# STATE OF VERMONT
# FISCAL YEAR 2005

# BUDGET RECOMMENDATIONS

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## Agency Mission Statement

The Agency of Administration exists to ensure the fiscal integrity of the state, to provide centralized support services for state government and selected services to Vermont municipalities and Vermont citizens, and to carry out the policy objectives of the Governor and the laws of Vermont.

## Description of Departments in Agency

Information and Innovation - provides strategic direction, oversight and accountability for all activities related to Information Technology (IT) in state government.

Finance and Management's mission is to promote, monitor and report upon the fiscal condition and integrity of state government.

Buildings and General Services' mission is to deliver quality operational services and facilities management, enabling government agencies to fulfill their missions.

Taxes' mission is to collect the proper amount of taxes in a timely and efficient manner.

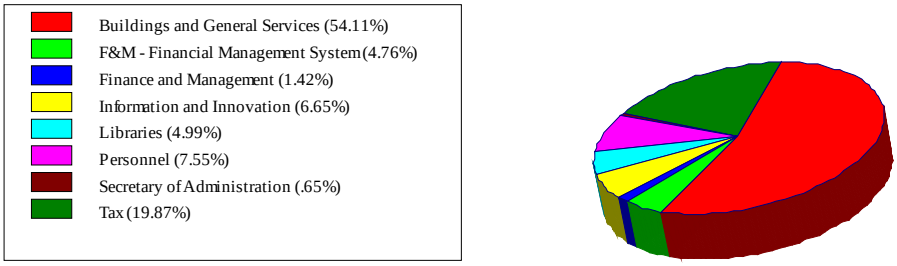
Libraries' mission is to fosters and co-ordinate resource sharing and access to information for the citizens of Vermont.

Personnel's mission is to provide leadership to and work in partnership with state government in order to promote managerial and work force excellence, while fostering an understanding and observance of regulatory requirements.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Agency of Administration

## AGENCY SUMMARY BY DEPARTMENT

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Secretary of Administration | 8 | 3 | 3 | 596,940 | 453,212 | 453,212 | 444,402 |
| Information and Innovation | 54 | 54 | 54 | 3,894,209 | 7,632,130 | 3,971,691 | 4,558,981 |
| Finance and Management | 11 | 11 | 11 | 881,049 | 940,443 | 976,324 | 971,988 |
| F&M - Financial Management System | 24 | 24 | 25 | 2,721,762 | 2,972,872 | 3,042,822 | 3,259,542 |
| Personnel | 16 | 62 | 49 | 4,431,917 | 5,166,996 | 5,741,523 | 5,177,225 |
| Libraries | 38 | 37 | 37 | 3,373,444 | 3,401,761 | 3,543,461 | 3,421,653 |
| Tax | 195 | 195 | 195 | 12,932,742 | 13,337,629 | 13,422,139 | 13,617,714 |
| Buildings and General Services | 399 | 415 | 426 | 33,925,624 | 36,643,098 | 35,908,173 | 37,087,843 |
| TOTAL | 745 | 801 | 800 | 62,757,687 | 70,548,141 | 67,059,345 | 68,539,348 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 21,003,464 | 21,188,607 | 21,898,035 | 21,849,166 |
| Transportation Fund | | | | 5,679,505 | 5,979,747 | 5,901,950 | 5,542,679 |
| Special Fund | | | | 887,310 | 1,232,913 | 1,261,913 | 1,170,116 |
| Federal Revenue Fund | | | | 948,554 | 746,771 | 751,081 | 752,672 |
| Enterprise Fund | | | | 116,427 | 166,023 | 120,246 | 130,779 |
| Internal Service Fund | | | | 32,123,605 | 38,795,333 | 34,730,456 | 36,800,545 |
| Interdepartmental Transfer | | | | 1,998,822 | 2,438,897 | 2,395,664 | 2,293,391 |
| TOTAL | | | | 62,757,687 | 70,548,291 | 67,059,345 | 68,539,348 |



**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Secretary of Administration**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Secretary's Office | 8 | 3 | 3 | 596,940 | 453,212 | 453,212 | 444,402 |
| TOTAL | 8 | 3 | 3 | 596,940 | 453,212 | 453,212 | 444,402 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 358,875 | 371,337 | 371,337 | 381,798 |
| Transportation Fund | | | | 56,182 | 61,875 | 61,875 | 49,704 |
| Interdepartmental Transfer | | | | 181,883 | 20,000 | 20,000 | 12,900 |
| TOTAL | | | | 596,940 | 453,212 | 453,212 | 444,402 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Secretary's Office**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 565,299 | 392,310 | 392,310 | 385,524 |
| Operating Expenses | 31,641 | 60,902 | 60,902 | 58,878 |
| TOTAL | 596,940 | 453,212 | 453,212 | 444,402 |
| FUND TYPE | | | | |
| General Fund | 358,875 | 371,337 | 371,337 | 381,798 |
| Transportation Fund | 56,182 | 61,875 | 61,875 | 49,704 |
| Interdepartmental Transfer | 181,883 | 20,000 | 20,000 | 12,900 |
| TOTAL | 596,940 | 453,212 | 453,212 | 444,402 |

## Department Mission Statement

The mission of the Department of Information and Innovation is to work with departments/agencies to provide integrated communication and information technology services to the people of Vermont through a cost effective environment in which information is shared for the benefit of government and the public.

The department has 54 employees who perform various tasks, as outlined below:

Operations Call Center
Primary point of contact for issue management, resolution, web development/management, training, and documentation.

Data Center Operations
OS/390 Mainframe computer operations, and print operations supporting all departments and agencies.

Infrastructure Security
Firewall, Remote Access Server (RAS), Virtual Private Network (VPN), Wide Area Network/Local Area Network/Metropolitan Area Network (WAN/LAN/MAN), mainframe security policy implementation, monitoring and management, and documentation.

Applications Programming
OS/390 operating system, VM, LINUX, CICS communication protocol management, application programming development and support, and documentation.

Network Engineering
Wide Area Network/Local Area Network/Metropolitan Area Network (WAN/LAN/MAN) connectivity, K-12 Network, internal wireless and radio frequency (RF) technology deployment/support, and documentation.

Project Management Office
Work closely with departments to effectively perform business analysis, create and maintain standardized project plans, develop tracking and reporting tools, RFI/RFP generation, 3rd party IT vendor management over project lifecycle, and project documentation.

Desktop/Server Engineering
Acquisition of desktop/server hardware and associated operating system and business software, E-Mail deployment, issue remediation, anti-virus management, Storage Area Network (SAN) deployment and support, and documentation.

Key initiatives that the Department of Information and Innovation will implement industry best practices to enable the State of Vermont to realize significant benefits accruing to the deployment of the mission-critical items listed in this document.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Information and Innovation**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| GOVnet | 0 | 0 | 0 | 0 | 1,755,432 | 0 | 0 |
| Comm & Info Technology * | 54 | 54 | 54 | 3,894,209 | 5,876,698 | 3,971,691 | 4,558,981 |
| TOTAL | 54 | 54 | 54 | 3,894,209 | 7,632,130 | 3,971,691 | 4,558,981 |
| FUND TYPE | | | | | | | |
| Internal Service Fund | | | | 3,894,209 | 7,519,629 | 3,971,691 | 4,558,981 |
| Interdepartmental Transfer | | | | 0 | 112,501 | 0 | 0 |
| TOTAL | | | | 3,894,209 | 7,632,130 | 3,971,691 | 4,558,981 |

* Prior to the creation of DII in FY2004, this appropriation was split between the Chief Information Officer, CIT, GOVNET, and E-Rate Recovery. The separate appropriations are combined in this chart for comparative purposes.

Note: When comparing the FY04 DII appropriation to the estimated expenditure, there is a discrepancy of $3.66 million. The reason for this is that in the FY04 budget submission for the department, some of the costs that would normally be paid for through service payments to the department were included in the appropriated amount. In reality, the appropriation to the department should only reflect the portion of the budget that covers overhead costs. Thus, in the FY05 agency request, as well as in the FY03 actuals and FY04 estimated expenditures, the total amount is reflective of only the overhead costs of the department.

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 0 | 559,672 | 0 | 0 |
| Operating Expenses | 0 | 1,195,760 | 0 | 0 |
| TOTAL | 0 | 1,755,432 | 0 | 0 |
| FUND TYPE | | | | |
| Internal Service Fund | 0 | 1,755,432 | 0 | 0 |
| TOTAL | 0 | 1,755,432 | 0 | 0 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Comm & Info Technology**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 2,867,591 | 3,395,239 | 3,359,089 | 3,747,066 |
| Operating Expenses | 1,026,618 | 2,481,459 | 612,602 | 811,915 |
| TOTAL | 3,894,209 | 5,876,698 | 3,971,691 | 4,558,981 |
| FUND TYPE | | | | |
| Internal Service Fund | 3,894,209 | 5,764,197 | 3,971,691 | 4,558,981 |
| Interdepartmental Transfer | 0 | 112,501 | 0 | 0 |
| TOTAL | 3,894,209 | 5,876,698 | 3,971,691 | 4,558,981 |

## Department Mission Statement

To promote, monitor, and report upon the fiscal condition and fiscal integrity of Vermont state government; to make related management recommendations to the Secretary of Administration and the Governor; and to develop and advocate for fiscally responsible budgets as well as to administer and maintain those budgets once approved by the General Assembly.

## Description of Appropriations, Divisions, & Programs

The department consists of two divisions - Budget and Management and Financial Operations. Budget and Management assists in the development of the Governor's recommended budget, monitors and defends the passage of the budget through the legislature, and manages the adopted budget throughout the fiscal year. Financial Operations maintains and operates the state's centralized accounting system, provides related controls and services for managers and employees of state government, and generates reliable financial information that is in accord with Generally Accepted Accounting Principles (GAAP).

Budget and Management
The Budget and Management Division is responsible for maintaining the State's sound fiscal condition and maintains a liaison relationship with all departments in state government to assure proper application of spending and compliance with the various appropriations bills and other key statutes. The Division is also responsible for revenue projecting and reporting. In meeting its responsibilities, the Division works to limit spending growth to sustainable levels and to maintain budget stabilization reserves of at least 5% of total prior year appropriations in the General Fund, Transportation Fund, and Education Fund. The Division seeks to limit reliance on supplemental appropriations through the Budget Adjustment Act and works with the Department of Buildings and General Services to ensure that the Governor's capital bill recommendations comply with the recommendations of the Debt Affordability Committee. An important role of the Division is to assure compliance with Bulletin 3.5, the contracting review and approval process.

Financial Operations
With the implementation of VISION (Vermont Integrated Solution for Information and Organizational Needs), Financial Operations has evolved from a reactionary, process oriented division to one that is more proactive and provides much greater oversight than it has in years past. With the implementation of VISION, state government has eliminated several other accounting systems previously required for special accounting purposes. Statute requires that all state disbursements by the Treasurer be approved first by the Commissioner of Finance and Management and warrants then provided to the Treasurer. Financial Operations is responsible for processing and monitoring warrants.

The Financial Operations Division consists of two distinct areas, the Financial Services Section and the Technical Services Section. The Financial Services Section performs two primary roles, accounting and auditing. Accounting responsibilities include establishing and monitoring appropriations, as approved by the legislature. Additionally, Financial Services is the primary resource for departments on proper accounting procedures. Audit responsibilities include assuring that departments are functioning within the framework of all policies and procedures set forth by the Department of Finance and Management and the Agency of Administration and to assure that departments are maximizing the information opportunities and the best practices available within VISION. In addition to accounting and auditing, Financial Services publishes the state's Comprehensive Annual Financial Report (CAFR) and works closely with the State Treasurer in projecting and monitoring the cash flow of state government.

The Technical Services Section performs two primary roles, technical support and functional support. Technical support responsibilities include support for all the modules within VISION, support of interfaces to and from VISION, technical report writing, database administration, and hardware support. Functional support responsibilities include providing on-going training to end users in the departments, providing support services for problems and issues called in to the central helpdesk. Other responsibilities include seeking, researching, and developing system enhancements that will continue to improve the functionality and best practices of the VISION system.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Budget and Management | 11 | 11 | 11 | 856,001 | 940,443 | 976,324 | 971,988 |
| Governor's Transition | 0 | 0 | 0 | 25,048 | 0 | 0 | 0 |
| TOTAL | 11 | 11 | 11 | 881,049 | 940,443 | 976,324 | 971,988 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 655,080 | 701,756 | 737,487 | 772,314 |
| Transportation Fund | | | | 135,727 | 137,467 | 137,467 | 110,428 |
| Interdepartmental Transfer | | | | 90,242 | 101,370 | 101,370 | 89,246 |
| TOTAL | | | | 881,049 | 940,593 | 976,324 | 971,988 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 762,625 | 832,540 | 858,020 | 870,222 |
| Operating Expenses | 93,376 | 107,903 | 118,304 | 101,766 |
| TOTAL | 856,001 | 940,443 | 976,324 | 971,988 |
| FUND TYPE | | | | |
| General Fund | 630,032 | 701,756 | 737,487 | 772,314 |
| Transportation Fund | 135,727 | 137,467 | 137,467 | 110,428 |
| Interdepartmental Transfer | 90,242 | 101,370 | 101,370 | 89,246 |
| TOTAL | 856,001 | 940,593 | 976,324 | 971,988 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Governor's Transition**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 19,600 | 0 | 0 | 0 |
| Operating Expenses | 5,448 | 0 | 0 | 0 |
| TOTAL | 25,048 | 0 | 0 | 0 |
| FUND TYPE | | | | |
| General Fund | 25,048 | 0 | 0 | 0 |
| TOTAL | 25,048 | 0 | 0 | 0 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**F&M - Financial Management System**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Financial Operations | 24 | 24 | 25 | 2,721,762 | 2,972,872 | 3,042,822 | 3,259,542 |
| TOTAL | 24 | 24 | 25 | 2,721,762 | 2,972,872 | 3,042,822 | 3,259,542 |
| FUND TYPE | | | | | | | |
| Internal Service Fund | | | | 2,721,762 | 2,802,422 | 2,872,372 | 3,259,542 |
| Interdepartmental Transfer | | | | 0 | 170,450 | 170,450 | 0 |
| TOTAL | | | | 2,721,762 | 2,972,872 | 3,042,822 | 3,259,542 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,921,134 | 1,918,453 | 1,988,403 | 2,078,673 |
| Operating Expenses | 800,628 | 1,054,419 | 1,054,419 | 1,180,869 |
| TOTAL | 2,721,762 | 2,972,872 | 3,042,822 | 3,259,542 |
| FUND TYPE | | | | |
| Internal Service Fund | 2,721,762 | 2,802,422 | 2,872,372 | 3,259,542 |
| Interdepartmental Transfer | 0 | 170,450 | 170,450 | 0 |
| TOTAL | 2,721,762 | 2,972,872 | 3,042,822 | 3,259,542 |

## Department Mission Statement

The Department of Personnel provides leadership to and works in partnership with other departments within state government to promote managerial and workforce excellence while fostering an understanding and observance of regulatory requirements.

## Description of Appropriations, Divisions, & Programs

The Department of Personnel's goal is to support state government as it attracts, retains and rewards a talented and diverse workforce with the skills necessary for Agencies and Departments to meet their organization's objectives in an efficient and cost effective manner. The department adds value to state government by providing a variety of human resource management tools; executing strategy; building management infrastructure; promoting employee development; and managing transition and change. We consult and work in partnership with management, our primary customers, to solve people-related business issues. Further, we develop programs and policies to build the capabilities of our employees, enabling them to perform their current jobs and prepare for the future challenges that may face state government. To accomplish these goals, there are three roles for which the Department must assume a leadership position:

· Strategic Partner: Align HR strategies and practices with business strategies and the delivery of services to the citizens of Vermont.

· Organization Consultant: Support state government as it builds capacity for change. Identify new skills and behaviors that will support the accomplishment of each organization's mission and goals, and develop a workforce prepared to meet future challenges effectively.

· Administrative Expert: Design and deliver HR processes and key information to support the management of state government.

During FY 2004 the Department continued its transition from providing operational support to positioning itself to assume the role of strategic partner and organizational consultant. We have shifted our focus to provide leadership in the following areas which, we believe, will have the greatest organizational effectiveness.

· Formalizing the relationship between the Department of Personnel and personnel officers throughout state government;

· Identifying, modeling, implementing best practices;

· Promoting a talented and diverse workforce through workforce planning and development and a sustained commitment to Equal Employment Opportunity and Affirmative Action;

· Providing human resource management information enabling departments and agencies to make sound business decisions;

· Setting policies that guide agencies and departments in carrying out the work of Vermont State government and supports the accomplishment of their mission;

· Administering bargained agreements between the State of Vermont and the VSEA while ensuring compliance with DOP policies and procedures and all federal and state employment rules and regulations.

To accomplish this work, state government must be viewed as one organization. Personnel has identified a common mission, defined unique agency/department goals in support of that mission, and created specific strategies to ensure successful accomplishment of the mission. Through this, the Department of Personnel must understand areas of common interest, respectfully address conflict and assume accountability for results. Departmental leadership has brought groups together to find ways to support one another and improve the efficient delivery of services through collaboration, mutual problem solving and avoiding duplication of effort. To this end, the Department of Personnel has reorganized its functions into four groups, each having the following accountabilities.

HR Policy & Resource Management Group includes Legislative Relations, Legal Services, Policy Development & Resource Management, Labor Relations/Collective Bargaining, Workforce Equity & Diversity and Communications & Management Support.

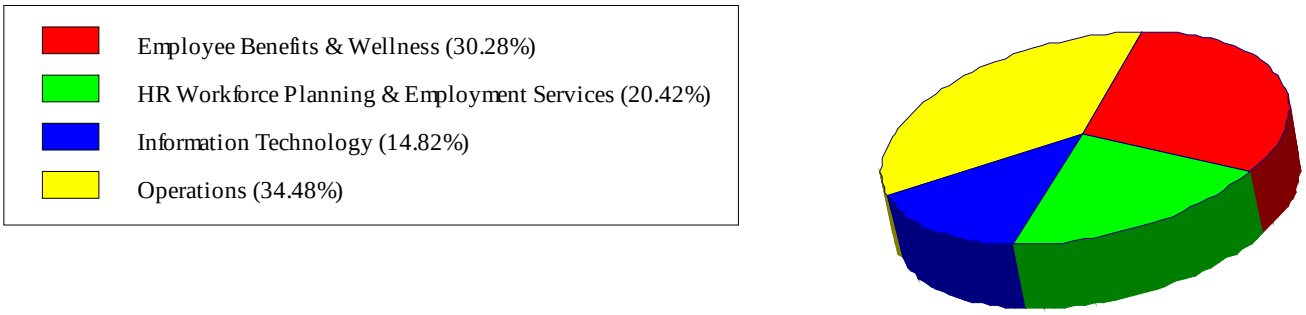
HR Systems & Information Management Group includes Payroll & Records Management, Fiscal and Information Management, and Information Technology.

HR Compensation & Benefits Group includes Compensation Management, Classification Management and Employee Benefits & Wellness Management.

HR Workforce Planning & Employment Services Group includes Workforce Development, Organizational Development, Workforce Planning & Project Management and Employment Services.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Operations | 27 | 27 | 35 | 2,267,877 | 1,771,187 | 2,204,043 | 1,785,250 |
| HR Workforce Planning & Employee | 14 | 14 | 0 | 402,730 | 1,010,064 | 1,049,476 | 1,057,211 |
| Benefits & Wellness | 16 | 16 | 14 | 1,179,332 | 1,719,441 | 1,764,942 | 1,567,601 |
| Information Technology | 5 | 5 | 0 | 581,978 | 666,304 | 723,062 | 767,163 |
| TOTAL | 62 | 62 | 49 | 4,431,917 | 5,166,996 | 5,741,523 | 5,177,225 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 1,806,966 | 1,604,503 | 1,937,698 | 1,747,729 |
| Transportation Fund | | | | 656,446 | 676,116 | 749,921 | 543,132 |
| Special Fund | | | | 62,948 | 223,000 | 223,000 | 223,000 |
| Internal Service Fund | | | | 1,761,310 | 2,385,745 | 2,488,004 | 2,334,764 |
| Interdepartmental Transfer | | | | 144,247 | 277,632 | 342,900 | 328,600 |
| TOTAL | | | | 4,431,917 | 5,166,996 | 5,741,523 | 5,177,225 |



## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,898,734 | 1,453,767 | 1,909,723 | 1,489,050 |
| Operating Expenses | 369,143 | 317,420 | 294,320 | 296,200 |
| TOTAL | 2,267,877 | 1,771,187 | 2,204,043 | 1,785,250 |
| FUND TYPE | | | | |
| General Fund | 1,521,613 | 1,044,452 | 1,362,436 | 1,113,729 |
| Transportation Fund | 554,130 | 449,103 | 498,707 | 342,921 |
| Special Fund | 47,887 | 0 | 0 | 0 |
| Interdepartmental Transfer | 144,247 | 277,632 | 342,900 | 328,600 |
| TOTAL | 2,267,877 | 1,771,187 | 2,204,043 | 1,785,250 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**HR Workforce Planning & Employment Services**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 348,125 | 721,354 | 753,141 | 754,361 |
| Operating Expenses | 54,605 | 288,710 | 296,335 | 302,850 |
| TOTAL | 402,730 | 1,010,064 | 1,049,476 | 1,057,211 |
| FUND TYPE | | | | |
| General Fund | 285,353 | 560,051 | 575,262 | 634,000 |
| Transportation Fund | 102,316 | 227,013 | 251,214 | 200,211 |
| Special Fund | 15,061 | 223,000 | 223,000 | 223,000 |
| TOTAL | 402,730 | 1,010,064 | 1,049,476 | 1,057,211 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Employee Benefits & Wellness**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 979,590 | 1,443,061 | 1,520,192 | 1,329,731 |
| Operating Expenses | 199,742 | 276,380 | 244,750 | 237,870 |
| TOTAL | 1,179,332 | 1,719,441 | 1,764,942 | 1,567,601 |
| FUND TYPE | | | | |
| Internal Service Fund | 1,179,332 | 1,719,441 | 1,764,942 | 1,567,601 |
| TOTAL | 1,179,332 | 1,719,441 | 1,764,942 | 1,567,601 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 383,148 | 414,404 | 468,281 | 486,683 |
| Operating Expenses | 198,830 | 251,900 | 254,781 | 280,480 |
| TOTAL | 581,978 | 666,304 | 723,062 | 767,163 |
| FUND TYPE | | | | |
| Internal Service Fund | 581,978 | 666,304 | 723,062 | 767,163 |
| TOTAL | 581,978 | 666,304 | 723,062 | 767,163 |

## Department Mission Statement

The mission of the Department of Libraries (DOL) is to collect, organize, and disseminate information and library materials in a variety of formats to the three branches of State government, libraries statewide, the general public, and Vermonters with special needs; to support and strengthen local libraries; to foster new means for statewide cooperation and resource sharing among all types of libraries; and to increase public awareness of libraries and their services and to act as an advocate on their behalf.

Inherent in this mission is the Department's advocacy of the right of Vermont citizens to read and have full access to information by ensuring that libraries and their resources are readily accessible to all Vermonters regardless of their geographic location, their level of income, access to technology or disability, and, as the official depository for Vermont state documents, the preservation of the record of Vermont state government for public scrutiny. In offering our services we espouse the core concept that libraries are social and community centers, which provide equal access to quality information, designed to increase the level of "knowledge" in a community. Libraries represent social capital that makes people's lives better. They are non-secular service-oriented institutions for all age groups. They are a safe place fostering intellectual freedom and inventiveness.

## Description of Appropriations, Divisions, & Programs

**State Librarian/State Librarian's Office** - the state librarian serves as administrative head of the department and secretary to the Board of Libraries. The State Librarian's Office provides administrative support to the Board and for the Board's geographic naming activities; administers state and federal plans, and grants; receives and distributes state documents; arranges for and designates depositories of state documents.

**Statewide Library Development** - including Regional Libraries/Library Consultants, Children's Services and Continuing Education - provides a service of advice and consultation to all libraries in the state, including library staff, trustees, administrators and other local officials, in order to assist them in professional library practices and in realizing their potential; maintains a general library collection of a sufficient size and scope to reinforce and supplement the resources of local libraries. The department provides service to other libraries in the state, schools and individuals. Statewide Library Development compiles and publishes annual statistics covering all libraries in the state; conduct seminars, workshops and other programs to increase the professional competence of librarians in the state; targets library and information services to underserved rural communities, including children (from birth through age 17).

**Reference & Law Information Services** - including the Law & Documents Library, Reference and

Interlibrary Loan Services, University of Vermont Access Office and Technical Services - provides and maintains a law library to serve the Supreme Court, the Attorney General, other members of the judiciary, the legal profession, members of the legislature, officials of state government and the general public; maintains a collection of state documents and acts as a federal depository library; provides reference and information services to state government, citizens and local libraries; provides centralized cataloging and other related technical services to libraries; encourages the formation of and maintains central records of library holdings; assists libraries in accessing information in all formats; encourages libraries in different areas, and of different types to share resources through interlibrary loan and other means; acts as a liaison to the libraries of the University of Vermont and maintains an office at the University to provide statewide access to the resources of its library collections.

**Special Services to the Visually and Physically Handicapped and State-Supported Institutions** - provides a service of advice and consultation to libraries in state institutions; provides and maintains reading materials for the blind and physically handicapped and selected state insitutions; targets library and information services to persons having difficulty using a library.

**Vermont Automated Libraries System (VALS) -** serves as one of the primary access points for state information, and provides advice on state information technology policy; provides and maintains computers, computer systems, networks, and related databases necessary to the operation of the Department and of the Department's services to state government, local libraries and citizens; conducts seminars, workshops and other programs to increase the professional competence of librarians in the state in the area of technology; establishes electronic linkages among or between libraries as well as electronically linking libraries with educational, social, or information services; assists libraries in accessing information through electronic networks; assists with the costs for libraries to acquire or share computer systems and telecommunications technologies. Assists libraries in cooperative acquisition of online resources and statewide database licensing.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Libraries | 38 | 37 | 37 | 3,373,444 | 3,401,761 | 3,543,461 | 3,421,653 |
| TOTAL | 38 | 37 | 37 | 3,373,444 | 3,401,761 | 3,543,461 | 3,421,653 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 2,259,669 | 2,322,745 | 2,460,135 | 2,321,498 |
| Special Fund | | | | 30,692 | 186,745 | 186,745 | 195,483 |
| Federal Revenue Fund | | | | 948,554 | 746,771 | 751,081 | 752,672 |
| Interdepartmental Transfer | | | | 134,529 | 145,500 | 145,500 | 152,000 |
| TOTAL | | | | 3,373,444 | 3,401,761 | 3,543,461 | 3,421,653 |

## Appropriation Key Budget Issues

**Law Library -** The Department of Libraries operates the only law library for the practicing bar. The library primarily serves the three branches of government as well as private attorneys, and citizens as well as, in a limited way, Vermont prisoners. Between 1998 and 2002 (the latest year for which figures are available), the cost of legal materials has risen at many times the costs of other materials (a minimum increase of 125% with a maximum in some areas of 300% over the past five years). The average increase is 172%.

**Federal funding -** the focus of the Library Services and Technology Act (LSTA) is promotion of new technologies, electronic linkages and networking for library and information services and interlibrary cooperation. Federal funding for libraries administered by the fifty state library agencies (including DOL) is calculated on a population-based formula and this department receives the 2nd smallest federal library grant award in the nation ($620,000).

With increased federal funds used in place of state general funds to cover the costs of the department's day-to-day operations, federal funding available for sub-grants to local libraries (as outlined in DOL's approved federal five-year plan) which was $85,000 in each fiscal year between FY2001-FY2003, has been reduced nearly 60% to $35,000 in FY2004 and FY2005. Federally funded sub-grants to local libraries are of added importance in Vermont, because it is one of about 6 states that do not offer state-funded sub-grants/state-aid to local libraries.

**Special funding -** The Department is the beneficiary of a private bequest from the Trust of Elva S. Smith to "aid in the development and maintenance of library service to the children of Vermont." The income - between $20,000 to $30,000 annually - has been used to purchase children's books for regional libraries, for the statewide summer reading program and for grants for childrens' services to local libraries. In FY2002 and FY2003, Libraries also received a total additional $90,000 as a distribution from principal. In FY2004 and FY2005, 50% (about $45,000 annually) of the salaries of our Children's Services Consultant and her assistant are being paid from the bequest's distribution from principal. The salaries were formerly partly federal and general funded. Since the distribution is one-time, these funds will not be available in FY2006.

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,679,765 | 1,835,727 | 1,844,227 | 1,908,066 |
| Operating Expenses | 1,449,404 | 1,521,034 | 1,654,234 | 1,468,587 |
| Grants | 244,275 | 45,000 | 45,000 | 45,000 |
| TOTAL | 3,373,444 | 3,401,761 | 3,543,461 | 3,421,653 |
| FUND TYPE | | | | |
| General Fund | 2,259,669 | 2,322,745 | 2,460,135 | 2,321,498 |
| Special Fund | 30,692 | 186,745 | 186,745 | 195,483 |
| Federal Revenue Fund | 948,554 | 746,771 | 751,081 | 752,672 |
| Interdepartmental Transfer | 134,529 | 145,500 | 145,500 | 152,000 |
| TOTAL | 3,373,444 | 3,401,761 | 3,543,461 | 3,421,653 |

## Department Mission Statement

The mission of the Department of Taxes is to collect the proper amount of tax revenue in a timely and efficient manner to pay for the goods and services people receive from State government; to administer Act 68 programs through the most efficient means possible; to serve local governments by striving to improve local property tax assessment practices; and to assist and service taxpayers, legislators and all others by all means possible.

## Description of Appropriations, Divisions, & Programs

### Administration

This Division includes all the people responsible for overall Department leadership, policy-making, and budget/personnel management. It includes the Commissioner, Deputy Commissioner, General Counsel, Policy Analysts, Taxpayer Advocate, Business Manager and their immediate staffs. This section has overall management control of the entire Department. The Administrative Division responds to all tax policy inquiries from the Governor and Legislature, issues rulings and technical bulletins to implement tax legislation, conducts tax appeal hearings and represents the Department in any civil or criminal litigation. The Division also provides budget preparation and fiscal management services, personnel administration and payroll processing, procurement of all goods and services (including contract administration) and inventory control for all office supplies, furniture, equipment and tax forms.

Administration also encompasses all mailroom/stockroom operations, including processing all out-going mail, preparation and distribution of tax forms, refund checks, delinquency notices/bills and any special mailings to taxpayers. It also includes coordinating all aspects of the "substitute forms program", which has significantly increased now that a majority of our returns and tax remittance processing is performed with imaging/scanning equipment.

### Compliance

Compliance is the enforcement division of the Department of Taxes. In addition to standard audit selection and collection activity, our goal for the next two years is to implement technology-based compliance initiatives to enhance revenue collections and encourage voluntary compliance with tax statutes.

FY2003 ended with an accounts receivable balance of $71 million dollars. During that fiscal year, approximately $40 million dollars in delinquent taxes were collected. To supplement in-house collection activities, the department also places delinquent accounts with private collection agencies, as authorized by 16 VSA §3109.

In addition to tax collection, Compliance administers the tax refund offset program for 17 State and Federal agencies; such as Child Support, Defender General, VSAC and the Internal Revenue Service. We send more than $2 million each year to participating agencies as a result of the offset program.

Information Systems

Information Systems manages automated information processing for the Department of Taxes. It supports all employees, over 500,000 taxpayers and all Vermont municipalities. Information Systems' goal is to provide automated solutions that enable employees to quickly, effectively and correctly meet the needs of all Vermont taxpayers and municipalities.

During 2003, Information Systems successfully prepared the integrated tax system (VIRCS) to handle the legislatively mandated income tax changes for the 2004 income tax filing season. This change included a major technical upgrade to the underlying system architecture, both hardware and software. The division also prepared for major changes to support the implementation of Act 68. These included the development of a new paper form to handle homestead declarations (HS-131); a new on-line system to handle homestead declarations in conjunction with the State's web-site vendor; and a new electronic grand list database to support the requirement for a "split grand list " called for in Act 68.

Another web-based application to allow for on-line credit card payment of certain tax liabilities was developed with the State's web-site vendor and will be made available in early 2004.

Property Valuation and Review

The Property Valuation and Review (PVR) provides administrative support for Vermont's property tax system, staff support for the development of real estate property tax policies and administration of several property tax related programs. All major functions assigned to the Division involve taxes and programs that are primarily administered by municipal governments; hence PVR works extensively with local governments in performance of its duties.

Specific programs and functions include the following major property tax programs: 1) Education Grand List Equalization Study (EEGL); 2) Use Value Appraisal Program (Current Use); 3) Computer Assisted Property Tax Administration Program (CAPTAP II); 4) Vermont Mapping Program (VMP); 5) Real Estate-based Taxes (Real Estate Withholding, Property Transfer & Lands Gains); 6) Real Property Valuation Appeals; 7) State-funded payment in lieu of taxes programs to municipal governments (PILOT); and 8) On-going Educational Programs for Municipal Listers and Appraisers. In addition, the Division frequently performs other functions, such as providing staff support for Executive and Legislative studies and commissions and appraisal of State-owned buildings and land.

Revenue Accounting & Returns Processing

The RAARP is responsible for all revenue accounting and returns processing needs of the Department.

Those duties include: receipt, opening, extraction and routing of all incoming mail; tax return validation and control for data entry or document preparation for scanning/imaging; data capture of all documents via traditional keyboard entry or scanning/imaging technology; daily bank deposits and related cash management functions including electronic funds transfers and credit card payments; bank account/general ledger reconciliations and finally; preparing GAAP/GASB 34 reports, as needed.

Taxpayer Services

The Taxpayer Services Division administers 26 taxes, 7 licensing programs and 2 property tax benefit programs. We are now in the third year of fully implementing the Vermont Integrated Revenue Collection System (VIRCS) for individual income and business trust taxes and we continue to revise our procedures and processing methods to realize efficiencies from the new system. With VIRCS as its basic tool, the Division provides on-going taxpayer assistance, distributes educational materials encouraging voluntary compliance with Vermont tax laws, and examines tax returns and documents for accuracy and completeness. The Division also distributes applications for the Lifeline and V-Script programs and processes these applications to verify income.

The Division conducts, or participates, in many workshops and seminars for taxpayers, tax preparers, and volunteer groups. These workshops and seminars are often presented jointly with the Internal Revenue Service, the University of Vermont, Champlain College and the University of New Hampshire. For example, in conjunction with Champlain College, the staff trains volunteers who help citizens complete income tax returns. This program is called the Vermont Income Tax Assistance and Tax Counseling for the Elderly (VITA/TCE).

The Division staff responds to taxpayer questions, assists in completing tax forms and helps resolve taxpayer problems, with special emphasis this year on the Declaration of Vermont Homestead (HS-131). Taxpayers receive assistance by telephone, letter, fax, e-mail and walk-in visits. We annually respond to approximately 150,000 calls to our telephone "call center" or to our automated telephone system where taxpayers can automatically check their refund status and/or determine the amount of their school property tax assistance payment on a 24/7 basis. Taxpayers can also use the 24/7 services to access their estimated income tax payment amount and the status of their Declaration of Vermont Homestead. In October 2003, we expanded our telephone call center to serve all business taxpayers. In addition to the expanded call center, we also provide on-site tax registration and assistance for businesses via tax seminars, outreach programs and special events such as county fairs and craft shows.

The Division is continuing to expand its on-line presence for individual and business taxpayers. For example, we offer an electronic funds transfer program (EFT), free-of-charge, to all employers to pay their withholding taxes. We also offer individual income taxpayers the "Fed/State" efile program through hundreds of registered tax preparers. Approximately 65,000 individual income taxpayers filed via Fed/State in 2003. In January 2004, we will be offering a on-line tax payment program to all taxpayers using most major credit cards and finally, in the Summer, 2004,we plan to launch an Efile program for all business "trust" taxpayers.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Administration / Collection | 195 | 195 | 195 | 12,932,742 | 13,337,629 | 13,422,139 | 13,617,714 |
| TOTAL | 195 | 195 | 195 | 12,932,742 | 13,337,629 | 13,422,139 | 13,617,714 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 12,014,481 | 12,252,309 | 12,303,819 | 12,651,812 |
| Transportation Fund | | | | 263,785 | 263,785 | 263,785 | 211,902 |
| Special Fund | | | | 487,476 | 645,535 | 674,535 | 574,000 |
| Interdepartmental Transfer | | | | 167,000 | 176,000 | 180,000 | 180,000 |
| TOTAL | | | | 12,932,742 | 13,337,629 | 13,422,139 | 13,617,714 |

## Appropriation Key Budget Issues

Department of Taxes

Administration/Collection Appropriation Summary:

The Administration/Collection appropriation for FY2005 supports all six (6) of the department's operating divisions: Administration, Compliance, Information Systems, Property Valuation & Review, Revenue Accounting & Returns Processing and Taxpayer Services. Displayed below is a summary of the department's FY2005 budget request:

| | |
|---|---|
| Tax - administration/collection | |
| Personal Services | $11,058,247 |
| Operating Expenses | 2,559,467 |
| Total | $13,617,714 |
| | |
| Source of Funds | |
| General fund | $12,651,812 |
| Transportation fund | 211,902 |
| Special funds | 516,000 |
| Tobacco fund | 58,000 |
| Interdepartmental transfer | 180,000 |
| Total | $13,617,714 |

This budget supports 184 full-time classified and 11 full-time exempt employees; plus 52 tax season temporaries, who administer 33 general fund and special fund taxes, licenses and fees. The work program for FY2005 includes: taxpayer education and assistance; tax examination and problem resolution; conducting office and field audits; accounts receivable collection; criminal investigations; and finally, processing and depositing all tax returns, bills and payments to the correct taxpayer and tax receipt accounts. It also includes implementation of the "split grand list" provisions of Act 68 for the first time, as well as administering the on-going property tax adjustment and homeowner/renter rebate programs. In addition, it includes staff support to the State's administrative and legislative leadership in all areas of tax policy analysis and development. Finally, it provides staff support to administer the state-wide education property tax (EEGL); conduct the annual aggregate fair market value study (AFMV), administer the use value appraisal and payment-in-lieu-of taxes programs (Current Use & PILOT); provide on-going assistance to municipal governments with property tax administration and property tax mapping (CAPTAP II & VMP), assist with the Telephone Lifeline and Pharmaceutical Assistance programs and process refund offsets for 17 State and Federal agencies.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Administration / Collection**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 10,411,522 | 10,859,258 | 10,910,768 | 11,058,247 |
| Operating Expenses | 2,521,220 | 2,478,371 | 2,511,371 | 2,559,467 |
| TOTAL | 12,932,742 | 13,337,629 | 13,422,139 | 13,617,714 |
| FUND TYPE | | | | |
| General Fund | 12,014,481 | 12,252,309 | 12,303,819 | 12,651,812 |
| Transportation Fund | 263,785 | 263,785 | 263,785 | 211,902 |
| Special Fund | 487,476 | 645,535 | 674,535 | 574,000 |
| Interdepartmental Transfer | 167,000 | 176,000 | 180,000 | 180,000 |
| TOTAL | 12,932,742 | 13,337,629 | 13,422,139 | 13,617,714 |

## Department Mission Statement

The Department of Buildings and General Services (BGS) strives to work together to deliver quality support services and facilities management to all of State Government enabling all component entities to fulfill their missions in the most cost efficient manner possible.

This mission statement is intended to reflect BGS' desire to provide quality goods and services to its' customers. The best way to efficiently assist departments and our customers is through the centralization of services. It is the intent of BGS to locate space where the best service to the occupant and their clients can be achieved. This is accomplished by allocating sufficient space to the client complete with all necessities. These necessities extend beyond basic custodial and maintenance services and into functional areas including mailing, copying and printing, record storage, centralized purchasing and contracting, insurance protection, fleet management, and disposal of surplus property. In addition, the department serves Vermonters and the traveling public by providing clean and safe places to stop for respite along the State and Federal highway system.

BGS is fully committed to providing quality services while seeking customer satisfaction. To this end the Department will be using benchmarks, surveys and data collection to constantly monitor its progress.

## Description of Appropriations, Divisions, & Programs

### ADMINISTRATIVE SERVICES

The mission of the Administrative Services Division is to deliver timely, accurate and useful information and services to all of BGS in the areas of accounting, budgeting, auditing, management, and personnel services allowing each program to achieve their objectives and fulfill their goals.

The goals and outcomes of Administrative Services are: a) to produce timely and accurate financial statements for all programs as established by the legislature; b) to deal with all personnel issues in a timely and accurate manner as established by the State and the Vermont State Employees Association, Inc. Contract; and c) to provide all of BGS the support that they need to better serve their customers.

### PROPERTY MANAGEMENT - FEE FOR SPACE

(Maintenance and Custodial Services)

The mission of the Property Management division, Fee for Space program, is to provide a safe, economical, productive working environment in which State employees/residents of State Facilities can accomplish their missions. This program deals with the areas of housekeeping, security, grounds, heat/electricity, snow removal, pest control and maintenance, and space allocation.

The goal is customer satisfaction through less down time for maintenance repairs, attractive buildings/grounds, and maintenance of all code requirements.

**PROPERTY MANAGEMENT - LEASE/PURCHASES**

Property Management's mission is to provide State agencies with safe, comfortable and efficient office space through leases, purchases and sales, inventory, and space planning, assignments and move requests. The goal of this program is to efficiently plan, provide and manage State-owned and leased office and specialty space to minimize the impact on the State's budget; to facilitate changes to existing space in a timely manner to enable occupants to adapt to changes in programs; and to maintain an inventory of space to facilitate proposed back charging of space to users.

**ENGINEERING**

The role of the Engineering program is to plan and develop accessible office complexes, buildings and spaces that are safe, efficient, environmentally friendly, aesthetically attractive and professionally appropriate for conducting the business of the State of Vermont.

Engineers manage the execution of the annual Capital Construction Act by designing and planning for new and renovated space completing all work in a cost-effective and timely manner. All spaces shall be attractive, environmentally friendly, safe, and professionally appropriate to their use.

**POSTAL CENTER**

The mission of the Postal Center is to provide state and local government entities with economical and convenient access to postal and courier services within the state governmental structure. The task includes providing the Montpelier and Waterbury complexes with mail and parcel screening and delivery tracking to promote a safe work environment. Some goals are to further automate mail processing through the investment of technology, provide rate savings, reduce labor costs, increase speed and accuracy of sorts & delivers, and to avoid potential staff exposure to explosives or other dangerous items typically routed through mail and delivery systems.

**SUPPLY CENTER -FLEET MANAGEMENT**

Supply Center's mission is being refocused in FY 2005 to provide state government entities with economical and convenient access to state-owned vehicles while centralizing control and maintenance of valuable state assets. By providing state-owned vehicles for use by a larger number of state employees currently using personal means of transportation to conduct state business, the Fleet Management program has the goal of providing a cost savings to Vermont taxpayers. By centralizing maintenance and control of state-owned vehicles, investments in these assets will be preserved.

**COPY CENTER**

The mission of the Copy Center is to provide state and local government entities with economical and convenient access to printing, finishing and walk-up copier services. Technological advances have increased just-in-time printing of forms and documents by increasing access and use of electronic

transfer of masters. Continuously updated technology helps meet current and future needs such as three and four color printing.

## PURCHASING AND CONTRACT ADMINISTRATION

BGS Purchasing and Contract Administration Division has two primary functions. One is to manage the purchase of material, equipment, supplies, and printing for all state agencies. Such purchases are done through "spot" Request for Quotations or by establishing contracts to handle those types of items that are frequently purchased. With vendor approval, contracts are made available to the State's political subdivisions such as cities, towns and schools.

The second function of the division is Contract Administration, which is responsible for bidding and contracting for planning, design, construction, renovation, repair, maintenance, and various services for the facilities that are managed by BGS and used by the residents, visitors, and employees of the State of Vermont.

## PUBLIC RECORDS

The Public Records program provides the state and local government entities with economical and efficient records management services (preservation, storage, access, and disposition). The extensive use of technology allows the program to further automate processing and substantially expand accessibility and speed of retrieval of information.

## STATE AND FEDERAL SURPLUS PROPERTY

State and Federal Surplus Property provide state and local government entities with economical and convenient vending services for acquiring and disposing of surplus government property. The programs attempt to increase the reuse of equipment and to conserve the acquisition and disposal costs associated with dealing with surplus property.

## RISK MANAGEMENT - INSURANCE SERVICES

The Risk Management Division (RMD) seeks to protect the State's assets - human, physical and financial. Workers Compensation (self-insurance), Auto & General Liability (self-insurance), All Other Insurance (commercially purchased coverage), Loss Prevention, and Environmental Management System.

The individual programs accomplish this by; efficiently and effectively indemnifying claims, by enhancing workplace environments, by preventing workplace related illnesses and injuries, by providing optimum care when injuries or illnesses occur, and by being accountable for our actions.

The first focus of these programs is to protect our human resources, our employees. Loss Prevention works to prevent accidents through training, loss investigation, and on-site occupational safety and health surveys. Workers Compensation works to secure the best possible care for injured workers. The Liability program has the goal to treat all of the claimants in a fair and equitable fashion and everyone is treated with respect.

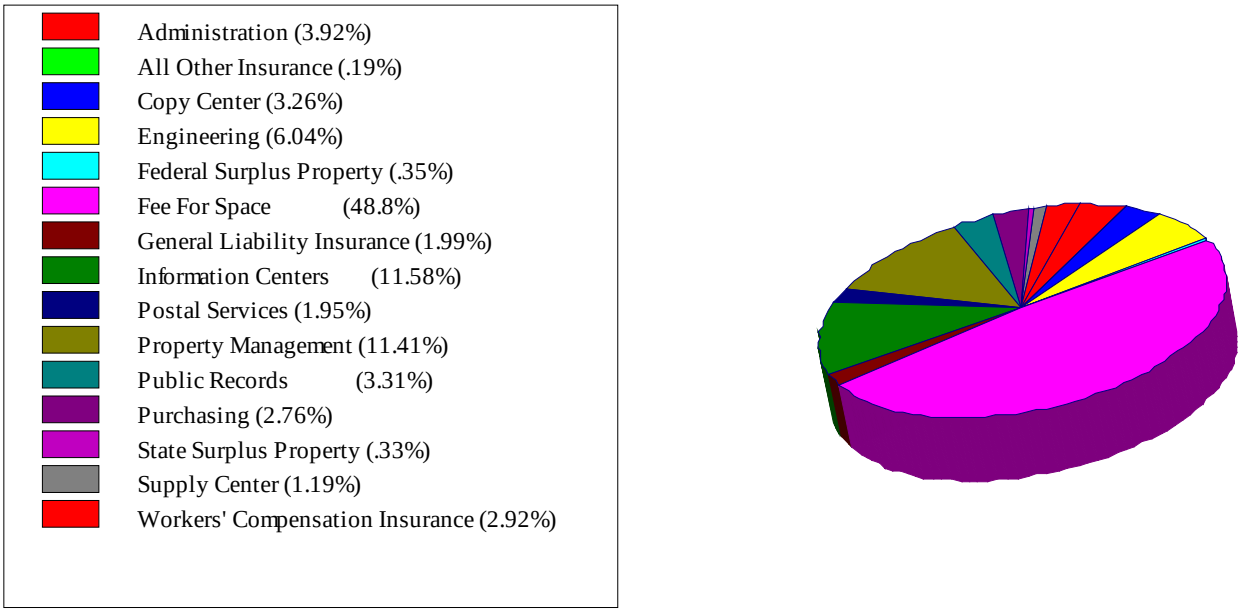
## INFORMATION CENTERS

The program mission is to promote the economy of the State of Vermont by providing hospitable, safe, and clean environments and provide useful information to the motoring public.

Core responsibilities involve marketing, promotions and customer relations in an attempt at influencing the buying practices and purchasing behaviors of the Vermont tourists.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Administration | 18 | 21 | 20 | 1,189,808 | 1,366,978 | 1,366,978 | 1,455,645 |
| Engineering | 24 | 23 | 24 | 2,135,078 | 2,044,794 | 2,044,794 | 2,240,429 |
| Information Centers | 59 | 57 | 58 | 4,118,960 | 4,366,681 | 4,366,681 | 4,296,478 |
| Purchasing | 14 | 14 | 13 | 1,030,155 | 1,045,050 | 1,045,050 | 1,024,155 |
| Public Records | 18 | 19 | 18 | 1,169,299 | 1,197,964 | 1,197,964 | 1,227,564 |
| Postal Services | 12 | 12 | 13 | 439,187 | 798,417 | 628,320 | 721,586 |
| Copy Center | 17 | 17 | 16 | 1,033,108 | 1,593,636 | 1,074,129 | 1,209,023 |
| Supply Center | 4 | 5 | 5 | 366,335 | 494,211 | 477,533 | 440,590 |
| Federal Surplus Property | 1 | 1 | 1 | 116,427 | 166,023 | 120,246 | 130,779 |
| State Surplus Property | 1 | 1 | 1 | 105,955 | 110,846 | 98,054 | 121,571 |
| Property Management | 18 | 19 | 23 | 3,224,774 | 4,232,099 | 4,054,959 | 4,232,099 |
| All Other Insurance | 0 | 0 | 0 | 61,122 | 77,546 | 72,160 | 69,645 |
| General Liability Insurance | 0 | 0 | 0 | 690,417 | 727,494 | 727,498 | 736,731 |
| Workers' Compensation Insurance | 13 | 19 | 18 | 1,508,814 | 1,186,012 | 1,398,460 | 1,083,514 |
| Fee For Space | 202 | 209 | 216 | 16,736,185 | 17,235,347 | 17,235,347 | 18,098,034 |
| TOTAL | 399 | 415 | 426 | 33,925,624 | 36,643,098 | 35,908,173 | 37,087,843 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 3,908,393 | 3,935,957 | 4,087,559 | 3,974,015 |
| Transportation Fund | | | | 4,567,365 | 4,840,504 | 4,688,902 | 4,627,513 |
| Special Fund | | | | 306,194 | 177,633 | 177,633 | 177,633 |
| Enterprise Fund | | | | 116,427 | 166,023 | 120,246 | 130,779 |
| Internal Service Fund | | | | 23,746,324 | 26,087,537 | 25,398,389 | 26,647,258 |
| Interdepartmental Transfer | | | | 1,280,921 | 1,435,444 | 1,435,444 | 1,530,645 |
| TOTAL | | | | 33,925,624 | 36,643,098 | 35,908,173 | 37,087,843 |


Administration (3.92%)
All Other Insurance (.19%)
Copy Center (3.26%)
Engineering (6.04%)
Federal Surplus Property (.35%)
Fee For Space (48.8%)
General Liability Insurance (1.99%)
Information Centers (11.58%)
Postal Services (1.95%)
Property Management (11.41%)
Public Records (3.31%)
Purchasing (2.76%)
State Surplus Property (.33%)
Supply Center (1.19%)
Workers' Compensation Insurance (2.92%)

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,055,577 | 1,259,073 | 1,208,593 | 1,327,980 |
| Operating Expenses | 134,231 | 107,905 | 158,385 | 127,665 |
| TOTAL | 1,189,808 | 1,366,978 | 1,366,978 | 1,455,645 |
| FUND TYPE | | | | |
| General Fund | 991 | 0 | 0 | 0 |
| Transportation Fund | 9 | 0 | 0 | 0 |
| Interdepartmental Transfer | 1,188,808 | 1,366,978 | 1,366,978 | 1,455,645 |
| TOTAL | 1,189,808 | 1,366,978 | 1,366,978 | 1,455,645 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Engineering**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 1,740,108 | 1,700,225 | 1,686,637 | 1,836,763 |
| Operating Expenses | 394,970 | 344,569 | 358,157 | 403,666 |
| TOTAL | 2,135,078 | 2,044,794 | 2,044,794 | 2,240,429 |
| FUND TYPE | | | | |
| General Fund | 1,710,627 | 1,702,659 | 1,702,659 | 2,013,413 |
| Transportation Fund | 332,338 | 273,669 | 273,669 | 152,016 |
| Interdepartmental Transfer | 92,113 | 68,466 | 68,466 | 75,000 |
| TOTAL | 2,135,078 | 2,044,794 | 2,044,794 | 2,240,429 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,824,005 | 2,991,677 | 2,866,587 | 2,805,473 |
| Operating Expenses | 1,088,955 | 1,090,671 | 1,167,321 | 1,141,005 |
| Grants | 206,000 | 284,333 | 332,773 | 350,000 |
| TOTAL | 4,118,960 | 4,366,681 | 4,366,681 | 4,296,478 |
| FUND TYPE | | | | |
| General Fund | 293,208 | 183,731 | 335,333 | 197,186 |
| Transportation Fund | 3,825,752 | 4,182,950 | 4,031,348 | 4,099,292 |
| TOTAL | 4,118,960 | 4,366,681 | 4,366,681 | 4,296,478 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Purchasing**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 770,682 | 752,343 | 750,836 | 764,564 |
| Operating Expenses | 259,473 | 292,707 | 294,214 | 259,591 |
| TOTAL | 1,030,155 | 1,045,050 | 1,045,050 | 1,024,155 |
| FUND TYPE | | | | |
| General Fund | 774,172 | 778,114 | 778,114 | 762,555 |
| Transportation Fund | 255,983 | 266,936 | 266,936 | 261,600 |
| TOTAL | 1,030,155 | 1,045,050 | 1,045,050 | 1,024,155 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 776,153 | 774,193 | 658,950 | 766,755 |
| Operating Expenses | 393,146 | 423,771 | 539,014 | 460,809 |
| TOTAL | 1,169,299 | 1,197,964 | 1,197,964 | 1,227,564 |
| FUND TYPE | | | | |
| General Fund | 775,113 | 930,328 | 930,328 | 961,726 |
| Transportation Fund | 87,992 | 90,003 | 90,003 | 88,205 |
| Special Fund | 306,194 | 177,633 | 177,633 | 177,633 |
| TOTAL | 1,169,299 | 1,197,964 | 1,197,964 | 1,227,564 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Postal Services**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 361,306 | 514,216 | 455,253 | 579,783 |
| Operating Expenses | 77,881 | 284,201 | 173,067 | 141,803 |
| TOTAL | 439,187 | 798,417 | 628,320 | 721,586 |
| FUND TYPE | | | | |
| General Fund | 88,282 | 39,933 | 39,933 | 39,135 |
| Transportation Fund | 65,291 | 26,946 | 26,946 | 26,400 |
| Internal Service Fund | 285,614 | 731,538 | 561,441 | 656,051 |
| TOTAL | 439,187 | 798,417 | 628,320 | 721,586 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Copy Center**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 641,018 | 720,762 | 639,861 | 751,421 |
| Operating Expenses | 392,090 | 872,874 | 434,268 | 457,602 |
| TOTAL | 1,033,108 | 1,593,636 | 1,074,129 | 1,209,023 |
| FUND TYPE | | | | |
| Internal Service Fund | 1,033,108 | 1,593,636 | 1,074,129 | 1,209,023 |
| TOTAL | 1,033,108 | 1,593,636 | 1,074,129 | 1,209,023 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Supply Center**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 271,576 | 185,994 | 231,132 | 243,949 |
| Operating Expenses | 94,759 | 308,217 | 246,401 | 196,641 |
| TOTAL | 366,335 | 494,211 | 477,533 | 440,590 |
| FUND TYPE | | | | |
| Internal Service Fund | 366,335 | 494,211 | 477,533 | 440,590 |
| TOTAL | 366,335 | 494,211 | 477,533 | 440,590 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Federal Surplus Property**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 54,225 | 54,832 | 56,829 | 60,254 |
| Operating Expenses | 62,202 | 111,191 | 63,417 | 70,525 |
| TOTAL | 116,427 | 166,023 | 120,246 | 130,779 |
| FUND TYPE | | | | |
| Enterprise Fund | 116,427 | 166,023 | 120,246 | 130,779 |
| TOTAL | 116,427 | 166,023 | 120,246 | 130,779 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**State Surplus Property**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 50,246 | 52,229 | 50,018 | 54,229 |
| Operating Expenses | 55,709 | 58,617 | 48,036 | 67,342 |
| TOTAL | 105,955 | 110,846 | 98,054 | 121,571 |
| FUND TYPE | | | | |
| Internal Service Fund | 105,955 | 110,846 | 98,054 | 121,571 |
| TOTAL | 105,955 | 110,846 | 98,054 | 121,571 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Property Management**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 516,274 | 957,553 | 816,963 | 928,056 |
| Operating Expenses | 2,708,500 | 3,274,546 | 3,237,996 | 3,304,043 |
| TOTAL | 3,224,774 | 4,232,099 | 4,054,959 | 4,232,099 |
| FUND TYPE | | | | |
| Internal Service Fund | 3,224,774 | 4,232,099 | 4,054,959 | 4,232,099 |
| TOTAL | 3,224,774 | 4,232,099 | 4,054,959 | 4,232,099 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**All Other Insurance**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 47,454 | 51,083 | 53,622 | 58,529 |
| Operating Expenses | 13,668 | 26,463 | 18,538 | 11,116 |
| TOTAL | 61,122 | 77,546 | 72,160 | 69,645 |
| FUND TYPE | | | | |
| Internal Service Fund | 61,122 | 77,546 | 72,160 | 69,645 |
| TOTAL | 61,122 | 77,546 | 72,160 | 69,645 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**General Liability Insurance**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 615,117 | 608,982 | 671,842 | 704,745 |
| Operating Expenses | 75,300 | 118,512 | 55,656 | 31,986 |
| TOTAL | 690,417 | 727,494 | 727,498 | 736,731 |
| FUND TYPE | | | | |
| Internal Service Fund | 690,417 | 727,494 | 727,498 | 736,731 |
| TOTAL | 690,417 | 727,494 | 727,498 | 736,731 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Workers' Compensation Insurance**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 1,368,781 | 1,068,200 | 1,144,782 | 950,903 |
| Operating Expenses | 140,033 | 117,812 | 253,678 | 132,611 |
| TOTAL | 1,508,814 | 1,186,012 | 1,398,460 | 1,083,514 |
| FUND TYPE | | | | |
| Internal Service Fund | 1,508,814 | 1,186,012 | 1,398,460 | 1,083,514 |
| TOTAL | 1,508,814 | 1,186,012 | 1,398,460 | 1,083,514 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Fee For Space**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 7,839,953 | 8,851,433 | 9,070,206 | 9,079,294 |
| Operating Expenses | 8,896,232 | 8,383,914 | 8,165,141 | 9,018,740 |
| TOTAL | 16,736,185 | 17,235,347 | 17,235,347 | 18,098,034 |
| FUND TYPE | | | | |
| General Fund | 266,000 | 301,192 | 301,192 | 0 |
| Internal Service Fund | 16,470,185 | 16,934,155 | 16,934,155 | 18,098,034 |
| TOTAL | 16,736,185 | 17,235,347 | 17,235,347 | 18,098,034 |

## Department Mission Statement

The Vermont Center for Geographic Information (VCGI) will pursue a comprehensive strategy for the development, maintenance and use of the Vermont Geographic Information System (GIS), and provide GIS services and support to all Vermonters.

VCGI will accomplish its mission by:

- Assuring that all VCGI data is of high quality and is compatible with, useful to, and shared with other public-sector data users.
- Encouraging the same high standards of quality and compatibility in other Vermont GIS cooperators.
- Promoting the efficient development and use of geographic information by agencies of the state, its political subdivisions, Vermont businesses and citizens.
- Facilitating the growth of commercial services within Vermont for the provision of spatial data, products, and services.

## Description of Appropriations, Divisions, & Programs

In January 1992, VCGI was established as a non-profit corporation under the authority of a Board of Directors. The Board includes twelve directors appointed for two-year terms to represent state agencies, regional planning commissions, local government, higher education, private-sector and both chambers of the Vermont General Assembly. The Board has the responsibility for general management of and authority over the property, business and affairs of the center. VCGI is located in Burlington, VT on the University of Vermont campus. It is staffed by an Executive Director, Business Manager, Outreach Coordinator, GIS Senior Project Manager, GIS Project Managers, and a GIS Technician. VCGI serves as a clearinghouse for public access to Vermont GIS data.

The Vermont Center for Geographic Information continues to focus its efforts on developing GIS data, policies and standards; implementing a web-based data clearinghouse for the electronic distribution of data; and providing outreach, networking, and information exchange for the Vermont GIS community. The following core activities performed by VCGI are defined as essential functions for the mature development of GIS technology and infrastructure in Vermont.

1. State and Regional Leadership - VCGI serves as a state and regional leader in GIS. VCGI pursues opportunities that showcase VCGI at the state, regional and national level. Making Vermont a demonstration state provides greater opportunities for funding and provides users with GIS application examples. As the GIS market in Vermont is relatively small, regional leadership provides "export business" for VCGI and its partners.

2. Private Industry Partnerships - As an enhancement to our export business strategy, VCGI seeks out GIS projects and funding that are suitable for partnering with the private sector. With VCGI serving as project manager, this enables us to take on larger contracts with partners and/or subcontractors, and bring in private sector as appropriate. Through this strategy we are able to create markets for private industry.

3. Educational Partnerships - VCGI is expanding its partnering efforts with the University of Vermont (UVM) and other educational institutions (including state and private colleges). We will continue with this direction as this type of partnering enhances our opportunities to present a stronger solution to projects that include a GIS component.

4. Resource to Organizations in the State - VCGI is considering the development of a Geographic Information Committee in coordination with other State Agencies. VCGI sees this as a way to facilitate the reduction of redundant activities among different State agencies.

5. Maintenance Contracts - As VCGI continues in its role as the data clearinghouse for VGIS data, it is to transitioning from the initial phase of establishing datasets for distribution, into the phase of data maintenance. Providing data that is up-to-date and of quality will enhance our data dissemination efforts. VCGI continues to provide direction for data stewards regarding funding opportunities and technical support for data maintenance issues.

6. Strong Coordination with Regional Planning Commissions (RPCs) and towns in the area of GIS Services that VCGI can provide include coordinating the development of a comprehensive statewide data layers and providing continual training on VGIS technical issues.

VCGI personnel participated in a wide range of GIS advocacy and support roles this past year. For the fourth straight year VCGI held our GIS Expo in April. The exhibitors and participants included GIS related businesses from throughout Vermont and the northeast. The Vermont GIS EXPO has become something of a yearly milestone in the GIS business and regional technology providers anticipate it as a place to show their wares.

Nationally, VCGI participates in several GIS related conferences and data standards initiatives every year. Locally, we continue to coordinate the Vermont Spatial Data Partnership and the yearly GIS EXPO in Montpelier.

VCGI personnel also provided GIS related professional expertise for the following organizations:

- Chittenden County Metropolitan Planning Organization Transportation/Land Use Decision Support System Steering Committee
- Vermont Emergency Management Automation Effort
- Vermont Department of Tourism and Marketing Cross Marketing Database Development
- Center for Rural Studies at UVM
- UVM Extension

- Vermont Geography Bee
- Burlington Legacy Project Steering Committee
- Vermont Town Officer Educational Conferences
- Central Vermont Chamber of Commerce
- Area Health Education Center at UVM

VCGI works aggressively to support the general public, UVM and State agencies in their pursuit of GIS related activities. We maintain a dual role of providing GIS support to both the professional and the novice community. Available GIS data and GIS data standards development remains the primary need of Vermont's GIS professionals. The novice user is able to take advantage of the education programs and experience lectures provided through our in-state conferences and meetings.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Geographic Information System**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Geographic Information System | 0 | 0 | 0 | 370,360 | 376,992 | 376,992 | 376,992 |
| TOTAL | 0 | 0 | 0 | 370,360 | 376,992 | 376,992 | 376,992 |
| FUND TYPE | | | | | | | |
| Special Fund | | | | 370,360 | 376,992 | 376,992 | 376,992 |
| TOTAL | | | | 370,360 | 376,992 | 376,992 | 376,992 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Geographic Information System**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 370,360 | 376,992 | 376,992 | 376,992 |
| TOTAL | 370,360 | 376,992 | 376,992 | 376,992 |
| FUND TYPE | | | | |
| Special Fund | 370,360 | 376,992 | 376,992 | 376,992 |
| TOTAL | 370,360 | 376,992 | 376,992 | 376,992 |

## Department Mission Statement

The Office of the Vermont State Auditor (SAO) assures accountability in state government by conducting audits and reviews, and by answering inquiries, providing consultations, technical assistance, and training.

## Description of Appropriations, Divisions, & Programs

The State Auditor is a constitutional officer, elected biennially by the citizens of Vermont.

The Auditor's principal duties are defined by 32 V.S.A. §§ 163, 167 and 168, which include:

(1) the annual audit of the State's financial statements;

(2) discretionary government audits and examinations of every department, institution and agency of the State and certain county officers;

(3) special audits as requested by the Governor;

(4) audits and reviews initiated by the Auditor;

(5) audits or reviews as statutorily required by the Legislature;

(6) establishment of uniform systems of accounting and reporting for cities and towns;

(7) approval and coordination of contractual auditing and accounting requests by state departments, agencies and state-created authorities; and

(8) performance of and/or contracting to perform the federal Single Audit; and,

(9) biennial audit of the economic tax incentive program.

All audit work is conducted consistent with Government Auditing Standards (GAS) issued by the Comptroller General of the United States.

### Annual Audits

The Office of the State Auditor conducts independent government audits for the State of Vermont. Two

major governmental financial audits are issued annually: (1) the audit of the Basic Financial Statements (BFS) of the State of Vermont; and (2) the federally-mandated Single Audit of all programs receiving federal funds. These audits adhere to Government Auditing Standards as determined by the Comptroller General of the United States and to Generally Accepted Auditing Standards (GAAS) as issued by the American Institute of Certified Public Accountants.

**BFS Audit**

The major activity of the State Auditor's Office is the audit of the State of Vermont's Basic Financial Statements. These financial statements are the responsibility of the State of Vermont's Department of Finance and Management. The State Auditor's responsibility is to express an opinion on and provide reasonable assurance that the financial information presented in these statements is free of material misstatement. This audit tests the State's compliance with certain provision of laws and regulations as well as the internal control structure put in place by state management.

**Federal Single Audit**

The other major audit of the State Auditor's Office is the Single Audit of all programs receiving federal funds, which is performed both by the State Auditor's Office and by contracted independent public accounting firms. The Single Audit reviews the $1 billion Vermont receives annually from the federal government to ensure that it is spent in compliance with all applicable laws and regulations. This office also monitors internal controls over federal monies, including program effectiveness and efficiency.

**Management Letters**

The State Auditor provides a yearly Management Letter to the State's financial managers. This Management Letter is a result of the annual BFS Audit and the Federal Single Audit. Its purpose is to indicate to state managers specific ways to improve financial operations and reporting, and help foster efficient management of the State of Vermont's resources. The Management Letter also provides follow-up on the prior year's audit findings to document that identified deficiencies in internal controls and compliance with relevant laws have been corrected.

**Reviews**

Another major function of the office is to conduct reviews. A review is an objective, systematic and factually-documented analysis that results in findings and recommendations concerning the topic or issue studied. The purpose of a review is to assist state management to improve financial, administrative, compliance or performance functions of the State of Vermont, particularly in regard to how effective programs are in meeting legislatively-mandated goals. These reports may be requested by the Legislature or Governor, or initiated by the State Auditor.

## Changes in Government Auditing

The United States General Accounting Office revised its Government Auditing Standards in 2003 to incorporate new standards regarding auditor independence and by providing consistency in the field work and reporting requirements among all types of audits defined under the standards. Greater emphasis is placed upon audits of internal controls and compliance. The standards also place more importance on program audits.

The American Institute of Certified Public Accountants has recently issued revised standards on internal controls. The adequate design and operation of such controls are essential to the effective functioning of state government and the protection of public assets, including cash, that have been entrusted to the government.

Generally Accepted Accounting Principles (GAAP) are also changing each year. Monitoring the State's compliance with these principles, as well as rendering professional assistance to implement compliance, is one of the major goals of this office.

## Audience

The State Auditor's reports are intended to inform all citizens and organizations interested in the State's financial status and operations. Audit reports are addressed to the Legislature, the Administration and appropriate governmental managers. All reports are also made available to the general public and other interested organizations, such as the State's credit rating agencies.

## Goals & Outcomes

The State Auditor's Office goals and outcomes are determined by legislation and government auditing standards. These goals include: a) completion of all mandated and other audits in compliance with government auditing standards; b) issuance of all audit reports on a timely basis; and c) improvement of the state's financial management practices by identifying weaknesses in the State's systems of accounting and reporting, internal controls, and compliance with applicable laws and regulations.

The Office encourages and assists accurate and timely financial reporting. Whenever possible, the State Auditor's Office recommends the adoption of Generally Accepted Accounting Principles for state government. This office recommends that the State implement systems to manage the public's resources safely and in compliance with applicable laws and regulations. The office also provides independent reviews of programs to ensure efficiency and economy and to protect the integrity of program goals.

The State Auditor's Office is staffed by 4 exempt employees and 9 classified employees. The Office also contracts with KPMG and other professionals as needed to assist the Office in conducting the Federal Single Audit and other audits and reviews.

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## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Auditor of Accounts | 12 | 13 | 13 | 1,521,266 | 1,613,005 | 1,832,376 | 1,886,595 |
| TOTAL | 12 | 13 | 13 | 1,521,266 | 1,613,005 | 1,832,376 | 1,886,595 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 458,793 | 445,062 | 464,771 | 453,732 |
| Transportation Fund | | | | 72,345 | 73,252 | 73,252 | 58,845 |
| Special Fund | | | | 52,167 | 52,167 | 52,167 | 52,746 |
| Internal Service Fund | | | | 937,961 | 1,042,524 | 1,242,186 | 1,321,272 |
| TOTAL | | | | 1,521,266 | 1,613,005 | 1,832,376 | 1,886,595 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 1,422,482 | 1,503,855 | 1,723,226 | 1,777,445 |
| Operating Expenses | 98,784 | 109,150 | 109,150 | 109,150 |
| TOTAL | 1,521,266 | 1,613,005 | 1,832,376 | 1,886,595 |
| FUND TYPE | | | | |
| General Fund | 458,793 | 445,062 | 464,771 | 453,732 |
| Transportation Fund | 72,345 | 73,252 | 73,252 | 58,845 |
| Special Fund | 52,167 | 52,167 | 52,167 | 52,746 |
| Internal Service Fund | 937,961 | 1,042,524 | 1,242,186 | 1,321,272 |
| TOTAL | 1,521,266 | 1,613,005 | 1,832,376 | 1,886,595 |

## Department Mission Statement

The office of the State Treasurer is a service and administrative department performing duties prescribed by statute. It is responsible for the management and accounting of the State's cash balances; processing of checks and reconciliations of cash and associated accounts; administration and operation of three pension plans, the deferred compensation plan and defined contribution plans for State and Municipal employees; management of temporary investments of State funds; short-term borrowing when necessary, selling and servicing bonds authorized by the General Assembly; and administration of the Unclaimed Property Act. The mission is to carry out the mandates of the law as efficiently and cost-effectively as possible while providing related services to the public, State employees and member of the retirement systems; and to manage the cash balances and trust funds under custody of the State Treasurer in keeping with the highest fiduciary standards in order to maximize income without undue risk.

The office is audited annually by the Auditor of Accounts. The performance of the office is a factor considered by the credit rating services when rating the State for the purpose of borrowing.

Funds requested will allow us to continue our current range of services in face of increased workloads and costs. The Treasurer provides administrative support and staffing for all retirement programs.

The Vermont State Retirement System is the public pension plan provided by the State of Vermont for its various groups of State employees. It was created in 1944 and has undergone several major changes over the years, including a merger of the State Police and Motor Vehicles Inspectors' Retirement System and and contribution and benefit reforms including the creation of a non-contributory retirement plan for rank-and-file state employees in 1981. In 1990 the Legislature mandated a return to a contributory system effective January 1, 1991 with full implementation by January 1, 1995. The system's staff is responsible for the administration of six different benefit provisions which include state police, judges and regular employees, plus an optional defined contribution plan available to exempt state employees only. The system is governed by Title 3, V.S.A., Chapter 16.

The system currently consists of approximately 7,876 active members, 767 vested terminated members and approximately 3,728 retirees and beneficiaries.

Administration of the system involves the management of the assets of the retirement fund as well as the administration of the benefits and recordkeeping for the membership. The market value of the fund was $917.7 million as of June 30, 2003, compared with $892.0 million as of June 30, 2002. The system paid $43 million in retirement benefits during fiscal year 2003.

The Retirement Board of Trustees is responsible for the administration of the system. This board consists of the State Treasurer, Commissioner of Personnel, Commissioner of Finance and Management, designated representative of the Governor, three members elected by the Vermont State Employees'

Association and one member elected by the Retired Chapter of the Vermont State Employees' Association. Staff is provided by the Retirement Division of the State Treasurer's Office, which also administers the Teachers' Retirement and Municipal Retirement Systems.

The Vermont Municipal Employees' Retirement System is a uniform, state-administered pension plan provided for municipal employees of the State of Vermont. It was established effective July 1, 1975 and is governed by Title 24, V.S.A., Chapter 125.

The system currently has 424 participating employers, of which 409 are contributing employers; 4,560 active members; 224 vested terminated members; and 1,028 retirees and beneficiaries.

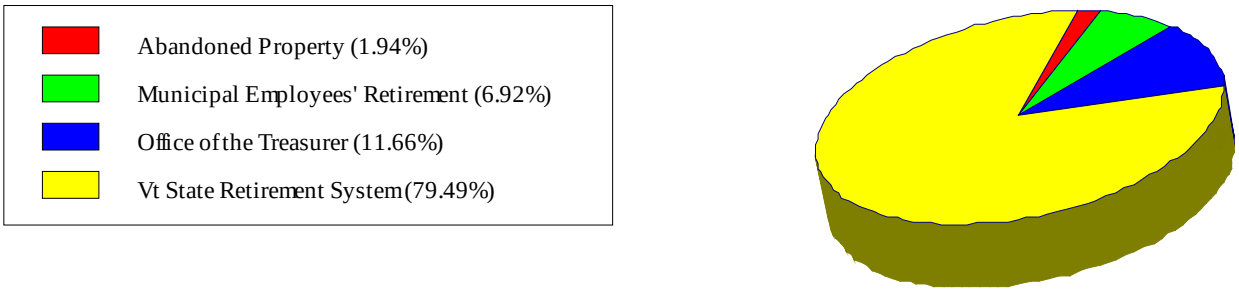
Administration of the system involves the management of the assets of the retirement fund as well as the administration of the benefits and recordkeeping for the membership. The market value of the fund was $197.4 million as of June 30, 2003, compared with $172.5 million as of June 30, 2002. The system paid $4.98 million in retirement benefits during FY 2003.

