List Projects	7,328,800	1,508,400	8,837,200
FFY04 Priority List Projects	8,648,235	2,216,447	10,864,682
FFY05 Priority List Projects	5,893,278	431,650	6,324,928
FFY06 Priority List Projects	9,479,013	589,418	10,068,431
FFY07 Priority List Projects	7,194,518	1,026,025	8,220,543
FFY08 Priority List Projects	10,698,752	1,080,420	11,779,172
FFY09 ARRA Priority List	15,341,797	2,013,203	17,355,000
Total	108,855,586	15,084,259	123,939,845

Note 1: Funds not utilized for a given fiscal year's priority list are carried forward to succeeding priority lists

Note 2: The Original ARRA allocation for project loans was \$17,355,000; however, a grant amendment pending as of 12/1/09 will increase the allocation to \$17,655,000. The source is unobligated Local Assistance Set-Aside funds, which are no longer needed for their initially intended purpose and can therefore be reallocated to the project loan account.

Loan applications processed through VEDA for privately owned water system improvement projects are summarized in the attached table prepared by VEDA. Note that the attached VEDA summary includes some transactions beyond the June 30, 2009 date used in Tables 1 and 2, and that the total cumulative loan amount shown in the attachment is \$11,378,711, which amount is less than the cumulative funding commitment for privately owned water systems of \$15,084,259 shown above in Table 2. Project funding in Table 2 includes loan awards made plus funds reserved for loan commitments at June 30, 2009, whereas the VEDA summary only represents loans that have been awarded.

Federal ARRA funding of \$17,355,000 for new projects was made available to Vermont beginning in May 2009. Those funds are only available until February 17, 2010, at which time any uncommitted balance will be subject to de-obligation. As of late November 2009, 40 of 41 pending loan applications were approved and 17 of those loans were awarded, totaling \$11,182,670. It is anticipated that all loans will be awarded prior to February 17, 2010 and thereby avoid de-obligation of any ARRA funds.

The attached FFY2009 ARRA Intended Use Plan includes two lists of projects, those that are fundable and those that fall below the fundable line, also referred to as the Comprehensive List. During the course of the 2009 funding cycle, some ARRA projects were bypassed due mostly to lack of readiness, enabling some projects from the comprehensive list to move up into the fundable range and receive ARRA funds. Table 3 below is a summary as of 12/1/2009 of WSD-approved and pending ARRA loans.

Table 3 includes a column that shows the portion of loans that was allocated to "Green" costs. The ARRA funds included a new DWSRF Program requirement that at least 20% of the federal ARRA grant go towards project costs that qualify as "Green." This new category includes water and energy conservation improvements, such as installation of water meters and replacement of old leaking pipes, and renewable forms of energy, such as solar powered equipment.

Table 3 – ARRA Funding Commitments through December 1, 2009

Loan Recipient	Loan Amount	Green Amount
Whiting Water Corporation	513,780	3,488
Harwood Union High School	101,029	0
Richmond Fire District No. 1	187,573	0
Kids in the Country (Town of Dover)	24,610	0
Town of Troy	1,026,660	115,327
Sharon Elementary School	92,113	0
Silver Towers Camp-Elks Club	142,671	0
Red Cedar School	5,423	0
Bristol Family Center	14,391	0
Orchard Valley Waldorf School	11,801	0
Deerfield Valley School	100,100	0
Whitingham School	90,510	27,677
Morristown Corner	150,000	12,600
Rumney School	99,269	0
St. George Fire District No. 1	171,685	2,665
Otter Valley Union High School	41,844	0
Irasburg Fire District No.1	726,173	2,629
Mansfield View Water Corporation	169,417	0
Lindale MHP	573,424	30,892
Thetford Academy	129,799	0
Morrisville Water and Light	1,265,393	632,697
Green Mountain Camp	107,920	0
Ryegate Fire District No. 2	96,118	0
Georgia Industrial Corp.	350,000	0
Springfield	2,000,000	1,274,203
Jericho Underhill Water District	145,000	0
Westminster Center School	64,020	0
South Burlington Fire District No. 1	20,000	0
East Middlebury Fire District No. 1	48,500	0
Cold Brook Fire District No. 1	175,870	0
Town of Windsor	2,000,000	499,603
Village of Barton	86,487	86,487
East Montpelier School	39,336	0
Village of Ludlow	2,000,000	0
Village of Northfield	1,354,682	0
Castleton Fire District No. 1	510,847	510,847
Quechee Central Water System	212,000	153,625
Danville Fire District No. 1	1,012,631	0
Chelsea	362,200	0
Hartford	597,822	597,822
Enosburg Falls Village	132,328	0
Waterbury (2 Loans)	701,574	0
Total	17,655,000	3,950,562

Looking ahead, the federal FY2009 base DWSRF appropriation of \$8,146,000 is available and can be applied for once the 20% state match, or \$1,629,200, is appropriated. These funds were available last year, but the legislature decided to delay providing the match due to budget constraints and since we were due to receive the federal ARRA funding that did not require a state match. However, in delaying state match, we are now one year behind in receiving the annual federal DWSRF appropriation and have only until July 2010 for the legislature to appropriate the state match and apply for the federal FFY2009 funds or Vermont will not receive the federal money.

Additionally, the FFY2010 appropriation is anticipated to be available sometime in early calendar year 2010 and is currently projected at \$13,573,000, requiring a state match of \$2,714,600. The deadline to apply for the FFY2010 funds is July 2011. As of this writing, applications have been received from potential loan recipients for placement on the next priority list with an aggregate loan need of \$96,000,000, which far exceeds the FFY09 and FFY10 funds. These federal dollars are also used to fund other activities, which include capitalizing the Public Water System Planning Loan Program that enables drinking water projects to proceed with preliminary engineering and final design in preparation for construction (without this source of money, construction projects will be delayed); Water Supply Division operations; DWSRF Program administration, and a variety of technical assistance activities.

TO: Eric Blatt - Water Supply Division, Agency of Natural Resources, State of Vermont

FROM: David Carter - Chief Financial Officer, Vermont Economic Development Authority

RE: Status of Privately Owned Water System Loan Applications, Approvals and Loans as of November 15, 2009

DATE: November 16, 2009

Project Number	Date Approved	Date Closed	VEDA Loan Number	Borrower Name	Town	Approved Amount	Loan Amount	Current Balance	Date Last Payment	Loan Status
Loans Approved & Closed:										
1	02/20/98	05/26/98	17WAC11101	ADDISON CTY COMMUNITY TRUST	STARKSBORO	\$ 18,000	\$ 18,000	\$ 0	07/29/99	CLOSED
1	04/27/99	07/27/99	17WAC11102	ADDISON COUNTY COMMUNITY TRUST - HILLSIDE MANOR PROJECT	STARKSBORO	\$ 262,000	\$ 330,000	\$ 247,429	11/30/09	CURRENT
1	06/12/03	11/20/03	17WAC11103	ADDISON COUNTY COMMUNITY TRUST-KTP BRISTOL PROJECT	BRISTOL	\$ 200,000	\$ 283,000	\$ 211,631	11/30/09	CURRENT
1	10/06/09	11/20/09	17WAC11104	ADDISON COUNTY COMMUNITY TRUST -- LINDALE PARK	MIDDLEBURY	\$ 243,483	\$ 243,483	\$ 0	N/A	CURRENT
1	10/06/09	11/20/09	17WAC11105	ADDISON COUNTY COMMUNITY TRUST	MIDDLEBURY	\$ 26,576	\$ 26,576	\$ 0	N/A	CURRENT
1	02/24/00	02/27/01	DWFWAC11102	ADDISON CTY COMMUNITY TRUST	STARKSBORO	\$ 50,000	\$ 50,000	\$ 0	N/A	CLOSED
1	09/27/04	11/15/04	DWSRLF39283	ADDISON COUNTY COMMUNITY TRUST-KTP MOBILE HOME PARK	BRISTOL	\$ 83,000	ADD-ON (a)	N/A	N/A	CLOSED
2	06/15/00	08/10/00	17WBA11101	WINDHAM HOUSING TRUST, INC.	PUTNEY	\$ 16,000	\$ 16,000	\$ 9,729	11/10/09	CURRENT
3	07/12/99	12/15/00	17WEM11101	EAST MOUNTAIN WATER CORP	MENDON	\$ 50,000	\$ 50,000	\$ 0	12/15/00	CLOSED
4	03/24/99	09/24/98	17WHF11101	HOUSING FOUNDATION INC	HINESBURG	\$ 10,000	\$ 8,500	\$ 0	04/27/99	CLOSED
4	01/27/99	04/27/99	17WHF11102	HOUSING FOUNDATION INC-MTN VIEW	HINESBURG	\$ 218,073	\$ 244,530	\$ 177,964	11/17/09	CURRENT
4	06/25/99	09/30/99	17WHF11103	HOUSING FOUNDATION INC-WINDY HILL	SPRINGFIELD	\$ 355,000	\$ 472,313	\$ 348,419	11/17/09	CURRENT
4	09/22/00	07/18/01	17WHF11104	HOUSING FOUNDATION INC RIVERSIDE	WOODSTOCK	\$ 460,000	\$ 460,000	\$ 316,703	11/17/09	CURRENT
4	09/11/01	11/15/01	17WHF11105	HOUSING FOUNDATION INC - #1 BIRCHWOOD MANOR MOBILE HOME PARK	MILTON	\$ 225,000	\$ 225,000	\$ 159,572	11/17/09	CURRENT
4	05/28/03	08/06/03	17WHF11106	HOUSING FOUNDATION INC - #2 BIRCHWOOD MANOR MOBILE HOME PARK	MILTON	\$ 423,636	\$ 474,071	\$ 423,470	11/17/09	CURRENT
4	02/13/01	07/31/01	DWFI4525	HOUSING FOUNDATION INC - WINDY HILL	SPRINGFIELD	\$ 120,000	ADD-ON (a)	N/A	N/A	CLOSED
4	10/23/00	07/31/01	DWFS2685	HOUSING FOUNDATION INC - HINESBURG	HINESBURG	\$ 22,552	ADD-ON (a)	N/A	N/A	CLOSED
4	06/09/04	11/08/04	DWFS39009	HOUSING FOUNDATION INC-BIRCHWOOD INCREASED	MILTON	\$ 50,435	ADD-ON (a)	N/A	N/A	CLOSED
5	10/14/98	12/02/98	17WHR11101	HO-GES REALTY INC	ROCKINGHAM	\$ 38,500	\$ 38,500	\$ 26,083	11/13/09	CURRENT
6	03/25/99	08/06/99	17WMC11101	MORRISTOWN CORNERS WATER COOP	MORRISTOWN	\$ 30,000	\$ 13,518	\$ 0	03/20/08	CLOSED
7	04/25/00	07/21/00	17WMH11101	MURRAY HILL HOME OWNERS ASSN	MONTPELIER	\$ 120,000	\$ 126,108	\$ 104,207	11/24/09	CURRENT
7	03/07/05	03/01/05	DWF050728	MURRAY HILL HOME OWNERS ASSN	MONTPELIER	\$ 6,108	ADD-ON (a)	N/A	N/A	CLOSED
8	10/18/99	12/30/99	17WOT11101	OKEMO TRAILSIDE MASTER ASSOCIATION, INC., ALGONQUIN OWNERS ASSOCIATION	LUDLOW	\$ 567,000	\$ 567,000	\$ 386,780	12/01/09	CURRENT

Project Number	Date Approved	Date Closed	VEDA Loan Number	Borrower Name	Town	Approved Amount	Loan Amount	Current Balance	Date Last Payment	Loan Status
9	06/13/00	08/16/00	17WSV11101	STARKSBORO VILLAGE WATER COOP	STARKSBORO	\$ 28,000	\$ 14,657	\$ 0	11/29/05	CLOSED
10	04/27/99	09/28/99	17WTC11101	THETFORD WATER COOPERATIVE, INC.	THETFORD	\$ 90,000	\$ 90,000	\$ 48,425	12/01/09	CURRENT
11	04/30/99	06/24/99	17WTP11101	TRI-PARK COOPERATIVE HOUSING CORPORATION	BRATTLEBORO	\$ 120,000	\$ 120,000	\$ 87,334	11/18/09	CURRENT
11	07/11/05	01/13/06	17WTP11102	TRI-PARK COOP HOUSING CORPORATION	BRATTLEBORO	\$ 237,700	\$ 237,700	\$ 0	01/20/09	CLOSED
11	12/08/08	01/09/09	17WTP11103	TRI-PARK COOP HOUSING CORPORATION	BRATTLEBORO	\$ 1,300,000	\$ 1,300,000	\$ 819,999	N/A	CURRENT
12	02/05/01	05/30/02	17WGH11104	GILMAN HOUSING TRUST, INC.-SHATTUCK HILL MHP	DERBY	\$ 120,000	\$ 120,000	\$ 0	08/18/09	CLOSED
13	10/23/00	08/15/01	17WUW11101	UNION WATER COMPANY	THETFORD	\$ 18,287	\$ 18,287	\$ 12,100	12/01/09	CURRENT
14	02/11/02	12/20/02	17WNB11101	NORTHBROOK CONDOMINIUM OWNERS' ASSOCIATION INC.	KILLINGTON	\$ 85,000	\$ 85,000	\$ 13,056	11/23/09	CURRENT
15	02/05/02	06/05/02	17WAW11101	ARLINGTON WATER COMPANY	ARLINGTON	\$ 680,000	\$ 709,300	\$ 534,196	11/06/09	CURRENT
15	01/31/03	02/06/03	17WAW11102	ARLINGTON WATER COMPANY	ARLINGTON	\$ 29,300	ADD-ON (a)	N/A	N/A	CLOSED
15	06/27/08	07/30/08	17WAW11103	ARLINGTON WATER COMPANY	INGTON & SUNDERL	\$ 680,000	\$ 680,000	\$ 680,000	N/A	CURRENT
16	09/05/02	02/06/03	17WCP11101	CUBB MANAGEMENT CORPORATION ET AL	BURKE	\$ 25,000	\$ 36,261	\$ 30,919	12/01/09	CURRENT
16	09/05/02	02/06/03	17WCP11102	CUBB MANAGEMENT CORPORATION ET AL	BURKE	\$ 30,000	\$ 33,720	\$ 28,208	12/01/09	CURRENT
16	11/15/07	12/05/07	DWSRLF02300	CUBB MANAGEMENT CORPORATION	BURKE	\$ 3,720	ADD-ON (a)	N/A	N/A	CLOSED
16	11/15/07	12/05/07	DWSRLF929388A	CUBB MANAGEMENT CORPORATION	BURKE	\$ 11,261	ADD-ON (a)	N/A	N/A	CLOSED
17	08/05/02	11/13/02	17WWO11101	WINTERGREEN OWNERS ASSOCIATION, INC.	PITTSFIELD	\$ 31,860	\$ 31,860	\$ 10,656	12/01/09	CURRENT
18	06/19/02	10/23/02	17WMV11101	MANSFIELD VIEW WATER CORPORATION	STOWE	\$ 65,000	\$ 65,000	\$ 44,224	12/01/09	CURRENT
18	08/20/09	09/25/09	17WMV11104	MANSFIELD VIEW WATER CORP.	STOWE	\$ 31,040	\$ 31,040	\$ 31,040	N/A	CURRENT
19	06/13/02	08/08/02	17WAG11101	ALTA GARDEN ESTATES MHP, INC.	POWNA	\$ 52,200	\$ 52,200	\$ 41,311	11/02/09	PAST DUE
20	09/09/02	10/30/02	17WEA11101	EASTRIDGE ACRES HOMEOWNERS ASSOCIATION INC	MENDON	\$ 85,000	\$ 85,000	\$ 66,125	10/28/09	CURRENT
21	07/23/03	09/30/03	17WAH11101	AHA WATER COOPERATIVE, INC.	MONTGOMERY	\$ 576,440	\$ 1,494,038	\$ 1,443,565	11/30/09	CURRENT
21	06/21/06	06/26/06	DWSRLF8383	AHA WATER COOPERATIVE, INC.	MONTGOMERY	\$ 917,598	ADD-ON (a)	N/A	N/A	CLOSED
22	04/13/04	07/28/04	17WCF11101	CADYS FALLS WATER COOPERATIVE, INC.	MORRISVILLE	\$ 86,400	\$ 86,400	\$ 70,110	12/01/09	CURRENT
23	11/29/04	02/03/06	17WGV11101	GRANDVIEW ACRES WATER SYSTEM, INC.	RUTLAND	\$ 30,700	\$ 160,000	\$ 156,451	11/24/09	CURRENT
23	03/26/08	03/27/08	DWSRLF020300	GRANDVIEW ACRES WATER SYSTEM, INC.	RUTLAND	\$ 129,300	ADD-ON (a)	N/A	N/A	CLOSED
24	03/23/05	07/15/05	17WNB22201	NOTCH BROOK HOMEOWNERS ASSOCIATION, INC.	STOWE	\$ 48,400	\$ 48,400	\$ 0	04/26/06	CLOSED
24	03/23/06	04/20/06	17WNB22202	NOTCH BROOK HOMEOWNERS ASSOCIATION, INC.	STOWE	\$ 1,460,000	\$ 1,460,000	\$ 1,383,495	N/A	CURRENT
25	04/13/06	08/08/06	17WDC11101	LISE T. GATES, INC. D/B/A DAIRY CENTER ENTERPRISES AND LISE T. GATES	ENOSBURG	\$ 16,540	\$ 350,000	\$ 55,015	N/A	CURRENT
25	10/04/07	10/15/07	DWSRLF02093998	DAIRY CENTER ENTERPRISES	ENOSBURG	\$ 21,337	ADD-ON (a)	N/A	N/A	CLOSED
25	08/03/09	08/06/09	DWSRLF1789	DAIRY CENTER ENTERPRISES	ENOSBURG	\$ 293,283	ADD-ON (a)	N/A	N/A	CLOSED
25	11/10/08	11/10/08	DWSRLF92887	DAIRY CENTER ENTERPRISES	ENOSBURG	\$ 18,840	ADD-ON (a)	N/A	N/A	CLOSED
26	02/06/08	03/05/08	17WFW11102	FAIRFAX HEIGHTS WATER COOPERATIVE	FAIRFAX	\$ 220,000	\$ 220,000	\$ 220,000	N/A	CURRENT

Project Number	Date Approved	Date Closed	VEDA Loan Number	Borrower Name	Town	Approved Amount	Loan Amount	Current Balance	Date Last Payment	Loan Status
27	08/29/07	12/12/07	17WJH11102	JERICO HEIGHTS WATER COOPERATIVE, INC.	JERICO	\$ 48,922	\$ 48,922	\$ 46,754	N/A	CURRENT
28	03/09/07	11/02/07	17WTC22201	TIMBERLINE CONDOMINIUM HOMEOWNERS ASSOCIATION, INC.	WARREN	\$ 18,200	\$ 202,000	\$ 192,091	12/02/09	CURRENT
28	06/04/08	06/05/08	DWSRLF0293887	TIMBERLINE CONDOMINIUM HOMEOWNERS ASSOCIATION, INC.	WARREN	\$ 183,800	ADD-ON (a)	N/A	N/A	CLOSED
29	03/11/09	05/12/09	17WCB11101	CATAMOUNT BOLTON VALLEY WATER & SEWER, LLC	BOLTON	\$ 148,940	\$ 148,940	\$ 97,642	N/A	CURRENT
30	09/26/07	10/09/08	17WBG11101	BATTLEGROUND CONDOMINIUM OWNERS' ASSOCIATION, INC.	FAYSTON	\$ 73,446	\$ 73,446	\$ 29,333	N/A	CURRENT
31	03/17/08	06/18/08	17WBB11101	BURDICK, HARVEY & FRANK D/B/A BURDICK AND BURDICK MOBILE HOME PARK	POWNA	\$ 150,000	\$ 150,000	\$ 127,889	11/20/09	CURRENT
32	10/20/08	10/21/08	DWSRLF2837566	OKEMO VILLAGE OWNERS ASSOCIATION, INC.	LUDLOW	\$ 16,200	ADD-ON (a)	N/A	N/A	CLOSED
33	09/02/08	06/13/08	DWSRLF928376	RED CEDAR SCHOOL	BRISTOL	\$ 7,000	\$ 0	\$ 0	N/A	CLOSED
34	04/28/09	09/22/09	17WSC11101	SUNTEC CONDOMINIUM OWNERS ASSOCIATION, INC.	WEST DOVER	\$ 159,450	\$ 159,450	\$ 147,789	N/A	CURRENT
35	03/09/09	06/30/09	17WTT11101	TARA TOWNHOUSE OWNERS ASSOCIATION, INC.	WEST DOVER	\$ 9,840	\$ 9,840	\$ 2,371	N/A	CURRENT
TOTALS FOR LOANS APPROVED AND CLOSED						\$ 11,953,367	\$ 11,968,060	\$ 8,832,084		

(a) "ADD-ON" indicates the approved amount was additional borrowing for an existing loan.

Applications Approved & Pending:

NEW	39038	N/A	DWSRLF373766	CATAMOUNT BOLTON WATER & SEWER, LLC	BOLTON	\$ 11,828	N/A	N/A	N/A	APPLICATION
NEW	40091	N/A	DWF127889	RED CEDAR SCHOOL	BRISTOL	\$ 2,755	N/A	N/A	N/A	APPLICATION
TOTALS FOR APPLICATIONS APPROVED AND PENDING						\$ 14,583	\$ 0	\$ 0		

Applications Withdrawn or Denied:

Project Number	Date Approved	Application Received	VEDA Loan Number	Borrower Name	Town	Requested Amount	Approved Amount	Current Balance	Date Last Payment	Loan Status
NEW	11/25/98	09/14/98	DWF05011	RAVENWOOD ESTATES, INC.	BENNINGTON	\$ 74,800	\$ 74,800	N/A	N/A	WITHDRAWN
NEW	10/06/99	02/11/99	DWF05326	CHIMNEY HILL OWNERS ASSOCIATION	WILMINGTON	\$ 55,000	\$ 55,000	N/A	N/A	WITHDRAWN
NEW	07/14/98	07/14/98	DWF05332	ROLLING MEADOWS HOMEOWNERS ASSOC., INC.	NEWFANE	N/A	N/A	N/A	N/A	DENIED
NEW	04/30/01	04/30/01	DWF58624	WESTON'S MOBILE HOME PARK	BERLIN	\$ 154,700	\$ 154,700	N/A	N/A	WITHDRAWN
NEW	N/A	09/25/01	DWF200000	BOLTON VALLEY WATER & SEWER CO., INC.	BOLTON	\$ 200,000	N/A	N/A	N/A	WITHDRAWN
NEW	02/11/02	11/18/01	DWF72501	NORTHBROOK COUNTRY ESTATES WATER SYSTEM	KILLINGTON	\$ 80,000	\$ 80,000	N/A	N/A	WITHDRAWN
NEW	N/A	10/31/01	DWF05701	SPENCER WATER COMPANY	RUTLAND	N/A	N/A	N/A	N/A	WITHDRAWN
NEW	03/05/08	03/14/07	DWSRLF092938	WEST RIVER MONTESSORI SCHOOL, INC.	SOUTH LONDONDERRY	\$ 15,000	N/A	N/A	N/A	DENIED
NEW	N/A	02/14/08	DWSRLF0292938	OLD MILL MARKETPLACE HOMEOWNERS ASSOCIATION	BRIDGEWATER	\$ 105,500	N/A	N/A	N/A	WITHDRAWN
TOTALS FOR APPLICATIONS WITHDRAWN OR DENIED						\$ 685,000	\$ 364,500	\$ 0		

State of Vermont
Intended Use Plan for the
Drinking Water State Revolving Fund
Authorized Under
The American Recovery and Reinvestment Act of 2009

June 5, 2009

I. Introduction

This Intended Use Plan (IUP) accompanies the State of Vermont's application for a \$19,500,000 capitalization grant for its Drinking Water State Revolving Fund (DWSRF) under the American Recovery and Reinvestment Act (ARRA) of 2009.

II. Program Goals

The State of Vermont is committed to using the capitalization grant for which it is applying to provide assistance to water systems for capital improvement projects which will proceed quickly to construction, creating jobs and furthering the public health protection objectives of the Safe Drinking Water Act (SDWA). Vermont's goal is to enter into binding commitments for projects that will proceed to construction or award construction contracts by February 17, 2010. The State intends to award assistance available under this capitalization grant in full conformance with the deadlines established under the ARRA and the terms and conditions of the capitalization grant award.

Vermont recognizes that the goal of the ARRA is to expeditiously fund projects that simultaneously create or preserve jobs, promote economic recovery, and generate long-term benefits from infrastructure investment. In this grant, the State is being called upon to accomplish goals that have not previously been priorities of the base SRF program. Priorities and activities in the base program which may not practically be attainable within the timeframes associated with the ARRA will be pursued using funds made available through the base program.

III. Sources and Uses of Funds

The State of Vermont is applying for a capitalization grant in the amount of \$19,500,000. This represents the amount that USEPA Region 1 informed the State is eligible to receive under the ARRA. Note that the ARRA has waived the match that the State is normally required to provide in order to receive a capitalization grant.

Although the State does not intend to transfer any money between the DWSRF and CWSRF, it retains the right to do so up to the allowable limit of 33% of the capitalization grant. Should the State decide at some later date to transfer funds, it will do so consistent with the requirements of the ARRA and USEPA guidance.

The State intends to take a set-aside of 4% for DWSRF program administration; a set-aside of 2% for small system technical assistance (which will be focused on working with the small water systems on the State's Project Priority List to proceed expeditiously to construction); and a set-aside of 5% to support the Public Water System Supervisory Program (PWSS) implementation. The PWSS program support will help preserve positions in the program and help fund additional short-term support. The State will provide the required 1:1 match to the 5% Program Management Set-Aside from a combination of in-kind services and credit for State 1993 PWSS program expenditures.

Work plans for the small system technical assistance and program management set-asides will be developed and implemented consistent with grant conditions required by USEPA guidance for the ARRA. Generally, set-aside funds will be used for activities that will assist systems eligible for ARRA funding. The following table summarizes the sources and uses of the capitalization grant for which the State is applying:

Table 1 - Sources and Uses of the Capitalization Grant

SOURCES	AMOUNT
Capitalization Grant	\$19,500,000
USES	AMOUNT
4% DWSRF Program Administration	\$780,000
2% Small Systems Technical Assistance	\$390,000
5% State Program Management for PWSS Program	\$975,000
Infrastructure Assistance Agreements	\$17,355,000

Activities funded with set-asides that will support ARRA construction loan recipients include: conducting archeological assessments for loan-eligible projects; providing technical assistance to small municipalities with filling out Vermont Municipal Bond Bank financial applications; and assigning SRF-related tasks to non-SRF staff within DEC, such as coordinating environmental reviews and assisting with project tracking.

IV. Criteria and Methods for Distribution of Funds

A. Loan Terms and Fees

Under the State of Vermont base DWSRF program, the standard loan term is 20 years at 3% interest, except loans to those systems that meet the Vermont statutory definition of disadvantaged. For such systems, the term may be extended up to a maximum of 30 years. Interest and administrative fees for loans range between +3% and -3%, and are determined in accordance with previously established methods as described in the adopted 2008 Intended Use Plan. Additionally, under the base program municipally-owned schools are eligible for up to \$25,000 in principal forgiveness for qualifying projects. The State will provide additional subsidy beyond what is currently allowed for in the base program as described in the following section.

B. Additional Subsidization

The ARRA requires that at least 50% of the capitalization grant be provided in the form of subsidy, either through forgiveness of loan principal, negative interest or grant. Vermont has decided to provide this 50% subsidy through loan forgiveness as it requires the least programmatic change of the three options. Because the minimum subsidy of 50% is based on the \$19,500,000 capitalization grant amount, or \$9,750,000, and since the State intends to take a portion of the grant for set-aside activities, the actual percentage of loan forgiveness must be greater than 50% of the grant. Based on taking 11% in set-asides, or \$2,145,000, the \$9,750,000 in subsidy must be applied to the balance available for loans, or \$17,355,000, which equates to 56.25% in principal

forgiveness. Rounding to the nearest whole percent, the minimum loan forgiveness will be set at 57%.

Vermont intends to provide this base subsidy of 57% to all loan recipients to encourage projects to proceed to construction that might not otherwise be undertaken under the current economic conditions. Under the ARRA, states are expected to target subsidy, as much as possible, to communities that could not otherwise afford an SRF loan. To meet this intent, additional subsidy will be provided to disadvantaged communities that qualify for negative interest. To provide a consistent approach resulting in the deepest subsidy possible to a community, ARRA loan term and interest rates will be computed assuming no principal forgiveness and then applied to the principal balance due after deducting the principal loan forgiveness. This method assures that the subsidy for ARRA loans under all circumstances is greater than the base SRF program subsidy, with the exception of small (~ \$25K) municipal school projects. For those small projects, the current SRF program can forgive up to \$25,000, which in some cases results in 100% principal forgiveness. For a community that receives a \$1,000,000 loan and qualifies for negative 3% over a 30-year term (currently, the deepest subsidy available for all but the small school projects) the principal forgiveness will be approximately \$750,000, or 75%.

