



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee Members
From: Stephen Klein, Chief Fiscal Officer
Nathan Lavery, Fiscal Analyst
Date: February 8, 2012
Subject: FY2012 Joint Fiscal Office Budget Request

Attached please find details of the FY2012 Joint Fiscal Office budget request. The Joint Fiscal Office recommends the Committee support the Governor's recommended appropriation of \$1,465,429 General Funds for FY2012.

Please note the following:

- Total FY2012 spending is anticipated to be approximately -\$441,000 or -2.4% compared to the FY 2011 projected spending level.
- Total staff size is reduced by 1 position, from 14 positions to 13 positions. Richard Reed's departure has resulted in additional responsibilities for remaining staff. The Blue Ribbon Tax Structure Commission staff director position has also been eliminated, but was not counted toward the position total in FY 2011.
- Staff making over \$60,000 continue to have a 5% furlough for non-session time; this results in an effective furlough of 3% annually. No annual raises or cost-of-living adjustments have been built into the FY2012 request, and none have been granted since July 2007.
- The FY2012 General Fund appropriation request of \$1,465,429 is approximately \$20,000 below anticipated FY2012 need. This deficit will be managed through the generation of FY2011 carry forward funding.
- No funding is included to support an extension of the Blue Ribbon Tax Structure Commission beyond FY2011.
- \$30,000 is budgeted for research related to health care redesign initiatives.
- The budget includes funding for health information technology consultant Capitol Health Associates (Hans Kastensmith); however, discussions are underway to move this contract and associated funding to the Executive branch.

FY2012 Joint Fiscal Office Budget

February 4, 2011

	FY10 Actual 14 pos	FY11 Projected 14 pos	FY12 Request 13 pos
SOURCES OF FUNDS			
General fund appropriation	1,509,197	1,504,666	1,465,429
Health Design Appropriation		250,000	
Health Design Transfer (from HCRC)		50,000	
Carry forward	18,530	237,573	20,000
Retirement savings		(2,472)	
Benefits savings		(5,561)	
Rescissions	(26,621)		
TOTAL SOURCES	1,501,106	2,034,206	1,485,429
USES OF FUNDS			
Personal Services			
Salaries	757,000	758,309	750,646
FICA/Medicare	55,258	56,385	56,589
Health Ins	107,808	123,763	136,285
Retirement	62,145	79,932	89,599
Dental	8,178	8,895	8,307
Life Ins.	2,642	2,806	2,702
Disability	1,764	1,885	1,709
Employee Assistance Program	342	319	319
Workers' Compensation	1,976	2,300	2,500
Contract - Kavet	81,231	120,000	115,000
Contract - Kavet (additional forecasts)	8,000	0	0
Contract - Hsiao/Health Care Redesign	0	300,000	30,000
Contract - Policy Integrity	14,301	25,000	20,000
Contract - Steve Gold	2,430	8,000	8,000
Contract - Deb Brighton	23,250	30,000	25,000
Contract - Capitol Health Associates	0	127,500	127,500
Other Personal Services	4,000	4,500	4,500
Subtotal Personal Services	1,130,325	1,649,594	1,378,656
Operating Expenses			
Software (REMI, forecasting models)	4,779	8,000	8,000
Fee for space	37,128	35,507	37,648
Advertising	0	5,000	4,000
Printing & Copying	1,665	2,600	2,000
Postage	490	1,500	1,000
Dues & Subscriptions	5,888	12,000	10,000
Registrations	3,679	5,800	4,000
Insurances	2,094	3,608	3,776
In state travel expenses	1,387	3,412	2,500
Out of state travel expenses & training	9,092	12,774	10,000
Accounting	7,010	13,986	13,849
Other payments, adjustments	6,090	27,000	10,000
Subtotal Operating Expenses	79,302	131,187	106,773
Tax Commission	53,906	146,094	0
Total Uses	1,263,533	1,926,875	1,485,429
BALANCE	91,479	15,852	0
Tax Commission BALANCE	146,094	0	0