A Retirement Board of Trustees is responsible for the administration of the system. This board consists of one representative designated by the Governor, the State Treasurer, and two municipal employees and one municipal official elected by the membership of the system. Staff is provided by the Retirement Division of the State Treasurer's Office who also administer the State Employees' and Teachers' Retirement Systems.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## State Treasurer

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Office of the Treasurer | 31 | 30 | 34 | 2,411,147 | 2,578,223 | 2,629,039 | 2,753,176 |
| Abandoned Property | 2 | 3 | 3 | 274,841 | 444,758 | 444,758 | 457,722 |
| Vt State Retirement System | 0 | 0 | 0 | 14,752,245 | 17,673,698 | 17,790,698 | 18,767,995 |
| Municipal Employees' Retirement | 0 | 0 | 0 | 1,275,331 | 1,103,395 | 1,147,395 | 1,632,775 |
| TOTAL | 33 | 33 | 37 | 18,713,564 | 21,800,074 | 22,011,890 | 23,611,668 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 636,991 | 696,913 | 734,096 | 808,409 |
| Transportation Fund | | | | 137,638 | 128,477 | 142,110 | 103,208 |
| Special Fund | | | | 1,171,967 | 1,701,627 | 1,701,627 | 1,378,559 |
| Pension Trust Fund | | | | 16,451,926 | 18,777,093 | 18,938,093 | 20,801,270 |
| Private Purpose Trust Fund | | | | 315,042 | 495,964 | 495,964 | 520,222 |
| TOTAL | | | | 18,713,564 | 21,800,074 | 22,011,890 | 23,611,668 |



**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Office of the Treasurer**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 2,112,217 | 2,237,841 | 2,288,657 | 2,380,971 |
| Operating Expenses | 298,930 | 340,382 | 340,382 | 322,205 |
| Grants | 0 | 0 | 0 | 50,000 |
| TOTAL | 2,411,147 | 2,578,223 | 2,629,039 | 2,753,176 |
| FUND TYPE | | | | |
| General Fund | 636,991 | 696,913 | 734,096 | 808,409 |
| Transportation Fund | 137,638 | 128,477 | 142,110 | 103,208 |
| Special Fund | 1,171,967 | 1,701,627 | 1,701,627 | 1,378,559 |
| Pension Trust Fund | 424,350 | 0 | 0 | 400,500 |
| Private Purpose Trust Fund | 40,201 | 51,206 | 51,206 | 62,500 |
| TOTAL | 2,411,147 | 2,578,223 | 2,629,039 | 2,753,176 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Abandoned Property**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 133,202 | 286,952 | 286,952 | 262,922 |
| Operating Expenses | 141,639 | 157,806 | 157,806 | 194,800 |
| TOTAL | 274,841 | 444,758 | 444,758 | 457,722 |
| FUND TYPE | | | | |
| Private Purpose Trust Fund | 274,841 | 444,758 | 444,758 | 457,722 |
| TOTAL | 274,841 | 444,758 | 444,758 | 457,722 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vt State Retirement System**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 14,126,828 | 17,007,758 | 17,124,758 | 18,068,186 |
| Operating Expenses | 625,417 | 665,940 | 665,940 | 699,809 |
| TOTAL | 14,752,245 | 17,673,698 | 17,790,698 | 18,767,995 |
| FUND TYPE | | | | |
| Pension Trust Fund | 14,752,245 | 17,673,698 | 17,790,698 | 18,767,995 |
| TOTAL | 14,752,245 | 17,673,698 | 17,790,698 | 18,767,995 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Municipal Employees' Retirement**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 1,097,415 | 904,300 | 948,300 | 1,426,248 |
| Operating Expenses | 177,916 | 199,095 | 199,095 | 206,527 |
| TOTAL | 1,275,331 | 1,103,395 | 1,147,395 | 1,632,775 |
| FUND TYPE | | | | |
| Pension Trust Fund | 1,275,331 | 1,103,395 | 1,147,395 | 1,632,775 |
| TOTAL | 1,275,331 | 1,103,395 | 1,147,395 | 1,632,775 |

## Department Mission Statement

It is the mission of the Labor Relations Board to resolve various labor relations disputes primarily in the public sector in Vermont. It is the overall goal of the Board to promote harmonious and productive labor relations among employers, unions and employees. Besides resolving disputes, the Board includes within its mission an educational role in labor relations.

## Description of Appropriations, Divisions, & Programs

The Labor Relations Board is mandated to resolve labor relations disputes under the State Employees Labor Relations Act, the Municipal Employee Relations Act, the Labor Relations for Teachers Act, the State Labor Relations Act, and the Judiciary Employees Labor Relations Act. The Board determines appropriate bargaining units, conducts representation elections, and adjudicates unfair labor practice charges in cases involving relations between employers (State of Vermont, Vermont State Colleges, University of Vermont, municipal employers, school districts, and small private employers) and their employees. Also, with respect to the State, State Colleges and UVM, the Board makes final determination on employee grievances, and provides assistance in resolving negotiation disputes. In addition, there are other miscellaneous statutory provisions granting the Board jurisdiction to resolve disputes in various areas.

The Board consists of five citizen members whom are paid on a per diem basis. At present, the Board has two employees - Executive Director and Clerk.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**State Labor Relations Board**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| State Labor Relations Board | 3 | 3 | 2 | 185,651 | 179,818 | 196,818 | 182,127 |
| TOTAL | 3 | 3 | 2 | 185,651 | 179,818 | 196,818 | 182,127 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 170,158 | 168,272 | 185,272 | 171,697 |
| Transportation Fund | | | | 5,473 | 5,676 | 5,676 | 4,560 |
| Special Fund | | | | 10,020 | 5,870 | 5,870 | 5,870 |
| TOTAL | | | | 185,651 | 179,818 | 196,818 | 182,127 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**State Labor Relations Board**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 139,612 | 145,078 | 162,078 | 147,387 |
| Operating Expenses | 46,039 | 34,740 | 34,740 | 34,740 |
| TOTAL | 185,651 | 179,818 | 196,818 | 182,127 |
| FUND TYPE | | | | |
| General Fund | 170,158 | 168,272 | 185,272 | 171,697 |
| Transportation Fund | 5,473 | 5,676 | 5,676 | 4,560 |
| Special Fund | 10,020 | 5,870 | 5,870 | 5,870 |
| TOTAL | 185,651 | 179,818 | 196,818 | 182,127 |

## Department Mission Statement

Office of the Governor -- the staff supports the Governor as he fulfills his statutory duties as Vermont's Chief Executive. Communications development of Governor's administrative and legislative agenda/priorities. Representing the state at the state, national and global levels. Management of appointments to Boards and Commissions. Also track policy changes in the legislature and inter-agency coordination. Provide communication and referrals with the public.

Vermont Commission on National and Community Service - to foster an ethic of service and to support and recognize community service and volunteerism throughout our state. To improve Vermonters' lives through voluntary service.

## Description of Appropriations, Divisions, & Programs

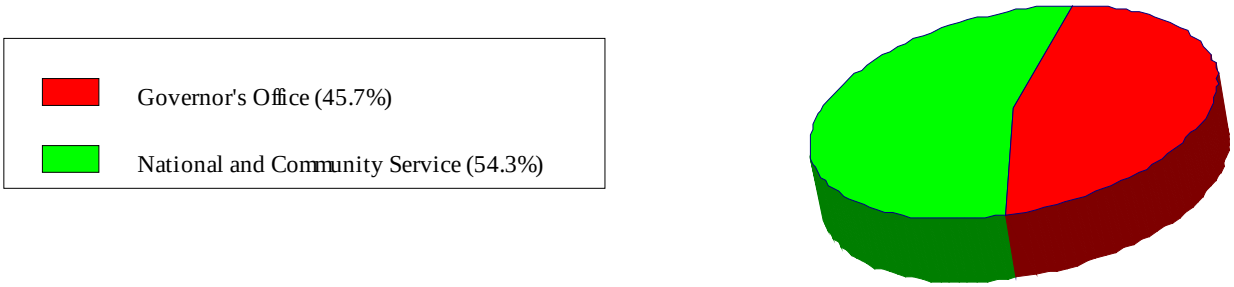
Office of the Governor - The Office of the Governor staff provides support to the Governor as he fulfills his statutory duties as Vermont's Chief Executive. The Governor's senior staff consists of a Chief of Staff; a Deputy Chief of Staff; a Special Assistant; a Legal Counsel; a Secretary of Civil & Military Affairs; a Press Secretary. The Governor is also supported by an Executive Assistant for scheduling; and an Assistant for Board and Commission appointments. Administrative and office systems management support for the Governor is provided by a Business Manager and clerical support for the senior staff is provided by two Administrative Secretaries. The Governor is also served by one Receptionist and two Information Officers in the Governor’s Information and Referral Office who provide communication with the public.

A National and Community Service grant office is administered through the Governor's Office. The office serves as the funding conduit for AmeriCorps programs in the state. Technical assistance and program development services are provided through three limited service positions (an Executive Director, a Resource Specialist, and an Information & Education Specialist). The grant was presented to and accepted by the Joint Fiscal Committee in FY94, and approved in subsequent years by the full Legislature. The staff works in collaboration with a Governor-appointed board to expand service and volunteer programs in the state. Funds are predominantly federal funds. A small state appropriation provides essential funds for dollar for dollar match required for the Corporation for National Service Federal Administration Grant.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Executive Office

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Governor's Office | 19 | 19 | 19 | 1,564,469 | 1,407,371 | 1,415,766 | 1,462,281 |
| National and Community Service | 3 | 3 | 3 | 1,528,967 | 1,465,221 | 1,188,899 | 1,737,188 |
| TOTAL | 22 | 22 | 22 | 3,093,436 | 2,872,592 | 2,604,665 | 3,199,469 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 1,308,473 | 1,147,705 | 1,167,565 | 1,198,394 |
| Transportation Fund | | | | 198,592 | 194,481 | 194,481 | 156,230 |
| Special Fund | | | | 3,304 | 3,185 | 0 | 3,185 |
| Federal Revenue Fund | | | | 1,474,067 | 1,408,221 | 1,123,619 | 1,680,660 |
| Interdepartmental Transfer | | | | 109,000 | 119,000 | 119,000 | 161,000 |
| TOTAL | | | | 3,093,436 | 2,872,592 | 2,604,665 | 3,199,469 |



**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Governor's Office**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,192,110 | 1,084,819 | 1,122,901 | 1,123,181 |
| Operating Expenses | 372,359 | 270,574 | 292,865 | 339,100 |
| Grants | 0 | 51,978 | 0 | 0 |
| TOTAL | 1,564,469 | 1,407,371 | 1,415,766 | 1,462,281 |
| FUND TYPE | | | | |
| General Fund | 1,253,573 | 1,090,705 | 1,102,285 | 1,141,866 |
| Transportation Fund | 198,592 | 194,481 | 194,481 | 156,230 |
| Special Fund | 3,304 | 3,185 | 0 | 3,185 |
| Interdepartmental Transfer | 109,000 | 119,000 | 119,000 | 161,000 |
| TOTAL | 1,564,469 | 1,407,371 | 1,415,766 | 1,462,281 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**National and Community Service**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 143,378 | 161,890 | 152,647 | 175,347 |
| Operating Expenses | 110,038 | 95,219 | 121,252 | 118,501 |
| Grants | 1,275,551 | 1,208,112 | 915,000 | 1,443,340 |
| TOTAL | 1,528,967 | 1,465,221 | 1,188,899 | 1,737,188 |
| FUND TYPE | | | | |
| General Fund | 54,900 | 57,000 | 65,280 | 56,528 |
| Federal Revenue Fund | 1,474,067 | 1,408,221 | 1,123,619 | 1,680,660 |
| TOTAL | 1,528,967 | 1,465,221 | 1,188,899 | 1,737,188 |

## Department Mission Statement

The Vermont Occupational Safety and Health Review Board was created by Act 205, Laws 1971, charged with carrying out the responsibilities given it under 21 V.S.A. Section 226(c), (d) and 230; specifically hearing and deciding cases involving employer contest of alleged safety and health violations under the Vermont Occupational Safety and Health Act Code. This quasi-judicial Board's goals and objectives are the fulfillment of the statutory requirement of timely processing of the contested cases filed with it. Caseload is directly dependent upon the activities of the Department of Labor and Industry, Division of Occupational Safety and Health, through its inspections of Vermont workplaces and subsequent citations issued to those employers alleged to be in violation of the Code.

## Description of Appropriations, Divisions, & Programs

The VOSHA Review Board program operates statewide, involving employers contesting citations brought against them by the Commissioner of Labor and Industry, through the Division of Occupational Safety and Health. The goal of this quasi-judicial board with clear-cut statutory requirements is the timely processing of contested cases filed with them. Comprised of three members, serving staggered six-year terms appointed biennially by the Governor with the advice and consent of the Senate, are paid on a per diem basis. The Board employs one part-time Clerk who acts as the sole administrative/clerical support to the Board. Using hearing officers to conduct hearings and prepare written findings and decisions, the Board has ultimate review and determination of all decisions.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**VOSHA Review Board**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| VOSHA Review Board | 1 | 1 | 1 | 37,915 | 40,300 | 41,587 | 40,194 |
| TOTAL | 1 | 1 | 1 | 37,915 | 40,300 | 41,587 | 40,194 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 18,937 | 20,150 | 20,794 | 20,097 |
| Federal Revenue Fund | | | | 18,978 | 20,150 | 20,793 | 20,097 |
| TOTAL | | | | 37,915 | 40,300 | 41,587 | 40,194 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**VOSHA Review Board**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 29,557 | 31,681 | 31,681 | 31,350 |
| Operating Expenses | 8,358 | 8,619 | 9,906 | 8,844 |
| TOTAL | 37,915 | 40,300 | 41,587 | 40,194 |
| FUND TYPE | | | | |
| General Fund | 18,937 | 20,150 | 20,794 | 20,097 |
| Federal Revenue Fund | 18,978 | 20,150 | 20,793 | 20,097 |
| TOTAL | 37,915 | 40,300 | 41,587 | 40,194 |

## Department Mission Statement

Created by Act 60, The Equal Educational Opportunity Act of 1997, this successor to the Property Tax Rebate Program relieves the property tax burden of Vermont residents by ensuring that property taxes or rent attributable to property taxes does not exceed a prescribed percentage of a resident's household income. Direct payments are issued to claimants from the Department of Taxes that administers this program through the development and distribution of forms, educational services, and processing and verification claims. This initiative extends property tax relief to nearly 150,000 homeowners and renters.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Property Tax Assistance**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Property Tax Assistance | 0 | 0 | 0 | 97,978,838 | 107,969,706 | 107,969,706 | 106,270,000 |
| TOTAL | 0 | 0 | 0 | 97,978,838 | 107,969,706 | 107,969,706 | 106,270,000 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 6,500,000 | 7,084,690 | 7,084,690 | 6,846,384 |
| Transportation Fund | | | | 4,841,999 | 4,385,016 | 4,385,016 | 4,385,016 |
| Education Fund | | | | 86,636,839 | 96,500,000 | 96,500,000 | 95,038,600 |
| TOTAL | | | | 97,978,838 | 107,969,706 | 107,969,706 | 106,270,000 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Property Tax Assistance**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 97,978,838 | 107,969,706 | 107,969,706 | 106,270,000 |
| TOTAL | 97,978,838 | 107,969,706 | 107,969,706 | 106,270,000 |
| FUND TYPE | | | | |
| General Fund | 6,500,000 | 7,084,690 | 7,084,690 | 6,846,384 |
| Transportation Fund | 4,841,999 | 4,385,016 | 4,385,016 | 4,385,016 |
| Education Fund | 86,636,839 | 96,500,000 | 96,500,000 | 95,038,600 |
| TOTAL | 97,978,838 | 107,969,706 | 107,969,706 | 106,270,000 |

## Department Mission Statement

To assist in preserving Vermont's productive agricultural and forest lands, enrolled properties are taxed on their use value rather than fair market value. This program was changed effective July 1, 1996 to require that municipalities list all enrolled property at use value and was further changed by the passage of Act 60 where the impact of use value on education property tax revenue is addressed by the statewide funding of education. This program continues to reimburse communities for only the loss of municipal property tax revenue resulting from the use value appraisal of enrolled properties.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Use Tax Reimbursement Fund**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Use Tax Reimbursement Fund | 0 | 0 | 0 | 5,115,564 | 5,700,000 | 5,700,000 | 6,299,670 |
| TOTAL | 0 | 0 | 0 | 5,115,564 | 5,700,000 | 5,700,000 | 6,299,670 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 3,045,174 | 3,389,610 | 3,389,610 | 3,989,280 |
| Transportation Fund | | | | 2,070,390 | 2,310,390 | 2,310,390 | 2,310,390 |
| TOTAL | | | | 5,115,564 | 5,700,000 | 5,700,000 | 6,299,670 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Use Tax Reimbursement Fund**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 5,115,564 | 5,700,000 | 5,700,000 | 6,299,670 |
| TOTAL | 5,115,564 | 5,700,000 | 5,700,000 | 6,299,670 |
| FUND TYPE | | | | |
| General Fund | 3,045,174 | 3,389,610 | 3,389,610 | 3,989,280 |
| Transportation Fund | 2,070,390 | 2,310,390 | 2,310,390 | 2,310,390 |
| TOTAL | 5,115,564 | 5,700,000 | 5,700,000 | 6,299,670 |

## Department Mission Statement

The powers and duties of the Lieutenant Governor are constitutionally assigned. (See Chapter II, Section 19 of the Vermont constitution.) The Lieutenant Governor serves as President of the Senate. Although he presides over the Senate, he has no vote unless the Senate is equally divided. The Constitution provides that in case of death, resignation, or other disability of the Governor, the powers, duties and emoluments of the office shall devolve upon the Lieutenant Governor for the remainder of the term.

## Description of Appropriations, Divisions, & Programs

The Lieutenant Governor's office works with citizens, public officials, legislators, and state agencies on a daily basis. Under the direction of the Lieutenant Governor, meetings and task forces are coordinated and research projects are undertaken. The office acts as an ombudsman for Vermont citizens by providing information and support. The Lieutenant Governor's office is staffed with one full-time employee and uses part-time, temporary employees as needed.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Lieutenant Governor**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Lieutenant Governor | 2 | 2 | 2 | 119,924 | 118,551 | 125,501 | 134,647 |
| TOTAL | 2 | 2 | 2 | 119,924 | 118,551 | 125,501 | 134,647 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 99,350 | 94,738 | 97,541 | 115,517 |
| Transportation Fund | | | | 20,574 | 23,813 | 27,960 | 19,130 |
| TOTAL | | | | 119,924 | 118,551 | 125,501 | 134,647 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Lieutenant Governor**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 96,080 | 103,049 | 119,255 | 125,062 |
| Operating Expenses | 23,844 | 15,502 | 6,246 | 9,585 |
| TOTAL | 119,924 | 118,551 | 125,501 | 134,647 |
| FUND TYPE | | | | |
| General Fund | 99,350 | 94,738 | 97,541 | 115,517 |
| Transportation Fund | 20,574 | 23,813 | 27,960 | 19,130 |
| TOTAL | 119,924 | 118,551 | 125,501 | 134,647 |

## Department Mission Statement

The mission of the Legislature, as set out in the State's Constitution. Chapter II, sections 1 and 2 direct the Senate and House of Representatives to exercise the "Supreme Legislative power" and that, together with the Governor, the Senate and House of Representatives shall "govern the State of Vermont." The legislature establishes state policy, enacts laws, raises revenue, and authorizes and oversees the expenditure of funds and operations of state government.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Legislature**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Legislature | 19 | 19 | 19 | 5,774,582 | 4,552,270 | 4,687,576 | 4,727,609 |
| TOTAL | 19 | 19 | 19 | 5,774,582 | 4,552,270 | 4,687,576 | 4,727,609 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 4,914,895 | 3,684,593 | 3,819,899 | 4,030,592 |
| Transportation Fund | | | | 859,687 | 867,677 | 867,677 | 697,017 |
| TOTAL | | | | 5,774,582 | 4,552,270 | 4,687,576 | 4,727,609 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Legislature**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 3,227,746 | 2,389,401 | 2,525,460 | 2,535,493 |
| Operating Expenses | 2,546,836 | 2,162,869 | 2,162,116 | 2,192,116 |
| TOTAL | 5,774,582 | 4,552,270 | 4,687,576 | 4,727,609 |
| FUND TYPE | | | | |
| General Fund | 4,914,895 | 3,684,593 | 3,819,899 | 4,030,592 |
| Transportation Fund | 859,687 | 867,677 | 867,677 | 697,017 |
| TOTAL | 5,774,582 | 4,552,270 | 4,687,576 | 4,727,609 |

## Department Mission Statement

The mission of the Legislative Council is to support the Legislature by providing legal and legislative research, bill drafting and administrative services to all members, committees, and both chambers of the Legislative branch.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Legislative Council**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Legislative Council | 26 | 26 | 26 | 1,822,135 | 1,842,400 | 1,940,013 | 1,863,442 |
| TOTAL | 26 | 26 | 26 | 1,822,135 | 1,842,400 | 1,940,013 | 1,863,442 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 1,544,011 | 1,553,692 | 1,651,305 | 1,631,518 |
| Transportation Fund | | | | 278,124 | 288,708 | 288,708 | 231,924 |
| TOTAL | | | | 1,822,135 | 1,842,400 | 1,940,013 | 1,863,442 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Legislative Council**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,769,493 | 1,722,345 | 1,822,556 | 1,747,220 |
| Operating Expenses | 52,642 | 120,055 | 117,457 | 116,222 |
| TOTAL | 1,822,135 | 1,842,400 | 1,940,013 | 1,863,442 |
| FUND TYPE | | | | |
| General Fund | 1,544,011 | 1,553,692 | 1,651,305 | 1,631,518 |
| Transportation Fund | 278,124 | 288,708 | 288,708 | 231,924 |
| TOTAL | 1,822,135 | 1,842,400 | 1,940,013 | 1,863,442 |

## Department Mission Statement

To serve the Legislators and constituents on a year round basis as well as tourists. Maintain order in the Capitol Building, arrange meetings, schedule rooms, and distribute mail, maintain furnishings and the building. Organize and supervise the 30 pages, provide telephone services, and cafeteria services. Provide police officers.

## Description of Appropriations, Divisions, & Programs

Duties involve overseeing the activities in the State House and maintaining the same; this includes furnishings. The staff consists of the Sergeant at Arms, one assistant and one other office staff members. In addition, five door keepers (only four on at a time), traffic and security officer and custodians are managed by the Sergeant at Arms.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Sergeant at Arms**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Sergeant at Arms | 4 | 5 | 5 | 414,087 | 394,845 | 494,091 | 398,742 |
| TOTAL | 4 | 5 | 5 | 414,087 | 394,845 | 494,091 | 398,742 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 371,720 | 344,540 | 443,786 | 358,331 |
| Transportation Fund | | | | 42,367 | 50,305 | 50,305 | 40,411 |
| TOTAL | | | | 414,087 | 394,845 | 494,091 | 398,742 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Sergeant at Arms**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 370,761 | 350,057 | 428,533 | 351,080 |
| Operating Expenses | 43,326 | 44,788 | 65,558 | 47,662 |
| TOTAL | 414,087 | 394,845 | 494,091 | 398,742 |
| FUND TYPE | | | | |
| General Fund | 371,720 | 344,540 | 443,786 | 358,331 |
| Transportation Fund | 42,367 | 50,305 | 50,305 | 40,411 |
| TOTAL | 414,087 | 394,845 | 494,091 | 398,742 |

## Department Mission Statement

To provide the Vermont Legislature with sound research, analysis, forecasts and recommendations on state government revenues and spending; to provide the members with high quality work that is factually-based and delivered in a timely and professional and non-partisan manner, so they can make informed decisions that are in the best interests of the citizens of Vermont.

## Description of Appropriations, Divisions, & Programs

The Joint Fiscal Office is staffed by 10 permanent exempt employees, and one (1) temporary session employee. The governing board is the 10 member Joint Fiscal Committee established pursuant to 2 V.S.A. Chapter 15 (§ 501-504).

Statute Regarding Functions of Joint Fiscal Committee:
2 V.S.A. Chapter 15 § 503
Functions:
(a) The joint fiscal committee shall direct, supervise and coordinate the work of its staff and secretaries.
(b) The joint fiscal committee shall:
(1) Furnish research services and secretarial services of a fiscal nature to the committee on appropriations, the senate committee on finance, the house committee on ways and means, the committees on transportation and the joint fiscal committee;
(2) Carry on a continuing review of the fiscal operations of the state, including but not limited to revenues, budgeting and expenditures;
(3) Accept grants, gifts, loans, or any other thing of value, approved by the governor; under the provisions of 32 V.S.A. § 5, when the general assembly is not in session.
(4) Keep minutes of its meetings and maintain a file thereof.

Description of Staff Responsibilities:
The staff of the House and Senate Appropriations and Transportation Committees performs the following core functions: analyzes agency budget requests; analyzes the Governor's budget recommendation; prepares alternative budget recommendations; provides technical, preparatory support to the Committees; prepares fiscal notes; and provides staff

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Joint Fiscal Committee**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Joint Fiscal Committee | 10 | 11 | 10 | 916,762 | 955,220 | 1,038,965 | 966,184 |
| TOTAL | 10 | 11 | 10 | 916,762 | 955,220 | 1,038,965 | 966,184 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 751,470 | 787,920 | 871,665 | 831,789 |
| Transportation Fund | | | | 165,292 | 167,300 | 167,300 | 134,395 |
| TOTAL | | | | 916,762 | 955,220 | 1,038,965 | 966,184 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 857,694 | 887,287 | 969,830 | 898,960 |
| Operating Expenses | 59,067 | 67,933 | 69,135 | 67,224 |
| TOTAL | 916,762 | 955,220 | 1,038,965 | 966,184 |
| FUND TYPE | | | | |
| General Fund | 751,470 | 787,920 | 871,665 | 831,789 |
| Transportation Fund | 165,292 | 167,300 | 167,300 | 134,395 |
| TOTAL | 916,762 | 955,220 | 1,038,965 | 966,184 |

## Department Mission Statement

To operate a State Lottery that will produce the maximum amount of net revenue consonant with the dignity of the State and the general welfare of the people.

## Description of Appropriations, Divisions, & Programs

The Lottery offers five products to the playing public: Instant Games; and On-line games known as Powerball, Tri-State Megabucks, Win Cash, and the Daily Numbers Games of Pick 3 and Pick 4. Powerball was added in FY04.

Licensed Vermont Lottery agents offer lottery games to players. Currently, there are approximately 750 licensed Vermont Lottery agents. All agents sell instant games and about 550 agents also sell On-line games.

The Vermont Lottery was established in 1977, under Public Acts Number 82, now codified as 31 VSA Chapter 14, for the establishment and management of the Lottery. A small staff of professionals consisting of twenty full-time employees operates the Vermont Lottery. It is one of the smallest staffs of any lottery in the United States. Public oversight is provided by a five-person policy setting Board of Commissioners, appointed by the Governor and approved by the State Senate.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Lottery Commission**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Lottery Commission | 20 | 20 | 20 | 1,741,609 | 2,251,526 | 2,251,526 | 2,307,814 |
| TOTAL | 20 | 20 | 20 | 1,741,609 | 2,251,526 | 2,251,526 | 2,307,814 |
| FUND TYPE | | | | | | | |
| Enterprise Fund | | | | 1,741,609 | 2,251,526 | 2,251,526 | 2,307,814 |
| TOTAL | | | | 1,741,609 | 2,251,526 | 2,251,526 | 2,307,814 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Lottery Commission**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,168,357 | 1,228,565 | 1,228,565 | 1,253,912 |
| Operating Expenses | 573,252 | 1,022,961 | 1,022,961 | 1,053,902 |
| TOTAL | 1,741,609 | 2,251,526 | 2,251,526 | 2,307,814 |
| FUND TYPE | | | | |
| Enterprise Fund | 1,741,609 | 2,251,526 | 2,251,526 | 2,307,814 |
| TOTAL | 1,741,609 | 2,251,526 | 2,251,526 | 2,307,814 |

## Department Mission Statement

The PILOT program provides state payments to municipalities to offset the tax burden resulting from the presence of un-taxed, state buildings and other state owned facilities.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Payments in Lieu of Taxes**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Payments in Lieu of Taxes | 0 | 0 | 0 | 2,250,000 | 2,250,000 | 2,250,000 | 2,484,000 |
| TOTAL | 0 | 0 | 0 | 2,250,000 | 2,250,000 | 2,250,000 | 2,484,000 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 1,045,000 | 800,000 | 800,000 | 784,000 |
| Special Fund | | | | 1,205,000 | 1,450,000 | 1,450,000 | 1,700,000 |
| TOTAL | | | | 2,250,000 | 2,250,000 | 2,250,000 | 2,484,000 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Payments in Lieu of Taxes**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 2,250,000 | 2,250,000 | 2,250,000 | 2,484,000 |
| TOTAL | 2,250,000 | 2,250,000 | 2,250,000 | 2,484,000 |
| FUND TYPE | | | | |
| General Fund | 1,045,000 | 800,000 | 800,000 | 784,000 |
| Special Fund | 1,205,000 | 1,450,000 | 1,450,000 | 1,700,000 |
| TOTAL | 2,250,000 | 2,250,000 | 2,250,000 | 2,484,000 |

## Department Mission Statement

This PILOT program provides state payments to the capital city to offset its unique tax burden resulting from the presence of un-taxed, state buildings and other state owned facilities.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Montpelier PILOT**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Montpelier PILOT | 0 | 0 | 0 | 184,000 | 184,000 | 184,000 | 184,000 |
| TOTAL | 0 | 0 | 0 | 184,000 | 184,000 | 184,000 | 184,000 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 184,000 | 184,000 | 184,000 | 184,000 |
| TOTAL | | | | 184,000 | 184,000 | 184,000 | 184,000 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Montpelier PILOT**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 184,000 | 184,000 | 184,000 | 184,000 |
| TOTAL | 184,000 | 184,000 | 184,000 | 184,000 |
| FUND TYPE | | | | |
| General Fund | 184,000 | 184,000 | 184,000 | 184,000 |
| TOTAL | 184,000 | 184,000 | 184,000 | 184,000 |

## Department Mission Statement

The corrections PILOT program provides state payments to municipalities to offset the tax burden resulting from the presence of untaxed correctional facilities.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Corrections PILOT**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Corrections PILOT | 0 | 0 | 0 | 40,000 | 40,000 | 40,000 | 40,000 |
| TOTAL | 0 | 0 | 0 | 40,000 | 40,000 | 40,000 | 40,000 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 40,000 | 40,000 | 40,000 | 40,000 |
| TOTAL | | | | 40,000 | 40,000 | 40,000 | 40,000 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Corrections PILOT**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 40,000 | 40,000 | 40,000 | 40,000 |
| TOTAL | 40,000 | 40,000 | 40,000 | 40,000 |
| FUND TYPE | | | | |
| General Fund | 40,000 | 40,000 | 40,000 | 40,000 |
| TOTAL | 40,000 | 40,000 | 40,000 | 40,000 |

## Department Mission Statement

The Attorney General's Office prosecutes crimes and enforces civil rights, consumer and environmental laws. The Office represents the state's interests in legal proceedings in all courts and before administrative tribunals. The Office advises state officials and seeks to protect the health and safety of all Vermonters.

## Description of Appropriations, Divisions, & Programs

### Civil Division

The Civil Division represents state officers and employees in civil lawsuits in state and federal courts. It defends, among other things, personal injury, wrongful death and civil rights claims. It also defends legislative acts and administrative rules that are challenged on constitutional or other grounds. In addition, it brings affirmative claims on behalf of the state. The Civil Division continues its representation through the litigation of civil appeals before the Vermont Supreme Court, the United States Courts of Appeals, the United States Supreme Court, and other appellate tribunals.

### Criminal Division

The Criminal Division is a statewide prosecutorial program that consists of several specialized units. The Division's focus is on cases involving homicide, public corruption, violent felonies, crimes involving the use of guns, computer crimes and drug trafficking. The Division works closely with county, state and federal law enforcement. It is also very active on criminal justice policy issues through its work on numerous committees and interaction with the Legislature.

The Medicaid Fraud and Residential Abuse Unit is a specialized unit within the Criminal Division. It is a federally funded state program that investigates and prosecutes Medicaid provider fraud and violations of state laws pertaining to fraud in the administration of the Medicaid program. In addition, the unit reviews all complaints of patient abuse, exploitation or neglect that occur in health care facilities that receive Medicaid funds.

### General Counsel Division

The General Counsel Division advises and represents Vermont's constitutional officers, the retirement boards, state buildings, liquor control and other state agencies. It addresses public records and meetings issues, reviews state contracts and handles elections cases. It investigates and prosecutes disciplinary complaints against physicians. It recovers environmental cleanup costs for the Agency of Natural Resources. The Division's appellate unit briefs and argues civil appeals and assists other staff in complex trials and appeals.

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**Public Protection**
The Public Protection Division investigates and prosecutes frauds against consumers. It cooperates with other states to challenge antitrust violations and unfair business practices - for example, prescription drug price fixing and false advertising. It operates a Consumer Assistance Program with UVM to educate consumers and to resolve consumer complaints on an informal basis; CAP receives approximately 7,500 calls per year and handles approximately 1,500 formal complaints.

The Division enforces environmental statutes and prosecutes violations of the hazardous and toxic waste laws. It has joined with other states to protect the Northeast against air pollution from coal-burning plants in the Midwest.

The Division enforces laws that protect victims of hate crimes and protect all Vermonters from discrimination and harassment in the workplace. It sponsors employer education programs to help businesses to comply with Vermont's civil rights laws.

The Division enforces the terms of the multi-state tobacco settlement. This settlement protects minors and others against the unfair and deceptive marketing of tobacco products. It obligates the tobacco companies to pay approximately $25 million a year to Vermont.

For the last three years, the Division has used a U.S. Department of Justice grant to combat telemarketing fraud. In the first two years, we emphasized community outreach and education: nearly 4000 seniors and senior advocates attended more than 250 community workshops and received prevention and educational brochures. During the second year, we hired an investigator for the project, with an eye towards increasing the number of criminal and civil actions against fraudulent telemarketers. Unfortunately, most of the fraudulent telemarketers calling into Vermont are located in Canada, so we have limited ability to reach them. Consequently, we began working to change the practices of companies that provide essential services to fraudulent telemarketers. The involvement of these companies - for example, wire transmission companies, financial institutions and services, newspapers, commercial mail receiving agencies and list brokers - is often unwitting and they have been open to our suggestions. The grant expires June 30, 2004, but we hope to continue certain educational and enforcement efforts after the grant ends.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Attorney General | 71 | 70 | 69 | 5,393,881 | 5,390,245 | 5,626,018 | 5,736,628 |
| TOTAL | 71 | 70 | 69 | 5,393,881 | 5,390,245 | 5,626,018 | 5,736,628 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 2,328,892 | 2,086,068 | 2,111,068 | 2,550,429 |
| Transportation Fund | | | | 85,102 | 85,971 | 85,971 | 69,061 |
| Special Fund | | | | 1,139,787 | 1,643,333 | 1,650,033 | 1,304,901 |
| Federal Revenue Fund | | | | 500,256 | 618,346 | 645,146 | 573,500 |
| Interdepartmental Transfer | | | | 1,339,844 | 956,527 | 1,133,800 | 1,238,737 |
| TOTAL | | | | 5,393,881 | 5,390,245 | 5,626,018 | 5,736,628 |

## Appropriation Key Budget Issues

The Fiscal 2005 Budget request would sustain the core mission and activities of the Attorney General's Office with a 4% vacancy savings.

Federal funding for the Telemarketing Fraud initiative, which began in January 2000, will sunset June 30, 2004 and the program will be eliminated. The program conducted community workshops to educate citizens about the risks of telemarketing fraud. It worked to change the attitudes and practices of companies that often unwittingly provide services to fraudulent telemarketers.

Finally, a Community Gun Violence Prosecution Program, part of a new federal initiative, was started in FY2004 and will continue in FY2005. Under the terms of the federal grant, the Office will develop and implement a three-year strategy for targeting firearm related crimes and bringing more firearm related prosecutions.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Attorney General**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 4,787,070 | 4,488,476 | 4,724,249 | 4,838,548 |
| Operating Expenses | 606,811 | 901,769 | 901,769 | 898,080 |
| TOTAL | 5,393,881 | 5,390,245 | 5,626,018 | 5,736,628 |
| FUND TYPE | | | | |
| General Fund | 2,328,892 | 2,086,068 | 2,111,068 | 2,550,429 |
| Transportation Fund | 85,102 | 85,971 | 85,971 | 69,061 |
| Special Fund | 1,139,787 | 1,643,333 | 1,650,033 | 1,304,901 |
| Federal Revenue Fund | 500,256 | 618,346 | 645,146 | 573,500 |
| Interdepartmental Transfer | 1,339,844 | 956,527 | 1,133,800 | 1,238,737 |
| TOTAL | 5,393,881 | 5,390,245 | 5,626,018 | 5,736,628 |

## Department Mission Statement

The Vermont Court Diversion Program is a locally directed justice program that addresses unlawful behavior, supports victims of crime, and promotes a healthy community. It provides a community-based alternative to the formal court process for juvenile and first time offenders. Our goals are to reduce the workload on Vermont courts and to redirect young offenders in a more productive direction. We utilize citizen involvement and a restorative model to make victims whole and to restore the community any loss it sustained.

## Description of Appropriations, Divisions, & Programs

The Vermont Association of Court Diversion Programs is made up of thirteen community based non-profit agencies, one in each county except that Essex County and Caledonia County are housed in one agency. A community board of directors governs each program which, in turn, is designated by the Attorney General as the diversion agency serving a particular court. All diversion programs offer the traditional diversion program in which the state's attorney refers first-time offenders, either youth or adult, to a community panel that determines a set of obligations for the offender to meet. If the offender is successful in meeting the obligations, the charge is dismissed. If the offender does not complete the diversion contract, he or she is returned to court for further prosecution. In FY 03, 2136 such cases were referred to diversion throughout the state.

In addition to the diversion program, as of July 1, 2000, all of the diversion programs were also designated to provide the Teen Alcohol Safety Program by Act 160, the statute that converted first offense consumption of alcohol by a minor to a civil charge. This program insures that each youth that receives a ticket for that offense also receives an assessment of his or her substance abuse and completes any follow-up treatment or education recommended by the assessment. Youths also perform community service and may be asked to complete other tasks related to their offense. In FY 03, 3257 such cases were handled by diversion.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Vermont Court Diversion | 0 | 0 | 0 | 1,184,853 | 1,264,041 | 1,324,041 | 1,470,071 |
| TOTAL | 0 | 0 | 0 | 1,184,853 | 1,264,041 | 1,324,041 | 1,470,071 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 615,531 | 745,531 | 745,531 | 927,238 |
| Transportation Fund | | | | 177,804 | 177,804 | 177,804 | 142,833 |
| Special Fund | | | | 391,518 | 340,706 | 400,706 | 400,000 |
| TOTAL | | | | 1,184,853 | 1,264,041 | 1,324,041 | 1,470,071 |

## Appropriation Key Budget Issues

The Governor's recommended funding for FY 2005 includes an additional $150,292. for the Teen Alcohol Safety Program. This additional funding addresses a severe shortfall in our state funding for the administration of TASP cases. The TASP program has basically been an unfunded mandate. This lack of funding had a dramatic impact on the programs successful completion rate, which resulted in more cases being returned to court. Last year the legislature approved a $100,000 appropriation for the Teen Alcohol Safety Program, as a first step toward bringing the participation rate to 90% and the successful completion rate to 85%. The projected cost for achieving this goal on an annual basis is $250,292. In order to add additional caseworker time in programs to achieve this goal, court diversion needs an additional $150,292 to operate the program at this level of success. This figure includes the additional caseworker time that is spent in administration of processing underage drinking tickets that last years changes to Act 160 created. It also addresses the increased caseload (current figures range from 79% to 164% *) we have seen since the law was implemented on October 1, 2003.

Increase in special funds to $400,000. This increase brings our FY 04 fee revenue in line with actual fees collected for TASP and diversion cases and enables us to avoid relying on excess receipts.

* Chittenden open caseload increased from 121 cases prior to 10/1 to 319 cases since 10/1.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Court Diversion**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 1,184,853 | 1,264,041 | 1,324,041 | 1,470,071 |
| TOTAL | 1,184,853 | 1,264,041 | 1,324,041 | 1,470,071 |
| FUND TYPE | | | | |
| General Fund | 615,531 | 745,531 | 745,531 | 927,238 |
| Transportation Fund | 177,804 | 177,804 | 177,804 | 142,833 |
| Special Fund | 391,518 | 340,706 | 400,706 | 400,000 |
| TOTAL | 1,184,853 | 1,264,041 | 1,324,041 | 1,470,071 |

## Department Mission Statement

The Center for Crime Victim Services, in conjunction with victims and those persons who interact with victims, seeks to implement, sustain and support a statewide system of services for victims that is victim-centered, comprehensive and just. By increasing the commitment of state government, the range and accessibility of services, the opportunity for victims to participate at all critical stages in the criminal justice process, the coordination and networking of agencies and organizations providing assistance to victims, the pool of grant funds available for victim services, and the amount of financial compensation available for losses incurred as a result of criminal victimization, the Center works to reduce the financial, emotional and physical consequences of victimization and the level of re-victimization of the survivor by the criminal justice system.

## Description of Appropriations, Divisions, & Programs

The Center for Crime Victim Services is mandated by statute to administer the Victim Compensation and Victim Assistance Programs, as well as the new Restitution Unit created in FY 2004. In addition, the Center has been charged with the administration of several state and federal grant programs whose funds are intended to expand the provision of services to victims of crime.

The Victim Compensation Program provides limited financial assistance to victims who have experienced a financial loss as a direct result of a crime. In general, compensation is not provided for property losses, and, as designated "last payor," the program reimburses only those expenses not covered by some form of insurance or restitution ordered of the offender. Staff members verify claims through a comprehensive investigative process and approved payments are made either to service providers or directly to the victim. Over the past five years the number of claims received annually has steadily risen from approximately 450 to nearly 600. The complexity of the claims has also increased, with payments for services such as relocation, out-of-state travel and temporary living expenses for victims fleeing domestic violence situations being far more common than they were ten years ago when the program was first established. $640,000 has been budgeted in FY 2005 for payment of these claims.

The Victim Assistance Program maintains 23 full-time equivalent advocates in the State's Attorney's Offices throughout the fourteen counties of Vermont to assist victims through the criminal justice process and to act as liaison with the State's Attorneys and other criminal justice agencies. Victims of crime in Vermont are entitled to certain basic rights, which include the right to be informed, to be present, and to be heard at all critical stages of the criminal justice process. Victim advocates ensure that the over 13,000 new victims of crime each year are provided every opportunity to participate in this system. Beginning at arraignment and continuing throughout the trial, advocates provide victims with information about the court process and how it might affect them. Advocates keep regular contact to explain developments in the cases and encourage victims to submit Victim Impact Statements. Often

cases last more than a single year and advocates maintain contact with victims during post-conviction proceedings, expanding their true caseloads far beyond the number of new victims served each year. The sheer volume of new cases added to court dockets each year (over 22,000 in 2000) hampers the ability of advocates to provide all statutory services to all eligible victims. However, all those in serious need do receive comprehensive services. Most victims in the over 3,000 felony cases, along with many of the victims of misdemeanors such as assault and domestic assault, receive advocacy and support services. A full-time coordinator position on the Center's staff is charged with providing the supervision and technical assistance necessary to ensure that the advocates continue to perform their duties effectively. Furthermore, a Roving Advocate on the Center's staff substitutes at State's Attorney's Offices across the state when the regular advocate position is vacant or when the advocates are on leave, so that there is no interruption in the services being provided to victims. In FY 2005 the Center budgets $975,000 for State's Attorney's Advocate's salaries and benefits.

The Restitution Unit, established by Act 57, passed by the Legislature in FY 2004, is charged with improving the system for the ordering and collecting of restitution owed to victims by criminal offenders. A surcharge was added to court fines and traffic tickets beginning July 1, 2003, such that an estimated $1,750,000 per year would be collected to provide a pool of funds sufficient for the unit to begin operations. For FY 2005, $1,525,000 is being budgeted to be paid out to victims in court-ordered restitution payments, after which the Restitution Unit will work to collect these obligations from offenders in order to replenish the fund balance.

Grant Program dollars for provision of services to crime victims, awarded by various funding sources, are consolidated at the Center for Crime Victim Services for administrative purposes. This enables Vermont to take a more comprehensive approach to allocating funds geographically, demographically, and across program purposes, ensuring that underserved populations are not overlooked. Staff at the Center monitor all grant recipients for compliance with state and federal guidelines and evaluate their activities to assess their effectiveness. The Center provides technical assistance to non-profit victim service agencies in developing strategies for seeking additional funding opportunities, and staff members provide training to new personnel at non-profit agencies on grant reporting requirements in order to reduce the amount of time grant recipients must spend away from their primary purpose of providing direct service to victims.

VOCA (Victims of Crime Act) funds provide "core" services to victims of domestic violence and child sexual abuse, to elderly victims and to the families of homicide victims. Advocates at the Attorney General's Office, OUR House of Central VT, the SafeSpace of Burlington, The Family Place of Norwich, VT Center for the Deaf & Hard of Hearing, and the sixteen member programs of the VT Network Against Domestic Violence and Sexual Assault provide these services. In FY 2005 $642,122 is budgeted.

STOP Violence Against Women Formula Grant funds support multi-disciplinary domestic violence prosecution units in numerous counties across the state, whose work is to ensure the timely disposition of sexual assault and domestic violence cases while reducing the trauma experienced by victims. In FY

2005 $730,000 is budgeted for these units.

FVPSA (Family Violence Prevention and Services Act) monies provide immediate shelter and related assistance to victims of family violence and their dependents, and, also fund public awareness activities related to domestic violence. In FY 2005 $720,000 is budgeted.

State Domestic Violence and Sexual Assault Funds, the Center's General Fund Appropriation, are passed through to the programs of the Vermont Network Against Domestic Violence and Sexual Assault to enable them to provide direct service to victims of domestic and sexual violence. In FY 2005 $728,878 is budgeted.

Rural Domestic Violence and Child Victimization Grant funds are aimed at reducing obstacles preventing battered women and their children in isolated rural areas from accessing needed services. In FY 2005 $400,000 is budgeted.

Grants to Encourage Arrest Policies Program dollars are used to keep domestic violence victims safer and hold batterers more accountable by funding law enforcement and court-based technology systems, Intensive Domestic Abuse Programs at the Department of Corrections, the Domestic Violence Council, and legal representatives for victims in family court matters. In FY 2005 $500,000 is budgeted.

A Trainings on Abuse & Sexual Assault of Elders and People with Disabilities Grant, first awarded to the Center in FY 2004, will help expand victim services to these currently underserved populations. In FY 2005 $150,000 is budgeted.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Center for Crime Victims' Services**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Center for Crime Victims' Services | 0 | 0 | 0 | 6,710,989 | 6,328,938 | 6,328,938 | 8,523,586 |
| TOTAL | 0 | 0 | 0 | 6,710,989 | 6,328,938 | 6,328,938 | 8,523,586 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 748,724 | 728,828 | 728,828 | 728,878 |
| Special Fund | | | | 1,584,310 | 1,180,767 | 1,180,767 | 3,400,000 |
| Federal Revenue Fund | | | | 4,339,456 | 4,356,843 | 4,356,843 | 4,332,208 |
| Interdepartmental Transfer | | | | 38,499 | 62,500 | 62,500 | 62,500 |
| TOTAL | | | | 6,710,989 | 6,328,938 | 6,328,938 | 8,523,586 |

## Appropriation Key Budget Issues

The major change to the Center's budget for FY 2005 is a $2,400,000 increase in its Special Funds Appropriation. There are two reasons for this:

1) Act 57, passed by the Legislature last year, provided for the establishment of a new Restitution Unit at the Center for Crime Victim Services to improve the system for the ordering and collecting of restitution due to victims from criminal offenders. A surcharge was added to court fines and traffic tickets beginning July 1, 2003. An estimated $1,750,000 is estimated to be collected annually by the Courts to provide a pool of funds for the unit's operations. As of November of 2003 approximately $500,000 had been deposited into the Restitution Special Fund.

For FY 2005, the Center requests spending authority of $1,750,000 to permit the expenditure of these funds.

Operating expenses are expected to be $225,000: $175,000- Wages and Benefits for 4 FTE contracted positions (2 paralegals, 1 administrative assistant, and 1 attorney), and $50,000-Office Expenses (Vision fees, rent, utilities, telephone, desks, chairs, personal computers, supplies).

The remaining $1,525,000 will be available to be paid out to victims in court-ordered restitution payments, after which the Restitution Unit will work to collect these obligations from offenders in order to replenish the fund balance.

2) Spending authority for the Victim Compensation Special Fund has been increased to $1,650,000 to bring it into line with historical use. In both FY 2002 and 2003, though revenues and expenditures were budgeted at roughly $1,150,000, actual figures were closer to $1,600,000. The extra $450,000 in spending authority was requested via Excess Receipts in each of these years. Revenues for FY 2004 are again on target to reach the $1,600,000 figure and it is expected that Excess Receipts will be requested again this coming June. Since revenues now appear to have stabilized at this level, the Center is requesting this budget revision in order to have its budget more accurately reflect its current operations.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Center for Crime Victims' Services**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 872,382 | 842,250 | 842,250 | 1,159,300 |
| Operating Expenses | 256,994 | 264,604 | 264,604 | 353,286 |
| Grants | 5,581,613 | 5,222,084 | 5,222,084 | 7,011,000 |
| TOTAL | 6,710,989 | 6,328,938 | 6,328,938 | 8,523,586 |
| FUND TYPE | | | | |
| General Fund | 748,724 | 728,828 | 728,828 | 728,878 |
| Special Fund | 1,584,310 | 1,180,767 | 1,180,767 | 3,400,000 |
| Federal Revenue Fund | 4,339,456 | 4,356,843 | 4,356,843 | 4,332,208 |
| Interdepartmental Transfer | 38,499 | 62,500 | 62,500 | 62,500 |
| TOTAL | 6,710,989 | 6,328,938 | 6,328,938 | 8,523,586 |

## Department Mission Statement

The Department of State's Attorneys is responsible for the fair and effective prosecution of crime in Vermont. Through impartial investigation and prosecution of crime, the Department provides and promotes public safety. The Department undertakes each day to further the straightforward notion that crime matters and should have commensurate consequences. The Department works collaboratively with uniformed local, State, and Federal law enforcement. As the public's voice in court, the Department translates the work of the law enforcement community into appropriate and just outcomes supported by the law and evidence.

The Department consists of 122 positions primarily organized by county under one of 14 independently-elected State's Attorneys. All 122 positions support the Department's prosecution program and include deputy prosecutors, victim advocates, and administrative staff.

## Description of Appropriations, Divisions, & Programs

The Department of State's Attorneys has one mission - the effective prosecution of crime in Vermont. The Department staffs and maintains an office in each county (14) and an administrative office in Montpelier. Each county office is open to the public and responsible for the prosecution of crime in that county. Each county office is under the direction of a State's Attorney who is elected by the voters of that county to a four-year term. A State's Attorney is locally responsible for the direction of prosecutions in a county. The Department's administrative office is responsible for the administrative and financial direction of the Department.

Department costs are predominantly personal services. In FY2003, the breakdown of actual costs between personal services and operating expenses was 89% personal services and 11% operating expense. With the exception of expert witnesses and other trial-related services, the Department's personal service budget is dedicated to position costs. As for operating expenses, the Department's operating budget funds the inherent costs of maintaining a local office in each county (e.g. rents, communications, computer, postage, etc.)

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| State's Attorneys | 121 | 122 | 122 | 7,767,324 | 8,274,125 | 8,600,527 | 8,529,177 |
| TOTAL | 121 | 122 | 122 | 7,767,324 | 8,274,125 | 8,600,527 | 8,529,177 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 5,825,187 | 6,269,290 | 6,517,063 | 6,435,235 |
| Transportation Fund | | | | 466,343 | 456,076 | 517,271 | 366,373 |
| Special Fund | | | | 17,834 | 0 | 0 | 53,599 |
| Federal Revenue Fund | | | | 220 | 5,000 | 10,493 | 5,000 |
| Interdepartmental Transfer | | | | 1,457,740 | 1,543,759 | 1,555,700 | 1,668,970 |
| TOTAL | | | | 7,767,324 | 8,274,125 | 8,600,527 | 8,529,177 |

## Appropriation Key Budget Issues

The key budget pressures for the Department of State's Attorneys in FY2005 are the increasing cost of the Department's professional staff, as well as, the cost of an effective trial program. The implementation of the Department's major CRIMES database in FY2004 means ongoing software and other maintenance costs in FY2005 and thereafter. The dollar impact of CRIMES in FY2005 approximates $100,000.

Deputy State's Attorney Pay Plan To help retain its experienced and talented prosecutors, the Department several years ago adopted a Deputy State's Attorney Pay Plan. The Plan's provisions allow for the recognition of an attorney's ability and continued service with the Department. Minimizing prosecutor attrition has meant the difference in the Department's ability to keep up with its caseloads and changing nature of crime. To this extent, the Plan has been a tremendous success. In terms of public safety, this Plan's success means that more experienced attorneys are handling more prosecutions more often. An experienced prosecutor can effectively handle more cases than a less experienced prosecutor. For communities and crime victims, prosecutors are in front-line positions of justice that need to consistently perform day-in and day-out.

Effective Trial Program A strong trial program is essential to the effective performance of the Department. The total number of criminal cases added or reopened in FY2003 was 19,880 (3,804 felonies and 16,076 misdemeanors). In addition to the strength of evidence and circumstances surrounding each case, the fact that the great majority of cases are resolved short of trial is owing to the Department's ability and willingness to take a case to trial. Fair and firm plea negotiations to resolve cases depends upon the Department's prospects for success at trial.

But while case disposition by trial is the firm exception and not the rule, the Department does conduct, and must prudently budget to conduct, a number of complete trials each year. In those instances, the Department simply must maintain and be prepared to deploy an effective trial program. Depending on the nature of the offense, success at trial may require the participation of one or more expert witnesses. For example, a homicide involving competency or other mental health issues can easily amass expert witness costs in the tens of thousands.

In recent years, the Department has instituted a review- and pre-approval process for the use of any expert. Such discipline has contributed to the Department's success in keeping expert and other third-party costs reasonable over the last few years. The Department's request for approximately $200,000 in FY2005 for expert and other third-party case services reflects the Department's commitment to continue its sparing use of experts.

Implementation and Maintenance of CRIMES Database The Department's operating budget consists significantly of rents, telecommunications, data circuits/computers, and postage. These 4 cost items accounted for more than 70% of the Department's FY2004 operating budget. The Department has

worked hard in recent years to keep operating expenses down in an effort to maximize the dollars available for current staff and trial costs. The Department maintains an office in each county to serve the public and provide a critical community presence. Together with the Department's administrative office in Montpelier, the Department's operating budget must sustain 15 offices and the infrastructure that each office requires.

In FY2004, the Department has begun to implement CRIMES, an integrated database that will enhance the Department's handling of its caseloads, as well as significantly improve the Department's ability to work with the larger criminal justice community in an increasingly data-rich environment. The implementation of CRIMES brings an exciting and much-needed data capability to the Department. The Department received a capital appropriation adequate to cover CRIMES implementation costs, but the Department must rely upon its operating budget for annual maintenance costs. To implement CRIMES and establish the necessary data-sharing platform in the Department's 15 offices, the Department performed an essential upgrade to its data circuit network. In addition to data circuit costs, CRIMES database is proprietary and carries annual software licensing costs of approximately $45,000.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**State's Attorneys**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 6,884,198 | 7,217,041 | 7,363,785 | 7,400,224 |
| Operating Expenses | 883,126 | 1,027,084 | 1,206,742 | 1,128,953 |
| Grants | 0 | 30,000 | 30,000 | 0 |
| TOTAL | 7,767,324 | 8,274,125 | 8,600,527 | 8,529,177 |
| FUND TYPE | | | | |
| General Fund | 5,825,187 | 6,269,290 | 6,517,063 | 6,435,235 |
| Transportation Fund | 466,343 | 456,076 | 517,271 | 366,373 |
| Special Fund | 17,834 | 0 | 0 | 53,599 |
| Federal Revenue Fund | 220 | 5,000 | 10,493 | 5,000 |
| Interdepartmental Transfer | 1,457,740 | 1,543,759 | 1,555,700 | 1,668,970 |
| TOTAL | 7,767,324 | 8,274,125 | 8,600,527 | 8,529,177 |

## Department Mission Statement

The Sheriffs' Department serves the 14 County Sheriffs in discharging their State law enforcement and prisoner transport duties. Through coordination and integration of effort in transporting prisoners, the Sheriffs' Department strives to protect the public and safely and efficiently serve the courts and the larger law enforcement community.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Sheriffs | 38 | 38 | 38 | 2,652,484 | 2,689,580 | 2,884,668 | 2,853,048 |
| TOTAL | 38 | 38 | 38 | 2,652,484 | 2,689,580 | 2,884,668 | 2,853,048 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 1,967,776 | 1,985,368 | 2,153,493 | 2,287,344 |
| Transportation Fund | | | | 684,708 | 704,212 | 731,175 | 565,704 |
| TOTAL | | | | 2,652,484 | 2,689,580 | 2,884,668 | 2,853,048 |

## Appropriation Key Budget Issues

The key budget pressure for the Sheriffs' Department in FY2005 is the prisoner transport program. In FY2003, the Department performed 4,210 transports involving 10,240 prisoners and covering nearly 518,000 miles. In FY2002, these same figures were 4,086, 9,804, and 488,000, respectively. The impact on FY2004 transports of the opening of the Springfield correctional facility is not yet clear, but year-to-date experience suggests that the operation of the Springfield facility may increase transport costs, particularly in the 4 southern Vermont counties (i.e. Bennington, Rutland, Windham, and Windsor).

The three cost areas for prisoner transports are: 1.) position costs for the 23 State-paid transport deputy sheriffs; 2.) costs for per diem deputy sheriffs who perform those transports not performed by State-paid transport deputies; and 3.) combined transport mileage. During the first months of FY2004, monthly costs for items (2) and (3) have approximated $48,000 (or $576,000 annually).

The Department continues to work with the Court Administrator, Corrections, the Defender General, and the Administration to identify and reach consensus on prisoner transport efficiencies.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Sheriffs**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,390,496 | 2,375,854 | 2,556,304 | 2,540,882 |
| Operating Expenses | 261,988 | 313,726 | 328,364 | 312,166 |
| TOTAL | 2,652,484 | 2,689,580 | 2,884,668 | 2,853,048 |
| FUND TYPE | | | | |
| General Fund | 1,967,776 | 1,985,368 | 2,153,493 | 2,287,344 |
| Transportation Fund | 684,708 | 704,212 | 731,175 | 565,704 |
| TOTAL | 2,652,484 | 2,689,580 | 2,884,668 | 2,853,048 |

## Department Mission Statement

The over-arching duty of the Office of Defender General remains the assurance that persons entitled to appointed counsel receive effective legal advocacy. The Office of Defender General has an obligation to provide adequate representation to needy individuals in a cost-efficient manner, thereby serving not only its clients, but all citizens of the State of Vermont. The provision of representation with reasonable diligence and promptness, and a zealous commitment and dedication to the interests of the client on behalf of those charged with serious crime is a necessary component to the fair administration of the criminal justice system. In order for our adversarial judicial process to function effectively, the state and the individual defendant must receive ardent and competent advocacy; and the Court must have adequate resources to provide access to justice. This balance is a necessary ingredient to a just result.

## Description of Appropriations, Divisions, & Programs

In 1972, the Vermont Legislature passed the Public Defender Act, Title 13, Chapter 163 and created the Office of the Defender General (ODG) which began discharging the constitutional right of needy persons charged with serious crimes to representation. The ODG is also statutorily required to provide counsel consistent with its attorney's ethical obligations and the Rules of Civil and Criminal Procedure in the following matters:

to children who are the subject of juvenile proceedings as alleged delinquents;
to parties in juvenile proceedings including children in need of care and supervision (CHINS) as required by the interests of justice;
to children in the custody of the Commissioner of Social and Rehabilitation Services;
to persons in the custody of the Commissioner of Corrections; and,
to needy persons in extradition, or probation or parole revocation proceedings.

The Office of the Defender General has evolved into a complex service delivery system consisting of two separate programs, Public Defense and Assigned Counsel. There are three tiers of service provision, with the first being the local public defense staff offices. When there are conflicts with public defense, the case is then assigned to a local assigned counsel contractor. And when there are conflicts with both the public defenders and the assigned counsel contractors, the court assigns an attorney on an ad hoc basis. In FY 2002 the ODG implemented three Serious Felony Units to cost-effectively handle life in prison and other serious felony cases where conflicts exist. A fourth SFU was added in FY 2004.

### Public Defense

There are twelve full-time public defense field offices located throughout the State. Seven of these offices are staff offices. Five of these offices are public defense contract offices, that is, private law

firms that have entered into a contract with the Defender General to provide public defense services. Two attorneys have small contracts in Addison and Caledonia/Essex Counties to provide representation to parties in juvenile proceedings. In FY 2004 a public defense contract Serious Felony Unit was established to handle the most serious cases throughout the state. The creation of this unit will help to reduce some of the caseload pressures in local public defender offices, while providing individuals charged with the most serious crimes superior quality representation. The contract public defenders provide substantial savings to the state over a staff office with salary, benefit and operating costs.

**Post-Adjudication Offices**
There are also three offices which handle matters post adjudication. The Appellate Defender handles appeals to the Supreme Court. The Prisoners' Rights Office represents persons in the custody of the Commissioner of Corrections with the same staffing level that it had in the 1970's.

**Juvenile Representation**
The Juvenile Defender's Office represents juveniles in state custody, and, at times, the parents of juveniles in state custody in matters of delinquency, CHINS and termination of parental rights.

**Assigned Counsel**
The Defender General contracts with a part-time Assigned Counsel Coordinator to oversee the daily operations of the assigned counsel program.

**Assigned Counsel Contractors**
The Assigned Counsel Contractors are private attorneys who contract with the Defender General to provide services in criminal and juvenile cases when there are conflicts with the public defenders. The objective is to assure that in most counties there are at least two contractors to take conflict cases. There are presently 60 separate contracts for assigned counsel services, including 2 attorneys who handle appeals.

**Ad Hoc Counsel**
Services provided by ad hoc counsel represent approximately 2-3% of the caseload. However, it is the most expensive means of service, with an hourly rate of $50; and although the ad hoc caseload has been approximately 2-3% of the total caseload assigned to public defense and assigned counsel, ad hoc costs were approximately 7% of total expenditures. Given that the courts make the assignments, and the ODG does not know how much will be billed on any given ad hoc case until the bill has been submitted, it is the most fiscally unpredictable. Over the years numerous attempts have been made to contain the costs of ad hoc counsel, including reducing the caseload as much as possible by carefully analyzing alleged conflicts, providing more contract counsel, and in FY 2002 by the implementation of the serious crimes units. Recent efforts at expanding the contract system and implementation of the Serious Felony Units have yielded a 28% reduction in ad hoc debentures, a 42% decrease in felony clients, an 18% decrease in misdemeanor clients, and a 22.5% decrease in juvenile clients for first quarter FY’04 compared to FY’03. This structural change in the manner of providing conflict representation has resulted in a 52% decrease in ad hoc debentures from the first quarter of FY 2002 to first quarter of FY 2004.

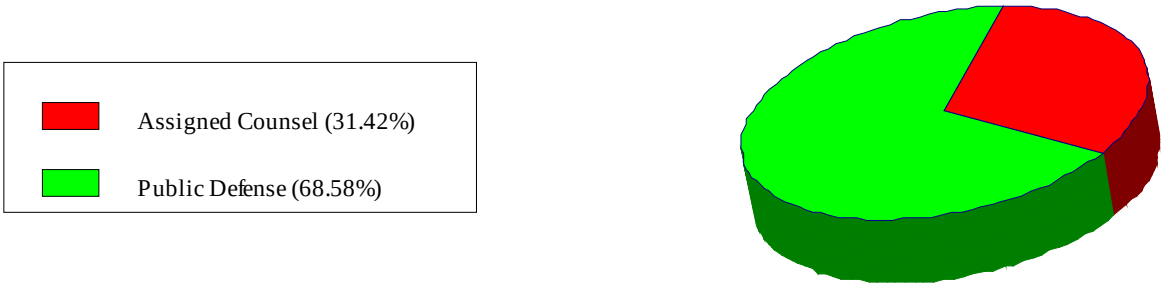
**Serious Felony Units**

The Legislature in 2001 authorized the creation of three Serious Felony Units (SFU) designed to provide representation in cases involving potential life term imprisonment and major felonies which would have ordinarily been assigned to an assigned counsel contractor or ad hoc counsel. In FY 2002 the ODG implemented all three SFUs as contracts. By implementing the SFUs as contracts rather than staff positions the ODG realized first year savings of $112,000.00, and will continue to yield savings of $90,000 per year over staff offices. Further, the ODG exercised its power under 13 V.S.A. §5574 to transfer existing serious felony ad hoc cases into the SFUs to immediately realize cost savings. The implementation of the SFUs in the manner described realized total savings of $120,000 in the first year, and they are projected to realize savings of up to approximately $170,000 per year. Further, these units provide stability and quality representation to clients charged with the most serious crimes. Understanding the cost effectiveness of the SFUs the legislature funded, and the ODG implemented, a fourth SFU for FY04.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Defender General

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Public Defense | 58 | 58 | 58 | 5,347,159 | 5,481,042 | 5,595,303 | 5,602,271 |
| Assigned Counsel | 8 | 8 | 8 | 2,635,988 | 2,372,003 | 2,647,024 | 2,566,368 |
| TOTAL | 66 | 66 | 66 | 7,983,147 | 7,853,045 | 8,242,327 | 8,168,639 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 6,274,128 | 6,534,704 | 6,602,021 | 6,771,984 |
| Transportation Fund | | | | 900,703 | 907,025 | 907,040 | 728,626 |
| Special Fund | | | | 757,820 | 366,316 | 591,316 | 602,629 |
| Federal Revenue Fund | | | | 4,714 | 0 | 40,000 | 2,250 |
| Interdepartmental Transfer | | | | 45,782 | 45,000 | 101,950 | 63,150 |
| TOTAL | | | | 7,983,147 | 7,853,045 | 8,242,327 | 8,168,639 |



## Appropriation Key Budget Issues

The Governor's recommended funding for FY05 is an increase of $40,000 in General Funds, after adjustments for internal fees and benefit rates, and a 2% reduction in Transportation Funds. Funding from the Public Defender Special Fund is increased by a total of $233,684, which will be divided between Public Defense and Assigned Counsel, with Public Defense receiving an increase of $133,684 of these funds. In Public Defense the ODG will continue funding a Public Defense Serious Felony Unit, which was established in FY 2004 using funds available from savings derived primarily from hiring and vacancy savings policies implemented by the Defender General. Most Public Defense contracts will be level funded from FY 2004. There is only a minimal amount of money available for public defense training. There is $10,000 for replacement of obsolete computer equipment, that is expected to fail in the next year. Most of the computer equipment for approximately 60 employees is seriously outdated and needs replacing. This level of funding results in the continued implemenation of cost containment measures implemented in FY 2002 as follows:

Achievement of as high a level of vacancy savings as possible by holding part-time staff to existing hours, although the positions are full-time;
Continuing to hold vacant positions open for 60 days;
Hiring replacement staff at a lower rate;
Use of personal services contracts whenever possible;
Contracting DUI on-call services, saving approximately $30,000;
Reduction/elimination of operating expenses wherever possible;
Identification of true conflicts of interest;
Entry into longer term public defense contracts;
Elimination of quarterly adjustments based upon caseload in public defense contracts;
Diversion of personnel to areas of severe caseload increases; and
Implementing market driven hiring practices for attorneys.

The ODG in negotiating public defense contracts has eliminated quarterly adjustments based upon caseload. Public Defense contracts are now based upon the prior fiscal year's actual caseload. This results in predictability for budget purposes, and fairly compensates the contractor based upon the prior year's caseload. Where possible the ODG has entered into contracts for terms longer than one fiscal year ensuring budget stability over two to three fiscal years.

**Public Defense Caseload Activity**
One of the prime measures of the demand for defense services is the number of Added Clients during a fiscal year. The constant influx of new cases, coupled with cases pending, creates the "caseload" for which offices are responsible during the fiscal year. Attorneys appointed by the courts to represent persons charged with crimes which might result in incarceration and parties in juvenile proceedings routinely represent significantly more clients than is recommended under guidelines developed in 1973 to assure competent representation by the National Advisory Commission on Criminal Justice Standards

and Goals. This Lawyer Equivalency Caseload (LEC) Guideline, provides that no single lawyer should accept more than either 150 added felony clients, 400 added misdemeanor clients or 200 juvenile clients in a year, or some combination of the three categories. For many years, the ODG has utilized this LEC formula as a measure of the workload of its staff. There has been a growing disparity between the LEC of public defenders and the actual number of public defenders who are available to perform this work.

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 4,789,431 | 4,958,827 | 5,016,547 | 5,031,846 |
| Operating Expenses | 557,728 | 522,215 | 578,756 | 570,425 |
| TOTAL | 5,347,159 | 5,481,042 | 5,595,303 | 5,602,271 |
| FUND TYPE | | | | |
| General Fund | 4,262,996 | 4,423,230 | 4,440,526 | 4,544,854 |
| Transportation Fund | 640,467 | 646,496 | 646,511 | 489,388 |
| Special Fund | 393,200 | 366,316 | 366,316 | 502,629 |
| Federal Revenue Fund | 4,714 | 0 | 40,000 | 2,250 |
| Interdepartmental Transfer | 45,782 | 45,000 | 101,950 | 63,150 |
| TOTAL | 5,347,159 | 5,481,042 | 5,595,303 | 5,602,271 |

## Appropriation Key Budget Issues

### Assigned Counsel Contractors

With the Governor's recommended funding for FY 2005 we anticipate being able to provide assigned counsel contractors with up to a 5% increase in funding. Assigned counsel contractors are the most cost-efficient means of providing public defense services. These contractors have not had their base funding level increased since FY 2000, and with the last two years of level funding and increasing caseloads there are some contractors who are currently paid below the base level of $48,000 per Lawyer Equivalency Caseload. Without an increase in funding to some of these contractors, they will terminate their contracts, which results in more cases being assigned to ad hoc counsel, at a much greater cost. The cost effectiveness of expanding the number of assigned counsel contracts is now well documented. The predictability of the cost and savings of diverting cases to assigned counsel contractors has eliminated the need to request budget adjustment for the three consecutive fiscal years.

### Serious Felony Units

The four serious felony units will be continued at level funding.

### Ad Hoc Counsel

This program was shown in FY 2004 under a separate appropriation for performance budgeting purposes. For FY 2005 it is brought back under the assigned counsel appropriation at level funding from FY 2004. This is the most expensive means of providing public defense services, and it is only used when there are no public defense or assigned counsel contractors who can ethically provide representation.

Additionally, the cost containment measures implemented in FY 2002 and FY 2003 will be continued, most significantly including:
Entering into as many assigned counsel contracts as possible to prevent the assignment of cases to ad hoc counsel;
Maximizing the use of the four Serious Felony Units;
Reduction in excess compensation in ad hoc assignments;
Identification of true conflicts of interest;
Elimination of payment for frivolous ad hoc post-conviction relief assignments; and
Elimination of quarterly adjustments based upon caseload.

### Assigned Counsel Caseload Activity

Caseload increases have been significant for assigned counsel over the last several years. Added clients have increased 64% over the last five years, with an increase of 14% from FY 2001 to FY 2002 alone. The increase in added felonies has been even more significant with an increase of 21% in added clients and 31% in added charges from FY 2001 to FY 2002. Despite a significant increase in overall caseload, with the implementation of 12 new contracts – an increase of 24% over FY '02 -- and the implementation of the Serious Felony Units, there has been a 52% decrease in ad hoc debentures from

the first quarter of FY 2002 to first quarter of FY 2004.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Assigned Counsel**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,582,899 | 2,337,498 | 2,595,349 | 2,514,693 |
| Operating Expenses | 53,089 | 34,505 | 51,675 | 51,675 |
| TOTAL | 2,635,988 | 2,372,003 | 2,647,024 | 2,566,368 |
| FUND TYPE | | | | |
| General Fund | 2,011,132 | 2,111,474 | 2,161,495 | 2,227,130 |
| Transportation Fund | 260,236 | 260,529 | 260,529 | 239,238 |
| Special Fund | 364,620 | 0 | 225,000 | 100,000 |
| TOTAL | 2,635,988 | 2,372,003 | 2,647,024 | 2,566,368 |

## Department Mission Statement

The State of Vermont Military Department, administered by the Adjutant General, includes the Vermont Army and Air National Guard, and serves as a state military force available to the Governor in the event of statewide emergency beyond the capability of civil authority. As a federal force, the Vermont National Guard is an immediate reserve for both the US Army and US Air Force, with the purpose of providing trained units and qualified personnel available for active duty in the armed forces in time of war or national emergency, and at other times as may be required for national security. The Military Department commands or supports the National Guard as mandated by state and federal constitutions. Under the Adjutant General, the Military Department provides support to Vermont Veterans, as required by Vermont Law.

State funds account for approximately 3% of the combined state and federal budget the military Department expends to maintain facilities for administration, training and storage requirements of the Vermont National Guard in the accomplishment of its missions.