Lastly, projects that include or are entirely comprised of Green Infrastructure will receive further principal forgiveness. To encourage water systems to incorporate green elements into their projects, Vermont will provide an additional 10%, or a total of 67% loan forgiveness for Green Infrastructure costs. More detail on Green Infrastructure is provided in the following section.

The Fundable portion of the Projects Priority List (PPL) in Section VI demonstrates that loans awarded with ARRA funds will meet the ARRA requirement of providing total subsidy equal to at least 50% of the capitalization grant. Any subsequent revision to the Fundable portion of the PPL will likewise demonstrate that ARRA loans provide principal forgiveness equal to at least 50% of the capitalization grant. The final adopted list shows total loan subsidy of \$10,722,912, which exceeds the minimum required subsidy of \$9,750,000.

C. Green Infrastructure

The ARRA requires that, to the extent there are sufficient eligible project applications, not less than 20% of the funds provided for projects must be used for water or energy efficiency, green infrastructure, or other environmentally innovative activities. The PPL includes 20%, or \$3,900,000 of the total grant amount for projects or portions of projects meeting one or more of the specific objectives required by this provision.

Vermont made and continues to make a concerted effort to identify green projects with the objective of meeting the 20% requirement by August 17, 2009 (180 days after the Feb. 17 enactment). The steps Vermont took to solicit green projects consisted of an announcement at the March 20, 2009 public hearing; an extension of the application deadline to encourage additional green projects or incorporate green components into an existing ARRA project application; a mass email following the public hearing soliciting

green projects to all ARRA project applicants and their engineers; and, targeted meetings with associations and other groups involved in green infrastructure. Additionally, program staff made direct phone contact with water systems that have projects on the PPL, as well as direct contacts with municipal officials known to have eligible green projects to encourage them to apply. It should be noted that when the public notice was prepared and published for this PPL, the ARRA had not yet been enacted, so the green infrastructure funding portion was not well understood at that time, resulting in the need to revise the PPL.

Projects on the PPL meeting one or more objectives are designated as follows: Green Infrastructure = G; Energy Efficiency = E; Water Efficiency = W; and Environmentally Innovative Activity = I. The final adopted list demonstrates achievement of the 20% green reserve requirement within the fundable list, with an addition of one project that is partially fundable as a green project. The comprehensive list includes approximately \$10,000,000 of projects qualifying under the green project reserve. Should green projects in the fundable range be bypassed due to project delays, the program anticipates substituting other green projects on the comprehensive list, which will be funded in priority order, subject to meeting readiness criteria, until the entire 20% reserve is satisfied.

Program staff evaluated green project applications and determined which projects require a business case. Those projects in the fundable range requiring a business case were given until April 30, 2009 (30 days from program staff contact) to submit the required documentation. Business cases were reviewed and the final adopted lists reflect the approved amount qualifying under the green project reserve. Each project file will contain documentation of the business case on which the project was judged to qualify, as described in Attachment 8 to the USEPA guidance for the ARRA.

Eligible green projects included in the PPL include renewable energy, water line replacement, new water meters, building envelope improvements, storage tank replacement, and consolidation of two PWSs resulting in the elimination of source water relying on electrical power and replaced by a distribution system pressurized entirely by gravity.

D. Priority for Projects Ready to Proceed to Construction

Vermont has a priority system for its DWSRF program that ranks projects in accordance with criteria primarily based on public health, compliance and affordability. However, the ARRA requires that priority be given to projects that will be ready to proceed to actual construction within 12 months of the date of enactment. Additionally, ARRA Section 1602 requires that recipients give preference to activities that can be started expeditiously, including a goal of using at least 50 percent of the funds for activities that can be initiated within the first 120 days following enactment of the ARRA. Vermont intends to implement this provision by elevating those projects determined as ready to proceed by July 1, 2009, which for this purpose are designated as Quick Start Projects (QSP), and are so designated on the PPL. A QSP project is defined as a project that publishes its bid advertisement on or before July 1, 2009.

The final adopted PPL consists of a fundable list and a comprehensive list of projects, all of which could proceed to construction by February 17, 2010, based on information provided in the priority list applications. The Comprehensive List (CL) consists of projects that currently fall below the fundable limit. However, through the bypass process (if implemented), projects on the CL could move into the fundable range.

The current adopted PPL includes 136 total projects, 41 of which are fundable or partially fundable and 1 project that is partially fundable to satisfy the 20% green reserve requirement. This adopted list reflects changes made as a result of public comment and updated information. Because the State will continue its practice of limiting the total loan amount to any one water system to \$2,000,000, several projects (both in the fundable and non fundable lists) are shown to have loans capped at \$2,000,000. If reallocation of ARRA funds becomes necessary later in the year due to project delays, the State can opt to provide funds in excess of the \$2,000,000 cap to ensure that all ARRA funds are awarded. The actual loan amount needed for each project is shown in the last column on the right hand side of the PPL, which aggregates to approximately \$125,000,000 for both the fundable and non fundable lists.

Due to the tight timelines associated with ARRA, Vermont will implement a rigorous bypass process to ensure all funds are committed in the required 1-year period. Program staff will closely monitor the progress of projects and will make bypass determinations as soon as it becomes apparent that a system cannot meet the required deadlines. There are two critical periods during this funding cycle relating to project bypass described as follows:

Up to July 1, 2009— Projects in the fundable range that experience delays that jeopardize the July 1 bid advertisement date (date the ad appears in the newspaper) will be bypassed and funds will be committed to, in priority order, those projects that can meet the July 1 deadline.

Post July 1 – Immediately following July 1, 2009, any additional projects in the fundable range determined to have missed the bid advertisement deadline of July 1, 2009 will be bypassed. The resulting available funds will then be committed in priority order to projects that are determined to have met the July 1 bid advertisement deadline.

Post July 1 – If funds are available after July 1 and there are no projects remaining that meet the July 1 bid advertisement deadline, the QSP designation terminates and projects will be re-ranked solely based on priority points and funded in priority order, subject to project readiness, which includes submitting a completed DWSRF loan application. Regarding project readiness, the most critical factors in making a positive readiness finding are a positive bond vote for the project and issuance of a Water Supply Division Permit to Construct.

Additionally, because some of the projects receiving an ARRA loan had funds reserved from a prior year's PPL, those funds will be freed up and reallocated to projects below the ARRA fundable line, enabling more projects to proceed to construction. These base

program funds will be awarded separately to projects and will not include the subsidy provisions that apply only to ARRA-capitalized loans.

E. Planning loans and ARRA Eligibility

As with other project-related costs, preliminary engineering and final design costs incurred prior to October 1, 2008 are not ARRA loan-eligible; therefore, planning loans awarded prior to that date cannot be consolidated with ARRA loans. For such projects, the balance due on a planning loan will either be consolidated with a non ARRA SRF construction loan, if awarded concurrent with an ARRA loan, or repaid separately at 0% interest over a 5-year term.

F. Avoidance of Re-allotment/Relationship to Base Program

In order to meet the requirements and deadlines of the ARRA for the expeditious and timely commitment and expenditure of funds, the State of Vermont will regularly collect and review project progress data for State tracking purposes and reporting to EPA. This data collection and reporting effort will facilitate compliance with ARRA deadlines and help identify any issues impeding timeliness. If timeliness problems arise, the State of Vermont will work with EPA to resolve them. The State will include conditions in its assistance agreements to ensure that loan recipients make timely progress with respect to entering into contracts and/or commencing construction. If a recipient fails to maintain progress with these conditions, it will receive funding from other DWSRF monies so that ARRA funds can be provided to a project that is ready to proceed. Consistent with timely use of these funds, a project that has not yet completed the environmental review process and which does not qualify for a categorical exclusion, will not be eligible for ARRA funding.

The State understands that EPA may de-obligate grant funds from states that fail to meet requirements that apply to the use of ARRA funds. However, if the State is eligible for additional funds made available by a re-allotment of ARRA funds, the State will provide EPA with a list of projects from its PPL that are immediately prepared to proceed to construction.

G. Public Participation

In compliance with the requirement in SDWA sec. 1452(b)(1) to provide for public review and comment, the State of Vermont has posted this Intended Use Plan in draft form at www.anr.state.vt.us/dec/watersup/grants.htm beginning on March 18, 2009. In February 2009, the State mailed notices to all community and non-transient non-community water system representatives, consultants and other stakeholders announcing the availability of priority list application forms for ARRA funding and establishing a deadline of March 13, 2009 for submittal. Notice was also published in several newspapers having a combined statewide circulation.

Both notices included announcement of a public hearing to be held March 20, 2009 in Waterbury, Vermont to present the Draft IUP, to receive public comment at the hearing, and to accept written comment through March 27, 2009. Additional effort was made through meetings, emails, etc. to inform various stakeholder groups of the impending IUP and hearing. The following is a copy of the February 12, 2009 public notice.

February 12, 2009

Re: Economic Stimulus Funding- Fiscal Year 2008 Priority List Amendment

Dear Public Water Supplier:

The Vermont Drinking Water State Revolving Fund (VT DWSRF) is anticipating a significant amount of additional federal funding to come into the DWSRF Program early in 2009 through passage of the American Recovery and Reinvestment Act of 2009. The United States House of Representatives and the United States Senate will vote on a final Bill this week. All information contained in this public notice is preliminary and subject to change until the legislation is finalized and the Bill enacted. At this time, we are anticipating additional funding in the amount of \$19,306,000 for the VT DWSRF. To be eligible for stimulus funding through the DWSRF you must be a Public Community Water System or a Public Non-Community Water System that is non profit (tax exempt).

Additionally, to be eligible to receive economic stimulus funds for water system improvements you must complete the DWSRF Priority List Application and the readiness to proceed form on the reverse side of this letter by the close of business Friday, March 13, 2009. If we receive your priority list application by the March 13, 2009 deadline your project will also be listed on the 2009 DWSRF Construction Priority List which is also currently under development. Please note the regular deadline for 2009 priority list applications will be delayed until May 1, 2009. We have scheduled a joint public hearing with the Clean Water State Revolving Fund for Friday, March 20, 2009 from 1:00-4:00 p.m. at the Summit Training Center located in the Osgood Building in the Waterbury State Office Complex to discuss stimulus funding, solicit public input, and to release the draft funding list.

Although the details of this program are not set, a few key points can be made. First and foremost, strong emphasis is placed on a project's readiness to proceed and the economic imperative for these funds to enter the economy. In order to be considered for stimulus funding off the 2008 Amended Construction Priority List you will need to meet the priority list application deadline, satisfy project readiness to proceed criteria (detailed on reverse side), and have a loan commitment and construction started by September 30, 2009. If stimulus funds remain uncommitted after September 30, 2009, then they will be allocated to projects on the 2009 Construction Priority List that are ready to proceed. Information regarding the economic stimulus is changing daily but these are some of the concepts we are currently considering in order to administer stimulus funds.

- 50% to 75% subsidy in the form of principal loan forgiveness.
- First in first out policy (based on readiness to proceed) for allocating funds.
- Adjust funding cap commensurate with the level of funding received (currently considering 25% of total EPA grant vs. the current \$2.0M funding cap)
- Require construction contract award within 45 days of making loan commitment.

The readiness to proceed form and priority list applications can be mailed to the attention of Bryan J. Redmond, DWSRF Program Specialist at the address above or it can be scanned and emailed to bryan.redmond@state.vt.us. Priority list applications are available by calling the Water Supply Division at (802) 241-3400 or by downloading the application from the Water Supply Division's website at:

<http://www.vermontdrinkingwater.org/DWSRFGuidanceDocuments/DWSRFPriorityListApplication.doc>

We thank you for your time and look forward to receiving your response.

Sincerely,

Gary Schultz
Director, Water Supply Division

**American Recovery and Reinvestment Act of 2009
Drinking Water State Revolving Fund (DWSRF)
Project Readiness Update Form**

Please complete this form and the enclosed priority list application by March 13, 2009. Both documents are required in order to be considered for stimulus funding. If you have multiple projects in a Town please complete this form for each and include a project description and anticipated total project cost for each segment on the priority list application.

Economic Imperative- Readiness to Proceed (T) Target or (A) Actual
Completion Date

- | | | | | | |
|----|--|-----|---|---|---|
| 1. | Submittal of Engineering Report: | () | / | / | / |
| 2. | Submittal of Final Environmental Review Documents: | () | / | / | / |
| 3. | Date of Authority to Borrow Funds: | () | / | / | / |
| 4. | Submittal of Final Design Plans: | () | / | / | / |
| 5. | Anticipated Project Start Date: | () | / | / | / |

Print Name (Authorized Representative) _____

Signature _____ Date ____/____/____

E-Mail Address _____

Total Estimated Project Cost: _____

Project Description: _____

Return by March 13, 2009 to: Bryan J. Redmond
Water Supply Division
Old Pantry Building,
103 South Main Street
Waterbury, VT 05671-0403

H. Responsiveness Summary

Comments were made verbally during the public meeting in Waterbury on March 13, 2009. The comments have been edited and consolidated for brevity and clarity. In addition, verbal or written comments were received (i.e., letter, fax, phone, or email) during the public comments period. The Water Supply Division has a file available to the public that contains the notes from the public meetings and written comments received during the public comment period.

	Question or Comment	Response
1	Request for recalculation of points for the Village of Waterbury. Two projects were submitted for ARRA funding.	After reviewing the points it was determined that the Village Of Waterbury was not awarded points for their Downtown Designation. 5 points have been added to the projects and the priority ranking re-calculated.
2	Request for recalculation of preliminary interest rate determination for Danville FD #1.	Based on the revised information the preliminary interest rate/loan term determination has been adjusted.
3	Please add the Town of Plainfield to the priority list.	Application was received and the project has been added to the list.
4	Please add Hawk Pine Hills to the priority list.	Application was received and the project has been added to the list.

	Question or Comment	Response
5	Please add the Barre City Nelson Street Hydroelectric Energy Recovery Project to the priority list.	Application was received and the project has been added to the list.
6	East Montpelier School - revised project readiness form indicating a bid advertisement of July 1, 2009.	Information updated and QSP status granted.
7	Thetford Water Coop - revised project readiness form indicating a bid advertisement of July 30, 2009.	Information updated.
8	Town of Readsboro - revised project readiness form indicating a bid advertisement date of May 1, 2010.	Project has been removed from the ARRA priority list because it will not be ready to proceed by February 17, 2010.
9	Application received for Killington Gateway I.	System does not serve a year-round population (>80% full time residents) therefore not eligible for ARRA funding.

	Question or Comment	Response
10	Application received for Killington Gateway II.	System does not serve a year-round population (>80% full time residents) therefore not eligible for ARRA funding.
11	Village of Lyndonville - revised project readiness form indicating a bid advertisement date of June 20, 2009.	Information updated and QSP status granted.
12	VSARA - revised project readiness form indicating a bid advertisement of April 30, 2009.	Information updated.
13	Town of Troy - revised readiness form indicating a bid advertisement of July 1, 2009.	Information updated and QSP status granted. The waterline and pumping improvements have been maintained as a separate application not receiving quick start status.
14	Okemo Kettlebrook - revised readiness form.	System does not serve a year-round population (>80% full time residents) therefore not eligible for ARRA funding.

	Question or Comment	Response
15	Canaan Fire District No. 2 - Revised readiness form indicating the meter portion of the project will be ready for bid advertisement by July 1, 2009.	Metering project has been added to the list and designated QSP.
16	Jericho-Underhill Water District - revised project readiness forms.	Information updated.
17	Morrisville Water & Light - revised project readiness forms.	Information updated.
18	Town of Bennington - revised applications received for two projects.	Projects have been added to the list.
19	Barre City - revised project readiness form indicating a bid advertisement date of June 1, 2009.	Information updated and QSP status granted.

	Question or Comment	Response
20	Mountain Water Company - revised project readiness form.	System is private for-profit and not eligible for ARRA funding.
21	Drumleys Condominiums - revised readiness form.	System does not serve a year-round population (>80% full time residents) therefore not eligible for ARRA funding.
22	Village of Waterbury - revised project readiness forms.	Information updated.
23	Please add Red Cedar School application to the priority list.	The project has been added to the list.
24	Please add a new application for a green project at the Vergennes Panton Water District.	The project has been added to the list.

	Question or Comment	Response
25	Norwich Fire District #1 - revised project readiness forms for three projects.	Information updated and application #1 granted QSP status.
26	East Calais Fire District #1 - revised project readiness form.	Information updated.
27	Morristown Corners - revised project readiness form.	Information updated and QSP status granted.
28	Whitingham School - revised project readiness form.	Information updated.
29	Deerfield Valley School - revised project readiness form.	Information updated.

	Question or Comment	Response
30	Town of Sheldon - green project components.	W, E coding has been added to the project.
31	Town of Richmond - revised application.	Project added to the list.
32	Village of Swanton - revised project readiness form.	Project has been added to the list.
33	Town of Fair Haven - revised project readiness form.	Information updated and QSP status granted.
34	Town of Williamstown - revised total project cost.	Total project cost has been updated.

	Question or Comment	Response
35	Otter Valley High School - revised project readiness form.	Information updated and project granted QSP status.
36	Does the \$6 million cap on continuing project status apply to ARRA funding? It is our opinion ARRA is a special funding source and should not apply.	The existing \$6 million programmatic funding cap will apply to ARRA funding as well.
37	Jericho Underhill Water District - Please review our point calculation. Additionally, we feel the technical points should be added to form the number of assigned priority points.	Technical points have been revised. 95 points have been awarded for inadequate disinfection facilities and the priority ranking has been adjusted.
38	City of South Burlington, City of Winooski, and Colchester FD #1- Please reconsider the eligibility determination (not eligible) initially provided for hydrant replacement. The hydrants in these projects are multi-use and are required to for our flushing program and needed for water quality control in the distribution system.	Based on the information you have provided the hydrants are eligible for funding under the ARRA/DWSRF program. The project costs/assistance request has been adjusted.
39	Town of Randolph - Please review our priority points. Specifically, the Town holds a designated downtown and an income survey was recently completed by RCAP to survey the MHI of the water users. The affordability criteria should be based on the income survey not the census MHI.	5 points have been awarded for the downtown designation. Affordability points for all applications (including stimulus and non-stimulus) are calculated using the MHI data from the U.S. Census. We will use the data generated from the income survey when determining the loan term and interest rate for this project.

	Question or Comment	Response
40	Please consider revising the DWSRF ARRA eligibility criteria for private for-profit entities as well as private non-profit community systems that serve seasonal populations.	Following several public comments received on this issue we revisited the eligibility criteria for these entities in regards to ARRA funds. We sought input from the legislature, EPA, and other New England States on this issue. Following internal discussions it was decided to eliminate eligibility for private for profit entities and private non-profit community systems serving seasonal residences. Seasonal is defined as less than 80% continuously occupied units by local residents and at least 80 percent of the water produced is for residential use. It should be noted that the systems that were deemed ineligible for ARRA funding are eligible to receive project funding from the base DWSRF program and subsidized interest rates.
41	This round of proposed projects seems to do little to assist water districts that have to work to ensure they are in compliance with existing and future EPA drinking water regulations.	The priority ranking system used for ARRA is the same system used for the base DWSRF Program, which is based on public health protection and Safe Drinking Water Act Compliance. The ARRA priority ranking system differs in that preference is given to projects that are ready for construction, which meets the quick start spirit of the legislation.
42	ARRA funding should provide a unique opportunity for water systems to use innovative technologies to provide safe water without using chemicals.	So noted. Some systems may be able to utilize Ultraviolet Light (UV) for disinfection and thereby avoid having to add a chemical disinfectant. The applicability of UV, however, is system specific depending on source water characteristics and system class.
43	Town of Saint Johnsbury - Please review the preliminary loan term and interest rate determination for the Town.	Based on the revised information the preliminary interest rate/loan term determination has been adjusted.

	Question or Comment	Response
44	Town of Springfield - Please consider awarding 90 system improvement points to the Town for fished water storage vulnerable to contamination. Improvements to the Eastside and Westside water storage tanks will be incorporated into the contract documents for Contract B as originally intended.	Technical points have been revised. 90 facility improvement points have been awarded for storage tank vulnerable to contamination and the priority ranking has been adjusted.
45	Village of Poultney - the Village is replacing existing meters and should have a green project code listed.	We have coded W under the green project code for Village of Poultney. Meter replacement will require a business case to be submitted.
46	Please consider using the existing 20% funding cap to private water systems and include private for-profit and private non-profit community systems serving seasonal populations on the ARRA priority list.	See response to comment #40 above.
47	Town of Windsor - revised project readiness form.	Information updated and QSP status granted.
48	The requirement to use Davis Bacon wage scale will inflate project costs unnecessarily, which seems contrary to the concept of deriving maximum benefit from available funds.	We have no choice on the applicability of Davis Bacon because the requirement is in the federal law appropriating these funds.

	Question or Comment	Response
49	For those municipalities who do not intend to bond for projects, but instead plan to utilize capital reserve dollars as collateral, can they avoid the significant effort and cost associated with obtaining voter approval? Would a formal action (vote) by the elected Board of Water Commissioners be a suitable substitute?	No, voter approval is required to receive a DWSRF loan. We recommend that each community contact its bond counsel for guidance on applicable voting procedures.
50	Can a contract or written agreement be provided in lieu of a Bid Advertisement, as a measure of readiness to proceed?	If the system is able to proceed without formal bid advertisement because of the size/nature of the project (subject to Facilities Engineering Division concurrence), construction contract signing by July 1 meets the criteria. Further, small projects that qualify for small purchase procurement, obtain DEC concurrence, and received estimates by July 1, would meet the readiness criteria.
51	Are there alternatives to preparing an engineering report and conducting an environmental review for unique projects that include maintenance, replacement or rehabilitation in place, or work within existing buildings on existing equipment, etc.?	Some form of preliminary engineering is necessary for all funded projects, but in some cases (particularly small projects) it can be a brief statement or a basis of design submitted just prior to or along with final design. All funded projects require an environmental review with the level of review commensurate with the scope of the project. For example, a project entirely within the footprint of an existing structure could be reviewed and signed off by WSD SRF Program staff.
52	For projects that will not use bonded funds, how will financial readiness to proceed be determined? Specifically, will a copy of the District's Audit Report suffice, indicating the availability of previously approved capital reserve dollars, by both the voters and Board of Commissioners?	All projects must bond to receive a DWSRF loan. However, with ARRA funds, because of the principal forgiveness, some communities may opt to vote short term bonds for the project and pay back the balance of the DWSRF loan with capital reserve funds, thereby avoiding incurring long term debt.

	Question or Comment	Response
53	Can projects go out to bid before funds are available?	Yes, but they do so at risk since there is no guarantee of DWSRF funding until a loan is applied for and awarded.
54	Can a community that is not on the fundable list go out to bid provided that environmental review, Buy American, and Davis Bacon are satisfied? If so, what are the risks?	Yes, a community can proceed with bidding, but as noted in our response to comment #53 above, it does so without certainty of DWSRF funding. The safest approach for those communities that wish to proceed without a funding commitment is to maintain regular contact with us and follow program procedures.
55	Please clarify the definition of anticipated project start date as it relates to receiving quick start status?	Anticipated project start date is based on the bid advertisement date. Based on this new information we are allowing systems to resubmit their project readiness to proceed form during the public comment period.
56	How will the water supply pipe projects be coordinated with AOT's list of ARRA projects?	As presented at the public hearing, we expect project consultants to provide this coordination for their clients.
57	Do green projects add priority points?	No, but additional loan forgiveness of 10% will be provided.

	Question or Comment	Response
58	If a project is 1/3 green does it move the whole project up?	No.
59	Does the additional subsidy for green projects apply to total project costs?	No. The additional subsidy only applies to the green components of the project.
60	What is the status of providing municipalities with language for bond votes specific to ARRA funding?	We recommend that communities work with their bond counsel and Vermont League of Cities and Towns (VLCT). At the hearing we cited an example of what we believe to be a good article and passed that along to VLCT.
61	Do water systems need to reapply for the 2009 priority list?	If a community has submitted an ARRA priority list application they do not need to re-submit for placement on the 2009 list. We will continue to accept applications for the 2009 list. May 1 was the initial deadline for receipt of 2009 applications, but that date has since been pushed off to later this summer or fall. Public notice will go out with a new deadline and hearing announcement.
62	Does a community need to obtain interim financing for a project?	Generally, yes. These funds just like all other DWSRF loan funds are provided in the form of reimbursement, except for privately owned systems for which two party checks are written.

	Question or Comment	Response
63	If a project is in the design phase who do we talk to about greening the project?	As noted during the hearing, Ashley Lucht and Eric Law are the Department's primary contacts on Green projects.
64	Will DBE be applied to engineering contracts?	No.
65	Contractors are having trouble getting performance bonds. Can adjustments to the front end documents be made to address this issue?	Project-specific questions relating to front end documents should be directed to Allyn Lewis, Construction Section Chief.
66	What is the proposed process for using the green project reserve (GPR) and how are green dollars being applied to projects?	Projects will be funded in priority order. The green components to a project will receive 67% subsidy. Vermont needs to reserve \$3.9M for green projects through mid August 2009, so we will make every effort to fund green projects up to that point in time. If after mid August, there is GPR money left over, those funds will be used for the highest priority non green projects ready to proceed.
67	South Alburgh Fire District #2 - revised project readiness form.	Information updated and project has been added to the list.

	Question or Comment	Response
68	If a project has a green and a non-green component and the green component is fundable and the non-green component is not, does the non-green component receive continuing project status on the FY09 list?	Yes, but ranked among other continuing projects.
69	If an ARRA fundable project has multiple contracts with green components in each, can the ARRA funding be spread across the contracts to fund the green components?	Assuming all green elements meet readiness criteria, and the contracts are part of the same project, we could fund green components of multiple contracts.
70	Please explain the bypass process that will be used for projects on the fundable list that are not meeting their quick start deadlines.	<p>We will closely monitor the progress of projects and will make bypass determinations as soon as it becomes apparent that a system cannot meet the required deadlines. There are two critical periods during this funding cycle relating to project bypass described as follows:</p> <p>Up to July 1, 2009 – Projects in the fundable range that experience delays that jeopardize the July 1 bid advertisement date will be bypassed and funds will be committed in priority order to those projects that can meet the July 1 deadline.</p> <p>Post July 1 – If there are any funds available after July 1, those funds will be committed in priority order to projects that are determined to have met the July 1 bid advertisement deadline.</p>

	Question or Comment	Response
		Post July 1 – If funds are available after July 1 and there are no projects remaining that meet the July 1 bid advertisement deadline, the QSP designation terminates and projects are re-ranked solely based on priority points and funded in priority order, subject to project readiness, which includes submitting a completed DWSRF loan application.
71	The Village of Ludlow appeals the water system population that was used in the priority ranking calculation.	The Water Supply Division (WSD) has reviewed the information provided by your consulting engineer and agrees the correct population is 2,526. Three additional points have been awarded under the population ranking criteria and the priority ranking has been adjusted accordingly.
72	The Town of Hartford has submitted an appeal for both the Hartford and Quechee projects asking for the Quick Start Status designation for both projects.	WSD has reviewed the priority list application and the information submitted by the Town to support awarding Quick Start Project (QSP) status to the Hartford and Quechee projects. Based on the information provided, the WSD has determined that both projects qualify for QSP status and their priority ranking has been adjusted accordingly.

I. List of Projects to be Funded

See Attached Fundable List and Comprehensive List.

Fundable List

Capitalization Grant Under American Recovery and Reinvestment Act of 2009

Green Projects Key: G = Green Infrastructure; E = Energy Efficiency; W = Water Conservation; I = Environmentally Innovative

Projects that have an anticipated project start date of 7/1/2009 are designated as Quick Start Projects (QSP) in the Project Readiness Status Column and receive elevated priority.

