

GF Budget FY19 to FY20

(millions)

DRAFT March 12, 2019

	FY19	FY20	
GF Forecast available Jan 2019	1,282.00	1,295.10	
State Health Care Resources Fund transition	277.59	276.24	
Direct Applications, Reversions and Other	60.26	60.98	
Total Available GF Revenue	1,619.85	1,632.32	12.47 Net new revenue FY19 to FY20, per the E-Board adopted Jan. Forecast
FY19 Base GF Uses Act 11, other & BAA		1,578.90	
Current Service Level Base Pressures			
Stablization Reserve	1.05		As the budget grows, the 5% of GF needed for stabilization reserve also increases
Debt Service	5.78		Increased amount of the state's "mortgage payment" for annual capital bill debt
Teachers Retirement & Other post employment benefits	21.22		Actuary determined, pays down unfunded liabilities, FY20 \$151m combined base
State Employees Retirement	5.73		
Pay Act	9.20		Increased amount of employee pay & benefits, per contract. All 3 branches.
Employee Reclassifications	5.97		Roll costs from FY19 reclassification requests
AHS net caseload & utilization	10.97		Does not include new proposals, only net changes in # of people and cost of cases
Net all other base current service	0.44		
Total FY20 GF Current Service Need		1,639.27	Additional funds are needed to meet current services, no new programs
GF Balance Position on Current Service Level projection		(6.95)	With no changes to current program & revenue policies, the budget has \$7M gap.
Administration proposed FY19 balance carried forward	8.33		Onetime funds unspent by administration in FY19 (House lead testing and other FY19 one time requests are pending may impact available amount)
Administration's New GF Spending or Reduction Proposals			
Clean Water Funding	8.00		Grows to \$12m in FY21, \$18m-\$21m in FY22/23
Child Care Funding	7.00		
Dept of Children & Families - family services child welfare	2.00		
Economic Dev/Think VT/Rental Housing Rehab	3.50		
Higher Ed increases (VSC and VSAC)	4.00		
Net other spending initiatives and reductions	1.10		
Dual Enrollment fund 100% in Ed Fund	(0.85)		
GMCB - billback	(1.25)		
AHS reductions and swaps	(7.13)		See reverse for details
Administation Net New GF spending Proposals		16.37	
Administration Net New GF Revenue Proposals			
Administration Proposed \$7m from EF	7.00		Administration redirects sales tax from online facilitator to GF
Net all other Revenue Changes	7.99		Broker fees, Estate tax exemption chg, online travel, land gains repeal, etc.
Administation Net New GF Revenue Proposals		14.99	
GF Balance Position	0.00		(-6.95+8.33-16.37+14.99=0)

FY20 GF Proposed Budget

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Administration Proposed New Spending/Cut Initiatives

Childcare Spending	7.00
Twin State Voluntary Leave	1.00
USS VT	0.01
ACCD grants rental housing rehab	1.00
Econ Dev ThinkVT - labor/accd	2.50
VSC/VSAC	4.00
DCF Fam Services - Child Welfare	2.00
Shift Dual Enrollment to Ed Fund	(0.85)
GMCB - bill back shift	(1.25)
AHS positions reductions	(1.36)
Weatherization redirect	(0.60)
SASH cut	(0.25)
Parent Child Center reduction	(0.80)
DCF - other reductions funding switch	(2.35)
DMH & DOC other reductions	(1.78)
Other Depts reductions	(0.28)

HAC is hearing requests for more childcare support and questions on several of the proposed reductions
These create GF pressures of **(\$6.36)** to **(\$8.36)**

There are new issues that the proposed budget does not address - the GF pressures these create and the long list of requests include....
12 beds at Brattleboro retreat **(\$0.99)**
VHCB total funding level **(\$1.00)**
ANR use of onetime fd balances ?
DCF internal fund issue ?
Fish Hatchery **(\$0.16)**
Other requests **(\$6.00)** to **(\$92.00)**
Pressures & Requests facing HAC **(\$14.51)** to **(\$100.36)**

FY21 GF Preview

	FY20	FY21
GF Forecast available Jan 2019	1,295.10	1,295.60
SHCRF (State Health Care Resources Fund)	276.24	275.41
Direct Applications, Reversions, PTT (Property Transfer Tax), etc	60.98	60.00
Total Available GF Revenue	1,632.32	1,631.01

Projected revenues (under current law) adopted by the E-Board,

FY 21 GF Current service level pressures:

Increased pension payments	20.00-25.00
Potential hole if onetime \$ used for base budget	4.00-9.00
Debt service, Pay act	12.00-15.00
Clean Water	?
Annualization of Admin's proposed/FY20 changes	2.50-3.50
Total current service level budget pressures	38.50-52.50

hospital beds, fish hatchery....???

Given flat revenue projections, this is the potential FY21 budget

, Jan 2019

gap