## Description of Appropriations, Divisions, & Programs

The market of the Military Department is, quite literally, the entire population of the State of Vermont. In our role as a state military force prepared to respond at the call of the Governor, we have provided relief services to the citizens of the state on numerous occasions. This support ranges from providing water storage units in time of drought, to road repair and evacuation in time of flood and other natural disasters. The Military Department has been tasked with providing support to the Vermont Army and Air National Guard in their participation in Operations Noble Eagle, Iraqi Freedom and Enduring Freedom. This support includes maintenance support for our armories throughout the State, assisting with implementing additional security measures as required at Camp Johnson, and providing facilities for the feeding and housing of soldiers called to duty for homeland security missions. This has not been without cost, as our armories have of necessity not been available to the many youth and community groups that use these facilities throughout the State, due to heightened levels of security implemented nationally and here in Vermont. Additionally, the Military Department serves the needs of more than 60,000 Vermont Veterans. A major part of our service to Veterans is maintenance of the Vermont Veteran's Memorial Cemetery in Randolph. Supervision of this cemetery is provided through the Veterans' Affairs Office in Montpelier. Our Veterans' Affairs Office also maintains records of all Vermont Veterans, coordinates requests for funeral services for deceased veterans, tracks and verifies claims for bonus payments and disability claims, and handles other miscellaneous requests for information.

Military support to Vermont communities providing color guards for parades and other formal ceremonies, as well as providing honor guards for funeral services throughout the state. In 2003, the Army and Air National Guard has provided 390 military funeral details for Vermont's deceased

Veterans. This number is expected to continue to rise for the foreseeable future. We have also sponsored Operation Bullseye, to aid hunters in safely preparing for annual hunting season; supported numerous food drives throughout Vermont; provided helicopter orientation flights for Jr. ROTC students from Barre and Essex; coordination with state and local law enforcement agencies for drug demand reduction; coordination of the Excess Government Equipment Program, which allows local enforcement agencies to receive Government equipment at no cost.

Since FY 1994, the Military Department has administered Starbase, a 100% federally funded program targeting students in grades four through six with hands-on curriculum of science, math, and technology. Over 6,000 students have been served by the program. Students attend a five-day session held at the Vermont Air National Guard Base in South Burlington and a second site in Rutland. The Starbase staff consists of a Unit Chief, Administrator, Instructor, and Administrative Specialist in South Burlington and Rutland sites. All positions are state employees whose compensation and benefits package is federally reimbursed.

The Military Department also provides crash, fire and rescue services to the Burlington International Airport. The Vermont Air Guard Fire Department is the first-responder for all crash, fire and rescue needs at the airport, as well as assisting with back-up to other departments in Chittenden County. The Burlington Airport Commission has estimated that this service results in an annual cost-saving to taxpayers of $500,000.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Military

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Administration | 7 | 7 | 7 | 787,753 | 712,417 | 781,810 | 786,011 |
| Air Service Contract | 40 | 57 | 58 | 4,120,542 | 4,343,401 | 4,384,776 | 4,618,716 |
| Army Service Contract | 21 | 27 | 29 | 6,777,408 | 10,566,879 | 10,610,183 | 10,742,004 |
| Building Maintenance | 20 | 20 | 20 | 1,386,792 | 1,332,040 | 1,341,210 | 1,262,400 |
| Veterans' Affairs | 4 | 4 | 4 | 299,593 | 309,888 | 309,904 | 372,180 |
| TOTAL | 92 | 115 | 118 | 13,372,088 | 17,264,625 | 17,427,883 | 17,781,311 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 2,995,181 | 2,829,536 | 2,936,410 | 2,880,631 |
| Special Fund | | | | 9,502 | 0 | 0 | 0 |
| Federal Revenue Fund | | | | 10,367,405 | 14,435,089 | 14,491,473 | 14,900,680 |
| TOTAL | | | | 13,372,088 | 17,264,625 | 17,427,883 | 17,781,311 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Administration**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 412,363 | 429,899 | 429,899 | 442,365 |
| Operating Expenses | 245,867 | 200,835 | 202,635 | 199,963 |
| Grants | 129,523 | 81,683 | 149,276 | 143,683 |
| TOTAL | 787,753 | 712,417 | 781,810 | 786,011 |
| FUND TYPE | | | | |
| General Fund | 787,753 | 712,417 | 781,810 | 786,011 |
| TOTAL | 787,753 | 712,417 | 781,810 | 786,011 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Air Service Contract**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 2,964,355 | 3,456,440 | 3,456,440 | 3,731,755 |
| Operating Expenses | 1,156,187 | 886,961 | 928,336 | 886,961 |
| TOTAL | 4,120,542 | 4,343,401 | 4,384,776 | 4,618,716 |
| FUND TYPE | | | | |
| General Fund | 379,800 | 341,697 | 359,166 | 344,459 |
| Federal Revenue Fund | 3,740,742 | 4,001,704 | 4,025,610 | 4,274,257 |
| TOTAL | 4,120,542 | 4,343,401 | 4,384,776 | 4,618,716 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Army Service Contract**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 1,768,808 | 2,390,179 | 2,394,948 | 2,565,304 |
| Operating Expenses | 5,008,600 | 8,176,700 | 8,215,235 | 8,176,700 |
| TOTAL | 6,777,408 | 10,566,879 | 10,610,183 | 10,742,004 |
| FUND TYPE | | | | |
| General Fund | 150,745 | 133,494 | 144,320 | 115,581 |
| Federal Revenue Fund | 6,626,663 | 10,433,385 | 10,465,863 | 10,626,423 |
| TOTAL | 6,777,408 | 10,566,879 | 10,610,183 | 10,742,004 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Building Maintenance**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 853,442 | 916,596 | 916,596 | 846,956 |
| Operating Expenses | 533,350 | 415,444 | 424,614 | 415,444 |
| TOTAL | 1,386,792 | 1,332,040 | 1,341,210 | 1,262,400 |
| FUND TYPE | | | | |
| General Fund | 1,386,792 | 1,332,040 | 1,341,210 | 1,262,400 |
| TOTAL | 1,386,792 | 1,332,040 | 1,341,210 | 1,262,400 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Veterans' Affairs**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 153,237 | 157,723 | 157,723 | 181,015 |
| Operating Expenses | 57,594 | 30,000 | 30,016 | 70,000 |
| Grants | 88,762 | 122,165 | 122,165 | 121,165 |
| TOTAL | 299,593 | 309,888 | 309,904 | 372,180 |
| FUND TYPE | | | | |
| General Fund | 290,091 | 309,888 | 309,904 | 372,180 |
| Special Fund | 9,502 | 0 | 0 | 0 |
| TOTAL | 299,593 | 309,888 | 309,904 | 372,180 |

## Department Mission Statement

The Department of Labor & Industry's mission is to provide for the safety, protection, and welfare of people where they work, live and play, in a manner that is fair, consistent, supportive, and professional.

The Department's Fiscal 2005 budget request is approximately $7 million. About 70% of Labor and Industry's funding is from special funds, with general funds and federal funds accounting for the remaining 30%.

Most of the Department's 88 positions work in Montpelier or in regional offices in Barre, Rutland, Springfield, So. Burlington or Williston. The Department's work is organized into the following divisions and major programs:

- Fire Prevention
- Workers' Compensation
- VOSHA Compliance
- Project WorkSAFE
- Wage and Hour
- Passenger Tramway
- Elevator Safety

## Description of Appropriations, Divisions, & Programs

### Fire Prevention Division

The Fire Prevention Division ensures the safety of the public through enforcement, education, licensing and certification programs. The Division, with 39 positions located in Barre, Montpelier, Rutland, Springfield and Williston, has responsibility for the safety and accessibility of all 80,000 of Vermont's public buildings. The Division administers fire, electrical, boiler/pressure vessel and plumbing safety programs. The primary activities of the division are inspecting buildings and reviewing plans to make sure that fire code and safety requirements are met, and providing educational outreach programs to stakeholders and the general public. It provides regulatory and technical assistance in the provision of barrier-free access to buildings for persons with disabilities. The Division continually works with the historic preservation community to ensure the safety of older buildings while assisting with preservation. The Division also provides administrative support to the plumbing and electricians' boards and issues licenses for both these professions. The division recently began providing administrative support for the Elevator Safety program. The Division has entered into cooperative inspection agreements with municipalities around the state. These agreements allow cities and towns to enforce codes and standards on the State's behalf and increase the total number of inspections conducted in the State.

Over 90% of the Division's funding comes from the Fire Prevention special fund. This special fund consists of a number of fees for permits and licenses, with the construction plan review permit fee generating between $1.6 million and $2.3 million a year. The remaining special funds are from electrical, plumbing and sprinkler inspection fees and electrical, plumbing and boiler licensing fees. The Division's remaining funds are general funds and transfers from other departments.

**Workers' Compensation Division**
The Workers' Compensation Division ensures that workers who are injured because of their work receive medical and disability compensation from their employer or their employer's insurer, without regard to fault on the part of the employee or employer. This involves extensive efforts at dispute resolution, including form audits, mediation and adjudication. The Division adjudicates disputed workers' compensation claims through an informal dispute resolution process and when necessary through a formal hearing process.

With a staff of 16, the Division receives about 25,000 injury reports a year. Of these about 7,500 involve lost work time of three or more days. About 5,000 cases involve a dispute of one or more issues. Most of the disputed cases are settled informally, only 60 to 75 go to formal hearing.

The Workers' Compensation program is primarily funded by an assessment, proposed at 0.40% for FY 2005, on employers' workers' compensation premiums.

**Vermont Occupational Safety and Health Administration (VOSHA)**
VOSHA assures that all persons are provided, by their employers, with safe and healthful working conditions at their work places and ensures that employees not suffer diminished health, functional capacity, or life expectancy as a result of their work experience. This mission is accomplished through the inspection of work places for violations of the VOSHA safety and health standards. If violations are found the employer must correct them and may be subject to monetary penalties. The VOSHA Compliance program and its 13 employees are funded on a 50% general fund and 50% federal fund basis. The Department also receives small federal grants to cover half the cost of collecting labor statistics on injured workers and to fund private training programs from the Mine Safety & Health Administration.

**Project WorkSAFE**
Project WorkSAFE seeks to maintain safe workplaces by providing confidential, no-cost inspection and consultation services to Vermont's businesses. Employers invite WorkSAFE staff to inspect their facilities, who list a summary of hazards, and provide assistance in hazard correction. The employer avoids any citations or penalties, but is required to correct all hazards discovered during the inspection. Project WorkSAFE and its six employees are funded by federal and special funds. Federal funds account for 80% to 90% of WorkSAFE's funding, depending upon federal grant limits. The remaining funding comes from the Workers' Compensation Administration Special Fund, which pays the cost of one consultant.

**Wage and Hour Program**
The Wage and Hour Program enforces the State's minimum wage, overtime, wage payment, employee benefit, and child labor laws. This two-person program is funded entirely with general funds.

**Passenger Tramway Program**
The Passenger Tramway Program inspects the construction, operation and maintenance of ski tows, lifts and trams and monitors them for compliance with state regulations designed to provide for passenger safety. The state has 226 lifts at its 26 ski areas. Each year about 250 injuries occur on or are caused by ski lifts over the course of about 4 million skier days, about one injury per 16,000 skier days.

Vermont ski areas pay the cost of the Passenger Tramway Program. An annual assessment rate is set based upon the number, type and length of ski lifts operating in the State. Every fiscal year the fee rate is set to collect enough revenue to fund the program. The program has three inspectors.

**Elevator Safety Program**
The 2001 Legislature created a private program to inspect elevators to be phased in over a three-year period. Private licensed inspectors will inspect the approximately 3,000 elevators in Vermont. By the end of fiscal Year 2004 the program will be fully operational. The Elevator Safety Program has one staff support person to issue licenses and operating permits and is funded with license and operating permit fees.

**Administration**
The Commissioner's Office provides management, policy guidance, strategic planning, business management functions, information technology and legal services to the Department. The office also licenses employee-leasing companies. There are nine positions in Administration.

The costs of the Commissioner's Office and the Administrative Services section are allocated to the various funding sources based upon each program's proportional share of total costs.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Labor and Industry | 88 | 88 | 88 | 5,986,306 | 6,913,486 | 7,001,186 | 7,018,518 |
| TOTAL | 88 | 88 | 88 | 5,986,306 | 6,913,486 | 7,001,186 | 7,018,518 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 765,792 | 919,251 | 1,006,951 | 913,722 |
| Special Fund | | | | 4,240,295 | 4,802,539 | 4,802,539 | 4,975,015 |
| Federal Revenue Fund | | | | 950,044 | 1,134,548 | 1,134,548 | 1,080,648 |
| Interdepartmental Transfer | | | | 30,175 | 57,148 | 57,148 | 49,133 |
| TOTAL | | | | 5,986,306 | 6,913,486 | 7,001,186 | 7,018,518 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 4,934,595 | 5,530,436 | 5,509,936 | 5,618,018 |
| Operating Expenses | 962,150 | 1,313,050 | 1,421,250 | 1,325,500 |
| Grants | 89,561 | 70,000 | 70,000 | 75,000 |
| TOTAL | 5,986,306 | 6,913,486 | 7,001,186 | 7,018,518 |
| FUND TYPE | | | | |
| General Fund | 765,792 | 919,251 | 1,006,951 | 913,722 |
| Special Fund | 4,240,295 | 4,802,539 | 4,802,539 | 4,975,015 |
| Federal Revenue Fund | 950,044 | 1,134,548 | 1,134,548 | 1,080,648 |
| Interdepartmental Transfer | 30,175 | 57,148 | 57,148 | 49,133 |
| TOTAL | 5,986,306 | 6,913,486 | 7,001,186 | 7,018,518 |

## Department Mission Statement

The mission of the Vermont Criminal Justice Training Council is to offer the best, most scientific and defensible training to all police officers in the State of Vermont. The Council also provides technical assistance to the communities, counties and state agencies. To that end, the Training Council through the Vermont Police Academy conducts full-time basic training, part-time basic training as well as in-service education for certified police officers. Additionally, the Academy offers canine training and certification to all departments who wish to enter the program.

## Description of Appropriations, Divisions, & Programs

**Description of Department**: The Criminal Justice Training Council operates the Vermont Police Academy, The Vermont Canine Academy and houses and assists with the Vermont Corrections Academy. The Corrections Academy is directed and budgeted by the Vermont Department of Corrections.

The Vermont Police academy operates two full-time classes each year, consisting of a total of twenty-one weeks each including the three-week pre-basic by the Vermont State Police. The academy also operates four part-time certification schools. The part-time program consists of three Phases. Phase I is 58 hours of classroom, Phase II is 50 hours of additional classroom training and Phase III consists of 60 hours of on the road, supervised training. While phase II and III are being completed, the officer must work under the direction of a fully certified police officer. The academy certifies approximately 100 part-time officers and 70 full-time officers each year plus approximately 30 waiver students from other states. Additionally we average 50 people per day for in-service education and re-certification education.

The Vermont Canine Academy currently consists of 37 certified teams from all types of departments including, state police, municipal police, sheriffs deputies, Fish and Wildlife Officers and Department of Motor Vehicle Inspectors. These teams are required to train each month and demonstrate their skills during a proficiency test each year. These teams are trained in one or more of the following areas: patrol, tracking, drug detection, black powder detection and bomb detection.

The academy also cooperates with various community organizations by offering the facility for student seminars, recreation events and leadership classes. Additionally, the academy houses four youth programs geared to a future in law enforcement or firefighting.

Appropriations, Programs: The Criminal Justice Training Council is funded through the General Fund, Transportation Fund and Special Fund. The special fund is made up of tuition charged to Departments who participate in in-service training. The Special Fund also has receipts from penalty assessment

deposited to it. income from other tuition and reimbursement sources make up the remainder.

The Academy works closely with all police departments in the state in areas of recruiting and retention as well as providing audiovisual programs the recruiters can use away from their department. Every three weeks, an entrance test is given those potential students who are selected by departments. Once selected, the full-time program consists of sixteen weeks of intense physical and mental training to prepare students for duty with the sponsoring departments. The part-time program consisting of a minimum of 168 hours is also offered. The Academy graduates approximately two hundred officers a year and trains an additional fifty-five officers a day in a variety of in-service programs.

One of our top priorities is domestic violence response training. With approximately 40% of all police calls for service being domestic violence related, it is critical that all officers are given as much education as possible. Every officer either part-time or full-time leaves the basic training program with a minimum of eight hours of intense DV training. This was one of our program goals, which was reached this year. Other courses are offered after the initial block of instruction both at the academy and in the field.

A major need for the police academy is an alternate method of training officers. Alternatives are expensive and time consuming. Giving classes on a part-time basis, on weekends or at night cannot be accomplished with the current staffing and budget. State, county and local departments are already donating nearly a half million dollars in time and equipment to keep the academy afloat. Based on the recommendations of the summer study committee there needs to be an alternative to residential basic training to fill the nearly one hundred full-time openings currently available.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Criminal Justice Training Council**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Criminal Justice Training Council | 8 | 7 | 8 | 1,113,956 | 1,394,270 | 1,394,270 | 1,450,159 |
| TOTAL | 8 | 7 | 8 | 1,113,956 | 1,394,270 | 1,394,270 | 1,450,159 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 503,420 | 558,151 | 558,151 | 647,358 |
| Transportation Fund | | | | 334,880 | 348,154 | 348,154 | 279,677 |
| Special Fund | | | | 223,349 | 460,855 | 460,855 | 464,724 |
| Interdepartmental Transfer | | | | 52,307 | 27,110 | 27,110 | 58,400 |
| TOTAL | | | | 1,113,956 | 1,394,270 | 1,394,270 | 1,450,159 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Criminal Justice Training Council**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 632,948 | 660,266 | 660,266 | 719,955 |
| Operating Expenses | 481,008 | 734,004 | 734,004 | 730,204 |
| TOTAL | 1,113,956 | 1,394,270 | 1,394,270 | 1,450,159 |
| FUND TYPE | | | | |
| General Fund | 503,420 | 558,151 | 558,151 | 647,358 |
| Transportation Fund | 334,880 | 348,154 | 348,154 | 279,677 |
| Special Fund | 223,349 | 460,855 | 460,855 | 464,724 |
| Interdepartmental Transfer | 52,307 | 27,110 | 27,110 | 58,400 |
| TOTAL | 1,113,956 | 1,394,270 | 1,394,270 | 1,450,159 |

## Department Mission Statement

The Department of Liquor Control is responsible for: the purchase, distribution and retail sale of all "spirits", (i.e., all distilled spirits, beers of greater than 8% alcohol, and wines greater than 16% alcohol content); the enforcement of Vermont's alcohol beverage statutes and regulations; statutes relating to tobacco products; the collection of the State's 25% retail tax on liquor; the annual issuance of more than 5,000 licenses; providing mandatory education concerning the proper use of alcohol beverages and tobacco products to licensees, industry members and students; and the redemption and recycling of liquor bottles subject to Vermont's deposit law.

## Description of Appropriations, Divisions, & Programs

### Administration Appropriation:

The Department of Liquor Control is funded through an Enterprise Fund primarily consisting of alcohol receipts from the sale of spirituous liquor. These monies go toward the operation of both the business and regulatory functions.

The Administrative division of the department is responsible for business and retail functions. The department's objectives are to provide a controlled distribution system that removes alcoholic beverages from the private marketplace and promotes moderate consumption, while maximizing the revenues generated for the state.

Retail Operations provide for the sale of alcohol beverages to the public and licensed establishments throughout the state.

Warehousing, Distribution, and Recycling receives and stores alcohol beverages from vendors and distributes inventory throughout the state to liquor outlets for resale. This division coordinates pickup of all refunded empty liquor bottles at more than 132 outlets and redemption centers throughout Vermont and transfers recyclable material to recycling centers for further processing.

The Liquor Control Board, Commissioner and support personnel supervise and manage the sale of spirituous liquors as well as enforce laws and regulations under VSA Title 7.
Supervisory staff provides support to outlets with training, audits, product knowledge, inventory control and other supportive measures as needed.
Accounting is responsible for all financial transactions related to the operations of the department.
Purchasing oversees control of inventory of alcoholic beverages from liquor vendors to resale.
Information Technology supports all divisions of the department.

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**Enforcement, Licensing & Education Appropriation:**
The Enforcement, Licensing, & Education division's mission is to provide a safe and healthy environment by fostering respect for, and adherence to, the laws of the State of Vermont.

Its goals are: to provide meaningful liquor control education to licensees, schools and the general public; apply strict but fair enforcement of the Vermont liquor laws and regulations; and permit only responsible persons to engage in alcohol beverage sales and service.

The regulatory side of the Department enforces the Vermont's Alcohol Beverage statutes and regulations and certain tobacco laws. This division also provides mandatory alcohol and tobacco education for all licensees and their employees.

Enforcement and Licensing investigate license applicants and premises. They conduct inspections for detection, correction and intervention in instances where laws and regulations are not adhered to. In addition, this division investigates complaints from the general public and fellow law enforcement, and conducts evidentiary hearings. They enforce the laws concerning illegal importation and laws restricting youth access to tobacco products. Enforcement approves, processes and issues more than 4,900 licenses annually and handles cases and decisions by the Liquor Control Board. Preparation and issuance of tobacco forms is managed and this division compiles and collates tobacco-licensing information from 246 towns and cities. They also conduct alcohol compliance testing monthly of licensed premises, as mandated by the Liquor Control Board.

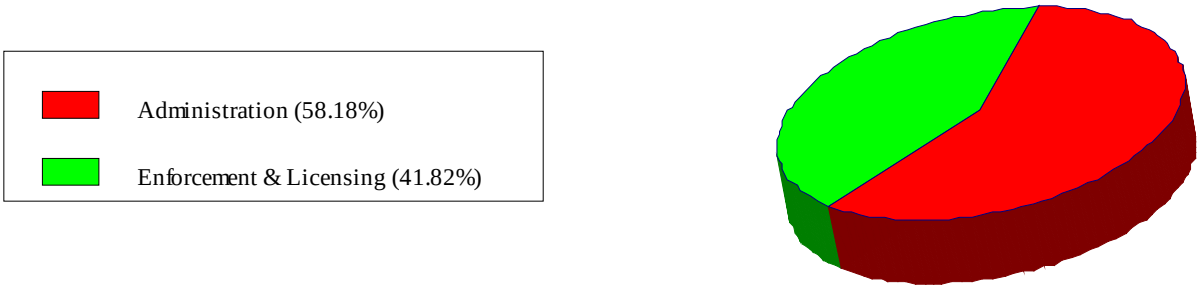
The Education Unit provides licensee server training for business owners and their employees. They also process statistical seminar activity. Their primary function is mandatory server/seller training as mandated by Title 7 (239C). Tobacco compliance testing is also mandated by the legislature (2001-2002). The Tobacco Settlement Fund (MSA) funds the Education Unit as well as monthly tobacco compliance tests.

In 1999, the role of Alcohol Server Education increased greatly as a result of the legislature passing mandatory server/seller education. The Education Section became a more defined part of the Division. In the Education Section there is now an Education Programs Coordinator, two Education Investigators and an administrative person working together solely to improve the department's educational programs. The section has been developing updated programs for licensees, as well as working on improved programs for students and their communities. The Education Section, working collaboratively with Enforcement, has increased alcohol and tobacco compliance, limited access to retail establishments for minors seeking to purchase alcohol and tobacco, and fostered cooperation between licensees and the department.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Liquor Control

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Enforcement & Licensing | 23 | 23 | 23 | 1,688,088 | 1,707,642 | 1,707,642 | 1,707,642 |
| Administration | 33 | 33 | 33 | 2,440,299 | 2,375,311 | 2,375,311 | 2,375,311 |
| TOTAL | 56 | 56 | 56 | 4,128,387 | 4,082,953 | 4,082,953 | 4,082,953 |
| FUND TYPE | | | | | | | |
| Special Fund | | | | 292,927 | 318,973 | 318,973 | 318,973 |
| Enterprise Fund | | | | 3,801,622 | 3,763,980 | 3,738,397 | 3,763,980 |
| Interdepartmental Transfer | | | | 33,838 | 0 | 25,583 | 0 |
| TOTAL | | | | 4,128,387 | 4,082,953 | 4,082,953 | 4,082,953 |



## Appropriation Key Budget Issues

Tobacco Settlement money funds our education program for tobacco and alcohol licensees and their employees. It also funds our tobacco compliance program under which DLC conducts monthly tobacco compliance tests. As of the date of this report, the November numbers indicate a 90% compliance rate. These monies are key to funding DLC's mandatory educational programs, which significantly influence the success of our compliance programs.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Enforcement & Licensing**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 1,426,412 | 1,412,065 | 1,427,983 | 1,512,009 |
| Operating Expenses | 261,676 | 295,577 | 279,659 | 195,633 |
| TOTAL | 1,688,088 | 1,707,642 | 1,707,642 | 1,707,642 |
| FUND TYPE | | | | |
| Special Fund | 292,927 | 318,973 | 318,973 | 318,973 |
| Enterprise Fund | 1,361,323 | 1,388,669 | 1,363,086 | 1,388,669 |
| Interdepartmental Transfer | 33,838 | 0 | 25,583 | 0 |
| TOTAL | 1,688,088 | 1,707,642 | 1,707,642 | 1,707,642 |

## Appropriation Key Budget Issues

A key budget issue for administrative appropriation is to further reduce payables for the department, yet still meet all criteria of a liquor business in the most efficient manner, while operating under tight budget constraints.

Liquor Control will strive to maintain services at the current level. Our revenue stream has increased dramatically since 1996, when DLC introduced its Prime Focus sales program. It's main goal was to encourage Vermonters to purchase spirits locally rather than going to New Hampshire. The strategy has succeeded with sales jumping from $34,931,651 in 1996 to $44,056,502 in 2003. Halfway through FY04, sales are more than $1 million dollars over last year's and are moving toward a $2 million dollar increase by year-end.

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,706,186 | 1,794,637 | 1,792,397 | 1,845,481 |
| Operating Expenses | 734,113 | 580,674 | 582,914 | 529,830 |
| TOTAL | 2,440,299 | 2,375,311 | 2,375,311 | 2,375,311 |
| FUND TYPE | | | | |
| Enterprise Fund | 2,440,299 | 2,375,311 | 2,375,311 | 2,375,311 |
| TOTAL | 2,440,299 | 2,375,311 | 2,375,311 | 2,375,311 |

## Department Mission Statement

The Racing Commission is charged with the establishment, licensing, regulation, and control of the pari-mutuel system of wagering on horse racing in the State of Vermont.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Racing Commission**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Vermont Racing Commission | 0 | 0 | 0 | 1,417 | 5,000 | 5,000 | 5,000 |
| TOTAL | 0 | 0 | 0 | 1,417 | 5,000 | 5,000 | 5,000 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 1,417 | 5,000 | 5,000 | 5,000 |
| TOTAL | | | | 1,417 | 5,000 | 5,000 | 5,000 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Racing Commission**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 594 | 2,076 | 2,076 | 2,076 |
| Operating Expenses | 823 | 2,924 | 2,924 | 2,924 |
| TOTAL | 1,417 | 5,000 | 5,000 | 5,000 |
| FUND TYPE | | | | |
| General Fund | 1,417 | 5,000 | 5,000 | 5,000 |
| TOTAL | 1,417 | 5,000 | 5,000 | 5,000 |

## Department Mission Statement

To use the Office of the Secretary of State's constitutional and statutory authority to; protect public health and safety, protect the integrity of the State's electoral process, protect public access to government and its records, and to foster an understanding of and an enthusiasm for our democratic form of government.

## Description of Appropriations, Divisions, & Programs

The Office is comprised of the divisions of Archives, Elections, Corporations and Professional Regulation; and the Safe at Home address confidentiality program.

### ARCHIVES

The Archives Division of the Office of the Secretary of State preserves and keeps accessible state government records deemed by statute, record schedule or archival appraisal to have continuing value. The goal of the Archives is to provide evidence of key government transactions and activities of government.

The Archives shall, to the extent practicable, cooperate with and assist state institutions, political subdivisions, and individuals engaged in archival management and historical research. The Archives may offer advice on questions associated with the statutory provisions governing access to public records. The primary statutory authority for the State Archives can be found in 3 V.S.A.§117 and in the broader requirements of Article VI, Chapter I of the Vermont Constitution for the accountability of government officials to the public.

### ELECTIONS

The Elections division of the Office of the Secretary of State protects the integrity of campaigning and elections in Vermont; facilitates the access of all citizens to elections, governmental activities, and public issues; provides administration and support for the orderly conduct of elections, including making recommendations for improvements to the process (both technological and policy); provides responsive and accurate information and advice to citizens, public officials, and the press on elections, campaign finance, lobbyist disclosure, open meeting, public records, and municipal questions; administers the campaign finance and lobbyist disclosure laws; improves the motor voter registration process and forms; continues to increase the availability of information through its web site and publications; and provides public education to encourage the participation of all citizens of voting age in the Vermont elections process.

As of the 2000 census, there were 461,491 citizens of voting age and as of November, 2002 there were

418,718 registered voters in Vermont. The Elections division serves citizens, voters, candidates, political parties, political committees, public officials (elected and appointed), members of the press, lobbyists, lobbyist employers, students, public interest groups and a wide variety of researchers and academicians.

**CORPORATIONS**
The Corporations Division within the Office of the Secretary of State strives to provide a business friendly environment and to facilitate commerce by administering state law related to records identifying foreign and domestic corporations, partnerships, limited liability companies, and sole proprietors doing business in Vermont; to register trademarks and trade names; and to act as the central filing office for Uniform Commercial Code liens.

The division seeks to pay for its services through the generation of fee and registration revenues and to contribute additional revenues to the general fund.

**OFFICE OF PROFESSIONAL REGULATION**
The mission of the Office of Professional Regulation within the Office of the Secretary of State is to protect the public from unethical, incompetent or otherwise unprofessional behavior by licensed practitioners in the professions and occupations that are regulated through the Office; to protect the public from practitioners in these fields who are unauthorized to practice; to ensure equity in licensing, regulation and discipline by fairly and responsibly administering the rules and statutes pertaining to these professions and occupations. The Office of Professional Regulation serves 39 professions, agencies who investigate criminal and civil abuse cases, professional associations, consumers, and educational systems for the professions.

The outcome indicators for this Office include:
1. Number of applications for registration, certification, or licensure processed within the 14-day objective.
2. Monthly and annual median age of disciplinary cases at disposition as a measure of the 12 month objective;
3. Monthly and annual number of disciplinary cases opened, investigated, pending and disposed.

**SAFE AT HOME**
The Safe at Home address confidentiality program helps victims of domestic violence, sexual assault, and stalking rebuild their lives and be safer by providing a substitute address to be used when creating or updating records with state or local government agencies. The substitute address provides for confidentiality of victims' actual locations by preventing assailants from locating victims by using public government records.

**OUTCOMES**
1. Victims are using the substitute address for their correspondence with state and local government and for private correspondence.

2. Safe at Home maintains an enduring partnership with crisis programs that offer safety planning and various victim services.
3. Participants report that the Safe at Home program helps them feel less threatened that their assailant will locate them.
4. The Safe at Home program is accurately forwarding mail to participants in an efficient manner.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Secretary of State**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Secretary of State | 49 | 51 | 51 | 3,974,362 | 4,509,643 | 4,802,834 | 5,335,205 |
| TOTAL | 49 | 51 | 51 | 3,974,362 | 4,509,643 | 4,802,834 | 5,335,205 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 493,502 | 522,023 | 555,214 | 973,352 |
| Special Fund | | | | 3,340,447 | 3,353,732 | 3,353,732 | 3,467,965 |
| Federal Revenue Fund | | | | 12,467 | 558,888 | 818,888 | 818,888 |
| Interdepartmental Transfer | | | | 127,946 | 75,000 | 75,000 | 75,000 |
| TOTAL | | | | 3,974,362 | 4,509,643 | 4,802,834 | 5,335,205 |

## Appropriation Key Budget Issues

Grant funding for the "Safe at Home" address confidentiality program for Federal is no longer available. $35,000 is included in General Funds in the budget for FY2005 for this program.

Funding of $425,000 is included for the cost of the General Election.

APA proposed rule publication costs are level with FY2004. Costs of publication of proposed rules are reimbursed by the originating Agency or Department proposing the rule.

Anticipated expenditures for the Federal Help America Vote Act (HAVA) are budgeted at $818,999 in FY2005.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Secretary of State**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 2,809,765 | 3,173,469 | 3,123,788 | 3,214,056 |
| Operating Expenses | 1,137,529 | 1,336,174 | 1,679,046 | 2,121,149 |
| Grants | 27,068 | 0 | 0 | 0 |
| TOTAL | 3,974,362 | 4,509,643 | 4,802,834 | 5,335,205 |
| FUND TYPE | | | | |
| General Fund | 493,502 | 522,023 | 555,214 | 973,352 |
| Special Fund | 3,340,447 | 3,353,732 | 3,353,732 | 3,467,965 |
| Federal Revenue Fund | 12,467 | 558,888 | 818,888 | 818,888 |
| Interdepartmental Transfer | 127,946 | 75,000 | 75,000 | 75,000 |
| TOTAL | 3,974,362 | 4,509,643 | 4,802,834 | 5,335,205 |

## Description of Appropriations, Divisions, & Programs

### FY 2005 Banking Division
### Overview

Banking Division activities are organized around three broad program areas.

(1) Supervision which includes issuing charters and licenses as well as conducting examinations and investigations of all regulated entities in such areas as safety and soundness, trust, electronic date processing, e-banking, business practices, and compliance. These organizations are supervised by the Commissioner in a manner to assure the solvency, liquidity, stability and efficiency of all such organizations to assure reasonable and orderly competition thereby encouraging the availability of financial services to the public. The Commissioner has been granted a wide range of enforcement alternatives by the Legislature.

(2) Consumer services available to assist any consumer who has questions or concerns about an institution chartered or regulated by the Commissioner. Efforts are made to assist a consumer through problem resolution and intervention with regulated institutions. Examinations and investigations maybe initiated where needed.

(3) Education, which was added with the passage of the new banking law in 2000, centers on providing the public valuable information through brochures, surveys, and public speaking engagements which can be used when making a decision regarding choice of institution or product. Survey results and other information about chartered and licensed entities are available on the Department's web site www.bishca.state.vt.us.

During Fiscal year 2005, the following state-chartered entities and licensees will be regulated by the Banking Division: Vermont Financial Institutions, Non-Depository Trust Companies, Independent Trust Companies, Credit Unions, Financial Holding Companies, Licensed Lenders, Mortgage Brokers, Debt Adjusters, Sales Finance Companies, Money Transmitters, Check Cashers and Currency Exchangers.

### FY 2005 Insurance Division
### Overview

The mission of the Insurance Division is to protect the insurance buying public through regulation of those persons and companies engaged in providing insurance to the citizens of Vermont. The Division, through each of its sections, regulates the insurance industry through ongoing financial surveillance, periodic financial and market conduct examinations around the country, rate and policy form review and consumer education and consumer complaint resolution.

The Rate & Forms Section's function is to review and approve policy forms and certain rate filings for insurance companies licensed to do business in Vermont. This includes Property & Casualty insurance and Life & Annuity insurance. In FY2003, over 5,900 filings were acted on resulting in approximately $666,000 in fees received. The Rate & Forms Section also monitors and analyzes the insurance market in Vermont in regards to most lines of Property & Casualty insurance, maintains statistical reporting of the industry, provides technical data support to the Consumer Complaints Section and reports and testifies on a wide range of insurance issues to the legislature.

The purpose of the Market Conduct Section is to ensure that insurance companies licensed in the state conduct their business in accordance with Vermont law and treat consumers in a fair and equitable manner. To accomplish this goal, the Insurance Division employs Market Conduct Examiners to perform periodic on-site examinations of the trade practices of insurance companies and licensees that do business in the state. Any activities uncovered by the examination that are not in accordance with Vermont law may lead to an enforcement action, including administrative penalties and orders of restitution. The cost of market conduct examinations to Vermont taxpayers is negligible since Vermont law allows the Department to be reimbursed for the cost of the exam by companies and licensees being examined. Since July 1, 2002, the Market Conduct Section has conducted examinations on 10 insurance companies. As a direct result of these examinations and the related enforcement actions, Vermont policyholders have recovered refunds exceeding $550,000.00 and the State has received over $48,000.00 in administrative penalties.

The primary goal of the Company Licensing and Examination Section is to ensure that consumers purchase insurance from companies, which are fiscally responsible. The Section licenses or authorizes and reviews approximately 1000 traditional insurance companies conducting business in this state. Of these, 20 are domiciled in Vermont. Traditional insurance companies include property and casualty companies, life and health companies, non-profit health organizations, fraternal organizations, title companies, viatical companies, HMOs, premium finance and service contract companies and continuing care retirement communities. Fee amounting to approximately $637,000 are collected from the companies. Every three to five years, under the Section's examination program, licensed domestic companies are visited on site where an in-depth review of their financial position is conducted. On going financial analysis of Vermont's domestic companies is also conducted through submitted financial statements and other required filings.

The main objective of the Consumer Assistance Section is to provide direct and personal service to the public on resolving consumer complaints. This entails ensuring that the insurance industry adheres to the laws, regulations and bulletins established by the Department to protect the public. This can range from assisting the consumer in getting a claim paid to aiding the consumer in procuring coverage during the hard market which we are now experiencing. The Section provides consumer education and guidance, comparative information about rates and forms in the marketplace, various consumer guide publications and on site attendance at a variety of fairs and shows to assist on an outreach basis. In 2003, the Section logged approximately 14,000 telephone calls for assistance, opened over 1012 complaints, answered an

additional 194 written inquires and recovered approximately $1.8 million for consumers through problem solving resolution and intervention with companies.

The Producer Licensing Section of the Insurance Division issues 15 different types of licenses on a biennial basis. The primary purpose of the Licensing Section is to protect Vermonters by ensuring that only qualified individuals are licensed in Vermont. In addition to this mission, the Section also provides the insurance industry with excellent and timely service so that the business of insurance using licensees is uninterrupted. In fiscal year 2003, the Section collected $9.4 million in licensing related fees.

The Producer Licensing Section has undergone a significant amount of change. This change relates to both the state requirements for licensure of certain license types and the systems and processing used to administer the issuance and renewal of licenses. Vermont law was amended in 2001 to establish a new license type called "producer." The license type became effective on July 1, 2002. The producer license replaces the previous license types of "agent and broker." The new law did not change the requirement that individuals whom sell on behalf of insurers (called producers under the new law) must be appointed through the state by companies for who they act as an agent. The section currently has approximately 25,000 licensees and approximately 100,000 appointments by insurers.

In addition to implementing this new law, the Producer Licensing Section completed a systems-wide conversion onto a new software system. As a result of this conversion the Section is achieving greater efficiency managing the licensing process. Service quality has improved dramatically by shortening the length of time needed to obtain a license. In addition, as a result of the conversion the Section participates in a national database that enables the electronic processing of certain license types.

**FY 2005 Captive Insurance Division**
**Overview**

The Captive Insurance Section of the Insurance Division is charged with licensing and examining captive insurance companies domiciled in Vermont. A captive insurer is a company, which is owned, and managed by its policyholders, thereby enhancing the company's desire and ability to control costs and tailor its insurance program to suit its individual needs. Vermont has evolved a regulatory system to ensure the solvency of captives while recognizing the special purpose for which they were created. The number of captives in Vermont continues to grow.

There are 494, resulting in 51 more than the prior year, active captive insurance companies licensed in this state. Vermont remains the country's premier domicile for captive insurance. The Captive Insurance Section is charged with licensing and examining these insurers to ensure their financial solvency. The Section collects fees for their licensing and examination activities. Captive insurers create jobs and also generate premium taxes for the state; in FY2003 the Captive Insurance Industry remunerated approximately $17, 300,000 in premium taxes to Vermont.

## FY 2005 Securites Division
## Overview

The mission of the Securities Division is to protect Vermont investors from fraudulent investment schemes and thus to help promote the legitimate formation of capital in this state. The Division fulfills this mission through four main regulatory activities: 1) review and approval of securities offered to Vermont investors; 2) licensing of securities dealers and investment advisors; 3) enforcement of the anti-fraud provisions of the Vermont Securities Act; and 4) responding to consumer complaints and providing education to the investing public.

The Division employs six staff members, including two enforcement attorneys, two securities examiners who review proposed securities offerings and investigate alleged violations of the Vermont Securities Act, a systems administrator who oversees the licensing of over 65,000 securities dealers and investment advisors in the state, and a program services clerk.

In FY 2003, the Division's revenue from all sources, including fines and licensing fees, exceeded $12.4 million. The Division anticipates an increase in fine revenue of approximately $3.75 million during FY 2004 as a result of its participation along with other state and federal securities regulators in a global settlement of charges that Wall Street brokerage firms issued misleading stock research reports to investors. Following receipt of this settlement money, total Division revenue should return to the $12 million range in FY 2005.

The Division believes that helping to create financial literacy is one of the best ways to protect Vermont investors. During the past year, Division staff engaged in a variety of activities designed to promote financial literacy among Vermont citizens, including personal appearances at senior fairs and high schools, television appearances, and the publication of magazine and newspaper articles. In the coming year, the Division plans to increase its investor education activities by developing programs aimed at increasing the financial sophistication of two high priority groups, senior citizens and teenagers.

## FY 2005 Health Care Administration Division
## Overview

The mission of the Division of Health Care Administration is to foster a high quality health care system that all Vermonters can access, which is affordable and meets accepted standards for quality. This mission is accomplished by implementing and enforcing regulations, providing consumer services and education, and developing policy. During the 2003 legislative session, Act 53 was passed to strengthen the health planning process. The requires HCA to work with all stakeholders of the health care delivery system to develop a Health Resource Allocation Plan that guides health facility planning, capital expenditures, and budget reviews. The law also represents a fundamental and extensive change to the Certificate of Need process for review of health care capital expenditures.

The Division operates 5 primary programs to carry out regulatory responsibilities. These programs utilize both staff and contractual expertise to implement and operate oversight, data research and analysis, consumer services and legal/enforcement activities. The following describes the major functions that the Division performs to meet its mission and the requirements of law.

PROFILE OF PROGRAMS/FUNCTIONS

Data, Information and Research

Under the provisions of 18 V.S.A.§ 9410, HCA is charged with maintaining a unified health care database to support research about the financing, delivery and quality of health care services offered to Vermonters. Under Act 53 and revisions to 18 V.S.A. § 9405, HCA has expanded responsibilities related to the collection and analysis of health care data and information needed to support the development of the four-year health resource allocation plan to identify the supply, distribution, need for, and appropriate allocation of health care resources, facilities and programs serving Vermonters. HCA analyzes data from health care providers, facilities, payers, and health insurance carriers to produce reports about expenditures for health care in the state, for state residents in and out of state, the type and cost of services delivered on statewide and sub-population levels, and topics of interest to public and private stakeholders in Vermont's health care system. Current efforts include: preparation of the Annual Vermont Health Care Expenditure Analysis; management and analysis of the Vermont Medicare Beneficiary Claims Database; management of voluntary effort to test feasibility and utility of pooling medical claims data from multiple payer through the Multi-payer Claims Database Pilot Project; management and analysis of the Annual Statement Supplement Report Database quantifying Vermont's fully insured market; estimate of health insurance coverage status of Vermont residents based on state and federal data sources; administration of the Vermont Hospital Inpatient Discharge and Outpatient Database including the recent inclusion of emergency room visit data; and preparation of ad hoc analyses as requested by the Commissioner and policy makers.

Quality Improvement and Consumer Services

HCA is responsible for evaluating managed care organizations under 8 V.S.A. § 4089a and Rule 10. Each year, MCOs file extensive data sets related to care processes and outcomes, consumer satisfaction, access to care, and utilization review and grievance timeliness. HCA analyzes the data, publishes an annual consumer guide comparing Vermont MCO performance to the national average, and works with the MCOs to identify opportunities for improvement based on the data. Annual quality improvement goals and projects are negotiated with each MCO. The MCOs also undergo extensive Rule 10 Triennial Reviews to ensure that their policies and practices conform with Rule 10 requirements. HCA also regulates and licenses mental health utilization review agents under Regulation 95-2.

Under the mental health parity statute, 8 V.S.A. § 4089b, health insurers are required to submit data

related to mental health and substance abuse treatment and financing, and a task force of consumers, providers, insurers, business representatives and public sector representatives has been established to evaluate the implementation of parity. HCA staffs this Mental Health and Substance Abuse Task Force. The Task Force specifies mental health and substance abuse data to be collected from insurers, reviews and analyzes the data, and makes recommendations on how to improve care for Vermont consumers who need mental health and substance abuse care.

Hospital community reports are a new requirement contained in Act 53 of 2003 (18 V.S.A. § 9405b). Each hospital is required to publish an annual report that includes measures of quality, patient safety, charges and financial health; a summary of the hospital's budget; a process for achieving openness, inclusiveness and meaningful public participation in the hospital's strategic planning and decision-making; the hospital's complaint resolution process; information about ongoing quality improvement and patient safety projects; a summary of the community needs assessment; and information about the hospital's governing body. The first reports are to be published by January 1, 2005.

HCA responds to approximately 500 consumer telephone inquiries about health insurance each month, and more than 200 written inquiries and 200 to 300 consumer complaints each year. HCA has developed a series of consumer publications on topics such as Medicare supplement insurance, shopping for individual and small group health insurance, long term care insurance and continuation of health insurance coverage. HCA also maintains an inventory of health insurance related publications from other sources.

HCA contracts with the Vermont Program for Quality in Health Care (VPQHC) to maintain a statewide quality improvement system, and with the Office of Health Care Ombudsman to ensure that consumers have access to advocates to assist them with complaints and appeals related to health insurance and health care. In addition, HCA works closely with the Department of Health and the Office of Vermont Health Access on a variety of issues, including the chronic care model, depression in primary care, diabetes care, asthma care, and smoking cessation.

External Appeals Program

In 1996, the Legislature established the Independent Panel of Mental Health Providers to hear appeals of mental health and substance abuse denials, and later added an External Appeals Program for other types of health care service denials, which became operational in July, 1999. These programs ensure that Vermonters have the right to independent medical review based on objective clinical evidence when their health insurers deny services on medical necessity and other clinical grounds. The Division administers both programs. That work includes recruitment, orientation and administrative and legal support for the volunteer Independent Panel, issuing RFPs and contracting with independent review organizations, responding to and assessing consumer inquiries, processing inquiries and applications and administering the appeals process for each case, and educating consumers and others about appeal rights. The program has historically received approximately 10 formal Independent Panel and 20 formal

independent external review applications annually and has reviewed, evaluated and problem-solved many more related consumer inquiries. The responsible Division staff member is on call 24 hours a day/7 days per week to ensure access to independent review of denials of urgently needed care.

Certificate of Need and Hospital Budget Review

The public fiscal oversight provided through the division's regulatory activities is focused on maintaining reasonable controls over health care expenditures and encouraging development of non-duplicated and cost-effective health care services while protecting access to and quality of care.

The Public Oversight Commission has a significant role in reviewing CON applications and recommending approval, changes, or denials to the Commissioner. HCA provides the administrative support necessary for the POC to perform its duties. The POC also examines hospital budget information and provides comments along with the public. Specifically, HCA:

a) As required by 18 VSA 9451 et seq., establishes the Vermont hospital budgets on an annual basis which determines each hospital's spending level for that year,
b) Reviews budgets to determine whether a hospital operated within its approved budget level established in the prior year,
c) As required by 18 VSA 9431 et seq., approves or disapproves expenditures for new institutional health services which exceed specific dollar amounts or review of proposals as mandated by Certificate of Need (CON) laws,
d) As required by 18 VSA 9431 develops three-year projections of health care expenditures, using the Vermont Expenditure Analysis, and,
e) Then adopts an annual unified health care budget to serve as a guide for controlling costs, directing resources and assuring quality and access.

As noted previously, during the 2003 legislative session, Act 53 was passed requiring changes in the CON program. The CON program will be coordinated and changes implemented as the Health Resource Allocation Plan and one year and four-year capital budgets are developed. . This new information, along with hospital report cards, will serve to help inform the Health Resource Allocation Plan and CON applications that are presented to the Division. HCA will develop and review these plans beginning in FY 2004 and will complete the plans in mid-FY 2005 for Governor approval..

Health Insurance Rate Review and Form Filings

Review of health insurance rate proposals and form filings is also part of HCA's duties (8 VSA Chapter 107). Health insurance rate and form filings number over 1,100 in a given year and include those pertaining to traditional indemnity plans, managed care plans, disability plans, accident plans, and various supplemental insurance products (such as Medicare Supplement). Form filings, which describe the coverage a given plan will provide to the consumer, require staff to review a plan's documents to determine whether they are in compliance with Federal and State statutes and regulations and to ensure

that they are written so that the consumer can understand his or her coverage. Rate approval includes analysis of key assumptions used to determine the need for rate increases, taking the financial status of the company and its performance in a specific market into consideration. Analysis includes services purchased from actuaries as well as internal staff review. In the case of certain Medicare Supplement rate requests, the Division administers an extensive statutory process that includes public informational hearings. Approval of a rate filing is determined by evaluating the adequacy of the rate, determining whether the rate is excessive, and whether it is discriminatory.

FY 2005 Administration Division
Overview

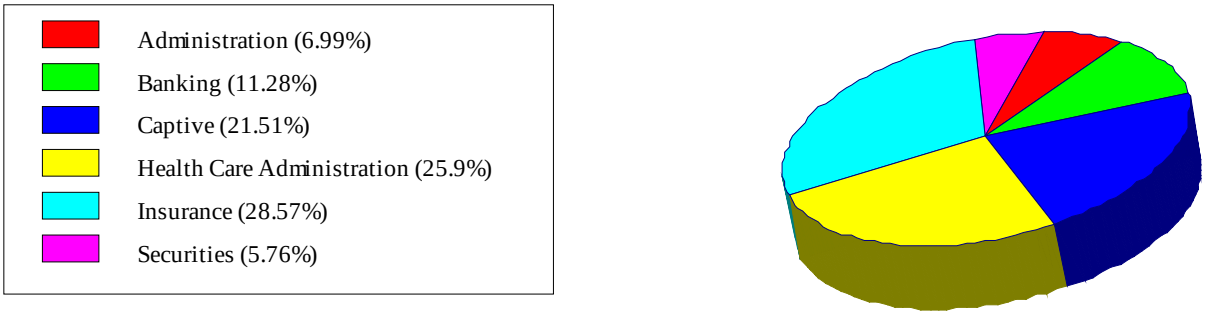
The Administration Division of Banking, Insurance, Securities, and Health Care Administration is responsible for the general management of the Department.

The Division employs ten staff and includes the Commissioner, General Counsel, Assistant General Counsel, Business Manager, Assistant Personnel Officer, Information Officer, IT Staff and the Commissioner's assistant/payroll officer and front desk receptionist.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Banking Ins Sec Hlth Care Adm**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Banking | 16 | 16 | 16 | 1,188,855 | 1,325,909 | 1,325,909 | 1,382,627 |
| Insurance | 25 | 25 | 27 | 2,412,958 | 3,221,743 | 3,221,743 | 3,502,148 |
| Captive | 19 | 19 | 24 | 1,876,923 | 2,008,160 | 2,008,160 | 2,637,089 |
| Securities | 7 | 7 | 7 | 544,834 | 666,432 | 666,432 | 705,473 |
| Health Care Administration | 21 | 21 | 21 | 3,005,323 | 3,006,606 | 3,006,606 | 3,174,448 |
| Administration | 11 | 10 | 10 | 726,544 | 825,257 | 825,257 | 856,388 |
| TOTAL | 99 | 98 | 105 | 9,755,437 | 11,054,107 | 11,054,107 | 12,258,173 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 487,072 | 476,523 | 476,523 | 466,993 |
| Special Fund | | | | 9,268,365 | 10,577,584 | 10,577,584 | 11,791,180 |
| TOTAL | | | | 9,755,437 | 11,054,107 | 11,054,107 | 12,258,173 |



**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Banking**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 951,785 | 1,069,968 | 1,069,468 | 1,113,087 |
| Operating Expenses | 237,070 | 255,941 | 256,441 | 269,540 |
| TOTAL | 1,188,855 | 1,325,909 | 1,325,909 | 1,382,627 |
| FUND TYPE | | | | |
| Special Fund | 1,188,855 | 1,325,909 | 1,325,909 | 1,382,627 |
| TOTAL | 1,188,855 | 1,325,909 | 1,325,909 | 1,382,627 |

## Appropriation Key Budget Issues

Insurance Division

The Insurance Division and the appropriation for Insurance Agent Licensing have been merged starting in FY 2005. The new appropriation requests three new positions, one of which was authorized for the second half of FY 2004. Two of the positions will be assigned to the Rates and Forms Section of the Division. This section is charged by statute with reviewing every product, form and rate that insurance companies want to market in the State of Vermont. Currently the section that handles these reviews has four Rates and Forms Analysts to handle approximately 6,000 filings annually (1,475 per analyst). Due to the number, complexity and size of the review work, it has become virtually impossible for the Department to do this work in a timely manner. Maintaining and growing the premium tax stream requires new insurance products coming to market, which is driven by new insurance rate and form approvals. Timeliness in meeting the industry's need is critical to the premium taxes paid to the State.

The third position is for the Insurance Producer Licensing section. The number of Insurance Producer licenses issued continues to grow and the position is needed to meet statutory obligations.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Insurance**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,946,483 | 2,657,943 | 2,668,126 | 2,902,648 |
| Operating Expenses | 466,475 | 563,800 | 553,617 | 599,500 |
| TOTAL | 2,412,958 | 3,221,743 | 3,221,743 | 3,502,148 |
| FUND TYPE | | | | |
| Special Fund | 2,412,958 | 3,221,743 | 3,221,743 | 3,502,148 |
| TOTAL | 2,412,958 | 3,221,743 | 3,221,743 | 3,502,148 |

## Appropriation Key Budget Issues

Captive Insurance Division

The growth in Captive companies licensed in Vermont continues at an extraordinary rate. Our FY 2005 budget request includes two additional positions which were authorized for the second half of FY 2004 and an additional two positions starting in FY 2005 to accommodate this growth. Vermont is required to perform financial examinations on a regular schedule of all licensed companies as well as annual financial surveillance. Hiring financial examiners will not result in a net increase in expenditures to the State because the salaries and overhead of examiners is billed to the companies examined.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Captive**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,590,954 | 1,713,513 | 1,713,513 | 2,252,239 |
| Operating Expenses | 285,969 | 294,647 | 294,647 | 384,850 |
| TOTAL | 1,876,923 | 2,008,160 | 2,008,160 | 2,637,089 |
| FUND TYPE | | | | |
| Special Fund | 1,876,923 | 2,008,160 | 2,008,160 | 2,637,089 |
| TOTAL | 1,876,923 | 2,008,160 | 2,008,160 | 2,637,089 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Securities**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 453,583 | 541,732 | 539,932 | 574,363 |
| Operating Expenses | 91,251 | 124,700 | 126,500 | 131,110 |
| TOTAL | 544,834 | 666,432 | 666,432 | 705,473 |
| FUND TYPE | | | | |
| Special Fund | 544,834 | 666,432 | 666,432 | 705,473 |
| TOTAL | 544,834 | 666,432 | 666,432 | 705,473 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Health Care Administration**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,720,859 | 2,641,041 | 2,641,041 | 2,799,546 |
| Operating Expenses | 284,464 | 365,565 | 365,565 | 374,902 |
| TOTAL | 3,005,323 | 3,006,606 | 3,006,606 | 3,174,448 |
| FUND TYPE | | | | |
| General Fund | 487,072 | 476,523 | 476,523 | 466,993 |
| Special Fund | 2,518,251 | 2,530,083 | 2,530,083 | 2,707,455 |
| TOTAL | 3,005,323 | 3,006,606 | 3,006,606 | 3,174,448 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

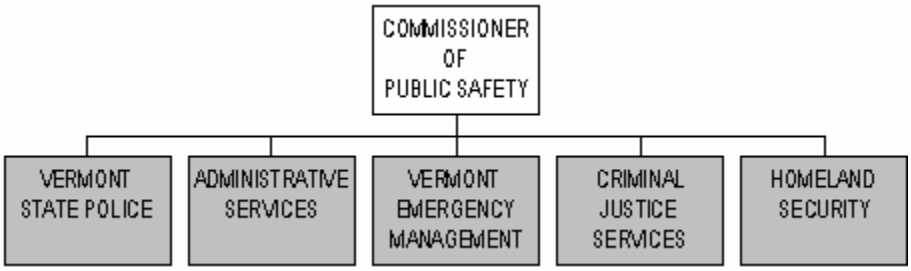
| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 687,452 | 774,090 | 774,090 | 806,688 |
| Operating Expenses | 39,092 | 51,167 | 51,167 | 49,700 |
| TOTAL | 726,544 | 825,257 | 825,257 | 856,388 |
| FUND TYPE | | | | |
| Special Fund | 726,544 | 825,257 | 825,257 | 856,388 |
| TOTAL | 726,544 | 825,257 | 825,257 | 856,388 |

## Department Mission Statement

The mission of the Department of Public Safety is to provide law enforcement, criminal justice systems support and emergency preparedness planning and training programs for the State of Vermont.

The Department of Public Safety was created by No. 163 of the Acts of 1947 for the "purpose of consolidating certain existing police and investigative agencies, and to promote the detection and prevention of crime generally." No. 224 of the Acts of 1951 created the Division of Civil Defense (now Vermont Emergency Management) within the Department of Public Safety. In 1996, the Governor's Highway Safety Program, inclusive of funds and personnel, was transferred from the Agency of Transportation to the Department of Public Safety by Executive Order No. 01-96A (the Acts of 1996 page 1007).

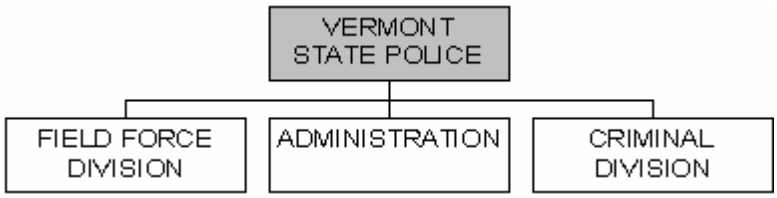
## Description of Appropriations, Divisions, & Programs




The Department of Public Safety is organized into four functional areas, State Police, Administrative Services Division, Vermont Emergency Management and Criminal Justice Services and three appropriations: State Police, Emergency Management and Criminal justice Services. Administrative Services and Homeland Security are both appropriated under State Police for administrative purposes. The Division of Administrative Services supports all programs within Public Safety as well as the Fire

Service Training Council and the Criminal Justice Training Council. The two councils, which are not part of the department, receive their business function support from Public Safety.

Administrative Services provides a full range of financial services, payroll administration, human resource services, and purchasing and inventory support for all Public Safety divisions and the two training councils. Bill paying, purchasing administration and payroll and personnel activities are all managed through a central office operation consisting of sixteen positions at the department headquarters in Waterbury.




The Vermont State Police is one of three divisions within the Department of Public Safety. The State Police include 325 sworn members and 165 civilian personnel. They are the primary law enforcement agency in the state, providing twenty-four hour coverage to 212 of the states 255 towns or 46% of the state population on a full-time basis. In geographic terms, this accounts for 89% of the total land area in Vermont.

Within the State Police there are three divisions identified as the Uniform Division, Criminal Division and Administration. The administrative section of the Vermont State Police includes the office of the Director, Staff Operations, Internal Affairs Unit, Training Section, Homeland Security Unit and Fleet Services Section.

The Field Force, or Uniform Division of the Vermont State Police, consists of 235 sworn members, 20 civilian staff members and 145 Emergency Dispatchers assigned to 12 field stations located strategically throughout the State. The Uniform Division personnel have a wide range of responsibilities dedicated to the safety of Vermont citizens and our many visitors. These duties include taking all 911, emergency and non-emergency calls for service at four consolidated dispatch centers, and ensuring that "First Responders" have been dispatched to all critical incidents. Types of responses by Troopers include, but

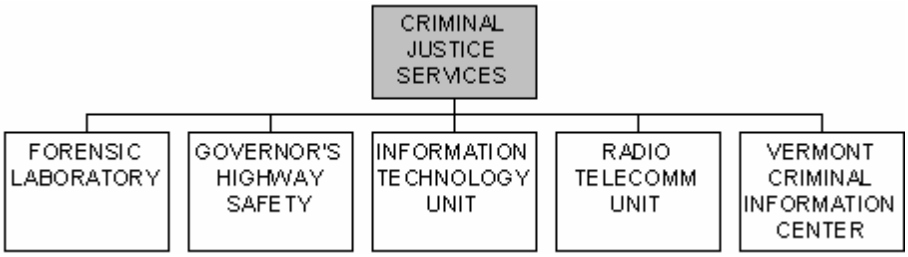
are not limited to, motor vehicle incidents, motor vehicle accidents; all reported crimes, calls for emergency response, and threats to the safety and well being of our citizens (Homeland Security).

In addition to the emergency calls for service, Troopers are engaged daily in proactive enforcement specifically targeted at reducing accidents and saving lives through aggressive apprehension of violators. Traffic offenses and major motor vehicle violations such as Driving under the Influence are a threat to public safety and Troopers work hard to reduce that threat. Detection and apprehension of drug dealers who are trafficking illegal drugs on Vermont's highways is also a major focus of our enforcement efforts.

The Vermont State Police have a number of highly specialized teams all working to achieve the State Police Mission. They each require different skills and very specialized training. Their function is to bring to successful resolution dangerous and sensitive situations. The Vermont State Police Special teams are used in all jurisdictions within Vermont and are often called on by local and Federal Law Enforcement Agencies because of their skill and expertise. All Special Teams are comprised of Troopers who have other, primary assignments and are members of their respective teams as a secondary/part-time duty.

The Criminal Division consists of 71 sworn members and is divided into two units, the Bureau of Criminal Investigation (BCI) and the Special Investigations Unit (SIU). The Bureau of Criminal Investigations investigates all major crimes that are brought to their attention. Their primary focus is on death investigations, including homicides, fatal fires, and untimely deaths. Secondary priorities include fire investigations, sex crimes and drug investigations. A significant commitment is also made to augment the efforts of other law enforcement agencies, including federal, state, county, and local departments with their major investigations. This includes the investigation of criminal conduct allegations made against Vermont law enforcement officers.

The Special Investigations Unit (SIU) is comprised of five different sections. The Vermont Drug Task Force which is divided into two "undercover" units (North and South) along with a street level unit dedicated to combat heroin trafficking (Heroin Enforcement Action Team) "HEAT". The Criminal Intelligence Unit has the primary function of gathering intelligence data used in the formulation of a strategic plan to accurately assess and combat crimes of any nature confronting the state of Vermont. The Computer Crimes Unit serves as a Specialized Support Unit for the Vermont State Police, Local Police Departments and Federal Agencies located in the State of Vermont. They are responsible for Conducting Forensic Analysis of all forms of seized electronic media. The Protective Services unit provides personal security and transportation to the Governor. Members of the Protective Services Unit also evaluate threats that are made against the Governor and initiate threat investigations. The Polygraph Unit provides both criminal and applicant polygraph examinations for all Vermont law enforcement agencies, States Attorneys, the Attorney General and the Defender General.




**Criminal Justice Services** is responsible for providing system support to a variety of state and local criminal justice agencies through the operation of the state wide microwave and voice radio systems. Evidence analysis is available from the Vermont Forensics Laboratory serving all law enforcement agencies in Vermont. The Vermont Crime Information Center (VCIC), the state central repository for criminal information, also managed by the Division of Criminal Justice Services, disseminates criminal information and manages the sex offender registry program. CJS is not a division of State Police but a stand alone division of the department. The Information Management Section operate a wide area network y-that provides several mission critical applications to state, county and local law enforcement agencies. The Governor's Highway Safety Program offers funding to state and local jurisdictions designed to reduce the incidence of death, injury and property damage on Vermont's highways.

**Vermont Emergency Management** (VEM) is organized to ensure that Vermont is prepared to respond to emergencies, recover from them and mitigate their impacts. With authority derived from Title 20, VSA, VEM leads the coordination of Federal, State and local resources in disaster response and recovery. With a professional staff of seveteen, VEM manages programs that include state and local government emergency planning, local government outreach, radiological emergency preparedness (nuclear power plant), hazardous materials compliance and response and disaster prevention planning and mitigation. In addition, VEM staffs the state warning point, coordinating the assessment of response to the daily hazard incidents that occur in the state. The key to VEM's success, however, lies in the forging of partnerships with a wide range of Federal, state, regional, local and private sector entities that augment the core mission of the agency.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Public Safety

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| State Police | 478 | 480 | 484 | 40,678,265 | 45,377,182 | 45,377,182 | 50,352,424 |
| Criminal Justice Services | 65 | 67 | 69 | 13,269,714 | 15,225,398 | 15,225,398 | 11,142,240 |
| Emergency Management | 15 | 15 | 19 | 2,359,188 | 2,873,957 | 3,169,366 | 3,150,481 |
| TOTAL | 558 | 561 | 572 | 56,307,167 | 63,476,537 | 63,771,946 | 64,645,145 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 14,333,137 | 15,564,811 | 15,564,811 | 17,379,008 |
| Transportation Fund | | | | 21,634,721 | 22,440,455 | 22,440,455 | 22,440,455 |
| Special Fund | | | | 5,114,745 | 5,716,342 | 6,011,751 | 6,256,608 |
| Federal Revenue Fund | | | | 13,649,969 | 18,374,005 | 18,374,005 | 17,340,560 |
| Interdepartmental Transfer | | | | 1,574,595 | 1,380,924 | 1,380,924 | 1,228,514 |
| TOTAL | | | | 56,307,167 | 63,476,537 | 63,771,946 | 64,645,145 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**State Police**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 32,241,578 | 34,308,845 | 34,308,845 | 37,235,943 |
| Operating Expenses | 6,337,544 | 8,528,985 | 8,528,985 | 8,415,381 |
| Grants | 2,099,143 | 2,539,352 | 2,539,352 | 4,701,100 |
| TOTAL | 40,678,265 | 45,377,182 | 45,377,182 | 50,352,424 |
| FUND TYPE | | | | |
| General Fund | 14,171,368 | 15,420,881 | 15,420,881 | 17,284,008 |
| Transportation Fund | 17,744,166 | 18,622,780 | 18,622,780 | 18,343,865 |
| Special Fund | 2,983,698 | 3,487,976 | 3,487,976 | 3,653,090 |
| Federal Revenue Fund | 4,840,066 | 7,088,511 | 7,088,511 | 10,422,548 |
| Interdepartmental Transfer | 938,967 | 757,034 | 757,034 | 648,913 |
| TOTAL | 40,678,265 | 45,377,182 | 45,377,182 | 50,352,424 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Criminal Justice Services**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 8,005,929 | 5,409,386 | 5,409,386 | 5,921,690 |
| Operating Expenses | 2,132,267 | 4,576,719 | 4,576,719 | 2,677,050 |
| Grants | 3,131,518 | 5,239,293 | 5,239,293 | 2,543,500 |
| TOTAL | 13,269,714 | 15,225,398 | 15,225,398 | 11,142,240 |
| FUND TYPE | | | | |
| General Fund | 94,385 | 95,000 | 95,000 | 95,000 |
| Transportation Fund | 3,855,739 | 3,753,706 | 3,753,706 | 4,032,621 |
| Special Fund | 1,011,904 | 1,168,366 | 1,168,366 | 1,241,307 |
| Federal Revenue Fund | 7,672,994 | 9,585,436 | 9,585,436 | 5,196,212 |
| Interdepartmental Transfer | 634,692 | 622,890 | 622,890 | 577,100 |
| TOTAL | 13,269,714 | 15,225,398 | 15,225,398 | 11,142,240 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Emergency Management**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,143,693 | 1,401,979 | 1,453,719 | 1,479,294 |
| Operating Expenses | 515,532 | 732,483 | 793,931 | 701,700 |
| Grants | 699,963 | 739,495 | 921,716 | 969,487 |
| TOTAL | 2,359,188 | 2,873,957 | 3,169,366 | 3,150,481 |
| FUND TYPE | | | | |
| General Fund | 67,384 | 48,930 | 48,930 | 0 |
| Transportation Fund | 34,816 | 63,969 | 63,969 | 63,969 |
| Special Fund | 1,119,143 | 1,060,000 | 1,355,409 | 1,362,211 |
| Federal Revenue Fund | 1,136,909 | 1,700,058 | 1,700,058 | 1,721,800 |
| Interdepartmental Transfer | 936 | 1,000 | 1,000 | 2,501 |
| TOTAL | 2,359,188 | 2,873,957 | 3,169,366 | 3,150,481 |

## Department Mission Statement

The Vermont Agency of Agriculture, Food and Markets consists of four divisions and 88 employees. The Agency's mission is to protect animal health and welfare and the public health, maintain and improve environmental quality, maintain and support the viability of the Vermont agricultural industry and ensure consumer equity in commerce.

## Description of Appropriations, Divisions, & Programs

The Agency has a significant role in the Governor's major new Clean and Clear Statewide Action Plan to improve and protect Vermont's water quality that tackles the problem of phosphorus runoff through a comprehensive and accelerated cleanup program. This multi-million dollar project will be administered by the Agencies of Agriculture and Natural Resources.

The Administration Division provides oversight and direction for the entire Agency. In addition, it provides administrative and financial assistance to Natural Resources Conservation Districts, conducts agricultural land use planning, develops the biennial report and provides business and research services for the entire Agency. There has been a realignment of four individuals among the Administration Division, Agricultural Development Division and the Farm Conservation Section. The Farm Conservation Section has been absorbed into the Agricultural Development Division with the position of Agricultural Land Use Planner becoming an Agricultural Development position. The limited position of Agricultural Education Specialist has been transferred from the Administration Division to the Agricultural Development Division. The Communications and Outreach Coordinator has been transferred from the Agricultural Development Division to the Administration Division. One of the Agricultural Marketing Specialists has been transferred to the Administration Division from the Agricultural Development Division. This position will be working on special projects relating to the whole Agency. The position title will be changed to reflect the true duties.

The Plant Industry Division has several key objectives and strategies to deal with them including: Implementing the agricultural provisions of the Governor's Clean and Clear Statewide Action Plan to improve statewide water quality and to meet the EPA approved clean-up plan to limit the Phosphorus Total Daily Load (TMDL) in Vermont's waterways thus protecting the water quality in the Lake Champlain basin and other Vermont lakes, rivers and streams. This involves increasing our current efforts to limit pollution through:
o offering financial incentives to farmers to protect waterways by establishing and maintaining vegetated buffers along Vermont's waterways.
o developing and implementing alternative manure management technologies and techniques.

Protecting groundwater and surface water quality from agricultural non-point source pollution by

enforcing accepted agricultural practices, pesticide regulations, providing technical and financial assistance to the farm community, participate in the watershed planning process on behalf of farmers, and administering the permit process for large farms.

Assuring Vermont crops are free of injurious pests by providing technical assistance, quarantine activities, field and shipping point inspections and crop and pest monitoring activities.

Protecting public health and the environment from the adverse affects of pesticide products through training, licensing, monitoring, disposal grants, enforcement, education and product registration for pesticide applicators, dealers, manufacturers, and the general public.

Providing mosquito districts or municipalities with financial and technical assistance, such as, adult and larval surveys and assistance for control programs in order to reduce mosquito populations below nuisance population levels or levels capable of vectoring disease.

Protecting Vermont's domestic bee populations from injurious insect and disease pests through technical assistance, hive inspection and quarantine programs.

Registering, inspecting and analyzing commercial feed and pet food products, commercial feed facilities, commercial and specialty fertilizer products and facilities, and seed products to assure they meet standards and their stated guarantees.

Providing serological, microbiological and chemical analysis of Vermont's agricultural products, agricultural inputs and environmental samples in support of the Agency's regulatory and technical assistance programs

The Food Safety and Consumer Assurance Division serves to:
Assure that all facilities processing meat and poultry for intrastate commerce are inspected to certify that proper ante mortem and post mortem procedures are performed and sanitary standards are maintained.

Assure only inspected and passed meat and poultry products are commercially distributed and to investigate illegal or improper sales and consumer complaints.

Assure that only wholesome, unadulterated and truthfully labeled products reach Vermont consumers.

Assure those establishments not subject to traditional inspection (wholesalers, retailers and custom operations) are periodically reviewed for sanitary condition, proper labeling, and handling.

Prevent the adulteration of meat and poultry products by the indiscriminate use of antibiotics through an agreement with the Federal Drug Administration.

Assure that species, such as rabbits and game birds, that are not normally inspected are processed in a

sanitary facility when they are to be sold to restaurants in Vermont. This is done in conjunction with the Department of Health.

Assure an adequate supply of pure fresh milk and maintain uniform dairy standards.

Establish appropriate dairy laws to protect the public health and welfare.

Promote and protect the health and welfare of animals in the State of Vermont and enhance the viability of our animal industries.

Protect public health, maintain and improve the integrity of Vermont agricultural products.

Responsible for legally mandated testing and inspection programs involving agricultural product grading, weights and measures inspection and licensing.

Provide monitoring of product quality, method of sale, proper weight and measure of products offered for sale, and scanner accuracy.

Provide training for agricultural product quality relating to apples, eggs, potatoes, and maple products, and all aspects of weights and measures.

The Agricultural Development Division will support and develop Vermont's agricultural industry by providing leadership, technical and business expertise, and coordination of the following:

Analyze key agricultural sectors to determine appropriate investment and focus of Vermont's development resources. Sectors include: organic dairy, artisianal cheese and livestock for meat.

Develop "first stop shop" to encourage agricultural business formation. Support a continuum of technical and educational services to farm entrepreneurs including the expansion of the Farm Viability program through Vermont Housing and Conservation Board.

Identify and assist in developing new markets, local and out of state, for Vermont agricultural products by extending the Vermont Brand through "Buy Local" and "Vermont Seal of Quality" programs.

Develop individual growth strategies for each sector of the agricultural industry.

Promote the development of innovative agricultural energy and nutrient management business through leadership and recruitment.

Improve the economy of the state and competitive position of the dairy industry by increasing the consumption of dairy products.