ARRA Loan Funds: 17,355,000

ARRA Set-Asides: 2,145,000

Minimum Subsidy: 57.00%

Project Rank	Priority Points	Loan Recipient	Project ID	Project Category	Project Description	Project Readiness Status	Estimated Loan Amount	Complete Loan Amount	Interest Rate	Base Subsidy	Green Project Reserve Amount	Green Project Subsidy	Payment Terms	Total Assistance Requested
1	155	Whiting Water Corporation	61	E	Distribution system replacement, disinfection, storage and pumping improvements.	QSP	540,000	540,000	-3.0%	400,094	2,600	260	30	540,000
2	147	Harwood Union High School	900		Source, storage, distribution, pumping and water treatment improvements.	QSP	230,750	770,750	3.0%	131,527			20	230,750
3	145	Richmond Fire District No. 1	56		Replace water storage reservoir, construct new pumphouse, and installation of disinfection.	QSP	225,000	995,750	3.0%	128,249			20	225,000
4	142	Kids in the Country (Town of Dover)	30		Installation of treatment system and plumbing modifications.	QSP	43,045	1,038,795	3.0%	24,536			20	43,045
5	135	Town of Troy	315	W	Installation of water treatment facility for arsenic and manganese removal and water meters.	QSP	1,095,000	2,133,795	-3.0%	811,303	80,000	8,000	30	1,095,000
6	135	Sharon Elementary School	150		Consolidation of water systems and installation of disinfection.	QSP	130,000	2,263,795	3.0%	74,100			20	130,000
7	132	Silver Towers Camp-Elks Club	85		Source, storage, pumping, distribution, and disinfection improvements.	QSP	150,000	2,413,795	3.0%	85,500			20	150,000
8	130	Red Cedar School	40		Installation of disinfection facilities.	QSP	10,000	2,423,795	3.0%	5,700			20	10,000
9	130	Bristol Family Center	59		Installation of disinfection facilities.	QSP	35,000	2,458,795	3.0%	19,950			20	35,000
10	129	JP Callaghan School	160		Well development, distribution system replacement, water treatment and controls.	QSP	50,000	2,508,795	3.0%	28,500			20	50,000
11	128	Orchard Valley Waldorf School	163		Installation of disinfection system and security.	QSP	15,000	2,523,795	3.0%	8,550			20	15,000
12	128	Deerfield Valley School	230		Disinfection, water meter, improvements to storage tank, and security measures.	QSP	145,050	2,668,845	3.0%	82,678			20	145,050
13	128	Whitingham School	300	E	Installation of disinfection system, booster pump upgrades, and security improvements.	QSP	67,050	2,735,895	3.0%	38,218	24,000	2,400	20	67,050
14	125	Morristown Corners	150	E	Develop new source and install filtration on existing springs. Install solar panels for back-up electrical source.	QSP	150,000	2,885,895	1.5%	85,500	70,000	7,000	30	150,000
15	123	Rumney School	200		Source, disinfection, and storage improvements.	QSP	150,000	3,035,895	3.0%	85,500			20	150,000
16	122	St. George Fire District No. 1	45	E	Improvements to their existing storage facility, sources of water supply, treatment and controls.	QSP	198,750	3,232,645	3.0%	112,147	2,100	210	20	198,750
17	121	Otter Valley Union High School	830		Installation of disinfection facilities and backflow prevention.	QSP	75,000	3,307,645	3.0%	42,750			20	75,000
18	120	Irasburg Fire District No.1	200	E,W	Improvements to existing storage facility, sources of water supply, treatment building and controls.	QSP	932,000	4,239,645	-3.0%	690,533	73,100	7,310	30	932,000
19	115	Mansfield View Water Corporation	118		Improvements to water storage facility and distribution system, installation of new control building, disinfection equipment, and source meters.	QSP	250,000	4,489,645	3.0%	142,499			20	250,000
20	115	Lindale MHP	135	E,W	Replacement of the existing distribution system including water-main, service meters, hydrants, pressure reduction station and shed. Installation of PV panels on shed roof for shed lights and ventilation.	QSP	590,000	5,079,645	0.3%	336,299	28,400	2,840	30	590,000
21	115	Pittsford-Florence	1500	E,W	Consolidation of existing PWSs including transmission, distribution, storage, pump station, and service meter improvements.	QSP	2,000,000	7,079,645	3.0%	1,139,996	455,000	45,500	20	4,650,600
22	113	Thetford Academy	450		Well, treatment, storage and pumping improvements.	QSP	152,538	7,232,183	3.0%	86,946			20	152,538
23	113	Morrisville Water and Light	2600	W	Replace existing water storage facility and other miscellaneous improvements.	QSP	1,550,000	8,782,183	3.0%	883,497	775,000	77,500	20	1,550,000
24	110	VSARA	60		Disinfection improvements.	QSP	20,000	8,802,183	3.0%	11,400			20	20,000
25	110	Green Mountain Camp	75		Source and disinfection improvements.	QSP	18,000	8,820,183	3.0%	10,260			20	18,000
26	110	Ryegate Fire District No. 2	260		Improvements to well source, limited pipe improvements, disinfection, and hydrants.	QSP	105,000	8,925,183	3.0%	59,850			20	105,000
27	105	Georgia Industrial Corp.	340		Surface water system improvements.	QSP	250,000	9,175,183	3.0%	142,499			20	250,000

Project Rank	Region	Town	Population	Green Project Code	Project Description	Project Ranking	Fundable Loan Amount	Cumulative Loan Amount	Interest Rate	Base Subsidy	Green Project Reserve Amount	Green Project Subsidy	Repayment Term	Total Assistance
28	105	Town of Springfield	9800	E/W	Waterline, storage, well house, and pump system improvements.	QSP	2,000,000	11,175,183	3.0%	1,139,996	1,179,648	117,965	20	6,500,000
29	105	Sheffield Fire District No. 1	50		Water main replacement.	QSP	20,000	11,195,183	3.0%	11,400			20	20,000
30	103	Jericho Underhill Water District	910		Waterline replacement, back-up power, water meter replacement, and contact time improvements.	QSP	145,000	11,340,183	3.0%	82,650			20	120,000
31	102	Otis Health Care Center	254		Storage and disinfection improvements.	QSP	9,500	11,349,683	3.0%	5,415			20	9,500
					Improvements to existing storage tank, disinfection, security, and other miscellaneous improvements to comply with the Water Supply Rule.									
32	102	Westminster Center School	331			QSP	75,000	11,424,683	3.0%	42,750			20	75,000
33	100	South Burlington Fire District No. 1	250		Storage tanks repairs.	QSP	20,000	11,444,683	3.0%	11,400			20	20,000
34	100	Quechee Central Water System	2015	E	Connection of an existing supply source and SCADA/storage tank alarms including solar installations.	QSP	212,000	11,656,683	3.0%	120,840	132,000	13,200	20	212,000
35	98	East Middlebury FD No. 1	642		Re-piping spring source overflow to eliminate potential cross connection.	QSP	40,000	11,696,683	3.0%	22,800			20	40,000
36	98	Cold Brook Fire District No. 1	759		Rehabilitation of existing water storage tank.	QSP	215,000	11,911,683	3.0%	122,550			20	215,000
37	88	Town of Windsor	3300	W	Waterline replacement.	QSP	2,000,000	13,911,683	3.0%	1,139,996	500,000	50,000	20	6,125,000
38	88	Village of Barton	930	E	Installation of solar mixing system.	QSP	100,000	14,011,683	3.0%	57,000	100,000	10,000	20	100,000
39	83	Village of Ludlow	2526	W	New water transmission main, storage, and meters.	QSP	2,000,000	16,011,683	3.0%	1,139,996	467,300	46,730	20	3,974,800
40	82	East Montpelier School	260		Well drilling to eliminate PSOCs.	QSP	90,000	16,101,683	3.0%	51,300			20	90,000
41	80	Village of Northfield	4000		Waterline replacement-South & West Phases	QSP	1,242,465	17,344,148	3.0%	708,202			20	5,277,800
1-G	115-G	Castleton FD1	1940	W	New water meters.	QSP	10,852	17,355,000	-3.0%	8,041	10,852	1,085	30	500,000
Totals							17,355,000			10,332,912	3,900,000	390,000		35,104,883
Total Fundable Amount														17,355,000
Total Loan Subsidy														10,722,912

Priority List Notes:

- 1) Available ARRA funds based on Vermont Allotment of \$19,500,000 less \$2,145,000 withheld for DWSRF set-aside use.
- 2) Partial funding available for project No. 41.
- 3) Final eligibility determinations will be made at time of loan application review.
- 4) Interest rates and disadvantage subsidies are preliminary determinations only.
- 5) Applications received for ARRA funding will also be ranked on the 2009 Construction Priority List.
- 6) Castleton Fire District No. 1 is included on the fundable list as part of the Green Project Reserve.
- 7) Projects that applied but have anticipated project start dates later than March 1, 2010 are not ranked on the priority list. We reserve the right to add these projects to the priority list should they meet readiness to proceed criteria and funding is available.
- 8) Base subsidy is 57% of loan amount plus negative interest, as applicable, and the Green Project subsidy is an additional 10% on the Green Project Reserve amount.
- 9) The Green Project Reserve loan amount is a subset of the total project loan amount.
- 10) Project ranking showing G denotes projects that have green components that are quick start while the non-green project is not quick start.

Comprehensive List

State of Vermont Comprehensive Project Priority List
Capitalization Grant Under American Recovery and Reinvestment Act of 2009

Project Rank	Project Number	Project Name	Project Status	Estimated Amount	Comments	Total Amount
40	80	Village of Northfield	QSP	757,535		See Fundable List
1-G	115-G	Castleton Fire District No. 1	QSP	489,148	W	See Fundable List
41	80	Town of Chelsea	QSP	454,500		454,500
42	80	Saint Johnsbury	QSP	2,000,000		5,000,000
2-G	80-G	Canaan Fire District No. 2	QSP	84,000	W	84,000
43	78	Morrisville Water and Light	QSP	450,000	W	700,000
44	77	Danville Fire District No. 1	QSP	1,551,000		1,551,000
45	75	Town of Bennington	QSP	245,000	E	310,000
46	73	Village of Enosburg Falls	QSP	350,000		350,000
47	73	Town of Hardwick	QSP	868,000		868,000
48	73	Village of Waterbury	QSP	241,815		241,815
49	73	Village of Waterbury	QSP	775,500		775,500
50	73	Town of Fair Haven	QSP	300,000		300,000
51	70	Town of Randolph	QSP	1,900,000		1,900,000
52	70	Brandon Fire District No. 1	QSP	845,000		845,000
53	67	Town of Hartford	QSP	1,350,000	W	1,350,000
54	65	Town of Shaftsbury	QSP	425,000		425,000
55	65	Town of Williamstown	QSP	249,000		249,000
56	65	Town of Proctor	QSP	1,670,000	W	1,670,000
57	65	Burlington Water Department	QSP	100,000	E	100,000
58	65	Village of Lyndonville	QSP	1,200,000	W	1,200,000
59	62	Worcester Fire District No. 1	QSP	75,000		75,000
60	60	Town of Milton	QSP	450,000		450,000
61	60	Town of Williston	QSP	120,000		120,000
62	60	Village of Essex Junction	QSP	918,998		918,998
63	60	City of St. Albans	QSP	525,000		525,000
64	60	Barre City	QSP	1,020,000	E	1,120,000
65	55	East Calais Fire District No. 1	QSP	50,000		50,000
66	53	Village of North Troy	QSP	250,000		250,000
67	53	Town of Bethel	QSP	965,000	W	965,000
68	52	Rutland Town Fire District No. 10	QSP	250,000		250,000
69	52	Limehurst MHP (CVCLT)	QSP	186,000		186,000
70	50	Champlain Water District	QSP	713,000		713,000
71	48	Wilmington Water District	QSP	450,900		450,900
72	48	Village of Johnson	QSP	240,000		240,000
73	43	Norwich Fire District No. 1	QSP	125,000		125,000
74	40	Bellows Falls Water Department	QSP	2,000,000		3,000,000
75	40	City of Winoski	QSP	722,000		722,000
76	23	Town of Barre	QSP	226,000		226,000
77	23	Colchester Fire District No. 1	QSP	41,150		41,150
78	20	Manchester Water Department	QSP	845,000		845,000
79	20	South Burlington	QSP	1,356,500		1,356,500
80	140	Blake Hill Townhouses	1-yr.	100,700		100,700
81	140	Rutland City	1-yr.	75,000		75,000
82	135	Town of Troy	1-yr.	450,000		450,000
83	131	Orange Center School	1-yr.	50,000		50,000
84	123	Alburgh Village	1-yr.	1,500,000		1,500,000
85	122	Town of Elmore	1-yr.	150,000		150,000
86	122	South Wallingford Water Company	1-yr.	250,000		250,000
87	120	Town of Bloomfield	1-yr.	16,000		16,000
88	120	Aqua Haven	1-yr.	383,500		383,500
89	115	Thetford Water Coop	1-yr.	310,000		310,000
90	115	Castleton Fire District No. 1	1-yr.	802,468		802,468
91	112	Vergennes Panton Water District	1-yr.	2,000,000	G,E	5,300,000
92	110	South Alburgh Fire District No. 2	1-yr.	2,000,000		5,400,000
93	105	Mansfield View Water Corporation	1-yr.	250,000		250,000
94	98	Norwich Fire District No. 1	1-yr.	400,000	E,W	400,000

Project Rank	Priority Points	Assistance Recipient	Project Real Sta	Estimate Assistance Amount	State Project Code	Total Assistance
95	98	Town of Barre	1-yr.	294,000		294,000
96	98	Village of Barton	1-yr.	1,000,000		1,000,000
97	97	Town of Berlin	1-yr.	2,000,000		3,350,000
98	95	Coburn MHP	1-yr.	40,000		40,000
99	93	Canaan Fire District No. 1	1-yr.	450,000		450,000
100	90	Town of Sheldon	1-yr.	2,000,000	W	2,800,000
101	88	Town of Bradford	1-yr.	2,000,000		3,200,700
102	87	Brookside MHP (ACCT)	1-yr.	670,000	E,W	670,000
103	83	Village of Poultney	1-yr.	1,035,000	W	1,035,000
104	82	Town of Waltsfield	1-yr.	2,000,000		7,590,000
105	80	Coopers Bay MHP	1-yr.	150,000		150,000
106	80	Canaan Fire District No. 2	1-yr.	1,816,000		1,816,000
107	78	Greensboro Fire District No. 1	1-yr.	1,350,000		1,350,000
108	75	Village of Swanton	1-yr.	2,000,000	E,W	8,750,000
109	73	Town of Richmond	1-yr.	336,500		336,500
110	70	Hawk Pine Hills	1-yr.	11,900	W	16,900
111	70	Rutland City	1-yr.	325,000		325,000
112	70	Rutland City	1-yr.	250,000		250,000
113	70	Rutland City	1-yr.	650,000		650,000
114	65	Town of Plainfield	1-yr.	300,000		300,000
115	65	Arlington Water Company	1-yr.	332,250		332,250
116	65	Burlington Water Department	1-yr.	70,000	E	70,000
117	60	Colchester Fire District No. 3	1-yr.	1,100,000		1,100,000
118	60	Town of Middlebury	1-yr.	1,289,200		1,289,200
119	60	Barre City	1-yr.	1,230,000		2,050,000
120	55	Castleton Fire District No. 1	1-yr.	1,330,800		1,330,800
121	55	Town of West Rutland	1-yr.	100,000		100,000
122	55	Burlington Water Department	1-yr.	450,000		450,000
123	53	Town of Barre	1-yr.	226,000		226,000
124	50	Town of North Hero	1-yr.	750,000		750,000
125	50	City of Newport	1-yr.	120,000		120,000
126	48	East Middlebury Fire District No. 1	1-yr.	561,000		561,000
127	43	Norwich Fire District No. 1	1-yr.	225,000		225,000
128	43	Fairfax Water System	1-yr.	350,000		350,000
129	40	Town of Milton	1-yr.	420,000		420,000
130	40	Town of Shelburne	1-yr.	297,000		297,000
131	40	Champlain Water District	1-yr.	1,600,000		1,600,000
132	37	Peacham Fire District No. 1	1-yr.	103,500	W	103,500
133	30	Town of Middlebury	1-yr.	1,400,000		1,400,000
134	30	Town of Middlebury	1-yr.	210,000		210,000
135	23	Grand Isle Consolidated	1-yr.	130,000		130,000
136	20	Cocheater Fire District No. 2	1-yr.	300,000		300,000
Total Non Fundable				66,144,679		93,775,379

Priority List Notes:

- 1) Available ARRA funds based on Vermont Allotment of \$19,500,000 less \$2,145,000 withheld for DWSRF set-aside use.
- 2) Since project No. 41 is partially fundable, amount shown above is balance needed up to the \$2M loan cap.
- 3) Final eligibility determinations will be made at time of loan application review.
- 4) Interest rates and disadvantage subsidies are preliminary determinations only.
- 5) Applications received for ARRA funding will also be ranked on the 2009 Construction Priority List.
- 6) Projects that applied but have anticipated project start dates later than March 1, 2010 are not ranked on the priority list. We reserve the right to add these projects to the priority list should they meet readiness to proceed criteria and funding is available.
- 7) Project ranking showing G denotes projects that have green components that are quick start while the non-green project is not quick start.

VERMONT OFFENDER WORK PROGRAMS
ANNUAL REPORT FOR FY 2009
AND
TWO-YEAR WORK PROGRAMS PLAN
FOR FY 2010 & FY 2011

SUBMITTED TO
THE CHAIRS OF THE HOUSE AND SENATE COMMITTEES
ON INSTITUTIONS

FEBRUARY 2010

BY

Wilhelmina Picard

Director of Corrections Education

VERMONT DEPARTMENT OF CORRECTIONS

TABLE OF CONTENTS

I.	INTRODUCTION	3
II.	EXECUTIVE SUMMARY AND PROGRAM HIGHLIGHTS	4
III.	ANNUAL REPORT FOR FISCAL YEAR 2009	8
	A. Vermont Correctional Industries	8
	1. Products, Prices and Customers	8
	2. Facility and Manpower Utilization	9
	3. Inmate Training, Safety Measures and Placement	9
	4. Competition and Impact on the Private Sector	10
	5. VCI FY 09 Sales Revenues by Product Line	11
	6. VCI FY 09 Profit and Loss Statement	12
	7. VCI Value Added in FY 09 – A Cost/ Benefit Analysis	13
	B. Community Service Work	14
	1. Programs, Prices, Customers, and Manpower Utilization	14
	2. Competition and Impact on the Private Sector	18
	3. CSW FY 09 Sales Revenues	18
	4. CSW FY 09 Profit and Loss Statement	19
	5. CSW FY 09 Profit and Loss Including General Funds	20
	6. CSW Value Added in FY 09 – A Cost/Benefit Analysis	20
	C. VOWP Combined FY 09 Financial Results	21
IV.	FY 10 & FY 11 WORK PROGRAM PLANS	23
	A. Background	23
	1. Constant Change	23
	2. Loss of Guaranteed Markets	23
	3. Economic Recession	23
	4. Justice Reinvestment Bill	23
	5. Vocational Training Partnership with CHSVT	24
	B. Vermont Correctional Industries	24
	1. Products, Prices and Customers	24
	2. Facility and Manpower Utilization	24
	3. Inmate Training, Safety Measures and Placement	25
	4. Competition and Impact on the Private Sector	25
	5. VCI FY 10 & FY 11 Sales Revenue Forecasts	25
	6. VCI FY 10 & FY 11 Profit and Loss Statement Forecasts	26
	7. Capital Requests	27
	C. Community Service Work	27
	1. Work Programs, Prices and Customers	27
	2. Manpower Utilization	27
	3. Competition and Impact on the Private Sector	27
	4. CSW FY 10 & FY 11 Sales Revenue Forecasts	27
	5. CSW FY 10 & FY 11 Profit and Loss Statement Forecasts	28
	D. VOWP Combined FY 10 & FY 11 Financial Results Forecasts	29

I. INTRODUCTION

This report complies with legislation that requires Vermont Offender Work Programs (VOWP) to submit an annual report each year that covers the outcomes of the previous fiscal year (FY 09) and a two-year plan for the current and future fiscal year (FY 10 – FY 11). This report discusses the programs of Vermont Correctional Industries (VCI) and Community Service Work (CSW). It satisfies the legislative requirements by text and by the presentation of standard financial statements (both actual and forecasted). This report is being submitted to the Chairs of the House and Senate Committees.

II. EXECUTIVE SUMMARY AND PROGRAM HIGHLIGHTS

WORKFORCE DEVELOPMENT

The Department of Corrections utilizes the workforce development model developed over a three and a half year period from fall 2004 through spring 2008 under a US Department of Education grant. This workforce development model is institutionalized as a core part of all programs at Northern State Correctional Facility, Northwest State Correctional Facility, and Southeast State Correctional Facility. The Department of Corrections recognizes the importance of offender employment both inside correctional facilities and upon reentry when offenders return to their communities.

FINANCIAL PERFORMANCE

VOWP has been challenged financially since FY 04 and has continued to have financial difficulties in FY 09, ending the year with a loss of (\$211,665) on sales of \$1,852,661. The year's loss was greater than forecasted and the ending cash position was more negative than anticipated. We ended the year with a negative cash position of (\$460,836). Actual revenues, profitability, and cash position in FY 08 and FY 09 at year's end are summarized below along with last year's forecast for FY 09:

	FY 08 Actual	FY 09 Forecast	FY 09 Actual
VCI Sales Revenues	\$1,673,956	\$1,920,000	\$1,852,660
Community Service Work Revenues	\$566,071	\$ 620,000	\$ 639,473
VCI Net Income (Loss)	(\$454,922)	(\$391,050)	(\$438,250)
Community Service Work Net Income (Loss)	\$ 136,913	\$ 95,957	\$ 226,585
VOWP Combined Net Income (Loss)	(\$318,009)	(\$295,093)	(\$211,665)
VOWP Combined Cash Position, End of Fiscal Year	(\$449,121)	(\$549,621)	(\$460,836)

In the report of combined financials above, Vermont Correctional Industries (VCI) represents traditional prison industries located within the prisons. Community Service Work (CSW) is made up of the Caledonia Community Work Camp (CCWC), Southeast State Correctional Facility (SECF) and the Community Restitution Program (CRP). These are programs where offenders return value and earn reductions in their sentence time by performing a variety of services in the community while under the supervision of the department.

Vermont Correctional Industries

VCI's overall sales were approximately \$178,700 more than FY 08 and \$67,000 less than forecasted. Sales in the Furniture Shop (+84%) and Print Shop (+8%) were significantly improved over last year's sales. Sales were lower than the previous year in the Sign Shop (-28%), and License Plate Shop (-9%).

Sales in the Furniture Shop in FY 09 were increased substantially from FY08 to just over \$600,000. The shop was moved and relocated to the new VCI building mid FY08 and interrupted production for several weeks. By the end of the fiscal year, however, production was back in full and exceeding past output records.

The Print Shop has continued to improve operationally and financially over the past year. We expect sales to continue to improve. The addition of new color printing technology is helping us serve the changing needs of our customers and increase revenues. During FY09 the facility, where the print shop is located, transitioned from a male facility to a female facility. The Print Shop was without offender workers for approximately six weeks, during which time, the VCI staff did a commendable job maintaining production, training for the change in DOC clientele, screening incoming workers, training those workers and getting production up to the level that it was previously.

The Plate Shop and Sign Shop sales decreased in FY 09. These shops are largely dependent on sales through contracts with the state. The impact of the State's economic crisis has influenced our sales. In general, VCI has little influence on the demand for either product.

The DMV informed VCI that the license plate contract would be put out to bid before October 2009 when the current contract expired. In August of 2009, the contract was extended for an additional twelve months. The RFP for the License Plate contract is expected to be released for public response at any time. We will be responding to the RFP. If the DOC and VOWP fail to obtain this contract, it will have serious consequences for the program.

Community Service Work Programs

Sales in Community Service Work programs were slightly lower than the previous year and slightly lower than predicted although profits were up. A decrease in both Direct Expenses and Indirect Expenses were about equally responsible for the increase in profits. On combined sales of \$639,473 net profit was \$111,947. FY 09 profit was approximately \$24,966 less than the previous year and \$19,473 more than forecasted.

The Caledonia Community Work Camp sales in FY 09 increased from FY08. Revenues were up \$16,902 and profits were down approximately \$49,000 over the previous year.

The Community Restitution Program is largely responsible for the gains made in the Community Service Work programs in FY 09. Revenues for the Community Restitution Program were \$56,500 higher than the previous year and profits were \$2,490 higher.

IMPACT OF H: 859 - THE JUSTICE REINVESTMENT BILL

The Justice Reinvestment Bill, H: 859 became law at the end of FY 08. H: 859 made little impact on VOWP operations or financial performance in FY 08, however, the impact in FY 09 was significant in ways that were not anticipated.

In FY09, there were significant changes in the roles of two out of three facilities where VCI shops are housed. Northwest State Correctional Facility (NWSCF) where the Print Shop is located transitioned from a male facility to an all female facility. The population went from approximately 250 male offenders to 140 female offenders. Southeast State Correctional Facility (SECF) where the Sign Shop and Plate Shop are located changed its mission from a 100 bed correctional facility and work camp for female offenders to a 100 bed work camp for male offenders.

While impact on the Sign and Plate Shops at Southeast State Correctional Facility was anticipated to be minimal, a reduced worker population during the transition period in the Print Shop at Northwest State Correctional Facility was anticipated to severely affect production, customer service, and ultimately financial performance. The shop was without any offender workers for a period of at least six weeks and it took time to train the women after they were transferred. The learning curve for printing is steeper than that currently needed for offender jobs in the Plate and Sign Shops. It was anticipated that Printing would continue and with assistance from the facility staff, the shop continued to function and produce.

The staff and offender workers adjusted to the conditions. This has impacted the former practice of training workers and maintaining production, however, the VCI staff has worked with the facility to continuously prepare and train workers. The Shop staff has adjusted their practices and, as the financial numbers indicate, is not only maintaining business and quality but improving as well.

THE CURRENT ECONOMIC RECESSION AND FUTURE STATE RESCISIONS

The national economic recession and the need for cutbacks in state, municipal, and non-profit spending will likely have adverse consequences across the board in Vermont Offender Work Programs. A decline in sign and license plate sales last year is continuing although furniture and print sales have not yet been adversely impacted. As fewer and fewer projects are approved at state, municipal and nonprofit levels and operational budgets shrink, we have seen decreases in furniture and print sales. It is less clear how Community Service Work programs will be impacted by the recession. There is a potential for some of our current customers to cut back on use of our services if those services are seen as discretionary. At the same time, we may be able to increase our sales to old and new customers through competitive rates.

Given that the State of Vermont is facing serious state budget shortfalls in revenue in FY 11 and FY 12, further changes are expected. Specific new cost cutting measures have yet to be decided, but it is certain that all agencies and departments throughout state government will be impacted. Every effort is being made and will continue to be made to mitigate the consequences of major policy changes. Should a decision be made to further reduce the number of in-state correctional facilities or the number of offenders incarcerated in Vermont, it is clear that the impact would be greater still than has previously been encountered.

III. ANNUAL REPORT FOR FISCAL YEAR 2009

A. VERMONT CORRECTIONAL INDUSTRIES

In an ongoing effort to reduce costs without decreasing revenues, VOWP eliminated four permanent positions in FY 09. Two foreman positions were eliminated from the Windsor facility – one from the sign shop and one from the plate shop. Two financial positions were transferred to the finance department and serve as a greater resource for DOC.

1. PRODUCTS, PRICES AND CUSTOMERS

Sheet Metal Products

VCI produces two sheet metal products: License Plates and Road Signs. VCI also markets a third product, Rail Steel signposts. The single customer for license plates is the Vermont Department of Motor Vehicles (DMV). Signs are sold both to Agency of Transportation (AOT) and Vermont municipalities.

Prices for both signs and plates are based on historical prices as well as costs of material, labor and overhead. Prices for standard signs and signposts are published in a catalog and distributed to all city and town offices in Vermont. Non-standard sign prices are based on estimated costs of materials, labor and overhead and often are awarded on a bid basis. License plate and road sign prices are comparable to prices of other states' correctional facility industries.

The current license plate contract expired on September 30, 2009. The DOC was asked to extend the contract for an additional twelve months during which time the contract will be put out to bid. Prior to that time DMV intends to put the contract out to bid for the first time in Vermont history.

Furniture Products

Furniture products include desks, credenzas, and other standard case goods, work stations, office seating, bookcases, cabinets, shelving, and custom designed case goods. Contract prices have been established with the state for standard items. Prices for non-standard items are based on their likeness to standard items, or upon estimated manufacturing costs. Items not sold under state contract include beds, dressers and other residential type furniture, such as kitchen cabinets and furniture for the physically impaired.

State agencies are the primary customer for furniture. The State House, Public Safety, Department of Corrections, Department of Labor, and Buildings and General Services all bought furniture last year. We also sell furniture and case goods to schools, municipalities, and occasionally to non-profit organizations.

Print Products

The primary customers for print products are the State, followed by municipalities, with nonprofit organizations being a distant third. Products include office stationery, business cards, forms, bindery products, specialty products, and all types of printed material from newsletters to booklets. The shop has single color presses and a two color printer, which can accommodate four-color publications with two runs.

Service Industry Products

VCI manages the overflow calls to the toll free answering service for the Department of Motor Vehicles. Prices for these services were negotiated several years ago and are based on a per hour rate. Price increases were pegged to the same rate as state employee increases under collective bargaining agreement.

2. FACILITY AND MANPOWER UTILIZATION

The VCI Facility at **Windsor** occupies 16,000 sq. ft. of space, and is occupied by the Plate Shop (license plates). On average, the Plate Shop employed approximately 16 - 20 offenders at any given time throughout FY 09. This represents approximately 20% of the population at the facility.

In FY 09 the VCI Facility at **St. Albans** occupied approximately 16,000 sq. ft., equally divided into two adjoining buildings. On average the Print Shop employs approximately 13-15 offenders at any given time throughout FY 09. The percentage of Northwest State Correctional Facility offender residents employed in VCI is approximately 10 - 15%.

