

State of Vermont
Department of Finance & Management
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Agency of Administration

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MEMORANDUM

TO: Joint Fiscal Committee
CC: Jeb Spaulding, Jim Reardon, Susan Zeller, Matt Riven,
Steve Klein, Stephanie Barrett and Theresa Utton
FROM: Jim Reardon, Commissioner
RE: General Fund Revenue Shortfall Reserve
DATE: August 25, 2011

In accordance with 32 V.S.A. 308d (d) we hereby report that the balance in the General Fund Revenue Shortfall Reserve at June 30, 2011 is \$3,879,828.47. This amount was reserved as part of FY 2011 close-out, as per Act 63 § E.600.1 of the 2011 session. This balance remains in the Reserve and available for appropriation, pending legislative action during the 2012 session.

Please contact me if you require additional information.



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Office of the Secretary

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Jeb Spaulding, Secretary

MEMORANDUM

TO: Joint Fiscal Committee
CC: Jim Reardon, Sue Zeller, Matt Riven, Steve Klein, Stephanie Barrett
FROM: Jeb Spaulding, Secretary
RE: Human Services Caseload Reserve
DATE: September 26, 2011

Pursuant to 32 V.S.A § 308b(b), I am reporting on the activity in the Human Services Caseload Reserve during FY 2011, as follows:

Reserve Balance at July 1, 2010	\$70,000.00	
Amount reserved per 2010 Act 156 § D.101(a)(1)(c)	62,264,000.00	Estimated enhanced FMAP
Amount liquidated and transferred to Global Commitment	(24,560,012.40)	Adjustment based on receipt of actual enhanced FMAP
Amount liquidated per 2010 Act 1560 §§ D.106(b) through (d)	(35,599,440.00)	Used for contingent appropriations
Amount reserved per 2011 Act 63 § C.104	3,600,000.00	Available from Medicaid programs close-out
Amount reserved per 2010 Act 3 § 50(a), as amended by 2011 Act 63 § C.110	29,540,000.00	Reserved for appropriation in FY 2012
Amount reserved per 2010 Act 3 § 50(d), as amended by 2011 Act 63 § C.110	24,850,646.34	General Fund unencumbered and unreserved balance at close-out
Reserve Balance at June 30, 2011	\$ 60,165,193.94	

In 2011 Act 63 § 29,500,000 was unreserved and made available for appropriation for the agency of human services caseload costs, offsets to federal funding changes, or related human services expenditures in fiscal year 2012. Subsequent to the July 2011 General Fund Consensus Revenue Forecast, adopted by the Vermont Emergency Board at the July 21, 2011 meeting, the amount projected to be transferred for use by the agency of human services is \$28,160,000. Additionally, subsequent to FY 2011 close-out, \$1.34 million was transferred from Long Term Care to the Human Services Caseload Reserve in FY 2012.



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September 26, 2011

Jim Reardon, Commission of Finance & Management

FY 2011 Revenue vs. Target				
Major Fund (\$ millions)	FY 2011 Final	FY 2011 Target (Jan 2011)	FY 2011 Prelim. vs. Target	
			Amount	Percent
General Fund	\$1,156.69	\$1,117.50	+\$39.19	+3.51%
	Changes Other Revenue Items (PTT, SpedMed, Gross Receipts)		+\$0.14	
FY 2011 GF WATERFALL:				
	Unemployment Insurance		-\$ 3.60	2011 Act 63 § C.110(b)
	To Sec. Admin. for Fed Cuts		-\$ 7.00	2011 Act 63 § C.110(c)
	To Revenue Shortfall reserve		-\$3.88	2011 Act 63 § E.600.1
	Bal. Rev. Exceeds Target - Reserved to Human Services Caseload		-\$24.85	2011 Act 63 § C.110(d)
	Unreserved Undesignated GF Balance		\$ 0.00	
Transportation Fund	\$ 217.80	\$ 217.83	+\$0.03	+0.01%
Education Fund	\$ 154.40	\$ 153.83	+\$0.57	+0.37%

FY 2011 Close-out – Direct Apps/Reversions			
General Fund (\$ millions)	Final FY 2011 Closeout	Assumed FY 2011 BAA	Amount +Change-
Direct Applications & Reversions	\$40.74	\$34.98	+\$5.76

FY 2011 Reserves & Designated Items		
General Fund (\$ millions)	FY 2011 Closeout	Explanation
Trans. To Higher Ed Trust Fund	\$11.00	1 st \$11 m from 125%+ Estate Tax – 20121 – 2011 Act 3 § E.600(1)
To Dept. Labor	\$ 3.60	For UI – 2011 Act 63 § C.110(b)
To Sec Admin.	\$ 7.00	Federal cuts – 2011 Act 63 § C.110 (c)
Revenue Shortfall Reserve	\$ 3.88	Transferred to GF from H. Ed Trust Fund and then reserved for federal cuts - 2011 Act 63 § E.600.1
Budget Stabilization Reserve	\$54.37	Full Statutory 5%
HS Caseload Reserve	\$60.17	+\$0.07 Prior Balance +\$2.105 Residual after adjustment for e-FMAP and one-time contingent approps; +\$29.54 Act 63 § C.110 (already appropriated in FY 12 Budget) +\$24.851 Rev excess GF balance – 2011 Act 63 § C.110 (d) +\$ 3.60 Brought in as Reversion from GC & LTC then to HS Caseload

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September 26, 2011
 Jim Reardon, Commissioner of Finance & Management

FY 2012 GF AVAILABLE FROM FY 2011 LESS UPWARD PRESSURE	
\$ Amount (millions)	Explanation
FY 2011 - AVAILABLE FOR FY 2012	
+\$3.230	To Labor for UI
+\$7.000	Held for carryforward in Sec. Admin for federal cuts
+\$3.880	Reserved in Shortfall Reserve for Federal Cuts
+\$60.170	6/30/11 Human Services Caseload Reserve Balance
+\$74.280	Total Reserved or Set Aside for FY 2012
+\$7.300	July 21, 2011 E-Board Revenue Upgrade for FY 2012
+1.3400	Add'l Available from LTC in FY 2012
+\$82.920	Total Reserved or Set Aside plus Upgrade for FY 2012

PROJECTED FY 2012 UPWARD PRESSURE	
A. PREVIOUSLY APPROPRIATED AND KNOWN	
\$29.540	Appropriated in FY 2012 As Passed from HS Caseload
\$10.880	Set Aside and reserved for federal cuts
\$ 2.000	BAA correction - \$2m of \$12m savings target not achieved FY 2011
\$42.420	Sub-Total Appropriated and Known
B. FY 2012 PROJECTED BUDGET ADJUSTMENT NEEDS	
\$ 0.627	Sarcoidosis Fund
\$ 1.209	Renter Rebate FY 2011 Claims Needs
\$ 3.000	Litigation Costs
\$ 2.100	UI Repayment
\$ 3.300	Vermont State Hospital Recertification
\$ 0.575	Vermont Troopers' Contract
\$ 0.526	Reduction to assumed revenue for federal DOC bed rental
\$ 5.000	ERAF re-fund DOC
\$ 1.800	VEDA loan program
-\$10.000	Medicaid base adjustment
\$ 2.500	DOC
\$ 7.500	Transportation
\$ 5.000	Irene base costs (estimate)
???	LIHEAP needs
\$ 0.530	Budget Stabilization - 5% of FY 2011 Waterfall Appropriations
\$23.667	Sub-Total Projected BAA Needs
\$66.087	Sub-Total Projected BAA Needs
\$16.833	Estimated Unassigned and Undesignated for FY