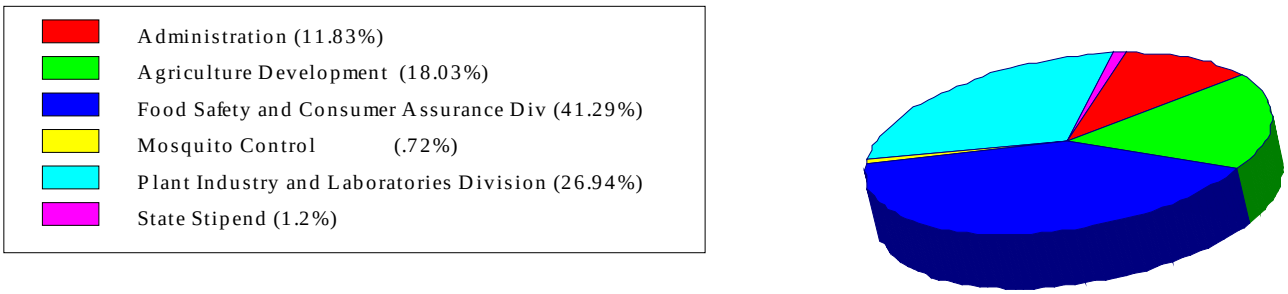
The Stipend Program makes awards to agricultural fairs and field days to encourage agricultural events.

The Mosquito Control Program provides assistance to mosquito control districts, oversee larviciding and provide related training.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Agriculture, Food and Markets

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Administration | 11 | 11 | 12 | 1,682,687 | 1,436,063 | 1,523,245 | 1,483,793 |
| Food Safety and Consumer Assurance | 34 | 34 | 34 | 2,097,242 | 2,193,355 | 5,360,792 | 5,180,538 |
| Agriculture Development | 11 | 11 | 10 | 1,538,192 | 1,210,719 | 2,355,719 | 2,261,681 |
| Plant Industry and Laboratories | 31 | 32 | 37 | 2,149,047 | 2,306,881 | 2,396,888 | 3,379,386 |
| State Stipend | 0 | 0 | 0 | 163,500 | 163,500 | 163,500 | 150,000 |
| Mosquito Control | 0 | 0 | 0 | 70,015 | 90,000 | 90,000 | 90,000 |
| TOTAL | 87 | 88 | 93 | 7,700,683 | 7,400,518 | 11,890,144 | 12,545,398 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 3,776,445 | 3,884,615 | 3,969,608 | 3,906,724 |
| Transportation Fund | | | | 45,051 | 47,993 | 50,876 | 38,553 |
| Special Fund | | | | 1,878,105 | 2,126,928 | 5,933,678 | 6,859,650 |
| Federal Revenue Fund | | | | 1,540,061 | 837,438 | 1,432,438 | 1,440,314 |
| Interdepartmental Transfer | | | | 461,021 | 503,544 | 503,544 | 300,157 |
| TOTAL | | | | 7,700,683 | 7,400,518 | 11,890,144 | 12,545,398 |



## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 648,600 | 644,804 | 644,804 | 783,330 |
| Operating Expenses | 368,837 | 367,925 | 370,435 | 387,059 |
| Grants | 665,250 | 423,334 | 508,006 | 313,404 |
| TOTAL | 1,682,687 | 1,436,063 | 1,523,245 | 1,483,793 |
| FUND TYPE | | | | |
| General Fund | 1,188,445 | 1,281,586 | 1,268,768 | 1,337,322 |
| Special Fund | 12,947 | 14,732 | 14,732 | 65,316 |
| Federal Revenue Fund | 270,991 | 4,211 | 104,211 | 24,542 |
| Interdepartmental Transfer | 210,304 | 135,534 | 135,534 | 56,613 |
| TOTAL | 1,682,687 | 1,436,063 | 1,523,245 | 1,483,793 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Food Safety and Consumer Assurance Div**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 1,809,011 | 1,902,255 | 2,002,255 | 1,989,605 |
| Operating Expenses | 281,309 | 289,608 | 557,045 | 289,441 |
| Grants | 6,922 | 1,492 | 2,801,492 | 2,901,492 |
| TOTAL | 2,097,242 | 2,193,355 | 5,360,792 | 5,180,538 |
| FUND TYPE | | | | |
| General Fund | 1,236,744 | 1,302,808 | 1,317,362 | 1,328,083 |
| Transportation Fund | 45,051 | 47,993 | 50,876 | 38,553 |
| Special Fund | 302,600 | 350,547 | 3,150,547 | 3,151,781 |
| Federal Revenue Fund | 505,925 | 485,007 | 835,007 | 655,121 |
| Interdepartmental Transfer | 6,922 | 7,000 | 7,000 | 7,000 |
| TOTAL | 2,097,242 | 2,193,355 | 5,360,792 | 5,180,538 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Agriculture Development**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 734,952 | 704,695 | 704,695 | 626,627 |
| Operating Expenses | 580,307 | 446,182 | 446,182 | 600,633 |
| Grants | 222,933 | 59,842 | 1,204,842 | 1,034,421 |
| TOTAL | 1,538,192 | 1,210,719 | 2,355,719 | 2,261,681 |
| FUND TYPE | | | | |
| General Fund | 585,619 | 547,528 | 547,528 | 558,266 |
| Special Fund | 441,943 | 512,770 | 1,512,770 | 1,507,415 |
| Federal Revenue Fund | 418,939 | 0 | 145,000 | 196,000 |
| Interdepartmental Transfer | 91,691 | 150,421 | 150,421 | 0 |
| TOTAL | 1,538,192 | 1,210,719 | 2,355,719 | 2,261,681 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Plant Industry and Laboratories Division**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,799,348 | 1,922,081 | 1,941,088 | 2,401,202 |
| Operating Expenses | 335,255 | 384,800 | 455,800 | 563,184 |
| Grants | 14,444 | 0 | 0 | 415,000 |
| TOTAL | 2,149,047 | 2,306,881 | 2,396,888 | 3,379,386 |
| FUND TYPE | | | | |
| General Fund | 602,137 | 589,193 | 672,450 | 533,053 |
| Special Fund | 1,050,600 | 1,158,879 | 1,165,629 | 2,045,138 |
| Federal Revenue Fund | 344,206 | 348,220 | 348,220 | 564,651 |
| Interdepartmental Transfer | 152,104 | 210,589 | 210,589 | 236,544 |
| TOTAL | 2,149,047 | 2,306,881 | 2,396,888 | 3,379,386 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**State Stipend**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 163,500 | 163,500 | 163,500 | 150,000 |
| TOTAL | 163,500 | 163,500 | 163,500 | 150,000 |
| FUND TYPE | | | | |
| General Fund | 163,500 | 163,500 | 163,500 | 150,000 |
| TOTAL | 163,500 | 163,500 | 163,500 | 150,000 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Mosquito Control**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 0 | 20,000 | 20,000 | 20,000 |
| Operating Expenses | 25,225 | 70,000 | 70,000 | 70,000 |
| Grants | 44,790 | 0 | 0 | 0 |
| TOTAL | 70,015 | 90,000 | 90,000 | 90,000 |
| FUND TYPE | | | | |
| Special Fund | 70,015 | 90,000 | 90,000 | 90,000 |
| TOTAL | 70,015 | 90,000 | 90,000 | 90,000 |

## Department Mission Statement

The Department of Public Service serves all citizens of Vermont through public advocacy, planning, policy development, and programs carried out by the Consumer Affairs and Public Information, Energy Efficiency, Engineering, Planning, Telecommunications and Economics Divisions, to meet the public's need for least cost, environmentally sound, efficient, reliable, secure, sustainable, and safe energy services, telecommunications services, and regulated utility systems.

## Description of Appropriations, Divisions, & Programs

The DPS is predominantly funded by the gross receipts tax on utility bills, pursuant to 30 V.S.A § 22, with some programs funded through federal grants.

## Divisions and Programs

Public Advocacy. DPS serves as the ratepayers' Public Advocate, through the Public Advocacy Division, before the Public Service Board, other State and federal agencies and courts on issues related to electricity, natural gas, telephone, cable TV, and to some extent for water and wastewater services. The DPS enforces statutes and rules related to transactions between utilities and their customers, and upholds established rules of service when a consumer is not satisfied with service received from a regulated utility company.

Consumer Protection. The Consumer Affairs & Public Information Division provides information and educational programs for consumers of the state's utility-type services, focusing primarily on residential consumers of electric and telecommunications services. DPS has procedures for dispute resolution and disconnection prevention. The Division also provides educational and self-advocacy information, promotes the passage of laws and rules to protect consumers, monitors the implementation and effectiveness of the law, rule or policy, and provides expert support to public advocacy functions..

Energy Efficiency. The Division reviews and evaluates Efficiency Vermont's energy efficiency programs; proposes and promotes strategies and programs to enhance energy savings for customers, the Vermont economy and environment; and works in public/private partnerships to develop renewable energy resources in the state. The Division writes and manages grants to support innovative energy efficiency strategies and to build on its successful efforts promoting renewable and sustainable energy technologies in Vermont.

Regulated Utility Planning. The Planning Division reviews the State's current and long term needs for electric energy and for a least cost portfolio of options to meet the State's future demand. The Planning Division reviews utility power supply and cost information, monitoring for consistency with policy

recommendations in the Vermont Comprehensive Energy and Electric Plan, regularly reviews fossil fuel price forecasts, and provides expert support to public advocacy functions. The Planning Division also prepares statewide planning documents and publishes general and technical reports.

Utility Finance and Economics. The Utility Finance and Economics Division provides financial and economic analysis to all divisions including providing expert support to the DPS public advocacy functions. The Division also collects and organizes regulated utility annual report information, collects and accounts for the gross receipts tax that finances State utility regulation functions, and manages the DPS Purchase and Sale of Power Program.

Administration. The Department carries out administrative functions for the Commissioner's Office, personnel, and business management.

Purchase and Sale of Power. The Department contracts on behalf of the state for the purchase of cost effective power for sale, from time to time, at retail to residential customers and at wholesale to the state's electric companies. DPS currently sells a small amount of wholesale power and hasn't had any retail sales since 1996.

Utility Safety. DPS has a significant role in Vermont Yankee oversight, gas safety programs, and utility accident prevention and investigation.

Telecommunications. The Telecommunications Division provides policy development and regulatory enforcement related to local exchange telephone services, toll services, internet and other high-speed data services, cable television, and federal telecommunications issues. It also provides policy guidance and expert support to the DPS public advocacy function.

Emergency Response. The Department is involved in direct, on-site intervention at utility and fuel related accidents. DPS participates in preparedness programs for providing technical assistance in the event of nuclear accidents, and DPS coordinates with local, state, and federal emergency response teams.

Monitoring of Non-Regulated Fuels. The Department monitors and reports non-regulated fuel prices and supplies statewide. This information is summarized and distributed in a monthly publication, "Vermont Fuel Price Report." Key issues and trends are identified and actions are recommended when appropriate and necessary.

Energy Emergency Planning. The Department has developed and documented a procedure that defines steps that must be taken in the event of a serious energy shortage, including energy monitoring activities, responsibility assignment, and specific directions to be carried out under various energy emergency conditions.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Public Service Department**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Regulation & Energy | 44 | 43 | 42 | 4,642,327 | 5,462,385 | 5,462,385 | 5,603,761 |
| Purchase and Sale of Power | 0 | 0 | 0 | 16,307 | 10,792 | 10,792 | 12,215 |
| TOTAL | 44 | 43 | 42 | 4,658,634 | 5,473,177 | 5,473,177 | 5,615,976 |
| FUND TYPE | | | | | | | |
| Special Fund | | | | 3,800,870 | 4,459,443 | 4,459,443 | 4,610,976 |
| Federal Revenue Fund | | | | 841,907 | 988,734 | 988,734 | 980,000 |
| Interdepartmental Transfer | | | | 15,857 | 25,000 | 25,000 | 25,000 |
| TOTAL | | | | 4,658,634 | 5,473,177 | 5,473,177 | 5,615,976 |

## Appropriation Key Budget Issues

Because the Department of Public Service's regulation and energy efficiency appropriation is 100% special and federal funds, there are no significant budget issues or service impacts at this time.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Regulation & Energy**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 3,703,313 | 4,352,531 | 4,352,531 | 4,514,560 |
| Operating Expenses | 444,697 | 634,854 | 634,854 | 639,201 |
| Grants | 494,317 | 475,000 | 475,000 | 450,000 |
| TOTAL | 4,642,327 | 5,462,385 | 5,462,385 | 5,603,761 |
| FUND TYPE | | | | |
| Special Fund | 3,784,563 | 4,448,651 | 4,448,651 | 4,598,761 |
| Federal Revenue Fund | 841,907 | 988,734 | 988,734 | 980,000 |
| Interdepartmental Transfer | 15,857 | 25,000 | 25,000 | 25,000 |
| TOTAL | 4,642,327 | 5,462,385 | 5,462,385 | 5,603,761 |

## Appropriation Key Budget Issues

There are no significant budget issues or service impacts associated with this appropriation. All funding comes from payment for services by the entities purchasing the power in Department-brokered sales. It is a pass-through on a time and materials basis.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Purchase and Sale of Power**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 13,838 | 8,577 | 8,577 | 10,000 |
| Operating Expenses | 2,469 | 2,215 | 2,215 | 2,215 |
| TOTAL | 16,307 | 10,792 | 10,792 | 12,215 |
| FUND TYPE | | | | |
| Special Fund | 16,307 | 10,792 | 10,792 | 12,215 |
| TOTAL | 16,307 | 10,792 | 10,792 | 12,215 |

## Department Mission Statement

The Enhanced 911 Board's mission is to provide a statewide emergency telecommunications system, accessible to everyone, and to oversee its operation.

## Description of Appropriations, Divisions, & Programs

The Enhanced 911 Board has statutory responsibility for the design, installation and operation of statewide enhanced 911. The Board established standards for system performance based on nationally accepted industry standards and best practices. The Board undertakes a variety of activities to ensure that performance standards are met and that the public receives the highest quality service possible, in a uniform manner statewide.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Enhanced 9-1-1 Board**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Enhanced 9-1-1 Board | 10 | 10 | 10 | 1,961,937 | 2,417,588 | 2,417,588 | 2,417,588 |
| TOTAL | 10 | 10 | 10 | 1,961,937 | 2,417,588 | 2,417,588 | 2,417,588 |
| FUND TYPE | | | | | | | |
| Special Fund | | | | 1,961,937 | 2,417,588 | 2,417,588 | 2,417,588 |
| TOTAL | | | | 1,961,937 | 2,417,588 | 2,417,588 | 2,417,588 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Enhanced 9-1-1 Board**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 1,639,619 | 2,050,930 | 2,050,930 | 1,960,337 |
| Operating Expenses | 322,318 | 366,658 | 366,658 | 457,251 |
| TOTAL | 1,961,937 | 2,417,588 | 2,417,588 | 2,417,588 |
| FUND TYPE | | | | |
| Special Fund | 1,961,937 | 2,417,588 | 2,417,588 | 2,417,588 |
| TOTAL | 1,961,937 | 2,417,588 | 2,417,588 | 2,417,588 |

## Department Mission Statement

The Public Service Board exists to ensure that Vermont's ratepayers receive high quality public utility services in over one million accounts from approximately 550 utilities, at minimum reasonable costs, measured over time periods consistent with the public good of the state.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Public Service Board**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Public Service Board | 26 | 26 | 27 | 2,303,423 | 2,532,516 | 2,532,516 | 2,624,677 |
| TOTAL | 26 | 26 | 27 | 2,303,423 | 2,532,516 | 2,532,516 | 2,624,677 |
| FUND TYPE | | | | | | | |
| Special Fund | | | | 2,303,423 | 2,532,516 | 2,532,516 | 2,624,677 |
| TOTAL | | | | 2,303,423 | 2,532,516 | 2,532,516 | 2,624,677 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Public Service Board**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,043,558 | 2,212,516 | 2,212,516 | 2,304,677 |
| Operating Expenses | 259,865 | 320,000 | 320,000 | 320,000 |
| TOTAL | 2,303,423 | 2,532,516 | 2,532,516 | 2,624,677 |
| FUND TYPE | | | | |
| Special Fund | 2,303,423 | 2,532,516 | 2,532,516 | 2,624,677 |
| TOTAL | 2,303,423 | 2,532,516 | 2,532,516 | 2,624,677 |

## Department Mission Statement

The Judiciary is a separate and distinct branch of government established by the Vermont Constitution (see Chapter II, Sections 4, 5 and 28-41), and implemented by statute (see Title 4 of the Vermont Statutes Annotated) "for the trial of all causes proper for their cognizance," Vermont Constitution, Chapter II, Section 28. In that document, the people of Vermont told the Judiciary that it must provide to every person a forum to obtain "right and justice... promptly and without delay; conformably to the laws." (Ch. 1, Article 4) Therefore, the Judiciary's purpose is to assist citizens in the resolution of disputes through a determination of legal rights and status.

To meet this constitutional mandate, the Judiciary has established these goals:

o Issue quality judicial decisions that do justice for the litigants, establish clear and ascertainable law, and apply the law correctly to the facts;
o Issue timely judicial decisions at minimal expense to the litigants and the taxpayers;
o Provide the public with the services they need to access the courts, understand court operations and use the courts appropriately;
o Provide the public with staff services needed to promote the fair, timely and inexpensive resolution of disputes; and
o Protect persons from the abuse of others and from the arbitrary use of governmental power.

The Judiciary serves the entire population of Vermont. Major corporations file multi-million dollar lawsuits. Tenants sue in small claims court to recover their security deposit. Battered spouses seek protective orders. Custodial parents seek child support. Defendants are brought before the Judiciary to respond to all crimes, including such crimes as shoplifting and murder. The Judiciary handles juvenile delinquency, divorces, adoptions, guardianships, support payments and releases from the Vermont State Hospital.

## Description of Appropriations, Divisions, & Programs

### The Supreme Court

The Chief Justice and the four Associate Justices constitute the Vermont Supreme Court. Justices are appointed by the Governor from a list of qualified candidates submitted by the Judicial Nominating Board and confirmed by the Senate for six-year terms. When a justice's term expires, the General Assembly votes whether to retain the justice in office.
The Supreme Court, which is located in Montpelier, is the court of final appeal in Vermont. The court hears appeals from the Superior, Family, District and Environmental Courts, from certain administrative agency proceedings and from Probate Court when a question of law is involved. In special types of cases, the Supreme Court has original or exclusive jurisdiction to hear cases brought directly to the

Supreme Court without being heard first in one of the lower courts. The Supreme Court does not take evidence, listen to witnesses or receive exhibits in a case. Instead the court looks at the legal issues to determine whether the law was correctly applied to the facts in the lower court. Decisions of the Vermont Supreme Court are final unless the case presents a federal question involving the United States Constitution, statutes, or treaties. If there is a federal question, decisions of the Vermont Supreme Court may be appealed to the United States Supreme Court.

The Vermont Constitution gives the Supreme Court the responsibility of administering the Vermont Court system. It authorizes the Supreme Court to make rules regulating practice and procedure in civil, criminal, and probate cases. The General Assembly has authority to revise rules as set out in the Vermont Constitution. The Supreme Court also has the power to discipline judges and attorneys, to license attorneys and to regulate the practice of law.
The Supreme Court has created a number of Boards and Committees to assist it to fulfill its constitutional duty to administer the courts of the state, to investigate complaints and discipline judicial officers and attorneys at law in the state, and to promulgate rules governing practice and procedure in all courts. These Boards and Committees include 1)the Judicial Conduct Board, 2) the Professional Responsibility Board, 3) the Board of Bar Examiners, 4) the Advisory Committees on the Rules of Civil, Criminal, Family and Probate Procedure, on Rules of Evidence and Access to Court Records.

The Court Administrator assists the Supreme Court in the administration of the Judiciary by providing leadership and support to the judges and court staff to enable them to resolve disputes fairly, expeditiously and inexpensively. The Court Administrator is responsible for the overall management of the court system, including judicial and employee education, budgetary and personnel matters, computer services, record keeping and court security. The Court Administrator serves as liaison between the Supreme Court and its boards and committees and between the Judiciary and the other branches of government.

**The Trial Courts**
Vermont has three trial courts. The Superior Court is primarily responsible for the civil and small claims caseloads. The District Court is responsible for the criminal dockets. The Family Court has jurisdiction for matters such as divorce, domestic abuse, child support, juvenile delinquency, termination of parental rights, and protection of children at risk.
The Administrative Judge assigns the district and superior judges, environmental judge, child support magistrates, judicial bureau hearing officers and assistant judges to the trial courts, runs the judges' continuing education program, resolves attorney conflicts, and in cooperation with the Court Administrator, assumes general administrative control of the work of the trial courts.
Each county has a District Court. The Court is responsible for the 20,000 criminal cases that the State's Attorneys and Attorney General file each year. Through jury trials, court trials and the acceptance of guilty pleas, the District Court Judges determine the guilt or innocence of persons charged with crimes. Through sentencing decisions, the District Court Judges punish persons who engage in acts not tolerated by society, protect the public by separating violent persons from society, protect the public by deterring others from violating the law, and attempt to rehabilitate criminals so that they will be productive

members of society. Through determinations of probable cause and decisions on requests for arrest warrants, search warrants, and motions to suppress evidence, the District Court Judges protect the public from the excesses of government power. The court also hears appeals of traffic, municipal ordinance and fish and wildlife tickets, DWI license suspension hearings, extradition proceedings, and drug, fish and wildlife and liquor forfeiture proceedings.

Each county has a Superior Court. The Court is responsible for the 6,900 civil actions filed each year. Most of these actions involve businesses seeking the collection of unpaid debts, individuals seeking damages resulting from the negligence of others, or general lawsuits involving the failure to abide by the terms of a contract. State environmental, consumer protection and civil rights actions are filed in Superior Court. The Court also hears appeals of some governmental actions. Through jury trials, court trials and pretrial conferences, the Superior Court Judges resolve disputes such as whether one person should have to reimburse another for that person's actions or inaction, persons should start or stop acting in certain ways; and persons should lose their homes or other property for failure to pay their debts. The Superior Court also decides the 7,600 small claims filed each year.

Each county has a Family Court. The Court is responsible for the approximately 3,100 divorce actions, 1,500 other domestic actions (primarily parentage) and the 4,000 post-judgment actions filed each year. Most of the post-judgment actions involve attempts by parents to modify or enforce child support, visitation or custody orders. The Family Court is also responsible for approximately 1,400 juvenile delinquency cases, 800 cases involving the abuse and neglect of children or children who are unmanageable, 200 cases in which the state seeks to terminate parental rights, 4,000 petitions for relief from domestic abuse and other family matters including how the state should care for persons with mental illness and developmental disabilities. Judicial Officers and court staff in Family Court attempt to conduct timely hearings and issue timely decisions in order to resolve disputes, to provide support to distressed litigants and to provide protection to victims of family violence and emotional abuse. The Court attempts to provide courteous, calming and helpful service to assist family members to make informed decisions about how to resolve their disputes on their own through mediation or other community services.

**The Probate Court, the Judicial Bureau and the Environmental Court**

There are 18 Probate Court districts in Vermont. The Probate Court is responsible for the 4,000 guardianships, adoptions, decedent estates, and testamentary trusts that are filed each year. The Probate Court Judges and Staff (called Registers and clerks) are working to 1) assist persons and families to administer and settle estates and any resulting trusts; and, if necessary, resolve any disputes over the distribution of the assets of the estates; 2) determine whether guardianships need to be established for incompetent persons; 3) assist persons wishing to relinquish parental rights for the purpose of placing a child up for adoption; and 4) monitor the processing of the cases in the court to insure fiduciaries meet their responsibilities to the estates and guardianships.

The Vermont Judicial Bureau is responsible for the 125,000 traffic tickets issued by state and local law enforcement agencies each year. Many of the violations are speeding tickets. The bureau is also

responsible for the processing of 2,000 municipal ordinance violations and 500 fish and wildlife violations each year and other similar violations that the legislature has added to the bureau's jurisdiction in recent years.

The Environmental Court is responsible for hearing and deciding requests to enforce administrative orders issued by the Secretary of the Agency of Natural Resources and requests to review orders issued by the Secretary. The court also hears appeals from zoning boards and planning commissions.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Judiciary | 337 | 337 | 337 | 26,903,084 | 27,801,315 | 27,933,015 | 28,418,902 |
| TOTAL | 337 | 337 | 337 | 26,903,084 | 27,801,315 | 27,933,015 | 28,418,902 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 20,479,334 | 21,433,965 | 21,433,965 | 22,544,570 |
| Transportation Fund | | | | 3,698,451 | 3,740,140 | 3,740,140 | 3,004,507 |
| Special Fund | | | | 478,863 | 495,050 | 495,050 | 510,118 |
| Federal Revenue Fund | | | | 157,497 | 200,639 | 200,639 | 305,458 |
| Interdepartmental Transfer | | | | 2,088,939 | 1,931,521 | 2,063,221 | 2,054,249 |
| TOTAL | | | | 26,903,084 | 27,801,315 | 27,933,015 | 28,418,902 |

## Appropriation Key Budget Issues

The greatest challenge facing the Judiciary today is our inability to promptly respond to a growing backlog in the number of felony cases pending in the District Court. Since 1994, the number of annual filings went from 2,862 cases in FY 94 to 3,970 cases in FY 03 for an increase of 39%. In 1994, there were 10 judges assigned to District Court, each disposing an average of 270 felony cases per year and the caseload was being kept in balance at that time. In 2003, there are 12 judges assigned to the court disposing on average per judge 311 felony cases annually. The current annual filing rate is 331 cases per judge. In the past two years, the number of felony cases pending in court for more than a year has increased from 121 cases to 296 cases.

Another issue is the fifteen year old docketing system. In 1988, the State of Vermont Judiciary led the nation with its VTADS court docketing system. The system was developed prior to the popularity of the personal computer and used systems that are now outdated. The system does not allow the Judiciary to take advantage of the internet to provide better services to Vermonters.

For the judiciary to adhere to a sustainable growth rate in state spending, they will need to consult with the executive branch of government and look for efficiencies in the present system to meet these challenges.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Judiciary**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 21,585,034 | 22,162,565 | 22,117,565 | 22,494,174 |
| Operating Expenses | 5,318,050 | 5,633,750 | 5,810,450 | 5,924,728 |
| Grants | 0 | 5,000 | 5,000 | 0 |
| TOTAL | 26,903,084 | 27,801,315 | 27,933,015 | 28,418,902 |
| FUND TYPE | | | | |
| General Fund | 20,479,334 | 21,433,965 | 21,433,965 | 22,544,570 |
| Transportation Fund | 3,698,451 | 3,740,140 | 3,740,140 | 3,004,507 |
| Special Fund | 478,863 | 495,050 | 495,050 | 510,118 |
| Federal Revenue Fund | 157,497 | 200,639 | 200,639 | 305,458 |
| Interdepartmental Transfer | 2,088,939 | 1,931,521 | 2,063,221 | 2,054,249 |
| TOTAL | 26,903,084 | 27,801,315 | 27,933,015 | 28,418,902 |

## Department Mission Statement

The mission of the Commission is to promote full civil and human rights in Vermont. The Commission protects people from unlawful discrimination in housing, state government employment and public accommodations and pursues its mission by enforcing laws, mediating disputes, educating the public and providing information and referrals.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Human Rights Commission**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Human Rights Commission | 5 | 5 | 5 | 344,022 | 387,219 | 411,534 | 427,453 |
| TOTAL | 5 | 5 | 5 | 344,022 | 387,219 | 411,534 | 427,453 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 246,753 | 242,907 | 242,907 | 273,225 |
| Special Fund | | | | 0 | 1 | 1 | 1 |
| Federal Revenue Fund | | | | 97,269 | 144,311 | 168,626 | 154,227 |
| TOTAL | | | | 344,022 | 387,219 | 411,534 | 427,453 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Human Rights Commission**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 291,621 | 304,206 | 328,521 | 352,103 |
| Operating Expenses | 52,401 | 83,013 | 83,013 | 75,350 |
| TOTAL | 344,022 | 387,219 | 411,534 | 427,453 |
| FUND TYPE | | | | |
| General Fund | 246,753 | 242,907 | 242,907 | 273,225 |
| Special Fund | 0 | 1 | 1 | 1 |
| Federal Revenue Fund | 97,269 | 144,311 | 168,626 | 154,227 |
| TOTAL | 344,022 | 387,219 | 411,534 | 427,453 |

## Department Mission Statement

The primary mission of Vermont Fire Service Training is to provide quality education and training to dedicated individuals of the Fire and Emergency Response Services, thereby reducing the loss of life and property due to fire and other related emergencies in the State of Vermont.

Through research, development and delivery, we can enhance all avenues of fire service training and education.

With a clear direction toward the future, utilizing concise communication, organization, teamwork, and individual dedication, we will achieve our mission.

## Description of Appropriations, Divisions, & Programs

The Vermont Fire Service Training Council (VFSTC) was created in May, 1988. The 11 member VFSTC was formed to conduct and administer training schools and courses for the firefighters of the State of Vermont and its enabling legislation rests in Vermont Statutes Annotated, Title 20: Internal Security and Public Safety, Chapter 179: Vermont Fire Service Training Council.

The VFSTC oversees the operations of the Vermont Fire Academy that is located at the Emergency Services Training Facility in Pittsford, VT. The Vermont Fire Academy has a full time staff of eight positions and is responsible for administering, developing, delivering, and documenting the efforts of firefighting students in many different programs.

Firefighter training programs that are available to the 6,500 Vermont firefighters / 243 fire departments include Firefighter I, Fire Instructor I, Hazardous Materials, Incident Management and Terrorism related courses.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Fire Service Training Council**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Fire Service Training Council | 8 | 8 | 8 | 1,043,333 | 1,203,642 | 1,203,642 | 1,258,701 |
| TOTAL | 8 | 8 | 8 | 1,043,333 | 1,203,642 | 1,203,642 | 1,258,701 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 300,756 | 365,157 | 365,157 | 464,860 |
| Transportation Fund | | | | 105,193 | 99,985 | 99,985 | 80,320 |
| Special Fund | | | | 421,928 | 459,000 | 459,000 | 438,521 |
| Federal Revenue Fund | | | | 89,524 | 105,000 | 105,000 | 105,000 |
| Interdepartmental Transfer | | | | 125,932 | 174,500 | 174,500 | 170,000 |
| TOTAL | | | | 1,043,333 | 1,203,642 | 1,203,642 | 1,258,701 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Fire Service Training Council**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 587,957 | 685,869 | 685,869 | 705,933 |
| Operating Expenses | 455,376 | 487,773 | 487,773 | 504,768 |
| Grants | 0 | 30,000 | 30,000 | 48,000 |
| TOTAL | 1,043,333 | 1,203,642 | 1,203,642 | 1,258,701 |
| FUND TYPE | | | | |
| General Fund | 300,756 | 365,157 | 365,157 | 464,860 |
| Transportation Fund | 105,193 | 99,985 | 99,985 | 80,320 |
| Special Fund | 421,928 | 459,000 | 459,000 | 438,521 |
| Federal Revenue Fund | 89,524 | 105,000 | 105,000 | 105,000 |
| Interdepartmental Transfer | 125,932 | 174,500 | 174,500 | 170,000 |
| TOTAL | 1,043,333 | 1,203,642 | 1,203,642 | 1,258,701 |

## Agency Mission Statement

The mission of the Agency is to improve the conditions of well-being of Vermonters today and tomorrow and protect those who cannot protect themselves.

## Description of Departments in Agency

The Agency of Human Services is comprised of the following departments and offices:

Department of Aging and Disabilities: The Department assists older Vermonters and adults with disabilities to live as independently as possible. It helps adults find and maintain meaningful employment; and it ensures quality of care and life for individuals receiving health care and/or long-term care services from licensed or certified health care providers. The Department also protects elders and adults with disabilities from abuse, neglect, and exploitation.

Department of Corrections: In partnership with Vermont communities, the DOC serves and protects the public by offering a continuum of graduated sanctions for offenders to repair the damage their crimes have caused to victims and communities. The Department operates Corrections facilities for incarcerated offenders and Community Correctional Service Centers for offenders convicted of lesser crimes. It also supports Community reparative Boards for nonviolent offenders to make amends for their crimes and return value to their communities.

Department of Developmental and Mental Health Services: The Department oversees provision of services to adults with mental illness, children and adolescents experiencing a severe emotional disturbance and their families, and people of all ages with developmental disabilities.

Department of Health: DOH protects and promotes health, and prevents disease and injury by improving the health status of all Vermonters. Programs focus on infectious and chronic disease control and prevention (e.g., injury prevention, and health babies programs), surveillance (e.g., disease reporting), and protection (e.g., restaurant inspections).

Department of Prevention, Assistance, Transition, and Health Access: PATH administers several programs that address the basic needs of Vermonters who are unable to provide for themselves and their dependents. These programs promote the well-being of families and individuals through the provision of health care coverage, welfare-to-work services, in-kind benefits, and cash assistance.

Department of Social and Rehabilitation Services: SRS helps families and individuals lead healthy and independent lives by providing support services and offering educational, information, and prevention

services to communities. Social services seek to break the cycle of abuse, neglect, and delinquency. Child care services take a lead role in developing quality child care services in Vermont.

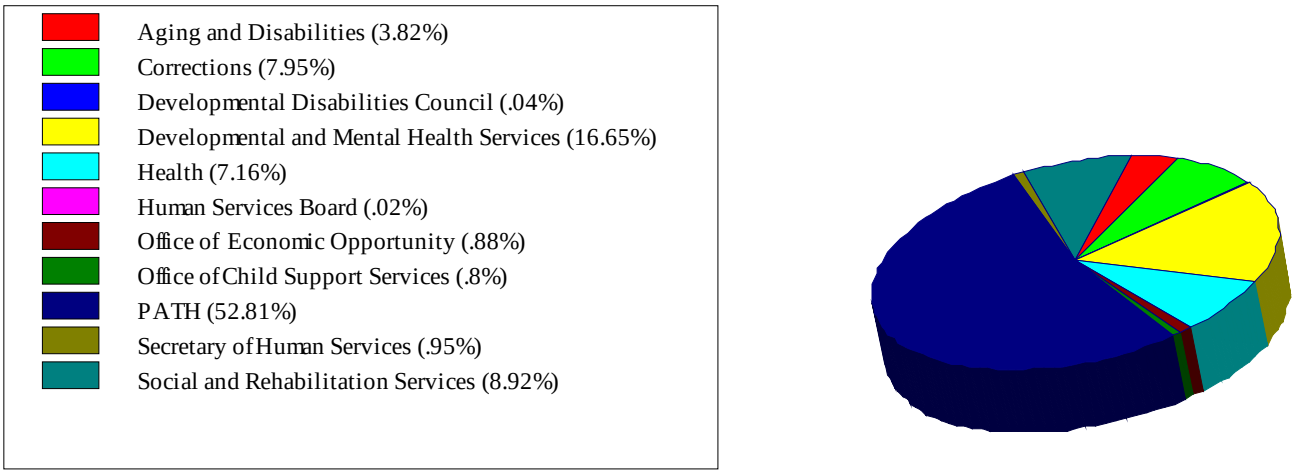
Office of Child Support: The Office enforces state and federal statutes to ensure that children receive financial support from absent parents. OCS improves financial security for children by obtaining child support obligations and payments.

Office of Economic Opportunity: OEO provides training and technical assistance, resource identification and development, and program and grants management for community-based organizations. The Office connects communities to resources within government and the private sector to eliminate the causes and symptoms of poverty.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Agency of Human Services**

## AGENCY SUMMARY BY DEPARTMENT

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Secretary of Human Services | 61 | 48 | 51 | 11,717,214 | 14,603,864 | 13,643,564 | 12,333,116 |
| Human Services Board | 4 | 4 | 4 | 274,994 | 285,259 | 285,259 | 301,464 |
| Developmental Disabilities Council | 2 | 2 | 2 | 448,545 | 473,083 | 473,083 | 483,121 |
| Office of Child Support Services | 125 | 125 | 124 | 10,419,614 | 10,082,641 | 10,082,641 | 10,440,092 |
| Health | 546 | 548 | 548 | 82,526,541 | 76,911,083 | 88,770,086 | 93,317,893 |
| Social and Rehabilitation Services | 397 | 397 | 428 | 109,497,055 | 112,339,411 | 115,019,692 | 116,321,818 |
| PATH | 430 | 437 | 437 | 593,631,384 | 620,683,545 | 643,300,948 | 688,349,468 |
| Developmental and Mental Health | 284 | 286 | 286 | 182,252,502 | 190,484,752 | 196,702,173 | 217,027,164 |
| Services | 207 | 216 | 219 | 44,369,855 | 46,377,829 | 49,045,096 | 49,843,110 |
| Aging and Disabilities | 8 | 8 | 6 | 13,078,514 | 11,654,344 | 11,455,458 | 11,459,246 |
| Office of Economic Opportunity | 993 | 1,129 | 1,146 | 85,384,934 | 94,693,031 | 97,802,816 | 103,569,157 |
| Corrections | | | | | | | |
| TOTAL | 3,057 | 3,200 | 3,251 | 1,133,601,152 | 1,178,588,842 | 1,226,580,816 | 1,303,445,649 |
| FUND TYPE | | | | 260,467,794 | 224,728,884 | 226,918,289 | 298,619,032 |
| General Fund | | | | 1,535,751 | 2,021,702 | 2,509,480 | 1,624,062 |
| Transportation Fund | | | | 217,159,676 | 234,523,652 | 229,990,856 | 272,902,322 |
| Special Fund | | | | 642,774,532 | 704,268,640 | 751,469,158 | 701,300,114 |
| Federal Revenue Fund | | | | 7,507 | 10,000 | 2,300 | 2,300 |
| Permanent Trust Fund | | | | 2,566,452 | 3,216,473 | 3,216,473 | 3,330,142 |
| Internal Service Fund | | | | 9,089,440 | 9,819,491 | 12,474,260 | 25,667,677 |
| Interdepartmental Transfer | | | | | | | |
| TOTAL | | | | 1,133,601,152 | 1,178,588,842 | 1,226,580,816 | 1,303,445,649 |


Aging and Disabilities (3.82%)
Corrections (7.95%)
Developmental Disabilities Council (.04%)
Developmental and Mental Health Services (16.65%)
Health (7.16%)
Human Services Board (.02%)
Office of Economic Opportunity (.88%)
Office of Child Support Services (.8%)
PATH (52.81%)
Secretary of Human Services (.95%)
Social and Rehabilitation Services (8.92%)

## Department Mission Statement

· ensure that citizens, policy makers, and service providers are knowledgeable about the well being of Vermonters;

· promote integrated planning, delivery, and evaluation of resources and services; and

· ensure that Agency resources (personnel, fiscal, technology, and space) are managed effectively.

## Description of Appropriations, Divisions, & Programs

Division of Administrative Services: Including Fiscal, Information Technology, Personnel and Rate Setting Units:

Fiscal Unit:

The Fiscal Unit coordinates the development of the Agency's budget to ensure that departmental programs reflect the Governor's priorities and are in compliance with legislative requirements. The unit develops financial status reports and monitors key program performance indicators for each Agency department and office. The fiscal unit also coordinates all federal block grant and statewide single audit functions, development of the AHS indirect rate, and updates of federal cost allocation plans.

Information Technology Unit:

The information technology unit assures that software and hardware support services are functioning at optimum levels in the central office and coordinates the development and maintenance of an agency web page. Applications and system s necessary to support the mission of the Agency are developed and coordinated by the unit.

Personnel Unit:

Personnel staff support all Agency human resource development actions, including ,but not limited to, recruitment of new hires, promotions, demotions, transfers, performance evaluation, and worker's compensation for an agency workforce of approximately 3,000 employees.

Division of Planning:

The Division works in partnership with communities and state entities to improve the well-being of

Vermonters through the planning, coordination, and evaluation of human services. The Division engages in prevention planning, training and technical Assistance, and evaluation with AHS Departments and other state agencies and non-governmental partners. It assists communities to assess their strengths and assets and to articulate clear and consistent goals, develop integrated and effective strategies, and deploy resources efficiently. The Division also engages in federal grant compliance monitoring and helps communities to evaluate their initiatives. The Division publishes annual summaries of Vermont state and community performance on more than 50 indicators of well-being.

Rate Setting:

The Unit audits and establishes Medicaid payment rates for nursing facilities for the Department of Prevention, Assistance, Transition, and Health Access (PATH), intermediate care facilities for people with developmental disabilities for the Department of Developmental and Mental Health Services, and private non-medical institutions for the Department of Social and Rehabilitation Services (SRS). Through the application of its rules, the Unit evaluates the reasonableness and allowablity of program budgets and expenditures to ensure both cost containment and quality of care.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Secretary of Human Services

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Secretary's Office | 52 | 39 | 42 | 11,090,441 | 13,932,407 | 12,972,107 | 11,638,225 |
| Rate Setting | 9 | 9 | 9 | 626,773 | 671,457 | 671,457 | 694,891 |
| TOTAL | 61 | 48 | 51 | 11,717,214 | 14,603,864 | 13,643,564 | 12,333,116 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 3,862,033 | 5,300,669 | 4,244,491 | 4,008,624 |
| Special Fund | | | | 727,707 | 894,000 | 922,476 | 729,000 |
| Federal Revenue Fund | | | | 6,110,259 | 6,637,738 | 6,705,140 | 5,800,601 |
| Interdepartmental Transfer | | | | 1,017,215 | 1,771,457 | 1,771,457 | 1,794,891 |
| TOTAL | | | | 11,717,214 | 14,603,864 | 13,643,564 | 12,333,116 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Secretary's Office**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,726,535 | 2,745,941 | 2,748,668 | 3,032,913 |
| Operating Expenses | 1,303,760 | 1,268,130 | 1,268,130 | 1,034,809 |
| Grants | 7,060,146 | 9,918,336 | 8,955,309 | 7,570,503 |
| TOTAL | 11,090,441 | 13,932,407 | 12,972,107 | 11,638,225 |
| FUND TYPE | | | | |
| General Fund | 3,862,033 | 5,300,669 | 4,244,491 | 4,008,624 |
| Special Fund | 727,707 | 894,000 | 922,476 | 729,000 |
| Federal Revenue Fund | 6,110,259 | 6,637,738 | 6,705,140 | 5,800,601 |
| Interdepartmental Transfer | 390,442 | 1,100,000 | 1,100,000 | 1,100,000 |
| TOTAL | 11,090,441 | 13,932,407 | 12,972,107 | 11,638,225 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 574,330 | 614,628 | 614,628 | 628,088 |
| Operating Expenses | 52,443 | 56,829 | 56,829 | 66,803 |
| TOTAL | 626,773 | 671,457 | 671,457 | 694,891 |
| FUND TYPE | | | | |
| Interdepartmental Transfer | 626,773 | 671,457 | 671,457 | 694,891 |
| TOTAL | 626,773 | 671,457 | 671,457 | 694,891 |

## Description of Appropriations, Divisions, & Programs

The Board is a citizen's panel consisting of seven members created by the legislature pursuant to 3 V.S.A., Sec. 3090. Its duties are to act as a fair hearing board for appeals brought by individuals who are aggrieved by decisions or policies of departments and programs within the Agency of Human Services. The Board conducts hearings and issues written decisions in accordance with its rules and its statutory responsibilities. The Board also certifies Family Court copies of Child Support Orders issued by the Board prior to the creation of the Family Court.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Human Services Board**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Human Services Board | 4 | 4 | 4 | 274,994 | 285,259 | 285,259 | 301,464 |
| TOTAL | 4 | 4 | 4 | 274,994 | 285,259 | 285,259 | 301,464 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 100,503 | 121,879 | 121,879 | 121,082 |
| Federal Revenue Fund | | | | 118,723 | 123,498 | 123,498 | 128,129 |
| Interdepartmental Transfer | | | | 55,768 | 39,882 | 39,882 | 52,253 |
| TOTAL | | | | 274,994 | 285,259 | 285,259 | 301,464 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Human Services Board**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 246,289 | 258,967 | 258,967 | 269,238 |
| Operating Expenses | 28,705 | 26,292 | 26,292 | 32,226 |
| TOTAL | 274,994 | 285,259 | 285,259 | 301,464 |
| FUND TYPE | | | | |
| General Fund | 100,503 | 121,879 | 121,879 | 121,082 |
| Federal Revenue Fund | 118,723 | 123,498 | 123,498 | 128,129 |
| Interdepartmental Transfer | 55,768 | 39,882 | 39,882 | 52,253 |
| TOTAL | 274,994 | 285,259 | 285,259 | 301,464 |

## Description of Appropriations, Divisions, & Programs

The D.D. Council works to ensure that all people with developmental disabilities receive the opportunities, assistance, and services necessary to live independently and productively in integrated community settings. The Council engages in advocacy, capacity building, and systems change activities. It contributes to a self-directed and family-centered system of community services, individualized supports, and other forms of assistance that enable self-advocates to exercise self-determination, be independent, productive, and included in all facets of community life.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Developmental Disabilities Council**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Dev. Disabilities Council | 2 | 2 | 2 | 448,545 | 473,083 | 473,083 | 483,121 |
| TOTAL | 2 | 2 | 2 | 448,545 | 473,083 | 473,083 | 483,121 |
| FUND TYPE | | | | | | | |
| Federal Revenue Fund | | | | 448,545 | 473,083 | 473,083 | 483,121 |
| TOTAL | | | | 448,545 | 473,083 | 473,083 | 483,121 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Dev. Disabilities Council**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 133,837 | 115,736 | 115,736 | 122,521 |
| Operating Expenses | 48,818 | 36,554 | 36,554 | 39,600 |
| Grants | 265,890 | 320,793 | 320,793 | 321,000 |
| TOTAL | 448,545 | 473,083 | 473,083 | 483,121 |
| FUND TYPE | | | | |
| Federal Revenue Fund | 448,545 | 473,083 | 473,083 | 483,121 |
| TOTAL | 448,545 | 473,083 | 473,083 | 483,121 |

## Department Mission Statement

The mission of the Office of Child Support is to improve children's economic security by obtaining child support obligations and payments.

The Office of Child Support (OCS) manages the Vermont child support program under Title IV D of the Social Security Act by enforcing ordered child support obligations, establishing child support, medical support, parentage orders, and locating missing noncustodial parents. Title IV-D requires states have child support programs. OCS is the sole organization in the State of Vermont responsible for the child support program - one mission, one program.

## Description of Appropriations, Divisions, & Programs

OCS is the sole organization in the State of Vermont responsible for the child support program - one mission, one program. OCS was funded with approximately $1.1 M in general fund for SFY '04 and we anticipate the $1.1 M will generate child support in excess of $53.5 M for families or as recovery of welfare expenditures. By maximizing our federal reimbursements, as well as federal incentives that are issued for meeting or exceeding performance benchmarks, OCS has remained a highly productive organization where little state investment ($1.1 M) reaps a very large return ($53.5 M) in child support payments and state program cost recovery.

For the families we serve, collections are the most critical income. Receiving child support often makes the difference in families being required to apply for state financial assistance programs or remaining independent and self-supporting. As families are moved away from public assistance to being self-supportive, there is more reliance on child support payments as the safety net for the working poor. The majority of families served by OCS are families not receiving TANF benefits. While TANF caseloads may be reducing, OCS still supports the former-TANF families for many years to come.

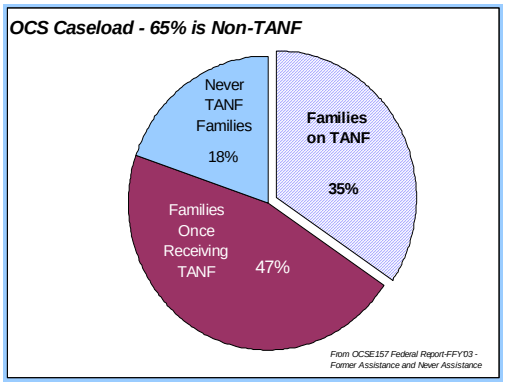



***Figure 1*** *– More Non-TANF Families Served*

In addition to child support, OCS obtains medical insurance provisions in court orders. When parents provide medical insurance, potential public health program expenditures can be avoided. Nationally, child support organizations are seen as a key partner in the challenge of avoiding unnecessary public health care spending.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Office of Child Support Services**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Office of Child Support | 125 | 125 | 124 | 10,419,614 | 10,082,641 | 10,082,641 | 10,440,092 |
| TOTAL | 125 | 125 | 124 | 10,419,614 | 10,082,641 | 10,082,641 | 10,440,092 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 1,010,569 | 1,114,864 | 1,114,864 | 1,370,517 |
| Special Fund | | | | 405,095 | 454,125 | 454,125 | 454,125 |
| Federal Revenue Fund | | | | 8,792,195 | 8,406,552 | 8,406,552 | 8,508,350 |
| Interdepartmental Transfer | | | | 211,755 | 107,100 | 107,100 | 107,100 |
| TOTAL | | | | 10,419,614 | 10,082,641 | 10,082,641 | 10,440,092 |

## Appropriation Key Budget Issues

Vermont is seeing less federal incentives through no fault of our own. A capped incentive funding pool is shared by all states. As other state's program performance improves, they become eligible for additional incentive monies from the capped incentive pool. As these improving states draw more money from the pool, states that have consistently performed well (such as Vermont) begin to see a reduction in available incentives as more of the capped funding is allocated to other states.

Figure 3 shows the breakdown of the need for the general fund request. Over ½ of the request is for replacement of lost federal incentives, while the other large portion is mandated personal services increases. There is only a slight increase in OCS operating expense.

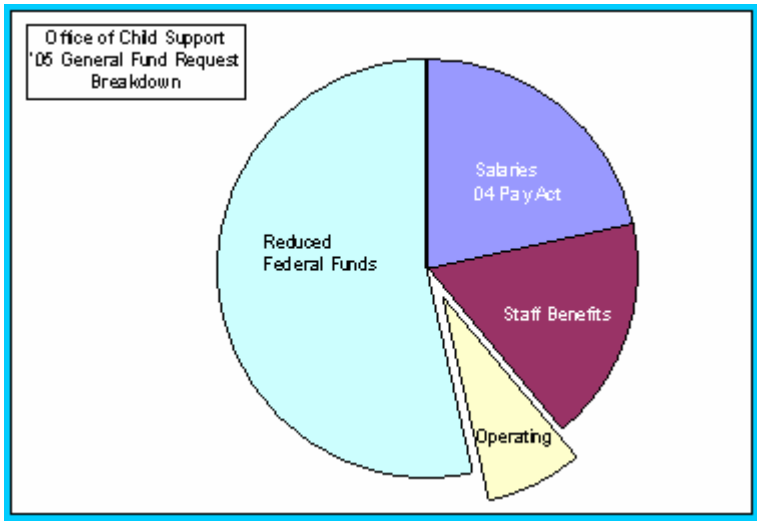



Figure 3 - SFY '05 General Fund Budget Breakdown

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Office of Child Support**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 6,654,701 | 7,349,794 | 7,349,794 | 7,649,310 |
| Operating Expenses | 3,764,913 | 2,732,847 | 2,732,847 | 2,790,782 |
| TOTAL | 10,419,614 | 10,082,641 | 10,082,641 | 10,440,092 |
| FUND TYPE | | | | |
| General Fund | 1,010,569 | 1,114,864 | 1,114,864 | 1,370,517 |
| Special Fund | 405,095 | 454,125 | 454,125 | 454,125 |
| Federal Revenue Fund | 8,792,195 | 8,406,552 | 8,406,552 | 8,508,350 |
| Interdepartmental Transfer | 211,755 | 107,100 | 107,100 | 107,100 |
| TOTAL | 10,419,614 | 10,082,641 | 10,082,641 | 10,440,092 |

## Department Mission Statement

Vision: We will have the nation's premier system of public health, enabling Vermonters to lead healthy lives in healthy communities.

We will lead our state and communities in the development of systematic approaches to health promotion, safety and disease prevention

We will continuously assess, vigorously pursue and document measurable improvements to the health and safety of Vermont's population.

We will succeed through excellence in individual achievement, organizational competence and teamwork within and outside of the Department of Health.

## Description of Appropriations, Divisions, & Programs

The **DEPARTMENT OF HEALTH** is organized into six divisions:

Administration,
Health Protection,
Health Surveillance,
Health Improvement,
Community Public Health,
Alcohol and Drug Abuse Programs.

Beginning in fiscal year 2003, the Board of Medical Practice was established as an office in the Department of Health.

Working with partners throughout Vermont and nationally, the Health Department seeks to protect the public against epidemics and the spread of disease. Much of our focus is on enhancing the health of children and adults through promotion of high quality pre-natal care, childhood immunizations, healthy lifestyle advice, and prevention of addictive behaviors. The Department gathers population based information and makes this information available to communities through Health Status Reports so that community members can take action to improve health outcomes.

The Health Department's activities are guided by our vision and mission, and by the goals and objectives laid out in Healthy Vermonters 2010, the state's blueprint for improving public health.

The **ADMINISTRATION** appropriation includes:

- the Commissioner's Office (department management, public information and legal);
- Information Technology Services,
- Budget and Grants Management,
- Business Office (accounts receivable, accounts payable, payroll, support services)
- Training and Development.

The Commissioner's Office provides policy direction and guidance to staff and programs of the Department. In addition, the Office keeps the public informed of issues that may affect their health and wellbeing through press releases, press conferences and responding to multiple daily press inquiries seeking information related to matters affecting public health. Information on community health is made available to the public through periodic release of the Health Status Report and through establishing broad health goals such as are included in Healthy Vermonters 2010.

Information technology services maintains a 500+ user network serving 15 sites statewide. Staff develop, support and maintain a large number of custom software applications serving department programs. The unit supports a key national public health initiative to develop a national electronic disease surveillance and reporting system.

Budget and grants management staff manage the department's overall budget and spending. The unit manages the budgets for the nearly 100 federal and foundation funding sources that make up two thirds of the department's budget.

The business office provides financial and logistics support for all department operations.

The training and development unit is responsible for department-wide workforce development issues, with particular emphasis on public health preparedness for emergencies.

The **HEALTH PROTECTION** appropriation includes:

Office of the Chief Medical Examiner;
Performs autopsies and investigates unexpected deaths from violence, injury, suicide, drugs or other circumstances.

Emergency Medical Services;
Responsible for standard setting, regulation and planning for Statewide Emergency Medical Services systems, training, technical assistance and program development for local services, and licensing and certification of all personnel and emergency equipment.

Radiological Health Services;
Minimizes occupational, general public and patient radiation exposure by registering and inspecting radiation sources, conducting environmental surveillance for the Vermont Yankee nuclear power plant and providing technical assistance.

Food and Lodging Services;
Inspects and licenses all restaurants, hotels, motels, inns, delis, bakeries, school food service facilities, summer camps, and fairs to prevent foodborne illness.

Environmental Health programs.
Evaluates the potential risks to health posed by contaminants in housing, food, water, and air. Performs toxicological and risk assessment analyses, operates asbestos certification program, childhood lead poisoning prevention program, school indoor air program, coordinates development of state asthma plan and enforces the Clean Indoor Air Act.

The **HEALTH SURVEILLANCE** appropriation includes funding for:

Public Health Laboratory;
The laboratory performs laboratory tests annually to identify infectious diseases toxins or contaminants in air, food, water and clinical samples.

Epidemiology;
The unit investigates and monitors reportable diseases and operates programs that provide services and prevention for sexually transmitted disease, HIV/AIDS, hepatitis, and tuberculosis.

Immunization;
The unit provides vaccine to children and adults, assures adherence to vaccination procedures and policies.

Chronic Disease;
The unit investigates and monitors chronic disease and operates screening programs for breast and cervical cancer and other conditions.

Public Health Statistics;
The unit provides statistical and analytical support to all department programs, maintains and analyzes vital records ( births, deaths, marriages, civil unions, fetal deaths, and abortions), conducts health surveys, and operates the Vermont Cancer Registry.

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The **HEALTH IMPROVEMENT** appropriation provides funding for:

Maternal and Child Health program which administers the Maternal and Child Health federal block grant, and monitors and works to improve the system of health care for women, children and families.

Children with Special Health Needs Program (CSHN) which provides and/or assures that health care and support services are available to children (0-21) who have complex health problems and to their families

Dental Health program which works to improve the oral health of Vermonters by assuring access to preventive dental care, and support for fluoridation programs..

Tobacco Control Programs which work to cut the prevalence of tobacco use by 50% by 2010 (see the separately provided performance budget narrative).

Health Systems, including Rural Health and Primary Care Programs, Health Promotion, Diabetes Control Program, and Minority Health, which work to provide or improve access to health care and to raise awareness of the health needs of special populations.

Family Planning program which administers the federal family planning grant.

Hospital Bioterrorism Preparedness program which assists the state's hospital system to prepare for public health emergencies.

Much of the work of this division is funded by Federal grants and to a lesser extent by grants from private foundations. State funds are used primarily to meet federal match requirements. Those general funds not encumbered by federal matching requirements are applied as much as possible to draw down Medicaid funds.

The **COMMUNITY PUBLIC HEALTH** division provides direct service to Vermonters through district offices. The Community Public Health appropriation funds:

<u>Twelve district offices around the state</u>
These offices provide the essential health promotion and disease prevention services necessary for an effective public health system. It is through these district offices that most Health Department programs reach the people of Vermont.

<u>Healthy Babies, Kids & Families program</u>
Health care and support services through pregnancy and delivery and for infants and children from birth to 5 years.

WIC
The Special Supplemental Nutrition Program for Women, Infants and Children (WIC), is a federally funded program to enhance the health of infants, young children, pregnant women and new mothers.

EPSDT
The Early Periodic Screening, Diagnosis and Treatment (EPSDT) Program for children on Medicaid consists of two main components: (1) assuring the availability and accessibility of required health care resources; and (2) helping Medicaid recipients and their parents or guardians effectively use these resources.

Town Health Officer Program
Coordinates the appointment process for municipal health officers and aids them in carrying out their duties. Produces manuals and newsletters for municipal health officers to keep them informed of recent environmental health issues and regulations; developing and providing training sessions on public health issues relevant to their work.

The **ALCOHOL AND DRUG ABUSE PROGRAM** appropriation funds:

Alcohol and Drug Research and Planning;
Conducts surveys and analysis to determine the prevalence of substance abuse and treatment needs of communities. Conducts program and fiscal monitoring data analyses and evaluations of key ADAP prevention, intervention, and treatment services to ensure their accessibility, appropriateness, quality, and cost effectiveness. Manages and monitors federal data grants and SAPT Block Grant data reporting.

Alcohol and Drug Abuse Treatment;
Manages and provides quality assurance for the state's substance abuse treatment system including monitoring programs and licensing of substance abuse counselors. Operates the Drinking Driver Rehabilitation (CRASH) Program. Manages Student Assistance Programs. Funds treatment services for VHAP and uninsured clients. Manages and monitors Medicaid funding of treatment providers.

Alcohol and Drug Prevention.
Through staff based in district offices, develops community substance abuse prevention coalitions and programs. Collaborates with the Department of Education to help schools and colleges develop comprehensive alcohol and drug abuse prevention programs. Provides funding for prevention programs through grants to schools and community agencies and monitors implementation and results.

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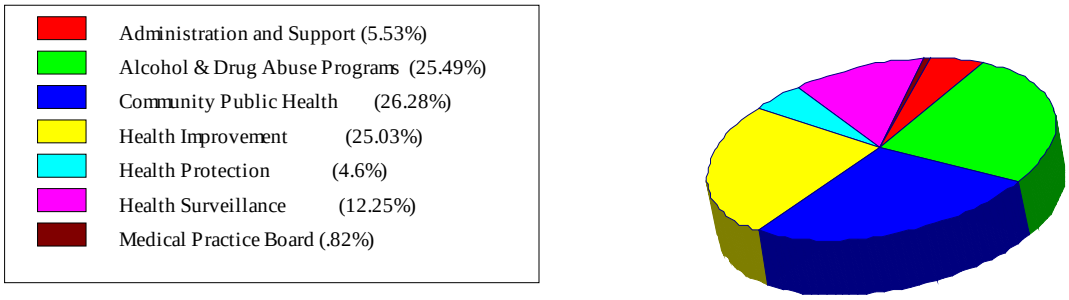
The **Board of Medical Practice** licenses physicians (MDs), podiatrists (DPMs) and physician's assistants (PAs). The Board investigates all complaints and charges of unprofessional conduct against any person subject to its jurisdiction. The Board is also required by law to create individual profiles on all health care professionals licensed, certified, or registered by the department and make these profiles available to the public.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Health

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Administration and Support | 64 | 65 | 65 | 4,940,601 | 4,769,572 | 4,965,748 | 5,160,501 |
| Health Protection | 48 | 48 | 48 | 4,031,652 | 4,005,715 | 4,224,679 | 4,292,561 |
| Health Surveillance | 114 | 116 | 116 | 11,416,037 | 10,910,708 | 11,125,850 | 11,429,705 |
| Health Improvement | 71 | 71 | 71 | 19,333,378 | 17,166,495 | 21,417,762 | 23,354,749 |
| Community Public Health | 204 | 203 | 203 | 26,582,618 | 24,550,361 | 26,583,748 | 24,527,147 |
| Alcohol & Drug Abuse Programs | 39 | 39 | 39 | 15,612,675 | 14,836,418 | 19,781,568 | 23,790,830 |
| Medical Practice Board | 6 | 6 | 6 | 579,580 | 671,814 | 670,731 | 762,400 |
| VT Practitioner Health Program | 0 | 0 | 0 | 30,000 | 0 | 0 | 0 |
| TOTAL | 546 | 548 | 548 | 82,526,541 | 76,911,083 | 88,770,086 | 93,317,893 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 16,824,364 | 17,352,904 | 19,201,514 | 19,800,091 |
| Special Fund | | | | 9,407,669 | 9,121,494 | 9,794,362 | 12,103,719 |
| Federal Revenue Fund | | | | 55,147,736 | 49,572,155 | 57,844,129 | 59,955,962 |
| Permanent Trust Fund | | | | 7,507 | 10,000 | 2,300 | 2,300 |
| Interdepartmental Transfer | | | | 1,139,265 | 854,530 | 1,927,781 | 1,455,821 |
| TOTAL | | | | 82,526,541 | 76,911,083 | 88,770,086 | 93,317,893 |



## Appropriation Key Budget Issues

The Commissioner's Office will be directing two important Governor's initiatives included in the FY 2005 proposed budget:

The Vermont Chronic Care Initiative has the following objectives:

- preserving access to quality health care in Vermont
- improving efficiency
- reducing costs

The Vermont Fit and Healthy Kids Initiative is a joint effort of the Department of Health and Department of Education that will deal with the growing prevalence of childhood obesity by working to increase physical activity and healthy eating behaviors among Vermont children.

Developing plans for public health preparedness for bioterrorism has been and will continue to be a top priority for the Commissioner's Office. The project, funded though a federal grant, has involved the reassignment of many staff, and forced difficult balancing of program priorities.

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 3,225,201 | 3,786,016 | 3,982,192 | 4,149,049 |
| Operating Expenses | 1,703,688 | 983,556 | 983,556 | 1,011,452 |
| Grants | 11,712 | 0 | 0 | 0 |
| TOTAL | 4,940,601 | 4,769,572 | 4,965,748 | 5,160,501 |
| FUND TYPE | | | | |
| General Fund | 1,100,033 | 1,025,566 | 1,025,566 | 1,072,540 |
| Special Fund | 76,514 | 25,000 | 22,090 | 21,951 |
| Federal Revenue Fund | 3,758,454 | 3,713,396 | 3,912,392 | 4,066,010 |
| Interdepartmental Transfer | 5,600 | 5,610 | 5,700 | 0 |
| TOTAL | 4,940,601 | 4,769,572 | 4,965,748 | 5,160,501 |

## Appropriation Key Budget Issues

This budget proposes to convert the x-ray certification and inspection activities to a fee-supported program, as is done in a majority of other states. The proposed fees will replace the current appropriation of $150,000 in state general funds. Approximately 1,500 x-ray tubes are currently registered. Sixty percent are in dental offices, 15% in educational institutions, 10% in hospitals, about 7% are in industrial use, and the balance are in the offices of physicians, chiropractors and podiatrists. The proposed fee is $100.00 per tube. Facilities with multiple tubes at a single location will have a maximum fee of $1,500.

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 3,190,776 | 3,078,754 | 3,119,285 | 3,235,360 |
| Operating Expenses | 658,075 | 650,861 | 650,861 | 650,861 |
| Grants | 182,801 | 276,100 | 454,533 | 406,340 |
| TOTAL | 4,031,652 | 4,005,715 | 4,224,679 | 4,292,561 |
| FUND TYPE | | | | |
| General Fund | 1,267,068 | 1,320,897 | 1,320,897 | 1,213,228 |
| Special Fund | 939,318 | 972,500 | 972,783 | 1,122,900 |
| Federal Revenue Fund | 1,434,883 | 1,262,501 | 1,471,628 | 1,509,317 |
| Interdepartmental Transfer | 390,383 | 449,817 | 459,371 | 447,116 |
| TOTAL | 4,031,652 | 4,005,715 | 4,224,679 | 4,292,561 |

## Appropriation Key Budget Issues

This division has a key role in the program for bioterrorism preparedness. The epidemiology unit is responsible for establishing a surveillance system for early detection of diseases or syndromes that could be caused by bioterrorism. The public health laboratory must develop the capacity to quickly and accurately test for the most likely bioterrorist agents.

This budget anticipates the shift of funding from general fund to federal funds for staff time of about 2-3 full time equivalents. This will occur mainly in the epidemiology and public health statistics sections, and will involve funding from several different federal grants.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Health Surveillance**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 6,245,573 | 6,391,995 | 6,573,427 | 6,827,697 |
| Operating Expenses | 2,332,004 | 1,832,713 | 1,832,713 | 1,887,908 |
| Grants | 2,838,460 | 2,686,000 | 2,719,710 | 2,714,100 |
| TOTAL | 11,416,037 | 10,910,708 | 11,125,850 | 11,429,705 |
| FUND TYPE | | | | |
| General Fund | 3,625,775 | 3,722,469 | 3,722,469 | 3,680,018 |
| Special Fund | 927,629 | 1,029,250 | 944,289 | 1,072,850 |
| Federal Revenue Fund | 6,736,171 | 6,063,989 | 6,324,709 | 6,546,652 |
| Permanent Trust Fund | 7,507 | 10,000 | 2,300 | 2,300 |
| Interdepartmental Transfer | 118,955 | 85,000 | 132,083 | 127,885 |
| TOTAL | 11,416,037 | 10,910,708 | 11,125,850 | 11,429,705 |

## Appropriation Key Budget Issues

Funding for two new programs, the Chronic Care Initiative and the Fit and Healthy Kids Initiative, are included in this appropriation.

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 6,752,932 | 5,713,181 | 6,825,183 | 7,765,343 |
| Operating Expenses | 988,217 | 1,492,659 | 1,065,159 | 1,109,859 |
| Grants | 11,592,229 | 9,960,655 | 13,527,420 | 14,479,547 |
| TOTAL | 19,333,378 | 17,166,495 | 21,417,762 | 23,354,749 |
| FUND TYPE | | | | |
| General Fund | 2,653,181 | 2,786,469 | 2,686,469 | 3,424,214 |
| Special Fund | 3,861,803 | 3,536,724 | 3,947,571 | 4,359,651 |
| Federal Revenue Fund | 12,611,094 | 10,664,738 | 14,584,521 | 15,415,384 |
| Interdepartmental Transfer | 207,300 | 178,564 | 199,201 | 155,500 |
| TOTAL | 19,333,378 | 17,166,495 | 21,417,762 | 23,354,749 |

## Appropriation Key Budget Issues

In this budget, Healthy Babies provider payments are moved from Health Department to PATH. This is a budget neutral shift, moving $452,840 in general funds from Health to PATH.

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 10,240,899 | 10,621,949 | 10,719,240 | 11,300,056 |
| Operating Expenses | 1,840,837 | 1,599,593 | 1,599,593 | 1,632,764 |
| Grants | 14,500,882 | 12,328,819 | 14,264,915 | 11,594,327 |
| TOTAL | 26,582,618 | 24,550,361 | 26,583,748 | 24,527,147 |
| FUND TYPE | | | | |
| General Fund | 4,192,579 | 4,415,485 | 4,315,802 | 4,007,512 |
| Special Fund | 602,633 | 628,940 | 745,467 | 520,701 |
| Federal Revenue Fund | 21,494,659 | 19,410,397 | 20,460,473 | 19,641,614 |
| Interdepartmental Transfer | 292,747 | 95,539 | 1,062,006 | 357,320 |
| TOTAL | 26,582,618 | 24,550,361 | 26,583,748 | 24,527,147 |

## Appropriation Key Budget Issues

FY 2004 funding for DETER has been moved from the AHS Secretary's appropriation to this appropriation. This budget also significantly increases spending for treatment services, including funding for the new 60 bed treatment facility, additional capacity to treat opioid dependency, and the second year expansion of the Governor's DETER program.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Alcohol & Drug Abuse Programs**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,050,414 | 2,182,025 | 2,303,065 | 2,370,638 |
| Operating Expenses | 740,913 | 520,942 | 860,942 | 860,942 |
| Grants | 12,821,348 | 12,133,451 | 16,617,561 | 20,559,250 |
| TOTAL | 15,612,675 | 14,836,418 | 19,781,568 | 23,790,830 |
| FUND TYPE | | | | |
| General Fund | 3,985,728 | 4,082,018 | 6,130,311 | 6,402,579 |
| Special Fund | 2,390,192 | 2,257,266 | 2,491,431 | 4,243,266 |
| Federal Revenue Fund | 9,112,475 | 8,457,134 | 11,090,406 | 12,776,985 |
| Interdepartmental Transfer | 124,280 | 40,000 | 69,420 | 368,000 |
| TOTAL | 15,612,675 | 14,836,418 | 19,781,568 | 23,790,830 |

## Appropriation Key Budget Issues

The Board's activities are funded through an appropriation from the Board of Medical Practice Regulatory Fee Fund. All board regulatory fees received by the department are deposited into this fund and used to offset up to two years of the costs incurred by the board. Most revenue to this fund comes from the biennial license fee payments.

The law that moved the Board to the Health Department requires the Commissioner of Health to review fees from time to time, to ensure that revenues derived by the department are adequate to offset the cost of regulation. The Department is proposing through the fee bill an increase in license fees.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Medical Practice Board**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 459,365 | 557,317 | 556,234 | 637,400 |
| Operating Expenses | 120,215 | 114,497 | 114,497 | 125,000 |
| TOTAL | 579,580 | 671,814 | 670,731 | 762,400 |
| FUND TYPE | | | | |
| Special Fund | 579,580 | 671,814 | 670,731 | 762,400 |
| TOTAL | 579,580 | 671,814 | 670,731 | 762,400 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**VT Practitioner Health Program**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 30,000 | 0 | 0 | 0 |
| TOTAL | 30,000 | 0 | 0 | 0 |
| FUND TYPE | | | | |
| Special Fund | 30,000 | 0 | 0 | 0 |
| TOTAL | 30,000 | 0 | 0 | 0 |

## Department Mission Statement

It is the mission of the Department of Social and Rehabilitation Services to promote the social, emotional, and physical well being and safety of Vermont's children and families. This is done through the provision of protective, developmental, therapeutic, probation and support services for children and families in partnership with schools, community partnerships, service providers, families and youth statewide.

## Description of Appropriations, Divisions, & Programs

**Goals/Objectives:**
- Children served by the Department are safe from abuse.
- Children served by the Department have enduring relationships with healthy, nurturing families.
- Children served by the Department are successful in family, school, and community.
- Youth adjudicated delinquent are free from criminal behavior.
- Families have access to a comprehensive child care system that promotes the growth and educational development of children in safe and nurturing environments.
- Public and private partnerships are available to enhance the accessibility and availability of high quality child care are promoted.
- Comprehensive specialized child care services are provided to children who have been abused or neglected or who are at risk of abuse or neglect to reduce and ameliorate the effects of such treatment.
- Professional development of the child care workforce is promoted.
- Timely, accurate, and economical medical disability decisions on behalf of the federal Social Security Administration and the Vermont Department of Social Welfare are provided.

**Organization:**
The department is organized into 5 divisions:

**Administration and Support:** Provides administrative oversight and support to the operating divisions; is responsible for policy and budget development; maintains relationships with other State agencies, the legislature, and federal officials.

**Child Care:** the Child Care Division regulates the child care system statewide, and operates the child care subsidy program to assist families to access affordable, quality child care.

**Disability Determination Services:** The DDS is responsible for reviewing and making medical disability decisions on behalf of the federal Social Security Administration and the Department of Prevention, Assistance Transition and Health Access regarding applications for Social Security Benefits.

**Social Services:** the Social Services Division is responsible for child welfare services, including investigations of abuse and neglect, administering the substitute care system for children who must come into custody, and assuring permanency, including subsidized adoptions. The division is also responsible for administering the juvenile justice system statewide.

**Woodside:** This division operates the Woodside Juvenile Detention Center, a 28 bed detention and treatment facility.

## SOCIAL SERVICES DIVISION

### Purpose:

Established in 1973, the Social Services Division is responsible for child welfare services, including child abuse prevention, investigation of abuse and neglect, administering the substitute care system for children who must come into custody, and assuring permanency, including subsidized adoptions. The division is also responsible for administering the juvenile justice system statewide.

### Major Programs/Activities:

Prevention: Through partnerships with the Child Care Division, the public schools and community agencies, the Division supports primary prevention activities to reduce the number of children who are abused or neglected.

Abuse and Neglect Investigations - The Department is responsible for ensuring that children are protected from child abuse and neglect by commencing investigations of reports of suspected child abuse within 72 hours and determining what action needs to be taken.

Protective Services for Abused/Neglected Children - Most families where child abuse/neglect is identified are able to make the changes necessary for their children to live within the family in safety. This assistance includes such services as case management provided by an SRS social worker, protective services child care, parent education, sexual abuse victim treatment, sexual offender treatment, and intensive family based services.

Services for Children and Youth in Custody - When a Judge places a child in custody, the Commissioner of SRS assumes responsibility (and liability) for the well-being of that child. Children in custody have the right to expect the same concern and attention to their basic needs for food, clothing, shelter and nurturance that any good Vermont family would show for its own children.

Juvenile Services - The Division works to ensure a probation system that holds delinquent youth accountable for their behavior.

Services for Children and Families in Crisis - Social Services operates three programs designed to assist children and families in crisis. The Emergency Services Program addresses the after-hour needs of children in custody and handles after-hour reports of abuse and neglect. Intensive Family Based Services are available to families where a child is at risk of being removed from the family. The Families First initiative provides services such as mobile crisis outreach, and emergency shelter.

Residential Licensing - The residential Licensing Unit has the responsibility for ensuring that foster homes and residential facilities for children meet health, safety and quality standards.

**Outcomes:**

Key indicators of the Division's success include the following:

Abused and neglected children are protected. Between 1992 and 2001 there was a 29% decline in victims of child abuse.