The VCI Facility at **Newport** has a total of 30,000 sq. ft. of space dedicated to furniture production and sign production. The furniture production area which is 18,000 square feet in size includes upholstery, operations and a drafting/design area. In the second half of FY 09 and first quarter of FY10, the Sheet Metal Shop (Signs) was relocated from Windsor to Newport and occupies a portion of the VCI1 building that formerly housed the Furniture shop. VCI currently utilizes approximately 12,000 square feet of this building. Furniture industry inmate employment averaged 25-30 offenders throughout the year. The Sign Shop employs 10 – 15 offenders. One inmate is also employed in Newport by the Motor Vehicle 800 Answering Service. Combined, this is approximately 10 - 12% of the inmate population at Northern State Correctional Facility.

3. INMATE TRAINING, SAFETY MEASURES AND PLACEMENT

Inmate vocational training in FY 09 included both formal and on-the-job training. Among other prerequisite qualifications, any inmate selected for VCI employment must either have a high school education, or be enrolled in the facility high school education program. Work schedules are arranged to allow for education and training, as well as for other programs deemed necessary for the inmate. Additionally, education programs are established when VCI has a particular requirement. In the past, for example, specific programs have been established to train computer aided design and drafting

(SolidWorks). An important part of vocational training is on-the-job training, where the foreman or a more experienced inmate mentor schools an inmate with less experience in order to improve performance, abilities, and to take on additional tasks.

When an inmate enters the VCI program, he is given a formal one-week **safety education program**, which covers the basics of care and procedures that must be followed to insure the safety of the inmate himself, as well as others in the work environment. **Other safety measures** include safety guards on machinery and equipment that, to the greatest extent possible, prevent accidental bodily injury, as well as safeguards, such as proper ventilation in environments where there is sawdust or paint spray. As a result of its safety awareness, VCI has an excellent record on injury prevention. There were no major injuries resulting in any form of disability claims in any of the VCI shops last year.

At the request of Vermont Offender Work Programs, all of our VCI shops in all three facilities underwent a thorough review and inspection by Vermont Occupational Safety and Health Administration (VOSHA) in FY 07.

4. COMPETITION AND IMPACT ON THE PRIVATE SECTOR

The furniture market research performed for the Offender Work Programs Board by an independent market analyst indicated that the furniture market in Vermont was immense and that VCI production represented less than 2% of the total Vermont market. For these reasons, we do not feel VCI had any negative impact on any Vermont based furniture manufacturer in FY 09.

For other products for which we have state contracts, we serve a base of traditional customers, predominantly state agencies and municipalities. These products include road signs, standardized stationery products, and routinely printed state publications. Sale of products in these categories has no measurable impact on Vermont private sector manufacturing businesses.

VCI will be responding to the RFP for vehicle license plates. There are no known Vermont entities that we will be competing against for the contract.

5. VCI FY 09 SALES REVENUES BY PRODUCT LINE

	FY 2009 ACTUAL
Sheet Metal Shop	
License Plates	\$ 580,419
Road Signs	\$ 205,016
Rail Steel	\$ 49,643
Furniture Shop	\$ 600,116
Print Shop	\$ 400,915
Dept. of Motor Vehicles 800#	<u>\$ 16,552</u>
Total Vermont Correctional Industries	
Sales	\$1,852,661

6. VCI FY 09 PROFIT AND LOSS STATEMENT

SALES REVENUES	\$1,852,661
COSTS OF GOODS SOLD	
Material	\$ 830,278
Inmate Labor	\$ 86,535
TOTAL COST OF GOODS SOLD	\$ 916,813
CONTRIBUTION MARGIN	\$935,848
DIRECT EXPENSE	
Salaries	\$ 494,888
Benefits	\$ 174,839
Shop Supplies	\$ 44,261
Depreciation	\$ 53,388
Vehicle/Equipment Maintenance	\$ 16,222
Fuel	\$ 25,587
Freight	\$ 22,415
Rental	\$ 16,165
Other	\$ 72,893
TOTAL DIRECT EXPENSE	\$ 920,658
GROSS PROFIT (LOSS)	\$15,190
ADMINISTRATION COSTS	
Salaries	\$ 179,318
Benefits	\$ 69,711
Depreciation	\$ 8,031
Equipment Maintenance	\$ 5,421
Office Rental	\$ 22,757
Office Supplies	\$ 2,008
Electricity	\$ 1,996
Heating & Fuel	\$ 11,251
Telephone	\$ 4,271
Other	\$ 39,161
TOTAL ADMINISTRATION COSTS	\$ 343,925
OPERATING INCOME	\$ (328,735)
Add	
NON-OPERATING INCOME	\$ 5,125
Less	
NON-OPERATING EXPENSE	\$ -
NET INCOME (LOSS)	\$ (323,610)

7. VCI VALUE ADDED IN FY 09 – A COST/BENEFIT ANALYSIS

The independent researcher who evaluated the Workforce Development Program under the federal grant in FY 07 concluded the following:

"If the reductions in recidivism are applied to the need and cost for bed days in the correctional institutions, then it would demonstrate a cost savings or avoidance of well over one and one half million dollars to the state per year at the current level of program operation. In addition, the taxes paid by those men and women who left the correctional institutions and obtained and retained employment must be added to the analysis of economic benefit. The greatest benefit of all is the statistically significant reduction in the return rate to prison by the experimental group. Clearly, that is a public safety benefit for all."

In addition to the programmatic value of preparing offenders for the work force, VCI adds value in other ways. A large portion of VCI expenses including staff salaries represent money put into the Vermont economy that might not have been there otherwise. There are also savings that our public and non-profit customers receive when purchasing our high quality products at a lower than competitive market price. These savings essentially are then available to be spent on other activities in the economy.

B. COMMUNITY SERVICE WORK

1. PROGRAMS, PRICES, CUSTOMERS AND MANPOWER UTILIZATION

Community Restitution Program Work Crews

The Community Restitution Program under Supervised Community Sentence and Pre-approved Furlough is an intermediate sanction program that offers the court a community-based alternative to a short period of incarceration (up to 60 days), provides offenders the opportunity to atone for their criminal conduct by participating in work service that adds value to the community, and allows employed offenders an opportunity to keep their jobs while serving their Community Restitution sentence.

In FY 09 men and women who were sentenced to the Community Restitution Program performed a total of 29,744 days of service. This translates to an average of 81 offenders performing Community Service work on a daily basis to the various towns and cities of the state of Vermont. Women offenders constituted approximately 18% of the composition of these work crews. Historically the work crew client covers a wide range of recipients to include both state and federal municipalities and properties and non-profit agencies. We are providing you with brief summary reports from three of our probation and parole offices to give you a sampling of the value and services these work crews provide to our Vermont cities and towns.

BUPP Community Restitution Report

Number of Contracts (municipalities & non profits) = 24
Revenue (amount billed) for FY '09 = \$125,817
Offender work days:

7,460 individuals worked full days (6,705 paid crew & 755 no charge)
Average daily crew 26 offenders
Average during the peak season (April – October approximately 40 per day)

Special projects

In spring '09, a crew at Lakeview Cemetery restored a gravestone of a Civil War doctor having a National and Vermont historic connection. For years, a large granite sphere which originally sat on top of a headstone, sat on the ground due to nature's toll for over a century. The Burlington Community Service Team leader utilized the skills of a stone mason serving a crew sentence to restore the grave monument to its original appearance. The work included building a custom made staging and involved the use levers to hoist the sphere back in place. Due to space limitations at the site, it was impossible to utilize a backhoe, thus using an approach more in step with the original construction of the monument. In addition to that major renovation, there have been other headstone repairs this year coordinated through the Vermont Old Cemetery Association.

We have conducted many "neighborhood cleanups" for the City of Burlington to include areas of the Old North End as well as college student residential neighborhoods.

Significant aesthetic improvements have resulted in these areas of the City, some at no charge as a gesture of the ongoing working relationship we continue to foster with that municipality.

Our crew provided a significant amount of “free labor” through our DOC contract assisting Vermont State sites in many ways. Some examples include periodic “dump runs” for the Chittenden Community Correctional facility, assisting the DCF with moves from Winooski to Williston, moving the MIPP to Burlington P&P, assisting the Dale Correctional facility with their relocation to St.Albans, providing the CRCF with a person daily to clean offices, routine outside clean up at the Winooski site, building shelves at DCF’s Williston location, and assist with office moves to and from DOC Central Office.

Other

The program adjusts to the needs of contract agencies pertaining to demands of non - traditional work hours. Arrangements to have a night cleaning shift maintained at CCTA and having workers report on Saturday mornings at 4:30 a.m. to Memorial Auditorium to set up the Winter Farmer’s Market, are two examples.

CSTLs often broaden the scope of their job description by making referrals to individuals for such things a crisis services, vocational rehabilitation, community health services, etc. CSTLs, through their normal job duties, get to know some people (sentenced offenders) quite well. Some of those individual’s only connection to the AHS is the Community Restitution Program, although they may be eligible for needed services through the agency. Direct referrals are more common than most would envision.

We have seen individuals obtain jobs after successfully completing a work crew sentence with an agency. This past year, an offender assigned to work at the South Burlington High School became a regular CRP worker at that site to complete his sentence. After he finished he was hired full time. The agency continued to receive the same number of daily assigned offenders from our program even though he was hired, thus DOC revenue remained the same and an unemployed client now had a job.

Barre P&P Community Service Work Crew

Enclosed please see the comments and report from one of our experienced Community Service Crew Leaders from the Barre office. We felt that it is important to see the dedication and pride that the DOC staff takes in their very significant service to our communities. His comments are reprinted herein:

“I was asking myself what is so great about the Community Restitution Program. It isn’t a difficult question for me. I can’t think of anything that isn’t positive about the Program. It is a Sentencing option for the Courts that diverts incarceration. It provides an option for any gender, age, and universal abilities. The fees offer State, municipal and non- profit groups an option to complete work that may otherwise not get done and at a great daily rate. I wish I had more time to write about the important work that we do and have done. I sometimes forget what work we have done but it only takes a few minutes to recall several of them that I believe were so helpful to the recipients. For Fiscal year 2009, the

Barre probation and parole office provided 5,343 Offender Work Days and was reimbursed \$122,621.38. Here is a list of just a few of them that come to mind:

We built a swing set at Orchard Valley Waldorf School in Plainfield. We removed damaged insulation and siding and replaced it with new. We also built new cubby spaces to match the existing, painted the interior walls, and mowed the grass and many other odd jobs that wouldn't likely get done if it wasn't for the Work Crew.

We serve the Vermont Food bank in many ways. We sort the food, clean the warehouse, work in the kitchen and have even provided a licensed electrician to replace light fixtures and switches that may have been unaffordable otherwise.

We provide offenders to the Salvation Army six days per week. They sort donated items, clean the store, bale items to be shipped from the warehouse and assist on the truck picking up donated items from around Central Vermont.

We dismantled and built a new shed for Barre Community Baseball, at a fraction of what it would have cost otherwise.

We have done a great deal of valuable work at the Family Center of Washington County. We built walls, painted the entire interior of a new addition, and put the new desks together. We shovel the roof, and provide assistance when we can on very short notice. We mow and care for the mountainous terrain of St. Augustine's Cemetery in Montpelier. This work would otherwise not get done as there were several years that it did not when we were asked to stop.

Montpelier contracts with us each week of the summer months to sweep the sidewalks and curbs of several streets and to remove trash from parking lots and the walking/bike path.

We assist GMTA in several ways, we provide help to clean the warehouse and shovel the roof in the winter. We clear the bus shelters of snow in Barre and Montpelier. An offender also helps to deliver groceries one day per week for the seniors who shop ahead of them on from another bus.

We have taken down the building to make room for what is now the Montpelier Police Station and cleared all of the nails from the materials to be recycled.

At Prevent Child Abuse Vermont, we place and remove the air conditioning units as the seasons dictate. We have built interior walls, moved loads of furniture and even painted most if not all of the interior walls and trim.

We help with spring clean up for several municipals and non profits.

We also mow and trim most Park and Rides in Central Vermont and the Program cares for most of them across the state. We also rid them of the litter and other debris that finds its way to these areas.

Fish and Wildlife contacts with us to maintain the Access Areas across the state and our share is eleven. We report any damage, maintain the communication boards, replace fencing, install/removed guard rails and posts, paint as well as mow and trim each area.

We have refinished all of the pews in the St. Monica's Church.

The Old Labor Hall in Barre utilized our services in many ways that included removal of the insulation so a new type could be applied. We have also provided cleaning as well as setting up Emergency Survival kits at one point.

The list goes on and on, but too many to mention them all. We have a binder that contains numerous compliments and thanks from our customers that is available for anyone wishing to see it. "

"At the work crew in Barre we service all of our own equipment. We also buy parts at approximately 50% less than we would pay locally. We also do this for the work crew in Burlington and St.Albans. Other sites will call and have a small amount of equipment repaired, but because of the travel distance, it is not cost effective for small repairs.

By servicing our own equipment, we save the Department approximately \$5,000.00 per year. Not only do we save the department money, we are also teaching offenders to work on the equipment, gaining valuable skills that they can take away from their experience on work crew that will help them gain employment. Over the last several years, once offenders have completed their work crew sentence, a small number have been hired by some of our contracted sites because of job skills they gained while on the work crew".

ST. JOHNSBURY WORK CREW ACTIVITIES 2009

- Mowing/Brush and Litter pickup of: VT State fishing accesses - Schools – Cemeteries – Ball fields – Town parks - Recreation areas – Fire station and hydrants – Town clerks and maintenance areas – churches.
- Fall leaf raking and cleanup of all the above.
- Maintenance of signs, kiosks and guardrails at VT State fishing accesses.
- Moving of: State offices – Nonprofit organizations – The elderly through the Office on Aging.
- Snow shoveling for: Town crosswalks – Fire hydrants – Elderly or disabled – State building.
- Wood piling for elderly.

- Assisting towns with roadside brush trimming and removal.
- Painting, cleaning and other assorted tasks for towns, non-profits, schools and churches.
- Assist meal-sites provide meals for their communities.
- Assist with Bedbug Cleanup Project.
- Set up seasonal decorations in town.

These are just a few of the examples that represent the many contributions to the towns and cities of Vermont. In these difficult financial times it is very important that we maintain our ability to provide these important and cost effective services for our clients. We hope that you may visit some of our seasonal or full time community work sites soon to witness firsthand the many benefits of these offender work crews.

2. COMPETITION AND IMPACT ON THE PRIVATE SECTOR

We do not believe that Community Service Work negatively impacts on private sector businesses, nor have there been any complaints registered to that effect. While private sector individuals or businesses could obviously have done much of the work performed, many of the projects would not have otherwise been accomplished, except perhaps on a voluntary basis.

3. CSW FY 2009 SALES REVENUES

	FY 2009
	ACTUAL
Community Restitution Program	\$508,483
Caledonia Community Work Camp	<u>\$130,990</u>
Total Community Service Work Sales	\$639,473

4. CSW FY 09 PROFIT AND LOSS STATEMENT

Community Service Work Programs revenues increased 2% in FY 09 compared to FY 08, and Work Camp revenues decreased 19%. This is the second year in a row that the Work Camp revenues have decreased significantly. These revenues under the VOWP Special Fund continued to be used in FY 09 to help cover direct operational and indirect administrative costs. Direct costs include the cost of equipment, vehicle lease, tools and project materials, equipment maintenance (including vehicles), and wages for seasonal or part-time supervision needed to run the programs. Administrative proportioned costs include VOWP management, administrative, and business office personnel.

CSW FY 09 Profit and Loss Statement			
	Community Restitution	Work Camp	CSW Total
SALES REVENUES	\$ 508,483	\$ 130,990	\$639,473
DIRECT EXPENSE			
Salaries	\$ 33,826	\$ -	\$ 33,826
Benefits	\$ 2,993	\$ -	\$ 2,993
Supplies	\$ 19,683	\$ 2,050	\$ 21,733
Depreciation	\$ 2,366	\$ -	\$ 2,366
Vehicle/Equipment Maintenance	\$ 14,941	\$ 1,669	\$ 16,610
Other	\$ 268,623	\$ 66,737	\$335,360
TOTAL DIRECT EXPENSE	\$ 342,432	\$ 70,456	\$412,888
GROSS PROFIT (LOSS)	\$ 166,051	\$ 60,534	\$226,585
ADMINISTRATION COSTS			
Salaries	\$ 47,818	\$ 11,954	\$ 59,772
Benefits	\$ 18,590	\$ 4,647	\$ 23,237
Depreciation	\$ 2,142	\$ 535	\$ 2,677
Equipment Maintenance	\$ 1,446	\$ 362	\$ 1,808
Office Rental	\$ 6,068	\$ 1,517	\$ 7,585
Office Supplies	\$ 535	\$ 134	\$ 669
Electricity	\$ 532	\$ 133	\$ 665
Heating & Fuel	\$ 3,000	\$ 750	\$ 3,750
Telephone	\$ 1,139	\$ 285	\$ 1,424
Other	\$ 10,441	\$ 2,610	\$ 13,051
TOTAL ADMINISTRATION COSTS	\$ 91,711	\$ 22,927	\$114,638
Net Income/(Loss)	\$ 74,340	\$ 37,607	\$111,947

5. CSW FY 09 PROFIT AND LOSS INCLUDING GENERAL FUNDS

It is important to recognize that in regards to CSW programs, Generally Accepted Accounting Principles (GAAP) are not adhered to in the VOWP accounting system. Salaries and benefits of Community Service Team Leaders come entirely from General Fund appropriations. These and other costs, approximately \$1.5 million, are not reflected in the VOWP financial statements and the CSW programs therefore appear to be more profitable than they would be if a full accounting were done. If these GF expenses were included as expenses in the Profit and Loss statements, the CSW programs would reflect a loss of approximately (\$1.3 million).

CSW VALUE ADDED IN FY 09 – A COST/BENEFIT ANALYSIS

Combined, CSW programs are responsible for delivering 29,744 days of offender labor in FY 09. These offenders are trained, equipped, transported, and supervised in their work. Not only that, more often than not the Community Service Team Leader responsible for the crew is working actively on the job as well. It is not unreasonable in the current economy to assume that the value of this offender labor under these conditions is worth \$10 per hour. At \$80 of value per offender work day, a total value of \$2.4 million was returned to Vermont communities last year as a result of these programs.

The alternatives to the Community Restitution Program are incarceration or regular probation. If all 29,744 days of offender work were changed to days of offender incarceration, it would represent approximately 81 years of incarcerated time. Since incarceration costs approximately \$51,000 per offender per year, this would represent an added cost to the General Fund of approximately \$4.1 million. If we assumed that approximately 20% of these sentenced CSW days would be actually converted to jail time, then CSW programs are saving an additional \$800,000 annually in avoided incarceration costs.

C. VOWP COMBINED FY 09 FINANCIAL RESULTS

VOWP FY 2009 COMBINED PROFIT & LOSS STATEMENT

	FY 2009 ACTUALS
SALES REVENUES	\$2,492,134
COST OF GOODS SOLD	
Material	\$ 765,842
Expensed Bulk Material	\$ 64,436
Inmate Labor	\$ 86,535
COST OF GOODS SOLD	\$ 916,813
CONTRIBUTION MARGIN	\$1,575,321
DIRECT EXPENSE	
Labor	\$ 528,714
Benefits	\$ 177,832
Rental	\$ 181,367
Fuel	\$ 51,710
Freight	\$ 22,415
Equipment Maintenance	\$ 32,832
Depreciation	\$ 55,754
Shop Supplies	\$ 64,867
Other	\$ 218,057
DIRECT EXPENSES	\$1,333,548
GROSS PROFIT (LOSS)	\$ 241,773
INDIRECT EXPENSE	
Salaries	\$ 239,090
Benefits	\$ 92,948
Rental	\$ 30,342
Office Supplies	\$ 2,677
Telephone	\$ 5,695
Equipment Maintenance	\$ 7,229
Depreciation	\$ 10,708
Heating & Fuel	\$ 15,001
Electricity	\$ 2,661
Other	\$ 52,212
INDIRECT EXPENSES	\$ 458,563
OPERATING INCOME	\$ (216,790)
NON-OPERATING INCOME	\$ 5,125
LESS	
NON-OPERATING EXPENSE	\$ -
NET INCOME (LOSS)	\$ (211,665)

VOWP COMBINED FY 2009 BALANCE SHEET

FY2009
ACTUAL

ASSETS

Current Assets

Cash		\$(460,836)
Accounts Receivable		\$(253,247)
Inventory		\$ 509,689
Total Current Assets		\$ 302,100

Fixed Assets

Machines& Equipment	\$1,154,580	
Less Accum. Depreciation	\$(841,897)	
Machines & Equipment - Net		\$ 312,683
Buildings	\$ 424,959	
Less Accum. Depreciation	\$(165,389)	
Buildings - Net		\$ 259,570
Total Fixed Assets		\$ 572,253

Other Assets

Petty Cash	\$	-
Total Other Assets	\$	-

TOTAL ASSETS

\$ 874,353

LIABILITIES

Current Liabilities

Accounts Payable	\$	13,062
Accounts Payable - E.R.F.		
Loan	\$	86,544
Accrued Salaries	\$	49,005
Accrued Annual Leave	\$	71,746
Accrued Inmate Labor	\$	2,716
Accrued Inmate Savings	\$	13,133
Accrued Taxes & Insurance	\$	18,710
Total Current Liabilities		\$ 254,916

Other Liabilities

Interest Fund Advance

Contributions; Total

\$ -

Fund Equity

Fund Equity, End FY	\$	831,103
FY Profit (Loss)		\$(211,665)
Total Fund Equity		\$ 619,438

TOTAL LIABILITIES, CONTRIBUTIONS & FUND EQUITY

\$ 874,354

IV. FY 10 & FY 11 OFFENDER WORK PROGRAM PLANS

A. BACKGROUND

1. CONSTANT CHANGE

Historically, we have had a difficult time accurately predicting financial performance. By its very nature, the Department of Corrections has to manage a large and complex set of variables and things change frequently. We have small facilities with mixed populations of sentenced and detained offenders. Many offenders are sent out of state to serve their sentences. Any significant change in one facility or one program has impacts throughout the system. By our very nature, VOWP is both a DOC program and a DOC business. We have to adapt both our program and our business whenever change occurs. Accurate forecasting and maintaining profitability under these circumstances is a constant challenge.

2. LOSS OF GUARANTEED MARKETS

Unlike many other states, VOWP does not have guaranteed markets. Up until recently, VOWP had always held the state contracts for selected print items, license plates, road signs, and wood furniture. In recent years, Building and General Services has elected to put parts of the printing contracts out to bid and now the Department of Motor Vehicles intends to have the license plate contract put out to bid. If VOWP loses the contract for license plates, it will have very serious consequences to our business and to our workforce development program as well.

3. ECONOMIC RECESSION

It is difficult to predict the impact the economic recession will have on Vermont Offender Work Programs. On the one hand, there will certainly be less money available for purchases of goods and services by all segments of our customer base, state, municipal, and nonprofit. On the other hand, customers and potential customers will likely be looking for the best value for their product or service dollar and may seek us out for that reason. We have chosen to take a conservative approach and forecast based on FY 09 performance with only incremental changes for the most part in FY 10 and FY 11.

4. JUSTICE REINVESTMENT BILL

The Justice Reinvestment Bill, H: 859, passed into law in FY08 has had a significant impact operationally and financially for the Vermont Correctional Industries component of VOWP. The transition from male to female facilities and the transfer of populations has not produced the negative results that were predicted in FY08. The cooperation, idea generating, problem solving of many DOC departments has show positive results in each of the shops, production and VCI in general. Each Shop has struggled at one time or another with unique situations and challenges, however, the staff has risen to the challenges of the economic times and has made changes that are already showing positive results in production, quality and the bottom line.

5. VOCATIONAL TRAINING PARTNERSHIP WITH CHSVT

To improve pre-training of offenders before they come to work in our shops and to enhance the vocational programs offered by Community High School of Vermont, CHSVT has moved the vocational training and classroom space into the VCI Print Shop at Northwest State Correctional Facility and the VCI Furniture Shop at Northern State Correctional Facility. Curriculum has been developed and is being delivered in modules to allow women to work on the job in production on some machinery while learning additional printing skills in a classroom setting. A similar program for SolidWorks a computer aided design and drafting program is underway in the Furniture Shop at Northern State Correctional Facility in Newport.

B. VERMONT CORRECTIONAL INDUSTRIES

1. PRODUCTS, PRICES AND CUSTOMERS

Sheet Metal Products

License Plates, Road Signs, and Rail Steel signposts are VCI's current sheet metal products, and state government and municipalities the primary customers. We predicted no change in customer base, price or products in FY 10. If VOWP loses the contract for license plates in FY 10, forecasts will of course need to be revised.

Furniture Products

State agencies, municipalities, and non-profits all buy furniture from VCI. Based on our FY 09 experience of not landing any major bid work, we have changed our marketing strategy and are seeking much smaller bid jobs in FY 10. We are aggressively marketing our new line of dormitory furniture and are developing a line of church furniture including pews and alter.

Print Products

State agencies are our largest customers for print although we have increased orders from non-profit organizations. Our customer service and turn around time has earned back old customers and is winning new ones. The addition of our new color printer allows us to do more and better color work and we expect will increase sales as well. We have had a positive year for sales and anticipate a continued upswing in the coming year.

2. FACILITY AND MANPOWER UTILIZATION

No production capacity changes or utilization changes are currently envisioned for the Sheet Metal Shop in **Newport**.

As previously discussed above, the Print Shop at **St Albans** will not experience changes in FY 10.

3. INMATE TRAINING, SAFETY MEASURES AND PLACEMENT

Established safety training programs and on-the-job training will continue to be the mainstay of vocational training associated with VCI.

In FY 07 all VCI shops underwent independent workplace safety assessment by Project Worksafe. Based on those assessments, all changes needed to bring all VCI shops into full VOSHA compliance were carried out and are being maintained.

4. COMPETITION AND IMPACT ON THE PRIVATE SECTOR

We will continue to make every effort to minimize the impact of our efforts to increase sales on private sector businesses.

5. VCI FY 10 & FY 11 SALES REVENUE FORECASTS BY PRODUCT

	FY 2010 FORECAST	FY 2011 FORECAST
Sheet Metal Products		
License Plates	\$ 400,000	\$ 400,000
Road Signs	\$ 260,000	\$ 260,000
Rail Steel	\$ 33,000	\$ 33,000
Total	\$ 693,000	\$ 693,000
Furniture	\$ 600,000	\$ 600,000
Print Products	\$ 360,000	\$ 360,000
Service Industries		
Dept. of Motor Vehicles 800#	\$ 10,000	\$ 10,000
Total	\$ 10,000	\$ 10,000
VCI Total Sales	\$ 1,663,000	\$ 1,663,000

6. VCI FY 10 & FY 11 PROFIT AND LOSS FORECASTS

	FY 2010 FORECAST	FY 2011 FORECAST
SALES REVENUES	\$ 1,663,000	\$ 1,663,000
COST OF GOODS SOLD		
Material Costs	\$ 800,000	\$ 800,000
Expensed Material (Bulk)	\$ 65,000	\$ 65,000
Inmate Labor	\$ 75,000	\$ 75,000
TOTAL COST OF GOODS SOLD	\$ 940,000	\$ 940,000
CONTRIBUTION MARGIN	\$ 723,000	\$ 723,000
DIRECT EXPENSE		
Salaries	\$ 450,000	\$ 436,500
Benefits	\$ 160,000	\$ 160,000
Shop Supplies	\$ 50,000	\$ 50,000
Depreciation	\$ 60,000	\$ 60,000
Vehicle/Equipment Maintenance	\$ 23,000	\$ 23,000
Fuel	\$ 22,000	\$ 22,000
Freight	\$ 19,000	\$ 19,000
Rental	\$ 9,500	\$ 9,500
Other	\$ 40,000	\$ 40,000
TOTAL DIRECT EXPENSE	\$ 833,500	\$ 820,000
GROSS PROFIT (LOSS)	\$ (110,500)	\$ (97,000)
ADMINISTRATION COSTS		
Salaries	\$ 132,000	\$ 128,000
Benefits	\$ 36,500	\$ 36,500
Depreciation	\$ 8,500	\$ 8,500
Equipment Maintenance	\$ 5,000	\$ 5,000
Office Rental	\$ 4,400	\$ -
Office Supplies	\$ 1,500	\$ 1,500
Electricity	\$ 350	\$ -
Heating & Fuel	\$ 3,700	\$ 3,700
Telephone	\$ 1,200	\$ 1,200
Sub-Contract Labor	\$ 14,000	\$ 14,000
Other	\$ 10,000	\$ 10,000
TOTAL ADMINISTRATION COSTS		
COSTS	\$ 217,150	\$ 208,400
OPERATING INCOME	\$ (327,650)	\$ (305,400)
ADD NON-OPERATING INCOME	\$ 5,000	\$ 5,000
LESS NON OPERATING EXPENSE	\$ -	
NET INCOME (LOSS)	\$ (322,650)	\$ (300,400)

7. CAPITAL REQUESTS

From time to time capital money has been appropriated specifically to Vermont Correctional Industries as it was at the time of it's founding nearly seventy years ago. These appropriations have generally been for either manufacturing equipment or buildings. There have been no such appropriations in the last fifteen years. Recent equipment upgrades and purchases were all purchased from the VOWP Special Fund. This has contributed to a current negative cash position. There are no current plans to make any capital requests in FY 10 or FY 11.

