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*Agency of Administration*

**MEMORANDUM**

**To:** Joint Fiscal Committee; House and Senate Committees on Government  
Operations and on Appropriations.  
**From:** James Reardon, Commissioner of Finance & Management  
**Date:** October 27, 2011  
**Subject:** Report on FY 2012 Pay Act Allocations (per 3 VSA Sec 2281(4))

The FY 2012 Pay Act included \$556,500 for non-salary items specified in the FY 2011-2012 State of Vermont/VSEA labor agreements (dependent care, tuition reimbursement) and contract implementation costs, as well as \$350,000 for costs incurred from health insurance claims assessments, pursuant to 8 VSA Sec. 4089I. The FY 2012 Pay Act total of \$906,500 general fund was appropriated in 2011 Act 63 Sec. B. 1102 (a).

\$556,500 was approved for distribution to the Department of Human Resources on July 27<sup>th</sup>, 2011. There are sufficient funds in the employee medical and dental insurance programs to cover the costs of the health insurance claims assessments and the Administration will propose in the FY 2012 Budget Adjustment that the \$350,000 appropriated for this purpose revert to the General Fund.