Child Abuse/Neglect investigations commenced within 72 hours:
1998 - 96% 1999 - 96% 2000 - 97% 2001 - 97% 2002 - 97% 2003 - 97% 2004 - 97% 2005 - 97%

Juvenile Probationers Supervised on:
6/30/94 - 271 6/30/98 - 347 6/30/00 - 451 6/30/02 - 455 6/30/03 - 450

Number of adoptions:
1998 - 115 1999 - 120 2001 - 98 2002 - 138 2003 - 125 2004 - 125

**Challenges & Opportunities:**

Children and youth committed to the care and custody of the state are increasingly in need of significant and ongoing mental health services.

The increase in substance abuse and domestic violence issues are negatively impacting children/youth and families.

IV- E eligibility continues to decline, resulting in declining IV- E receipts.

The custody population continues to be older; nearly 50% are 12 and older. This requires adjustments to our current system for placement and treatment.

The work of SRS with the Juvenile Justice Coalition is leading to a plan for addressing the complex challenges facing Vermont's youth.

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**Purpose/Mandate:**
Established in 1987 (33 VSA Sec 3511) the mission of the Child Care Services Division is to assure a statewide system that promotes and supports safe, accessible, quality child care for Vermont families.

**Major Programs/Activities:**
The Division provides services to children and families, child care providers, state agencies, employers, and community agencies. It is organized into five functional areas, which include the Licensing and Regulatory Unit, the Child Care Subsidy , the Criminal/Child Abuse Records Verification, the Quality Improvement, and the Administration and Worforce Development and Consumer Education.

Licensing is responsible for regulating and monitoring all child care centers, family child care homes and certified legally exempt providers in Vermont. There are 616 licensed child care centers and 1270 family child care home providers statewide. The regulated Child Care System serves approximately 36,000 children ages birth to thirteen. The Child Care Consumer Concern Line provides an avenue for parents seeking information on the regulatory history of a provider or to voice a concern about the quality of their child care. The Concern Line processes over a thousand calls annually and is a critical piece of the public education efforts related to assuring children's safety and well being in child care.

Subsidy oversees the Child Care Subsidy Program. This program assures financial assistance for child care to families who are income eligible and in need of child care in order to work or go to school. This program also provides protective services child care for children who have been abused or neglected and family support child care for children considered at risk of abuse or neglect. The Child Care Subsidy Program serves over 12,000 children at any given time. Timely access to the subsidy program is essential if eligible families are to enter and remain in the workforce.

The Criminal/Child Abuse Records Verification Unit processes criminal and child abuse records screens on all persons working or volunteering in child care programs. This also includes all individuals age 16 or older who reside in the residence of a family child care home or certified legally exempt provider. Over 40,000 records are screened annually.

The Workforce and Consumer Education Unit is responsible for assuring the professional development and career opportunities for the child care workforce, which is comprised of approximately 5,000 Vermonters. This unit works directly with child care providers, resource and referral agencies, other state agencies and community collaborative initiatives to assure professional development activities. Child Care referral services are integrated as core services in the early childhood in Vermont to assure families have assisitance in locating approprioate care for their children.

The Administrative Unit develops policies and procedures for the division, provides contract and grant management, coordinates data collection and utilization and provides general administrative support.

**Outcomes:**
Over 7,000 Vermont Families are now benefiting from the child care subsidy program.

15% of our licensed centers have obtained national accreditation with an equal number pursuing accreditation.

**Challenges and Opportunities:**
Recruitment and retention of qualified child care providers is a significant issue that impacts the health, safety and developmental well being of the children served. Coordination and integration of Vermont's system of professional development through partnerships with labor and industry, technical centers and higher education will result in a high standard of instruction and support for professional development. This, coupled with financial incentives, including credential bonuses should begin to address this issue.

Through a technical assistance grant from the North Carolina Smart Start Program, Vermont has been working on a strategic plan for integrating all the services in the early childhood system into a unified approach to serving young children and their families. This will allow us to maximize revenues and target resources as needed.

Stabilizing child care arrangements for subsidized children is a priority. All too frequently child care placements are disrupted every time the parent's work or employment status changes, resulting in at-risk children being further compromised.

**WOODSIDE JUVENILE REHABILITATION CENTER**

**Purpose:**
The purpose of Woodside is to provide safe, humane, secure detention, pre-placement planning, and treatment to adjudicated (or in some instances alleged) delinquent juveniles whose risk to re-offend cannot be adequately controlled in the community. All interventions at Woodside are focused on crisis reduction and careful preparation of the juvenile for a community-based placement. Woodside is not an "end" in itself, but rather a means to reaching another appropriate placement.

**Mandate:**
Woodside was established by the legislature in 1982 as a secure program for juveniles. The facility has two programs, a short-term detention program and a long-term treatment program.

**Population Served:** Adjudicated delinquents or juveniles alleged to be delinquent.

**Major Programs/Activities:**
The Woodside program consists of a 18-bed detention program and a 12-bed treatment program.

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**Goals/Objectives**: The goal of the programs at Woodside are to assure the safety and security of the youths in custody and provide appropriate assessment and treatment to youths while in custody.

**Current Environment/Future Trends**: The population of the detention program has reached a high of 21, but usually has run between 10 - 14 youths in residence. The treatment program has been full at a level of 12 youths for much of the past year.

**Challenges and Opportunities:** The key challenge regarding Woodside is to assure that it houses the proper youth and that youth are transitioned to other placements at the earliest appropriate time. Development of transition programs is a priority.

## DISABILITY DETERMINATION SERVICES DIVISION

**Purpose:**
Disability Determination Services (DDS) decides medical eligibility for Social Security Disability, Supplemental Security Income for the Blind/Disabled (SSI) and Medicaid for the Blind/Disabled. The first two functions are performed on behalf of the Social Security Administration (SSA), the latter on behalf of the Vermont Department of Prevention, Assistance, Transition and Health Access under a Memorandum of Understanding (MOU) with SSA.

**History/Mandate:**
The statutory basis for the Disability Determination Service is the Social Security Act of 1954..

**Population Served:**
The DDS serves all Vermonters by making prompt and legally accurate decisions of medical eligibility for disability benefits. Allowance determinations enable eligible applicants and beneficiaries to receive benefits promptly for as long as they are eligible. Legally correct denials and cessation of benefits ensure that public funds are used as the law intends, conserving the SSA trust funds as well as other related public funds for the Vermont SSI Supplement and Medicaid.

**Major Activities:**
The DDS's professional disability examiners, with input if needed from DDS physicians and psychologists, make legal medical eligibility determinations for all Vermonters filing for disability benefits, including first level appeals of unfavorable decisions and regular reviews of beneficiaries' medical eligibility. The legal definition of disability is the "inability to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which can be expected to last for a continuous period of not less than twelve months or to result in death". The requirements are further interpreted by Social Security regulations, rulings and policy, which must be accurately applied in each case. SSA-trained and authorized IT staff are required to administer SSA's computer system for the DDS (totally separate from the State system) in compliance with Federal and SSA security and confidentiality requirements, well beyond and legally superceding the state of Vermont/Agency of Human Services confidentiality policy.

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**Goals/Objectives:**
The function of the DDS is to make eligibility decisions accurately and quickly. CFR 404.1640ff sets performance standards for documentation/decision accuracy (based on a Federal quality review of a statistically valid sample of cases) and average claims processing time.

Accuracy - Performance Threshold: 90.6% Target: 97% VT DDS: 97.5%

(Vermont DDS was ranked 3rd in the nation in Federal FY 2002)

Average Processing Time (per initial case) in FFY 2002

National Average: 89 - 90.7 days VT DDS - 84 - 85 days

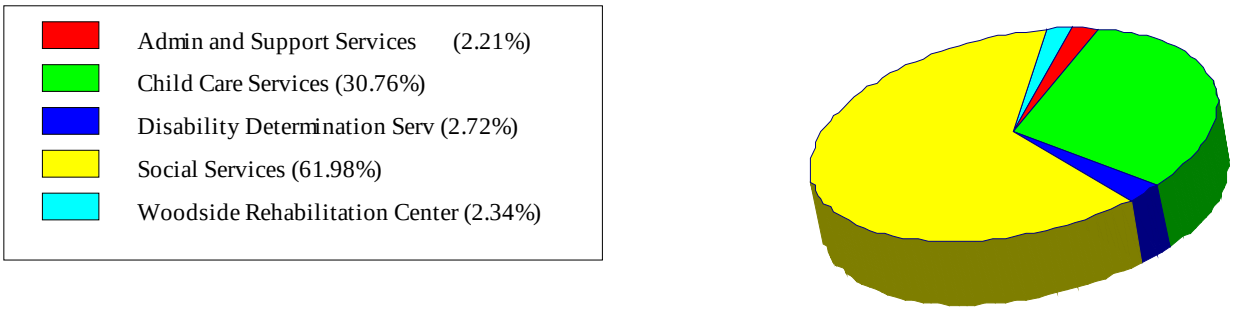
**Current Environment/Future Trends:**
DDS continues to be a program driven by court cases (primarily federal district court and circuit court appeals cases), which require re-determination of previously denied claims. Claims are expected to increase, at least until those people reach the age of 65.

**Problems and Opportunities:**
The current major problem in the disability program is the need to maintain safeguards and additional evidence development requirements while maintaining our accuracy in spite of the increase in workloads. Developing disability training initiatives, in-service training and process continues to be the highest priority. DDS is working closely with the Division of Social Services to ensure eligible children receive SSI benefits.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Social and Rehabilitation Services

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Admin and Support Services | 31 | 31 | 31 | 2,309,391 | 2,303,876 | 2,413,039 | 2,569,203 |
| Social Services | 273 | 273 | 273 | 68,052,089 | 71,216,810 | 71,216,810 | 72,091,556 |
| Child Care Services | 32 | 32 | 32 | 33,591,131 | 32,967,406 | 35,554,743 | 35,779,991 |
| Woodside Rehabilitation Center | 30 | 30 | 30 | 2,584,630 | 2,576,692 | 2,576,692 | 2,720,656 |
| Disability Determination Serv | 31 | 31 | 62 | 2,959,814 | 3,274,627 | 3,258,408 | 3,160,412 |
| TOTAL | 397 | 397 | 428 | 109,497,055 | 112,339,411 | 115,019,692 | 116,321,818 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 40,545,031 | 41,302,066 | 42,852,066 | 45,515,649 |
| Transportation Fund | | | | 75,000 | 75,000 | 75,000 | 60,249 |
| Special Fund | | | | 2,340,309 | 2,313,152 | 2,313,152 | 2,213,152 |
| Federal Revenue Fund | | | | 66,319,781 | 68,278,559 | 69,408,840 | 68,155,479 |
| Interdepartmental Transfer | | | | 216,934 | 370,634 | 370,634 | 377,289 |
| TOTAL | | | | 109,497,055 | 112,339,411 | 115,019,692 | 116,321,818 |



**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Admin and Support Services**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 1,971,688 | 1,983,970 | 2,093,133 | 2,237,449 |
| Operating Expenses | 337,703 | 319,906 | 319,906 | 331,754 |
| TOTAL | 2,309,391 | 2,303,876 | 2,413,039 | 2,569,203 |
| FUND TYPE | | | | |
| General Fund | 1,030,164 | 1,070,289 | 1,070,289 | 1,187,302 |
| Federal Revenue Fund | 1,279,227 | 1,233,587 | 1,342,750 | 1,381,901 |
| TOTAL | 2,309,391 | 2,303,876 | 2,413,039 | 2,569,203 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 16,055,836 | 16,153,776 | 16,153,776 | 16,984,779 |
| Operating Expenses | 2,380,210 | 2,646,669 | 2,646,669 | 2,695,866 |
| Grants | 49,616,043 | 52,416,365 | 52,416,365 | 52,410,911 |
| TOTAL | 68,052,089 | 71,216,810 | 71,216,810 | 72,091,556 |
| FUND TYPE | | | | |
| General Fund | 27,188,617 | 29,223,639 | 28,473,639 | 30,489,107 |
| Special Fund | 1,508,309 | 1,381,152 | 1,381,152 | 1,381,152 |
| Federal Revenue Fund | 39,355,163 | 40,612,019 | 41,362,019 | 40,221,297 |
| TOTAL | 68,052,089 | 71,216,810 | 71,216,810 | 72,091,556 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Child Care Services**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,582,127 | 1,722,719 | 1,794,456 | 1,785,851 |
| Operating Expenses | 478,200 | 407,257 | 407,257 | 409,257 |
| Grants | 31,530,804 | 30,837,430 | 33,353,030 | 33,584,883 |
| TOTAL | 33,591,131 | 32,967,406 | 35,554,743 | 35,779,991 |
| FUND TYPE | | | | |
| General Fund | 9,815,356 | 8,479,683 | 10,779,683 | 11,173,476 |
| Transportation Fund | 75,000 | 75,000 | 75,000 | 60,249 |
| Special Fund | 832,000 | 932,000 | 932,000 | 832,000 |
| Federal Revenue Fund | 22,725,577 | 23,403,471 | 23,690,808 | 23,637,014 |
| Interdepartmental Transfer | 143,198 | 77,252 | 77,252 | 77,252 |
| TOTAL | 33,591,131 | 32,967,406 | 35,554,743 | 35,779,991 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Woodside Rehabilitation Center**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 2,209,563 | 2,200,621 | 2,200,621 | 2,282,357 |
| Operating Expenses | 375,067 | 376,071 | 376,071 | 438,299 |
| TOTAL | 2,584,630 | 2,576,692 | 2,576,692 | 2,720,656 |
| FUND TYPE | | | | |
| General Fund | 2,510,894 | 2,528,455 | 2,528,455 | 2,665,764 |
| Interdepartmental Transfer | 73,736 | 48,237 | 48,237 | 54,892 |
| TOTAL | 2,584,630 | 2,576,692 | 2,576,692 | 2,720,656 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Disability Determination Serv**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 2,533,657 | 2,817,296 | 2,817,296 | 2,719,300 |
| Operating Expenses | 426,157 | 457,331 | 441,112 | 441,112 |
| TOTAL | 2,959,814 | 3,274,627 | 3,258,408 | 3,160,412 |
| FUND TYPE | | | | |
| Federal Revenue Fund | 2,959,814 | 3,029,482 | 3,013,263 | 2,915,267 |
| Interdepartmental Transfer | 0 | 245,145 | 245,145 | 245,145 |
| TOTAL | 2,959,814 | 3,274,627 | 3,258,408 | 3,160,412 |

## Department Mission Statement

Our mission is to help Vermonters to find a path to a better life. To this end, we take on many roles: employment coach, health insurance provider, crisis manager, career planner, champion of families and promoter of human potential. Most importantly, we are Vermonters helping Vermonters.

PATH administers a variety of state, federal/state, and federal programs that address the basic needs of Vermonters who are unable to provide for themselves and their dependents as a result of unemployment, part-time or low-wage employment, family break-up, unmarried parenthood, age, temporary or permanent disability, or death of a family member or other catastrophic event. These programs promote the well-being of families and individuals through the provision of welfare-to-work services, health care coverage, and cash assistance. The programs include Medicaid/Dr. Dynasaur, Vermont Health Access Plan (VHAP), VHAP-Pharmacy, VScript, VScript Expanded, Healthy Vermonters, Reach Up, Food Stamps, SSI/AABD, Fuel assistance, General Assistance, and Telephone Lifeline.

PATH serves more than 75,000 low to moderate-income families - about 150,000 people at any given time during a year. More than one in five Vermonters will receive one or more benefits or services from PATH.

## Description of Appropriations, Divisions, & Programs

Medicaid Appropriation for Health Care Assistance Programs: Medicaid/Dr.Dynasaur/SCHIP/Ladies First/VHAP/VHAP-Pharmacy/VScript/VScript Expanded/Healthy Vermonters and Medicare cost sharing programs (QMB and SLMB)

PATH provides health care access to approximately 144,200 Vermonters each month.

Medicaid - Traditional Medicaid provides comprehensive coverage to the lowest income population that is aged, blind or disabled, and to families with dependent children. Dr. Dynasaur, which is a component of Medicaid, was expanded in SFY' 99 to cover children with family income up to 300% FPL. SCHIP is available to uninsured children with family income up to 300% FPL. Particular emphasis is being placed on identifying and enrolling children with special health and education needs. A federal waiver expanded eligibility in SFY'99 for parents and caretakers with income up to 185% FPL. Medicaid also funds Ladies First, which is a breast cancer program and the QMB and SLMB Medicare cost sharing programs to cover Medicare Part B premiums and Medicare deductibles and coinsurance.

SFY'05 Est. Avg. Medicaid Caseload = 99,799 beneficiaries/mo.

Vermont Health Access Plan (VHAP) - A federal waiver allows provision of assistance to uninsured

Vermonters with income up to 150% FPL who do not meet the categorical criteria for Medicaid eligibility. The benefit package is similar, but less comprehensive, than Medicaid. A separate pharmacy-only benefit is provided to elderly and disabled individuals with incomes up to 150% of FPL.

SFY'05 Est. Avg. VHAP Caseload = 20,028 beneficiaries/mo.
SFY'05 Est. Avg. VHAP-Pharmacy Caseload = 7,807 beneficiaries/mo.

VScript and VScript Expanded - Provides pharmaceutical assistance to low-income aged and disabled Vermonters with incomes between 150% and 175 % FPL (VScript) and up to 225% (VScript Expanded). The benefit covers the cost of maintenance drugs. Beginning January 1, 2004, VScript and VScript Expanded beneficiaries pay premiums and no longer have other cost sharing in their coverage. Due to waiver approval, VScript qualifies for federal financial participation the same as Medicaid. PATH has requested a waiver approval for VScript Expanded, and is fully state-funded at this time.

SFY'05 Est. Avg. VScript Caseload = 2,982 beneficiaries/mo.
SFY'05 Est. Avg. VScript Expanded Caseload = 3,022 beneficiaries/mo.

Healthy Vermonters - Provides pharmaceutical assistance - drugs at the Medicaid rate- to elderly and disabled individuals with income up to 400% FPL and other with income up to 300% FPL. VScript and VScript Expanded beneficiaries are also enrolled in Healthy Vermonters for assistance for pharmaceuticals for acute conditions.

SFY'05 Est. Avg. Healthy Vermonters Caseload = 10,584 beneficiaries/mo.

Long-Term Care - Per Act 160 (1996), the Department of Aging and Disabilities is mandated to improve independent living options and reduce reliance on institutional care. Approximately 60% of all Nursing Home beds in the state are occupied by Medicaid patients. To meet the mandate, a Long-Term Care budget has been developed to include costs for Nursing Homes, Home & Community Based Waiver Services, and Enhanced Residential Care Services.
SFY'05 Est. Avg. Caseload included in Medicaid figure above.

Reach Up:
Families with dependent children who are unable to provide for themselves as a result of family breakup, unmarried parenthood, temporary or permanent disability, unemployment, or low-wage employment, receive cash assistance, case management and other welfare-to-work services, and referral to the Office of Child Support through participation in Reach Up. Families receiving Reach Up are also provided with Medicaid coverage and approximately nine out of ten receive Food Stamps. General funds in the Reach Up appropriation support the Postsecondary Education (PSE) program, which provides stipends and individual case management to approximately 360 parents that are pursuing a two- or four-year college education.

SFY'05 Est. Avg. Reach Up Caseload = 14,003 participants/mo.

Aid to the Aged, Blind, & Disabled (AABD):

The AABD appropriation funds the State Supplement to federal Supplemental Security Income (SSI) benefits that about 12,950 Vermonters receive from the Social Security Administration. Of those, 11,275 live independently in the community and the remainder live in community or residential care homes. This appropriation also funds the PATH-administered Essential Person program that provides cash assistance to needy household members, in many instances the SSI recipient's spouse, who are ineligible for SSI and Reach Up benefits and whose care or services are essential to the SSI recipient's remaining in his or her home.

SFY'05 Est. Avg. AABD Caseload = 12,980 recipients/mo.
SFY'05 Est. Avg. Essential Person Program Caseload = 217 recipients/mo

General Assistance:

The General Assistance program provides aid to individuals and families who have experienced a catastrophe and, as a result, are unable to provide for their basic needs. In non-catastrophic situations, General Assistance is available only to households whose income is very low, whose assets have been exhausted (with certain exceptions), who are ineligible for aid from all other PATH programs, and who are responsible for the care of one or more dependent children or who are not able-bodied according to PATH rules.

SFY'05 Est. Avg. GA Caseload = 2,300 applications/mo.

Food Stamp Cash Out:

The Food Stamp cashout component serves 19 percent of Food Stamp program recipients and represents 15 percent of total benefits disbursed; the remaining 81 and 85 percent respectively are enrolled in the Electronic Benefit Transfer (EBT/Food) component of the program. In FY'99, coupon issuance was replaced by a statewide EBT distribution system. Cashout benefits are permitted for households in which everyone is either 65 or older or an SSI recipient. Monthly Food Stamp program benefits, in combination with part of the household's income and other benefits, if any, are intended to enable the household to maintain a minimally nutritious diet.

SFY'05 Est. Avg. Cashout Caseload = 7,942 recipients/mo.
SFY'05 Est. Avg. Total Food Stamp Program Caseload = 40,917 recipients/mo.

Home Heating Fuel Assistance (LIHEAP):

Via Act 158 (1996), the General Assembly defined in statute the purpose of and conditions under which Vermont households may qualify for heating fuel assistance. Direct payment to their certified fuel

supplier is a major feature of the program. The Crisis Component is operated by Vermont's five Community Action Programs (under formal agreement with PATH).

SFY'05 Est. Avg. Fuel Caseload = 37,400 recipients/season

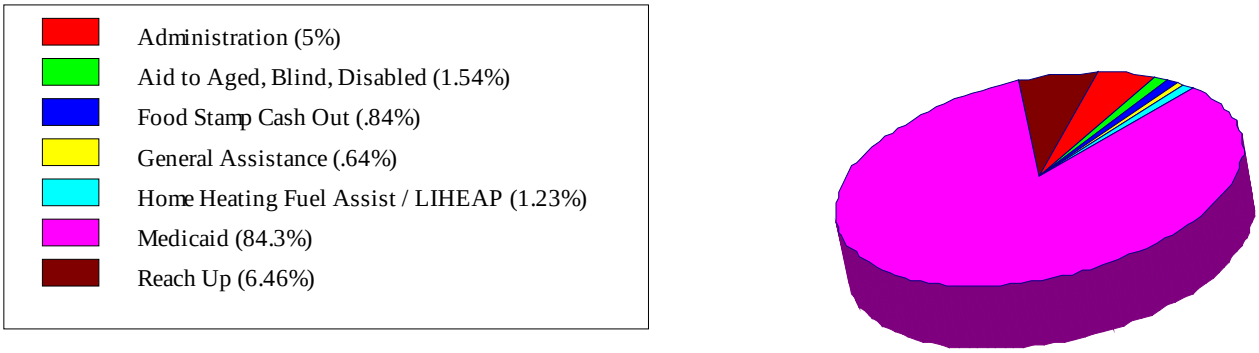
Administration:

The administrative costs for all PATH programs are included in a single appropriation that has three major components: PERSONAL SERVICES (80%) which includes salaries and benefits for 437 PATH employees, contracted professional services, such as medical consultation, evaluation and technical services, and temporary employees; OPERATING EXPENSES (15%), purchase of computer services, the new Fee for Space program and other leases, postage, supplies, and travel; GRANTS (5%) which includes grants to community-based organizations, nutrition education and outreach services for food stamps and Medicaid. Federal financial participation in the funding of many public assistance programs requires compliance with a myriad of mandated activities including state plans, drafting and promulgation of regulations, quality control, computer matches, financial and program activity reports, time-studies, and timely and accurate eligibility determination and disbursement of benefits.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
# PATH

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Administration | 430 | 437 | 437 | 32,234,618 | 32,666,944 | 32,936,856 | 34,431,550 |
| Reach Up | 0 | 0 | 0 | 43,653,315 | 42,809,980 | 43,104,458 | 44,486,083 |
| Aid to Aged, Blind, Disabled | 0 | 0 | 0 | 11,385,882 | 10,363,432 | 10,363,432 | 10,584,738 |
| Medicaid | 0 | 0 | 0 | 484,815,383 | 516,447,513 | 538,500,000 | 580,244,643 |
| General Assistance | 0 | 0 | 0 | 4,558,039 | 4,376,260 | 4,376,260 | 4,376,260 |
| Home Heating Fuel Assist / LIHEAP | 0 | 0 | 0 | 11,593,407 | 8,462,075 | 8,462,601 | 8,462,075 |
| Food Stamp Cash Out | 0 | 0 | 0 | 5,390,740 | 5,557,341 | 5,557,341 | 5,764,119 |
| TOTAL | 430 | 437 | 437 | 593,631,384 | 620,683,545 | 643,300,948 | 688,349,468 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 42,276,576 | 41,867,869 | 42,184,815 | 43,294,583 |
| Special Fund | | | | 188,389,592 | 205,830,857 | 200,204,606 | 239,846,469 |
| Federal Revenue Fund | | | | 362,965,216 | 372,984,819 | 400,911,527 | 405,208,416 |
| TOTAL | | | | 593,631,384 | 620,683,545 | 643,300,948 | 688,349,468 |



## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 27,370,637 | 26,626,259 | 26,713,244 | 27,827,176 |
| Operating Expenses | 4,222,232 | 5,063,948 | 5,063,948 | 5,189,699 |
| Grants | 641,749 | 976,737 | 1,159,664 | 1,414,675 |
| TOTAL | 32,234,618 | 32,666,944 | 32,936,856 | 34,431,550 |
| FUND TYPE | | | | |
| General Fund | 12,026,888 | 12,590,631 | 12,760,338 | 13,496,039 |
| Special Fund | 1,753,993 | 1,962,319 | 1,962,319 | 1,962,319 |
| Federal Revenue Fund | 18,453,737 | 18,113,994 | 18,214,199 | 18,973,192 |
| TOTAL | 32,234,618 | 32,666,944 | 32,936,856 | 34,431,550 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Reach Up**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 43,653,315 | 42,809,980 | 43,104,458 | 44,486,083 |
| TOTAL | 43,653,315 | 42,809,980 | 43,104,458 | 44,486,083 |
| FUND TYPE | | | | |
| General Fund | 15,548,867 | 15,648,867 | 15,796,106 | 15,948,867 |
| Special Fund | 2,110,676 | 2,200,000 | 2,200,000 | 2,200,000 |
| Federal Revenue Fund | 25,993,772 | 24,961,113 | 25,108,352 | 26,337,216 |
| TOTAL | 43,653,315 | 42,809,980 | 43,104,458 | 44,486,083 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Aid to Aged, Blind, Disabled**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,202,669 | 1,231,308 | 1,231,308 | 1,365,966 |
| Grants | 10,183,213 | 9,132,124 | 9,132,124 | 9,218,772 |
| TOTAL | 11,385,882 | 10,363,432 | 10,363,432 | 10,584,738 |
| FUND TYPE | | | | |
| General Fund | 11,335,882 | 10,363,432 | 10,363,432 | 10,584,738 |
| Special Fund | 50,000 | 0 | 0 | 0 |
| TOTAL | 11,385,882 | 10,363,432 | 10,363,432 | 10,584,738 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Medicaid**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 21,763,431 | 16,677,343 | 16,736,009 | 15,812,482 |
| Grants | 463,051,952 | 499,770,170 | 521,763,991 | 564,432,161 |
| TOTAL | 484,815,383 | 516,447,513 | 538,500,000 | 580,244,643 |
| FUND TYPE | | | | |
| Special Fund | 172,831,516 | 193,206,462 | 187,579,685 | 227,222,074 |
| Federal Revenue Fund | 311,983,867 | 323,241,051 | 350,920,315 | 353,022,569 |
| TOTAL | 484,815,383 | 516,447,513 | 538,500,000 | 580,244,643 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**General Assistance**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 4,558,039 | 4,376,260 | 4,376,260 | 4,376,260 |
| TOTAL | 4,558,039 | 4,376,260 | 4,376,260 | 4,376,260 |
| FUND TYPE | | | | |
| General Fund | 3,364,939 | 3,264,939 | 3,264,939 | 3,264,939 |
| Special Fund | 50,000 | 1 | 1 | 1 |
| Federal Revenue Fund | 1,143,100 | 1,111,320 | 1,111,320 | 1,111,320 |
| TOTAL | 4,558,039 | 4,376,260 | 4,376,260 | 4,376,260 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Home Heating Fuel Assist / LIHEAP**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 14,397 | 20,000 | 20,000 | 20,000 |
| Operating Expenses | 112,120 | 90,000 | 90,526 | 90,000 |
| Grants | 11,466,890 | 8,352,075 | 8,352,075 | 8,352,075 |
| TOTAL | 11,593,407 | 8,462,075 | 8,462,601 | 8,462,075 |
| FUND TYPE | | | | |
| Special Fund | 11,593,407 | 8,462,075 | 8,462,601 | 8,462,075 |
| TOTAL | 11,593,407 | 8,462,075 | 8,462,601 | 8,462,075 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Food Stamp Cash Out**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 5,390,740 | 5,557,341 | 5,557,341 | 5,764,119 |
| TOTAL | 5,390,740 | 5,557,341 | 5,557,341 | 5,764,119 |
| FUND TYPE | | | | |
| Federal Revenue Fund | 5,390,740 | 5,557,341 | 5,557,341 | 5,764,119 |
| TOTAL | 5,390,740 | 5,557,341 | 5,557,341 | 5,764,119 |

## Department Mission Statement

The mission of the Department of Developmental and Mental Health Services (DDMHS) is to provide supports and services to enable Vermont citizens with developmental disabilities and behavioral health needs to live as independently and responsibly as possible. We are responsible for ensuring that Vermonters receive timely, individualized services that are effective and delivered efficiently, within available resources. We also must balance the rights of the individual with the interest of public and individual safety.

## Description of Appropriations, Divisions, & Programs

DDMHS is comprised of central administrative services (Commissioner's Office, Legal Division, Business Office, and Information and Computer Services), as well as two programmatic divisions: the Division of Developmental Services and the Division of Mental Health Services. With the exception of public guardianship services for people with developmental disabilities and Vermont State Hospital, all services to individuals are provided through contracts between DDMHS and 17 private non-profit designated and specialized service agencies located throughout the state.

The Division of Mental Health provides services to adults with severe mental illness and adults with less severe emotional or behavioral problems that still disrupt their lives; children and adolescents experiencing a serious emotional disturbance and their families; and anyone who is experiencing an acute mental-health crisis. ***Adults*** receive mental health services for the following reasons, including but not limited to: suicidal or homicidal behavior, extreme self-injurious behavior, severe psychoses which diminish or destroy one's ability to care for oneself in ordinary life situations, homelessness, substance abuse, marital and family distress, medical management of symptoms of mental illness, and/or need for rehabilitation and supports to restore the ability to function in the community and avoid hospitalization. Approximately 10,350 clients received these community-based mental health services in FY2003.

In addition, approximately 10,600 ***children and adolescents and their families*** received community-based mental health services in FY2003. These children and adolescents either experience a severe emotional disturbance or are at substantial risk for developing a severe disturbance. They include youth who exhibit behavioral, emotional, or social impairment that disrupts academic or developmental progress or family or interpersonal relationships. They fall into at least one of three categories: (1) exhibit seriously impaired contact with reality and severely impaired social, academic and self-care functioning; (2) classified as management or conduct disordered because they manifest long-term behavior problems (e.g., aggressiveness, anti-social acts, suicidal behavior, substance abuse); (3) suffer serious discomfort from anxiety, depression, or irrational fears whose symptoms may be exhibited as serious eating and sleeping disturbance, or persistent refusal to attend school.

The contracted designated agencies also operate mental health ***Emergency Services*** Programs which are

available 24 hours a day, seven days a week, responding to any individual experiencing a mental health crisis and to communities following natural disasters, accidental deaths, suicides, and other traumatic events. Emergency programs also screen situations to determine if there is a need for admission into involuntary and / or acute-care arrangements. Approximately 6,100 Vermonters were served through these Emergency programs last year.

Inpatient services at ***Vermont State Hospital*** (VSH) are for involuntary emergency examinations and commitments in which adults have become dangerous to themselves or others, or for psychiatric evaluations of competency to stand trial in criminal cases. The State Hospital, which has 56 beds, is Vermont's only public psychiatric inpatient facility. During FY2003, VSH served 234 individuals and had 216 admissions, with an average daily census of 47.

The above services help Vermont citizens with significant mental-health needs to maintain their family, friends, support network and community connections while struggling with the effects of these disorders. For example, in fiscal year 2003, these services assisted 835 of the adults with severe mental illness to enable them to have paid jobs, collectively earning almost $4.4 million in taxable wages. These services also effectively support clients with severe mental illnesses served by the public system to enable them to have paid jobs, collectively earning almost $4.7 million in taxable wages. For children/adolescents and their families, these mental-health services reduced the need for inpatient care by 475 days and saved $153,000 in fiscal year 2003 (as compared to fiscal year 2002).

The Division of Developmental Services provides or arranges for the provision of community-based services and supports to 2,889 individuals with developmental disabilities (as defined in the Vermont Developmental Disabilities Act of 1996). Individuals are served because of circumstances including, but not limited to: abuse, neglect or exploitation; graduation from special education; aging out of Social and Rehabilitative Services; family crisis; medical/health issues; preventing nursing home placements; aggressive/self-abusive behavior; the loss of a primary caregiver; public protection in the case of criminal or alleged criminal behavior; and closure of or eviction from residential care homes. Approximately 25% of Vermont citizens with developmental disabilities receive publicly-funded services each year.

This Division also operates a public guardianship program for people with developmental disabilities who are determined by the court to be in need of supervision, protection and assistance. Currently, there are approximately 580 individuals who receive services through the public guardianship program.

As a result of these community-based developmental services, most people with developmental disabilities who receive home supports live in homes or apartments (98%) instead of congregated settings like group homes or institutions and many (39% of working-age people served in FY '02) have jobs making real wages ($7.08 / hour; saving an estimated $1,063,046 in public benefits). Because of having a home and work, these individuals also have the means to make friendships, feel valued, and be a part of their communities.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Developmental and Mental Health Services**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Central Office | 37 | 39 | 39 | 2,761,173 | 2,915,836 | 3,275,738 | 3,227,997 |
| Community Mental Health | 25 | 25 | 25 | 82,032,756 | 83,128,859 | 88,582,653 | 104,526,283 |
| Developmental Services | 43 | 43 | 43 | 85,112,140 | 90,739,955 | 90,971,643 | 94,597,080 |
| Vermont State Hospital | 179 | 179 | 179 | 12,346,433 | 13,700,102 | 13,872,139 | 14,675,804 |
| TOTAL | 284 | 286 | 286 | 182,252,502 | 190,484,752 | 196,702,173 | 217,027,164 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 60,110,701 | 64,960,969 | 62,475,243 | 72,519,770 |
| Special Fund | | | | 8,139,894 | 7,998,963 | 7,987,250 | 8,791,700 |
| Federal Revenue Fund | | | | 109,671,672 | 113,258,975 | 120,295,923 | 116,305,343 |
| Interdepartmental Transfer | | | | 4,330,235 | 4,265,845 | 5,943,757 | 19,410,351 |
| TOTAL | | | | 182,252,502 | 190,484,752 | 196,702,173 | 217,027,164 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Central Office**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 2,158,811 | 2,153,430 | 2,513,332 | 2,439,723 |
| Operating Expenses | 602,362 | 762,406 | 762,406 | 788,274 |
| TOTAL | 2,761,173 | 2,915,836 | 3,275,738 | 3,227,997 |
| FUND TYPE | | | | |
| General Fund | 1,271,663 | 1,228,665 | 1,286,997 | 1,423,598 |
| Federal Revenue Fund | 1,442,041 | 1,687,171 | 1,887,322 | 1,804,399 |
| Interdepartmental Transfer | 47,469 | 0 | 101,419 | 0 |
| TOTAL | 2,761,173 | 2,915,836 | 3,275,738 | 3,227,997 |

## Appropriation Key Budget Issues

CUPS services (Need: $600,000 GF)
These funds enable approximately 600 children and their families (ages 0-6) to receive early childhood mental health services through 26 FTE staff throughout the state. These children are at higher risk of increasing need for AHS interventions and special education services as they age. These funds also enable 1,600 consultations to families and child care providers to address the needs of their young children with behavioral health challenges.

Adult Specialized caseload (Need: $429,839 GF; $1,086,000 total)
The adult mental health system, using CRT caseload funds, is functioning as an Agency of Human Services adult high-risk pool for approximately 20 individuals each year who are in need of comprehensive services but who do not meet CRT eligibility criteria. These situations are often brought to the attention of the Adult Mental Health Unit for resolution because we operate the VSH and the community mental health emergency service system, are involved in the flow of patients to psychiatric inpatient care, and have referral protocols with Corrections. In each instance, these individuals are either in high cost AHS services (Corrections, PATH, VSH, SRS) or receiving services from other related departments (Education). There is no other AHS department that has the flexibility and knowledge about comprehensive service provision to serve these individuals, and therefore, DDMHS feels the need to respond to these situations for programmatic, fiscal and public safety reasons. These services are currently being supported from the CRT base funding but cannot be sustained because they are eroding needed resources to respond to the needs of individuals who do meet eligibility for the CRT program.

Interdepartmental Transfers and Special Match ($0 GF; $5,027,050 total)
There are myriad agreements with several departments including SRS, DAD, DOH, DOC, and OVHA. While there are many explanations as to what services are provided using these funds, the primary purpose of the transfers is to work collaboratively with parties vested in the well being of the consumers we serve; and use all funding available to maximize federal receipts where possible.

Shift of Expenditures from VSH to CRT ($6,728,217 GF; $13,575,463 total)
This is a cost neutral shift of expenditures at VSH to the CRT budget to better reflect the terms of the intergovernmental agreement (IGA) between PATH and DDMHS under the terms of Vermont's 1115B Waiver. In the Waiver, the CRT program is considered a pre-paid inpatient medicaid managed care program with DDMHS acting as the MCO. Shifting the VSH expenditures to the CRT budget brings Vermont into compliance with the terms of the IGA approved by CMS in April of 1999.

1% Inflationary Increase for Providers (Mental Health Portion: $900,574 GF; $1,125,718 total)
DDMHS contracts with a network of 17 not-for-profit providers for the provision of developmental and mental health services for Vermonters. The primary cost in these contracts is for employing a work force. Increased costs in health and liability insurance continue to dramatically increase the cost of providing developmental and mental health services to Vermonters. Without inflationary increase,

providers have no option but to cut costs by reducing staff and consequently reducing services to consumers.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Community Mental Health**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,267,958 | 2,581,865 | 2,868,603 | 3,007,985 |
| Operating Expenses | 341,979 | 352,039 | 382,039 | 453,111 |
| Grants | 79,422,819 | 80,194,955 | 85,332,011 | 101,065,187 |
| TOTAL | 82,032,756 | 83,128,859 | 88,582,653 | 104,526,283 |
| FUND TYPE | | | | |
| General Fund | 23,568,002 | 24,914,617 | 22,013,309 | 34,371,818 |
| Special Fund | 6,964,468 | 6,933,073 | 6,956,360 | 7,775,810 |
| Federal Revenue Fund | 48,484,321 | 48,108,624 | 55,202,146 | 57,975,267 |
| Interdepartmental Transfer | 3,015,965 | 3,172,545 | 4,410,838 | 4,403,388 |
| TOTAL | 82,032,756 | 83,128,859 | 88,582,653 | 104,526,283 |

## Appropriation Key Budget Issues

Worker's Compensation coverage ($176,379 GF; $298,475 federal; $445,625 total)
Currently there are an estimated 1,150 employers not covered under designated agency or specialized service agency policies at an average cost of $775 per policy on the open market. Work is continuing with the State's Risk Management Unit in order to try and access this coverage within the funds requested above. The lack of worker's compensation coverage for this population is inconsistent with other AHS programs (i.e., PATH and DAD personal/attendant care) that do provide worker's compensation insurance. This also may become a legal issue because the Department of Employment and Training has indicated that these employees need to be covered.

New caseload demands ($452,995 GF; $691,510 federal; $1,144,505 total)
These funds provide for attention to some of our most vulnerable Vermont citizens - adults with developmental disabilities at risk of abuse, neglect, homelessness and those with health and safety issues. These funds also provide for adult supports for youth aging out of SRS custody if they have a developmental disability and meet a funding priority, as well as a portion of the funding for offenders with developmental disabilities. The funds serve both new people entering the system for the first time, and people already in the system if their needs change substantially enough to meet a funding priority.

The average cost for someone who accesses caseload funds is $18,952 annually/person. In the FY 05 budget process, budgeting for this group of people changed. For the past six - eight years the annualized caseload need has been included in the budget. In FY 05, a partial year of funding is budgeted; requiring the balance of annualized costs to be budgeted in FY 06. It is estimated that between 60 - 120 individuals will receive caseload funding from the net new funding above.

It is estimated that approximately 229 people in FY 05 will need access to new caseload funds. This need will be met through the above amount, as well as through the Equity Fund, which reuses funds from people who have died or left the State.

Public Safety / Act 248 consumers ($195,525 GF; $298,475 federal; $494,000 total)
This item provides funding for approximately 10 individuals who pose a danger to the public. These individuals may be ordered to the custody of the Department through Act 248, the civil commitment procedure for people with developmental disabilities or known juvenile offenders aging out of the SRS system. Individuals served with these resources may also be people known to be dangerous but not charged with a crime and individuals who have served their maximum time in jail and are still dangerous to the public.

Equity Fund ($835,336 GF.; $1,275,164 federal; $2,110,500 total)
These funds will be used to partially meet the needs noted above under Public Safety and new caseload demands. Approximately 111 individuals will be served with this funding, which is reused after a person dies or leaves the State.

Flexible Family Funding ($85,609 GF; $85,609 total)
These funds would serve approximately 70 individuals who will be waiting for services as the end of FY 04 and those we anticipate needing services in FY 05. In the developmental services system, this is the only service available to children with developmental disabilities who live with their families. No funding for this program would mean that the Division would not serve any new children, even with the most modest of support that this program provides.

AHS Consolidated Contract for Intermediary Service Organization Fees ($8,100 GF; $12,364 federal; $20,464 total)
The Agency of Human Service created an agency-wide contract dealing with payment for family/client directed services to reduce the costs to individual departments. AHS passed on the cost reductions to the individual departments.

1% Inflationary Increase for Providers ($438,371 GF; $1,107,764 total)
DDMHS contracts with a network of 17 not-for-profit providers for the provision of developmental and mental health services for Vermonters. The primary cost in these contracts is for employing a work force. Increased costs in health and liability insurance continue to dramatically increase the cost of providing developmental and mental health services to Vermonters. Without inflationary increase, providers have no option but to cut costs by reducing staff and consequently reducing services to consumers.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Developmental Services**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,754,681 | 3,009,458 | 3,185,769 | 3,196,296 |
| Operating Expenses | 536,200 | 480,940 | 545,178 | 498,012 |
| Grants | 81,821,259 | 87,249,557 | 87,240,696 | 90,902,772 |
| TOTAL | 85,112,140 | 90,739,955 | 90,971,643 | 94,597,080 |
| FUND TYPE | | | | |
| General Fund | 31,008,688 | 34,085,237 | 30,994,335 | 36,606,439 |
| Special Fund | 802,466 | 905,890 | 905,890 | 905,890 |
| Federal Revenue Fund | 52,034,185 | 54,655,528 | 57,939,918 | 55,953,251 |
| Interdepartmental Transfer | 1,266,801 | 1,093,300 | 1,131,500 | 1,131,500 |
| TOTAL | 85,112,140 | 90,739,955 | 90,971,643 | 94,597,080 |

## Appropriation Key Budget Issues

Ongoing Support for Three FTE Positions at Vermont State Hospital
As part of the effort to become re-certified as a Medicare/Medicaid provider, VSH needs three new positions. These are a permanent Chief Operating Officer (this is being temporarily filled by the Mental Health Division Director), a Director of Quality Systems (to insure that improvements in quality of care are sustained over time) and a Medical Records Librarian (to manage the organization and maintenance of medical records consistent with hospital standards).

Replacement of Loss of Federal Revenues While VSH is Decertified
Federal participation in decertified programs is limited to emergency care that is necessary for beneficiaries but that cannot be provided by other participating providers. DDMHS will claim all possible federal revenues for VSH under the emergency care standard, however these are estimated to be no more than 50% of the previous level of federal participation. As it is necessary to continue to operate the Vermont State Hospital, we are requesting replacement in FY 05 of 50% of the projected federal revenues for the first quarter. We plan for the hospital to be recertified by the second quarter.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont State Hospital**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 10,790,720 | 12,106,115 | 12,332,197 | 13,096,501 |
| Operating Expenses | 1,415,713 | 1,450,987 | 1,536,942 | 1,576,303 |
| Grants | 140,000 | 143,000 | 3,000 | 3,000 |
| TOTAL | 12,346,433 | 13,700,102 | 13,872,139 | 14,675,804 |
| FUND TYPE | | | | |
| General Fund | 4,262,348 | 4,732,450 | 8,180,602 | 117,915 |
| Special Fund | 372,960 | 160,000 | 125,000 | 110,000 |
| Federal Revenue Fund | 7,711,125 | 8,807,652 | 5,266,537 | 572,426 |
| Interdepartmental Transfer | 0 | 0 | 300,000 | 13,875,463 |
| TOTAL | 12,346,433 | 13,700,102 | 13,872,139 | 14,675,804 |

## Department Mission Statement

The Department of Aging and Disabilities has the following goals:

A. Assist older persons and adults with physical disabilities to live as independently as possible.

B. Assist persons with disabilities to find and maintain meaningful employment.

C. Assure quality of care and lift to individuals receiving health care services from licensed or certified health care providers and protect elderly and disabled adults from abuse, neglect and exploitation.

## Description of Appropriations, Divisions, & Programs

**Goal A:** Assist older people and adults with physical disabilities to live as independently as possible.

The Department makes independent living services available to all Vermonters over 18 years of age who wish to remain as independent as possible but who, because of age, frailty or physical disability, need assistance with essential daily activities. Census estimates indicate that in 2003, there were 80,443 Vermonters 65 years old and older. Of those, 10,762 were at least 85 years old. People over the age of 85 are the most frequent users of long-term care services. Vermonters' need for assistance with personal care, meals, housing, housework, respite for caregivers, managing finances and, in some instances, decision-making are met by a variety of services designed to help people remain in their communities. Families and other unpaid caregivers provide most supportive and long-term care services. Because of the importance of these informal caregivers in helping people remain independent, the Department considers these caregivers a significant component of its market.

Supportive and long-term care services are provided to older Vermonters and Vermonters with disabilities through a variety of providers and publicly funded programs. The Department has responsibility for managing State expenditures for nursing homes and three Medicaid Waivers, although the dollars (with the exception of the TBI Waiver) are appropriated to the Department of Prevention, Assistance, Transition and Health Access (PATH). The following delineates the number of people served by key independent living services.

| SERVICE OR PROGRAM | FY 00 | FY01 | FY02 | FY03 | FY04 (Est.) | FY05 (Proj.) |
|---|---|---|---|---|---|---|
| HOME AND COMMUNITY-BASED WAIVER | 1,097 | 1,139 | 1,307 | 1,410 | 1,525 | 1,640 |
| HOMEMAKER | 751 | 780 | 850 | 750 | 750 | 750 |
| ATTENDANT SERVICES | 330 | 335 | 365 | 315 | 315 | 315 |
| ADULT DAY CARE | 807 | 877 | 978 | 931 | 950 | 975 |
| ENHANCED RESIDENTIAL CARE | 131 | 174 | 204 | 210 | 220 | 235 |

Demand for services continues to exceed the supply of these publicly funded programs. The Attendant Services Program, a nationally recognized model for providing cost-effective consumer-directed services to people with disabilities, currently has a waiting list of 280 people. In March 2002, the Department began a new Medicaid State Plan service for physically disabled individuals who can direct their own care. For the first time, this Medicaid service allows the use of federal funds in the program, expanding the number of hours of service that can be provided using the existing general funds.

Several years ago, the Department began prioritizing people onto the HCBS Waiver program (1915 Medicaid Waiver), to ensure that the most frail and vulnerable elders received services first. This step reduced the waiting list, but not the need for Waiver services. Providing in-home services responds to consumer and family preferences, and these services are generally less costly than institutional care. The Waiver programs continue to serve individuals who are in a nursing home and need Waiver services to return to home, in a hospital and would go to a nursing home if Waiver services were not available, or at home at risk of imminent placement in a nursing home or in immediate jeopardy. The Department has submitted an 1115 Medicaid Waiver application to the federal government that would support individual choice and improve access to home and community based services.

In recognition of the unmet need for community-based services and consumer preferences for alternatives to institutions, the 1996 Vermont Legislature passed Act 160. The law mandates a shift in expenditures of public funds from institutional care to home and community-based services. By the end of the four-year mandate, the Department had invested about $20 million in community-based alternatives. During this last fiscal year, Vermont nursing homes experienced an occupancy rate of 91%. Since Act 160, almost 300 nursing home beds have closed while 300 remain empty.

Knowing that providers face severe staffing shortages, the Department continues to work with a wide variety of providers and consumers to discover and implement ways to improve the staffing situation. Using funds from the Real Choices Systems Change grant from the federal Centers for Medicare and Medicaid Services, the Department is following up on the recommendations from the 2001 study of the critical shortage of paraprofessional staff in Vermont and is working closely with a large task force to implement those ideas. The recommendations focus on improving recruitment, retention and working conditions. The grant will also support research and implementation of several initiatives designed to improve the information and referral system. This grant is also supporting the development of a newly created professional caregiver association to improve staffing levels and give caregivers a voice in education, training, and work conditions. The Department is working closely with a small group of

nursing homes who are interested in developing and implementing best practices for improving staff retention. As best practices are implemented, the Department will select outstanding nursing homes to receive a Gold Star Award, which will recognize that facility as an outstanding employer. The best practices criteria will also be folded into the current criteria for our nursing home quality awards. The Department is also working closely with the Community of Vermont Elders (COVE) as it plans and begins to implement the Better Jobs-Better Care grant from the Robert Wood Johnson Foundation. This grant is also focused on creating changes within nursing homes, residential care homes, home health agencies and adult day settings that will improve working conditions for direct caregivers.

The Department continues to develop new housing initiatives to support elders and people with disabilities in their communities.

- The Housing and Supportive Services (HASS) initiative involving twenty-nine congregate housing sites (797 participants) brings service coordination and gap-filling services to elders and younger adults with disabilities, preventing premature admission to higher care settings and enabling them to "age in place".
- The Department continues to support the residential care home industry which provides an important residential alternative for elders and people with disabilities. 84% of Level III Residential Care Home providers (80 out of 95 homes) are receiving Medicaid funding as a result of participating in the Assistive Community Care Services (ACCS) program. In spite of an increase in the ACCS rate, we continue to lose homes that are vital to maintaining a continuum of options for individuals needing long-term care services. The Department is working with many groups to bring training and reductions in operating costs to bear whenever possible.
- In March 2003, distinct regulations for assisted living residences were promulgated and in July the first residence was licensed. Vermont continues to participate in the Robert Wood Johnson Foundation Coming Home program to develop affordable assisted living, and is collaborating with eleven communities interested in developing affordable assisted living. A training day will be held in 2004 to disseminate best practices in affordable assisted living and residential care and a model proforma demonstrating feasibility at four common scales (size) will be developed.
- A 9 unit group-directed residence in South Burlington for people with severe mobility impairments has operated successfully for two years and will be evaluated this year for possible replication by 2010.
- The Department has sponsored a three-year demonstration project to establish an Elder Family Care Program in Franklin and Grand Isle Counties with the local long-term care coalition. This year the Department will explore using that experience to launch a statewide care option under the Medicaid Waiver program.
- The Department is exploring a state demonstration project in accessory dwelling units (mother-in-law apartments) with potential partners.
- The Department continues to work with housing partners when elder and disabled housing sites are in transition.
- The Department continues to work with the Vermont Center for Independent Living to make home modification resources more available. This year the allocation of Department funds was restructured leading to 10 families being served through other funding sources.
- In 2003, homesharing match up services previously available only in Chittenden County have

spread to Central Vermont. The Department provided initial feasibility study money and matching operations funds. Homesharing has also spread from Chittenden County to Grand Isle County and the northern towns of Addison County through HomeShare Vermont. The Department continues to pursue the State Plan goal to make match-up services available throughout the state by 2010.

Thanks to a federal grant that aims to improve the well-being of people with disabilities regardless of age, the Department, in cooperation with the Departments of Health and Developmental and Mental Health Services, the Area Health Education Center Program Office, the Vermont Center for Independent Living, and Vermonters with diverse disabilities, are identifying health disparities between people with and without disabilities in Vermont, educating health professionals about the best ways to promote productive interactions with people with disabilities, providing technical assistance to community health promotion organizations on architectural and program accessibility, and ensuring that people with disabilities have the information they need to promote their own health and prevent secondary health conditions.

In FY 2003, the Eldercare Clinician program provided mental health treatment services to 509 Vermonters under a collaborative arrangement between the Department, the State's five area agencies on aging, and DDMHS. It is often the loss of independent functioning related to ill health, including mental decline, that can lead to frequent admissions to a hospital or premature admission to a nursing home. In conjunction with the Eldercare Clinician program, the Department completed a highly successful public education program with hundreds of older Vermonters. The programs provided education about depression, substance abuse, polypharmacy and memory disorders.

As is the case nationally, family members in Vermont provide the largest percentage of care to people with a progressive dementia illness. The Department provided Respite Grant support to 362 caregivers of people with a diagnosis of Alzheimer's Disease or a Related Dementia to assist them in caring for their loved ones at home.

Improving both the quality of life and quality of services for elders and people with disabilities remains a strong focus of the Department. The Department has finalized the fourth annual statewide consumer satisfaction survey. For the fourth consecutive year, consumers were most satisfied with the courtesy shown by their caregivers, with 92% of consumers indicating they felt caregiver courtesy was either excellent or good. In addition, the percentage of consumers who felt long-term care programs were a good value for the services (86.2%) increased significantly compared to previous years.

The Department also provides community-based services to people who are at risk of institutionalization due to moderate to severe traumatic brain injury (TBI). Since the 1995 implementation of a Home and Community-Based Waiver for this population, the Department has been able to reduce the number of individuals sent to costly out-of-state rehabilitation centers from a high of twenty to one per year. Vermont has also been able to provide individualized community-based services to TBI survivors at a fraction of the cost of out-of-state institutionalization. In addition, TBI survivors are able to live in Vermont communities close to their natural support network. The TBI Waiver (short term) graduates

almost as many people per year to more independent living settings as new people enter the Waiver program. The TBI Waiver was expanded in 1997 to serve younger adults age 16 and over. In partnership with the Division of Mental Health, the TBI Waiver was expanded in 1999 to serve individuals with a documented head injury and a diagnosis of mental illness who require long-term community supports.

The Department also houses the Division for the Blind and Visually Impaired (DBVI). DBVI's Independent Living program provides services designed to help visually impaired Vermonters remain in their homes and able to participate in community life. Services include skills training in activities of daily living and in the use of adaptive technology.

## III. MEASURING OUTCOMES AND OUTPUTS:

*A. Assist older people and adults with physical disabilities to live as independently as possible.*

| OUTCOME/ PERFORMANCE MEASURE | FY 00 | FY01 | FY02 | FY03 | FY04 (Est.) | FY05 (Proj.) |
|---|---|---|---|---|---|---|
| Assure that nursing facilities (NF) are used by those people most in need. | | | | | | |
| · Percentage of nursing facility residents who are lighter physical care. | 14.2% | 14.1% | 13.2% | 13.0% | 12.4% | 11.9% |
| Provide cost-effective community-based alternatives to people who need nursing home level care. | | | | | | |
| · Number of people diverted from nursing facility care by H&CB and ERC Medicaid Waiver programs. | 1,228 | 1,313 | 1,511 | 1,620 | 1,745 | 1,875 |
| Reduce Medicaid utilization; increase Medicare utilization. | | | | | | |
| · Nursing facility patient days as percentage of total days: | | | | | | |
| - Medicaid | 61.6% | 60.8% | 61.0% | 61.9%* | 62.0%* | 62.0%* |
| - Medicare | 8.4% | 9.2% | 9.5 % | 10.3%* | 10.8%* | 10.8%* |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Aging and Disabilities**

| OUTCOME/ PERFORMANCE MEASURE | FY 00 | FY01 | FY02 | FY03 | FY04 (Est.) | FY05 (Proj.) |
|---|---|---|---|---|---|---|
| Provide community-based services to people at risk. | | | | | | |
| · Percentage of recipients of HCBS Medicaid Waiver, Attendant Care, Adult Day Services, and Home-Delivered Meals who are frail as measured by Activities of Daily Living (ADL): | | | | | | |
| 2 or less ADL's | **59.5%** | **60.0%** | **47.0%** | **48.0%** | **48.0%** | **48.0%** |
| In poverty | 25.7% | 26.0% | 27.0% | 26.0% | 26.0% | 26.0% |
| Living alone | 41.5% | 42.0% | 60.0% | 58.0% | 58.0% | 58.0% |
| 3+ ADL | **40.5%** | **41.0%** | **53.0%** | **52.0%** | **52.0%** | **52.0%** |
| In poverty | 29.2% | 30.0% | 31.0% | 34.0% | 34.0% | 34.0% |
| Living alone | 26.4% | 26.7% | 31.0% | 38.0% | 38.0% | 38.0% |
| Provide in-state community-based alternatives to Medicaid-eligible survivors of Traumatic Brain Injury (TBI). | | | | | | |
| · Number of people diverted or returned from out-of-state rehabilitative nursing facility placement and served by TBI prog. | 34 | 36 | 37 | 35 | 37 | 37 |
| · Number of people who successfully exited from TBI program. | 11 | 16 | 13 | 15 | 15 | 15 |
| · Number of people served through long term option. | 12 | 15 | 22 | 22 | 25 | 25 |

*Estimates

*B. Assist people with disabilities to find and maintain meaningful employment.*

| OUTCOME/ PERFORMANCE MEASURE | FY 00 | FY01 | FY02 | FY03 | FY04 (Est) | FY05 (Proj.) |
|---|---|---|---|---|---|---|
| Assist people with disabilities to find and maintain employment.* | | | | | | |
| · Number of individuals with disabilities served that have obtained and retained employment for a minimum of 60 days. | 1,178 | 1,255 | 1,299 | 1,406 | 1,442 | 1,464 |
| · Percentage of VR clients with rehabilitation plans who achieved successful employment outcomes. | 69% | 69% | 66% | 62% | 61% | 61% |
| Increased earnings and independence from public assistance.* | | | | | | |
| · Additional annual earnings for VR clients achieving employment outcomes (in millions). | $9.5 | $10.3 | $11.7 | $12.1 | $12.2 | $12.6 |
| · Annual combined decrease in public benefits (ANFC, GA, SSI) received by VR clients who obtained employment. | $905,952 | $986,644 | 'DATA NOT AVAIL' | | | |

* Combined Outcomes for the Division of Vocational Rehabilitation and the Division for the Blind & Visually Impaired; Federal Fiscal Year.

*C. Assure quality of care and life to individuals receiving health care services from licensed or certified health care providers, and protect elderly and disabled adults from abuse, neglect and exploitation.*

| OUTCOME/ PERFORMANCE MEASURE | FY 00 | FY01 | FY02 | FY03 | FY04 (Est.) | FY05 (Proj.) |
|---|---|---|---|---|---|---|
| Assure that nursing facilities and residential care homes (RCH) are in regulatory compliance. | | | | | | |
| · Percentage Vermont facilities | | | | | | |
| - in substantial regulatory compliance: | | | | | | |
| Nursing Homes | 16% | 28.8% | 37% | 21% | 30% | 35% |
| Residential Care Homes | 44% | 34.5% | 34% | 40% | 40% | 40% |
| - enforcement procedures required: | | | | | | |
| Nursing Homes | 9% | 13% | 10% | 10% | 10% | 10% |
| Residential Care Homes | 6% | 3.6% | 3% | 3% | 3% | 3% |
| Assure that safe care is provided in nursing facilities and that quality of life is promoted. | | | | | | |
| · Number of complaints regarding care and services in Vermont nursing facilities/ substantiated cases. | 86/9 | 90/14 | 136/32 | 150/40 | 200/60 | 250/80 |
| · Percentage of NF residents with daily physical restraints | 4.7% | 5.4% | 6.0% | 4.0% | 4.0% | 4.0% |
| · Percentage of NF residents with pressure ulcers (stage 1-4). | 8.3% | 8.6% | 9.0% | 10.0% | 10.0% | 10.0% |

| OUTCOME/ PERFORMANCE MEASURE | FY 00 | FY01 | FY02 | FY03 | FY04 (Est) | FY05 (Proj.) |
|---|---|---|---|---|---|---|
| Protect elderly and disabled adults from abuse, neglect and exploitation. | | | | | | |
| · Total intakes to Adult Protective Services (APS) | 1,467 | 1,528 | 1,710 | 1,883 | 2,100 | 2,350 |
| · Number of substantiated cases of abuse, neglect or exploitation | 56 | 59 | 68 | 90 | 100 | 115 |

## IV. HOW WILL THE OUTCOMES BE ACHIEVED?

See form 5 for descriptions of all programs intended to achieve desired Department goals/outcomes.

## V. MEASURING PRODUCTIVITY AND EFFICIENCY: OUTPUTS

*A. Assist older people and adults with physical disabilities to live as independently as possible.*

| | | | | | | |
|---|---|---|---|---|---|---|
| · Medicaid expenditures avoided by diverting people from nursing homes to H&CB & ERC Waivers. ($ Millions) | $17.2 | $21.3 | $27.3 | $30.0 | $34.8 | $40.5 |
| Average annual service cost for TBI clients compared to average annual cost in out-of-state rehabilitation facility. | $51,480/ $131,841 | $54,810/ $131,841 | $60,876/ $136,875 | $62,724/ $142,400 | $65,000/ $144,000 | $67,000/ $148,500 |

*B. Assist people with disabilities to find and maintain meaningful employment.**

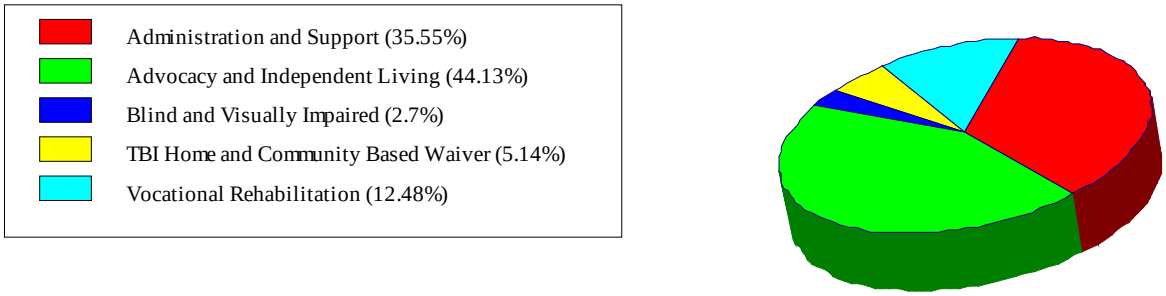
| | | | | | | |
|---|---|---|---|---|---|---|
| Average per client case service cost for successful employment outcome. | $2,118 | $2,117 | $2,368 | $2,143 | $2,150 | $2,150 |

* Combined Outputs for the Division of Vocational Rehabilitation and the Division for the Blind & Visually Impaired, State Fiscal Year.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Administration and Support | 207 | 216 | 219 | 15,104,953 | 16,554,840 | 16,793,376 | 17,720,018 |
| Advocacy and Independent Living | 0 | 0 | 0 | 20,195,486 | 20,969,418 | 21,962,817 | 21,994,687 |
| Blind and Visually Impaired | 0 | 0 | 0 | 1,231,632 | 1,287,237 | 1,346,261 | 1,346,261 |
| Vocational Rehabilitation | 0 | 0 | 0 | 5,617,570 | 5,314,574 | 6,507,696 | 6,217,958 |
| TBI Home and Community Based Waiver | 0 | 0 | 0 | 2,220,214 | 2,251,760 | 2,434,946 | 2,564,186 |
| TOTAL | 207 | 216 | 219 | 44,369,855 | 46,377,829 | 49,045,096 | 49,843,110 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 15,207,921 | 15,434,207 | 15,320,265 | 16,233,802 |
| Transportation Fund | | | | 522,000 | 522,000 | 522,000 | 419,330 |
| Special Fund | | | | 1,440,764 | 1,391,650 | 1,795,474 | 1,809,580 |
| Federal Revenue Fund | | | | 26,192,197 | 27,731,987 | 30,123,926 | 30,073,230 |
| Interdepartmental Transfer | | | | 1,006,973 | 1,297,985 | 1,283,431 | 1,307,168 |
| TOTAL | | | | 44,369,855 | 46,377,829 | 49,045,096 | 49,843,110 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Aging and Disabilities**



## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 12,775,493 | 14,148,789 | 14,387,376 | 15,221,670 |
| Operating Expenses | 2,329,460 | 2,406,051 | 2,406,000 | 2,498,348 |
| TOTAL | 15,104,953 | 16,554,840 | 16,793,376 | 17,720,018 |
| FUND TYPE | | | | |
| General Fund | 4,247,270 | 4,477,329 | 4,278,184 | 4,632,832 |
| Special Fund | 391,776 | 439,669 | 599,019 | 782,599 |
| Federal Revenue Fund | 9,693,782 | 10,814,857 | 10,935,459 | 11,300,136 |
| Interdepartmental Transfer | 772,125 | 822,985 | 980,714 | 1,004,451 |
| TOTAL | 15,104,953 | 16,554,840 | 16,793,376 | 17,720,018 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 20,195,486 | 20,969,418 | 21,962,817 | 21,994,687 |
| TOTAL | 20,195,486 | 20,969,418 | 21,962,817 | 21,994,687 |
| FUND TYPE | | | | |
| General Fund | 8,324,725 | 8,074,725 | 8,169,603 | 8,446,764 |
| Transportation Fund | 522,000 | 522,000 | 522,000 | 419,330 |
| Special Fund | 885,169 | 751,981 | 908,123 | 801,981 |
| Federal Revenue Fund | 10,388,592 | 11,545,712 | 12,286,091 | 12,249,612 |
| Interdepartmental Transfer | 75,000 | 75,000 | 77,000 | 77,000 |
| TOTAL | 20,195,486 | 20,969,418 | 21,962,817 | 21,994,687 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 1,231,632 | 1,287,237 | 1,346,261 | 1,346,261 |
| TOTAL | 1,231,632 | 1,287,237 | 1,346,261 | 1,346,261 |
| FUND TYPE | | | | |
| General Fund | 538,486 | 540,106 | 540,106 | 540,106 |
| Special Fund | 87,771 | 120,000 | 145,000 | 145,000 |
| Federal Revenue Fund | 605,375 | 627,131 | 661,155 | 661,155 |
| TOTAL | 1,231,632 | 1,287,237 | 1,346,261 | 1,346,261 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 5,617,570 | 5,314,574 | 6,507,696 | 6,217,958 |
| TOTAL | 5,617,570 | 5,314,574 | 6,507,696 | 6,217,958 |
| FUND TYPE | | | | |
| General Fund | 1,254,606 | 1,479,195 | 1,479,195 | 1,599,195 |
| Special Fund | 76,048 | 80,000 | 143,332 | 80,000 |
| Federal Revenue Fund | 4,127,068 | 3,355,379 | 4,659,452 | 4,313,046 |
| Interdepartmental Transfer | 159,848 | 400,000 | 225,717 | 225,717 |
| TOTAL | 5,617,570 | 5,314,574 | 6,507,696 | 6,217,958 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**TBI Home and Community Based Waiver**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 2,220,214 | 2,251,760 | 2,434,946 | 2,564,186 |
| TOTAL | 2,220,214 | 2,251,760 | 2,434,946 | 2,564,186 |
| FUND TYPE | | | | |
| General Fund | 842,834 | 862,852 | 853,177 | 1,014,905 |
| Federal Revenue Fund | 1,377,380 | 1,388,908 | 1,581,769 | 1,549,281 |
| TOTAL | 2,220,214 | 2,251,760 | 2,434,946 | 2,564,186 |

## Department Mission Statement

The Vermont Office of Economic Opportunity (OEO) seeks to increase the self-sufficiency of Vermonters and strengthen Vermont communities. OEO provides program and grants management, resource identification and development, training and technical assistance and advocacy for community-based organizations in a manner that fosters creativity and innovation.

OEO connects communities to resources within government and the private sector in order to eliminate poverty.

OEO provides this assistance through:

COMMUNITY SERVICES, which provides support for community-based organizations engaged in a variety of anti-poverty efforts.

WEATHERIZATION SERVICES, a statewide program that works to reduce the energy costs for low-income families, particularly for the elderly, people with disabilities, and children.

## Description of Appropriations, Divisions, & Programs

### COMMUNITY SERVICES

OEO's Community Services works to alleviate poverty and provide crisis assistance through emergency food, shelter and other services. Community Services involves a variety of state and federal funding sources aimed at specific program areas:

The Community Services Block Grant from the U.S. Department of Health and Human Services provides basic funding for Vermont's five Community Action Agencies (CAAs) and has been in existence since 1964. In 2002, Vermont CAAs provided over 151,000 direct service units to more than 38,000 low-income Vermonters. Direct services include emergency food shelves, employment, health, nutrition, housing and other assistance.

The Federal Emergency Management Agency (FEMA) also awards emergency food and shelter funds to Vermont through OEO, which distributes these funds to over 27 non-profit organizations serving low-income Vermonters, thereby assisting them with emergency food and shelter needs.

* A combination of federal Housing and Urban Development (HUD) funding and a state General Fund appropriation provides Vermont homeless shelters and providers of services to the

precariously housed, funds to meet the needs of the homeless or those at risk of homelessness. In SFY 2003, 3,940 individuals spent at least one night in a shelter in Vermont.

* The statewide MicroBusiness Development Program assists low-to-moderate income Vermonters who want to gain skills and knowledge necessary to start and operate a micro business. In 2003, 123 new businesses were started, and 155.5 new jobs were created by business start-ups, expansions and enhancements. According to a recent survey of Job Start borrowers, nearly three-fourths were still in business. 47% had been in business between one and five years, and another 20% were successfully operating their businesses for over six years.

* Individual Development Accounts (IDAs) - This one-year demonstration project is a matched-savings program that allows income-eligible participants to accumulate the assets needed to purchase a home, pursue higher education or capitalize a small business.

## VERMONT WEATHERIZATION PROGRAM

Mission
To reduce the energy costs for low-income families, particularly for the elderly, people with disabilities, and children, by improving the energy efficiency and comfort of their homes while ensuring their health and safety.

History
The Vermont Weatherization Program was started in 1976 in response to the nation's energy crisis. Funding for the early days of the program was provided for solely by the US Department of Energy (USDOE). This changed in 1990 when the State of Vermont Legislature introduced and passed bill H 832 which established the Vermont Weatherization Trust Fund (WTF). The WTF provides state funding for weatherization through a one half percent gross receipts tax on all non-transportation fuels sold in the state. The WTF stabilized the funding, infrastructure and technical capacity of the program. It also allowed Vermont to raise the average cost per job for more comprehensive work. Current funding for weatherization in Vermont, about $5 million annually, is comprised 78% from state funds and 22% from USDOE.

Services Available to Income-Eligible People Include:

Comprehensive "whole house" assessment of energy related problems,

State-of-the-art building diagnostics including: blower door testing, carbon monoxide and heating system testing and infrared scans.

"Full-service" energy efficiency retrofits including: dense-pack sidewall insulation, air sealing, attic insulation, heating system upgrades and replacements.

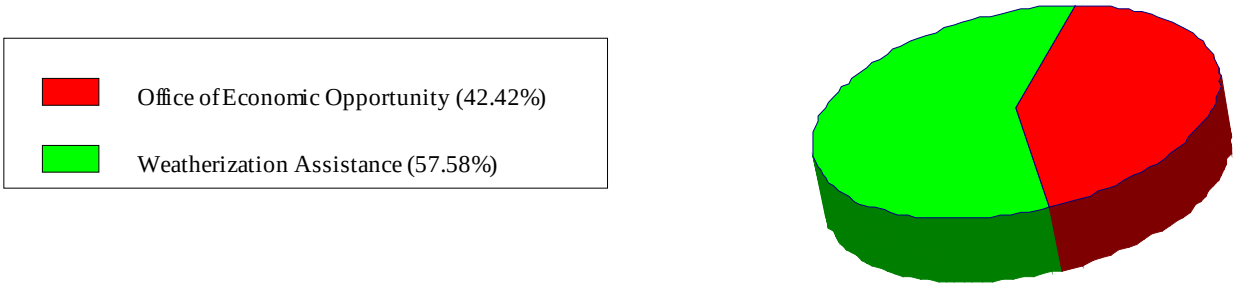
Table ES-1. **Summary of Evaluation Results, December, 2002**

| Evaluation Criteria | Value |
|---|---|
| **Units Served** | |
| April 1, 1998 - March 31, 2000 | 2,467 |
| **Energy and energy savings analysis** | |
| Average space heating percent savings (fuel weighted) | 21.6% |
| Gallons of oil equivalent saved over the life of the measures | 8.27 million |
| **Benefit / cost analysis** | |
| Energy efficiency savings benefit / cost ratio | $1.83 |
| All measure savings benefit / cost ratio (weighted by quantities of fuel used by fuel type) | $1.14 |
| All measure benefit / cost ratio (without regard to quantities of fuel used by fuel type) | $1.13 |
| Non-energy benefit / cost ratio | $4.12 |
| Benefit / cost ratio for all savings and benefits | $5.26 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Office of Economic Opportunity**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Office of Economic Opportunity | 6 | 6 | 4 | 6,484,143 | 5,459,871 | 5,260,985 | 4,860,773 |
| Weatherization Assistance | 2 | 2 | 2 | 6,594,371 | 6,194,473 | 6,194,473 | 6,598,473 |
| TOTAL | 8 | 8 | 6 | 13,078,514 | 11,654,344 | 11,455,458 | 11,459,246 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 1,146,811 | 1,164,813 | 1,093,726 | 848,147 |
| Special Fund | | | | 5,325,013 | 4,997,896 | 4,997,896 | 5,349,041 |
| Federal Revenue Fund | | | | 6,117,087 | 5,112,448 | 5,066,489 | 4,857,757 |
| Interdepartmental Transfer | | | | 489,603 | 379,187 | 297,347 | 404,301 |
| TOTAL | | | | 13,078,514 | 11,654,344 | 11,455,458 | 11,459,246 |



## Appropriation Key Budget Issues

### FOOD AND NUTRITION SERVICES

Programs and staff in these areas were transferred to other departments in October, 2003.