C. COMMUNITY SERVICE WORK

1. WORK PROGRAMS, PRICES AND CUSTOMERS

There are no changes in programs, prices, or customers currently anticipated.

2. MANPOWER UTILIZATION

All offenders sentenced to the Community Restitution Program and work camps will continue to be fully utilized.

3. COMPETITION AND IMPACT ON THE PRIVATE SECTOR

The situation shall remain the same as in FY 09.

4. CSW FY 10 & FY 11 SALES REVENUE FORECASTS

	FY 2010	FY 2011
	FORECAST	FORECAST
Community Restitution Program	\$ 500,000	\$ 500,000
Work Camps	\$ 175,000	\$ 175,000
TOTAL SALES REVENUE	\$ 675,000	\$ 675,000

5. CSW FY 10 & FY 11 PROFIT AND LOSS FORECASTS

	FY 2010 FORECAST	FY 2011 FORECAST
Sales Revenues	\$ 675,000	\$ 675,000
Direct Expense		
Salaries	\$ 25,000	\$ 25,000
Benefits	\$ 3,000	\$ 3,000
Shop Supplies	\$ 20,000	\$ 20,000
Depreciation	\$ 2,350	\$ 2,350
Vehicle/Equip Maint	\$ 16,000	\$ 16,000
Other	\$ 210,000	\$ 210,000
Total Direct Expense	\$ 276,350	\$ 276,350
Gross Profit (Loss)	\$ 398,650	\$ 398,650
Administration Costs		
Salaries	\$ 33,000	\$ 32,000
Benefits	\$ 9,125	\$ 9,125
Depreciation	\$ 2,125	\$ 2,125
Equipment Maint	\$ 1,250	\$ 1,250
Office Rental	\$ 1,100	\$ -
Office Supplies	\$ 375	\$ 375
Electricity	\$ 88	\$ -
Heating & Fuel	\$ 925	\$ 925
Telephone	\$ 300	\$ 300
Other	\$ 6,000	\$ 6,000
Total Admin Costs	\$ 54,288	\$ 52,100
Net Income (Loss)	\$ 344,362	\$ 346,550

D. VOWP COMBINED FY 10 & FY 11 FINANCIAL FORECASTS

Presented below are actual consolidated sales, income, and cash position in FY 08 and revised forecasts for FY 09 and FY 10.

	FY 2009 FORECAST	FY 2009 ACTUAL	FY 2010 FORECAST	FY 2011 FORECAST
VCI Sales Revenues	\$1,920,000	\$1,852,660	\$1,663,000	\$1,663,000
Community Service Work Revenues	\$ 620,000	\$ 639,473	\$ 675,000	\$ 675,000
VCI Net Income (Loss)	\$ (391,050)	\$ (438,250)	\$ (322,650)	\$ (300,400)
Community Service Work Net Income (Loss)	\$ 95,957	\$ 226,585	\$ 344,362	\$ 346,550
VOWP Combined Net Income (Loss)	\$ (295,093)	\$ (211,665)	\$ 21,712	\$ 46,150
VOWP Combined Cash Position, End of Fiscal Year	\$ (549,621)	\$ (460,836)	\$ (354,961)	\$ (245,086)

** Cash position forecast: the increase in the cash position from beg. FY10 to Dec 31 (Vision) was divided by 6 months and multiplied by 12 months to get a forecast of projected cash savings for the remainder of FY10 and all of FY11.

Presented on the following two pages are combined profit and loss and cash flow forecasts for FY 10 and FY 11.

VOWP FY 2010 & FY 2011 COMBINED PROFIT & LOSS FORECASTS
Combined Forecast

	FY10 FORECAST	FY11 FORECAST
Sales Revenues	\$ 1,338,000	\$ 1,338,000
Cost of Goods Sold		
Material	\$ 800,000	\$ 800,000
Expensed Material	\$ 65,000	\$ 65,000
Inmate Labor	\$ 75,000	\$ 75,000
Total COGS	\$ 940,000	\$ 940,000
Contribution Margin	\$1,398,000	\$1,398,000
Direct Expense		
Salaries	\$ 475,000	\$ 461,500
Benefits	\$ 163,000	\$ 163,000
Shop Supplies	\$ 70,000	\$ 70,000
Depreciation	\$ 62,350	\$ 62,350
Vehicle/Equip Maint	\$ 39,000	\$ 39,000
Fuel	\$ 22,000	\$ 22,000
Freight	\$ 19,000	\$ 19,000
Rental	\$ 9,500	\$ 9,500
Other	\$ 250,000	\$ 250,000
Total Direct Expense	\$1,109,850	\$1,096,350
Gross Profit (Loss)	\$ 288,150	\$ 301,650
Administration Costs		
Salaries	\$ 165,000	\$ 160,000
Benefits	\$ 45,625	\$ 45,625
Depreciation	\$ 10,625	\$ 10,625
Equipment Maint	\$ 6,250	\$ 6,250
Office Rental	\$ 5,500	\$ -
Office Supplies	\$ 1,875	\$ 1,875
Electricity	\$ 438	\$ -
Heating & Fuel	\$ 4,625	\$ 4,625
Telephone	\$ 1,500	\$ 1,500
Sub-Contract Labor	\$ 14,000	\$ 14,000
Other	\$ 16,000	\$ 16,000
Total Admin Costs	\$ 271,438	\$ 260,500
Operating Income	\$ 16,712	\$ 41,150
Non-Operating Income (Add)	\$ 5,000	\$ 5,000
Non-Operating Expense (Less)	\$ -	\$ -
Net Income (Loss)	\$ 21,712	\$ 46,150



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State of Vermont
Agency of Administration
Office of the Secretary
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Neale F. Lunderville, Secretary

Committee
received
2/2/10

TO: Joint Fiscal Com
FROM: Neale F. Lunder
DATE: January 28, 2010
RE: Excess Receipts

tion Neale F. Will

In accordance with 32 VSA Sec 511, Report on Excess Receipts approved for the 1st
quarter of FY 2010 (7/1/09 – 9/30/09),

Attachment

EXCESS RECEIPTS FY2010 Cumulative 1st Q - thru 9-30-09		EXCESS RECEIPTS APPROVED FOR FY2010: July 1, 2009 - September 30, 2009										
	DATE APPROVED	FEDERAL	SPECIAL	INTERNAL	INTERDEPT'L			DEPT				
DEPARTMENT	By Sec Admin	FUNDS	FUNDS	SVC FUNDS	TRANSFERS	OTHER	TOTAL	TOTAL	SOURCE OF RECEIPTS (fund number)	PURPOSE		
GENERAL GOVERNMENT:												
Secretary's Office	9/24/09	8,500,000					8,500,000		#22040 ARRA	Allowed the Secretary to access the SFSF funds prior to the E prescribed by the legislature. This excess receipt will be voided		
Finance & Management								8,500,000				
	7/16/09		400,000				400,000		#21005 FMS System Development Fund	For computer equipment and training needed to complete sys		
	8/26/09		19,445				19,445		#21975 Armed Services Scholarship Fund	Tuition payments for eligible students who are relatives of dec		
								419,445				
Buildings & General Services												
	7/10/09		39,167				39,167		#21604 Recycling Efforts	Pays the cost of operating the recycling program.		
	7/10/09		18,513				18,513		#21603 Motorist Aid Refreshment Program	Offsets the general fund cost of operating information centers		
	7/10/09		190,303				190,303		#21822 Tourism & Marketing Brochures	Pays the cost of operating the brochure program.		
	7/10/09		121,730				121,730		#21911 Sarcoidosis Benefit Trust Fund	Paying sarcoidosis claims.		
	8/7/09		4,432				4,432		#21600 Duxbury/Moretown	For marketing expenses and general repairs to the property ir		
	8/5/09		55,869				55,869		#21605 Newport Office Bldg	To complete construction of Newport State Office Building.		
	8/3/09	875,120					875,120		#22005 Federal Revenue Fund	To continue construction of Geothermal HVAC renovation at t		
	8/4/09		600,000				600,000		#21525 Conference Fees and Donations	To help construct new visitor center at Calvin Coolidge Histori		
	8/21/09		20,162				20,162		#21603 Motorist Aid Refreshment Program	Offsets the general fund cost of operating information centers		
	8/21/09		10,000				10,000		#21613 Sale of State Land	For marketing expenses, advertising, and appraisals for propo		
								1,935,296				
Tax												
	8/25/09		168,108		38,676		206,784		#21500 Inter-unit Transfers, #21590 Miscellaneous Fees, #21591 Local Option Process Fees, #21584 Surplus Property	Special funds used by the department to administer programs		
	8/25/09		3,952,835				3,952,835		#21909 Tax Computer System Modernization	For computer equipment, software and maintenance from FY(
								4,159,619				
Joint Fiscal Office												
	8/7/09				681,856		681,856		#21500 Inter-unit Transfers	Payments to a primary consultant - Synapse Energy for contri		
								681,856				
State Treasurer												
	7/22/09		5,000				5,000		#21001 Financial Literacy Trust Fund	To support Financial Literacy Programs of the State Treasurer		
	8/4/09		25,000				25,000		#21001 Financial Literacy Trust Fund	To support the "Reading is an Investment" Project under the 1		
								30,000				
PROTECTION:												
Judiciary												
	8/7/09		20,428				20,428		#21908 Miscellaneous Grants Fund	To strengthen foreign language interpreter services in Vermo		
	8/7/09		51,600				51,600		#21908 Miscellaneous Grants Fund	Two grants to support the work of the Commission on Court C		
	8/7/09		5,084				5,084		#21908 Miscellaneous Grants Fund	A reimbursable grant to support the education of court manag		
	8/7/09		58,192				58,192		#21908 Miscellaneous Grants Fund	A reimbursable grant to start a pro se service center.		
								135,304				
Military												
	7/20/09	3,593,000					3,593,000		#22005 ARRA	ARRA grant for sustainment, restoration and modernization of State of Vt Military Dept.		
								3,593,000				
VT Cntr. For Crime Victim Services												
	9/4/09		182,058				182,058		#21145 Victims Compensation Fund	For legal services for victims of domestic violence.		
								182,058				
Criminal Justice Training Council												
	8/26/09	13,516					13,516		Federal Byrne grant	Specialized training funded by Byrne grant.		
	8/26/09				38,632		38,632		Next Generation grant	Sub-grant from Dept of Labor/Next Generation (2008 Act 46) f		
								52,148				
Human Rights Commission												
	8/7/09		35,735				35,735		#21692 Human Rights Commission Spec Fund	Legal recovery to be used for salaries, training & technical ass and to develop a database for the HRC.		

EXCESS RECEIPTS FY2010 Cumulative 1st Q - thru 9-30-09		EXCESS RECEIPTS APPROVED FOR FY2010: July 1, 2009 - September 30, 2009								
	DATE APPROVED	FEDERAL FUNDS	SPECIAL FUNDS	INTERNAL SVC FUNDS	INTERDEPT'L TRANSFERS	OTHER	TOTAL	DEPT TOTAL	SOURCE OF RECEIPTS (fund number)	PURPOSE
DEPARTMENT	By Sec Admin									
Liquor Control								35,735		
	9/22/09				13,502		13,502		#21500 Inter-unit Transfers	Matching grant to be used for upgrade to radio equipment for
	9/24/09				35,000		35,000		#21500 Inter-unit Transfers	For START Program and alcohol compliance.
Public Safety								48,502		
	7/16/09		4,500				4,500		#21584 Surplus Property	From surplus sales to be used to replace equipment.
	7/13/09		19,967				19,967		#21908 Miscellaneous Grants Fund	Balance of \$27K FY 2009 NADDI grant to support drug divers
	9/18/09				6,550,000		6,550,000		#21502 ARRA	FY 2010 ARRA SFSF funding to pay personal service costs f
Agriculture, Food & Markets								6,574,467		
	8/13/09				87,000		87,000		#21500 Inter-unit Transfers	To purchase software that will facilitate the efficient tracking a
	8/29/09		5,016				5,016		#21889 Risk Manage Ag Producers	These funds will be used to increase safety awareness for ski
	8/29/09		19,122				19,122		#21889 Risk Manage Ag Producers	To conduct educational and other Dairy Task Force activities.
	8/29/09		430,971				430,971		#21668 Feeds, Seeds & Fertilizer, #21669 Pesticide Monitoring	To pay for software program contract.
Dept of Public Service								542,109		
	9/22/09		50,000				50,000		#21020 Low-level Radioactive Waste Compact	To pay for the Compact Commission's operating expenses.
								50,000		
HUMAN SERVICES:										
AHS Secretary's Office										
	7/28/09				246,660		246,660		#21500 Inter-unit Transfers	Funds are for grants for RSVP, Foster Grandparent and Senic
Corrections								246,660		
	9/23/09				408,333		408,333		#21500 Inter-unit Transfers	Grant from Dept. of Health to help support Tapestry II residen
								408,333		
Disabilities, Aging & Independent Living										
	7/28/09	126,720					126,720		#22040 ARRA	Stimulus funds for employer outreach to educate employers a
	7/28/09	81,000					81,000		#22040 ARRA	For expenditures in the ARRA Senior Nutrition Program Proce
	7/28/09	172,800					172,800		#22040 ARRA	For employment services for people with disabilities / basic su
	7/28/09	131,670					131,670		#22040 ARRA	Stimulus funds for the Senior Community Service Employer
	7/23/09		50,000				50,000		#21213 Civil Monetary Fund	Contracting to improve quality of care in nursing homes for re
	7/23/09		112,164				112,164		#21994 Traumatic Brain Injury Fund	For AHS contracts and programs related to the services and t
	8/29/09	60,728					60,728		#22040 ARRA	For expenditures as outlined in the DBVI IL ARRA Process m
	8/31/09	3,170					3,170		#22040 ARRA	For expenditures as outlined in the DBVI Older Blind ARRA P
								738,252		
Commission on Women										
	8/11/09				2,430		2,430			To fund half the salary for the Director of the Vermont Women
National and Community Service Program								2,430		
	7/23/09	273,695					273,695		Corporation for National and Community Service	For Northeast Kingdom Initiative.
								273,695		
LABOR										
	7/10/09		311,675				311,675		#21992 Next Generation Initiative Fund	Funds were obligated to sub-grantees in the previous two fisc
	7/16/09		1,415,500				1,415,500		#21913 Workforce Ed & Training Fund	Funds will be obligated to sub-grantees who have been awar
								1,727,175		and training program.
EDUCATION										
Education Dept										
	8/4/09	180,765					180,765		#22040 ARRA	Grants to school districts. ARRA School Lunch Equipment fur
	8/6/09	12,882,703					12,882,703		#22040 ARRA	Grants to school districts. ARRA Title 1 funding.

EXCESS RECEIPTS FY2010 Cumulative 1st Q - thru 9-30-09	EXCESS RECEIPTS APPROVED FOR FY2010: July 1, 2009 - September 30, 2009									
	DATE APPROVED	FEDERAL FUNDS	SPECIAL FUNDS	INTERNAL SVC FUNDS	INTERDEPT'L TRANSFERS	OTHER	TOTAL	DEPT TOTAL		
DEPARTMENT	By Sec Admin								SOURCE OF RECEIPTS (fund number)	PURPOSE
	8/6/09	458,150					458,150		#22040 ARRA	Grants to school districts. ARRA Preschool IDEA funding.
	8/4/09	12,800,811					12,800,811		#22040 ARRA	Grants to school districts. ARRA IDEA funding.
	8/4/09	87,983					87,983		#22040 ARRA	Grants to school districts. ARRA Homeless Education funding.
								26,410,412		
NATURAL RESOURCES:										
Environmental Conservation	6/24/09	159,754					159,754		#22040 ARRA	ARRA for an existing DEC - federal program - Water Quality I through grants, infrastructure projects and watershed plannin
	6/24/09	15,070,000					15,070,000		#22040 ARRA	ARRA funding for Drinking Water State Revolving Fund, an e
	6/24/09	1,664,000					1,664,000		#22040 ARRA	ARRA funding for an existing DEC - federal program - Diesel diesel school buses, repowering 12 stationary diesel sawmill
	6/24/09	9,711,336					9,711,336		#22040 ARRA	ARRA funding for existing DEC -federal program - Clean Wat
	8/7/09				500,110		500,110		#21500 Inter-unit Transfers	For interdepartmental transfers from DEC divisions towards th
								27,105,200		
Forests, Parks & Recreation	6/24/09					194,153	194,153		#21502 ARRA	Available from a grant from Vermont Dept of Labor to fund se crews, Parks Conservation Corp Program. VDOL funds are fr
	7/14/09		73,000		5,000		78,000		#21550 Land & Facilities Trust Fund, #21525 Conference Fees and Donations, #21500 Inter-unit Transfers	To improve and maintain FPR 's lands and facilities from prior and Facilities; receipts in Donation Fund for Project Learning approved by JFC May 2009. IDT is to complete a transportati
	8/21/09	4,700,000	110,000				4,810,000		#22005 Federal Revenue Fund, #21779 Youth Conservation Corps	\$4,700,000 to purchase land or easements on a variety of land Corps reimbursement.
								5,082,153		
COMMERCE:										
Administration-CMO	7/10/09				434,000		434,000		#21500 Inter-unit Transfers	Payment of advertising invoices for 8 large media campaigns
Housing & Community Affairs	9/4/09		1,289				1,289		#21397 State Register Publications Fund	To cover costs for the production of the National Register CD the general public; also misc publication costs.
	9/4/09		12,402				12,402		#21330 Municipal & Regional Planning	To re-grant to municipalities for developing a municipal plan a
	9/4/09		120,037				120,037		#21575 Downtown Transportation & Capital Improvements Fund	To be used for grant payments for projects and administrative
								133,728		
Economic Development	9/22/09				200,000		200,000		#21502 ARRA	VT Training Program grants.
Tourism and Marketing	9/22/09				500,000		500,000		#21502 ARRA	To purchase outdoor advertising as part of Vermont's winter a
								500,000		
TRANSPORTATION:										
	7/16/09		387,617			1,129,903	1,517,520		#21555 Emergency Relief & Assistance Fund, #20150 Transportation FEMA Fund	Payments for Federal Emergency Management disasters, Fe
	7/16/09					325,455	325,455		#63115 Rutland Multi-modal Center	Structural repairs to the Rutland Multimodal Transit Facility fr
	7/23/09					100,000	100,000		#20160 Transportation Local Fund	Utility relocation charges associated with Hartford Rest Area p
	9/22/09					223,558	223,558		#20165 Transportation Other Federal Funds	Existing US-DOJ grant for National Motor Vehicle Titling - stat
	9/22/09			186,743			186,743		#57100 Highway Garage Fund	For equipment purchases that could not be completed before
	9/22/09					27,000	27,000		#20105 Transportation Fund - nondedicated	TF revenue from highway property lease to VELCO as per 19
TOTALS		71,546,921	9,106,921	186,743	9,741,199	2,000,069	92,581,853	92,581,853		



5)b

State of Vermont
Agency of Administration
Office of the Secretary
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109 State Street
Montpelier, VT 05609-0201
www.adm.state.vt.us

[phone] 802-828-3322
[fax] 802-828-3320

Neale F. Lunderville, Secretary

MEMORANDUM

TO: Joint Fiscal Committee
FROM: Neale F. Lunderville, Secretary of Administration
DATE: March 4, 2010
RE: Excess Receipts Report – 32 VSA Sec 511

In accordance with 32 VSA Sec 511, please find attached the report on Excess Receipts approved for the 1st and 2nd quarters of FY 2010 (7/1/09 – 12/31/09).

Attachment

Funds Approved for FY2010: July 1, 2009 - December 31, 2009								
FEDERAL FUNDS	SPECIAL FUNDS	INTERNAL SVC FUNDS	INTERDEPT'L TRANSFERS	OTHER	TOTAL	DEPT TOTAL	SOURCE OF RECEIPTS (fund number)	PURPOSE
99	8,500,000				8,500,000		#22040 ARRA	Allowed the Secretary to access the SFSF funds prior to the BAA so funds could be distributed as prescribed by the legislature. This excess receipt will be voided upon approval of the BAA.
99	38,575,036				38,575,036	47,075,036	#22040 ARRA	Transfer to education for payments to schools.
99	400,000				400,000		#21005 FMS System Development Fund	For computer equipment and training needed to complete system upgrade.
99	19,445				19,445		#21975 Armed Services Scholarship Fund	Tuition payments for eligible students who are relatives of deceased armed services members in accordance with 16 VSA Sec 2539 as amended by 2004 Act 127 Sec 56.
99						419,445		
99	39,167				39,167		#21604 Recycling Efforts	Pays the cost of operating the recycling program.
99	18,513				18,513		#21603 Motorist Aid Refreshment Program	Offsets the general fund cost of operating information centers.
99	190,303				190,303		#21822 Tourism & Marketing Brochures	Pays the cost of operating the brochure program.
99	121,730				121,730		#21911 Sarcoidosis Benefit Trust Fund	Paying sarcoidosis claims.
99	4,432				4,432		#21600 Duxbury/Moretown	For marketing expenses and general repairs to the property in anticipation of the sale of property.
99	55,869				55,869		#21605 Newport Office Bldg	To complete construction of Newport State Office Building.
99	875,120				875,120		#22005 Federal Revenue Fund	To continue construction of Geothermal HVAC renovation at the VT Veterans' Home.
99	600,000				600,000		#21525 Conference Fees and Donations	To help construct new visitor center at Calvin Coolidge Historic Site.
99	20,162				20,162		#21603 Motorist Aid Refreshment Program	Offsets the general fund cost of operating information centers.
99	10,000				10,000		#21613 Sale of State Land	For marketing expenses, advertising, and appraisals for property sales.
99	10,000				10,000		#21599 BTS Marketing Costs	Continued marketing expenses for the sale of Brandon
99	28,420				28,420		#21603 Motorist Aid Refreshment Program	Staff and operating expenses /motorist aid refreshment
99	250,000				250,000		#21911 Sarcoidosis Benefit Trust Fund	Paying claims
99			75,000		75,000		#21500 Inter-unit Transfers	For a purchase option on property in Colchester
99						2,298,716		
99	168,108		38,676		206,784		#21500 Inter-unit Transfers, #21590 Miscellaneous Fees, #21591 Local Option Process Fees, #21584 Surplus Property	Special funds used by the department to administer programs and offset its general fund needs.
99	3,952,835				3,952,835		#21909 Tax Computer System Modernization	For computer equipment, software and maintenance from FY08 appropriated funds.
99						4,159,619		
99			681,856		681,856		#21500 Inter-unit Transfers	Payments to a primary consultant - Synapse Energy for continued Vermont Yankee study.
99	5,000				5,000		#21001 Financial Literacy Trust Fund	To support Financial Literacy Programs of the State Treasurer's Office.
99	25,000				25,000		#21001 Financial Literacy Trust Fund	To support the "Reading is an Investment" Project under the Treasurer's Financial Literacy Program.
99	100,000				100,000		#21884 Emergency Personnel Survivors Benefit Trust Fund	Two \$50K Emergency Personnel Benefit Payments
99						130,000		
99	3,310				3,310		#21627 Use of Statehouse	For hand sanitizers and dispensers for the Legislature
99						3,310		
99	30,000				30,000		#21870 Miscellaneous Special Revenue	For final payment to University of North Carolina for contracted services relative to the Neurontin settlement
99						30,000		
99	20,428				20,428		#21908 Miscellaneous Grants Fund	To strengthen foreign language interpreter services in Vermont's judiciary.
99	51,600				51,600		#21908 Miscellaneous Grants Fund	Two grants to support the work of the Commission on Court Operations.
99	5,084				5,084		#21908 Miscellaneous Grants Fund	A reimbursable grant to support the education of court managers and supervisors.
99	58,192				58,192		#21908 Miscellaneous Grants Fund	A reimbursable grant to start a pro se service center.
99			20,407		20,407		#21502 ARRA	To be used in conjunction with funds from STOP-VAWA (Violence Against Women Act) grant to help increase women's safety and offender accountability
99	1,450				1,450		#21885 Judicial Project Support	Current expenses for Guardian Ad Litem Program
99						157,161		

	FEDERAL FUNDS	SPECIAL FUNDS	INTERNAL SVC FUNDS	INTERDEPT'L TRANSFERS	OTHER	TOTAL	DEPT TOTAL	SOURCE OF RECEIPTS (fund number)	PURPOSE
				190,659		190,659		#21502 ARRA	To cover costs of Victim Advocates and VAWA Prosecutors
							190,659		
	3,593,000					3,593,000		#22005 ARRA	ARRA grant for sustainment, restoration and modernization of federal Army programs administered by the State of Vt Military Dept.
							3,593,000		
		182,058				182,058		#21145 Victims Compensation Fund	For legal services for victims of domestic violence.
							182,058		
	13,516					13,516		Federal Byrne grant	Specialized training funded by Byrne grant.
				38,632		38,632		Next Generation grant	Sub-grant from Dept of Labor/Next Generation (2008 Act 46) for specialized training of trainers.
				82,489		82,489		#21500 Inter-unit Transfers	Vt. DOL WETF sub-grant to support basic training of 26 new law enforcement positions funded by federal COPS program, but not budgeted for at the state level. Funding will support both personnel and operating expenses.
							134,637		
		35,735				35,735		#21692 Human Rights Commission Spec Fund	Legal recovery to be used for salaries, training & technical assistance to schools to prevent harassment and to develop a database for the HRC.
							35,735		
				13,502		13,502		#21500 Inter-unit Transfers	Matching grant to be used for upgrade to radio equipment for Liquor Enforcement Vehicles.
				35,000		35,000		#21500 Inter-unit Transfers	For START Program and alcohol compliance.
		2,200				2,200		#21525 Conference Fees and Donations	For costs of conferences and other outreach activities.
							50,702		
		4,500				4,500		#21584 Surplus Property	From surplus sales to be used to replace equipment.
		19,967				19,967		#21908 Miscellaneous Grants Fund	Balance of \$27K FY 2009 NADDI grant to support drug diversion cases in FY 2010.
				6,550,000		6,550,000		#21502 ARRA	FY 2010 ARRA SFSF funding to pay personal service costs for DPS State Police.
		800				800		#21925 Restitution Special Fund	To purchase child safety seats
				168,550		168,550		#21500 Inter-unit Transfers	For a 3rd party contractor and for Local Regional Planning Commissions to do forums on H1N1
		8,500				8,500		#21970 Registration Fees Fund	To pay for Forensic Lab Conference expenses
							6,752,317		
				87,000		87,000		#21500 Inter-unit Transfers	To purchase software that will facilitate the efficient tracking and containment of disease outbreaks among animals.
		5,016				5,016		#21889 Risk Manage Ag Producers	These funds will be used to increase safety awareness for skid steer loader operations on dairy farms.
		19,122				19,122		#21889 Risk Manage Ag Producers	To conduct educational and other Dairy Task Force activities.
		430,971				430,971		#21668 Feeds, Seeds & Fertilizer, #21669 Pesticide Monitoring	To pay for software program contract.
		20,000				20,000		#21666 Agricultural Events	For expenses associated with the Cheesemakers' Festival.
		9,000				9,000		#21889 Risk Management Ag Producers	To support the UVM project in planning, sample collection and data interpretation
							571,109		
		1,566				1,566		#21690 BISHCA Docket	Restitution payments to certain individual consumers
							1,566		
		50,000				50,000		#21020 Low-level Radioactive Waste Compact	To pay for the Compact Commission's operating expenses.
		2,500,000				2,500,000		#21020 Low Level Radioactive Waste Compact	To pay the Texas host county a Texas Low Level Radioactive Waste Disposal Compact site fee required under 10 VSA Ch 162.
							2,550,000		
				246,660		246,660		#21500 Inter-unit Transfers	Funds are for grants for RSVP, Foster Grandparent and Senior Companion Program.
				148,814		148,814		#21500 Inter-unit Transfers	Memorandum of Understanding with the Dept Health re: Vermont Emergency Response Volunteers: ads in newspapers, radio, TV and staff time.
							395,474		
	273,695					273,695		Corporation for National and Community Service	For Northeast Kingdom Initiative.
							273,695		

PTS APPROVED FOR FY2010: July 1, 2009 - December 31, 2009

	FEDERAL FUNDS	SPECIAL FUNDS	INTERNAL SVC FUNDS	INTERDEPT'L TRANSFERS	OTHER	TOTAL	DEPT TOTAL	SOURCE OF RECEIPTS (fund number)	PURPOSE
99				262,000		262,000		#21500 Inter-unit Transfers	ADAP treatment for released offenders per Memorandum of Understanding with Dept Corrections.
99		46,680				46,680		#21470 Medical Practice	To fund costs of administering the Medical Practice Bd.
							308,680		
99	17,800,000					17,800,000		#22005 Federal Fund	Home heating fuel assisatance / LIHEAP
							17,800,000		
99	126,720					126,720		#22040 ARRA	Stimulus funds for employer outreach to educate employers about VR and its services.
99	81,000					81,000		#22040 ARRA	For expenditures in the ARRA Senior Nutrition Program Process memo.
99	172,800					172,800		#22040 ARRA	For employment services for people with disabilities / basic support.
99	131,670					131,670		#22040 ARRA	Stimulus funds for the Senior Community Service Employment Program (SCSEP).
99		50,000				50,000		#21213 Civil Monetary Fund	Contracting to improve quality of care in nursing homes for residents with behavioral health needs.
99		112,164				112,164		#21994 Traumatic Brain Injury Fund	For AHS contracts and programs related to the services and treatment of individuals with traumatic brain injuries.
99	60,728					60,728		#22040 ARRA	For expenditures as outlined in the DBVI IL ARRA Process memo.
99	3,170					3,170		#22040 ARRA	For expenditures as outlined in the DBVI Older Blind ARRA Process memo.
99	182,185					182,185		#22040 ARRA	Will enhance performance of programs for people with disabilities (independent living services)
							920,437		
99				408,333		408,333		#21500 Inter-unit Transfers	Grant from Dept. of Health to help support Tapestry II residential treatment program for women.
							408,333		
99		580,000				580,000		#21782 Vermont Medicaid	Capital projects to meet codes and regulations
99		450,000				450,000		#21782 Vermont Medicaid	To install electronic medical records system at VVH.
							1,030,000		
99				2,430		2,430			To fund half the salary for the Director of the Vermont Women's History Project.
							2,430		
99		311,675				311,675		#21992 Next Generation Initiative Fund	Funds were obligated to sub-grantees in the previous two fiscal years, but all funds were not spent. To reimburse subgrantees for expenses still to be incurred.
99		1,415,500				1,415,500		#21913 Workforce Ed & Training Fund	Funds will be obligated to sub-grantees who have been awarded grants as part of the workforce education and training program.
							1,727,175		
99	180,765					180,765		#22040 ARRA	Grants to school districts. ARRA School Lunch Equipment funding.
99	12,882,703					12,882,703		#22040 ARRA	Grants to school districts. ARRA Title 1 funding.
99	458,150					458,150		#22040 ARRA	Grants to school districts. ARRA Preschool IDEA funding.
99	12,800,811					12,800,811		#22040 ARRA	Grants to school districts. ARRA IDEA funding.
99	87,983					87,983		#22040 ARRA	Grants to school districts. ARRA Homeless Education funding.
99				38,575,036		38,575,036		#21502 ARRA	Grants to school districts
							64,985,448		
99		1,339				1,339		#21769 Stratton Corporation; # 21584 Surplus Property	For IT Equipment and a final environmental project on the Dalewood Brook in Jamaica .
							1,339		
99	159,754					159,754		#22040 ARRA	ARRA for an existing DEC - federal program - Water Quality Management Planning. This funds pass through grants, infrastructure projects and watershed planning activities.
99	15,070,000					15,070,000		#22040 ARRA	ARRA funding for Drinking Water State Revolving Fund, an existing DEC - federal program.
99	1,664,000					1,664,000		#22040 ARRA	ARRA funding for an existing DEC - federal program - Diesel Emissions Reduction Act. Replacement of 32 diesel school buses, repowering 12 stationary diesel sawmill engines.
99	9,711,336					9,711,336		#22040 ARRA	ARRA funding for existing DEC -federal program - Clean Water State Revolving Fund.

