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Department of Finance & Management  
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Agency of Administration

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### MEMORANDUM

**TO:** Joint Fiscal Committee  
**CC:** Jeb Spaulding, Susan Zeller, Matt Riven, Otto Trautz, Steve Klein, Stephanie Barrett and Theresa Utton-Jerman;  
**FROM:** Jim Reardon, Commissioner  
**RE:** General Fund Balance Reserve  
**DATE:** September 3, 2013

In accordance with 32 V.S.A. §308c (d), we hereby report the activity and balance in the General Fund Balance Reserve, as shown in the table below, and which is available for appropriation by the General Assembly.

<b>GENERAL FUND BALANCE RESERVE</b>	
Opening Balance as of 7/1/2012	\$ 3,879,828.47
Amount unreserved for appropriation in FY 2013, per 2013 Act 1 Sec 61(a)	-\$ 3,879,828.47
Amount added to the GF Balance Reserve in FY 2013, per 32 V.S.A. Sec. 308c(a)	\$31,503,814.92
50% of amount determined by Emergency Board greater than GF forecast (\$26.1 million) appropriated for deposit into the Supplemental Property Tax Relief fund, per 32 V.S.A. Sec. 308c(a)(2)	-\$13,050,000.0
25% of amount determined by Emergency Board greater than GF forecast (\$26.1 million) appropriated to Secretary of Administration for future federal cuts, per 32 V.S.A. Sec. 308c(a)(3)	-\$ 6,525,000.0
<b>Ending Balance 6/30/2013 (a)</b>	<b>\$11,928,814.92</b>

Please contact me if you require additional information.

Note: (a) At the August 5, 2013 Joint Fiscal Committee meeting, the JFC was notified of an additional amount available for transfer from the Captives and Regulator and Supervisory Fund to the General Fund of \$238,392. This amount would have been reserved in the GF Balance Reserve as part of FY 2013 close-out but was not identified until after final FY 2013 close-out. Therefore this amount will be handled as an FY 2014 Budget Adjustment direct application to the GF, with BAA language to reserve in the GF Balance Reserve.





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**TO:** Joint Fiscal Committee  
**CC:** Jeb Spaulding, Susan Zeller, Matt Riven, Otto Trautz, Steve Klein, Stephanie Barrett and Theresa Utton-Jerman;  
**FROM:** Jim Reardon, Commissioner  
**RE:** Transportation Fund Balance Reserve  
**DATE:** September 3, 2013

In accordance with 32 V.S.A. §308c (d), we hereby report that the balance in the Transportation Fund (TF) Balance Reserve is \$0.00 at June 30, 2013.

A reduction in the July 20, 2012 revenue estimate for the FY 2013 Transportation Fund necessitated a rescission of \$4,830,949. Under 32 V.S.A. §704b (2), the Secretary of Administration presented the TF Rescission Plan (Plan) to the Joint Fiscal Committee (JFC) at their September 19, 2012 meeting. The JFC approved the Plan, thereby rescinding a like amount of appropriations to the projected FY 2013 deficit and resulting in the Transportation Fund Balance Reserve amount of \$0.

Please contact me if you require additional information.



9/17/13

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**TO:** Joint Fiscal Committee  
**CC:** Jeb Spaulding, Susan Zeller, Matt Riven, Otto Trautz, Steve Klein, Stephanie Barrett and Theresa Utton-Jerman;  
**FROM:** Jim Reardon, Commissioner  
**RE:** FY 2013 Close-Out - Budget Stabilization Fund Reserves  
**DATE:** September 3, 2013

### FINAL RESULTS

**Joint Fiscal Committee – September 11, 2013**  
 Jim Reardon, Commissioner of Finance & Management

FY 2013 General Fund Revenue vs. Target				
Major Fund (\$ millions)	FY 2013 Final	FY 2013 Target (Jan. 23, 2013)	FY 2013 Final vs. Target	
			Amount	Percent
General Fund	\$1,288.58	\$1,262.50	+\$26.10	+2.07%
Transportation Fund	\$ 228.19	\$ 229.10	-\$0.91	-0.40%
TIB (combined)	\$ 22.97	\$ 23.20	-\$0.23	-0.99%
Education Fund	\$ 166.46	\$ 166.80	-\$0.34	-0.20%

FY 2013 Reserves & Designated Items		
General Fund (\$ millions)	FY 2013 Closeout	Explanation
To Sec Admin.	\$ 6.525	Designated for Federal cuts, subject to future E-Board action, per 2013 Act 1 Sec. 95a (3)
To Supplemental Property Tax Relief Fund	\$ 13.05	Per 32 V.S.A. § 6075(b) and 2013 Act 1 Sec. 95a(2).
GF Balance Reserve	\$ 11.93	Per 32 V.S.A. Sec. 308c(a); and 2013 Act 1 Sec. 95a(2) & (3)
HS Caseload Reserve	\$ 0.00	Prior year balance (\$18.51m) unreserved and used during FY 2013; no balance remaining.
GF Budget Stabilization Reserve	\$ 62.50	At full statutory 5% level.

Transportation Fund (\$ millions)	FY 2013 Closeout	Explanation
TF Budget Stabilization Reserve	\$ 10.81	At full statutory 5% level.

Education Fund (\$ millions)	FY 2013 Closeout	Explanation
EF Budget Stabilization Reserve	\$ 29.26	At maximum statutory 5% level.
EF Prior Year Surplus Appropriations & Unreserved/Undesignated Balance	\$ 36.95	

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<b>FY 2014 General Fund BAA Pressures</b>		
<b>Category</b>	<b>Amount (\$millions)</b>	<b>Explanation</b>
<b>DOC</b>	<b>\$?</b>	Trend over budget
<b>DAIL – DS</b>	<b>?</b>	Budgeted savings target in jeopardy
<b>DCF – GA</b>	<b>?</b>	Emergency housing
<b>DMH – VSH</b>	<b>?</b>	Delayed opening
<b>ANR</b>	<b>?</b>	Fee for Space
<b>Sarcoidosis</b>	<b>?</b>	Annual pressure
<b>Fee for Space</b>	<b>?</b>	Alternative to Waterbury

By mutual agreement, a preliminary BAA will be submitted to the House Appropriations Committee during the first week of December 2013 to allow HAC to begin work early. This preliminary version will be based on July 2013 Consensus Revenue Forecast and will be subject to change.

**FY 2015 Budget Process:**

FY 2015 Budget Instructions are scheduled to be sent to departments by early October. The Vantage Budget Development system is scheduled to open for use by departments by mid-October. At that time, the Vantage System will have been updated with FY 2013 fiscal year actual financial data and 6/30/2013 employee data.

The submissions from departments to the Governor, through the Secretary of Administration will, this year, include a pilot program for programmatic/performance budgets in Vantage. F&M is working on this effort with Joint Fiscal Office Staff and the Chairs of the Appropriations Committees.

Presentation of the Governor's FY 2015 Budget Recommendations will be made during the Governor's Budget Address, as yet unscheduled, in January 2014.