The Food and Nutrition Coordinator was moved to PATH because 90% of the programs (Food Stamp Outreach and Nutrition Education) were PATH supported. PATH would transfer $5000 to OEO for Admin for the work and OEO would then grant the funds out. PATH has and is working with and granting to all of the providers OEO was for this position. It made sense for PATH to keep the $5,000 for admin, cut out a layer of bureaucracy and be more efficient.

The Program Technician for the Donated Food Section and the Emergency Food Assistance Program (TEFAP) was transferred to SRS/Child Care Services Division. Her main duties involved the commodities program and I.T. for the office. OEO was recently connected to the AHS server so her assistance with computer maintenance was no longer needed. The commodities are distributed mainly to schools, some daycares, after school programs and summer recreation programs. Child Care Services was going through some transitions and were a little short handed, so it made sense to move this position there to utilize the Program Technician's expertise with I.T. and to be able to coordinate better for commodities for daycares.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Office of Economic Opportunity**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 364,797 | 368,217 | 368,217 | 268,308 |
| Operating Expenses | 84,949 | 78,720 | 78,720 | 78,670 |
| Grants | 6,034,397 | 5,012,934 | 4,814,048 | 4,513,795 |
| TOTAL | 6,484,143 | 5,459,871 | 5,260,985 | 4,860,773 |
| FUND TYPE | | | | |
| General Fund | 1,146,811 | 1,164,813 | 1,093,726 | 848,147 |
| Special Fund | 0 | 57,867 | 57,867 | 80,012 |
| Federal Revenue Fund | 4,847,729 | 3,858,004 | 3,812,045 | 3,528,313 |
| Interdepartmental Transfer | 489,603 | 379,187 | 297,347 | 404,301 |
| TOTAL | 6,484,143 | 5,459,871 | 5,260,985 | 4,860,773 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Weatherization Assistance**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 116,795 | 149,237 | 149,237 | 151,601 |
| Operating Expenses | 145,186 | 30,761 | 30,761 | 96,510 |
| Grants | 6,332,390 | 6,014,475 | 6,014,475 | 6,350,362 |
| TOTAL | 6,594,371 | 6,194,473 | 6,194,473 | 6,598,473 |
| FUND TYPE | | | | |
| Special Fund | 5,325,013 | 4,940,029 | 4,940,029 | 5,269,029 |
| Federal Revenue Fund | 1,269,358 | 1,254,444 | 1,254,444 | 1,329,444 |
| TOTAL | 6,594,371 | 6,194,473 | 6,194,473 | 6,598,473 |

## Department Mission Statement

The Vermont Department of Corrections, in partnership with the community, supports safe communities by providing leadership in crime prevention, repairing the harm done, addressing the needs of crime victims, ensuring offender accountability for criminal acts, and managing the risk posed by offenders. This is accomplished through a commitment to excellence that promotes continuous improvement, respect for diversity, legal rights, human dignity, and productivity. The Vision Statement for the Department puts it more broadly: To be valued by the citizens of Vermont as a partner in the prevention, research, control, and treatment of criminal behavior.

## Description of Appropriations, Divisions, & Programs

ADMINISTRATION
Corrections strives to achieve several basic goals: to see that the community is involved; victim needs are addressed; the community is restored; offenders are held responsible for their actions; and offenders are safe while under state supervision.

The administration of the Department consists of the offices of the commissioner and deputy commissioner, and the supporting divisions of finance, information technology, and planning. There is a legal division staffed by the attorney general, as well.

PAROLE BOARD
The Parole Board is an autonomous body that is included in the Corrections appropriation for administrative purposes. The board reviews recommendations made by the department to grant or review parole status.

EDUCATION
The purpose of the Community High School of Vermont (CHSVT) is: To provide quality educational services responsive to Academic, Vocational, and social needs of Vermont Residents, without a basic education; to improve their knowledge, skills, and abilities to function as meaningful participants in the community who have attained the Vital Results of Public Education: Communication; Reasoning and Problem Solving; Personal Development; Civic and Social Responsibility.

Performance Indicators

| | FY01 | FY02 | FY03 |
|---|---|---|---|
| Student Hours (000s) | 180 | 194 | 200 |
| Assessments | 1997 | 1836 | 1900 |
| Placed in Employment | 262 | 296 | 302 |
| Trade/Industry Cert. | 0 | 85 | 283 |
| High School Credits Awarded | 0 | 809 | 900 |
| Grad Plans Implemented | 0 | 223 | 250 |

CORRECTIONAL SERVICES

Correctional Services administers four levels of Sanction:
Level 1 - Probation An offender found guilty of a crime upon verdict or plea and is released by the court without confinement, subject to the conditions and supervision by the Commissioner of Corrections. This is a contract between the offender and the court, to abide by the conditions, in return for not serving the sentence. Violation of this level sanction requires due process, with a court hearing, counsel, and proof beyond reasonable doubt. The reparative probation program is within the probation sanction, which allows citizens on community panels to determine the quality of restitution made to the victim and repair of harm to the community, consistent with 28 VSA Chapter 12.
Level 2 --Supervised Community Sentence The second sanction level is based on a law passed in 1990 that provides the legal framework for intermediate sanctions. The judge sentences an offender to a set of conditions and programs agreed to by the Commissioner and under the supervision of the Parole Board. The offender is a step closer to incarceration than in level 1. Violations are reviewed at parole hearings and as such lower standards of proof are required.
Level 3 -- Pre-approved Furlough The offender is sentenced to a term of confinement, but with prior approval of the Commissioner, is granted an immediate furlough. Furlough status is a community placement and can be revoked administratively. The rules for behavior while on furlough are more stringent than in levels 1 or 2.
Level 4 -- Incarceration The fourth level is a sentence of confinement to a correctional facility. There are three ways inmates can be released from custody: by decision of the Parole Board; upon completion of the minimum term; or, commitment into the department's conditional reentry program.

The Programs:
Risk Management Services includes:
Four central correctional facilities-Three of these, Southern State in Springfield, Northern State in Newport, and Northwest State in St. Albans house and treat violent and sexual offenders serving long sentences. The fourth institution, Southeast State in Windsor has been converted to a women's facility in FY04.

Three regional correctional facilities-These are in St. Johnsbury, S. Burlington and Rutland They serve courts and law enforcement agencies by providing detention, classification and short sentence housing.

The Caledonia County Work Camp provides a less expensive means of incarceration for appropriate minimum security offenders who provide a public service to the community in a high activity program.

The Dale State Correctional facility in Waterbury also houses women offenders.

Nine Community Correctional Services Centers manage offenders who need, supervision, treatment, surveillance, and custody.

Out-of-State Prison population is also managed under this program.

Reparative Services includes: 10 Court and Reparative Service Units that provide information to the courts at sentencing and eligibility determination for program placement, and assist Community Reparative Boards in creating appropriate reparative sanctions to low risk offenders. The services provided by this track include Restitution and Community Service. There are currently some 63 reparative boards operating in 36 different Vermont communities, involving over 500 citizen volunteers, who developed sanctions and restorative plans for 1,567 offenders last year.

Performance Indicators

1. PUBLIC SAFETY

| A. Failure to Return | FY99 | FY00 | FY01 | FY02 | FY03 |
|---|---|---|---|---|---|
| ADP on furlough | 446 | 459.5 | 538.5 | 687 | 788 |
| # Furloughed | 1348 | 1405 | 1449 | 1503 | 1807 |
| Failures to Return | 103 | 117 | 132 | 147 | 188 |

B. Recidivism (3-year follow-up after release) new conviction within 36 months resulting in return to jail or probation.

| Release Year | FY95 | FY96 | FY97 | FY98 | FY99 |
|---|---|---|---|---|---|
| Prison | 56% | 59% | 59% | 54% | 51% |
| Number in cohort | 1612 | 1640 | 1842 | 2076 | 2337 |

2. QUALITY ASSURANCE

| New criminal Charge rate | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 |
|---|---|---|---|---|---|---|
| Int. Sanction | 9.6% | 7.1% | 6.8% | 7.3% | 11% | 9.3% |
| Furlough | 15.3% | 14.0% | 11.2% | 12.1% | 18% | 18.5% |
| Probation | | | | | | 14.1% |
| Parole | | | | | | 8.4% |

3. REPARATION TO VICTIMS AND COMMUNITY (Total)

| | FY99 | FY00 | FY01 | FY02 | FY03 |
|---|---|---|---|---|---|
| Collected(000s $) | 1,673 | 1,827 | 2,045 | 2,101 | 2,902 |
| Offender work hours (000s) | 432 | 429 | 454 | 430 | 422 |

4. COMMUNITY INVOLVEMENT

| | FY98 | FY99 | FY00 | FY01 | FY02 |
|---|---|---|---|---|---|
| No. of Volunteers | 1,068 | 1,246 | 1,077 | 1,147 | 1,267 |

CORRECTION FACILITIES – RECREATION

The recreation fund comes from revenue earned from the inmate commissaries and the inmate telephone system. The recreation fund is managed by the Department of Corrections and inmate recreational opportunities committees. In addition, several of the inmate committees have decided to make donations to victim activities. The recreation fund is also used to pay for postage and to provide support for offender reentry into the community after release.

VCI

Vermont Offender Work Programs administers industrial and training programs in correctional facilities, including a print shop, a silkscreen shop, a furniture manufacture and assembly shop, a license plate and sheet metal working shop, and many smaller correctional industries. The program also works with the Community Work Camp, providing many surrounding communities with work service crews performing a wide variety of reparative services. Recently, the Windsor Correctional Facility, long the site of the plate shop and sign shop, has become a Women's correctional facility. Women inmates there now work in this program.

The Vermont Offender Work Programs also works with the Community Service Work Crews composed of offenders on probation and intermediate sanctions that provide work for communities across Vermont. Among many other projects, correctional community work service crews provide maintenance services at most of the Fishing Access Areas managed by the Department of Fish and Wildlife, many state parks, several forest projects and most rest areas on the interstate. Crews work for many towns in Vermont, as well as, non-profit agencies ranging from food shelves to public libraries.

Total Hours of Work (Offender Work Program)

| | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 |
|---|---|---|---|---|---|---|
| Hours (thousands) | 430 | 432 | 429 | 454 | 430 | 422 |

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Corrections

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Administration | 28 | 28 | 29 | 2,343,733 | 2,356,672 | 2,357,652 | 2,476,310 |
| Parole Board | 3 | 3 | 3 | 280,723 | 283,526 | 283,526 | 284,117 |
| Correctional Education | 47 | 55 | 55 | 2,974,936 | 3,367,458 | 3,367,458 | 3,674,585 |
| Correctional Services | 886 | 1,005 | 1,022 | 76,607,667 | 84,584,387 | 87,693,192 | 92,885,467 |
| Correction Facilities - Rec | 8 | 9 | 9 | 611,423 | 884,515 | 884,515 | 918,536 |
| Vt Correctional Industries | 21 | 29 | 28 | 2,566,452 | 3,216,473 | 3,216,473 | 3,330,142 |
| TOTAL | 993 | 1,129 | 1,146 | 85,384,934 | 94,693,031 | 97,802,816 | 103,569,157 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 79,383,285 | 36,108,644 | 38,309,426 | 94,906,767 |
| Transportation Fund | | | | 938,751 | 1,424,702 | 1,912,480 | 1,144,483 |
| Special Fund | | | | 983,633 | 1,521,515 | 1,521,515 | 1,605,536 |
| Federal Revenue Fund | | | | 891,121 | 51,688,826 | 52,110,051 | 1,823,726 |
| Internal Service Fund | | | | 2,566,452 | 3,216,473 | 3,216,473 | 3,330,142 |
| Interdepartmental Transfer | | | | 621,692 | 732,871 | 732,871 | 758,503 |
| TOTAL | | | | 85,384,934 | 94,693,031 | 97,802,816 | 103,569,157 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,889,347 | 1,731,897 | 1,731,897 | 2,154,223 |
| Operating Expenses | 454,386 | 322,087 | 323,067 | 322,087 |
| Grants | 0 | 302,688 | 302,688 | 0 |
| TOTAL | 2,343,733 | 2,356,672 | 2,357,652 | 2,476,310 |
| FUND TYPE | | | | |
| General Fund | 2,071,685 | 2,006,447 | 2,007,427 | 2,199,440 |
| Special Fund | 25,341 | 0 | 0 | 0 |
| Federal Revenue Fund | 246,707 | 350,225 | 350,225 | 180,000 |
| Interdepartmental Transfer | 0 | 0 | 0 | 96,870 |
| TOTAL | 2,343,733 | 2,356,672 | 2,357,652 | 2,476,310 |

## Appropriation Key Budget Issues

The Parole Board is an autonomous function, funded under the Department of Corrections for administrative purposes. The population served by the parole board continues to increase as the incarcerated population grows and is released. The parole board also reviews an increasing number of offenders on parole after serving a sentence on Supervised Community Sentence status. The statutory requirement for periodic review of inmates serving sentences in out-of-state facilities has been reduced, cutting the cost for parole board member trips out-of-state.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Parole Board**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 186,896 | 217,971 | 217,971 | 218,562 |
| Operating Expenses | 93,827 | 65,555 | 65,555 | 65,555 |
| TOTAL | 280,723 | 283,526 | 283,526 | 284,117 |
| FUND TYPE | | | | |
| General Fund | 280,723 | 283,526 | 283,526 | 284,117 |
| TOTAL | 280,723 | 283,526 | 283,526 | 284,117 |

## Appropriation Key Budget Issues

The Correctional Education program is mandated to provide free and appropriate education services for offenders in custody who are under the age of 22. It is working to collaborate with the Department of Education and local schools to seek appropriate funding, particularly for special education costs, to accomplish this goal.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Correctional Education**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,538,871 | 2,945,248 | 2,945,248 | 3,237,375 |
| Operating Expenses | 436,065 | 422,210 | 422,210 | 437,210 |
| TOTAL | 2,974,936 | 3,367,458 | 3,367,458 | 3,674,585 |
| FUND TYPE | | | | |
| General Fund | 2,545,159 | 2,837,133 | 2,837,133 | 3,113,998 |
| Interdepartmental Transfer | 429,777 | 530,325 | 530,325 | 560,587 |
| TOTAL | 2,974,936 | 3,367,458 | 3,367,458 | 3,674,585 |

## Appropriation Key Budget Issues

The largest budget issue in correctional services is the full year funding of the Southern State Correctional Facility in Springfield. Incorporated into the FY 2005 budget request is $2.4 million more than FY04 in general funds to cover the annualization cost for this 350-bed facility. The opening of Springfield has allowed the Department of Corrections to decrease the population housed out of state.

The total demand for incarceration has been on a fairly constant growth trend for the past 8 to 10 years. Recently, a dramatic increase in the numbers held in detention prior to trial, has put more pressure on the facilities. As of December 2003, the average number of offenders housed by Vermont is 1,940. Of these, 1,476 are housed instate and 464 are in out-of -state facilities.

Budget pressures include inflation costs for food and medical services, the addition of 12 positions to staff the new booking unit at the Dale Women's correctional facility (to fulfill an agreement with the Town of Waterbury), joint funding for juveniles in dual custody of Corrections and Social Services; replacement of federal funds for domestic violence programming, victims support services, and alcohol treatment.

Downward pressures include the provision for a co-pay for medical services assessed to inmates, which is expected to generate about $50,000. In addition the out-of-state contract with a private prison provider will also result in lower per inmate costs for prisoners housed out-of-state.

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 52,479,775 | 57,195,488 | 58,130,868 | 63,488,482 |
| Operating Expenses | 23,543,582 | 26,359,399 | 28,532,824 | 27,777,485 |
| Grants | 584,310 | 1,029,500 | 1,029,500 | 1,619,500 |
| TOTAL | 76,607,667 | 84,584,387 | 87,693,192 | 92,885,467 |
| FUND TYPE | | | | |
| General Fund | 74,485,718 | 30,981,538 | 33,181,340 | 89,309,212 |
| Transportation Fund | 938,751 | 1,424,702 | 1,912,480 | 1,144,483 |
| Special Fund | 346,869 | 637,000 | 637,000 | 687,000 |
| Federal Revenue Fund | 644,414 | 51,338,601 | 51,759,826 | 1,643,726 |
| Interdepartmental Transfer | 191,915 | 202,546 | 202,546 | 101,046 |
| TOTAL | 76,607,667 | 84,584,387 | 87,693,192 | 92,885,467 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Correction Facilities - Rec**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 368,680 | 473,599 | 473,599 | 507,620 |
| Operating Expenses | 242,743 | 410,916 | 410,916 | 410,916 |
| TOTAL | 611,423 | 884,515 | 884,515 | 918,536 |
| FUND TYPE | | | | |
| Special Fund | 611,423 | 884,515 | 884,515 | 918,536 |
| TOTAL | 611,423 | 884,515 | 884,515 | 918,536 |

## Appropriation Key Budget Issues

Vermont Offender Work Programs (VOWP) is a self-funded operation, providing offender work and vocational training at no cost to the general fund. In fact, the VOWP produces a modest revenue to the State General Fund through the Prison Industry Enhancement Certification Program (PIECP).

Service Impacts
In addition to the programmatic value of preparing offenders for the work force, the VOWP adds value in several other ways. Virtually all VOWP expenses represent money put back into the economy that would not have been there otherwise. The majority of this money is spent in Vermont. All raw materials are purchased in the private sector and many services are as well. These purchases amounted to roughly $1.4 million put back in the Vermont economy as a result of VOWP activities in FY 03. Wages to offenders and VOWP staff are also spent mostly in the Vermont economy. These amounted to approximately $1.0 million last year.

Through PIECP partnerships there is additional value added. By Department of Corrections directive and inmate agreement, deductions are made to inmate wages. These deductions total no more than 80% of gross earnings. Deductions are made for taxes, restitution to the victim or payment to the victim restitution fund, family support, and room and board. The room and board deduction goes directly to the General Fund. Thus the Prison Industry Enhancement Certification Program provides additional benefits to the community and Vermont taxpayers.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vt Correctional Industries**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 1,136,595 | 1,484,733 | 1,484,733 | 1,598,402 |
| Operating Expenses | 1,412,746 | 1,731,740 | 1,731,740 | 1,731,740 |
| Grants | 17,111 | 0 | 0 | 0 |
| TOTAL | 2,566,452 | 3,216,473 | 3,216,473 | 3,330,142 |
| FUND TYPE | | | | |
| Internal Service Fund | 2,566,452 | 3,216,473 | 3,216,473 | 3,330,142 |
| TOTAL | 2,566,452 | 3,216,473 | 3,216,473 | 3,330,142 |

## Department Mission Statement

The mission of the Vermont Children's Trust Fund (CTF), established in 1986 by amendment to 33 V. S. A., Chapter 33, Section 3306, is to promote the health, self-reliance, and overall well-being of children and families and to prevent abuse and neglect or other socially destructive behaviors.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Children's Trust Fund

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Children's Trust Fund | 0 | 0 | 0 | 375,683 | 297,705 | 297,705 | 310,651 |
| TOTAL | 0 | 0 | 0 | 375,683 | 297,705 | 297,705 | 310,651 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 102,705 | 102,705 | 102,705 | 100,651 |
| Special Fund | | | | 131,603 | 50,000 | 50,000 | 70,000 |
| Federal Revenue Fund | | | | 141,375 | 145,000 | 145,000 | 140,000 |
| TOTAL | | | | 375,683 | 297,705 | 297,705 | 310,651 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Children's Trust Fund**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 375,683 | 297,705 | 297,705 | 310,651 |
| TOTAL | 375,683 | 297,705 | 297,705 | 310,651 |
| FUND TYPE | | | | |
| General Fund | 102,705 | 102,705 | 102,705 | 100,651 |
| Special Fund | 131,603 | 50,000 | 50,000 | 70,000 |
| Federal Revenue Fund | 141,375 | 145,000 | 145,000 | 140,000 |
| TOTAL | 375,683 | 297,705 | 297,705 | 310,651 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Commission on Women**

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## Department Mission Statement

**Mission Statement:** The Vermont Commission on Women (VCW), as a state agency, works to shape policy by educating and informing the public. The Commission works to find long-term solutions to the problems that confront women and their families by increasing educational, economic, social and health-related opportunities.

**Core Values:** The Commission believes that all women and girls must have the opportunity and be encouraged to participate fully in society for the betterment of the lives of all. We strive to ensure that all women live with justice, equity, freedom, dignity, privacy, and equality and in economic self-sufficiency, mental and physical health, and well-being. We will listen respectfully, assess, and speak, and we will be pro-active.

**Vision:** The Commission joins its counterparts nationally and internationally in seeking to help women and their families gain access to the rights, privileges, and resources needed to live in justice, dignity, freedom, equality, and economic security.

The Commission is comprised of 16 Commissioners, appointed by multiple appointing authorities, and drawn throughout the state and from diverse backgrounds. An Advisory Council, representing various organizations, provides information on the concerns of Vermont women and assists the Commission with the fulfillment of its responsibilities. Staff includes an Executive Director, a part-time Communications Coordinator, and an Office Manager.

## Description of Appropriations, Divisions, & Programs

The Commission is the only state agency singularly focused on women's economic and social well-being. The activities of the Commission are organized into three program areas: information and referral, public education, and public policy. Overall Commission work is guided by the 2000-2005 Strategic Plan, summarized below:

**PRIORITY AREA #1: ECONOMIC EQUITY & SECURITY**
**Goal:** Women will have support to balance work and family life.
Strategies:
a. Advocate for legislation for paid parental, family, and medical leave
b. Inform Vermonters of Vermont's family leave law
c. Collaborate with early care and education advocates to promote high quality and affordable early care and education for young children

**Goal:** Women and men will earn equal pay and a livable wage.

Strategies:
a. Support state and federal legislation guaranteeing pay and benefit equity
b. Explore barriers and pathways for women and girls in non-traditional fields, such as information technology
c. Offer education and training to women, business groups, and employers about pay equity and fair pay policies
d. Support legislation promoting livable wage

**PRIORITY AREA #2: LEADERSHIP & PUBLIC LIFE**
**Goal:** Women will be influential leaders.
Strategies:
a. Assist women to gain appointments to Vermont state boards and commissions
b. Promote opportunities for women and youth involvement in public life at the local, state, and national levels
c. Recognize the contributions that Vermont women have made in the history of the state

**Goal:** More women will vote.
Strategies:
a. Increase voter turn out especially among young and low-income women
b. Support voter access initiatives

**PRIORITY AREA #3: HEALTH, SAFETY, & CIVIL RIGHTS**
**Goal:** Women will live free of violence and have access to the health care they need.
Strategies:
a. Promote civil rights for all Vermonters
b. Protect women's rights by opposing legislation calling for restrictions on reproductive choice
c. Provide women with information about their legal rights in Vermont
d. Support programs and policies that provide Vermonters access to universal health care
e. Provide women offenders with greater protections from sexual assault

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Commission on Women**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Vermont Commission on Women | 3 | 3 | 3 | 201,791 | 239,151 | 284,664 | 236,777 |
| TOTAL | 3 | 3 | 3 | 201,791 | 239,151 | 284,664 | 236,777 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 194,941 | 234,151 | 279,664 | 231,777 |
| Special Fund | | | | 0 | 5,000 | 5,000 | 5,000 |
| Interdepartmental Transfer | | | | 6,850 | 0 | 0 | 0 |
| TOTAL | | | | 201,791 | 239,151 | 284,664 | 236,777 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Commission on Women**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 154,158 | 174,809 | 210,809 | 182,561 |
| Operating Expenses | 47,633 | 64,342 | 73,855 | 54,216 |
| TOTAL | 201,791 | 239,151 | 284,664 | 236,777 |
| FUND TYPE | | | | |
| General Fund | 194,941 | 234,151 | 279,664 | 231,777 |
| Special Fund | 0 | 5,000 | 5,000 | 5,000 |
| Interdepartmental Transfer | 6,850 | 0 | 0 | 0 |
| TOTAL | 201,791 | 239,151 | 284,664 | 236,777 |

## Department Mission Statement

State funding to RSVP, which amounts to 10%-15% of the projects operating budget, helps to further the mission of meeting local community needs through the utilization of the skills and talents of volunteers.

## Description of Appropriations, Divisions, & Programs

The Retired and Senior Volunteer Program is one of three volunteer programs within the Senior Corps funded by the Corporation for National and Community Service by the National Service Trust Act of 1993. RSVP recruits persons 55 and older to serve as volunteers in a variety of non-profit agencies and health care facilities. RSVP volunteers provide a wide range of services to meet critical community needs. They may serve as from as little as 1 to as many as 40 hours a week. Their volunteer service is non-stipended. In Vermont there are currently over 3,483 volunteers who, in grant year 2002, gave 409,465 hours of service to over 774 community non-profit organizations. These organizations include schools, aging programs, cultural organizations, libraries, hospitals, social service agencies, health care organizations, and many others.

State funding has been provided since FY 77 under Act No. 185 of the 1977 Adjourned Session. The Act reads: "…funds shall be administered by the Department of Aging and Disabilities and be disbursed by it to each local program to meet direct costs incurred by supporting volunteers such as insurance, travel, and meals".

State funds are awarded, based on an agreed-upon formula, to the following non-profit agencies who sponsor RSVP programs:

United Way of Chittenden County, Grantee for Chittenden County RSVP
Rutland Mental Health Services, Inc., Grantee for Addison and Rutland County RSVP
Green Mt Chapter of American Red Cross, Grantee for Bennington County RSVP
Central VT Council on Aging, Grantee for RSVP for Central Vermont (Washington, Orange, Lamoille Counties) and Northeast Kingdom (Orleans, Essex & Caledonia Counties).
Health Care Rehabilitation Services, Inc., Grantee for Windham & Windsor Counties RSVP.

State funding for RSVP, which amounts to 10% - 15% of the project's operating budget, helps to further the mission of RSVP of meeting local community needs through the utilization of the skills and talents of volunteers.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Retired Senior Volunteer Program**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Retired Senior Volunteer Program | 0 | 0 | 0 | 120,949 | 123,567 | 123,567 | 121,096 |
| TOTAL | 0 | 0 | 0 | 120,949 | 123,567 | 123,567 | 121,096 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 120,949 | 123,567 | 123,567 | 121,096 |
| TOTAL | | | | 120,949 | 123,567 | 123,567 | 121,096 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Retired Senior Volunteer Program**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 120,949 | 123,567 | 123,567 | 121,096 |
| TOTAL | 120,949 | 123,567 | 123,567 | 121,096 |
| FUND TYPE | | | | |
| General Fund | 120,949 | 123,567 | 123,567 | 121,096 |
| TOTAL | 120,949 | 123,567 | 123,567 | 121,096 |

## Department Mission Statement

The Vermont Veterans' Home shall have as its primary purpose the creation and maintenance of a program of residential care administered with a view to providing the highest quality of medical and nursing care, pain management, emotional and psychological support to eligible veterans, spouses of veterans, and eligible parents of veterans.

The Vermont Veterans' Home shall also provide domiciliary services and a rehabilitative program to eligible veterans.

The focus of the Vermont Veterans' Home will be the individual residents of the Home, recognizing that each resident is unique and deserves a safe and caring environment that promotes a sense of dignity, self respect, and choice. This goal will be reached using resident-centered teams of highly motivated staff and delivering to each resident a program of high-quality physical and psychological services that address each resident's individual needs.

To achieve the highest level of care possible for resident, the administration of the Vermont Veterans' Home will strive to:

* hire and retain high-quality health care professionals,;

* pursue programs that offer best medical and nursing practices; and

* maximize participation of each resident in making and carrying out procedures and processes that are intended to benefit the medical, emotional, and psychological well-being of the resident.

In order to maintain an atmosphere conducive to the well-being of each resident, the Vermont Veterans' Home will maintain an environment that is characterized by:

* continuity of care;

* daily social and recreational activities that serve to maintain vigor, reduce anxiety and enhance feelings of self-worth;

* aesthetically pleasing surroundings;

* and procedures that maximize the personal safety of each resident.

## Description of Appropriations, Divisions, & Programs

Budget figures are based upon a General Fund Appropriation of $969,037. This appropriation may be transferred, with the approval of the Secretary of Administration, funds which equal the appropriation to the department of prevention, assistance, transition and health access, (Medicaid), for the purposes of facilitating the Medicaid rate adjustment approved in fiscal year ending June 30, 2004. The budget revenue is based on a census of 166 residents per day. This represents a 3% increase over our present census of 161 and would fill the nursing home to 94% of available beds.

We anticipate the need to use approximately 68% of the general fund appropriation, ($662,738), to cover the salary and benefit increases. Other payment sources include the Veterans Administration, Vermont Medicaid, New York Medicaid, Medicare and private revenue. The Veterans Administration provides approximately 21% of the home's budget. Their payments to the home are a per diem payment based on the number of veteran resident days, which is approximately 94% of our census. VA monies are paid to the home and are to be used "toward the care of the veteran". Vermont Medicaid census represents 67% of the population and provides 53% of our revenue. Private pay census is 16% of the resident population and approximately 11% of the budget. Medicare resident census is about 12% of resident days and 9 % of the budget. The balance of our funding comes from our New York Medicaid residents that run about 5% of the residents and 3% of the budget.

### Programs

The Vermont Veterans' Home takes pride in delivering the highest quality of care to all the residents. In addition to our promise to care for each of our residents with the dignity and respect they deserve, we have developed some specialized programs that further enhance the quality of life for each of our residents.

1) Dementia Care - As the need for dementia care has increased, the Vermont Veterans' Home has met that need by increasing the number of dementia beds available. We have further developed our activity based programming that has been very successful. The activities programming have enhanced the quality of life for many of our dementia residents and served as a comfort to our resident families.

2) Palliative Care - The home allows families of residents to be comfortable and near their loved one during the end stage of life. Guest accommodations are available for those that are in need, particularly those who live a distance from the home. Grant monies enabled the home to open a palliative care library that serves as both a quiet place to go and a resource for end of life issues. Our Chapel is available for both the resident and their families.

3) Pain Management - Pain management is an utmost priority to the staff at the Vermont Veterans' Home. Ongoing education in this area allows the staff through observation such as a change in behavior patterns, increased agitation, changes in appetite, and body language, to identify pain and seek treatment

for even the totally dependent resident. We will continue to focus on a delivery of care that includes the management of pain.

4) Wound Care - The Vermont Veterans' Home has a very passionate and knowledgeable team led by our Director of Nurses that has met with great success in preventing, identifying, reducing or eliminating wounds. We are expanding our staff of wound care professionals by providing wound care training.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Veterans' Home**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Care and Support Services | 217 | 220 | 220 | 12,446,340 | 13,033,841 | 13,033,841 | 14,647,791 |
| TOTAL | 217 | 220 | 220 | 12,446,340 | 13,033,841 | 13,033,841 | 14,647,791 |
| FUND TYPE | | | | | | | |
| General Fund | | | | (35) | 964,171 | 964,171 | 969,037 |
| Special Fund | | | | 9,304,408 | 7,477,877 | 7,477,877 | 8,855,527 |
| Federal Revenue Fund | | | | 3,141,967 | 4,591,793 | 4,591,793 | 4,823,227 |
| TOTAL | | | | 12,446,340 | 13,033,841 | 13,033,841 | 14,647,791 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 10,172,808 | 10,556,446 | 10,636,478 | 11,886,014 |
| Operating Expenses | 2,273,532 | 2,477,395 | 2,397,363 | 2,761,777 |
| TOTAL | 12,446,340 | 13,033,841 | 13,033,841 | 14,647,791 |
| FUND TYPE | | | | |
| General Fund | (35) | 964,171 | 964,171 | 969,037 |
| Special Fund | 9,304,408 | 7,477,877 | 7,477,877 | 8,855,527 |
| Federal Revenue Fund | 3,141,967 | 4,591,793 | 4,591,793 | 4,823,227 |
| TOTAL | 12,446,340 | 13,033,841 | 13,033,841 | 14,647,791 |

## Department Mission Statement

For the past 75 years, Vermont Association for the Blind & Visually Impaired (VABVI) has been, and remains, the only private, non-profit Agency in the State providing services, training, and support exclusively to Vermonters who are blind or visually impaired. The skills training they receive enables them to achieve and maintain independence.

## Description of Appropriations, Divisions, & Programs

This appropriation is to support the work of the Vermont Association for the Blind and Visually Impaired. It is in addition to the grant support provided through the Department of Aging and Disabilities

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Assoc for Blind and Visually Impaired**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Assoc for Blind and Visually Impaired | 0 | 0 | 0 | 24,447 | 24,447 | 24,447 | 23,958 |
| TOTAL | 0 | 0 | 0 | 24,447 | 24,447 | 24,447 | 23,958 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 24,447 | 24,447 | 24,447 | 23,958 |
| TOTAL | | | | 24,447 | 24,447 | 24,447 | 23,958 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Assoc for Blind and Visually Impaired**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 24,447 | 24,447 | 24,447 | 23,958 |
| TOTAL | 24,447 | 24,447 | 24,447 | 23,958 |
| FUND TYPE | | | | |
| General Fund | 24,447 | 24,447 | 24,447 | 23,958 |
| TOTAL | 24,447 | 24,447 | 24,447 | 23,958 |

## Department Mission Statement

In partnership with others, the Department of Employment and Training provides individuals with services, information and support to obtain and keep good jobs and provides employers with services, information and support to recruit and maintain a productive workforce.

PRIMARY OBJECTIVES:

* To provide income security for Vermont workers, and economic stability for Vermont through the Unemployment Insurance Program;

* To develop and maintain world class employment service and job training programs accessible to all Vermont job seekers and employers by Internet, phone, and regional One-Stop Career Resource Centers;

* To collect and publish comprehensive and highly useful labor market information centering on Vermont economic activity;

* To work in close alliance with the Human Resources Investment Council (HRIC) and its regional Workforce Investment Boards (WIBs) in partnership with public and private employers to build the most effective work force development system with special attention to disadvantaged populations and youth.

## Description of Appropriations, Divisions, & Programs

DET is well positioned to address the challenges of Vermont's economy because its unemployment insurance system is effective and rests on a healthy Trust Fund and its comprehensive labor exchange capacity is melded with a broad array of training options. The "One-Stop" concept for employment and training services is also serving Vermont's employers well by providing many approaches in the effort to establish a skilled workforce. Apprenticeship, federally funded Job Training programs, Workforce Education & Training Fund, Veteran's employment programs, federal tax credits, Unemployment Insurance protection, and access to TANF resources are all critical tools used by DET Staff to help individuals become skilled workers for Vermont employers. DET, in partnership with many diverse service providers, has been very successful in helping many Vermonters. Special emphasis has been placed on the transition from welfare to work. In the past year, the department served nearly 30,000 new job seekers and over 3,500 employers through its Career Resource Centers. DET helps to enhance the job specific skills of approximately 1,500 youth and adults annually through a variety of job and classroom training programs and offers priority employment services to veterans. In addition, DET has

processed 38,000 Initial Unemployment Compensation claims and paid 357,000 continued claims through its UI Call Center through the first three quarters of calendar 2003.

All Vermonters are provided access to a comprehensive array of self-help and staff assisted services through a network of 12 strategically located one-stop career resource centers statewide. The one-stop Career Resource Centers offer a variety of job training programs for the economically disadvantaged, youth and dislocated workers, a comprehensive automated labor exchange system, and re-employment services for unemployment program claimants. In addition, the Career Resource Centers offer user-friendly labor market and occupational information, comprehensive testing and assessment services, and career guidance. DET employer relations consultants work in partnership with Vermont's employers to streamline employee recruitment and directly assist them in developing skilled workers.

MAJOR DEPARTMENTAL ACTIVITIES:

* Administration of all Employment Service Activities
* Administration of the Unemployment Insurance Program
* Administration of the Workforce Investment Act
* Administration of Trade Act, NAFTA, and Veterans Programs
* Administration of Programs related to the Bureau of Labor Statistics
* Administration of the State Registered Apprenticeship Program
* Administration of the Workforce Education and Training Fund
* Administration of the Vermont High Skills Technology Grant
* Administration (with Vocational Rehabilitation) of the Vermont Innovative Alignment Grant
* Administration of two High Skill Training Grants to address the Information Technology and Health Care needs of the state.
*Administration of Disability Program Navigator Initiative

CUSTOMER ACCESS:

* Through twelve (12) One-Stop Career Resource Centers statewide
* By phone access to job listings and labor market information
* Internet access to DET services; labor market and occupational information; a resume directory; and local, regional, and national job listings through DET's Homepage on the World Wide Web with links to:
* America's Job Bank/America's Workforce Network
* Phone access for all claims for Unemployment Insurance benefits
* The U.S. Bureau of Labor Statistics
* Vermont Educational Institutions
* Vermont Student Assistance Corporation (educational and financial aid

information)
* Vermont Talent Bank
* Other Federal and State agencies.

GOALS/OBJECTIVES BEYOND THOSE LISTED IN MISSION STATEMENT:

* To continue to develop ways to realize cost efficiencies while maintaining comprehensive automated and personalized services to all Vermonters;

* To help employers meet their human resource needs by providing comprehensive automated labor exchange services, comprehensive labor market information, and a training brokering service for their workforce;

* To enhance and maintain a viable workforce through job training programs and job placement activities designed to assist economically disadvantaged youth and adults, people with disabilities, dislocated workers, ex-offenders, veterans and the elderly. These activities require close working relationships with employers, community-based organizations, schools, and other state agencies;

* To coordinate with the Vermont Agency of Commerce and Community Development in activities that relate to business expansions and closures, and to meet the training needs relating to existing and prospective employees;

* To work closely with the Department of Education regarding youth and adult vocational and essential skills education, and the on-going integration of school to career activities in K-12 curricula; and the Agency of Human Services to train and provide a full array of reemployment services to low income Vermonters with special attention to offenders and ex-offenders;

* To work collaboratively with the Department of Prevention, Assistance, Transition and Health Access (PATH) to provide training and job placement services to TANF recipients participating in welfare reform activities;

* To coordinate services with the Vermont Student Assistance Corporation to assure DET customers have access to educational and financial aid counseling at the one-stop Career Resource Centers;

* To provide career guidance, job information, and job search activities to Community College of Vermont students through our one-stop Career Resource Centers;

* To assure the one-stop Career Resource Centers and all DET services are handicapped accessible and provide extensive services to individuals with disabilities through a close working relationship with the Department of Vocational Rehabilitation;

* To continue development and expansion of the Registered Apprenticeship program which meets the needs of employers and workers by developing the skills necessary for a high-wage, high-skills work force;

* To continue to support innovative incumbent worker skills training leading to increase wages for Vermont workers through the Workforce Education & Training Fund (WETF).

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Employment and Training | 330 | 345 | 307 | 27,277,783 | 29,294,934 | 28,083,603 | 25,623,969 |
| TOTAL | 330 | 345 | 307 | 27,277,783 | 29,294,934 | 28,083,603 | 25,623,969 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 1,236,959 | 1,107,259 | 1,107,259 | 1,086,261 |
| Special Fund | | | | 135,754 | 160,000 | 160,000 | 166,000 |
| Federal Revenue Fund | | | | 22,830,078 | 25,063,952 | 23,531,875 | 20,618,541 |
| Interdepartmental Transfer | | | | 3,074,992 | 2,963,723 | 3,284,469 | 3,753,167 |
| TOTAL | | | | 27,277,783 | 29,294,934 | 28,083,603 | 25,623,969 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Employment and Training**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 20,715,933 | 21,822,228 | 20,253,367 | 19,992,849 |
| Operating Expenses | 4,365,631 | 4,781,619 | 4,626,177 | 3,962,858 |
| Grants | 2,196,219 | 2,691,087 | 3,204,059 | 1,668,262 |
| TOTAL | 27,277,783 | 29,294,934 | 28,083,603 | 25,623,969 |
| FUND TYPE | | | | |
| General Fund | 1,236,959 | 1,107,259 | 1,107,259 | 1,086,261 |
| Special Fund | 135,754 | 160,000 | 160,000 | 166,000 |
| Federal Revenue Fund | 22,830,078 | 25,063,952 | 23,531,875 | 20,618,541 |
| Interdepartmental Transfer | 3,074,992 | 2,963,723 | 3,284,469 | 3,753,167 |
| TOTAL | 27,277,783 | 29,294,934 | 28,083,603 | 25,623,969 |

## Department Mission Statement

The Department of Education is embarking on a new strategic planning process slated to be completed by June 30. In the course of that work the department's mission statement will likely be revised. Until such time the department will continue to work under the current mission statement written below.

The Department of Education guides and supports the educational system, with the goal that every Vermont student becomes a competent, caring, creative, productive, and responsible citizen committed to continued learning throughout life. The Department works as a partner with organizations, and supports students and families, educational leaders, and federal, state and local decision-makers, to ensure that every student receives an equal educational opportunity. To achieve this goal, the Department focuses on enabling students to:

-- Enter school ready and eager to learn,

-- Meet or exceed rigorous academic standards in a safe and civil school environment,

-- Acquire skills to make informed, positive choices about their health and safety, and the well being of others, and to participate effectively in a democratic society, and

-- Apply learning beyond high school

## Description of Appropriations, Divisions, & Programs

The Department of Education is embarking on a new strategic planning process slated to be completed by June 30. In the course of that work the department's structure will likely be revised. Until such time the department will continue to work under the current structure described below.

Finance and Administration: Provides information technology, business and financial management, human resources, school district accounting, Medicaid and special education administration and accounting, legal support and complaint investigation, and public relations and legislative support.

Standards and Assessment: Responsible for accountability requirements of Act 60, federal Title I and IDEA, technical assistance to identified schools, and continued improvement of accountability systems. Areas include school improvement, accountability, data research and development, and standards and learning opportunities.

Education Quality: Responsible for educator and school quality including curriculum and instruction, school construction, home and independent study, professional development and licensing, leadership development and educational technology. Responsible for strengthening schools' ability to provide a safe, civil, and orderly learning environment including safe schools, child nutrition, highway and drivers education, substance abuse and prevention and coordinated school health. Responsible for providing services to students with disabilities or who are otherwise disadvantaged as required by Acts 230, 157, and 117. Responsible for overseeing early education and preschool programs. Responsible for integrating adult education programs and strengthening student experiences through career development and community-based learning, improving curricula and assessment in adult education programs, and integrating high academic and industry standards into technical education programs.

Tobacco: Tobacco Use Prevention funds administered by the Department of Education awarded directly to schools to conduct research-based tobacco prevention programs.

Act 117: Responsible for strengthening regular education capacity to better meet the needs of all students outside of special education programs, addressing staff shortages in special education instruction and special education administration, developing a consistent approach to decision-making regarding special education eligibility, and enhancing prevention and intervention in the areas of early literacy and emotional and behavioral skills problems.

Adult Education and Literacy: Funding for the four community nonprofit organizations which deliver the statewide adult basic education program distributed through a county needs-based formula.

Small Schools Grant: Grant to assist small schools with high per pupil fixed costs. Available to schools with enrollment of less than 100 students or less than 20 students per grade.

Special Education Formula: State share of special education funding including a block grant, reimbursement for extraordinary expenses, and intensive reimbursement.

State Placed Students: Reimbursement to LEA's for non mainstream special education services and residential placements for students placed by the Department of Social and Rehabilitation Services or the Department of Mental Health in a school district outside of the parents' district of residence.

Capital Debt Service Aid: Formula grants to eligible school districts for principal and interest on capital construction projects. This aid has dramatically been reduced by the higher funding levels of Act 68.

Transportation: Funds used for formula reimbursement for a portion of school transportation expenses.

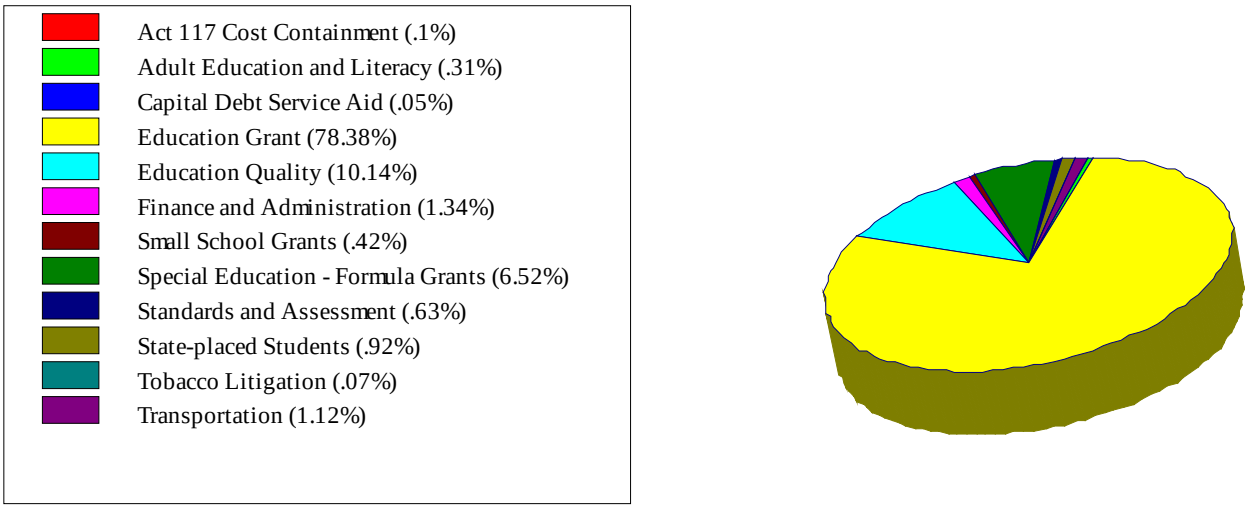
Education Grant: Funding for education spending under act 68 being implemented for the first time in FY 2005. The education spending amount can be thought of as the addition of what used to be the block grant and above block spending.

Civic Education: Funds to assist schools to participate in the national Civic Education Program about the history and philosophy of the US Constitution and the Bill of Rights.

Fiscal Review Panel: Appropriation for the panel constituted under Act 71 to review spending patterns and the delivery of special education services, cost control mechanisms, and special education data collection and reporting.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Finance and Administration | 55 | 56 | 57 | 15,035,904 | 15,691,285 | 16,180,522 | 15,769,337 |
| Standards and Assessment | 24 | 26 | 25 | 5,843,011 | 7,784,771 | 8,254,652 | 7,355,586 |
| Education Quality | 109 | 108 | 103 | 98,827,043 | 103,711,708 | 114,845,898 | 119,289,707 |
| Special Education - Formula Grants | 0 | 0 | 0 | 69,746,255 | 74,702,258 | 74,702,258 | 76,721,713 |
| State-placed Students | 0 | 0 | 0 | 9,105,462 | 10,689,886 | 10,200,842 | 10,842,880 |
| Adult Education and Literacy | 0 | 0 | 0 | 3,580,310 | 3,590,310 | 3,646,559 | 3,701,018 |
| Education Grant | 0 | 0 | 0 | 601,217,598 | 619,700,000 | 618,881,419 | 922,172,529 |
| Transportation | 0 | 0 | 0 | 12,727,957 | 12,922,700 | 12,922,704 | 13,169,788 |
| Small School Grants | 0 | 0 | 0 | 4,759,281 | 5,023,842 | 4,894,991 | 5,000,000 |
| Capital Debt Service Aid | 0 | 0 | 0 | 3,077,723 | 2,126,341 | 2,000,496 | 565,240 |
| Local Share Property Tax | 0 | 0 | 0 | 38,814,030 | 42,000,000 | 40,730,622 | 0 |
| Fiscal Review Panel | 0 | 0 | 0 | 43,048 | 0 | 3,349 | 0 |
| Civic Education | 0 | 0 | 0 | 5,318 | 0 | 0 | 0 |
| Tobacco Litigation | 4 | 4 | 4 | 813,738 | 878,980 | 858,565 | 864,093 |
| Act 117 Cost Containment | 19 | 19 | 17 | 1,154,477 | 1,054,186 | 904,086 | 1,128,017 |
| TOTAL | 211 | 213 | 206 | 864,751,155 | 899,876,267 | 909,026,963 | 1,176,579,908 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 14,003,880 | 13,213,192 | 13,216,541 | 13,112,400 |
| Transportation Fund | | | | 655,117 | 648,155 | 648,155 | 520,672 |
| Education Fund | | | | 747,397,381 | 775,541,097 | 772,709,402 | 1,037,261,044 |
| Special Fund | | | | 1,888,211 | 2,517,774 | 2,255,734 | 2,523,912 |
| Federal Revenue Fund | | | | 87,278,390 | 93,891,391 | 106,495,893 | 109,684,625 |
| Interdepartmental Transfer | | | | 13,528,176 | 14,064,658 | 13,701,238 | 13,477,255 |
| TOTAL | | | | 864,751,155 | 899,876,267 | 909,026,963 | 1,176,579,908 |


Act 117 Cost Containment (.1%)
Adult Education and Literacy (.31%)
Capital Debt Service Aid (.05%)
Education Grant (78.38%)
Education Quality (10.14%)
Finance and Administration (1.34%)
Small School Grants (.42%)
Special Education - Formula Grants (6.52%)
Standards and Assessment (.63%)
State-placed Students (.92%)
Tobacco Litigation (.07%)
Transportation (1.12%)

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 3,257,659 | 3,536,944 | 3,895,702 | 3,914,851 |
| Operating Expenses | 1,138,541 | 1,154,341 | 1,284,820 | 1,254,486 |
| Grants | 10,639,704 | 11,000,000 | 11,000,000 | 10,600,000 |
| TOTAL | 15,035,904 | 15,691,285 | 16,180,522 | 15,769,337 |
| FUND TYPE | | | | |
| General Fund | 2,974,628 | 2,965,226 | 2,965,226 | 2,912,037 |
| Special Fund | 17,119 | 19,943 | 18,868 | 20,088 |
| Federal Revenue Fund | 1,012,108 | 1,239,618 | 1,685,874 | 1,717,098 |
| Interdepartmental Transfer | 11,032,049 | 11,466,498 | 11,510,554 | 11,120,114 |
| TOTAL | 15,035,904 | 15,691,285 | 16,180,522 | 15,769,337 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 3,916,082 | 5,686,306 | 6,363,990 | 5,006,420 |
| Operating Expenses | 458,046 | 625,485 | 543,804 | 559,473 |
| Grants | 1,468,883 | 1,472,980 | 1,346,858 | 1,789,693 |
| TOTAL | 5,843,011 | 7,784,771 | 8,254,652 | 7,355,586 |
| FUND TYPE | | | | |
| General Fund | 2,394,929 | 2,191,114 | 2,191,114 | 2,029,075 |
| Special Fund | 13,397 | 34,000 | 14,500 | 2,000 |
| Federal Revenue Fund | 3,314,685 | 5,439,879 | 5,929,038 | 5,204,511 |
| Interdepartmental Transfer | 120,000 | 119,778 | 120,000 | 120,000 |
| TOTAL | 5,843,011 | 7,784,771 | 8,254,652 | 7,355,586 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Education Quality**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 6,069,922 | 6,853,846 | 6,515,676 | 6,512,872 |
| Operating Expenses | 1,268,325 | 1,755,270 | 1,608,865 | 1,657,824 |
| Grants | 91,488,796 | 95,102,592 | 106,721,357 | 111,119,011 |
| TOTAL | 98,827,043 | 103,711,708 | 114,845,898 | 119,289,707 |
| FUND TYPE | | | | |
| General Fund | 5,730,353 | 5,339,453 | 5,339,453 | 5,453,889 |
| Transportation Fund | 655,117 | 648,155 | 648,155 | 520,672 |
| Education Fund | 7,949,075 | 8,376,070 | 8,376,070 | 8,788,894 |
| Special Fund | 1,043,957 | 1,584,851 | 1,363,801 | 1,637,731 |
| Federal Revenue Fund | 81,988,686 | 86,338,983 | 97,951,821 | 101,779,397 |
| Interdepartmental Transfer | 1,459,855 | 1,424,196 | 1,166,598 | 1,109,124 |
| TOTAL | 98,827,043 | 103,711,708 | 114,845,898 | 119,289,707 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Special Education - Formula Grants**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 69,746,255 | 74,702,258 | 74,702,258 | 76,721,713 |
| TOTAL | 69,746,255 | 74,702,258 | 74,702,258 | 76,721,713 |
| FUND TYPE | | | | |
| Education Fund | 69,746,255 | 74,702,258 | 74,702,258 | 76,721,713 |
| TOTAL | 69,746,255 | 74,702,258 | 74,702,258 | 76,721,713 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**State-placed Students**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 9,105,462 | 10,689,886 | 10,200,842 | 10,842,880 |
| TOTAL | 9,105,462 | 10,689,886 | 10,200,842 | 10,842,880 |
| FUND TYPE | | | | |
| Education Fund | 9,105,462 | 10,689,886 | 10,200,842 | 10,842,880 |
| TOTAL | 9,105,462 | 10,689,886 | 10,200,842 | 10,842,880 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Adult Education and Literacy**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 3,580,310 | 3,590,310 | 3,646,559 | 3,701,018 |
| TOTAL | 3,580,310 | 3,590,310 | 3,646,559 | 3,701,018 |
| FUND TYPE | | | | |
| General Fund | 2,617,399 | 2,717,399 | 2,717,399 | 2,717,399 |
| Federal Revenue Fund | 962,911 | 872,911 | 929,160 | 983,619 |
| TOTAL | 3,580,310 | 3,590,310 | 3,646,559 | 3,701,018 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Education Grant**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 601,217,598 | 619,700,000 | 618,881,419 | 922,172,529 |
| TOTAL | 601,217,598 | 619,700,000 | 618,881,419 | 922,172,529 |
| FUND TYPE | | | | |
| Education Fund | 601,217,598 | 619,700,000 | 618,881,419 | 922,172,529 |
| TOTAL | 601,217,598 | 619,700,000 | 618,881,419 | 922,172,529 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 12,727,957 | 12,922,700 | 12,922,704 | 13,169,788 |
| TOTAL | 12,727,957 | 12,922,700 | 12,922,704 | 13,169,788 |
| FUND TYPE | | | | |
| Education Fund | 12,727,957 | 12,922,700 | 12,922,704 | 13,169,788 |
| TOTAL | 12,727,957 | 12,922,700 | 12,922,704 | 13,169,788 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Small School Grants**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 4,759,281 | 5,023,842 | 4,894,991 | 5,000,000 |
| TOTAL | 4,759,281 | 5,023,842 | 4,894,991 | 5,000,000 |
| FUND TYPE | | | | |
| Education Fund | 4,759,281 | 5,023,842 | 4,894,991 | 5,000,000 |
| TOTAL | 4,759,281 | 5,023,842 | 4,894,991 | 5,000,000 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Capital Debt Service Aid**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 3,077,723 | 2,126,341 | 2,000,496 | 565,240 |
| TOTAL | 3,077,723 | 2,126,341 | 2,000,496 | 565,240 |
| FUND TYPE | | | | |
| Education Fund | 3,077,723 | 2,126,341 | 2,000,496 | 565,240 |
| TOTAL | 3,077,723 | 2,126,341 | 2,000,496 | 565,240 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Local Share Property Tax**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 38,814,030 | 42,000,000 | 40,730,622 | 0 |
| TOTAL | 38,814,030 | 42,000,000 | 40,730,622 | 0 |
| FUND TYPE | | | | |
| Education Fund | 38,814,030 | 42,000,000 | 40,730,622 | 0 |
| TOTAL | 38,814,030 | 42,000,000 | 40,730,622 | 0 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Operating Expenses | 2,048 | 0 | 3,349 | 0 |
| Grants | 41,000 | 0 | 0 | 0 |
| TOTAL | 43,048 | 0 | 3,349 | 0 |
| FUND TYPE | | | | |
| General Fund | 43,048 | 0 | 3,349 | 0 |
| TOTAL | 43,048 | 0 | 3,349 | 0 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Civic Education**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,402 | 0 | 0 | 0 |
| Operating Expenses | 3,380 | 0 | 0 | 0 |
| Grants | 536 | 0 | 0 | 0 |
| TOTAL | 5,318 | 0 | 0 | 0 |
| FUND TYPE | | | | |
| General Fund | 5,318 | 0 | 0 | 0 |
| TOTAL | 5,318 | 0 | 0 | 0 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Tobacco Litigation**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 156,615 | 159,089 | 136,275 | 141,803 |
| Operating Expenses | 26,936 | 23,961 | 26,360 | 26,360 |
| Grants | 630,187 | 695,930 | 695,930 | 695,930 |
| TOTAL | 813,738 | 878,980 | 858,565 | 864,093 |
| FUND TYPE | | | | |
| Special Fund | 813,738 | 878,980 | 858,565 | 864,093 |
| TOTAL | 813,738 | 878,980 | 858,565 | 864,093 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Act 117 Cost Containment**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 994,867 | 931,143 | 756,849 | 973,780 |
| Operating Expenses | 114,839 | 58,043 | 82,237 | 89,237 |
| Grants | 44,771 | 65,000 | 65,000 | 65,000 |
| TOTAL | 1,154,477 | 1,054,186 | 904,086 | 1,128,017 |
| FUND TYPE | | | | |
| General Fund | 238,205 | 0 | 0 | 0 |
| Interdepartmental Transfer | 916,272 | 1,054,186 | 904,086 | 1,128,017 |
| TOTAL | 1,154,477 | 1,054,186 | 904,086 | 1,128,017 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**General Fund Approp to Ed Fund**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 240,863,322 | 268,400,000 | 268,400,000 | 239,795,935 |
| TOTAL | 240,863,322 | 268,400,000 | 268,400,000 | 239,795,935 |
| FUND TYPE | | | | |
| General Fund | 240,863,322 | 268,400,000 | 268,400,000 | 239,795,935 |
| TOTAL | 240,863,322 | 268,400,000 | 268,400,000 | 239,795,935 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**GF Approp to Health Access Trust Fd**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 68,550,857 | 68,550,857 | 68,550,857 | 68,865,572 |
| TOTAL | 68,550,857 | 69,550,857 | 68,550,857 | 68,865,572 |
| FUND TYPE | | | | |
| General Fund | 68,550,857 | 68,550,857 | 68,550,857 | 68,865,572 |
| TOTAL | 68,550,857 | 69,550,857 | 68,550,857 | 68,865,572 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Tobacco Approp to Hlth Access Trst Fd**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 17,250,000 | 17,250,000 | 17,250,000 | 17,250,000 |
| TOTAL | 17,250,000 | 17,250,000 | 17,250,000 | 17,250,000 |
| FUND TYPE | | | | |
| Special Fund | 17,250,000 | 17,250,000 | 17,250,000 | 17,250,000 |
| TOTAL | 17,250,000 | 17,250,000 | 17,250,000 | 17,250,000 |

## Department Mission Statement

The State Teachers' Retirement System of Vermont is the uniform public pension plan covering all public school teachers and administrators in the state. It was created in 1947 and is now governed by Title 16, V.S.A., Chapter 55. It has undergone significant changes over the years, with the most recent being the implementation of a non-contributory group with major benefit reforms as provided by Act No 41 of 1981, and a significant change in a return to a mandatory contributory system as of July 1, 1990.

The system consists of approximately 10,355 active members, 583 vested terminated members and approximately 4,169 retirees and beneficiaries.

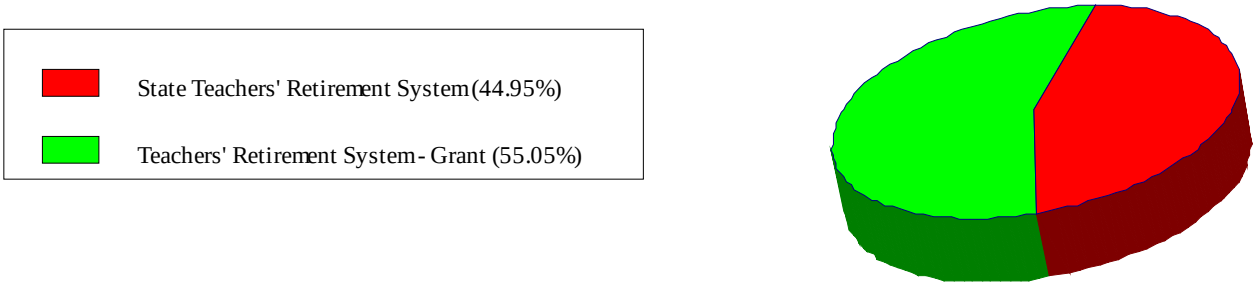
Administration of the system involves the management of the assets of the retirement fund as well as the administration of the benefits and recordkeeping for the membership. The market value of the fund was about $1,099 million as of June 30, 2003, compared with about $1,066 million as of June 30, 2002. The system paid $50.5 million in retirement benefits during fiscal year 2003.

A Retirement Board of Trustees is responsible for the administration of the system. The Board consists of the State Treasurer, Commissioner of Education, Commissioner of Banking, Insurance, Securities and Health Care Administration, two active members elected by the membership, and one retired teacher appointed by the Vermont Retired Teachers' Association. Staff is provided by the Retirement Division of the State Treasurer's Office, which also administers the State Employees' and Municipal Retirement Systems.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## State Teachers' Retirement System

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Teachers' Retirement System - Grant | 0 | 0 | 0 | 20,446,282 | 20,446,282 | 20,446,282 | 20,446,282 |
| State Teachers' Retirement System | 0 | 0 | 0 | 10,605,501 | 11,894,970 | 12,045,970 | 16,695,946 |
| TOTAL | 0 | 0 | 0 | 31,051,783 | 32,341,252 | 32,492,252 | 37,142,228 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 20,446,282 | 20,446,282 | 20,446,282 | 20,446,282 |
| Pension Trust Fund | | | | 10,605,501 | 11,894,970 | 12,045,970 | 16,695,946 |
| TOTAL | | | | 31,051,783 | 32,341,252 | 32,492,252 | 37,142,228 |



**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Teachers' Retirement System - Grant**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 20,446,282 | 20,446,282 | 20,446,282 | 20,446,282 |
| TOTAL | 20,446,282 | 20,446,282 | 20,446,282 | 20,446,282 |
| FUND TYPE | | | | |
| General Fund | 20,446,282 | 20,446,282 | 20,446,282 | 20,446,282 |
| TOTAL | 20,446,282 | 20,446,282 | 20,446,282 | 20,446,282 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**State Teachers' Retirement System**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 9,899,979 | 11,129,267 | 11,258,267 | 15,889,873 |
| Operating Expenses | 705,522 | 765,703 | 787,703 | 806,073 |
| TOTAL | 10,605,501 | 11,894,970 | 12,045,970 | 16,695,946 |
| FUND TYPE | | | | |
| Pension Trust Fund | 10,605,501 | 11,894,970 | 12,045,970 | 16,695,946 |
| TOTAL | 10,605,501 | 11,894,970 | 12,045,970 | 16,695,946 |

## Department Mission Statement

As a result of Act 60 of 1997, municipalites receive financial assistance from the state to support the collection of education tax revenue. All municipalities receives $7 per grand list parcel per year to help with the cost of reappraisals and maintenance of their grand lists. This program is administered by the Property Valuation and Review Division within the Tax Department.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Reappraisal and Listing Payments**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Reappraisal and Listing Payments | 0 | 0 | 0 | 2,259,446 | 2,364,500 | 2,364,500 | 2,266,000 |
| TOTAL | 0 | 0 | 0 | 2,259,446 | 2,364,500 | 2,364,500 | 2,266,000 |
| FUND TYPE | | | | | | | |
| Education Fund | | | | 2,259,446 | 2,364,500 | 2,364,500 | 2,266,000 |
| TOTAL | | | | 2,259,446 | 2,364,500 | 2,364,500 | 2,266,000 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Reappraisal and Listing Payments**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 2,259,446 | 2,364,500 | 2,364,500 | 2,266,000 |
| TOTAL | 2,259,446 | 2,364,500 | 2,364,500 | 2,266,000 |
| FUND TYPE | | | | |
| Education Fund | 2,259,446 | 2,364,500 | 2,364,500 | 2,266,000 |
| TOTAL | 2,259,446 | 2,364,500 | 2,364,500 | 2,266,000 |

## Department Mission Statement

The University of Vermont's mission is to prepare students to lead productive, responsible, creative lives and to create, interpret, and share knowledge, applying it for the benefit of Vermont and society as a whole. Chartered in 1791, the same year that Vermont became the fourteenth state in the Union, the University of Vermont was established as the fifth college in New England. It became the state's land-grant institution in 1865, when it was merged with the Vermont Agricultural College that had been formed one year earlier in accord with provisions of the Morrill Act. In 1955, the General Assembly recognized the University of Vermont and State Agricultural College "as an instrumentality of the State for providing public higher education." Previous to that recognition Vermont had annually appropriated funds specifically to the College of Medicine and to the Agricultural Services and had appropriated tuition scholarship funds for Vermont residents in certain fields of study.

Beginning in 1956, new funding subsidizing the cost of educating Vermont students was added to the appropriations going to the College of Medicine and Agricultural Services. From that date forward, the statutory requirement is that in-state tuition cannot exceed 40% of the out-of-state tuition rate.

## Description of Appropriations, Divisions, & Programs

The University of Vermont is comprised of seven separate undergraduate colleges and schools (the College of Agriculture and Life Sciences, the College of Arts and Science, the College of Education and Social Services, the College of Engineering and Mathematics, the School of Business, the College of Nursing and Health Sciences, the School of Natural Resources), a graduate college, a college of medicine, an extension system, and a division of continuing education that operates statewide and nationally. The university offers a rich environment for research, scholarship, and creative work in many realms of human inquiry, sharing the excitement and fruits of investigation and discovery with students and society.

The University lives out its mission through research, teaching, and service. This tripartite mission supports a full range of inquiry and application within the university and in the broader community. The University of Vermont is unique in the Vermont educational system because of its comprehensive and complex offerings. The University is involved not only in undergraduate education but also to a significant extent in graduate and professional education, research, and public service activities. These high level and complex educational opportunities which are vital for the welfare of this state are more costly than are programs of institutions that do not offer degrees in, for example, engineering, medicine, clinical health programs, advanced science, or agriculture. These areas, as well as the general educational mission of the University of Vermont, are critical for Vermont's well being in the future.

OUTCOMES/PERFORMANCE
Currently, the purpose of the state appropriation is to:

o Support the College of Medicine's education of medical students, and the medical profession;

o Fund the teaching, research, and public service activities of Extension, the Agricultural Experiment Station, and the related agricultural services; and,

o Subsidize tuition rates for Vermonters, but at a level that does not cover costs.

o While funding the University of Vermont's 2.0% state appropriation increase will allow the university to continue to provide these services to the State of Vermont, certain reductions will still be required. Overall, Vermont's economic future and quality of life is tied directly to the university's ability to function as an economic engine. The University of Vermont is a distinguished, comprehensive research university with a national reputation for quality. The University is a critical driver of economic growth in the State and an important industry in and of itself. The research dollars generated, the businesses created, the newly-educated professionals entering the workforce, and the hundreds of millions of dollars brought into Vermont from other states and countries by the University of Vermont are essential to Vermont's future vitality - especially now.

Higher Education is a Critical Driver of Economic Growth

o University spin-off companies include Bio-Tek Instruments, Ergomedics, Haematologic Technologies, Green Mountain Antibodies, Biomosaics.

o The University of Vermont helps small businesses through practical, research-based support..

o Alumni have established countless small businesses (almost 25,000 alumni - 30% of all alums --reside in Vermont).

o Higher education is a key path to facilitating innovation. According to a report by Economic & Policy Resources of Williston, it is anticipated that productivity gains from technological innovation will be the primary contributor to increasing income and rising wealth in the Northwest region of the state over the next two decades.

The University is a Substantial Vermont Industry

o The University of Vermont employs almost 3,400 employees with a total payroll of over $179 million, making it one of the largest employers in the State.

o Almost $290 million comes into the State of Vermont from out-of-state grants, contracts, appropriations, tuition, fees, room, board, discretionary spending, private giving, and visitors. These

numbers do not include the effects of the taxes, new business development, community service, etc., that is part of the economic impact equation.

o Research enterprise is thriving. Total sponsored programs awards to the University of Vermont for FY 2003 rose to $117 million, a 14 percent jump from FY 2002 and an all-time record.

o The University estimates during FY 2003, spending of approximately $62 million annually in supplies, materials, equipment, acquisition, and maintenance.

o It is estimated that in FY 2003, University employees spent $100 million in the local economy, students spent over $54 million, and visitors added another $9.0 million.

The competition for high quality students is fierce. The University's tuition remains among the highest in the nation for public institutions. In order to remain competitive, the University must make additional strategic investments to:

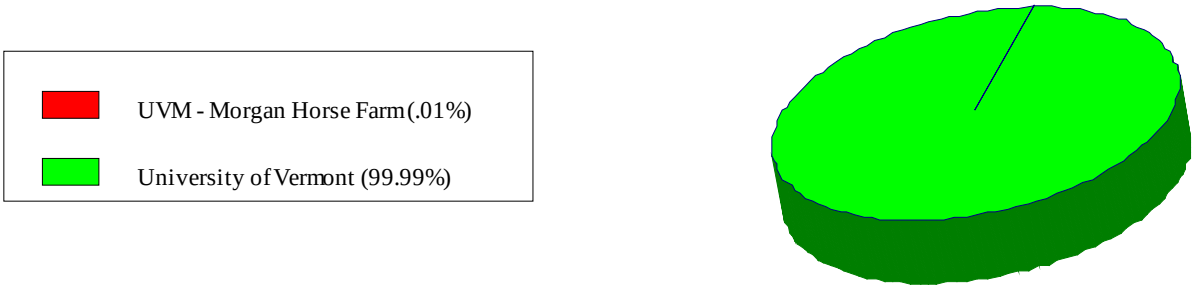
· Nurture and promote a reputation for academic excellence
· Recruit and retain high quality faculty and staff
· Construct and maintain excellent facilities
· Invest in state-of-the art technology
· Provide adequate financial aid for students who need it

These investments will allow the University of Vermont to maintain its position as a distinguished institution of higher learning, critical to the long-term economic security and overall vitality of Vermont. The University's plan to improve its competitive position involves strategic cost reductions, focused academic programming, and garnering additional resources from multiple sources including modest planned growth in the student body, private giving, and sponsored research. Increased State investment is another key source of support and will be critical to our success.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**University of Vermont**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| University of Vermont | 0 | 0 | 0 | 36,197,999 | 36,922,057 | 36,922,057 | 37,569,431 |
| UVM - Morgan Horse Farm | 0 | 0 | 0 | 4,919 | 5,000 | 5,000 | 5,000 |
| TOTAL | 0 | 0 | 0 | 36,202,918 | 36,927,057 | 36,927,057 | 37,574,431 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 36,202,918 | 36,927,057 | 36,927,057 | 37,574,431 |
| TOTAL | | | | 36,202,918 | 36,927,057 | 36,927,057 | 37,574,431 |



**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**University of Vermont**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 36,197,999 | 36,922,057 | 36,922,057 | 37,569,431 |
| TOTAL | 36,197,999 | 36,922,057 | 36,922,057 | 37,569,431 |
| FUND TYPE | | | | |
| General Fund | 36,197,999 | 36,922,057 | 36,922,057 | 37,569,431 |
| TOTAL | 36,197,999 | 36,922,057 | 36,922,057 | 37,569,431 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**UVM - Morgan Horse Farm**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 4,919 | 5,000 | 5,000 | 5,000 |
| TOTAL | 4,919 | 5,000 | 5,000 | 5,000 |
| FUND TYPE | | | | |
| General Fund | 4,919 | 5,000 | 5,000 | 5,000 |
| TOTAL | 4,919 | 5,000 | 5,000 | 5,000 |

## Department Mission Statement

Vermont Public Television's core mission is to enrich Vermonters' lives, through broadcasting, new technologies and community outreach, with quality local and national programs and services, free from commercial influence, that educate and promote culture and citizenship.

The statewide network broadcasts a 24-hour schedule for children and adults that includes national PBS programs and local productions such as Vermont This Week, Report From Montpelier, Outdoor Journal, Profile and documentaries about Vermont's history. Educational outreach like the Ready to Learn service extends the value of what is on screen.

Vermont Public Television is a free, statewide broadcast service, funded by state appropriations, federal appropriations and community giving. It is the only non-commercial television station in Vermont. In a time of increasing media consolidation, it remains independent and locally owned.

While VPT continues the service it has provided to Vermonters since 1967, it is also engaged in converting its transmission system to digital broadcasting. Thanks to a combination of state and federal capital funding, VPT is partway through this federally mandated project. The transmitter that serves southeastern Vermont is now broadcasting in digital, and two others are scheduled for conversion in 2004.

## Description of Appropriations, Divisions, & Programs

VPT Is Programming and Services That Educate:
Vermont's children are at the heart of VPT's mission. VPT works with schools, parents, child care providers and the Dept. of Education to shape and extend its educational value. VPT encourages parents to monitor their children's use of television and watch with them. The commercial-free PBS programs on VPT inspire children to ask questions, solve problems, read books and explore science, nature, history and countless other fields. In 2003, two grant-funded initiatives have helped VPT expand its educational services to children.

Vermont's preschoolers at home and in day care, and older students educated in classrooms and at home, benefit from VPT's programming and outreach. Thanks to increased funding from the U.S. Dept. of Education, VPT expanded its Ready to Learn early literacy outreach service last fall. VPT's Ready to Learn coordinator provides training, resources and support for parents and early education providers in partnership with Head Starts, schools and other organizations. The goal of the Ready to Learn service is to train parents and educators to use television, books and other resources to help prepare children to enter school with the basic reading skills and knowledge they need to be successful.

For older children, VPT broadcasts instructional programming and maintains an extensive video library for classroom and home teachers. Last fall, thanks to grants from businesses and agencies, including the Vermont Dept. of Education and Vermont Dept. of Libraries, VPT acquired the rights to offer the Scholastic library of video material -- tapes and web-based content -- as a resource for schools and libraries. VPT also sponsors such K-12 outreach activities as Student Book Reviews, Video Production Workshops, the Student Press Conference With the Governor, and the Reading Rainbow Young Writers and Illustrators Contest.