TS APPROVED FOR FY2010: July 1, 2009 - December 31, 2009

	FEDERAL FUNDS	SPECIAL FUNDS	INTERNAL SVC FUNDS	INTERDEPT'L TRANSFERS	OTHER	TOTAL	DEPT TOTAL	SOURCE OF RECEIPTS (fund number)	PURPOSE
19				500,110		500,110		#21500 Inter-unit Transfers	For interdepartmental transfers from DEC divisions towards the cost of operating the DEC lab.
19	935,000					935,000		#22040 ARRA	Formula ARRA award for clean-up of contaminated LUST (Leaking Underground Storage Tanks) sites under the existing DEC program.
							28,040,200		
19					194,153	194,153		#21502 ARRA	Available from a grant from Vermont Dept of Labor to fund seasonal employees and to supervise youth crews, Parks Conservation Corp Program. VDOL funds are from ARRA.
19		73,000		5,000		78,000		#21550 Land & Facilities Trust Fund, #21525 Conference Fees and Donations, #21500 Inter-unit Transfers	To improve and maintain FPR 's lands and facilities from prior years unexpended project balances in Lands and Facilities; receipts in Donation Fund for Project Learning Tree materials and a grant from NASF approved by JFC May 2009. IDT is to complete a transportation enhancement grant at Moss Glen Falls.
19	4,700,000	110,000				4,810,000		#22005 Federal Revenue Fund, #21779 Youth Conservation Corps	\$4,700,000 to purchase land or easements on a variety of land parcels; \$110,000 for Vt Youth Conservation Corps reimbursement.
19	400,000					400,000		#22005 Federal Fund	To cover payments to subrecipients and internal projects related to the National Recreation Trails and Land & Water Conservation Fund programs
							5,482,153		
19				434,000		434,000		#21500 Inter-unit Transfers	Payment of advertising invoices for 8 large media campaigns.
							434,000		
19		1,289				1,289		#21397 State Register Publications Fund	To cover costs for the production of the National Register CD's for use by consultants, municipalities and the general public; also misc publication costs.
19		12,402				12,402		#21330 Municipal & Regional Planning	To re-grant to municipalities for developing a municipal plan as required under 24 VSA Sec 4306.
19		120,037				120,037		#21575 Downtown Transportation & Capital Improvements Fund	To be used for grant payments for projects and administrative costs related to Downtown program.
							133,728		
19				200,000		200,000		#21502 ARRA	VT Training Program grants.
							200,000		
19				500,000		500,000		#21502 ARRA	To purchase outdoor advertising as part of Vermont's winter and summer advertising campaign.
							500,000		
9					3,300,000	3,300,000		#90630 Federal Fund VHCB	The Board will make awards to for-profit and non-profit applicants for any of the Neighborhood Stabilization Program (NSP) eligible uses identified for the Project Specific Program in the State of Vermont NSP plan
							3,300,000		
19		387,617			1,129,903	1,517,520		#21555 Emergency Relief & Assistance Fund, #20150 Transportation FEMA Fund	Payments for Federal Emergency Management disasters, Federal and State shares.
19					325,455	325,455		#63115 Rutland Multi-modal Center	Structural repairs to the Rutland Multimodal Transit Facility from escrow fund for that purpose.
19					100,000	100,000		#20160 Transportation Local Fund	Utility relocation charges associated with Hartford Rest Area project. Reimbursed by local entities.
19					223,558	223,558		#20165 Transportation Other Federal Funds	Existing US-DOJ grant for National Motor Vehicle Titling - staff time and operating expenses.
19			186,743			186,743		#57100 Highway Garage Fund	For equipment purchases that could not be completed before the end of FY09.
19					27,000	27,000		#20105 Transportation Fund - nondedicated	TF revenue from highway property lease to VELCO as per 19 VSA Sec. 26.
9				70,212		70,212		#21500 Inter-unit Transfers	Grant agreement for motorcycle and motorcycle container purchase - Governor's Highway Safety Program
9					243,514	243,514		#20135 FHWA	Excess receipts will allow the agency to be reimbursed by the FHWA for FEMA disasters
9				23,500		23,500		#21500 Inter-unit Transfers	Staff time and operating expenses including materials for work performed by VTrans for DEC on an agricultural water quality project.
9		145,985				145,985		#21555 Emergency Relief and Assistance Fund	Payments to towns of the state share for FEMA disasters.
9				8,000		8,000		#21500 Inter-unit Transfers	Grant agreement for the enforcement of VT highway safety laws- Governor's Highway Safety Program
9				66,400		66,400		#21500 Inter-unit Transfers	Grant agreement for motorcycle purchase and training conferences - Governor's Highway Safety Program
							2,937,887		
	129,439,142	13,296,170	186,743	49,432,266	5,543,583	197,897,904	197,897,904		



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February 22, 2010

STATE OF VERMONT
LEGISLATIVE JOINT FISCAL COMMITTEE
ONE BALDWIN STREET
MONTPELIER, VT 05633-5701

To: The Legislative Joint Fiscal Committee
Rep. Michael J. Obuchowski, Chair
Sen. Ann Cummings, Vice-Chair
Sen. Diane Snelling, Clerk
Rep. Janet Ancel
Sen. Susan Bartlett
Rep. Martha Heath
Rep. Mark Larson
Sen. Richard Sears, Jr.
Sen. Peter Shumlin
~~Rep. Richard Westman~~

Enclosed is the Quarterly Report of costs and expenditures for proceedings of the Federal Energy Regulatory Commission [30 V. S. A. § 20 (b)(9)] covering the period from October 1, 2009 through December 31, 2009.

Respectfully Submitted,
Vermont Department of Public Service

A handwritten signature in black ink, appearing to read "David O'Brien".

David O'Brien
Commissioner

Enclosure



**Public Service Department Expenditures
Related to Proceedings
At the
Federal Energy Regulatory Commission
For the period
October 1, 2009 through December 31, 2009**

General Description of Activity

The Department takes action at FERC to protect the interest of Vermont ratepayers in many different proceedings. We have FERC counsel on contract to monitor general FERC actions and proceedings and to also represent Vermont's interests in particular proceedings. For example, the Department has been active at FERC in ensuring fairness in cost allocations for utility projects and in ensuring Vermont's interests are represented in New England transmission projects. The issues vary from quarter to quarter but it is crucial to Vermont consumers that the Public Service Department intervenes at FERC when necessary to ensure that the costs flowing back to Vermont ratepayers as a result of FERC activity and proceedings are true, accurate, just and reasonable.

Expenditures

For FERC related activity affecting Vermont ¹	\$495.26
Indirect Expenditures ²	<u>\$55.70</u>
Total Expenditures ³ for the Quarter	\$550.96

¹In accordance with Title 30, § 20 (b) (9) the department of public service provides the following quarterly report for expenditures related to FERC proceedings affecting the State of Vermont Utilities for the period October 1, 2009 through December 31, 2009.

§20. Particular proceedings; personnel

(b) Proceedings, including appeals therefrom, for which additional personnel may be retained are:

(9) proceedings in the Federal Energy Regulatory Commission which involve Vermont utilities or which may affect the interests of the state of Vermont. Costs under this subdivision shall be charged to the involved electric or natural gas companies pursuant to section 21(a) of this title. In cases where the proceeding is generic in nature the costs shall be allocated to electric or natural gas companies in proportion to the benefits sought for the customers of such companies from such advocacy. The public service board and the department of public service shall report quarterly to the joint fiscal committee all costs incurred and expenditures charged under the authority of this subsection, and the purpose for which such costs were incurred and expenditures made;

²Indirect expenditures include telephone, postage and copying expense.

³Expenditures include amounts actually paid for the quarter.

From: Catherine Benham
To: JFC 2009; Klein, Tony; Lyons Virginia
CC: Adler, Aaron; Levin, Rachel
Date: 2/23/2010 3:19 PM
Subject: Gundersen second quarterly report
Attachments: Fairewinds Associates, Inc 2nd Quarterly Report to JFC.pdf

Dear JFC and Chairs of Natural Resources and Energy Committees,
Attached is the 2nd quarterly report to you. There are two additional emails that I will send separately (the attachments were too large to combine into one email).

I will quote from the report:

"Due to time constraints and our firm's extensive focus on the VY's leaking underground pipes, the entire report itself is a brief outline and summary of documents already submitted and testimony presented during the four separate legislative committee meetings in which our testimony was requested. This report contains many attached documents in addition to the requested Enexus Report and the details regarding the 18- month denial by Entergy of buried underground pipes and/or tanks containing radioactivity."

This will be posted on our web site. Please let me know if you have any questions.
Catherine

Catherine Benham
Vermont Joint Fiscal Office
802-828-0111
802-828-2483 fax

— 3 attachments —

Theresa Utton-Jerman - consensus modeling project on Vermont Yankee

From: Catherine Benham
To: JFC 2009; Klein, Tony; Lyons Virginia
Date: 2/23/2010 5:11 PM
Subject: consensus modeling project on Vermont Yankee

Dear JFC and Chairs of Natural Resources and Energy Committees,

There has been some confusion about the consensus Vermont Yankee economic modeling process so I thought I would give you all a quick summary. The VT Energy Partnership had a press release today that said that the Joint Fiscal Office commissioned this study (they have since recognized their mischaracterization and have apologized). We did NOT commission it, but have agreed to participate in it by having our legislative consultants (Ezra Hausmen and Bill Steinhurst of Synapse, and their subcontractor, La Capra) provide the price dispatch modeling as well as general energy expertise.

The economists (Tom Kavet and Jeff Carr) are hired by the utilities. JFC gave permission for Tom (as required under his contract with us) to participate and do this work for the utilities. While Tom and Jeff are referred to in their summary document below as the "state economists," they are working under a consulting contract to the utilities which we have not seen nor do we know the specific terms.

In short:

We (legislature) paid for the price dispatch model.

The utilities are paying for the economists and their economic modeling.

If you are interested in the results of this model, for the week of March 22 the utilities expect to have their modeling results and a presentation on what the model can do and how it might be useful in the future.

The summary of the project is below.

Please let me or Steve Klein know if you have any questions.

Catherine

Summary of Project (posted on the JFC webpage) at <http://www.leg.state.vt.us/jfo/VY%20Legislative%20Briefing/Vermont%20Yankee%20Economic%20and%20Fiscal%20Impact%20Study%20Project%20020510.pdf>

Vermont Yankee Economic and Fiscal Impact Study Project

February 5, 2010

Introduction

Over the past year, a group of energy and economic experts from government and industry have come together to develop a set of consensus energy and economic impact analyses associated with the continued operation or closure of the Vermont Yankee Nuclear Power Station (VY or Vermont Yankee). The analytic group engaged in this process consists of energy consultants hired by the General Assembly's Joint Fiscal Committee, **State economists hired by Vermont's two largest utilities (with prior permission and approval for their participation in this project by the Joint Fiscal Committee and Agency of Administration)**, economists and power planners from the Department of Public Service, and power planning experts from the State's two largest utilities, Central Vermont Public Service and Green Mountain Power. 1 The group is

developing a set of consensus estimates associated with four different scenarios regarding the future power supply for Vermont. **The State economists will use these estimates to assess the impact of these scenarios on the States economy. The economists report will be available to the General Assembly in its deliberations regarding future power supply options for the State, including deliberations associated with Vermont Yankees future. The economic model used to derive these results will also be available to the legislature, DPS, other State entities and the participating utilities, at cost, in the event they would like to run model simulations with differing input assumptions.**

The Power Cost Estimates and Economic Impact Report

The consensus estimates analyze in detail the economic and fiscal impact of four possible future power supply scenarios. The four scenarios represent stakes in the ground at the corners of what the analytic group considered a reasonable field of 1 Participants in creation of the consensus power cost estimates were: Joint Fiscal Committee consultants Ezra D. Hausman and William Steinhurst of Synapse Energy Economics, Inc.; State economists and their firms, sponsored by the utilities, Jeffrey Carr and Lawrence Copp of Economic & Policy Resources, Inc., and Tom Kavet and Nic Rockler of Kavet, Rockler & Associates, LLC; Vermont Department of Public Service economists and power planners David Lamont and George Nagle; and utility power planning experts, Stephen Page of CVPS and Douglas Smith of GMP.

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possibilities representing the consensus assumptions underlying the power cost estimates.

The four scenarios include:

A) The Reference scenario, which assumes Vermont Yankee does not operate beyond 2012, renewable energy and efficiency efforts continue at a plausible development pace under current law, and Vermont utilities purchase power at market forecast prices to meet load demands beyond existing committed resource supplies (such as current contracts and utility-owned generation).

B) The Green scenario, which assumes VY does not operate beyond 2012 and the state adopts very aggressive legislative and agency support for aggressive renewables development and energy efficiency expenditures.

C) The VY relicense scenario, which assumes VY continues to operate beyond 2012 and state utilities purchase reduced quantities of power from the plant at market prices, given that the terms of the December, 2009 offer provided by Entergy to the VT PSB have yet to be finalized. Revenues from the Revenue Sharing Agreement (RSA) are assumed to be credited to ratepayers at the 55% level.

D) The Hybrid scenario, combines the aggressive renewables development and energy efficiency expenditures of scenario B, and adjusted (reduced) levels of VY purchased power beyond 2012 by Vermont utilities relative to scenario C.

With the consensus power cost estimates as starting points, the economists will use economic models to assess the impact on the Vermont economy of these alternative power supply scenarios. This work will give the General Assembly and others analyzing this issue a tool with which to test varying assumptions about the future.

The economists will use the consensus power scenarios to analyze economic and fiscal impacts in depth, including effects on income, jobs, gross state product, state revenues and costs, and retail electric rates

Catherine Benham
Vermont Joint Fiscal Office
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TO: Joint Fiscal Committee and Mental Health Oversight Committee

FROM: State Treasurer's Office and Department of Mental Health

RE: Update Regarding the Financing Arrangement for a New Psychiatric Wing at the Rutland Regional Medical Center

DATE: January 15, 2010

The State Treasurer's Office and Department of Mental Health (DMH) are presenting the following update in accordance with the Motion passed at the joint meeting of the Joint Fiscal Committee and the Mental Health Oversight Committee on October 28, 2009.

Specifically, the Motion states that "The committees ask that the Department of Mental Health and the Treasurer's Office to update the relevant standing committees on or before January 15th on continued planning as regards this financing arrangement." Sec 32 (c) (1) of the Capital Bill of 2009 describes the financing arrangement as one "that places no debt capacity burden on either the state or on Rutland Regional Medical Center".

On November 30, 2009 representatives of DMH, the Treasurer's Office, the Agency of Administration, Rutland Regional Medical Center (RRMC) and the PFM Group met with a representative of the financial institution that had expressed interest in working with the State and RRMC on the financing arrangement.

Subsequent to the meeting, the representative discussed the financing arrangement with his institution's credit committee, and on December 30 advised that in order for the financing arrangement to be considered for approval, it would need to include both a long-term operating agreement between the State and RRMC, and also guarantees by the State and RRMC. Such guarantees would represent a contingent liability, and thus place a debt capacity burden on the State and RRMC. As such, it is the opinion of the Treasurer's Office that a bank financing arrangement that does not place a debt capacity burden on either the State or RRMC is not feasible at this time, nor can it be ascertained whether such an arrangement will be feasible in the future.

It is the understanding of the Treasurer's Office that DMH and Finance & Management are continuing to review options and models, including a private placement, to provide needed services and will continue to work with both the Mental Health Oversight Committee and Joint Fiscal Committee. If the Treasurer's Office can be of further help in reviewing the feasibility of financing alternatives, we would be pleased to assist.

Should you have any questions regarding the contents of this update, please contact Beth Pearce at 828-5195 or Steve Wisloski at 828-5197 in the Treasurer's Office, or Michael Hartman or Beth Tanzman at DMH at 241-4008.



STATE OF VERMONT
HOUSE OF REPRESENTATIVES

MEMORANDUM

To: State Treasurer's Office and Department of Mental Health

From: Representative Alice Emmons, Chair, House Committee on Corrections
and Institutions
Representative Martha Heath, Chair, House Committee on Appropriations
Representative Ann Pugh, Chair, House Committee on Human Services

Cc: Joint Fiscal Committee
Mental Health Oversight Committee
Senator Susan Bartlett, Chair, Senate Committee on Appropriations
Senator Doug Racine, Chair, Senate Committee on Health and Welfare
Senator Phil Scott, Chair, Senate Committee on Institutions

Date: January 18, 2010

Subject: Updates on Financing for New Psychiatric Wing at Rutland Regional
Medical Center

Thank you for your memo, dated January 15, 2010, providing an update on the financing arrangement proposed for the new psychiatric wing at the Rutland Regional Medical Center. Please note that during the legislative session, all communications on this issue should be directed to the standing committees of jurisdiction, which are the House Committees on Human Services, on Appropriations, and on Corrections and Institutions and the Senate Committees on Health and Welfare, on Appropriations, and on Institutions.

We look forward to hearing further updates from you as you review additional options, models, and financing arrangements for replacement of Vermont State Hospital services.



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Agency of Agriculture Food & Markets

To: Secretary Neale Lunderville
Agency of Administration

From: Secretary Roger Allbee
Agency of Agriculture, Food & Markets

Date: May 12, 2010

Re: Grant Funding for "Farm First Program" – Vermont's own Dairy Producer Assistance Program

This memo is to inform the Agency of Administration that the VT Agency of Agriculture will be collaborating with other organizations for the program entitled "Farm First". This program will offer VT dairy producers support and resources. What is Farm First? It is short-term counseling for any concern, resource/referral information on any issue and it's confidential and free. Farm First provides dairy producers and their families personal assistance and information for almost any concern such as: stress, legal issues, financial, medical issues, family issues, elderly parent care, anxiety, nutrition, conflict, depression, disability, childcare, family alcohol

The Vermont Feed Dealers and Manufacturers will be supporting this project with \$500.

We are submitting this memo in accordance with Title 32 Chapter 1 Section 5(a)(3).

If you have any questions, please contact me.

Cc: Joint Fiscal Committee
Mary Morrison, Business Manager



JTOC

	A	B	C	D	E	F	G	H
1	Vermont Agency of Transportation							
2	All Programs							
3	FY2011 Project Status Report							
4	Joint Transportation Oversight Committee							
5	Tuesday, July 06, 2010							
6								
7	Program	Project Name And Number	Project Total	Projected FY2011 Costs	FY2011 Budget	FY2011 Over/(Under)	Non-FY2011 Budget	
8								
9	INTERSTATE BRIDGES	BETHEL-WILLIAMSTOWN IR 089-1(12)	\$2,120,702	\$0	\$720,000	(\$720,000)	\$2,120,702	
10	INTERSTATE BRIDGES	BRADFORD-RYEGATE IM MEMB(16)	\$1,484,350	\$37,000	\$324,744	(\$287,744)	\$1,447,350	
11	INTERSTATE BRIDGES	BRATTLEBORO IM 091-1(50)	\$16,692,479	\$6,900,500	\$2,526,500	\$4,374,000	\$9,791,979	
12	INTERSTATE BRIDGES	GUILFORD IM 091-1(33)	\$9,167,194	\$2,348,711	\$1,680,771	\$667,940	\$6,818,483	
13	INTERSTATE BRIDGES	HARTFORD-SHARON IM MEMB(15)	\$4,119,306	\$2,494,600	\$2,000,000	\$494,600	\$1,624,706	
14	INTERSTATE BRIDGES	LITTLETON NH-WATERFORD VT I 93 VT SHARE \$3.5M	\$120,000	\$120,000	\$0	\$120,000	\$0	
15	INTERSTATE BRIDGES	LITTLETON-WATERFORD IM 093-1()	\$3,000,000	\$0	\$500,000	(\$500,000)	\$3,000,000	
16	INTERSTATE BRIDGES	PUTNEY IM 091-1(60)	\$3,005,105	\$756,000	\$300,000	\$456,000	\$2,249,105	
17	INTERSTATE BRIDGES	PUTNEY IM 091-1(31)	\$4,066,399	\$3,795,049	\$3,365,049	\$430,000	\$271,350	
18	INTERSTATE BRIDGES	RICHMOND IM BPNT(3)	\$1,728,714	\$1,616,379	\$2,010,664	(\$394,285)	\$112,336	
19	INTERSTATE BRIDGES	RICHMOND IM BPNT(6)	\$1,740,295	\$1,460,565	\$1,205,565	\$255,000	\$279,730	
20	INTERSTATE BRIDGES	RICHMOND-WILLISTON IM CULV(16)	\$564,919	\$464,000	\$1,200,000	(\$736,000)	\$100,919	
21	INTERSTATE BRIDGES	SHARON IM CULV(18)	\$1,625,674	\$559,000	\$1,390,000	(\$831,000)	\$1,066,674	
22	INTERSTATE BRIDGES	ST. ALBANS-HIGHGATE IM BPNT(4)	\$4,462,058	\$2,956,358	\$3,588,358	(\$632,000)	\$1,505,700	
23	INTERSTATE BRIDGES	ST. JOHNSBURY-LYNDON IM MEMB(18)	\$4,625,857	\$4,625,857	\$2,690,000	\$1,935,857	\$0	
24	INTERSTATE BRIDGES	WEATHERSFIELD-THETFORD IM CULV(17)	\$2,672,850	\$612,000	\$1,612,500	(\$1,000,500)	\$2,060,850	
25	INTERSTATE BRIDGES TOTAL					\$3,631,868		
26	PAVING	ADDISON-NEW HAVEN STP 9632(1)	\$5,920,000	\$725,000	\$50,000	\$675,000	\$5,195,000	
27	PAVING	ARLINGTON STP 2334(1)	\$2,729,051	\$725,000	\$80,000	\$645,000	\$2,004,051	
28	PAVING	ARLINGTON-DORSET STP 2625(1)	\$4,498,942	\$1,130,000	\$50,000	\$1,080,000	\$3,368,942	
29	PAVING	BARRE TOWN-ORANGE STP SURF(15)	\$1,532,388	\$1,416,555	\$795,000	\$621,555	\$115,833	
30	PAVING	BENNINGTON STP 2622(1)	\$476,965	\$425,000	\$791,000	(\$366,000)	\$51,965	
31	PAVING	BENNINGTON STP 2626(1)	\$1,196,272	\$1,130,000	\$1,243,000	(\$113,000)	\$66,272	
32	PAVING	BERLIN ARPV(4)	\$415,000	\$0	\$215,000	(\$215,000)	\$415,000	
33	PAVING	BRATTLEBORO STP 2623(1)	\$3,440,815	\$3,435,323	\$2,790,109	\$645,214	\$5,492	
34	PAVING	BRATTLEBORO-PUTNEY STP 2310(1)	\$4,957,439	\$4,777,439	\$3,744,000	\$1,033,439	\$180,000	
35	PAVING	BRIGHTON-WARREN GORE STP 2724(1)	\$6,291,743	\$1,200,000	\$1,700,000	(\$500,000)	\$5,091,743	
36	PAVING	BURLINGTON STP 2721(1)	\$2,434,582	\$250,000	\$75,000	\$175,000	\$2,184,582	
37	PAVING	BURLINGTON STP 2722(1)	\$2,431,891	\$2,371,891	\$2,025,750	\$346,141	\$60,000	
38	PAVING	CHELSEA-VERSHIRE STP 2331(1)	\$6,392,798	\$3,149,915	\$5,829,290	(\$2,679,375)	\$3,242,883	
39	PAVING	DERBY IM 091-3(46)	\$8,236,233	\$5,140,980	\$7,229,500	(\$2,088,520)	\$3,095,253	
40	PAVING	DERBY STP 2703(1)	\$1,511,622	\$1,416,622	\$936,000	\$480,622	\$95,000	
41	PAVING	DORSET-DANBY NH SURF(24)	\$1,935,000	\$235,000	\$0	\$235,000	\$1,700,000	

	A	B	C	D	E	F	G	H
1	Vermont Agency of Transportation							
2	All Programs							
3	FY2011 Project Status Report							
4	Joint Transportation Oversight Committee							
5	Tuesday, July 06, 2010							
8	Program	Project Name And Number	Project Total	Projected FY2011 Costs	FY2011 Budget	FY2011 Over/(Under)	Non-FY2011 Budget	
42	PAVING	FAIRFAX-ST. ALBANS TOWN STP 2217(1)S	\$3,324,380	\$500,000	\$1,000,000	(\$500,000)	\$2,824,380	
43	PAVING	GROTON-RYEGATE STP SURF(16)	\$448,551	\$409,166	\$180,000	\$229,166	\$39,385	
44	PAVING	GUILDHALL-MAIDSTONE STP 2706(1)	\$4,871,718	\$4,815,553	\$2,800,000	\$2,015,553	\$56,165	
45	PAVING	GUILFORD-BRATTLEBORO STP 2707(1)	\$3,317,658	\$262,658	\$533,000	(\$270,342)	\$3,055,000	
46	PAVING	HARDWICK ARPV(5)	\$510,000	\$509,781	\$260,000	\$249,781	\$219	
47	PAVING	HARTFORD-SHARON IM 089-1(57)	\$5,581,753	\$1,070,753	\$500,250	\$570,503	\$4,511,000	
48	PAVING	HARTLAND-NORWICH IM 091-1(59)	\$7,091,283	\$950,000	\$25,000	\$925,000	\$6,141,283	
49	PAVING	IRASBURG-DERBY IM 091-3(47)	\$5,783,354	\$748,354	\$63,000	\$685,354	\$5,035,000	
50	PAVING	LINCOLN ARPV(6)	\$345,000	\$344,545	\$175,000	\$169,545	\$455	
51	PAVING	MONTPELIER STP 2905(1)	\$2,380,000	\$355,000	\$0	\$355,000	\$2,025,000	
52	PAVING	MONTPELIER NH 2901(1)	\$885,000	\$210,000	\$0	\$210,000	\$675,000	
53	PAVING	NEWBURY IM 091-2(77)	\$5,861,092	\$5,801,091	\$3,640,000	\$2,161,091	\$60,000	
54	PAVING	NEWFANE-TOWNSHEND STP 2401(1)	\$4,438,051	\$3,638,939	\$5,247,000	(\$1,608,061)	\$799,112	
55	PAVING	NEWPORT-COVENTRY-NEWPORT STP 2802(1)	\$4,500,000	\$400,000	\$110,000	\$290,000	\$4,100,000	
56	PAVING	RIPTON-HANCOCK STP 2803(1)	\$4,263,272	\$3,887,339	\$4,743,000	(\$855,661)	\$375,933	
57	PAVING	RUTLAND CITY NH 2716(1)	\$2,775,000	\$25,000	\$279,000	(\$254,000)	\$2,750,000	
58	PAVING	RUTLAND CITY STP 2728(1)	\$1,875,000	\$25,000	\$233,500	(\$208,500)	\$1,850,000	
59	PAVING	RYEGATE-NEWBURY STP SURF(17)	\$1,490,143	\$1,470,143	\$1,240,000	\$230,143	\$20,000	
60	PAVING	SHELDON-ENOSBURG STP 2714(1)	\$2,648,939	\$1,467,936	\$1,101,300	\$366,636	\$1,181,003	
61	PAVING	STRAFFORD ARPV(9)	\$845,000	\$800,000	\$400,000	\$400,000	\$45,000	
62	PAVING	THETFORD-FAIRLEE STP 2710(1)	\$3,442,500	\$467,500	\$50,000	\$417,500	\$2,975,000	
63	PAVING	TOPSHAM ARPV(10)	\$760,000	\$740,000	\$360,000	\$380,000	\$20,000	
64	PAVING	TROY-NEWPORT STP 2613(1)	\$4,277,712	\$2,631,757	\$4,330,000	(\$1,698,243)	\$1,645,955	
65	PAVING	WARREN GORE-NORTON STP 2725(1)	\$5,938,372	\$1,000,000	\$3,900,000	(\$2,900,000)	\$4,938,372	
66	PAVING	WARREN-WAITSFIELD STP 2506(1)	\$6,850,000	\$700,000	\$453,000	\$247,000	\$6,150,000	
67	PAVING	WATERBURY STP 2201(1)	\$1,426,000	\$251,000	\$33,750	\$217,250	\$1,175,000	
68	PAVING	WEST RUTLAND ARPV(1)	\$800,000	\$282,000	\$400,000	(\$118,000)	\$518,000	
69	PAVING	WESTFORD-FAIRFAX STP 2804(1)	\$2,860,731	\$2,752,731	\$3,200,000	(\$447,269)	\$108,000	
70	PAVING	WESTMINSTER-SPRINGFIELD IM 091-1(62)	\$6,932,596	\$6,000,000	\$500,000	\$5,500,000	\$932,596	
71	PAVING	WORCESTER-ELMORE STP 2209(1)S	\$6,460,563	\$6,460,563	\$6,000,000	\$460,563	\$0	
72	PAVING TOTAL					\$7,195,085		
73	ROADWAY PROJECTS	CABOT-DANVILLE FEFG F 028-3(26)C/1	\$12,703,770	\$947,500	\$547,500	\$400,000	\$11,756,270	

	A	B	C	D	E	F	G	H
1	Vermont Agency of Transportation							
2	All Programs							
3	FY2011 Project Status Report							
4	Joint Transportation Oversight Committee							
5	Tuesday, July 06, 2010							
7								
8	Program	Project Name And Number	Project Total	Projected FY2011 Costs	FY2011 Budget	FY2011 Over/(Under)	Non-FY2011 Budget	
74	ROADWAY PROJECTS	DANVILLE FEGC 028-3(32)	\$11,325,398	\$2,000,000	\$3,500,000	(\$1,500,000)	\$9,325,398	
75	ROADWAY PROJECTS TOTAL					(\$1,100,000)		
76	STATE HIGHWAY BRIDGES	ADDISON-CROWN POINT, NY BHF 032-1(10)	\$37,300,000	\$21,900,000	\$27,687,500	(\$5,787,500)	\$15,400,000	
77	STATE HIGHWAY BRIDGES	BERKSHIRE BHF 0283(9)S	\$2,169,019	\$1,282,060	\$1,450,000	(\$167,940)	\$886,959	
78	STATE HIGHWAY BRIDGES	BETHEL BHF 0241(30)	\$2,968,163	\$565,000	\$190,000	\$375,000	\$2,403,163	
79	STATE HIGHWAY BRIDGES	CAMBRIDGE BRF 027-1(4)	\$7,544,045	\$198,700	\$2,547,700	(\$2,349,000)	\$7,345,345	
80	STATE HIGHWAY BRIDGES	CORNWALL BRS 0172(6)	\$6,688,672	\$2,400,000	\$3,800,000	(\$1,400,000)	\$4,288,672	
81	STATE HIGHWAY BRIDGES	EAST MONTPELIER BRF 037-2(8)	\$2,047,135	\$529,000	\$400,000	\$129,000	\$1,518,135	
82	STATE HIGHWAY BRIDGES	EAST MONTPELIER STP 037-2(9)	\$1,477,791	\$1,045,791	\$1,411,062	(\$365,271)	\$432,000	
83	STATE HIGHWAY BRIDGES	EAST MONTPELIER BRF 028-3(36)	\$3,353,676	\$499,766	\$0	\$499,766	\$2,853,910	
84	STATE HIGHWAY BRIDGES	FAIRFAX BHF 023-1(5)	\$877,080	\$325,000	\$100,000	\$225,000	\$552,080	
85	STATE HIGHWAY BRIDGES	MIDDLESEX BRF 0241(32)	\$2,952,517	\$0	\$114,000	(\$114,000)	\$2,952,517	
86	STATE HIGHWAY BRIDGES	MORETOWN-MIDDLESEX BRS 0284(14)	\$4,314,526	\$800,000	\$1,585,000	(\$785,000)	\$3,514,526	
87	STATE HIGHWAY BRIDGES	RICHMOND STP RS 0284(11)	\$16,300,000	\$5,120,000	\$7,000,000	(\$1,880,000)	\$11,180,000	
88	STATE HIGHWAY BRIDGES	RYEGATE STP CULV(10)	\$827,000	\$827,000	\$11,000	\$816,000	\$0	
89	STATE HIGHWAY BRIDGES	STRATTON STP CULV(12)	\$172,840	\$156,000	\$350,000	(\$194,000)	\$16,840	
90	STATE HIGHWAY BRIDGES	WINHALL STP CULV(22)	\$383,000	\$272,050	\$34,050	\$238,000	\$110,950	
91	STATE HIGHWAY BRIDGES TOTAL					(\$10,759,945)		
92	TOWN HIGHWAY BRIDGES	BENSON ARTB(2)	\$363,103	\$363,103	\$220,000	\$143,103	\$0	
93	TOWN HIGHWAY BRIDGES	BRATTLEBORO BRF 2000(21)S	\$1,543,927	\$446,677	\$282,000	\$164,677	\$1,097,250	
94	TOWN HIGHWAY BRIDGES	CHITTENDEN STP 1443(45)	\$574,370	\$305,000	\$100,000	\$205,000	\$269,370	
95	TOWN HIGHWAY BRIDGES	CHITTENDEN STP 1443(46)	\$510,666	\$395,000	\$112,000	\$283,000	\$115,666	
96	TOWN HIGHWAY BRIDGES	CLARENDON BHO 1443(39)	\$534,271	\$112,771	\$264,300	(\$151,529)	\$421,500	
97	TOWN HIGHWAY BRIDGES	DUMMERSTON BHO 1442(28)	\$2,538,699	\$656,166	\$360,000	\$296,166	\$1,882,533	
98	TOWN HIGHWAY BRIDGES	HARTFORD-LEBANON, NH BHF A000(627)	\$650,000	\$501,000	\$195,000	\$306,000	\$149,000	
99	TOWN HIGHWAY BRIDGES	JAMAICA BRO 1442(27)	\$1,068,081	\$420,229	\$709,725	(\$289,496)	\$647,852	
100	TOWN HIGHWAY BRIDGES	JOHNSON BHO 1448(29)	\$2,984,261	\$437,603	\$0	\$437,603	\$2,546,658	
101	TOWN HIGHWAY BRIDGES	MONTPELIER BHF 6400(31)	\$1,746,921	\$1,699,185	\$699,185	\$1,000,000	\$47,736	
102	TOWN HIGHWAY BRIDGES	NEWFANE BHF 0106(4)S	\$1,532,485	\$525,101	\$262,571	\$262,530	\$1,007,384	
103	TOWN HIGHWAY BRIDGES	NEWFANE BRF 0106(3)S	\$2,315,000	\$119,000	\$451,354	(\$332,354)	\$2,196,000	
104	TOWN HIGHWAY BRIDGES	READSBORO BRO 1441(25)	\$1,624,597	\$1,100,000	\$1,492,000	(\$392,000)	\$524,597	
105	TOWN HIGHWAY BRIDGES	RIPTON FH 010-1(2)	\$1,535,570	\$1,061,000	\$746,611	\$314,389	\$474,570	
106	TOWN HIGHWAY BRIDGES	ROCKINGHAM BHO 1442(34)	\$2,080,240	\$2,080,240	\$100,000	\$1,980,240	\$0	

	A	B	C	D	E	F	G	H
1	Vermont Agency of Transportation							
2	All Programs							
3	FY2011 Project Status Report							
4	Joint Transportation Oversight Committee							
5	Tuesday, July 06, 2010							
8	Program	Project Name And Number	Project Total	Projected FY2011 Costs	FY2011 Budget	FY2011 Over/(Under)	Non-FY2011 Budget	
107	TOWN HIGHWAY BRIDGES	SPRINGFIELD BRO 1442(26)	\$2,255,000	\$79,890	\$267,715	(\$187,825)	\$2,175,110	
108	TOWN HIGHWAY BRIDGES	STOWE BHO 1446(30)	\$752,650	\$442,000	\$650,000	(\$208,000)	\$310,650	
109	TOWN HIGHWAY BRIDGES	TUNBRIDGE BRO 1444(39)	\$835,433	\$224,437	\$41,385	\$183,052	\$610,996	
110	TOWN HIGHWAY BRIDGES	WARDSBORO BHF 0114(5)	\$691,457	\$510,000	\$620,000	(\$110,000)	\$181,457	
111	TOWN HIGHWAY BRIDGES TOTAL					\$3,904,556		
112	TOTAL					\$2,871,564		
113								
114	Key to Project Status Reports Columns:							
115	ProjectTotal = Current project total cost estimate.							
116	Projected FY2011 Costs = Revised estimated costs for current fiscal year.							
117	FY2011 Budget = Amount included in current fiscal year budget as passed.							
118	FY2011 Over(Under) = Estimated amount over or (under) budget in current fiscal year (column D - column E)							
119	Non-FY2011 Budget = Estimated costs budgeted in earlier or subsequent fiscal years (mulit year projects) (column C - column D)							
120								
121	Notes:							
122	These reports are generated using the following criteria, and thus do not include all projects - only those that meet the reporting threshold.							
123	Criteria: Front of book projects > \$500,000 budget with expected deviation from budget of + or - 20%;							
124	and projects with no budget funds but are expected to expend > \$100,000.							
125	All amounts are total funds, state plus federal in most cases.							
126	Deviations typically result from project slippage or acceleration - which results in costs shifting to the following or preceding fiscal years.							

Vermont Agency of Transportation
Contract Bid Awards as Compared to FY2011 Budget Project Estimates
Joint Transportation Oversight Committee
July 6, 2010

PROGRAM	PROJECT NAME & NUMBER	DESCRIPTION	AWARD	AMOUNT BID	CONTINGENCY, ROW, PE ETC.	TOTAL ESTIMATE REVISED FOR BID RESULTS (E + F)	TOTAL ESTIMATE AS IN FY2011 BUDGET	AMOUNT ABOVE (BELOW) ESTIMATE	% ABOVE (BELOW) ESTIMATE
ROADWAY	BARRE CITY F 026-1(34)/C1	TRAFFIC SIGNALIZATION PROJECT AT 5 INTERSECTIONS IN BARRE CITY	6/18/2010	\$1,223,544	\$157,989	\$1,381,533	\$1,900,000	(\$518,467)	-27.3%
PAVING	BARRE TOWN-ORANGE STP SURF(15) & GROTON-RYEGATE STP SURF(16)	SURFACE PREPARATION OVERLAYING WITH THIN PAVEMENT US 302	2/25/2010	\$1,779,040	\$201,899	\$1,980,939	\$2,452,254	(\$471,315)	-19.2%
SPECIAL	BENNINGTON AC NH 091-1(54)	GRADING, DRAINAGE, SUBBASE, PAVEMENT AND REHAB 3 BRIDGES ON VT 279	5/25/2010	\$17,868,485	\$3,573,693	\$21,442,158	\$21,442,158	\$0	0.0%
PAVING	BENNINGTON STP 2628(1) & BENNINGTON STP 2622(1)	COLD PLANING, RESURFACING, GUARDRAIL, NEW PAVEMENT MARKINGS, SIGNS ON VT 67A AND VT 67	6/2/2010	\$1,374,623	\$301,615	\$1,676,238	\$2,479,674	(\$803,436)	-32.4%
BRIDGE	BERKSHIRE BHF 0283(9)S	RECONSTRUCT APPROACHES, REPLACE DECK & SIDEWALK ON BR #30 ON VT 118	2/10/2010	\$1,670,034	\$498,985	\$2,169,019	\$2,543,981	(\$374,962)	-14.7%
BRIDGE	BRAINTREE BRO 1444(36)	REPLACE BRIDGE 12 ON TH 23	3/16/2010	\$327,097	\$118,465	\$445,562	\$559,418	(\$113,856)	-20.4%
PAVING	BRATTLEBORO STP 2623(1) & BRATTLEBORO STP 2000(24)	COLD PLANING, RESURFACING, GUARDRAIL, NEW PAVEMENT MARKINGS, SIGNS	6/21/2010	\$4,664,783	\$1,114,446	\$5,779,228	\$5,825,109	(\$45,881)	-0.8%
PAVING	BRATTLEBORO-PUTNEY AC STP 2310(1)	COLD PLANING, RESURFACING, SIGNS, GUARDRAIL ON US 5 & PUTNEY ST. HWY.	5/5/2010	\$4,229,911	\$727,528	\$4,957,439	\$5,552,314	(\$594,875)	-10.7%
BRIDGE	BRIDGEWATER BRS 0149(4)	REHABILITATE BRIDGE 14 ON VT 100A	5/7/2010	\$2,403,586	\$512,096	\$2,915,682	\$3,750,811	(\$835,129)	-22.3%
ROADWAY	CHESTER NH 025-1(41)	SCALING, ROCK DOWELING, TRIM BLASTING, ROCK DRAINS,	1/25/2010	\$987,231	\$178,085	\$795,316		\$795,316	#DIV/0!
BRIDGE	CORNWALL BRS 0172(6)	REPLACE BRIDGE #9 ON VT 125	5/17/2010	\$3,154,258	\$3,534,415	\$6,688,673	\$8,502,230	(\$1,813,558)	-21.3%
PAVING	DERBY AC IM 091-3(46)	COLD PLANING, RESURFACING, GUARDRAIL, PAVEMENT MARKINGS ON I-91	4/22/2010	\$7,177,551	\$1,058,682	\$8,236,233	\$7,660,000	\$576,233	7.5%
TRAFFIC	EAST MONTPELIER STPG 028-3(35)S	US ROUTE 2 AND VT ROUTE 14 INTERSECTION RECONSTRUCTION	6/14/2010	\$1,578,987	\$1,978,292	\$3,557,279	\$4,131,501	(\$574,222)	-13.9%
PAVING	GUILDHALL-MAIDSTONE STP 2706(1)	RESURFACING OF VT 102 NEW PAVEMENT MARKINGS, GUARDRAIL, SIGNS	2/17/2010	\$4,271,680	\$600,038	\$4,871,718	\$3,855,909	\$1,015,809	26.3%
BRIDGE	JAMAICA BRO 1442(27)	REPLACEMENT OF THRU TRUSS BRIDGE ON TH 43	1/7/2010	\$767,074	\$296,007	\$1,063,081	\$1,481,998	(\$398,917)	-27.3%
BRIDGE	LYNDON-DERBY IM CULV(19)	PREVENTATIVE MAINTENANCE TO EXISTING CULVERTS ON I-91	2/4/2010	\$610,318	\$171,448	\$781,766	\$1,175,000	(\$393,234)	-33.5%
PAVING	NEWFANE-TOWNSHEND STP 2401(1)	COLD PLANING, RESURFACING, NEW PAVEMENT MARKINGS, SIGNS ON VT 30	4/13/110	\$3,857,943	\$580,109	\$4,438,051	\$5,905,000	(\$1,466,949)	-24.8%
PAVING	NEWPORT CITY STP 2719(1) & DERBY STP 2703(1)	COLD PLANING AND RESURFACING ON US 5 AND ALT. US 5	5/4/2010	\$2,085,996	\$475,779	\$2,561,775	\$2,748,849	(\$187,074)	-6.8%
RAILROAD	PROCTOR-MIDDLEBURY STP WCBS(7)	THE REPLACEMENT OF JOINTED RAIL, WITH CONTINUOUSLY WELDED RAIL		\$3,015,507	\$612,496	\$3,628,003	\$4,062,500	(\$434,497)	-10.7%
BRIDGE	PUTNEY IM 091-1(31)	REHABILITATION OF BRIDGE 19A ON US 5	1/6/2010	\$3,099,828	\$966,571	\$4,066,399	\$5,367,102	(\$1,300,703)	-24.2%
BRIDGE	READSBORO BRO 1441(25)	REPLACEMENT OF BR 31 WITH A NEW STRUCTURE ON TH 3	3/9/2010	\$1,089,177	\$535,420	\$1,624,597	\$2,013,780	(\$389,183)	-19.3%
BRIDGE	RICHMOND IM BPNT(3)	CLEANING AND REPAINTING BRIDGES ON I-89	6/11/2010	\$849,698	\$241,155	\$1,090,853	\$2,615,000	(\$1,524,147)	-58.3%
BRIDGE	RICHMOND-WILLISTON IM CULV(16)	I89 CULVERT REHABILITATION TO EXISTING CULVERTS	5/25/2010	\$426,999	\$137,920	\$564,919	\$2,470,000	(\$1,905,081)	-77.1%
PAVING	RIPTON-HANCOCK STP 2803(1) & MIDDLEBURY STP 2627(1)	RECLAIMING AND OVERLAYING, GUARDRAIL, SIGNS ON VT 125	3/5/2010	\$5,332,549	\$813,671	\$6,146,220	\$7,368,513	(\$1,222,293)	-16.6%
PAVING	RYEGATE-NEWBURY STP SURF(17)	SURFACE PRESERVATION W/ TWO ALTERNATES ON US 302	6/2/2010	\$1,336,494	\$153,649	\$1,490,143	\$1,565,000	(\$74,857)	-4.8%
PAVING	SHEFFIELD-BARTON IM SURF(18)	COLD PLANING, 1 COURSE BIT, PAVEMENT OR HOT-IN-PLACE RECYCLING ON I-91	6/8/2010	\$1,072,235	\$154,447	\$1,226,682	\$1,195,000	\$31,682	2.7%
BRIDGE	STOCKBRIDGE BRF 022-1(20)	REPLACE BRIDGE 9, RELOCATION OF STONY BROOK ROAD ON VT 107		\$3,054,072		\$3,054,072	\$4,875,139	(\$1,821,067)	-37.4%
BRIDGE	STOWE BHO 1446(30)	REPLACE BRIDGE 3 SUPERSTRUCTURE ON TH 1	4/15/2010	\$482,167	\$270,482	\$752,649	\$1,223,360	(\$470,711)	-38.5%
BRIDGE	WARDSBORO BHF 014(5)	CONSTRUCTION OF NEW SUPERSTRUCTURE	2/9/2010	\$448,748	\$242,710	\$691,457	\$815,046	(\$123,589)	-15.2%
LTP	WATERBURY CMG PARK(11)S(READ)	RECONSTRUCT EXISTING PARK-AND-RIDE LOT	1/26/2010	\$294,851	\$528,249	\$823,100	\$1,080,000	(\$256,900)	-23.8%
TRAFFIC	WATERBURY-WINOOSKI IMG SIGN(18)	REMOVE AND INSTALL SIGNS AND POSTS ALONG I-89	2/1/2010	\$1,996,000	\$569,370	\$2,565,370	\$3,000,100	(\$434,730)	-14.5%
PAVING	WESTFORD-FAIRFAX AC STP 2804(1)	RECLAIMED STABILIZED BASE, COLD PLANING SUBBASE MATERIAL ON VT 128	4/30/2010	\$2,423,656	\$437,075	\$2,860,731	\$3,825,000	(\$964,269)	-25.2%
PAVING	WESTMINSTER-SPRINGFIELD AC IM 091-1(62)	COLD PLANING, RESURFACING OF THE NB LANE & NB RAMP ON I-91	6/29/2010	\$5,532,860	\$857,504	\$6,390,363	\$7,837,500	(\$1,447,137)	-18.5%
ROADWAY	WINOOSKI NH 089-3(65)	WIDENING, CURB, SIDEWALK MARKINGS, SIGNALS, SIGNAGE ON VT 15 & I-89 RAMP	6/2/2010	\$1,283,428	\$629,286	\$1,912,714	\$2,740,204	(\$827,490)	-30.2%
PAVING	WORCESTER-ELMORE AC STP 2209(1)S	COLD PLANING, RECLAIMING, RESURFACING, PAVEMENT MARKINGS ON VT 12	4/30/2010	\$4,888,898	\$736,077	\$5,624,975	\$7,035,563	(\$1,410,588)	-20.0%
								(\$20,810,077)	
Notes (by column heading):									
E. Amount Bid: Actual low bid									
F. Contingencies, ROW, PE, Etc.: Other costs associated with the project.									
G. Total Estimate (Revised for bid results): Total of Amount Bid plus Contingencies, ROW, PE, Etc. (column E + column F)									
H. Total Estimate as in FY2011 Budget: Estimated total project costs as it appears in the FY2011 Transportation Program.									
I. Amount Above (Below) Estimate: Difference of Total Estimate Revised for Bid Results minus Project Estimate FY2011 Budget (column G - column H)									
J. % Difference Above (Below) Estimate: Amount Above (Below) Estimate as percentage of Total Estimate in FY2011 Budget (column I + column H)									

EXCESS RECEIPTS FY2010 Cumulative 1st Q - thru 9-30-09		EXCESS RECEIPTS APPROVED FOR FY2010: July 1, 2009 - September 30, 2009								
	DATE APPROVED	FEDERAL FUNDS	SPECIAL FUNDS	INTERNAL SVC FUNDS	INTERDEPT'L TRANSFERS	OTHER	TOTAL	DEPT TOTAL		
DEPARTMENT	By Sec Admin								SOURCE OF RECEIPTS (fund number)	PURPOSE
GENERAL GOVERNMENT:										
Secretary's Office	9/24/09	8,500,000					8,500,000		#22040 ARRA	Allowed the Secretary to access the SFSF funds prior to the BAA so funds could be distributed as prescribed by the legislature. This excess receipt will be voided upon approval of the BAA.
								8,500,000		
Finance & Management	7/16/09		400,000				400,000		#21005 FMS System Development Fund	For computer equipment and training needed to complete system upgrade.
	8/26/09		19,445				19,445		#21975 Armed Services Scholarship Fund	Tuition payments for eligible students who are relatives of deceased armed services members in accordance with 16 VSA Sec 2539 as amended by 2004 Act 127 Sec 56.
								419,445		
Buildings & General Services	7/10/09		39,167				39,167		#21604 Recycling Efforts	Pays the cost of operating the recycling program.
	7/10/09		18,513				18,513		#21603 Motorist Aid Refreshment Program	Offsets the general fund cost of operating information centers.
	7/10/09		190,303				190,303		#21822 Tourism & Marketing Brochures	Pays the cost of operating the brochure program.
	7/10/09		121,730				121,730		#21911 Sarcoidosis Benefit Trust Fund	Paying sarcoidosis claims.
	8/7/09		4,432				4,432		#21600 Duxbury/Moretown	For marketing expenses and general repairs to the property in anticipation of the sale of property.
	8/5/09		55,869				55,869		#21605 Newport Office Bldg	To complete construction of Newport State Office Building.
	8/3/09	875,120					875,120		#22005 Federal Revenue Fund	To continue construction of Geothermal HVAC renovation at the VT Veterans' Home.
	8/4/09		600,000				600,000		#21525 Conference Fees and Donations	To help construct new visitor center at Calvin Coolidge Historic Site.
	8/21/09		20,162				20,162		#21603 Motorist Aid Refreshment Program	Offsets the general fund cost of operating information centers.
	8/21/09		10,000				10,000		#21613 Sale of State Land	For marketing expenses, advertising, and appraisals for property sales.
								1,935,296		
Tax	8/25/09		168,108		38,676		206,784		#21500 Inter-unit Transfers, #21590 Miscellaneous Fees, #21591 Local Option Process Fees, #21584 Surplus Property	Special funds used by the department to administer programs and offset its general fund needs.
	8/25/09		3,952,835				3,952,835		#21909 Tax Computer System Modernization	For computer equipment, software and maintenance from FY08 appropriated funds.
								4,159,619		
Joint Fiscal Office	8/7/09				681,856		681,856		#21500 Inter-unit Transfers	Payments to a primary consultant - Synapse Energy for continued Vermont Yankee study.
								681,856		
State Treasurer	7/22/09		5,000				5,000		#21001 Financial Literacy Trust Fund	To support Financial Literacy Programs of the State Treasurer's Office.
	8/4/09		25,000				25,000		#21001 Financial Literacy Trust Fund	To support the "Reading is an Investment" Project under the Treasurer's Financial Literacy Program.
								30,000		
PROTECTION:										
Judiciary	8/7/09		20,428				20,428		#21908 Miscellaneous Grants Fund	To strengthen foreign language interpreter services in Vermont's judiciary.
	8/7/09		51,600				51,600		#21908 Miscellaneous Grants Fund	Two grants to support the work of the Commission on Court Operations.
	8/7/09		5,084				5,084		#21908 Miscellaneous Grants Fund	A reimbursable grant to support the education of court managers and supervisors.
	8/7/09		58,192				58,192		#21908 Miscellaneous Grants Fund	A reimbursable grant to start a pro se service center.
								135,304		
Military	7/20/09	3,593,000					3,593,000		#22005 ARRA	ARRA grant for sustainment, restoration and modernization of federal Army programs administered by the State of Vt Military Dept.
								3,593,000		
VT Cntr. For Crime Victim Services	9/4/09		182,058				182,058		#21145 Victims Compensation Fund	For legal services for victims of domestic violence.
								182,058		
Criminal Justice Training Council	8/26/09	13,516					13,516		Federal Byrne grant	Specialized training funded by Byrne grant.
	8/26/09				38,632		38,632		Next Generation grant	Sub-grant from Dept of Labor/Next Generation (2008 Act 46) for specialized training of trainers.
								52,148		
Human Rights Commission	8/7/09		35,735				35,735		#21692 Human Rights Commission Spec Fund	Legal recovery to be used for salaries, training & technical assistance to schools to prevent harassment and to develop a database for the HRC.