Besides offering nationally produced instructional programs, VPT produces and acquires instructional programming about Vermont -- programs on Lake Champlain, the Abenaki, the granite industry and the 1927 flood, for example. VPT's most recent productions for schools are "field trips" exploring the Statehouse and Supreme Court. VPT's programs and services help parents and teachers provide the quality education Vermont's children deserve.

VPT Is Programming and Services That Promote Culture and Lifelong Learning
National PBS programming like Nova, National Geographic, Great Performances, Live From Lincoln Center, American Experience and Ken Burns' documentaries provides the finest in history, science, nature and the performing arts for adults who want to keep learning.

VPT is proud of its local productions on the arts, culture and history. VPT's crews travel the state to produce programming that reveals Vermont to Vermonters -- and to viewers in neighboring New York, New Hampshire and Canada. Recent productions include Barns, Discovering Lake Champlain and Vermont's Great Flood. Recent performance specials have featured Wood's Tea Company and the Montreal Chamber Orchestra. A Vermont Youth Orchestra concert is in the works. Local cooking programs encourage the use of Vermont produce. VPT's series Rural Free Delivery celebrates the state's craftspeople. Weekly interviews on Profile with Fran Stoddard introduce audiences to some of Vermont's most interesting writers, artists, performers, thinkers and leaders.

Although most operating revenues have declined, VPT's local programming, including coverage of state government, has been sustained in great part by production grants awarded by the U.S. Department of Agriculture, Rural Development. Other local productions are supported through partnerships with community organizations such as the University of Vermont and Fletcher Allen Health Care.

VPT Is Programming and Services That Promote Citizenship
VPT provides a full schedule of national public affairs programs such as The Newshour, Frontline, Washington Week and BBC World News. In its local productions, VPT addresses issues that matter to Vermonters, giving them information that helps them be active citizens. Among these programs are election-year forums and candidate commentaries, Vermont This Week, Call the Governor, the governor's weekly press conference, Report From Montpelier with legislative leaders, live inauguration coverage, key legislative hearings, documentaries like Vermont's Choice and phone-ins with the Congressional delegation.

VPT Provides Support Services for State and Federal Government
Vermont Public Television makes its transmission facilities available to a number of public service organizations, including the National Weather Service/NOAA, FBI, FAA, Rutland County Sheriffs Dept. and Dept. of Public Safety. VPT participates in the Emergency Broadcast Service and Amber Alerts and announces school closings. VPT works with the Agency of Natural Resources on mountaintop management issues.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Public Television**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Vermont Public Television | 0 | 0 | 0 | 593,507 | 563,832 | 563,832 | 563,832 |
| TOTAL | 0 | 0 | 0 | 593,507 | 563,832 | 563,832 | 563,832 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 593,507 | 563,832 | 563,832 | 563,832 |
| TOTAL | | | | 593,507 | 563,832 | 563,832 | 563,832 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 593,507 | 563,832 | 563,832 | 563,832 |
| TOTAL | 593,507 | 563,832 | 563,832 | 563,832 |
| FUND TYPE | | | | |
| General Fund | 593,507 | 563,832 | 563,832 | 563,832 |
| TOTAL | 593,507 | 563,832 | 563,832 | 563,832 |

## Department Mission Statement

**For the benefit of Vermont, the Vermont State Colleges provide affordable, high quality, student centered, and accessible education, fully integrating professional, liberal, and career study.**

This integrated education, in conjunction with applied learning experiences, assures that graduates of VSC programs will:
1. Demonstrate competence in communication, research and critical thinking,
2. Practice creative problem-solving, both individually and collaboratively,
3. Be engaged, effective, and responsible citizens,
4. Bring to the workplace appropriate skills and an appreciation of work quality and ethics,
5. Embrace the necessity and joy of lifelong learning.

The Vermont State Colleges also offer numerous opportunities for others to engage in continuous learning to meet their specific goals.

## Description of Appropriations, Divisions, & Programs

The **Vermont State Colleges** (VSC) is a public corporation formed in 1961 by Legislative action, combining the campuses and programs of Castleton State College (CSC), Johnson State College (JSC), Lyndon State College (LSC), and Vermont Technical College (VTC). In 1970-71 VSC assumed the programs and operations of the newly established Community College of Vermont (CCV), which has no campus in lieu of providing delivery of education at twelve leased sites around the state. Overseeing the VSC System is a single 15-member Board, comprised of nine Governor-appointed Trustees serving 6-year terms, four legislatively-elected Trustees serving 4-year terms, one student-elected Trustee serving a 1-year term, and the Governor.

Further overseen by the VSC Board but separately tracked within the VSC's State operating appropriation is **Practical Nursing**, which the State transferred from the Vermont Department of Education beginning FY1995. The Practical Nursing program is key to helping meet Vermont's critical shortage of trained nurses, and educates students at its Thompson School in Brattleboro, Putnam School in Bennington, and Fanny Allen School in Colchester, as well as the VTC campus in Randolph Center.

Yet another addition to VSC Board oversight that is also separately tracked within the VSC's State operating appropriation is **Vermont Manufacturing Extension Center** (VMEC), which the State transferred from the Vermont Department of Economic Development beginning FY2002. VMEC offices are based centrally within the State on the VTC campus, while its outreach services assist business evolution and success of Vermont manufacturers situated throughout the State.

In fact activities of the VSC extend far beyond the five colleges, Practical Nursing, and VMEC plus

separately appropriated Vermont Interactive Television--to include endeavors of the Vermont Small Business Development Center, customized business & industry programs, student apprenticeships, workforce training delivered to major employers including IBM, Husky, General Dynamics, IDX, Central Vermont Hospital, as well as National Life, and more. All tolled the VSC addresses an extensive range of Vermont needs through over 50 different sites Statewide, with every Vermonter being within 25 miles or less from some VSC location. An appreciable indicator of VSC impact upon Vermont is that during the past year VSC services benefited around 115,000 Vermonters, or nearly one out of every five residents of the State. Furthermore as the fifth largest employer in Vermont the VSC including all its ancillary programs provides around 2,000 jobs for Vermonters, whose employment contributes greatly to the economy in communities across the State.

Specific to higher education, colleges within the VSC are this year enrolling record numbers that for the overall System total 10,336 students of which fully 82% are Vermonters--the latter derived from the fact nearly half of all Vermont residents attending college in state do so at one of the VSC institutions. Additionally notable is the sizable portion of VSC students who are first generation in their families to go to college, though regrettable is that the majority of all VSC students require some extent of financial aid to afford VSC's highest in the nation public college tuitions and fees. Finally more than half of those in the VSC are considered "non-traditional" students aged 22 or older, with many of these adult learners pursuing college education while maintaining full-time jobs to support their families.

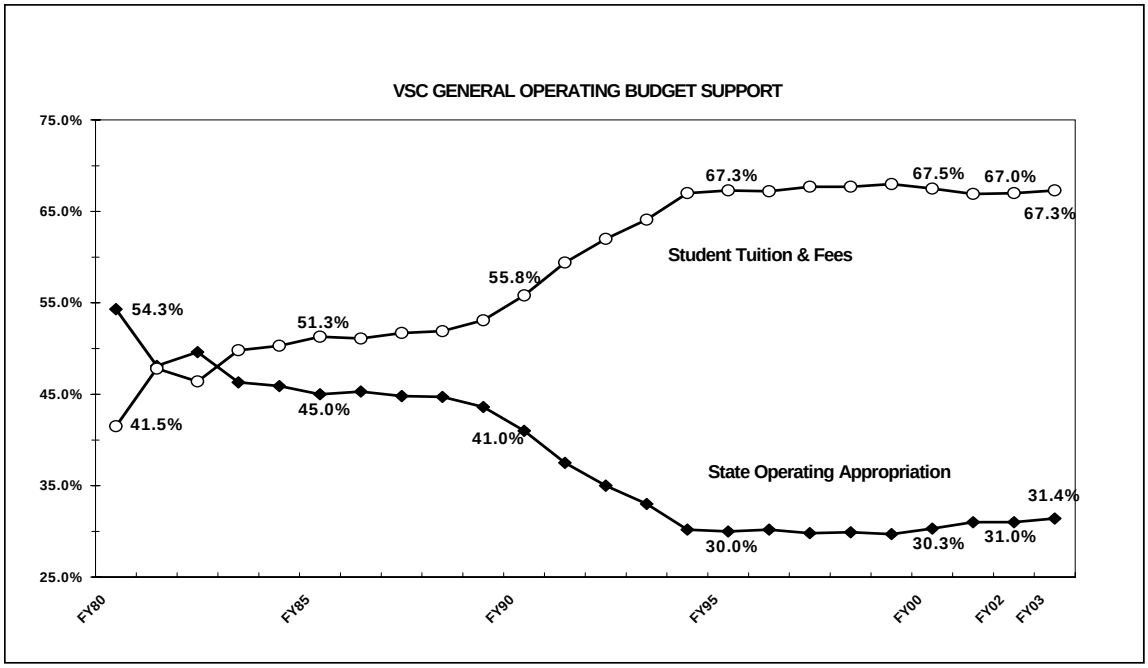
The range of academic services within the VSC includes credit and non-credit bearing, on-site as well as distance learning, remedial coursework, certificate training, plus associates, bachelors, and masters degree programs. Consistent with its mission the VSC does strive to provide professional and career-oriented education supported by an appropriate foundation in the liberal arts. Examples of the many VSC offerings contributing to meaningful employment are teacher education, criminal justice, social work, nursing and allied health care, communications, meteorology, computer information systems, accounting, business management, hospitality and tourism management, construction management, engineering technology, agricultural technology, veterinary technology, and biotechnology.

During the forty years since VSC came into being the proportion of State funding for the System's general operating budget has consistently declined, from originally around two-thirds down to just under 55% in 1980 and less than one-third presently. One outcome of this is that the VSC's current 31% of general operating budget support from the State compares with 51% for like institutions across the nation and 45% for other public higher education systems in New England.

Cost containment along with enrollment growth has enabled the VSC's annual tuition rate increases to, since the early 1990's, average among the lowest for public colleges in the northeast, and last year's rate hikes for the VSC were the lowest in nearly a quarter century. Still Vermont's smallest in the nation State support perpetuates the VSC's highest in the nation tuitions and fee--contributing directly to some VSC graduates being harnessed with student loan indebtedness approaching $20,000.

The following graph shows that in the early 1980's VSC support from the State was around the same as

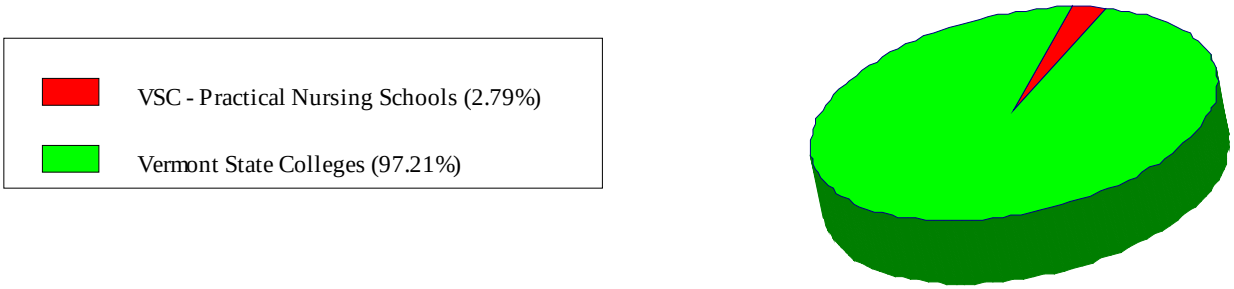
from students, then starting about 1990 the State portion plunged such that since the mid-1990's less than 1/3 State funding has burdened students with funding over 2/3 of VSC operating support. For perspective, today's VSC support from student tuitions and fees at 67% compares with 27% for like institutions across the country and 45% for other public higher education systems in New England.



# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
# Vermont State Colleges

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Vermont State Colleges | 0 | 0 | 0 | 20,769,755 | 21,185,150 | 21,185,150 | 21,929,866 |
| VSC - Practical Nursing Schools | 0 | 0 | 0 | 592,206 | 604,050 | 604,050 | 628,451 |
| TOTAL | 0 | 0 | 0 | 21,361,961 | 21,789,200 | 21,789,200 | 22,558,317 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 21,361,961 | 21,789,200 | 21,789,200 | 22,558,317 |
| TOTAL | | | | 21,361,961 | 21,789,200 | 21,789,200 | 22,558,317 |



**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont State Colleges**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 20,769,755 | 21,185,150 | 21,185,150 | 21,929,866 |
| TOTAL | 20,769,755 | 21,185,150 | 21,185,150 | 21,929,866 |
| FUND TYPE | | | | |
| General Fund | 20,769,755 | 21,185,150 | 21,185,150 | 21,929,866 |
| TOTAL | 20,769,755 | 21,185,150 | 21,185,150 | 21,929,866 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**VSC - Practical Nursing Schools**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 592,206 | 604,050 | 604,050 | 628,451 |
| TOTAL | 592,206 | 604,050 | 604,050 | 628,451 |
| FUND TYPE | | | | |
| General Fund | 592,206 | 604,050 | 604,050 | 628,451 |
| TOTAL | 592,206 | 604,050 | 604,050 | 628,451 |

## Department Mission Statement

Vermont Interactive Television's mission is to support the economic health and development of the state and its citizens by providing the technical infrastructure and operational expertise necessary to deliver education, training and information equally to all areas of the state. In addition VIT provides worldwide videoconferencing that is part of the economic development infrastructure supporting Vermont business.

Policies for development and use of the network will be based on the fundamental principle that VIT should serve the education, training, and information needs of Vermont's people, communities, and workplaces. Decisions on network expansion and program offerings will be based on significant impact, while decisions on allocation of network time will be based on the following programming priorities:

1. Courses that are part of established degree or certificate programs,
2. Training and skill-building courses designed to improve quality of the Vermont workforce,
3. Courses or programs supporting continuing education needs of various professions in the state,
4. Training and information programs necessary for effective functioning of government agencies, non-profit organizations, and business.

## Description of Appropriations, Divisions, & Programs

VIT evolved out of joint efforts involving the Vermont State Colleges (particularly Vermont Technical College), the Governor's Office, and the Vermont Telecommunications Commission. In 1986 the latter endorsed a report entitled "An Educational Telecommunications Transmission Network for Vermont", recommending that:

- an integrated video, voice, and data telecommunications network be developed to meet the needs of education, government, and business; and
- the telecommunications system be accessible within 25 miles of 90 percent of all Vermonters.

VIT has entered its second decade of service to Vermonters, making it possible for hundreds of organizations to provide education, training, and information to people in all areas of the state. VIT currently operates 14 sites in Vermont (Bennington, Brattleboro, Canaan, Castleton, Colchester, Johnson, Lyndonville, Middlebury, Newport, Randolph Center, Rutland, Springfield, St. Albans, & Waterbury), and in addition to statewide services offers worldwide videoconferencing from all sites. VIT also has satellite downlinking capabilities at several sites, a direct connection to UVM's Distance Learning Network, a working relationship with K-12 Vermont Interactive Learning Network, and consulting services.

In the past year, VIT worked cooperatively with the Vermont State Colleges to further improve or

establish distance learning facilities at all the residential colleges. These enhancements now make it possible for the VSC to more effectively pursue its mission of delivering education and training statewide. However coupled with an increase in projected use by many other major VIT users, current capacity of VIT is pushed to the limits. Thus have been established **VIT strategic priorities** as follow:

**a) Pursue initiatives related to new sites, move designated current sites, seek new increase in capacity and connection options**
**b) Work with VSC and UVM to maximize usage, quality, and satisfaction**
**c) Work collaboratively with Vermont Interactive Learning Network**
**d) Strengthen and maintain strategic alliances**
**e) Implement Corrections Consulting Contract**
**f) Maintain technical excellence of the VIT system, and complete major technical upgrade to the system**
**g) Maintain and improve operational excellence and financial stability**
**h) Develop a marketing and public relations plan to further all strategic goals**

VIT continues to serve a broad cross-section of Vermont's institutions and organizations, including higher education, K-12, non-profits, State agencies, and businesses. Programs range in content from public hearings to workforce training, to graduate programs, to updates on State and federal legislation and regulations for State employees, to international videoconferencing. The following figures provide some dimension to evolving use of VIT over the last fourteen years:

Total online hours - 158,000
Total participants (turnstile count) - 270,000
Total number of organizations using VIT during past year - 575

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Interactive Television**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Vermont Interactive Television | 0 | 0 | 0 | 836,775 | 795,331 | 795,331 | 795,331 |
| TOTAL | 0 | 0 | 0 | 836,775 | 795,331 | 795,331 | 795,331 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 836,775 | 795,331 | 795,331 | 795,331 |
| TOTAL | | | | 836,775 | 795,331 | 795,331 | 795,331 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Interactive Television**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 836,775 | 795,331 | 795,331 | 795,331 |
| TOTAL | 836,775 | 795,331 | 795,331 | 795,331 |
| FUND TYPE | | | | |
| General Fund | 836,775 | 795,331 | 795,331 | 795,331 |
| TOTAL | 836,775 | 795,331 | 795,331 | 795,331 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vt Student Assistance Corp**

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## Department Mission Statement

VSAC was created by the Legislature in 1965 as a public nonprofit corporation with an eleven member board of directors; its mission is to ensure that all Vermonters have the necessary financial and informational resources to pursue their postsecondary goals. To achieve this mission, VSAC provides the following: (1) career planning services, (2) information on financial aid and postsecondary educational programs, and (3) financial aid in the form of grants, loans, scholarships, savings plans and work opportunities for qualified Vermonters. VSAC is unique in that it provides "one-stop" delivery of postsecondary financial aid and counseling. VSAC acts as the financial aid office for eight Vermont postsecondary institutions and provides complete service of student loans, from origination through repayment. VSAC continues to support welfare initiatives, including the Postsecondary Education Program administered through PATH as well as vocational education for Reach Up participants.

## Description of Appropriations, Divisions, & Programs

Grant Program Descriptions
One hundred percent of the Vermont State appropriation, plus any accrued interest earned, goes to Vermont students based on financial need. The grant programs include the Incentive Grants for full-time students, the Part-time Grants for students taking fewer than 12 credits per semester, Non-Degree Grants for students taking up to three individual courses to improve employability and Student Employment Grants for students in rural areas without employment options.

Vermont Incentive Grants
Incentive Grants are the major source of need-based grant assistance to full-time Vermont students. They are available to residents who attend an approved post-high school degree program and have not already received a bachelor's degree. Vermont residents enrolled at the University of Vermont College of Medicine or an approved school of veterinary medicine are also eligible.

| | | | | | | | | | | | Change: FY94–FY03 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FULL-TIME GRANT PROGRAM: | FY94 | FY95 | FY96 | FY97 | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 | # | % |
| Number of Applicants | 14,826 | 15,613 | 15,740 | 15,704 | 16,055 | 16,216 | 16,260 | 15,843 | 16,242 | 16,799 | 1973 | 13.3% |
| Number of Recipients | 8,869 | 8,837 | 9,449 | 9,421 | 9,312 | 9,411 | 9,078 | 8,919 | 8,961 | 9,245 | 376 | 4.2% |
| Amount Awarded | $9,496,797 | $10,469,699 | $10,583,802 | $9,964,276 | $10,891,823 | $11,440,129 | $12,379,526 | $12,928,055 | $14,219,107 | $15,078,021 | $5,581,224 | 58.8% |
| Average Grant | $1,071 | $1,185 | $1,120 | $1,058 | $1,170 | $1,216 | $1,364 | $1,449 | $1,587 | $1,631 | $560 | 52.3% |

Vermont Non-Degree Grants

Non-Degree Grants are available to students for courses that will improve employability or encourage further study. These grants are used for a wide variety of courses at a wide variety of institutions including technical centers. Many students begin a course of study by using a Non-Degree Grant and then become matriculating students. This particular grant is unique to Vermont, and is particularly useful for non-traditional students.

The Non-Degree Grant was created by the Legislature in 1983; Act 95 established the purpose of the grant as "assisting unemployed Vermonters seeking retraining in courses not leading to a degree, certificate, or diploma." In 1987, the appropriations act included the following language: "Funds are included in the above appropriation for the purpose of providing information services and grant aid to needy Vermonters seeking to improve their employment skills by enrolling in a course or program not necessarily leading to a degree, certificate, or diploma." The goal of the Non-Degree Grant has remained helping individuals get, keep, or improve their jobs.

| | | | | | | | | | | | Change: FY94-FY03 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| NON-DEGREE GRANT PROGRAM: | FY94 | FY95 | FY96 | FY97 | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 | # | % |
| Number of Applicants | 2,489 | 1,779 | 2,109 | 2,115 | 2,230 | 1,872 | 1,679 | 1,803 | 1,551 | 1,693 | -796 | -32.0% |
| Number of Recipients | 1,444 | 1,042 | 1,263 | 1,278 | 1,333 | 1,041 | 936 | 1,045 | 932 | 921 | -523 | -36.2% |
| Amount Awarded | $452,305 | $345,289 | $431,692 | $457,081 | $501,493 | $419,480 | $412,143 | $543,815 | $553,459 | $668,727 | $216,422 | 47.8% |
| Average Grant | $313 | $331 | $342 | $358 | $376 | $403 | $440 | $516 | $712 | $726 | $413 | 131.8% |

Vermont Part-Time Grants

Part-Time Grants are available to degree students taking fewer than 12 credits per semester. Many working Vermonters receive part-time grants.

| | | | | | | | | | | | Change: FY94--FY03 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PART-TIME GRANT PROGRAM: | FY94 | FY95 | FY96 | FY97 | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 | # | % |
| Number of Applicants | 4,771 | 4,814 | 5,110 | 4,873 | 4,935 | 4,718 | 4,593 | 4,509 | 4,382 | 4,141 | -630 | -13.2% |
| Number of Recipients | 2,658 | 2,607 | 2,864 | 2,747 | 2,646 | 2,600 | 2,364 | 2,323 | 2,108 | 2,025 | -633 | -23.8% |
| Amount Awarded | $874,162 | $993,954 | $1,010,575 | $887,358 | $931,459 | $998,494 | $958,392 | $980,780 | $987,122 | $965,221 | $91,059 | 10.4% |
| Average Grant | $329 | $381 | $353 | $323 | $352 | $384 | $405 | $422 | $468 | $477 | $148 | 44.9% |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vt Student Assistance Corp**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Vt Student Assistance Corp | 0 | 0 | 0 | 16,581,671 | 16,683,804 | 16,683,804 | 16,984,113 |
| TOTAL | 0 | 0 | 0 | 16,581,671 | 16,683,804 | 16,683,804 | 16,984,113 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 16,581,671 | 16,683,804 | 16,683,804 | 16,984,113 |
| TOTAL | | | | 16,581,671 | 16,683,804 | 16,683,804 | 16,984,113 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vt Student Assistance Corp**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 16,581,671 | 16,683,804 | 16,683,804 | 16,984,113 |
| TOTAL | 16,581,671 | 16,683,804 | 16,683,804 | 16,984,113 |
| FUND TYPE | | | | |
| General Fund | 16,581,671 | 16,683,804 | 16,683,804 | 16,984,113 |
| TOTAL | 16,581,671 | 16,683,804 | 16,683,804 | 16,984,113 |

## Department Mission Statement

The New England Board of Higher Education (NEBHE), created in 1955, is an interstate educational compact of the New England states authorized by the U.S. Congress and approved by the state legislatures. Two of NEBHE's goals are to promote regional coordination and efficient use of education resources among the six New England states and to strengthen the connection between higher education and economic development in the region. NEBHE also sponsors the Regional Student Program (RSP) that allows New England students to attend public colleges and universities throughout New England at a discounted tuition rate for programs that are not otherwise available in their home state.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**NE Higher Education Compact**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| NE Higher Education Compact | 0 | 0 | 0 | 75,294 | 88,840 | 88,840 | 88,840 |
| TOTAL | 0 | 0 | 0 | 75,294 | 88,840 | 88,840 | 88,840 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 75,294 | 88,840 | 88,840 | 88,840 |
| TOTAL | | | | 75,294 | 88,840 | 88,840 | 88,840 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**NE Higher Education Compact**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Operating Expenses | 75,294 | 88,840 | 88,840 | 88,840 |
| TOTAL | 75,294 | 88,840 | 88,840 | 88,840 |
| FUND TYPE | | | | |
| General Fund | 75,294 | 88,840 | 88,840 | 88,840 |
| TOTAL | 75,294 | 88,840 | 88,840 | 88,840 |

## Agency Mission Statement

It is the mission of the Agency of Natural Resources to protect, sustain, and enhance Vermont's natural resources for the benefit of this and future generations. To accomplish this mission, the Agency directs its activities to accomplish four, primary goals:

- To promote the sustainable use of Vermont's natural resources
- To protect and improve the health of Vermont's people and ecosystems
- To promote sustainable outdoor recreation
- To operate efficiently and effectively as an agency so that we can fulfill our mission.

## Description of Departments in Agency

Department of Fish and Wildlife -- responsible for the conservation and management of the Vermont's fish and wildlife resources and the protection of the state's threatened and endangered species.

Department of Forests, Parks and Recreation - responsible for the conservation and management of Vermont's forest resources, the operation and maintenance of the state park system, and the promotion and support of outdoor recreation for Vermonters and our visitors.

Department of Environmental Conservation - responsible for the conservation and management of the state's natural resources and protection of the public health through various grant, regulatory, technical assistance, and public information and education programs.

Agency Central Office (Administration, Management and Planning)- responsible for leadership and oversight of all agency programs, financial management, personnel management, information system management, legal services, and enforcement of laws and regulations related to agency programs, other than Fish and Wildlife laws and regulations.

### Key Budget Issues - Agency wide

This proposed budget provides sufficient funding to maintain ANR's base natural resources management programs, offsetting significant revenue shortfalls, particularly in the Department of Fish and Wildlife. This proposed budget also includes funding to support Governor Douglas' Clean and Clear Action Plan, a statewide initiative that includes an aggressive plan to reduce phosphorus pollution in Lake Champlain by 2009, the 400th anniversary of Samuel de Champlain's arrival at the lake and improve waterways around the state. Highlights of the budget are:

· $1,797,101 General Fund to support base program operations in the Department of Fish and Wildlife and to offset significant reductions in revenues to the Fish and Wildlife Fund.

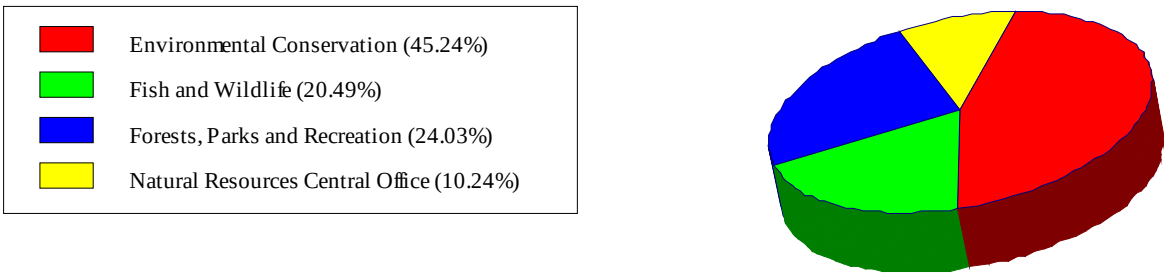
· $1,013,125 General Fund and $134,000 from the Agency of Transportation for Governor Douglas' Clean and Clear Action Plan, including improved river management, watershed planning, better back road maintenance, technical assistance for local planning, erosion control at construction sites, monitoring and program administration.

· Consistent with last year's budget, a permit assistance and coordination position has been established in the DEC, and initiatives are continuing to improve program efficiency and public access to permitting information through the Internet and other information technology enhancements. An existing position in the ANR Central Office will be filled in FY05 and redirected to improve case management and intra-agency coordination in permitting.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Agency of Natural Resources**

## AGENCY SUMMARY BY DEPARTMENT

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Natural Resources Central Office | 40 | 54 | 54 | 5,452,198 | 6,503,070 | 7,110,707 | 7,420,442 |
| Fish and Wildlife | 130 | 130 | 130 | 13,824,703 | 14,762,160 | 13,566,224 | 14,843,740 |
| Forests, Parks and Recreation | 123 | 123 | 124 | 16,144,891 | 17,300,238 | 17,224,958 | 17,411,645 |
| Environmental Conservation | 282 | 276 | 285 | 27,914,957 | 30,573,342 | 33,099,838 | 32,784,593 |
| TOTAL | 575 | 583 | 593 | 63,336,749 | 69,138,810 | 71,001,727 | 72,460,420 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 14,843,059 | 14,550,331 | 15,604,360 | 18,408,132 |
| Transportation Fund | | | | 1,010,158 | 1,119,543 | 1,119,635 | 899,345 |
| Fish & Wildlife Fund | | | | 13,470,340 | 14,448,040 | 13,266,224 | 13,046,639 |
| Special Fund | | | | 20,832,826 | 21,422,739 | 22,133,886 | 22,562,656 |
| Federal Revenue Fund | | | | 9,792,896 | 12,842,023 | 14,095,608 | 13,410,187 |
| Permanent Trust Fund | | | | 5,042 | 5,000 | 5,000 | 5,000 |
| Interdepartmental Transfer | | | | 3,382,428 | 4,751,134 | 4,777,014 | 4,128,461 |
| TOTAL | | | | 63,336,749 | 69,138,810 | 71,001,727 | 72,460,420 |



## Department Mission Statement

It is the mission of the Agency of Natural Resources Central Office to provide both leadership for agency programs and the support that those programs need to accomplish their missions.

## Description of Appropriations, Divisions, & Programs

The major components of the ANR Administration, Management and Planning appropriation are: the Secretary's Office, the Planning Division, the Enforcement Division, the Management Services Division, the Human Resources Division, the Information Technology Division and Regional Office Support.

Secretary's Office - The Secretary's Office is responsible for the overall leadership and management of the Agency, oversight of legal services throughout the Agency, and coordination of Agency public information and education.

Planning Division - The Planning Division is responsible for development and implementation of the Agency's strategic plan, coordinating the state's regulatory review for the Act 250 process and other state and federal regulatory processes, reviewing and revising Agency policies and procedures, directing and coordinating the Agency's Emergency Response Plan, and supporting the Lake Champlain Basin Program and Connecticut River Watershed Council.

Enforcement Division - The Enforcement Division is responsible for the enforcement of all laws and regulations administered by the Agency, except for those programs managed by the Department of Fish and Wildlife. Division activities include civil and criminal investigations; prosecution of administrative enforcement cases before the Environmental Court, and screening and referrals of criminal and civil cases (as appropriate) to the state's attorneys and the Attorney General.

Management Services Division - The Management Services Division is responsible for providing financial management services for the Agency and its departments, preparation and management of the Agency budget, coordination with the Agency of Administration on finance and office operations, management of Agency offices and other facilities, and logistical support of the Agency's six regional offices.

Human Resources Division - The Human Resources Division provides personnel management services for the entire Agency, including recruiting, training, employee recognition and discipline, classification, employee orientation, employee assistance, performance evaluation, employee records, and coordination with the state Department of Personnel.

Information Technology Division - The Information Technology Division is responsible for providing direct information technology services to the entire Agency and to the Agency and Act 250 regional offices, and the development and implementation of the Agency's Information Technology Plan.

Regional Offices - The ANR Central Office appropriation includes funding to support office operations of the Agency's six regional offices, five of which are shared by staff from the Act 250 program.

Other Central Office appropriations include:

A pass-through appropriation for the Connecticut River Watershed Council, which coordinates with Vermont citizens, municipalities and the State of New Hampshire on issues related to the management and protection of the Connecticut River.

A pass-through appropriation for support of the Lake Champlain Citizen's Advisory Committee, which provides citizen input to the General Assembly, the Lake Champlain Basin Program, and the Agency on issues related to the management and protection of Lake Champlain.

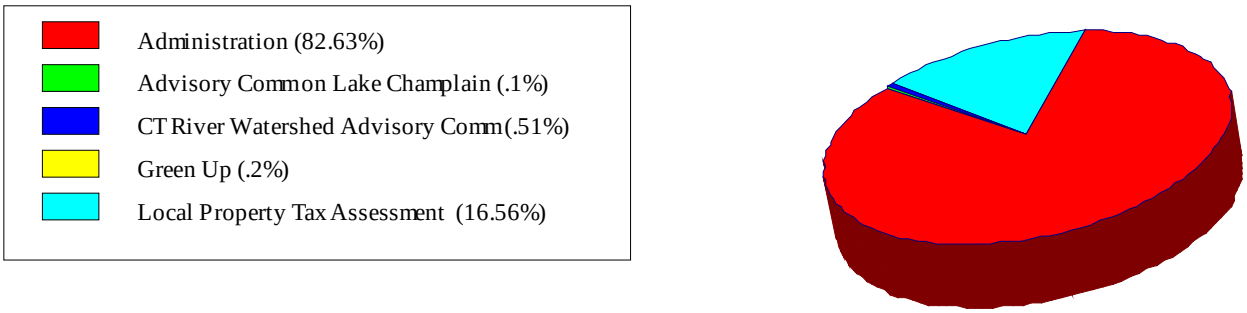
An appropriation for payment in lieu of property taxes on lands owned by the Agency.

A pass-through appropriation to the Green Up Day Committee for implementation of the Green Up Day Program.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Natural Resources Central Office

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Administration | 40 | 54 | 54 | 4,185,944 | 5,254,705 | 5,839,556 | 6,131,356 |
| CT River Watershed Advisory Comm | 0 | 0 | 0 | 40,500 | 38,000 | 38,000 | 38,000 |
| Advisory Comm on Lake Champlain | 0 | 0 | 0 | 8,429 | 7,500 | 7,500 | 7,500 |
| Local Property Tax Assessment | 0 | 0 | 0 | 1,208,775 | 1,194,315 | 1,217,101 | 1,229,000 |
| Green Up | 0 | 0 | 0 | 8,550 | 8,550 | 8,550 | 14,586 |
| TOTAL | 40 | 54 | 54 | 5,452,198 | 6,503,070 | 7,110,707 | 7,420,442 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 3,168,317 | 3,124,869 | 3,534,248 | 3,706,813 |
| Transportation Fund | | | | 262,784 | 262,815 | 262,907 | 211,123 |
| Special Fund | | | | 844,779 | 845,603 | 845,603 | 975,514 |
| Federal Revenue Fund | | | | 117,002 | 236,271 | 434,437 | 439,400 |
| Interdepartmental Transfer | | | | 1,059,316 | 2,033,512 | 2,033,512 | 2,087,592 |
| TOTAL | | | | 5,452,198 | 6,503,070 | 7,110,707 | 7,420,442 |



## Appropriation Key Budget Issues

The Central Office Adminstration budget includes $356,500 in funding for Governor Douglas' Clean and Clear Action Plan. Activities include: one position for the coordination of the initiative, one position for enhanced database management, funding for grants to assist towns with planning for pollution reduction, and funding for grants to assist towns with pollution reduction through improved back road maintenance.

The Information Technology Division appropriation has been moved from a separate appropriation to become a part of the Administration, Management and Planning appropriation, and the IT budget has increased due primarily to the receipt of federal grant funding for projects with no state match required.

An existing position in the Planning Division has been redescribed to enhance duties of permit coordination and case management, and funding has been proposed for this position in FY05.

The agency will be able to fill the vacant General Counsel position, which will improve coordination of legal services throughout the agency and help with the increased appeals workload.

Fee revenues from the Environmental Permit Fund will be used to maintain the Environmental Enforcement Officer position that was funded with carry-forward General Fund by the General Assembly last year.

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,495,779 | 3,493,729 | 3,758,704 | 3,946,209 |
| Operating Expenses | 1,654,965 | 1,729,476 | 1,979,152 | 1,874,447 |
| Grants | 35,200 | 31,500 | 101,700 | 310,700 |
| TOTAL | 4,185,944 | 5,254,705 | 5,839,556 | 6,131,356 |
| FUND TYPE | | | | |
| General Fund | 2,450,341 | 2,424,869 | 2,811,554 | 2,914,400 |
| Special Fund | 836,229 | 837,053 | 837,053 | 966,964 |
| Federal Revenue Fund | 101,502 | 220,771 | 418,937 | 423,900 |
| Interdepartmental Transfer | 797,872 | 1,772,012 | 1,772,012 | 1,826,092 |
| TOTAL | 4,185,944 | 5,254,705 | 5,839,556 | 6,131,356 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**CT River Watershed Advisory Comm**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 40,500 | 38,000 | 38,000 | 38,000 |
| TOTAL | 40,500 | 38,000 | 38,000 | 38,000 |
| FUND TYPE | | | | |
| General Fund | 25,000 | 22,500 | 22,500 | 22,500 |
| Federal Revenue Fund | 15,500 | 15,500 | 15,500 | 15,500 |
| TOTAL | 40,500 | 38,000 | 38,000 | 38,000 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Advisory Comm on Lake Champlain**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 2,285 | 4,500 | 2,300 | 2,300 |
| Operating Expenses | 6,144 | 3,000 | 5,200 | 5,200 |
| TOTAL | 8,429 | 7,500 | 7,500 | 7,500 |
| FUND TYPE | | | | |
| General Fund | 8,429 | 7,500 | 7,500 | 7,500 |
| TOTAL | 8,429 | 7,500 | 7,500 | 7,500 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Local Property Tax Assessment**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Operating Expenses | 1,208,775 | 1,194,315 | 1,217,101 | 1,229,000 |
| TOTAL | 1,208,775 | 1,194,315 | 1,217,101 | 1,229,000 |
| FUND TYPE | | | | |
| General Fund | 684,547 | 670,000 | 692,694 | 756,377 |
| Transportation Fund | 262,784 | 262,815 | 262,907 | 211,123 |
| Interdepartmental Transfer | 261,444 | 261,500 | 261,500 | 261,500 |
| TOTAL | 1,208,775 | 1,194,315 | 1,217,101 | 1,229,000 |

## Appropriation Key Budget Issues

The Green Up appropriation has been revised to include fee for space charges that had been paid previously from the Administration, Management and Planning appropriation. Although the Green Up appropriation increases, the actual costs to the state for Green Up have been reduced by nearly $3,000, because of a reduction of the square footage of office space for this program.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Green Up**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Operating Expenses | 0 | 0 | 0 | 6,036 |
| Grants | 8,550 | 8,550 | 8,550 | 8,550 |
| TOTAL | 8,550 | 8,550 | 8,550 | 14,586 |
| FUND TYPE | | | | |
| General Fund | 0 | 0 | 0 | 6,036 |
| Special Fund | 8,550 | 8,550 | 8,550 | 8,550 |
| TOTAL | 8,550 | 8,550 | 8,550 | 14,586 |

## Department Mission Statement

The mission of the Vermont Department of Fish and Wildlife is the conservation of fish, wildlife, and plants and their habitats for the people of Vermont. In order to accomplish this mission, the integrity, diversity, and vitality of all natural systems must be protected.

## Description of Appropriations, Divisions, & Programs

The Support & Field Services appropriation provides the funding for the department's core services. These core services include: protecting the state's fish and wildlife resources by protecting habitat, implementing species management plans, informing and educating the public, and performing basic research.

The Watershed Improvement appropriation provides the funding to support watershed education efforts and projects that protect, restore, or enhance Vermont's watershed resources.

The Wildlife Management Area Projects appropriation provides the funding to enable the department to increase the number of wildlife management areas with biodiversity assessments and management plans.

The Conservation appropriation provides a combination of state and federal funds to meet the unmet needs of a diverse array of wildlife and associated habitats. These goals are addressed by supporting wildlife conservation, wildlife conservation education, and wildlife-associated recreation.

Administration - Provide administrative support for policy, legal, licensing, and business functions. Promote efficient and effective communications and management systems throughout the organization. Includes support for the Fish & Wildlife Board.

Natural Communities & Habitats - Conserve, restore, and enhance natural communities and habitats that have high wildlife and ecological value in Vermont, and preserve ecosystem integrity.

Fish & Wildlife Species - Conserve and restore Vermont's fish, wildlife, and plant species to maintain ecosystem integrity for the benefit of the public.

Public Support for Land Conservation - Increase the public's support and understanding of land conservation issues and promote and facilitate a land stewardship ethic in Vermont.

Wildlife Harvest Opportunities - Provide a diversity of wildlife harvest opportunities, consistent with resource management goals and within ecological limits.

Angling Opportunities - Provide a diversity of angling opportunities, consistent with resource management goals. Indicators will be participation and satisfaction levels.

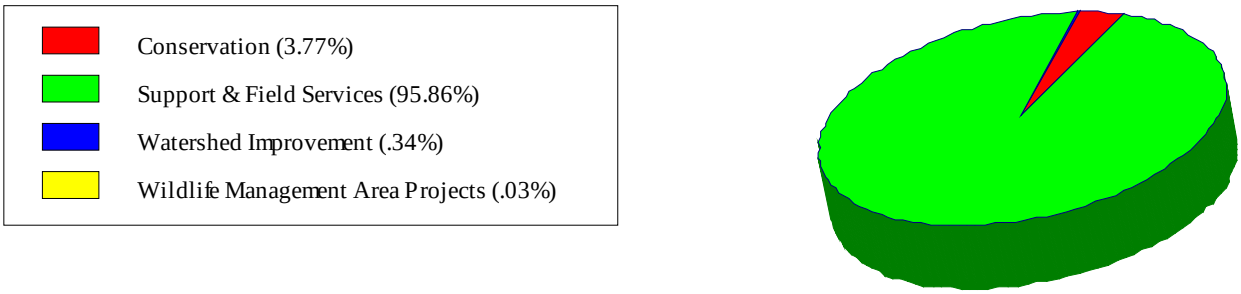
Wildlife Watching Opportunities - Provide viewing and photographing opportunities of fish, wildlife, and natural communities consistent with resource management goals while ensuring the protection of the observed species.

Human Safety from Wildlife - Limit the number of human injuries and fatalities that result from encounters with wildlife or participation in fish and wildlife - based recreational activities. Maintain full response to requests from citizens and agencies regarding threats to human life or safety.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Fish and Wildlife

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Support & Field Services | 130 | 130 | 130 | 13,428,082 | 13,728,860 | 13,233,660 | 14,228,684 |
| Watershed Improvement | 0 | 0 | 0 | 58,674 | 70,000 | 30,661 | 50,661 |
| Wildlife Management Area Projects | 0 | 0 | 0 | 1,858 | 100,000 | 4,165 | 5,000 |
| Conservation | 0 | 0 | 0 | 211,929 | 669,000 | 248,196 | 559,395 |
| Natural Communities and Habitat | 0 | 0 | 0 | 124,160 | 194,300 | 49,542 | 0 |
| TOTAL | 130 | 130 | 130 | 13,824,703 | 14,762,160 | 13,566,224 | 14,843,740 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 0 | 0 | 0 | 1,797,101 |
| Fish & Wildlife Fund | | | | 13,470,340 | 14,448,040 | 13,266,224 | 13,046,639 |
| Interdepartmental Transfer | | | | 354,363 | 314,120 | 300,000 | 0 |
| TOTAL | | | | 13,824,703 | 14,762,160 | 13,566,224 | 14,843,740 |



## Appropriation Key Budget Issues

Support and Field Services is the Fish and Wildlife Department's primary appropriation.

Revenues from the sale of hunting, fishing and trapping licenses have continued to decline (down 3.0 percent through November 2003), and base Federal receipts are expected to show a decrease for the second consecutive year. These declines are consistent with national trends and have been discussed with the General Assembly in the past.

Because of his commitment to fish and wildlife recreation users and the conservation programs of the Department, Governor Douglas has offered financial assistance with the addition of General Fund dollars to our income stream, of almost $1.8 million for the FY05 budget. We anticipate these new dollars, coupled with proposed additional fee receipts, will enable the Department to remain whole in support of the Department's mission, which is of value to a great many Vermonters.

The FY04 budget year has been a challenging one because of revenue reductions. Meanwhile, base costs have continued to rise. The Department, therefore, has already taken steps to dramatically reduce spending in the current fiscal year through vacancy savings and reductions in nonessential operational costs. In other words, we have adjusted our spending to meet our anticipated income in FY04. The new General Fund dollars proposed for FY05 will allow us to restore cuts that were necessary to balance the FY04 budget.

The $300,000 interdepartmental transfer from Travel and Tourism in FY04 has been replaced with General Funds.

The Natural Communities and Habitat appropriation has been moved in FY 05 from a separate appropriation to become a part of the Support and Field Services appropriation.

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 8,943,203 | 9,687,760 | 9,392,929 | 9,754,911 |
| Operating Expenses | 4,336,381 | 3,891,100 | 3,690,731 | 4,317,773 |
| Grants | 148,498 | 150,000 | 150,000 | 156,000 |
| TOTAL | 13,428,082 | 13,728,860 | 13,233,660 | 14,228,684 |
| FUND TYPE | | | | |
| General Fund | 0 | 0 | 0 | 1,797,101 |
| Fish & Wildlife Fund | 13,073,719 | 13,414,740 | 12,933,660 | 12,431,583 |
| Interdepartmental Transfer | 354,363 | 314,120 | 300,000 | 0 |
| TOTAL | 13,428,082 | 13,728,860 | 13,233,660 | 14,228,684 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Watershed Improvement**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Operating Expenses | 601 | 0 | 661 | 661 |
| Grants | 58,073 | 70,000 | 30,000 | 50,000 |
| TOTAL | 58,674 | 70,000 | 30,661 | 50,661 |
| FUND TYPE | | | | |
| Fish & Wildlife Fund | 58,674 | 70,000 | 30,661 | 50,661 |
| TOTAL | 58,674 | 70,000 | 30,661 | 50,661 |

## Appropriation Key Budget Issues

Federal receipts are expected to be lower than as originally planned in FY2004.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Wildlife Management Area Projects**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Operating Expenses | 1,858 | 100,000 | 4,165 | 5,000 |
| TOTAL | 1,858 | 100,000 | 4,165 | 5,000 |
| FUND TYPE | | | | |
| Fish & Wildlife Fund | 1,858 | 100,000 | 4,165 | 5,000 |
| TOTAL | 1,858 | 100,000 | 4,165 | 5,000 |

## Appropriation Key Budget Issues

The Conservation appropriation is increasing by over $300,000 in FY05, compared to FY04 estimated, due to the ramping up of activity on a one-time federal grant.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Conservation**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 75,708 | 669,000 | 114,271 | 126,610 |
| Operating Expenses | 23,514 | 0 | 14,840 | 15,785 |
| Grants | 112,707 | 0 | 119,085 | 417,000 |
| TOTAL | 211,929 | 669,000 | 248,196 | 559,395 |
| FUND TYPE | | | | |
| Fish & Wildlife Fund | 211,929 | 669,000 | 248,196 | 559,395 |
| TOTAL | 211,929 | 669,000 | 248,196 | 559,395 |

## Appropriation Key Budget Issues

The Natural Communities and Habitat appropriation has been moved to the Support and Field Services appropriation.

Federal receipts are expected to be lower than as originally planned in FY2004.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Natural Communities and Habitat**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 112,376 | 10,226 | 36,580 | 0 |
| Operating Expenses | 11,784 | 184,074 | 12,962 | 0 |
| TOTAL | 124,160 | 194,300 | 49,542 | 0 |
| FUND TYPE | | | | |
| Fish & Wildlife Fund | 124,160 | 194,300 | 49,542 | 0 |
| TOTAL | 124,160 | 194,300 | 49,542 | 0 |

## Department Mission Statement

The mission of the Department of Forests, Parks and Recreation is to practice stewardship of Vermont's environment by:

- Monitoring and maintaining the health, integrity, and diversity of important species, natural communities, and ecological processes
- Managing forests for sustainable use
- Providing and promoting opportunities for compatible outdoor recreation
- Furnishing related information, education, and service.

## Description of Appropriations, Divisions, & Programs

Department Administration - The Administration Division is responsible for leadership and oversight of all Department programs, financial management, personnel management, information system management and legal service as well as administering several recreation grant programs.

Forestry - Forestry programs impact a broad and expanding constituency concerned with the sustainable use, management, protection and future condition of Vermont's forest landscape, representing 78% of the state. These forests provide the basis for biological diversity, natural communities, wildlife habitats, scenic landscapes tourism, recreation, and an important economic base supporting a diverse forest products industry. The Division has responsibility for administration and oversight of the 1.3 million acres of private land enrolled in the current use tax program for forest land, stewardship activities on over 342,000 acres of Agency land, assisting municipalities in the management of urban trees and municipal forests, forest health monitoring, assisting the wood using industry and the administration of forestry regulatory programs.

State Parks - The State Park Division is responsible for the construction, maintenance and operation of the state park system and the protection of the natural resources in the system. The State Park system includes 50 developed parks.

Land Administration - This Division has Agency-wide responsibility for the administration and real estate activity of all lands held by the three ANR Departments (approximately 342,000 acres). The Division has responsibility for maintenance of ANR property records and maps; administration of leases, licenses and special use permits; carrying out ANR land acquisition and transactions; oversight of long-range management planning; statewide comprehensive outdoor recreation planning; and survey and mapping of ANR lands.

Vermont Youth Conservation Corps - This program administers pass through monies from state parks,

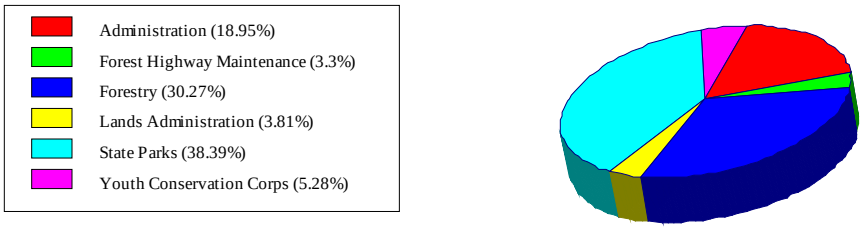
AOT, and donations. This program educates youth in good conservation ethics through meaningful employment in natural resource related projects.

Forest Highway Maintenance - This program uses state funds to repair and maintain the ANR forest highway network on its 342,000 acres.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Forests, Parks and Recreation

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Administration | 11 | 11 | 12 | 2,205,449 | 3,512,817 | 3,512,817 | 3,298,958 |
| Forestry | 68 | 68 | 68 | 4,992,095 | 5,180,598 | 5,137,098 | 5,270,854 |
| State Parks | 38 | 38 | 38 | 6,254,509 | 6,557,558 | 6,525,778 | 6,684,226 |
| Lands Administration | 4 | 6 | 6 | 278,253 | 539,781 | 539,781 | 664,054 |
| Rural Community Fire Protection | 0 | 0 | 0 | 13,442 | 0 | 0 | 0 |
| Senior Community Serv Employment | 0 | 0 | 0 | 4,391 | 0 | 0 | 0 |
| Snowmobile Trails Program | 0 | 0 | 0 | 836,144 | 0 | 0 | 0 |
| Youth Conservation Corps | 0 | 0 | 0 | 1,045,740 | 902,945 | 902,945 | 919,575 |
| Forest Highway Maintenance | 0 | 0 | 0 | 391,657 | 606,539 | 606,539 | 573,978 |
| Property Survey | 2 | 0 | 0 | 123,211 | 0 | 0 | 0 |
| TOTAL | 123 | 123 | 124 | 16,144,891 | 17,300,238 | 17,224,958 | 17,411,645 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 4,669,050 | 4,595,018 | 4,595,018 | 5,182,878 |
| Transportation Fund | | | | 521,157 | 628,039 | 628,039 | 504,513 |
| Special Fund | | | | 8,027,701 | 8,011,293 | 7,979,513 | 8,442,174 |
| Federal Revenue Fund | | | | 2,186,891 | 3,144,973 | 3,101,473 | 2,783,080 |
| Permanent Trust Fund | | | | 5,042 | 5,000 | 5,000 | 5,000 |
| Interdepartmental Transfer | | | | 735,050 | 915,915 | 915,915 | 494,000 |
| TOTAL | | | | 16,144,891 | 17,300,238 | 17,224,958 | 17,411,645 |



## Appropriation Key Budget Issues

### Administration

Forests, Parks & Recreation's Fiscal Year 2005 budget appropriation will allow for the Department to continue all on-going operations. Some administrative adjustments will be made to promote efficient operation. The delivery of programs will be accomplished across the state by all divisions.

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 776,696 | 712,712 | 712,712 | 748,075 |
| Operating Expenses | 441,996 | 573,605 | 573,605 | 614,383 |
| Grants | 986,757 | 2,226,500 | 2,226,500 | 1,936,500 |
| TOTAL | 2,205,449 | 3,512,817 | 3,512,817 | 3,298,958 |
| FUND TYPE | | | | |
| General Fund | 870,050 | 1,003,817 | 1,003,817 | 1,136,958 |
| Special Fund | 413,387 | 882,000 | 882,000 | 890,000 |
| Federal Revenue Fund | 922,012 | 1,627,000 | 1,627,000 | 1,272,000 |
| TOTAL | 2,205,449 | 3,512,817 | 3,512,817 | 3,298,958 |

## Appropriation Key Budget Issues

**Forests**
The fiscal year 2005 budget will allow exemplary forest management to continue to be practiced by a dedicated staff. Some position vacancies will be maintained to contain expenses. Many important operations are funded by current federal sources.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Forestry**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 4,209,002 | 4,301,098 | 4,301,098 | 4,458,479 |
| Operating Expenses | 462,654 | 509,500 | 466,000 | 449,375 |
| Grants | 320,439 | 370,000 | 370,000 | 363,000 |
| TOTAL | 4,992,095 | 5,180,598 | 5,137,098 | 5,270,854 |
| FUND TYPE | | | | |
| General Fund | 3,095,795 | 2,969,625 | 2,969,625 | 3,217,274 |
| Transportation Fund | 21,500 | 21,500 | 21,500 | 21,500 |
| Special Fund | 361,195 | 362,500 | 362,500 | 375,000 |
| Federal Revenue Fund | 1,247,046 | 1,517,973 | 1,474,473 | 1,438,080 |
| Permanent Trust Fund | 5,042 | 5,000 | 5,000 | 5,000 |
| Interdepartmental Transfer | 261,517 | 304,000 | 304,000 | 214,000 |
| TOTAL | 4,992,095 | 5,180,598 | 5,137,098 | 5,270,854 |

## Appropriation Key Budget Issues

**Parks**
Excellent customer service and clean attractive facilities will continue to be provided within the Fiscal Year 2005 budget allocation. A reservation fee will be instituted for the summer of 2004. A comprehensive review of all fees could result in various fee increases if appropriate. The Capital Construction Project to construct cabins has experienced some delays in development but has received all necessary permits for spring construction. Cabin rental income will increase park revenues. We will be able to continue to market and promote the Vermont State Park system as a vacation destination.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**State Parks**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 4,251,525 | 4,486,938 | 4,572,328 | 4,706,026 |
| Operating Expenses | 1,969,330 | 2,065,620 | 1,948,450 | 1,973,200 |
| Grants | 33,654 | 5,000 | 5,000 | 5,000 |
| TOTAL | 6,254,509 | 6,557,558 | 6,525,778 | 6,684,226 |
| FUND TYPE | | | | |
| General Fund | 403,716 | 301,795 | 301,795 | 298,627 |
| Special Fund | 5,802,235 | 6,212,763 | 6,180,983 | 6,385,599 |
| Interdepartmental Transfer | 48,558 | 43,000 | 43,000 | 0 |
| TOTAL | 6,254,509 | 6,557,558 | 6,525,778 | 6,684,226 |

## Appropriation Key Budget Issues

### Lands Administration

The many important Lands Administration programs are accommodated within the Fiscal Year 2005 budget. General Fund appropriations have replaced past Interunit Transfers from Fish and Wildlife and Vermont Housing Conservation Board. This more stable source of funding will allow for better, more flexible lands administration.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Lands Administration**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 245,169 | 379,281 | 379,281 | 434,554 |
| Operating Expenses | 33,084 | 160,500 | 160,500 | 229,500 |
| TOTAL | 278,253 | 539,781 | 539,781 | 664,054 |
| FUND TYPE | | | | |
| General Fund | 207,107 | 319,781 | 319,781 | 439,054 |
| Special Fund | 0 | 25,000 | 25,000 | 195,000 |
| Interdepartmental Transfer | 71,146 | 195,000 | 195,000 | 30,000 |
| TOTAL | 278,253 | 539,781 | 539,781 | 664,054 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Rural Community Fire Protection**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 13,442 | 0 | 0 | 0 |
| TOTAL | 13,442 | 0 | 0 | 0 |
| FUND TYPE | | | | |
| Federal Revenue Fund | 13,442 | 0 | 0 | 0 |
| TOTAL | 13,442 | 0 | 0 | 0 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Senior Community Serv Employment**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 4,391 | 0 | 0 | 0 |
| TOTAL | 4,391 | 0 | 0 | 0 |
| FUND TYPE | | | | |
| Federal Revenue Fund | 4,391 | 0 | 0 | 0 |
| TOTAL | 4,391 | 0 | 0 | 0 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Snowmobile Trails Program**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 836,144 | 0 | 0 | 0 |
| TOTAL | 836,144 | 0 | 0 | 0 |
| FUND TYPE | | | | |
| Transportation Fund | 108,000 | 0 | 0 | 0 |
| Special Fund | 728,144 | 0 | 0 | 0 |
| TOTAL | 836,144 | 0 | 0 | 0 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Youth Conservation Corps**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 331,475 | 369,245 | 369,245 | 391,775 |
| Operating Expenses | 28,784 | 33,700 | 33,700 | 27,800 |
| Grants | 685,481 | 500,000 | 500,000 | 500,000 |
| TOTAL | 1,045,740 | 902,945 | 902,945 | 919,575 |
| FUND TYPE | | | | |
| Special Fund | 722,740 | 529,030 | 529,030 | 596,575 |
| Federal Revenue Fund | 0 | 0 | 0 | 73,000 |
| Interdepartmental Transfer | 323,000 | 373,915 | 373,915 | 250,000 |
| TOTAL | 1,045,740 | 902,945 | 902,945 | 919,575 |

## Appropriation Key Budget Issues

**Forest Highway Maintenance**
In FY05 $90,965 of General fund is replacing reduced transportation funding.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Forest Highway Maintenance**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 153,335 | 2,539 | 252,539 | 247,978 |
| Operating Expenses | 238,322 | 404,000 | 354,000 | 326,000 |
| Grants | 0 | 200,000 | 0 | 0 |
| TOTAL | 391,657 | 606,539 | 606,539 | 573,978 |
| FUND TYPE | | | | |
| General Fund | 0 | 0 | 0 | 90,965 |
| Transportation Fund | 391,657 | 606,539 | 606,539 | 483,013 |
| TOTAL | 391,657 | 606,539 | 606,539 | 573,978 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Property Survey**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 114,566 | 0 | 0 | 0 |
| Operating Expenses | 8,645 | 0 | 0 | 0 |
| TOTAL | 123,211 | 0 | 0 | 0 |
| FUND TYPE | | | | |
| General Fund | 92,382 | 0 | 0 | 0 |
| Interdepartmental Transfer | 30,829 | 0 | 0 | 0 |
| TOTAL | 123,211 | 0 | 0 | 0 |

## Department Mission Statement

To preserve, enhance, restore, and conserve Vermont's natural resources, and protect human health, for the benefit of this and future generations.

## Description of Appropriations, Divisions, & Programs

By statute and through delegation from the Agency of Natural Resources, the Department of Environmental Conservation is charged with the protection of public health and the environment. The department meets this challenge through: (1) public education and technical assistance; (2) financial assistance in the form of grants and loans; (3) permits for activities that require specific conditions, compliance inspections and enforcement to ensure public health and the environment are protected in a fair, effective manner; and (4) monitoring the environment and completing projects such as aquatic weed harvesting and riverbank restoration. We believe that we must treat people fairly, honestly and openly; that our programs must be efficient and cost-effective; that we must lead by example; that our actions must be timely; and that we must show respect for both Vermont's citizens and natural resources.

The department administers various regulatory programs, mandated by the state and /or federal governments, which oversee the discharge of pollutants in the air, water and soil. In most instances, the policy decision was made over three decades ago that DEC should accept the federal delegations of the environmental regulatory program from the U.S. Environmental Protection Agency (EPA), so Vermonters could deal with the permit process locally rather than with EPA in Boston.

The department has eight divisions that make up our three major appropriations. Descriptions of each division are located under their appropriation. A fourth appropriation is added this year for the Connecticut Valley Flood Control Compact.

### Management and Support Services Appropriation

### Commissioner's Office

The Commissioner's Office this year contains the functions of the former Environmental Assistance Division. This office continues to provide leadership, management, business, legal, communication and planning services for all departmental divisions and programs. With the addition of the former Environmental Assistance Division, additional services include permit specialist, compliance assistance, waste prevention and the state geological survey. Permit specialists provide assistance and identify needed permits for each applicant. Compliance specialists provide assistance to small businesses and municipalities to help them understand and comply with environmental requirements. The Waste Prevention Section works with state agencies, businesses, communities and individuals to identify effective and economical ways to reduce waste at the source or to recycle waste materials. The division

promotes customer service, sustainable economy and environmental excellence through the use of education, assistance and innovation.

The Geological Survey staff conducts mapping, research and provides aid and advice about the state's geology, mineral resources and topography. Geological information plays a significant role in locating groundwater supplies, arranging waste disposal, understanding the movement of contaminants, and addressing natural hazards such as landslides, radioactivity, erosion, and earthquakes. Geological research helps locate the source of groundwater and earth materials upon which ecosystems are rooted and provides valuable information about the soil that supports agricultural production. The extraction of mineral resources includes dimension stone, crushed rock, and sand and gravel. The survey also includes the Radioactive Waste Management Program.

**Environmental Laboratory**

The department's Environmental Laboratory is a full-service chemical and bacteriological analytical laboratory providing analyses of air, water and soil contaminants. Data generated by the laboratory is essential to the development of sound public policy, wise management and ongoing evaluations of the health and well-being of Vermont's environmental resources. The laboratory provides internal services to the department and other units of Vermont state government, including chemical analyses of certain agricultural products and supporting needs at the Agency of Transportation, Department of Buildings and General Services, and Department of Health. Data generated by the laboratory is used to further understand the health of the resources, to protect public health, to ensure compliance of certain regulated activities, and to provide a sound scientific basis for policy development and implementation.

**Air and Waste Management Appropriation**

**Air Pollution Control Division**

The Air Pollution Control Division administers a statewide program of air pollution prevention, abatement and control, with the goal of protecting public health and the environment. In addition to its regulatory authority, the division has been actively involved at the national level in efforts to demonstrate the harmful effects of emissions from Midwestern power plants on the environment of Vermont and other eastern states. The division has Planning and Technical Services sections, which identify and assess risk. The Field Services, Engineering Services and Mobile Source Control sections implement risk management decisions.

**Waste Management**

The Waste Management Division oversees management of solid and hazardous wastes to protect public health and the environment. Hazardous and solid waste programs are managed to meet Vermont environmental law and regulatory standards, U.S. Environmental Protection Agency standards for the Resource Conservation Recovery Act, and the Underground Storage Tank Program. The division also

oversees the investigation and remediation of sites contaminated by hazardous wastes from petroleum, chemicals and industrial release. The Petroleum Clean-up Fund is managed to remediate sites contaminated by petroleum from underground storage tanks and above ground tanks. Other various environmental special funds contain funds received to manage specific sites for which each fund was developed. The division maintains a 24-hour Spill Response Team to provide assistance to control and clean up spills.

**Office of Water Appropriation**

**Facilities Engineering Division**

The Facilities Engineering Division administers state and federal programs that fund planning and construction of municipal wastewater systems, municipally and privately owned public water systems, and municipal solid waste implementation projects. It also plans and implements original construction or improvements to state-owned dams and to Department of Fish and Wildlife and Department of Forests, Parks and Recreation projects, such as fishing access areas, hatcheries and state park facilities. The division administers the Dam Safety Program, which involves safety inspections of non-power generating dams and review and permitting for dam alteration or construction projects.

**Wastewater Management Division**

Through its Waterbury office, the Wastewater Management Division administers permitting programs for municipal and industrial wastewater, indirect discharges, residuals management and underground injection control. All but the state indirect discharge program are federally delegated programs. Ancillary to the permitting programs are compliance review, enforcement and licensing of treatment plant operators as well as inspections of and technical assistance for treatment plant operations. These programs regulate the pollutants and promote compliance for about 150 million gallons of effluent discharged to Vermont waters daily. Particular attention is given to assistance for small communities.

Through its presence in Agency regional offices, the division administers water supply and soil-based wastewater permits for systems with less than 6,500 gallons per-day design capacity. These permits cover most residential and commercial developments, including subdivisions, public buildings, mobile home parks, and campgrounds. The division issues about 3,000 permits annually. The site-technician licensing program is also is administered through the regional offices.

**Water Supply Division**

The Water Supply Division is responsible for ensuring that Vermont's 1,400 public water systems provide clean and safe water to their customers. It does this through sanitary surveys, technical assistance, operator certification, compliance tracking for nearly 100 contaminants, a low interest loan program and permitting of all aspects of construction and operation. The division also oversees the state's groundwater protection and well driller's regulatory programs.

## Water Quality Division

The Water Quality Division helps protect surface water quality and quantity for Vermont's 800 significant lakes and ponds, 7,000 miles of rivers and streams, and 300,000 acres of wetlands. The division conducts chemical, physical and biological environmental monitoring and provides guidance to citizen monitoring programs to determine current quality and threats to that quality. It publishes assessments of streams, rivers, lakes and wetlands and prepares watershed plans for each basin through public-private collaborations that work to identify waters that are experiencing difficulties and to develop and implement corrective strategies.

The division's regulatory programs implement state Wetland and Stormwater Rules, federal Erosion Control and Stormwater General Permits, the Vermont Water Quality Standards and state permits for aquatic nuisance control, lakeshore encroachment and stream alteration. The division assures that stream flows below dams, water withdrawals and hydropower reservoirs meet minimum standards. The division issues grants and provides technical assistance for local nonpoint source pollution management activities in lake and river watersheds. The division also administers aquatic nuisance management, river management and flood hazard mitigation programs, and sponsors Project WET (Water Education for Teachers).

## Connecticut Valley Flood Control Compact Appropriation

The Connecticut Valley Flood Control Compact appropriation is established this year to manage receipts from the Connecticut and Massachusetts for tax losses in Vermont towns where the U.S. Corps of Engineers has built flood control projects.

## Department Key Budget Issues

The DEC budget, water programs appropriation, includes $790,625 for Governor Douglas' Clean and Clear Action Plan. This is further explained in the water programs appropriation.

This is the agency's year to be part of the administration fee bill, and DEC is proposing an increase of $776,119 in permit, licensing and registration fees this year. The Governor's proposed budget enables the DEC to maintain essential base programs in addition to funding the Clean and Clear initiative. New fee revenues are integral to achieving that goal. Reductions in the proposed fees would require either cuts to important programs or replacement revenues from other sources.

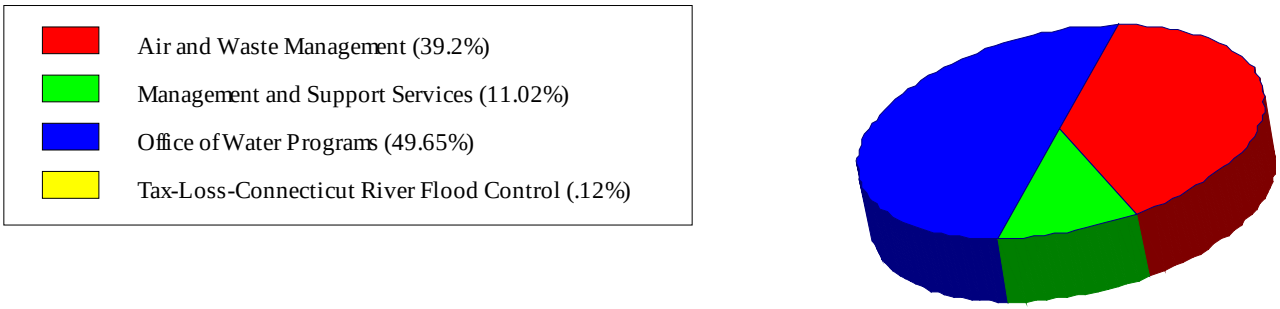
The Department of Environmental Conservation (DEC) relies on revenues from over one hundred individual sources to make up its budget. These funding sources are primarily federal funds, general funds, and fees from different types of permits and registrations. Federal funds and general funds have generally not kept pace with inflation. In most cases, small increases in funding come with requirements for new work. This reality challenges the department's ability to continue to fund core responsibilities.

This year the department is requesting changes to our fees needed to maintain our base programs.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
# Environmental Conservation

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Management and Support Services | 41 | 40 | 40 | 3,265,403 | 3,316,183 | 3,550,241 | 3,614,273 |
| Air and Waste Management | 79 | 77 | 78 | 12,094,057 | 12,731,335 | 13,558,783 | 12,851,273 |
| Office of Water Programs | 162 | 159 | 167 | 12,541,617 | 14,525,824 | 15,942,234 | 16,279,047 |
| Tax-Loss-Connecticut River Flood Control | 0 | 0 | 0 | 13,880 | 0 | 48,580 | 40,000 |
| TOTAL | 282 | 276 | 285 | 27,914,957 | 30,573,342 | 33,099,838 | 32,784,593 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 7,005,692 | 6,830,444 | 7,475,094 | 7,721,340 |
| Transportation Fund | | | | 226,217 | 228,689 | 228,689 | 183,709 |
| Special Fund | | | | 11,960,346 | 12,565,843 | 13,308,770 | 13,144,968 |
| Federal Revenue Fund | | | | 7,489,003 | 9,460,779 | 10,559,698 | 10,187,707 |
| Interdepartmental Transfer | | | | 1,233,699 | 1,487,587 | 1,527,587 | 1,546,869 |
| TOTAL | | | | 27,914,957 | 30,573,342 | 33,099,838 | 32,784,593 |



## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,523,976 | 2,467,896 | 2,635,681 | 2,763,324 |
| Operating Expenses | 633,726 | 735,757 | 772,667 | 753,419 |
| Grants | 107,701 | 112,530 | 141,893 | 97,530 |
| TOTAL | 3,265,403 | 3,316,183 | 3,550,241 | 3,614,273 |
| FUND TYPE | | | | |
| General Fund | 1,100,443 | 1,056,575 | 1,203,985 | 1,166,778 |
| Special Fund | 1,057,836 | 600,306 | 605,819 | 616,273 |
| Federal Revenue Fund | 551,733 | 890,044 | 971,179 | 1,036,410 |
| Interdepartmental Transfer | 555,391 | 769,258 | 769,258 | 794,812 |
| TOTAL | 3,265,403 | 3,316,183 | 3,550,241 | 3,614,273 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 5,227,278 | 5,562,614 | 5,699,960 | 5,767,222 |
| Operating Expenses | 5,817,960 | 5,574,221 | 5,678,329 | 5,900,551 |
| Grants | 1,048,819 | 1,594,500 | 2,180,494 | 1,183,500 |
| TOTAL | 12,094,057 | 12,731,335 | 13,558,783 | 12,851,273 |
| FUND TYPE | | | | |
| General Fund | 709,090 | 609,584 | 746,704 | 592,246 |
| Transportation Fund | 39,278 | 39,278 | 39,278 | 0 |
| Special Fund | 8,839,094 | 9,171,139 | 9,820,596 | 9,259,422 |
| Federal Revenue Fund | 2,329,095 | 2,741,334 | 2,742,205 | 2,829,605 |
| Interdepartmental Transfer | 177,500 | 170,000 | 210,000 | 170,000 |
| TOTAL | 12,094,057 | 12,731,335 | 13,558,783 | 12,851,273 |

## Appropriation Key Budget Issues

The water programs appropriation includes $790,625 for Governor Douglas' Clean and Clear Action Plan, a statewide initiative that includes aggressive strategies to clean up Lake Champlain and waters throughout Vermont and meet the targets established in the Phosphorus Total Maximum Daily Load (TMDL). The Clean and Clear initiative includes enhanced watershed action planning and public involvement, increased emphasis on stream stability and riparian corridor protection, improved erosion control at construction sites, and additional monitoring.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Office of Water Programs**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 9,190,255 | 10,116,516 | 10,768,652 | 11,685,248 |
| Operating Expenses | 1,699,643 | 2,104,390 | 2,144,697 | 2,397,137 |
| Grants | 1,651,719 | 2,304,918 | 3,028,885 | 2,196,662 |
| TOTAL | 12,541,617 | 14,525,824 | 15,942,234 | 16,279,047 |
| FUND TYPE | | | | |
| General Fund | 5,196,159 | 5,164,285 | 5,524,405 | 5,962,316 |
| Transportation Fund | 186,939 | 189,411 | 189,411 | 183,709 |
| Special Fund | 2,049,536 | 2,794,398 | 2,833,775 | 3,229,273 |
| Federal Revenue Fund | 4,608,175 | 5,829,401 | 6,846,314 | 6,321,692 |
| Interdepartmental Transfer | 500,808 | 548,329 | 548,329 | 582,057 |
| TOTAL | 12,541,617 | 14,525,824 | 15,942,234 | 16,279,047 |

## Appropriation Key Budget Issues

Due to the accounting system change, this is the first year this program has been included in the budget book, however, this program has been active for many years. Appropriation levels are set to accommodate anticipated receipts from Connecticut and Massachusetts for tax losses in Vermont towns where the U.S. Corps of Engineers has built flood control projects.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Surface Water**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Operating Expenses | 13,880 | 0 | 48,580 | 40,000 |
| TOTAL | 13,880 | 0 | 48,580 | 40,000 |
| FUND TYPE | | | | |
| Special Fund | 13,880 | 0 | 48,580 | 40,000 |
| TOTAL | 13,880 | 0 | 48,580 | 40,000 |

## Department Mission Statement

The mission of the Environmental Board is to provide a public, quasi-judicial process for reviewing and managing the environmental and fiscal consequences of major subdivisions and developments in Vermont. Specific program objectives of Act 250 include: 1) assuring thorough review of each Act 250 permit application under the requirements of statutory criteria; 2) performing permit review as expeditiously as possible; 3) providing assistance to applicants and other parties in preparation for their participation in Act 250 proceedings; 4) providing an appellate forum for decisions by district commissions and issuing decisions and declaratory rulings; 5) assisting permittees in maintaining compliance with permit terms and conditions; 6) enforcing the requirements of Act 250 permits and the statute.