EXCESS RECEIPTS FY2010 Cumulative 1st Q - thru 9-30-09		EXCESS RECEIPTS APPROVED FOR FY2010: July 1, 2009 - September 30, 2009								
	DATE									
	APPROVED	FEDERAL	SPECIAL	INTERNAL	INTERDEPT'L			DEPT		
DEPARTMENT	By Sec Admin	FUNDS	FUNDS	SVC FUNDS	TRANSFERS	OTHER	TOTAL	TOTAL	SOURCE OF RECEIPTS (fund number)	PURPOSE
								35,735		
Liquor Control										
	9/22/09				13,502		13,502		#21500 Inter-unit Transfers	Matching grant to be used for upgrade to radio equipment for Liquor Enforcement Vehicles.
	9/24/09				35,000		35,000		#21500 Inter-unit Transfers	For START Program and alcohol compliance.
								48,502		
Public Safety										
	7/16/09		4,500				4,500		#21584 Surplus Property	From surplus sales to be used to replace equipment.
	7/13/09		19,967				19,967		#21908 Miscellaneous Grants Fund	Balance of \$27K FY 2009 NADDI grant to support drug diversion cases in FY 2010.
	9/18/09				6,550,000		6,550,000		#21502 ARRA	FY 2010 ARRA SFSP funding to pay personal service costs for DPS State Police.
								6,574,467		
Agriculture, Food & Markets										
	8/13/09				87,000		87,000		#21500 Inter-unit Transfers	To purchase software that will facilitate the efficient tracking and containment of disease outbreaks among animals.
	8/29/09		5,016				5,016		#21889 Risk Manage Ag Producers	These funds will be used to increase safety awareness for skid steer loader operations on dairy farms.
	8/29/09		19,122				19,122		#21889 Risk Manage Ag Producers	To conduct educational and other Dairy Task Force activities.
	8/29/09		430,971				430,971		#21668 Feeds, Seeds & Fertilizer, #21669 Pesticide Monitoring	To pay for software program contract.
								542,109		
Dept of Public Service										
	9/22/09		50,000				50,000		#21020 Low-level Radioactive Waste Compact	To pay for the Compact Commission's operating expenses.
								50,000		
HUMAN SERVICES:										
AHS Secretary's Office										
	7/28/09				246,660		246,660		#21500 Inter-unit Transfers	Funds are for grants for RSVP, Foster Grandparent and Senior Companion Program.
								246,660		
Corrections										
	9/23/09				408,333		408,333		#21500 Inter-unit Transfers	Grant from Dept. of Health to help support Tapestry II residential treatment program for women.
								408,333		
Disabilities, Aging & Independent Living										
	7/28/09	126,720					126,720		#22040 ARRA	Stimulus funds for employer outreach to educate employers about VR and its services.
	7/28/09	81,000					81,000		#22040 ARRA	For expenditures in the ARRA Senior Nutrition Program Process memo.
	7/28/09	172,800					172,800		#22040 ARRA	For employment services for people with disabilities / basic support.
	7/28/09	131,670					131,670		#22040 ARRA	Stimulus funds for the Senior Community Service Employment Program (SCSEP).
	7/23/09		50,000				50,000		#21213 Civil Monetary Fund	Contracting to improve quality of care in nursing homes for residents with behavioral health needs.
	7/23/09		112,164				112,164		#21994 Traumatic Brain Injury Fund	For AHS contracts and programs related to the services and treatment of individuals with traumatic brain injuries.
	8/29/09	60,728					60,728		#22040 ARRA	For expenditures as outlined in the DBVI IL ARRA Process memo.
	8/31/09	3,170					3,170		#22040 ARRA	For expenditures as outlined in the DBVI Older Blind ARRA Process memo.
								738,252		
Commission on Women										
	8/11/09				2,430		2,430			To fund half the salary for the Director of the Vermont Women's History Project.
								2,430		
National and Community Service Program										
	7/23/09	273,695					273,695		Corporation for National and Community Service	For Northeast Kingdom Initiative.
								273,695		
LABOR										
	7/10/09		311,675				311,675		#21992 Next Generation Initiative Fund	Funds were obligated to sub-grantees in the previous two fiscal years, but all funds were not spent. To reimburse subgrantees for expenses still to be incurred.
	7/16/09		1,415,500				1,415,500		#21913 Workforce Ed & Training Fund	Funds will be obligated to sub-grantees who have been awarded grants as part of the workforce education and training program.
								1,727,175		
EDUCATION										
Education Dept										
	8/4/09	180,765					180,765		#22040 ARRA	Grants to school districts. ARRA School Lunch Equipment funding.
	8/6/09	12,882,703					12,882,703		#22040 ARRA	Grants to school districts. ARRA Title 1 funding.

EXCESS RECEIPTS FY2010 Cumulative 1st Q - thru 9-30-09		EXCESS RECEIPTS APPROVED FOR FY2010: July 1, 2009 - September 30, 2009								
	DATE APPROVED	FEDERAL	SPECIAL	INTERNAL	INTERDEPT'L			DEPT		
DEPARTMENT	By Sec Admin	FUNDS	FUNDS	SVC FUNDS	TRANSFERS	OTHER	TOTAL	TOTAL	SOURCE OF RECEIPTS (fund number)	PURPOSE
	8/6/09	458,150					458,150		#22040 ARRA	Grants to school districts. ARRA Preschool IDEA funding.
	8/4/09	12,800,811					12,800,811		#22040 ARRA	Grants to school districts. ARRA IDEA funding.
	8/4/09	87,983					87,983		#22040 ARRA	Grants to school districts. ARRA Homeless Education funding.
								26,410,412		
NATURAL RESOURCES:										
Environmental Conservation	6/24/09	159,754					159,754		#22040 ARRA	ARRA for an existing DEC - federal program - Water Quality Management Planning. This funds pass through grants, infrastructure projects and watershed planning activities.
	6/24/09	15,070,000					15,070,000		#22040 ARRA	ARRA funding for Drinking Water State Revolving Fund, an existing DEC - federal program.
	6/24/09	1,664,000					1,664,000		#22040 ARRA	ARRA funding for an existing DEC - federal program - Diesel Emissions Reduction Act. Replacement of 32 diesel school buses, repowering 12 stationary diesel sawmill engines.
	6/24/09	9,711,336					9,711,336		#22040 ARRA	ARRA funding for existing DEC -federal program - Clean Water State Revolving Fund.
	8/7/09				500,110		500,110		#21500 Inter-unit Transfers	For interdepartmental transfers from DEC divisions towards the cost of operating the DEC lab.
								27,105,200		
Forests, Parks & Recreation	6/24/09					194,153	194,153		#21502 ARRA	Available from a grant from Vermont Dept of Labor to fund seasonal employees and to supervise youth crews, Parks Conservation Corp Program. VDOL funds are from ARRA.
	7/14/09		73,000		5,000		78,000		#21550 Land & Facilities Trust Fund, #21525 Conference Fees and Donations, #21500 Inter-unit Transfers	To improve and maintain FPR 's lands and facilities from prior years unexpended project balances in Lands and Facilities; receipts In Donation Fund for Project Learning Tree materials and an grant from NASF approved by JFC May 2009. IDT is to complete a transportation enhancement grant at Moss Glen Falls.
	8/21/09	4,700,000	110,000				4,810,000		#22005 Federal Revenue Fund, #21779 Youth Conservation Corps	\$4,700,000 to purchase land or easements on a variety of land parcels; \$110,000 for Vt Youth Conservation Corps reimbursement.
								5,082,153		
COMMERCE:										
Administration-CMO	7/10/09				434,000		434,000		#21500 Inter-unit Transfers	Payment of advertising invoices for 8 large media campaigns.
Housing & Community Affairs								434,000		
	9/4/09		1,289				1,289		#21397 State Register Publications Fund	To cover costs for the production of the National Register CD's for use by consultants, municipalities and the general public; also misc publication costs.
	9/4/09		12,402				12,402		#21330 Municipal & Regional Planning	To re-grant to municipalities for developing a municipal plan as required under 24 VSA Sec 4306.
	9/4/09		120,037				120,037		#21575 Downtown Transportation & Capital Improvements Fund	To be used for grant payments for projects and administrative costs related to Downtown program.
								133,728		
Economic Development	9/22/09				200,000		200,000		#21502 ARRA	VT Training Program grants.
								200,000		
Tourism and Marketing	9/22/09				500,000		500,000		#21502 ARRA	To purchase outdoor advertising as part of Vermont's winter and summer advertising campaign.
								500,000		
TRANSPORTATION:										
	7/16/09		387,617			1,129,903	1,517,520		#21555 Emergency Relief & Assistance Fund, #20150 Transportation FEMA Fund	Payments for Federal Emergency Management disasters, Federal and State shares.
	7/16/09					325,455	325,455		#63115 Rutland Multi-modal Center	Structural repairs to the Rutland Multimodal Transit Facility from escrow fund for that purpose.
	7/23/09					100,000	100,000		#20160 Transportation Local Fund	Utility relocation charges associated with Hartford Rest Area project. Reimbursed by local entities.
	9/22/09					223,558	223,558		#20165 Transportation Other Federal Funds	Existing US-DOJ grant for National Motor Vehicle Titling - staff time and operating expenses.
	9/22/09			186,743			186,743		#57100 Highway Garage Fund	For equipment purchases that could not be completed before the end of FY09.
	9/22/09					27,000	27,000		#20105 Transportation Fund - nondedicated	TF revenue from highway property lease to VELCO as per 19 VSA Sec. 26.
								2,380,276		
TOTALS		71,546,921	9,106,921	186,743	9,741,199	2,000,069	92,581,853	92,581,853		

EXCESS RECEIPTS FY2010 Cumulative thru 12-31-09		EXCESS RECEIPTS APPROVED FOR FY2010: July 1, 2009 - December 31, 2009									
	DATE APPROVED	FEDERAL	SPECIAL	INTERNAL	INTERDEPT'L						
DEPARTMENT	By Sec Admin	FUNDS	FUNDS	SVC FUNDS	TRANSFERS	OTHER	TOTAL	TOTAL	SOURCE OF RECEIPTS (fund number)	PURPOSE	
GENERAL GOVERNMENT:											
Secretary's Office	9/24/09	8,500,000					8,500,000		#22040 ARRA	Allowed the Secretary to access the SFSF funds prior to the BAA so funds could be distributed as prescribed by the legislature. This excess receipt will be voided upon approval of the BAA.	
	11/16/09	38,575,036					38,575,036		#22040 ARRA	Transfer to education for payments to schools.	
Finance & Management								47,075,036			
	7/16/09		400,000				400,000		#21005 FMS System Development Fund	For computer equipment and training needed to complete system upgrade.	
	8/26/09		19,445				19,445		#21975 Armed Services Scholarship Fund	Tuition payments for eligible students who are relatives of deceased armed services members in accordance with 16 VSA Sec 2539 as amended by 2004 Act 127 Sec 56.	
								419,445			
Buildings & General Services											
	7/10/09		39,167				39,167		#21604 Recycling Efforts	Pays the cost of operating the recycling program.	
	7/10/09		18,513				18,513		#21603 Motorist Aid Refreshment Program	Offsets the general fund cost of operating information centers.	
	7/10/09		190,303				190,303		#21822 Tourism & Marketing Brochures	Pays the cost of operating the brochure program.	
	7/10/09		121,730				121,730		#21911 Sarcoidosis Benefit Trust Fund	Paying sarcoidosis claims.	
	8/7/09		4,432				4,432		#21600 Duxbury/Moretown	For marketing expenses and general repairs to the property in anticipation of the sale of property.	
	8/5/09		55,869				55,869		#21605 Newport Office Bldg	To complete construction of Newport State Office Building.	
	8/3/09	875,120					875,120		#22005 Federal Revenue Fund	To continue construction of Geothermal HVAC renovation at the VT Veterans' Home.	
	8/4/09		600,000				600,000		#21525 Conference Fees and Donations	To help construct new visitor center at Calvin Coolidge Historic Site.	
	8/21/09		20,162				20,162		#21603 Motorist Aid Refreshment Program	Offsets the general fund cost of operating information centers.	
	8/21/09		10,000				10,000		#21613 Sale of State Land	For marketing expenses, advertising, and appraisals for property sales.	
	10/21/09		10,000				10,000		#21599 BTS Marketing Costs	Continued marketing expenses for the sale of Brandon	
	10/16/09		28,420				28,420		#21603 Motorist Aid Refreshment Program	Staff and operating expenses /motorist aid refreshment	
	11/23/09		250,000				250,000		#21911 Sarcoidosis Benefit Trust Fund	Paying claims	
	12/20/09				75,000		75,000		#21500 Inter-unit Transfers	For a purchase option on property in Colchester	
								2,298,716			
Tax											
	8/25/09		168,108		38,676		206,784		#21500 Inter-unit Transfers, #21590 Miscellaneous Fees, #21591 Local Option Process Fees, #21584 Surplus Property	Special funds used by the department to administer programs and offset its general fund needs.	
	8/25/09		3,952,835				3,952,835		#21909 Tax Computer System Modernization	For computer equipment, software and maintenance from FY08 appropriated funds.	
								4,159,619			
Joint Fiscal Office											
	8/7/09				681,856		681,856		#21500 Inter-unit Transfers	Payments to a primary consultant - Synapse Energy for continued Vermont Yankee study.	
								681,856			
State Treasurer											
	7/22/09		5,000				5,000		#21001 Financial Literacy Trust Fund	To support Financial Literacy Programs of the State Treasurer's Office.	
	8/4/09		25,000				25,000		#21001 Financial Literacy Trust Fund	To support the "Reading is an Investment" Project under the Treasurer's Financial Literacy Program.	
	10/6/09		100,000				100,000		#21884 Emergency Personnel Survivors Benefit Trust Fund	Two \$50K Emergency Personnel Benefit Payments	
								130,000			
Sergeant At Arms											
	11/23/09		3,310				3,310		#21627 Use of Statehouse	For hand sanitizers and dispensers for the Legislature	
								3,310			
PROTECTION:											
Attorney General											
	12/29/09		30,000				30,000		#21870 Miscellaneous Special Revenue	For final payment to University of North Carolina for contracted services relative to the Neurontin settlement	
								30,000			
Judiciary											
	8/7/09		20,428				20,428		#21908 Miscellaneous Grants Fund	To strengthen foreign language interpreter services in Vermont's judiciary.	
	8/7/09		51,600				51,600		#21908 Miscellaneous Grants Fund	Two grants to support the work of the Commission on Court Operations.	
	8/7/09		5,084				5,084		#21908 Miscellaneous Grants Fund	A reimbursable grant to support the education of court managers and supervisors.	
	8/7/09		58,192				58,192		#21908 Miscellaneous Grants Fund	A reimbursable grant to start a pro se service center.	
	12/9/09				20,407		20,407		#21502 ARRA	To be used in conjunction with funds from STOP-VAWA (Violence Against Women Act) grant to help increase women's safety and offender accountability	
	10/5/09		1,450				1,450		#21885 Judicial Project Support	Current expenses for Guardian Ad Litem Program	
								157,161			
State's Attomevs											

EXCESS RECEIPTS FY2010 Cumulative thru 12-31-09	EXCESS RECEIPTS APPROVED FOR FY2010: July 1, 2009 - December 31, 2009										
	DATE APPROVED	FEDERAL FUNDS	SPECIAL FUNDS	INTERNAL SVC FUNDS	INTERDEPT'L TRANSFERS	OTHER	TOTAL	DEPT TOTAL	SOURCE OF RECEIPTS (fund number)	PURPOSE	
	By Sec Admin										
	11/4/09				190,659		190,659	190,659	#21502 ARRA	To cover costs of Victim Advocates and VAWA Prosecutors	
Military											
	7/20/09	3,593,000					3,593,000		#22005 ARRA	ARRA grant for sustainment, restoration and modernization of federal Army programs administered by the State of Vt Military Dept.	
								3,593,000			
VT Cntr. For Crime Victim Sevcies			182,058				182,058		#21145 Victims Compensation Fund	For legal services for victims of domestic violence.	
	9/4/09							182,058			
Criminal Justice Training Council											
	8/26/09	13,516					13,516		Federal Byrne grant	Specialized training funded by Byrne grant.	
	8/26/09				38,632		38,632		Next Generation grant	Sub-grant from Dept of Labor/Next Generation (2008 Act 46) for specialized training of trainers.	
	12/20/09				82,489		82,489		#21500 Inter-unit Transfers	Vt. DOL WETF sub-grant to support basic training of 26 new law enforcement positions funded by federal COPS program, but not budgeted for at the state level. Funding will support both personnel and operating expenses.	
								134,637			
Human Rights Commission											
	8/7/09		35,735				35,735		#21692 Human Rights Commission Spec Fund	Legal recovery to be used for salaries, training & technical assistance to schools to prevent harassment and to develop a database for the HRC.	
								35,735			
Liquor Control											
	9/22/09				13,502		13,502		#21500 Inter-unit Transfers	Matching grant to be used for upgrade to radio equipment for Liquor Enforcement Vehicles.	
	9/24/09				35,000		35,000		#21500 Inter-unit Transfers	For START Program and alcohol compliance.	
	10/20/09		2,200				2,200		#21525 Conference Fees and Donations	For costs of conferences and other outreach activities.	
								50,702			
Public Safety											
	7/16/09		4,500				4,500		#21584 Surplus Property	From surplus sales to be used to replace equipment.	
	7/13/09		19,967				19,967		#21908 Miscellaneous Grants Fund	Balance of \$27K FY 2009 NADDI grant to support drug diversion cases in FY 2010.	
	9/18/09				6,550,000		6,550,000		#21502 ARRA	FY 2010 ARRA SFSF funding to pay personal service costs for DPS State Police.	
	10/5/09		800				800		#21925 Restitution Special Fund	To purchase child safety seats	
	10/13/09				168,550		168,550		#21500 Inter-unit Transfers	For a 3rd party contractor and for Local Regional Planning Commissions to do forums on H1N1	
	11/16/09		8,500				8,500		#21970 Registration Fees Fund	To pay for Forensic Lab Conference expenses	
								6,752,317			
Agriculture, Food & Markets											
	8/13/09				87,000		87,000		#21500 Inter-unit Transfers	To purchase software that will facilitate the efficient tracking and containment of disease outbreaks among animals.	
	8/29/09		5,016				5,016		#21889 Risk Manage Ag Producers	These funds will be used to increase safety awareness for skid steer loader operations on dairy farms.	
	8/29/09		19,122				19,122		#21889 Risk Manage Ag Producers	To conduct educational and other Dairy Task Force activities.	
	8/29/09		430,971				430,971		#21668 Feeds, Seeds & Fertilizer, #21669 Pesticide Monitoring	To pay for software program contract.	
	10/13/09		20,000				20,000		#21666 Agricultural Events	For expenses associated with the Cheesemakers' Festival.	
	11/16/09		9,000				9,000		#21889 Risk Management Ag Producers	To support the UVM project in planning, sample collection and data interpretation	
								571,109			
BISHCA											
	10/5/09		1,566				1,566		#21690 BISHCA Docket	Restitution payments to certain individual consumers	
								1,566			
Dept of Public Service											
	9/22/09		50,000				50,000		#21020 Low-level Radioactive Waste Compact	To pay for the Compact Commission's operating expenses.	
	12/8/09		2,500,000				2,500,000		#21020 Low Level Radioactive Waste Compact	To pay the Texas host county a Texas Low Level Radioactive Waste Disposal Compact site fee required under 10 VSA Ch 162.	
								2,550,000			
HUMAN SERVICES:											
AHS Secretary's Office											
	7/28/09				246,660		246,660		#21500 Inter-unit Transfers	Funds are for grants for RSVP, Foster Grandparent and Senior Companion Program.	
	11/5/09				148,814		148,814		#21500 Inter-unit Transfers	Memorandum of Understanding with the Dept Health re: Vermont Emergency Response Volunteers: ads in newspapers, radio, TV and staff time.	
								395,474			
National and Community Service Program											
	7/23/09	273,695					273,695		Corporation for National and Community Service	For Northeast Kingdom Initiative.	
								273,695			

EXCESS RECEIPTS FY2010 Cumulative thru 12-31-09	EXCESS RECEIPTS APPROVED FOR FY2010: July 1, 2009 - December 31, 2009									
	DATE APPROVED	FEDERAL	SPECIAL	INTERNAL	INTERDEPT'L			DEPT		
DEPARTMENT	By Sec Admin	FUNDS	FUNDS	SVC FUNDS	TRANSFERS	OTHER	TOTAL	TOTAL	SOURCE OF RECEIPTS (fund number)	PURPOSE
Health	10/5/09				262,000		262,000		#21500 Inter-unit Transfers	ADAP treatment for released offenders per Memorandum of Understanding with Dept Corrections.
	11/18/09		46,680				46,680		#21470 Medical Practice	To fund costs of administering the Medical Practice Bd.
								308,680		
Dept for Children and Families	10/20/09	17,800,000					17,800,000		#22005 Federal Fund	Home heating fuel assisatance / LIHEAP
								17,800,000		
Disabilities, Aging & Independent Living	7/28/09	126,720					126,720		#22040 ARRA	Stimulus funds for employer outreach to educate employers about VR and its services.
	7/28/09	81,000					81,000		#22040 ARRA	For expenditures in the ARRA Senior Nutrition Program Process memo.
	7/28/09	172,800					172,800		#22040 ARRA	For employment services for people with disabilities / basic support.
	7/28/09	131,670					131,670		#22040 ARRA	Stimulus funds for the Senior Community Service Employment Program (SCSEP).
	7/23/09		50,000				50,000		#21213 Civil Monetary Fund	Contracting to improve quality of care in nursing homes for residents with behavioral health needs.
	7/23/09		112,164				112,164		#21994 Traumatic Brain Injury Fund	For AHS contracts and programs related to the services and treatment of individuals with traumatic brain injuries.
	8/29/09	60,728					60,728		#22040 ARRA	For expenditures as outlined in the DBVI IL ARRA Process memo.
	8/31/09	3,170					3,170		#22040 ARRA	For expenditures as outlined in the DBVI Older Blind ARRA Process memo.
	10/9/09	182,185					182,185		#22040 ARRA	Will enhance performance of programs for people with disabilities (independent living services)
								920,437		
Corrections	9/23/09				408,333		408,333		#21500 Inter-unit Transfers	Grant from Dept. of Health to help support Tapestry II residential treatment program for women.
								408,333		
VT Veterans' Home	12/29/09		580,000				580,000		#21782 Vermont Medicaid	Capital projects to meet codes and regulations
	12/29/09		450,000				450,000		#21782 Vermont Medicaid	To install electronic medical records system at VVH.
								1,030,000		
Commission on Women	8/11/09				2,430		2,430			To fund half the salary for the Director of the Vermont Women's History Project.
								2,430		
LABOR	7/10/09		311,675				311,675		#21992 Next Generation Initiative Fund	Funds were obligated to sub-grantees in the previous two fiscal years, but all funds were not spent. To reimburse subgrantees for expenses still to be incurred.
	7/16/09		1,415,500				1,415,500		#21913 Workforce Ed & Training Fund	Funds will be obligated to sub-grantees who have been awarded grants as part of the workforce education and training program.
								1,727,175		
EDUCATION										
Education Dept	8/4/09	180,765					180,765		#22040 ARRA	Grants to school districts. ARRA School Lunch Equipment funding.
	8/6/09	12,882,703					12,882,703		#22040 ARRA	Grants to school districts. ARRA Title 1 funding.
	8/6/09	458,150					458,150		#22040 ARRA	Grants to school districts. ARRA Preschool IDEA funding.
	8/4/09	12,800,811					12,800,811		#22040 ARRA	Grants to school districts. ARRA IDEA funding.
	8/4/09	87,983					87,983		#22040 ARRA	Grants to school districts. ARRA Homeless Education funding.
	11/12/09				38,575,036		38,575,036		#21502 ARRA	Grants to school districts
								64,985,448		
NATURAL RESOURCES:										
Central Office	11/10/09		1,339				1,339		#21769 Stratton Corporation; # 21584 Surplus Property	For IT Equipment and a final environmental project on the Dalewood Brook in Jamaica .
								1,339		
Environmental Conservation	6/24/09	159,754					159,754		#22040 ARRA	ARRA for an existing DEC - federal program - Water Quality Management Planning. This funds pass through grants, infrastructure projects and watershed planning activities.
	6/24/09	15,070,000					15,070,000		#22040 ARRA	ARRA funding for Drinking Water State Revolving Fund, an existing DEC - federal program.
	6/24/09	1,664,000					1,664,000		#22040 ARRA	ARRA funding for an existing DEC - federal program - Diesel Emissions Reduction Act. Replacement of 32 diesel school buses, repowering 12 stationary diesel sawmill engines.
	6/24/09	9,711,336					9,711,336		#22040 ARRA	ARRA funding for existing DEC -federal program - Clean Water State Revolving Fund.

EXCESS RECEIPTS FY2010 Cumulative thru 12-31-09	EXCESS RECEIPTS APPROVED FOR FY2010: July 1, 2009 - December 31, 2009									
	DATE APPROVED	FEDERAL FUNDS	SPECIAL FUNDS	INTERNAL SVC FUNDS	INTERDEPT'L TRANSFERS	OTHER	TOTAL	DEPT TOTAL	SOURCE OF RECEIPTS (fund number)	PURPOSE
DEPARTMENT	By Sec Admin									
	8/7/09				500,110		500,110		#21500 Inter-unit Transfers	For interdepartmental transfers from DEC divisions towards the cost of operating the DEC lab.
	10/5/09	935,000					935,000		#22040 ARRA	Formula ARRA award for clean-up of contaminated LUST (Leaking Underground Storage Tanks) sites under the existing DEC program.
								28,040,200		
Forests, Parks & Recreation	6/24/09					194,153	194,153		#21502 ARRA	Available from a grant from Vermont Dept of Labor to fund seasonal employees and to supervise youth crews, Parks Conservation Corp Program. VDOL funds are from ARRA.
	7/14/09		73,000		5,000		78,000		#21550 Land & Facilities Trust Fund, #21525 Conference Fees and Donations, #21500 Inter-unit Transfers	To improve and maintain FPR's lands and facilities from prior years unexpended project balances in Lands and Facilities; receipts in Donation Fund for Project Learning Tree materials and a grant from NASF approved by JFC May 2009. IDT is to complete a transportation enhancement grant at Moss Glen Falls.
	8/21/09	4,700,000	110,000				4,810,000		#22005 Federal Revenue Fund, #21779 Youth Conservation Corps	\$4,700,000 to purchase land or easements on a variety of land parcels; \$110,000 for Vt Youth Conservation Corps reimbursement.
	12/18/09	400,000					400,000		#22005 Federal Fund	To cover payments to subrecipients and internal projects related to the National Recreation Trails and Land & Water Conservation Fund programs
								5,482,153		
COMMERCE: Administration-CMO										
	7/10/09				434,000		434,000		#21500 Inter-unit Transfers	Payment of advertising invoices for 8 large media campaigns.
Housing & Community Affairs								434,000		
	9/4/09		1,289				1,289		#21397 State Register Publications Fund	To cover costs for the production of the National Register CD's for use by consultants, municipalities and the general public; also misc publication costs.
	9/4/09		12,402				12,402		#21330 Municipal & Regional Planning	To re-grant to municipalities for developing a municipal plan as required under 24 VSA Sec 4306.
	9/4/09		120,037				120,037		#21575 Downtown Transportation & Capital Improvements Fund	To be used for grant payments for projects and administrative costs related to Downtown program.
								133,728		
Economic Development	9/22/09				200,000		200,000		#21502 ARRA	VT Training Program grants.
								200,000		
Tourism and Marketing	9/22/09				500,000		500,000		#21502 ARRA	To purchase outdoor advertising as part of Vermont's winter and summer advertising campaign.
								500,000		
Vt Housing & Consv Board	12/29/09					3,300,000	3,300,000		#90630 Federal Fund VHCB	The Board will make awards to for-profit and non-profit applicants for any of the Neighborhood Stabilization Program (NSP) eligible uses identified for the Project Specific Program in the State of Vermont NSP plan
								3,300,000		
TRANSPORTATION:										
	7/16/09		387,617			1,129,903	1,517,520		#21555 Emergency Relief & Assistance Fund, #20150 Transportation FEMA Fund	Payments for Federal Emergency Management disasters, Federal and State shares.
	7/16/09					325,455	325,455		#63115 Rutland Multi-modal Center	Structural repairs to the Rutland Multimodal Transit Facility from escrow fund for that purpose.
	7/23/09					100,000	100,000		#20160 Transportation Local Fund	Utility relocation charges associated with Hartford Rest Area project. Reimbursed by local entities.
	9/22/09					223,558	223,558		#20165 Transportation Other Federal Funds	Existing US-DOJ grant for National Motor Vehicle Titling - staff time and operating expenses.
	9/22/09			186,743			186,743		#57100 Highway Garage Fund	For equipment purchases that could not be completed before the end of FY09.
	9/22/09					27,000	27,000		#20105 Transportation Fund - nondedicated	TF revenue from highway property lease to VELCO as per 19 VSA Sec. 26.
	10/26/09				70,212		70,212		#21500 Inter-unit Transfers	Grant agreement for motorcycle and motorcycle container purchase - Governor's Highway Safety Program
	11/23/09					243,514	243,514		#20135 FHWA	Excess receipts will allow the agency to be reimbursed by the FHWA for FEMA disasters
	11/23/09				23,500		23,500		#21500 Inter-unit Transfers	Staff time and operating expenses including materials for work performed by VTrans for DEC on an agricultural water quality project.
	11/23/09		145,985				145,985		#21555 Emergency Relief and Assistance Fund	Payments to towns of the state share for FEMA disasters.
	12/14/09				8,000		8,000		#21500 Inter-unit Transfers	Grant agreement for the enforcement of VT highway safety laws- Governor's Highway Safety Program
	12/14/09				66,400		66,400		#21500 Inter-unit Transfers	Grant agreement for motorcycle purchase and training conferences - Governor's Highway Safety Program
								2,937,887		
TOTALS		129,438,142	13,296,170	186,743	49,432,266	5,543,583	197,897,904	197,897,904		