The Waste Facility Panel is a panel of the Vermont Environmental Board. It is authorized to decide appeals from determinations by the Secretary of the Agency of Natural Resources (ANR) relating to solid and hazardous waste management facilities. The Waste Facility Panel also decides Act 250 appeals from the district environmental commissions which relate to solid waste management facilities. When there is an appeal of both an ANR determination and an Act 250 decision, the appeals are consolidated before the Waste Facility Panel.

## Description of Appropriations, Divisions, & Programs

### Department Purpose and Activities

Created to administer Act 250 in 1970, the Environmental Board and District Commissions provide a public, quasi-judicial process for reviewing and managing the environmental and fiscal consequences of major subdivisions and developments
in Vermont. Specific program objectives of Act 250 include: 1) assuring thorough review of each Act 250 permit application under the requirements of statutory criteria; 2) performing permit review as expeditiously as possible; 3) providing assistance to applicants and other parties in preparation for their participation in Act 250 proceedings; 4) providing an appellate forum for decisions by district commissions and issuing decisions and declaratory rulings; 5) assisting permittees in maintaining compliance with permit terms and conditions; 6) enforcing the requirements of Act 250 permits and the statute. The Board is comprised of a nine member panel appointed by the Governor including a full time Chair of the Board. Each of the nine district commissions is comprised of three members with up to four alternates also appointed by the Governor. The Chair of the Board, as a full time salaried employee, has responsibility for the administration of the entire Act 250 program.

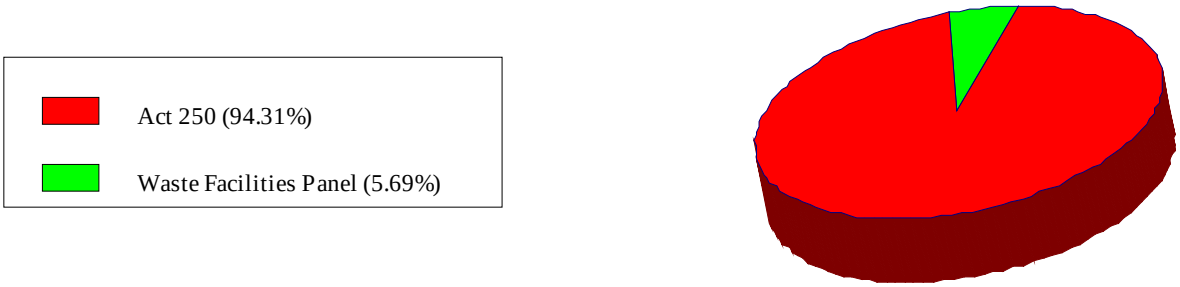
Waste Facility Panel

The Waste Facility Panel of the Environmental Board was created in 1991 to hear appeals of all state permit decisions relating to solid and hazardous waste. The Panel is made up of five members appointed by the Governor. The Chair of the Environmental Board serves as Chair of the Panel. Members of the Panel may also serve as Alternates on Act 250 appeals before the Environmental Board.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
# Environmental Board and Dist Comm

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Act 250 | 31 | 30 | 29 | 2,262,838 | 2,365,104 | 2,365,104 | 2,402,169 |
| Waste Facilities Panel | 2 | 2 | 2 | 131,938 | 140,000 | 140,000 | 145,000 |
| TOTAL | 33 | 32 | 31 | 2,394,776 | 2,505,104 | 2,505,104 | 2,547,169 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 784,619 | 779,728 | 779,728 | 880,992 |
| Special Fund | | | | 1,610,157 | 1,725,376 | 1,725,376 | 1,641,177 |
| Interdepartmental Transfer | | | | 0 | 0 | 0 | 25,000 |
| TOTAL | | | | 2,394,776 | 2,505,104 | 2,505,104 | 2,547,169 |



## Appropriation Key Budget Issues

Key budget issues for the Environmental Board are difficult to quantify at this time since there has been no resolution of issues relating to permit reform initiatives of the current bienium. A comprehensive permit reform package has passed the House (H.175) and now awaits final action in a House and Senate Conference Committee. Depending on the outcome of that process, the Environmental Board may need to amend its FY 2005 budget proposal in order to insure there is adequate funding to carry on operations and to implement any reforms. Without knowing what permit reforms may result, the Environmental Board has submitted an FY 2005 budget that does not contain any key budget initiatives. There are no new positions and operating expenses are essentially level funded. Personal service expenditures are expected to grow in response to high health care premiums and other personal service benefits, as well as normal cost of living increases. The Board will suggest revisions to its FY 2005 budget as soon as there is some clarity on what will emerge from the Conference Committee.

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,902,033 | 1,986,948 | 1,986,948 | 2,033,202 |
| Operating Expenses | 360,805 | 378,156 | 378,156 | 368,967 |
| TOTAL | 2,262,838 | 2,365,104 | 2,365,104 | 2,402,169 |
| FUND TYPE | | | | |
| General Fund | 784,619 | 779,728 | 779,728 | 880,992 |
| Special Fund | 1,478,219 | 1,585,376 | 1,585,376 | 1,521,177 |
| TOTAL | 2,262,838 | 2,365,104 | 2,365,104 | 2,402,169 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Waste Facilities Panel**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 117,461 | 127,214 | 127,214 | 132,633 |
| Operating Expenses | 14,477 | 12,786 | 12,786 | 12,367 |
| TOTAL | 131,938 | 140,000 | 140,000 | 145,000 |
| FUND TYPE | | | | |
| Special Fund | 131,938 | 140,000 | 140,000 | 120,000 |
| Interdepartmental Transfer | 0 | 0 | 0 | 25,000 |
| TOTAL | 131,938 | 140,000 | 140,000 | 145,000 |

## Department Mission Statement

The mission of the Water Resources Board is to ensure that rules which guide the management of Vermont's water resources and wetlands are adopted, and (on appeal) are interpreted, by a citizen board, which is independent of the Agency of Natural Resources (ANR). The Board provides meaningful citizen involvement and oversight in the adopting and implementation of Vermont's water resource management and wetland protection policies and provides for an administrative appeal from related regulatory decisions of the ANR. The protection of water quality, resolution of conflicting uses of public waters, the designation and protection of significant wetlands and the designation of outstanding resource waters in a manner consistent with the public interest and applicable state and federal law are the major results toward which the Board's activities are directed.

## Description of Appropriations, Divisions, & Programs

The Water Resources Board's (WRB) budget consists of personal services expenses to support four full time staff members and per diems for the five member citizen Board and an operating budget that funds the activities of the five member citizen Board. The Water Resources Board (WRB) total budget target is $324,115. This is up from $315,745 that was appropriated in FY04.

All of the work that the WRB engages in is mandated by statute and driven by petitions for rulemaking and appeals filed by members of the public. The Board's operating budget pays for rent, postage, mail, travel telephone and other expenses related to hearing appeals filed with the Board and implementing rulemaking requests filed by the public. The bulk of the Board's budget is salaries and benefits for its four employees, which in FY 05 is slated at $291,824. The salary increases from FY 04 reflect step mandatory increases for the Board's two classified employees, 3% merit increases for the Board's exempt employees and COLA increases. Benefits for Board employees in FY 05 rose more than $10,000 over the FY 04 costs.

Requests for rulemakings rose in FY04 as anticipated due to the Agency of Natural Resources recent basin planning efforts. The basin plans include recommendations that the Board amend the Vermont Water Quality Standards (VWQS) to make the standards consistent with the plans. I anticipate another rulemaking petition to filed (maybe two) to be filed as a result of ANR's continued basin planning efforts in FY 05.

In addition to amending the VWQS, the WRB annually receives requests to amend the state's Use of Public Waters rules. The WRB anticipates several such requests in FY05. Board expenses for advertising, per diems, travel etc. will likely increase with the increase in rulemaking activity.

The Board appeals work rose from 10 appeals filed in calendar year 2001 to 21 appeals filed in calendar

year 2002 and 17 appeals filed in calendar year 2003. The Board's budget must cover travel, per diems and other meeting expenses for Board members associated with hearing appeals. The Board members receive no salaries and the per diems, other meeting and travel expenses are the only reimbursement they receive for addressing the significant amount of work currently on the Board's docket. To meet the budget target, I had to reduce per diems and Board expenses (travel, meals, lodging from FY 04 by approximately $7,000. I also had to reduce advertising costs for the publishing of Board notices for rulemaking by approximately $2,000. I hope that these reductions do not affect the ability of the Board to meet and conduct Board business in FY 05.

In addition, in FY 04 the Board took on an investigation into the stormwater public policy issue under its authority to open investigative dockets. This created additional meetings for the Board and work for staff. The Board's ability to to address crucial work like the stormwater investigation is contingent on funding for proper staffing and for Board expenses associated with meetings.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Water Resources Board**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Water Resources Board | 4 | 4 | 4 | 324,237 | 315,745 | 315,745 | 324,515 |
| TOTAL | 4 | 4 | 4 | 324,237 | 315,745 | 315,745 | 324,515 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 324,237 | 315,745 | 315,745 | 324,515 |
| TOTAL | | | | 324,237 | 315,745 | 315,745 | 324,515 |

## Appropriation Key Budget Issues

The Water Resources Board's (WRB) budget consists of personal services expenses to support four full time staff members and per diems for the five member citizen Board and an operating budget that funds the activities of the five member citizen Board. The Water Resources Board (WRB) total budget target is $324,115. This is up from $315,745 that was appropriated in FY04.

All of the work that the WRB engages in is mandated by statute and driven by petitions for rulemaking and appeals filed by members of the public. The Board's operating budget pays for rent, postage, mail, travel telephone and other expenses related to hearing appeals filed with the Board and implementing rulemaking requests filed by the public. The bulk of the Board's budget is salaries and benefits for its four employees, which in FY 05 is slated at $291,824. The salary increases from FY 04 reflect step mandatory increases for the Board's two classified employees, 3% merit increases for the Board's exempt employees and COLA increases. Benefits for Board employees in FY 05 rose more than $10,000 over the FY 04 costs.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Water Resources Board**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 278,337 | 272,751 | 272,751 | 284,906 |
| Operating Expenses | 45,900 | 42,994 | 42,994 | 39,609 |
| TOTAL | 324,237 | 315,745 | 315,745 | 324,515 |
| FUND TYPE | | | | |
| General Fund | 324,237 | 315,745 | 315,745 | 324,515 |
| TOTAL | 324,237 | 315,745 | 315,745 | 324,515 |

## Agency Mission Statement

The mission for the Agency of Commerce and Community Development is to support job creation and a strong and diverse economy, to promote the development of housing that is affordable to all Vermonters and to preserve Vermont's heritage and promote vibrant communities.

## Description of Departments in Agency

The Agency of Commerce and Community Development encompasses three major state departments and many programs that serve the Vermont public by enhancing the Vermont business climate, marketing Vermont to tourists and others, and strengthening Vermont communities in a wide variety of ways. The Agency is comprised of the Departments of Economic Development, Tourism and Marketing, and Housing and Community Affairs. Vermont Life Magazine is part of Tourism and Marketing, and the Vermont Downtown Program and the Division for Historic Preservation are part of Housing and Community Affairs.

DIVISION OF ADMINISTRATION:
Administration consists of the Office of the Agency Secretary, the Administrative Services Division, and Legal Counsel. Together they provide managerial direction, coordination, and support services to the agency. The VT Economic Progress Council is an arm of the Division. The Division is also responsible for coordinating the marketing activities of 17 state agencies and departments through the work of the Marketing and Promotional Partnership (M.A.P.) group.

HOUSING AND COMMUNITY AFFAIRS:
The Department of Housing and Community Affairs serves Vermont's regions, municipalities, housing development organizations and historic preservation through six principal functions: 1) administration of state and federal grant programs; 2) provision of technical assistance; 3) implementation of state housing, planning and community development policy; 4) implementation of state and federal housing, planning and community development statutes; 5) identifies, protects, interprets, promotes, and enhances the economic and educational value of historic, architectural, and archeological resources for the people and communities of Vermont; 6) manages, maintains, operates and interprets the State-owned Historic Sites with an ongoing objective on increasing historic, educational and economic value to Vermont citizens and tourists. The department also funds and supports regional planning efforts through the Regional Planning Commissions.

ECONOMIC DEVELOPMENT
The Department of Economic Development provides support of businesses and job creation by

assistance in finance, permitting, foreign trade, export finance, business recruitment/expansion, government marketing, and captive insurance sales and marketing services. The department also funds and supports regional economic development efforts through the Regional Development Corporations.

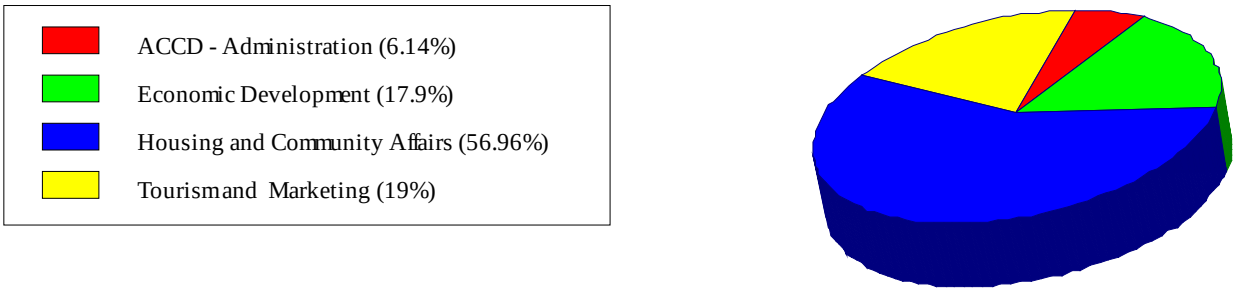
TOURISM AND MARKETING

The Department of Tourism and Marketing promotes Vermont as a travel destination in order to maintain a diverse and healthy economy. This is accomplished through the development and implementation of a comprehensive marketing plan that integrates programs for public and trade relations, advertising, research and evaluation, and publicity support of industry. Vermont Life Magazine promotes Vermont as a beautiful and interesting place to travel, work and live. The department also funds and supports regional marketing initiatives through the Regional Marketing Organizations.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Agency of Commerce and Comm Dev**

## AGENCY SUMMARY BY DEPARTMENT

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| ACCD - Administration | 17 | 18 | 18 | 1,721,481 | 1,918,571 | 1,852,511 | 1,874,906 |
| Housing and Community Affairs | 41 | 39 | 39 | 19,926,084 | 17,004,565 | 18,508,396 | 17,402,771 |
| Economic Development | 16 | 17 | 16 | 3,858,670 | 4,581,148 | 5,236,338 | 5,468,777 |
| Tourism and Marketing | 30 | 28 | 28 | 5,653,046 | 6,082,085 | 6,389,621 | 5,803,637 |
| TOTAL | 104 | 102 | 101 | 31,159,281 | 29,586,369 | 31,986,866 | 30,550,091 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 11,184,433 | 12,577,382 | 13,618,813 | 13,271,186 |
| Special Fund | | | | 4,597,577 | 5,330,937 | 6,005,817 | 5,281,740 |
| Federal Revenue Fund | | | | 14,200,343 | 10,060,952 | 10,681,244 | 10,316,638 |
| Enterprise Fund | | | | 704,354 | 825,000 | 825,000 | 825,000 |
| Interdepartmental Transfer | | | | 472,574 | 792,098 | 855,992 | 855,527 |
| TOTAL | | | | 31,159,281 | 29,586,369 | 31,986,866 | 30,550,091 |



## Department Mission Statement

The mission of the Division of Administration is to coordinate agency wide efforts to implement policy and statutory objectives in the areas of economic development and job creation, housing, planning, archeological research, preservation of historic buildings and sites, and the Regional Block Grant program. Administration has the lead responsibility for supporting the Governor's legislative programs as they pertain to the subject areas.

## Description of Appropriations, Divisions, & Programs

Administration is made up of the Secretary's Office, Administrative Services, and legal staff. The division is responsible for overall agency, human resources, budget, and information technology management, as well as legislative initiatives.

Administration encompasses the Vermont Economic Progress Council (VEPC) which was established in 1994 as an independent body to form a long-term economic planning group for the state. The Council is charged with creating, maintaining and participating in the implementation of a ten-year economic development plan for Vermont and annually reporting to the Governor and the General Assembly with recommendations to implement that plan. In March 1998, VEPC was also given the responsibility of implementing and administering the Economic Advancement Tax Incentive program, a comprehensive set of income, sales, and property tax incentives to stimulate the growth of new, well-paying jobs and investment in Vermont by expanding Vermont companies and companies new to Vermont.

Administration also serves to fund the Vermont Sustainable Jobs Fund which works with businesses and economic development entities to create and retain quality jobs throughout the State while protecting and enhancing the State's environment and developing sustainable economies in Vermont's communities.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Administration | 17 | 18 | 18 | 1,721,481 | 1,918,571 | 1,852,511 | 1,874,906 |
| TOTAL | 17 | 18 | 18 | 1,721,481 | 1,918,571 | 1,852,511 | 1,874,906 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 1,721,481 | 1,852,465 | 1,852,511 | 1,874,906 |
| Interdepartmental Transfer | | | | 0 | 66,106 | 0 | 0 |
| TOTAL | | | | 1,721,481 | 1,918,571 | 1,852,511 | 1,874,906 |

## Appropriation Key Budget Issues

Issues confronting the Administration Division are similar to those facing other state agencies and departments. Our FY 05 budget is based on a 2% reduction plus an absorption of inflationary increases for rent, compensation and benefits. The aggregate effect of the reduction and inflationary increases is a 4.1% overall funding reduction.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Administration**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 1,014,655 | 1,237,578 | 1,216,944 | 1,230,130 |
| Operating Expenses | 468,738 | 490,993 | 445,567 | 458,576 |
| Grants | 238,088 | 190,000 | 190,000 | 186,200 |
| TOTAL | 1,721,481 | 1,918,571 | 1,852,511 | 1,874,906 |
| FUND TYPE | | | | |
| General Fund | 1,721,481 | 1,852,465 | 1,852,511 | 1,874,906 |
| Interdepartmental Transfer | 0 | 66,106 | 0 | 0 |
| TOTAL | 1,721,481 | 1,918,571 | 1,852,511 | 1,874,906 |

## Department Mission Statement

To promote the production of housing that is affordable to all Vermonters, to preserve Vermont's heritage and promote vibrant communities.

## Description of Appropriations, Divisions, & Programs

* The Department of Housing & Community Affairs offers a wide range of programs to support sustainable development of Vermont Communities:
* Preservation of Vermont's historic downtowns and village centers.
* State-owned historic sites and archeological resources.
* The Vermont Community Development Program.
* Local and regional land use planning.
* State housing policy, including the mobile home park program.

The Vermont Downtown Program (VDP) supports community efforts to strengthen downtowns and village centers through training and technical assistance. In the 2002 Downtown Development Act, the Legislature added a new process to designate village centers and new town centers. They also created tax credit incentives for historic buildings within the village centers.

As we approach the end of 2003 there are 16 designated downtowns in the state, with almost 30% of the state's population living in those communities: Barre, Bellows Falls, Bennington, Brattleboro, Burlington, Middlebury, Montpelier, Morristown, Poultney, Randolph, Rutland, St. Johnsbury, Springfield, Vergennes, Windsor and Winooski. Several more communities are working toward designation in 2004. The newer Village Center designation has become very popular with smaller communities. We have designated 19 village centers including Barton, Belmont, Bethel, Hardwick, Island Pond, Jericho Corners, Montgomery, Montgomery Center, North Bennington, Peru, Plainfield, Putney, Saxtons River, Shelburne, Wallingford, East Wallingford, South Wallingford, Weston and West Rutland. The legislature has also strongly supported the VDP through the creation of the Downtown Transportation and Related Capital Improvement Fund, and the tax credits for rehabilitation of historic buildings. Long-vacant upper floors in many downtowns are now being rehabilitated for housing and offices, storefronts and facades are being improved and buildings are becoming more accessible and safe through code improvements.

The Division for Historic Preservation also conducts environmental reviews of developments which impact the state's historic resources, administers the state's historic preservation grant programs, maintains the National Register of Historic Places, and administers the federal historic tax credit. Vermont is a national leader in its use of this federal tax incentive.

State-Owned Historic Sites now total 26 sites with 95 buildings, bridges and underwater shipwrecks. Three of the sites have been designated as National Historic Landmarks: President Calvin Coolidge Historic Site, the Justin S. Morrill State Historic Site, and Mt. Independence. Ten sites are open to the public attracting over 100,000 visitors each year. Revenues from gift shop sales, donations and rentals provide 43% of the operating support for these sites.

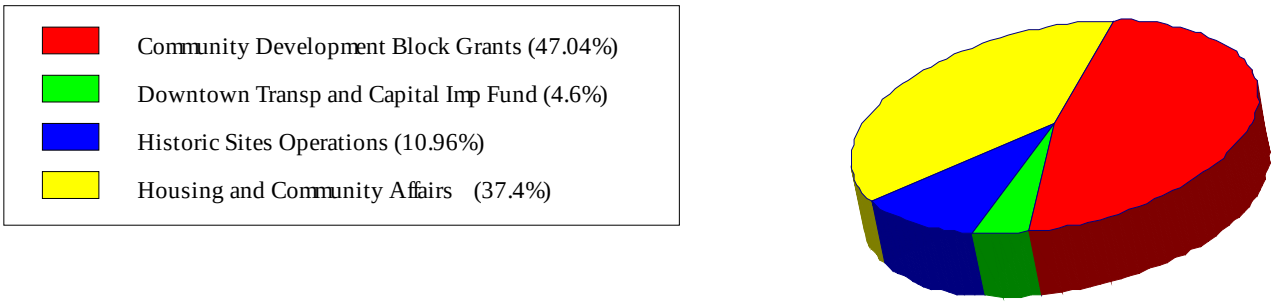
Applications from municipalities to the Vermont Community Development Program (VCDP) greatly outstrip the available grant resources each year. VCDP is funded at a level of $8.5M annually through the federal Community Development Block Grant program. Grants are made directly to municipalities for vital community development projects, such as affordable housing, economic development, and public facilities such as daycare centers.

The Planning Division provides technical assistance to local and regional officials on smart growth planning tools and administers the Municipal Planning Grant Program and state funding for the 12 Regional Planning Commissions.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Housing and Community Affairs

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Housing and Community Affairs | 36 | 34 | 34 | 7,036,473 | 7,157,523 | 8,636,133 | 6,509,152 |
| Historic Sites Operations | 5 | 5 | 5 | 905,355 | 1,661,302 | 1,686,523 | 1,907,879 |
| Community Development Block Grants | 0 | 0 | 0 | 11,984,256 | 8,185,740 | 8,185,740 | 8,185,740 |
| Downtown Transp and Capital Imp Fund | 0 | 0 | 0 | 0 | 0 | 0 | 800,000 |
| TOTAL | 41 | 39 | 39 | 19,926,084 | 17,004,565 | 18,508,396 | 17,402,771 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 1,864,442 | 1,893,217 | 1,979,429 | 1,940,540 |
| Special Fund | | | | 4,077,790 | 4,793,078 | 5,460,405 | 4,758,740 |
| Federal Revenue Fund | | | | 13,974,857 | 9,892,278 | 10,512,570 | 10,147,964 |
| Interdepartmental Transfer | | | | 8,995 | 425,992 | 555,992 | 555,527 |
| TOTAL | | | | 19,926,084 | 17,004,565 | 18,508,396 | 17,402,771 |



## Appropriation Key Budget Issues

The Department continues to struggle with the ever-increasing need to balance the steady drain of federal dollars through the Community Development Block Grant Program with the needs of Vermont's communities. This challenge has been met in the past with other federal funds, but it appears this will be an ongoing and growing problem. We also continue to struggle with the reduction of federal dollars from the National Park Service, funding 67% of our Historic Preservation Division's budget. We are looking at non general fund revenues as a way to maintain programs.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Housing and Community Affairs**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 2,209,819 | 2,249,428 | 2,409,024 | 2,217,796 |
| Operating Expenses | 216,435 | 298,932 | 332,660 | 326,342 |
| Grants | 4,610,219 | 4,609,163 | 5,894,449 | 3,965,014 |
| TOTAL | 7,036,473 | 7,157,523 | 8,636,133 | 6,509,152 |
| FUND TYPE | | | | |
| General Fund | 1,465,395 | 1,483,865 | 1,495,029 | 1,531,188 |
| Special Fund | 3,602,667 | 4,267,120 | 4,992,164 | 3,468,740 |
| Federal Revenue Fund | 1,968,411 | 1,406,538 | 2,018,940 | 1,509,224 |
| Interdepartmental Transfer | 0 | 0 | 130,000 | 0 |
| TOTAL | 7,036,473 | 7,157,523 | 8,636,133 | 6,509,152 |

## Appropriation Key Budget Issues

Over recent years, more historic sites have been added to the state roster at the same time as related special fund fee, admission and other site income revenue has dropped. In FY01 the Legislature appropriated $120,000 in General Fund one-time money to get the sites back on track. However, in FY04 the sites operation costs continue to outstrip the available special fund and general fund revenue. The Governor has asked for a budget adjustment for FY04 of $75,000 to deal with this imbalance over the short term. The Department has been asked to review alternatives and find ways to revamp the program and/or come up with other alternative revenue streams or find ways to increase current special fund revenue streams in order to keep the site program viable.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Historic Sites Operations**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 552,213 | 567,380 | 663,830 | 563,114 |
| Operating Expenses | 353,142 | 1,093,922 | 1,022,693 | 1,344,765 |
| TOTAL | 905,355 | 1,661,302 | 1,686,523 | 1,907,879 |
| FUND TYPE | | | | |
| General Fund | 399,047 | 409,352 | 484,400 | 409,352 |
| Special Fund | 475,123 | 525,958 | 468,241 | 490,000 |
| Federal Revenue Fund | 22,190 | 300,000 | 307,890 | 453,000 |
| Interdepartmental Transfer | 8,995 | 425,992 | 425,992 | 555,527 |
| TOTAL | 905,355 | 1,661,302 | 1,686,523 | 1,907,879 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Community Development Block Grants**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 11,984,256 | 8,185,740 | 8,185,740 | 8,185,740 |
| TOTAL | 11,984,256 | 8,185,740 | 8,185,740 | 8,185,740 |
| FUND TYPE | | | | |
| Federal Revenue Fund | 11,984,256 | 8,185,740 | 8,185,740 | 8,185,740 |
| TOTAL | 11,984,256 | 8,185,740 | 8,185,740 | 8,185,740 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Downtown Transp and Capital Imp Fund**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 0 | 0 | 0 | 800,000 |
| TOTAL | 0 | 0 | 0 | 800,000 |
| FUND TYPE | | | | |
| Special Fund | 0 | 0 | 0 | 800,000 |
| TOTAL | 0 | 0 | 0 | 800,000 |

## Department Mission Statement

To lead and coordinate statewide efforts to foster the growth of higher quality jobs through supporting existing businesses and attracting new businesses to the state.

Department Goal: Support creation and retention of quality jobs and strengthen competitiveness of Vermont's businesses and overall economy.

Desired Outcomes:
o Increase average annual pay. Increase Vermont's average wage versus the national and New England regional average wage.
o Balance regional participation in economic advancement. Achieve more balanced economic growth to assure that Vermonters are sharing proportionately in the state's economic prosperity.
o Increase relative productivity of Vermont workers. Increase the productivity of Vermont workers to achieve and sustain a rate matching the leading regional performer and one higher than national average.

## Description of Appropriations, Divisions, & Programs

Administration: Oversees the human, technical, and financial resources of the department. Administers the grant programs and Regional Development Corporations. Provides public outreach via media, partnerships, seminars, and direct client contact.

Business Support & Expansion: Assists new or expanding companies to operate in Vermont through locating facilities, financing, entrepreneurship, and permit expedition by direct client interaction and partnership with the Regional Development Corporations.

Financial Services: Seeks to promote Vermont's top position as a U.S. captive domicile, and seek out new and diversified opportunities within financial services.

Government Marketing Assistance Center (GMAC): Responsible for generating contract bid opportunities from federal, state, and local governments, and private sector organizations for Vermont service and manufacturing firms. Program maintains an electronic bulletin board to promote Vermont business networking and to provide informational resources. Program maintains the government bid board.

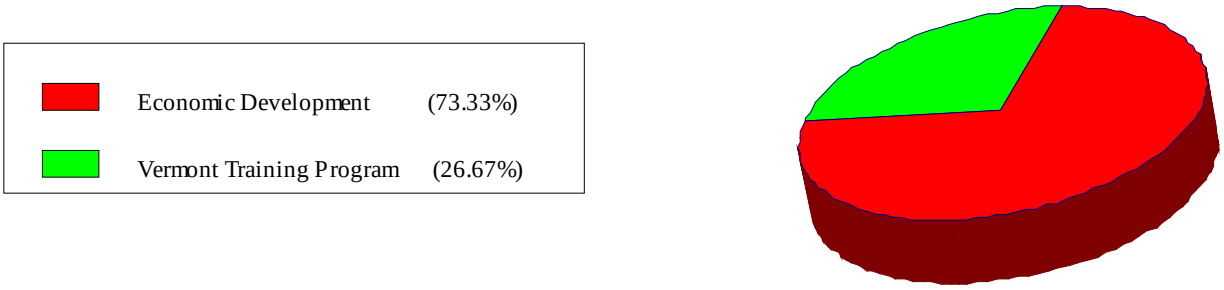
Vermont Training Program: Assists firms in the training of new and existing employees. ISO 9000 training classes are also offered to Vermont employers.

Telecommunications: The department works closely with the Agency's Administration Division to further telecommunications infrastructure development throughout the state of Vermont.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Economic Development

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Economic Development | 16 | 16 | 16 | 3,182,316 | 3,374,197 | 3,643,389 | 4,010,077 |
| Vermont Training Program | 0 | 1 | 0 | 615,825 | 1,149,088 | 1,534,603 | 1,458,700 |
| Job Development Zones | 0 | 0 | 0 | 60,529 | 57,863 | 58,346 | 0 |
| TOTAL | 16 | 17 | 16 | 3,858,670 | 4,581,148 | 5,236,338 | 5,468,777 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 3,165,710 | 3,929,615 | 4,522,252 | 4,777,103 |
| Special Fund | | | | 467,474 | 482,859 | 545,412 | 523,000 |
| Federal Revenue Fund | | | | 225,486 | 168,674 | 168,674 | 168,674 |
| TOTAL | | | | 3,858,670 | 4,581,148 | 5,236,338 | 5,468,777 |



## Appropriation Key Budget Issues

In his Jobs for the 21st Century Initiative, the Governor laid out assisting current businesses and the Vermont workforce as his economic priority, setting aside $925 thousand to pursue this agenda.

These funds are allocated as follows:

$300,000 to increase grants for the Vermont Training Program. The training program is one of the state's most cost efficient and effective economic development tools.

$50,000 to cover the operating costs of the Governors telecommunications initiative. The Administration will establish the aggressive goal of having 100% of major transportation arteries with wireless coverage and 90% of homes and businesses with affordable broadband access by 2007. ACCD will lead the statewide effort to expand telecommunications services and facilitate the Governors Telecommunications Advisory Council. We will coordinate continuous dialogue with service providers and consumers in an effort to remain fully informed of challenges and opportunities where ACCD can provide support and/or direction.

$125,000 to a grant for the Vermont Center for Emerging Technologies incubator project. DED will work with UVM to provide funding for the development of an incubator facility associated with UVM. This facility will be focused on spinning off technologies, developed through research, into commercial applications.

$200,000 toward additional recruitment activity. DED will conduct targeted recruitment activities based upon an identified cluster strategy utilizing print, radio and TV media as well as targeted direct mail, trade shows, familiarization tours, familiarization events, cluster events, site visits, outreach to site location consultants, trade missions, collateral material development, related research and database management.

$200,000 for three new classified positions for increased recruitment activity.

$50,000 for a grant to help establish the International Center for Captive Insurance (ICCI), currently being developed in collaboration between the Vermont Captive Insurance Association and the University of Vermont. Its goal is to provide educational opportunities on a broad range of captive insurance related topics. ICCI was developed in response to a need expressed by captive insurance professionals for in-depth educational opportunities and a professional designation. ICCI has been in a development phase since January 2002 and start-up funds are being raised in order to launch the program.

Other Budget Impacts
The rest of DED's FY05 budget is based on a 2% reduction from the FY04 appropriation level.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Economic Development**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,197,442 | 1,516,862 | 1,497,659 | 1,648,204 |
| Operating Expenses | 448,365 | 413,044 | 514,532 | 634,099 |
| Grants | 1,536,509 | 1,444,291 | 1,631,198 | 1,727,774 |
| TOTAL | 3,182,316 | 3,374,197 | 3,643,389 | 4,010,077 |
| FUND TYPE | | | | |
| General Fund | 2,544,731 | 2,764,052 | 2,970,691 | 3,369,403 |
| Special Fund | 412,099 | 441,471 | 504,024 | 472,000 |
| Federal Revenue Fund | 225,486 | 168,674 | 168,674 | 168,674 |
| TOTAL | 3,182,316 | 3,374,197 | 3,643,389 | 4,010,077 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Training Program**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 122,243 | 82,677 | 151,117 | 107,531 |
| Operating Expenses | 17,634 | 17,476 | 26,599 | 26,599 |
| Grants | 475,948 | 1,048,935 | 1,356,887 | 1,324,570 |
| TOTAL | 615,825 | 1,149,088 | 1,534,603 | 1,458,700 |
| FUND TYPE | | | | |
| General Fund | 560,450 | 1,107,700 | 1,493,215 | 1,407,700 |
| Special Fund | 55,375 | 41,388 | 41,388 | 51,000 |
| TOTAL | 615,825 | 1,149,088 | 1,534,603 | 1,458,700 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Job Development Zones**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 60,529 | 57,863 | 58,346 | 0 |
| TOTAL | 60,529 | 57,863 | 58,346 | 0 |
| FUND TYPE | | | | |
| General Fund | 60,529 | 57,863 | 58,346 | 0 |
| TOTAL | 60,529 | 57,863 | 58,346 | 0 |

## Department Mission Statement

To promote Vermont's strong brand identity including travel, recreation and cultural attractions, as well as the state's goods and services to a global audience, in coordination with public and private sector members, and in a manner consistent with the values and traditions of the state for the economic benefit of all Vermonters. The Department also works with the Adminstration Division of the Agency coordinate marketing and communications of the state departments and agencies participating in the State of Vermont Marketing and Promotional Partnership.

## Description of Appropriations, Divisions, & Programs

The Department of Tourism and Marketing key objectives are increasing awareness of Vermont, increasing the number of visitors to Vermont in our key drive/fly markets and increasing their length of stay. The department promotes Vermont's brand identity to a global audience together with Vermont Life Magazine and other private and public partners.

Research: Continue to measure the effect of tourism on the Vermont economy. In 2003, the Department launched an on-line, monthly occupancy study to benchmark the state's occupancy. Data is analyzed on a regional and property size basis. The Department also conducted an Industry Assessment to identify the perception of tourism businesses on the efforts and mission of the department.

Advertising: The fiscal 2004 media strategy includes magazine, newspaper, television, radio and on-line advertising. Ads use dramatic imagery to convey Vermont's core band promise: A profound sense of well-being. All advertising drives consumers to the state's tourism website, www.VermontVacation.com, and toll free phone line 1-800-Vermont.

Web: www.VermontVacation.com remains the primary delivery vehicle of information for travelers. Tourism businesses receive free listings in the Vermont Travel Planner, an on-line vacation planning tool. Priorities for fiscal 2004 include developing regional content; enhancing the Vermont Travel Planner to include shopping and recreation; translating the site into five languages; and building an on-line press room.

Public Relations: The Department hired a Director of Communications in fiscal 2004 to tell the Vermont story to writers and editors worldwide. The Department has daily contact with local and national media, and works closely with the private sector to expand Vermont's presence.

Sales: The Domestic and International sales programs include trade and consumer shows. The Department partners with the private sector on staffing, sampling and providing information to

consumers in more than 17 shows in North America and Europe.

Outreach: In fiscal 2004, an Industry Assessment study was performed to measure the tourism industry's perception of the department's efforts, mission and awareness. As a result, an electronic newsletter is sent monthly from the Commissioner's office. Additionally, the Department plans to host regional forums throughout the winter months.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Tourism and Marketing

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Tourism & Marketing | 18 | 16 | 16 | 4,948,692 | 5,257,085 | 5,564,621 | 4,978,637 |
| Vermont Life | 12 | 12 | 12 | 704,354 | 825,000 | 825,000 | 825,000 |
| TOTAL | 30 | 28 | 28 | 5,653,046 | 6,082,085 | 6,389,621 | 5,803,637 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 4,432,800 | 4,902,085 | 5,264,621 | 4,678,637 |
| Special Fund | | | | 52,313 | 55,000 | 0 | 0 |
| Enterprise Fund | | | | 704,354 | 825,000 | 825,000 | 825,000 |
| Interdepartmental Transfer | | | | 463,579 | 300,000 | 300,000 | 300,000 |
| TOTAL | | | | 5,653,046 | 6,082,085 | 6,389,621 | 5,803,637 |

## Appropriation Key Budget Issues

In Fiscal 2004, VDTM refocused the Department's efforts and set forth four clear goals to increase exposure in the marketplace: increase private/public opportunities; increase occupancy; and improve industry communications. All programs and initiatives undertaken by the Department supported these goals.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Tourism & Marketing**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 2,310,027 | 2,616,958 | 2,307,714 | 2,372,840 |
| Operating Expenses | 1,192,665 | 1,418,147 | 2,064,852 | 1,816,797 |
| Grants | 1,446,000 | 1,221,980 | 1,192,055 | 789,000 |
| TOTAL | 4,948,692 | 5,257,085 | 5,564,621 | 4,978,637 |
| FUND TYPE | | | | |
| General Fund | 4,432,800 | 4,902,085 | 5,264,621 | 4,678,637 |
| Special Fund | 52,313 | 55,000 | 0 | 0 |
| Interdepartmental Transfer | 463,579 | 300,000 | 300,000 | 300,000 |
| TOTAL | 4,948,692 | 5,257,085 | 5,564,621 | 4,978,637 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Life**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 613,763 | 645,000 | 666,247 | 690,000 |
| Operating Expenses | 90,591 | 180,000 | 158,753 | 135,000 |
| TOTAL | 704,354 | 825,000 | 825,000 | 825,000 |
| FUND TYPE | | | | |
| Enterprise Fund | 704,354 | 825,000 | 825,000 | 825,000 |
| TOTAL | 704,354 | 825,000 | 825,000 | 825,000 |

## Department Mission Statement

The mission of the Vermont Arts Council is to strengthen the role of the arts in the lives of people and communities. The Arts Council's three-fold purpose is to promote excellence in the creation and presentation of the arts, support arts education, and strengthen Vermont communities through the arts. The Vermont Council on the Arts, Inc. d/b/a the Vermont Arts Council was organized as a 501(c)(3) public benefit corporation in 1964 to promote and support quality art activities and opportunities for all Vermonters and visitors to the state. In 1965, Congress passed PL 89-209 creating the National Council on the Arts and Humanities with funding for the states in both of these disciplines. The Vermont legislature authorized the Arts Council (Act 170 of 1965), as the agency to represent Vermont in state and federal arts programs, for the purpose of "increasing the opportunities for Vermont's citizens and visitors to view, enjoy and participate" in the arts.

## Description of Appropriations, Divisions, & Programs

The Arts Council performs both as a service-provider and as a grant-maker in the arts with three broad goals:

- Support the development of artists and arts organizations and provide them with greater opportunities for the creation and presentation of excellent work
- Promote high quality arts education and lifelong learning in and through the arts
- Support efforts by communities to make the arts part of everyday life and increase public awareness of the positive roles played by artists and arts organizations in their communities.

The Council supports and provides leadership in state and local partnerships that value the role of the arts in local economic development, invest in physical improvements to our cultural infrastructure, and promote the products and services of the "creative sector" of Vermont's economy. Examples of the Council's collaborative activities are:

- Providing statewide coordination of Cultural Heritage Tourism activities in partnership with the Dept. of Tourism and Marketing;
- Developing initiatives such as Head Start arts programs for underserved children and families and sustainable arts education programming in schools and communities throughout the state with local arts and municipal partners;
- Overseeing a model transportation enhancement project based on creative improvements as part of the reconstruction of the Route 2 corridor through the village of Danville in partnership with the Vermont Agency of Transportation;
- Coordinating the "Art in State Buildings" program to commission art works to enhance new and renovated public buildings in partnership with the Department of Buildings and General Services;
- Administering the "Cultural Facilities" grant program that enables local organizations to expand their cultural offerings in their communities in partnership with the Agency of Commerce and

Community Development, Division of Historic Preservation, the Vt. Historical Society, and the Vt. Museum and Gallery Alliance and others.

The major objectives the Council is pursuing to achieve its goals are:
1) To stabilize the cultural infrastructure of the state by
- Increasing grant funds to organizations, including schools, that hire artists to perform or present quality arts programs
- Strengthening partnerships that make Vermont artists and arts organizations key community and economic development resources
- Maintaining and improving the physical condition of cultural facilities in collaboration with other statewide agencies/organizations
- Upgrading access to cultural facilities, both physically and programmatically, to improve the quality of Vermonters' (and visitors') enjoyment of their Vermont cultural experience

2) To recognize/reward exemplary creative work by individuals or organizations that work alone or in collaboration with others
3) To strengthen and develop services that support those working in arts education or in the local communities they serve by
- Identifying collaborative opportunities with organizations and agencies that foster life-long learning in the arts, or that result in more arts integrated curricula
- Developing an effective public awareness plan to increase private-sector support
- Developing an effective advocacy plan consistent with and complementary to the New England Council's Creative Economy Initiative that communicates the central role of the arts in community life.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Council on the Arts**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Vermont Council on the Arts | 0 | 0 | 0 | 552,206 | 491,618 | 491,618 | 491,618 |
| TOTAL | 0 | 0 | 0 | 552,206 | 491,618 | 491,618 | 491,618 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 517,206 | 491,618 | 491,618 | 491,618 |
| Special Fund | | | | 35,000 | 0 | 0 | 0 |
| TOTAL | | | | 552,206 | 491,618 | 491,618 | 491,618 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Council on the Arts**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 552,206 | 491,618 | 491,618 | 491,618 |
| TOTAL | 552,206 | 491,618 | 491,618 | 491,618 |
| FUND TYPE | | | | |
| General Fund | 517,206 | 491,618 | 491,618 | 491,618 |
| Special Fund | 35,000 | 0 | 0 | 0 |
| TOTAL | 552,206 | 491,618 | 491,618 | 491,618 |

## Department Mission Statement

The Vermont Symphony Orchestra Association, Inc., a state-supported non-profit institution founded in 1936, exists for the purpose of fostering and encouraging the appreciation of music in all its various forms, with emphasis on orchestral, choral and chamber music. It seeks to raise the common standard of music education and enjoyment, and to provide, at moderate cost, quality performances for a broad and diverse public throughout the State of Vermont.

## Description of Appropriations, Divisions, & Programs

The Vermont Symphony Orchestra (VSO) receives a single appropriation that is applied to support musical and educational programs around the state, with primary emphasis on the SymphonyKids education program and performances in underserved, rural areas.

Activities

The VSO is Vermont's nationally recognized professional musical resource, providing residents of and visitors to the state with high quality services and programs, especially in the area of music education. Its unique mission as a state orchestra is made possible through the collaborative efforts of the many communities it serves each year and the grass roots efforts of hundreds of volunteers across Vermont. During the season just completed (September 1, 2002 - August 31, 2003), the VSO presented 47 major programs in 24 Vermont towns plus Hanover, NH. The orchestral offerings included three statewide tours-the foliage season Made in Vermont Music Festival (ten concerts), the nine-concert Summer Festival, and the ten-concert SymphonyKids Orchestral Youth Concert-along with the Masterworks series (seven concerts), three Holiday Pops concerts, two SymphonyKids Orchestral Youth Concerts in Burlington, winter and spring concerts in Manchester, the free David M. Wilson Memorial Farmers' Night Concert in Montpelier, and three special presentations (Waltz Night, a Dartmouth College Alumni weekend concert, and the first-ever Vermont International Choral Festival in Stowe).

The recently concluded 2002/2003 season again enjoyed strong numbers of activities and participation in the VSO's SymphonyKids statewide educational programs: 104 events involving 21,047 Vermont schoolchildren from 149 schools in 101 towns. The attendance represents approximately 40% of all Vermont K-6 schoolchildren and nearly one-third of all Vermont K-8 schoolchildren. No other orchestra in the country can lay claim to such a pervasive education program. The VSO continues to rely on substantial support for SymphonyKids from the New Jersey based Turrell Fund; however, funding from that source has been cut in half for the 2003/2004 season. The SymphonyKids education program umbrella encompasses several offerings: the Musical Instrument Petting Zoo, Musicians-in-the-Schools (smaller ensembles), and Orchestral Youth Concerts. Special programs that feature visiting guest artists, composers and other musical personalities supplement these mainstays.

The VSO presented a total of 194 concerts and programs during its 2002/2003 season, reaching 55,008 people statewide. 149 of the events were offered free of charge to audience members totaling 20,769.

The VSO looks to expand fulfillment of its statewide mission by taking Masterworks concerts presented at the Flynn Center in Burlington to other communities where appropriate concert venues are available. This occurred twice during 2002/2003, with presentations at two recently revived facilities: the Latchis Theatre in Brattleboro and Rutland's Paramount Center. This will occur again during 2003/2004. The VSO hopes to build on these anticipated successes and increase the number of full-orchestra performances at other communities around the state in future seasons.

Market

The Vermont Symphony Orchestra was organized 69 years ago to serve all of the communities of Vermont. As its name implies, the orchestra is a state orchestra that provides services and programs throughout Vermont. Out of hundreds of U.S. orchestras, only several hold this statewide distinction, but among those few, the VSO is unmatched in the size and proportion of rural communities it annually serves, making it a unique American institution.

The significance of Vermont's rural setting is essential to understanding the VSO's market, challenges, and successes. According to the American Symphony Orchestra League, the average U.S. orchestra in the VSO's budget class serves a metropolitan area population of 636,725 people. While the VSO market constitutes roughly the same population, this market covers an entire state, one with great economic and demographic diversity as well as geographic features that isolate areas of the state from each other. The League's statistical data includes no record of the number of communities served each year by the reporting orchestras, presumably because they each serve one principal community; by contrast, the VSO serves many communities.

Since 1939, the Vermont legislature has recognized the VSO's unusual mission by annually granting a direct appropriation, making it the oldest state-supported orchestra of its kind in the country. The most important component of the market that compels the Orchestra's existence is the 55,000+ individuals who use VSO programs, more than one-third of whom are children. The in-school presentations and children's concerts add to each school district's ability to enrich the education of its students. A recent study from the National Center for Education Statistics supports the assertion that music and arts education have a significant positive impact on students' cognitive and reasoning skills. This study shows that students who take part in music programs routinely have higher achievement test scores than their classmates, and have higher grades in their classes. Children who experience music regularly from an early age have been shown to have an enhanced mathematical ability over their classmates. These studies only add to what we already know: children who learn to appreciate music and art early in life retain that appreciation and equate it with an appreciation for other important cultural components and, in turn, help to improve society. Within the limit of available resources, it is the VSO's goal to reach an ever-increasing audience each year, in as many communities as possible.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Symphony Orchestra**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Vermont Symphony Orchestra | 0 | 0 | 0 | 107,326 | 101,960 | 101,960 | 101,960 |
| TOTAL | 0 | 0 | 0 | 107,326 | 101,960 | 101,960 | 101,960 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 107,326 | 101,960 | 101,960 | 101,960 |
| TOTAL | | | | 107,326 | 101,960 | 101,960 | 101,960 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Symphony Orchestra**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 107,326 | 101,960 | 101,960 | 101,960 |
| TOTAL | 107,326 | 101,960 | 101,960 | 101,960 |
| FUND TYPE | | | | |
| General Fund | 107,326 | 101,960 | 101,960 | 101,960 |
| TOTAL | 107,326 | 101,960 | 101,960 | 101,960 |

## Department Mission Statement

At the December 13, 2002, meeting of the Board of Trustees, the following mission statement was reviewed and approved: The Vermont Historical Society collects, preserves, and interprets Vermont history for the use, education, and enjoyment of present and future generations. A membership organization, the Society offers public access to its collections and comprehensive library; promotes the Vermont story in schools, local historical societies, and the media; and encourages as well as publishes scholarly research. In addition, the Board adopted a vision statement for the Society, which reads: The Vermont Historical Society explores and celebrates the past while serving as a bridge to the future.

Chartered by the legislature in 1838 and thus the oldest cultural heritage organization in the state, VHS collects, preserves, and interprets objects and documents related to Vermont's past (22 V.S.A., sections 281-285). The Vermont Historical Society is the only institution in Vermont that collects artifacts and documents that reflect the entire history of the state, every geographical area, and every chronological period, including the present.

In 1996 VHS revisited its 1992 long-range plan, Building Bridges to the Future: Vermont Historical Society Long-Range Plan, 1993-2000, and both board and staff endorsed a new and challenging vision for VHS-committing it to "a statewide leadership role in promoting an understanding of Vermont history by improving and expanding public access to its collections and by expanding its interpretive and educational efforts." This commitment was reviewed and endorsed once again by the Board of Trustees of the Society at a meeting of the full board on December 7, 2001.

## Description of Appropriations, Divisions, & Programs

The Society possesses many resources designed to educate diverse audiences about the state's history. It operates a museum that creates exhibits and lends and borrows objects for display; sponsors public programs throughout the State of Vermont; provides services, training, and resources for educators, students, and local historical societies; runs a research library; publishes periodicals and books that promote research and the dissemination of information about Vermont history; and collaborates with other educational and cultural organizations to gather, preserve, and make available to the public resources and information about Vermont's past.

To accomplish its overall mission, VHS has identified the following objectives as top priorities:

· facilitate the teaching of Vermont history by producing the educational materials and outreach programs necessary to teach Vermont history in schools statewide;
· support the work of local historical societies by providing technical assistance and forums that encourage collaboration among these public history venues;

· develop the internet as an educational and outreach tool;
· make the resources of VHS more accessible to wider audiences by producing exhibitions, publications, and programming that interpret the collections and utilize new research;
· promote Vermont history through heritage tourism initiatives;
· strengthen and encourage humanities scholarship statewide by cultivating and drawing upon the expertise of the state's academic community to create public programs, long-distance learning opportunities, internships, and fellowships; and

· pursue collaborative ventures (with statewide and regional organizations as well as other state historical societies) designed to promote humanities education, place Vermont within the national historical framework, and contribute to the creation of a better future for our state.

To support these expanded outreach activities and services, VHS has resolved to:

· provide adequate space to accommodate these activities;
· protect and expand core collections by establishing environmentally superior storage areas and acquiring additional space for acquisitions;
· increase public awareness and improve the public image of VHS by developing an aggressive and creative public relations initiative; and
· generate the financial resources needed to pay for expanded personnel needs and programmatic expenses by increasing the funds raised by the development program; increasing membership participation; strengthening the relationship with Vermont state government; evaluating and improving current as well as creating new earned income opportunities, particularly as they relate to electronic media; and building endowment.

On an annual basis, VHS's audiences have been: its membership (2,200); non-member donors (500); onsite library patrons, 50% of whom are genealogists (3,000-4,000); informational/ research inquiries (10,500 via telephone, e-mail, letter); museum visitors, including school groups (11,000-13,000); museum/book store customers (booklist circulation: 12,000, excluding members); local historical societies (8,000+); program attendees (1,500-1,800); staff speaking engagements (500-750 people); heritage tourism initiatives (7,000+); teachers/school librarians/homeschoolers mailing list (1,900); school outreach programs-history kits, lending library, etc. (3,300), and virtual visitors (approximately 35,000 "hits" per year on our website). Via our presence at state and local events and sponsoring a booth at the Vermont Antique Dealers Association's annual show, VHS introduces itself to even larger audiences (50,000+). VHS also cultivates some 6,000 potential supporters; the State Legislature (180); 200 media contacts; and visitors to the state, through annual distribution of 75,000-100,000 information pieces at major tourist venues and state welcome centers.

As the Society expands its outreach efforts, these figures will continue to grow. However, during FY2003 the Society's museum was closed in order to renovate our space in the Pavilion building and create our new "Freedom & Unity" permanent exhibit. The Society realized that this would have an

impact on admissions, visibility and shop income, and we planned accordingly. To keep our public visibility high during this downtime, the Society continued its public programming in different venues, including the following FY03 events:

* (with the Division for Historic Preservation), John Crock, Archaeology Month (September) lecture on a rare 16th-century Native American village site in northwestern Vermont

* Gretchen Sullivan, Martin Luther King Jr. Day (January) lecture, "In the Spirit of Martin: The Living Legacy of Dr. Martin Luther King"

* Edwin C. Bearss lecture (February) on Vermonters in the Civil War

* Lynn Noel presentation at State House for Farmer's Night (February), "Lisette's Journey"

* Vermont History Day (April), featuring the displays, papers and presentations of some 130 Vermont students

* The 50th annual meeting of the Vermont League of Local Historical Societies (May), in Strafford

* Samuel B. Hand, "The Star That Set" (May), presentation on the history of Vermont's Republican Party

* The fourth annual Vermont History Expo (June), in Tunbridge, which drew an audience of 8,000 visitors. It is worth noting that Expo has received gratifying recent recognition including designation as one of the Department of Tourism's "Top Ten Summer Events," as one of Yankee magazine's top regional events for the summer of 2003, and as recipient of the prestigious Award of Merit from the American Association for State and Local History.

The Society's history kits continued to be a popular resource for teachers around the state. To help maintain VHS's level of resources for educators during its move, the Society added another one of these "field-trips-in-a-box" to its roster of resources in FY2003. Entitled Archaeology Alive: Vermont's History from the Ground Up, this kit was developed in partnership with the Division for Historic Preservation and funded by the Vermont Archaeological Society. Based on a popular kit created by the Division in the late 1970s, VHS and the Division aligned it to Vermont's Framework of Educational Standards, added lessons, and field-tested the lessons in schools

The Society's pilot program, the Community History Project, continued, teaming up local historical societies and schools, to utilize new technologies to produce an online exhibit, which highlight a particular facet of a community's heritage. Ten communities (Ludlow, Cabot, Fairfield, Morristown, Brownington, Peacham, Richmond, Swanton, Vergennes, and West Fairlee) participated in CHP in FY2003, and a group of 14 (Craftsbury, Hardwick, Lyndon Center, Jay/Westfield, Montgomery, Milton,

Williston, Barre, Brookfield, Elmore, Worcester, Chester, Cornwall, and Marlboro) will begin new projects in FY2004. The Society continued to produce its quarterly newsletter, InContext, and its biannual scholarly journal, Vermont History, and to upgrade its website for use by the general public as well as school students and teachers.

FY2003 ended with a balanced budget. The Society's FY2003 annual fund income grew by more than 28% (more than $30,000) from FY2002. In fact, over the past five years (FY1999 to FY2003), the total development effort has more than doubled the Society's income from unrestricted and restricted sources.

Throughout FY2002 and FY2003, the Society's energies focused on our capital campaign efforts to raise $9.5 million for the Phase I renovation of the Vermont History Center and the renovation of the Pavilion Building space. By December 2003 the Society has raised $7.3 million of the $9.5 million goal.

During FY2003 the Society also worked to fine-tune operations at the new Vermont History Center. The Center, which opened officially to the public on July 20, 2002, now provides space for the Society's research library, environmentally stable storage space for all of its collections, and new administrative offices. In October 2003 the Society received The Preservation Trust of Vermont Award "for outstanding work in preserving Vermont's architecture" for restoring Barre's Spaulding Graded School as the History Center.

Additionally, the Society began planning for the installation of the Freedom & Unity exhibit in the Pavilion. March 2004 will see the reopening of the Society's Pavilion space, which will become the Vermont Historical Society Museum and include the new comprehensive state history exhibit. The Museum space will include a new hands-on classroom and an expanded museum store.

The Society is currently working with the Agency of Transportation to produce a volume on the bridges of Vermont, an engineering history and historic preservation project. The expected publication date is sometime in 2004. The Society also expects to publish a long-awaited one-volume narrative history of Vermont in March 2004.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Historical Society**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Vermont Historical Society | 0 | 0 | 0 | 405,830 | 429,874 | 429,874 | 527,660 |
| TOTAL | 0 | 0 | 0 | 405,830 | 429,874 | 429,874 | 527,660 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 405,830 | 429,874 | 429,874 | 527,660 |
| TOTAL | | | | 405,830 | 429,874 | 429,874 | 527,660 |

## Appropriation Key Budget Issues

The proposed targets of $345,264 in general support and $182,396 in rental appropriation for the Pavilion space represent a $100,000 (41%) increase in general support and demonstrate the Douglas administration's strong commitment to VHS and to Vermont history. The Society is grateful for this recognition that rising operating and personnel costs due to opening the Vermont History Center, renovating and reopening the Pavilion space, and adding innovative new programs like the Vermont History Expo and the Community History Project have pushed our budget up by more than 50% since FY 2001. These personal service and operating costs have significantly outpaced VHS revenues. We will explore alternative revenue sources and cost containment initiatives.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Historical Society**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 405,830 | 429,874 | 429,874 | 527,660 |
| TOTAL | 405,830 | 429,874 | 429,874 | 527,660 |
| FUND TYPE | | | | |
| General Fund | 405,830 | 429,874 | 429,874 | 527,660 |
| TOTAL | 405,830 | 429,874 | 429,874 | 527,660 |

## Department Mission Statement

The Vermont Housing and Conservation Board (VHCB) is a public body established in 1987 by amendment to 10 V.S.A. to add Chapter 15, with the purpose of improving the quality of life for Vermonters by implementing the dual goals of creating "affordable housing for Vermonters, and conserving and protecting Vermont's agricultural land, important natural areas, recreational lands, and historic properties."

The Board's programs serve lower income Vermonters (families earning below median income, with an emphasis on very-low income households) and all Vermonters interested in or users of agricultural, natural, and recreational lands, historic properties and affordable housing. The Board makes grants and loans to municipalities, to non-profit organizations, including land trusts and conservation groups, to housing cooperatives, and to qualifying state agencies.

A major VHCB goal is to assist communities in implementing local plans and activities which further the Board's statutory mission. The Board's awards support community-based projects that preserve affordable housing units, create or rehabilitate additional affordable housing, correct infrastructure deficiencies in mobile home parks, conserve and protect agricultural lands, natural and recreational land and historic properties. The Board's work results in re-investment in downtowns and surrounding neighborhoods while preserving the rural working landscape.

VHCB's program contributes to Vermont's economy in many ways: 1) it leverages more than $3 for every dollar appropriated; 2) affordable housing is critical to economic growth and attracting future employees, and housing construction is one of the most effective generator of jobs; 3) the working landscape is among Vermont's primary economic assets - investment in conservation supports travel, tourism and recreation; investment in agriculture promotes inter-generational transfers, expansion, efficiency and diversification.

## Description of Appropriations, Divisions, & Programs

The vast majority of the Board's funds are used to provide grants and/or loans to eligible projects. In housing activities the Board generally provides funds for acquisition and rehabilitation and development of housing properties. For conservation activities the Board generally provides grants to assist in the purchase of an interest in real estate (an easement or purchase of land in fee). The programs are enhanced by matching federal funds administered by VHCB including the HOME Program, HUD Economic Development Initiative/Special Projects Grants, Lead Paint Hazard Reduction Program, Housing for Persons with HIV/AIDS, Farms for the Future, Farm Preservation Program, and an AmeriCorps program, all of which supplement the VHCB funds in projects.

The VHCB works toward the goal of creating and preserving affordable housing by providing funds for projects with mechanisms which assure perpetual affordability, that serve the most economically distressed households, and by placing a priority on "at risk" housing where a lack of action may result in displacement of residents and where action is necessary to prevent the loss of federally subsidized housing projects. In recent years, because of a housing shortage, the Board has also put a high priority on developing new units. When reviewing a project the Board considers the availability of other amenities related to housing, including access to social services, transportation, recreation, and access to open space.

Objectives for the retention of agricultural land include the funding of projects which have a specific and current agricultural use, have the potential of being an economically viable farm unit, and/or where the loss of the farm would have significant negative impact on neighboring farms. The Board reviews potential farm applications with the help of an Agricultural Advisory Committee. State funds for purchasing conservation easements are matched on a one to one basis by funds from the federal Farms Preservation Program. VHCB has been able to match state funds with more than $9.5 million from this program to date. The Agricultural Viability Program is now operating in conjunction with the Agency of Agriculture Food and Markets, and works closely with an advisory board. This program provides technical assistance and business planning to Vermont farmers.

The protection of natural areas and public recreation lands is supported through the funding of projects providing valuable public access to the state's water resources, and other important outdoor recreational lands, often in cooperation with the Agency of Natural Resources and local communities to provide opportunities for hunting, fishing, hiking, bird watching, and cross country skiing among other activities. VHCB projects also focus on perpetually protecting areas essential to maintaining the ecological diversity or natural heritage of the state, including the perpetual protection of habitat containing one or more endangered species. Many of VHCB's conservation awards support the efforts of local communities to provide ongoing public access to locally important resources.

Historic projects include buildings on, or eligible for, the national register of historic places that can be used or converted to affordable housing. VHCB also provides funds for historic buildings of outstanding statewide significance which will have intensive public use.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vt Housing and Conservation Board**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Vt Housing and Conservation Board | 0 | 0 | 0 | 24,673,744 | 26,668,921 | 26,441,671 | 21,382,112 |
| TOTAL | 0 | 0 | 0 | 24,673,744 | 26,668,921 | 26,441,671 | 21,382,112 |
| FUND TYPE | | | | | | | |
| Special Fund | | | | 12,564,784 | 12,018,000 | 12,018,000 | 11,097,246 |
| Federal Revenue Fund | | | | 12,108,960 | 14,650,921 | 14,423,671 | 10,284,866 |
| TOTAL | | | | 24,673,744 | 26,668,921 | 26,441,671 | 21,382,112 |

## Appropriation Key Budget Issues

Property Transfer Tax - The VHCB annual State appropriation comes mainly from Property Transfer Tax receipts. The budget recommendation is $10,088,000 for VHCB's portion of the Property Transfer Tax.

Leverage and Match
VHCB and its grantees raise more than $3 for each dollar appropriated by utilizing federal and private sources. This ability to leverage is a critical component in the success of the endeavors the Board supports. As an example, Vermont almost tripled available capital for housing when Congress established a small state minimum for the Low Income Housing Tax Credit program in 2001. However, the Tax Credit program provides only 50-60% of the capital needed to build housing. Effectively utilizing this capital requires a state match, particularly outside the Chittenden MSA.

In a similar vein, grantees seek assistance from nationally competitive programs like HUD 202, RD15, and Shelter Plus Care. These programs require state match for the financing to work.

The Farmland Preservation Program provides its grants on a one-to-one match basis. We are hopeful that the FY05 grant for Vermont will be $2 million.

Finally, VHCB has been awarded a variety of federal grants such as the Lead Paint Hazard Reduction award, Economic Development Initiative, AmeriCorps and VISTA grants, and VHCB hopes to supplement its Agricultural Viability Program with federal funding.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vt Housing and Conservation Board**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 24,673,744 | 26,668,921 | 26,441,671 | 21,382,112 |
| TOTAL | 24,673,744 | 26,668,921 | 26,441,671 | 21,382,112 |
| FUND TYPE | | | | |
| Special Fund | 12,564,784 | 12,018,000 | 12,018,000 | 11,097,246 |
| Federal Revenue Fund | 12,108,960 | 14,650,921 | 14,423,671 | 10,284,866 |
| TOTAL | 24,673,744 | 26,668,921 | 26,441,671 | 21,382,112 |

## Department Mission Statement

The Vermont Humanities Council (VHC) is dedicated to creating a state in which every individual reads, participates in public affairs, and continues to learn throughout life. The Council's mission is to achieve a fully literate society in Vermont, to strengthen the humanities in the educational system and in the discussion of public issues, and to foster an appreciation of the richness and diversity of our cultural heritage.

## Description of Appropriations, Divisions, & Programs

The State of Vermont's allocation to VHC is essential to the continuation of our mission by complementing federal funds and enabling us to raise three times the state's allocation in private donations. These funds pay for the critical programs that contribute toward a literate and engaged citizenry.

In 2003 VHC supported 1,021 programs reaching Vermonters in every county. Program successes in 2003 were many:

1. In partnership with the Department of Education, the Department of Health, Department of Corrections, Adult Essential Skills Centers, local parent-child centers, and other service providers, we provided readers at all levels of ability with new skills, new books and new incentive to read. VHC did so through 50 Connections programs, and twelve week-long humanities camps for at-risk middle-school students. These programs serve low-income adults and families struggling with literacy. They foster in participants a deeper appreciation for reading, ideas, and their own abilities and insights, and in order to facilitate their personal and economic well-being.

2. The Council's grants program and mini- and literacy grants provided over $105,000 to schools, museums, historical and community literacy organizations, adult basic education centers and other service organizations. These grants supported no fewer than 329 events, and at least as importantly, helped build community capacity for education, literacy, and citizen participation.

3. 240 lectures and performances in 108 Vermont towns and VHC's annual autumn conference engaged participants in history, literature, heritage, the arts, and other humanities fields; fostered community building; and contributed to Vermont's "creative economy," cultural tourism and our state's attractive quality of life.

4. In 87 training sessions, our Never Too Early program furnished approximately 1,300 child care providers with books and training on how to stimulate the love of reading in young children.

5. VHC sponsored nearly 350 book discussion programs for general audiences in libraries and other community centers throughout Vermont.

It is critical to Vermont's future that every citizen be able to read, to write and to discuss ideas. The Vermont Humanities Council will continue our commitment to literacy and to enriching the lives of all Vermonters through the humanities.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Council on the Humanities**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Vermont Council on the Humanities | 0 | 0 | 0 | 137,473 | 130,599 | 130,599 | 130,599 |
| TOTAL | 0 | 0 | 0 | 137,473 | 130,599 | 130,599 | 130,599 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 137,473 | 130,599 | 130,599 | 130,599 |
| TOTAL | | | | 137,473 | 130,599 | 130,599 | 130,599 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vermont Council on the Humanities**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Grants | 137,473 | 130,599 | 130,599 | 130,599 |
| TOTAL | 137,473 | 130,599 | 130,599 | 130,599 |
| FUND TYPE | | | | |
| General Fund | 137,473 | 130,599 | 130,599 | 130,599 |
| TOTAL | 137,473 | 130,599 | 130,599 | 130,599 |

## Agency Mission Statement

**The Vermont Agency of Transportation's (VTrans') vision is to preserve, develop, and enhance an integrated transportation system to support Vermont's quality of life and economic well-being.**

**VTrans' mission is to work cooperatively to plan for and accommodate the need for movement of people and commerce in a safe, reliable, cost-effective, environmentally responsible, and equitable manner.**

In support of its mission, the Agency is working towards building and maintaining a transportation system that accomplishes three goals:

1. Manages and improves the state's existing transportation infrastructure to provide capacity, safety and flexibility in the most effective and efficient manner;
2. Develops a seamless, integrated transportation system that incorporates all transportation modes and provides Vermonters with choices; and
3. Strengthens the economy, protects and enhances the quality of the natural environment and improves Vermonters' quality of life.

Achieving that objective requires a blend of connections between and among modes that is safe, reliable and produces an apparently seamless transition with minimal disruptions or delays. Establishing such integration across the state requires annual investment choices based on the optimal allocation of resources. The Agency strives daily to make everyone's journey safe and as pleasant as possible. Technologically and environmentally conscious, the Agency continually endeavors to build a transportation legacy for the State. From expert planning and precision engineering to careful construction and maintenance, the Agency's primary focus is to maintain and improve Vermont's transportation infrastructure.

## Description of Departments in Agency

The Vermont Agency of Transportation (VTrans) provides a number of services through four divisions: Operations, Policy and Planning, Finance and Administration, and Program Development, plus the Department of Motor Vehicles. These five organizational areas play an integral role in supporting the VTrans mission. VTrans also provides assistance to Vermont municipalities through several Town Highway programs.

VTrans is currently in the process of implementing asset management and creating performance measures which will evaluate the impact of asset management. Asset Management is a systematic process of maintaining, upgrading, and operating physical assets cost-effectively by combining engineering and mathematical analyses with sound business practices and economic theory. Like the traditional planning process, it includes components for data collection, strategy evaluation, program development, and feedback. It is a strategic approach which takes a global and long term view of infrastructure performance and cost. It is a tool which allows us to consider options in a comprehensive, well informed, proactive manner. Its value will be measured in its outcomes and benefits. Asset management is really a form of best business practices which the private sector has been using successfully for years.

There are three main goals to asset management:

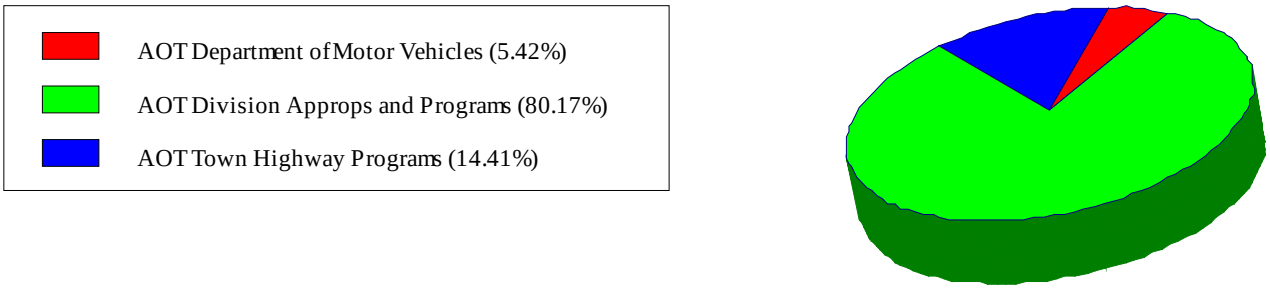
- To build, preserve, and operate facilities and assets in a more cost efficient manner.
- To provide customers the best value for the public tax dollar spent.
- To enhance the credibility and accountability of the agency of transportation.

In the coming years, VTrans will measure its performance in relation to the performance measures currently being developed.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Agency of Transportation

## AGENCY SUMMARY BY DEPARTMENT

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| AOT Division Approps and Programs | 1,070 | 1,070 | 1,078 | 228,973,339 | 278,016,488 | 281,949,595 | 291,507,748 |
| AOT Department of Motor Vehicles | 240 | 241 | 245 | 17,107,075 | 18,694,678 | 19,413,371 | 19,711,118 |
| AOT Town Highway Programs | 0 | 0 | 0 | 53,815,184 | 57,491,465 | 59,388,443 | 52,394,612 |
| TOTAL | 1,310 | 1,311 | 1,323 | 299,895,598 | 354,202,631 | 360,751,409 | 363,613,478 |
| FUND TYPE | | | | | | | |
| Transportation Fund | | | | 165,245,786 | 163,400,184 | 169,172,081 | 170,596,623 |
| Local Fund | | | | 2,464,502 | 4,010,222 | 4,313,532 | 3,934,578 |
| Federal Revenue Fund | | | | 120,077,804 | 173,463,052 | 174,695,215 | 178,092,332 |
| Internal Service Fund | | | | 12,107,506 | 12,495,879 | 12,495,879 | 10,989,945 |
| Interdepartmental Transfer | | | | 0 | 833,294 | 74,702 | 0 |
| TOTAL | | | | 299,895,598 | 354,202,631 | 360,751,409 | 363,613,478 |



## Department Mission Statement

Vermont is a rural state in which 251 towns, cities, and gores are connected by a network of roads, bridges, regional airports, rail lines, and public transit. Vermont's transportation system is critical to its economic vitality and environmental health.

**The Vermont Agency of Transportation's (VTrans') vision is to preserve, develop, and enhance an integrated transportation system to support Vermont's quality of life and economic well-being.**

**VTrans' mission is to work cooperatively to plan for and accommodate the need for movement of people and commerce in a safe, reliable, cost-effective, environmentally responsible, and equitable manner.**

To accomplish that mission, VTrans works toward the following goals:

External Goals:

1. Support and maintain Vermont's transportation system and promote efficient operations of that system;

2. Promote and support the use and connection of appropriate forms of transportation;

3. Support Vermont's economy by providing appropriate transportation access to all areas of the state;

4. Interact with Vermont residents, municipalities, regions, other state agencies, and interested parties in making transportation decisions that balance the needs of the human and natural environments;

5. Seek adequate, stable, but optimal funding and staffing to support mission requirements;

Internal Goals:

6. Provide employee training and skills enhancement to build a strong, professional work force;

7. Encourage and recognize innovation, flexibility, and excellence;

8. Foster communication and promote teamwork within agency programs;

9. Establish regular and effective communications between different agency divisions, leading to better mutual understanding of the role of each part of the agency;

10. Engage in a continuous improvement process for information technology and routine business practices; and

11. Streamline delivery of products and services, enhancing the overall efficiency of the agency.

## Description of Appropriations, Divisions, & Programs

The Vermont Agency of Transportation (VTrans) is currently in the process of implementing asset management and creating performance measures which will evaluate the impact of asset management. Asset Management is a systematic process of maintaining, upgrading, and operating physical assets cost-effectively by combining engineering and mathematical analyses with sound business practices and economic theory. Like the traditional planning process, it includes components for data collection, strategy evaluation, program development, and feedback. It is a strategic approach which takes a global and long term view of infrastructure performance and cost. It is a tool which allows us to consider options in a comprehensive, well informed, proactive manner. Its value will be measured in its outcomes and benefits. Asset management is really a form of best business practices which the private sector has been using successfully for years.

There are three main goals to asset management:

- To build, preserve, and operate facilities and assets in a more cost efficient manner.
- To provide customers the best value for the public tax dollar spent.
- To enhance the credibility and accountability of the agency of transportation.

The Vermont Agency of Transportation (VTrans) provides a number of services through four divisions: Operations, Program Development, Policy and Planning, and Finance and Administration, plus the Department of Motor Vehicles. These five organizational areas play an integral role in supporting the VTrans mission.

## OPERATIONS DIVISION

VTrans has a substantial public investment in its existing transportation infrastructure. The Agency recognizes the need to improve its management over all transportation modes. The primary objective of the Operations Division is to preserve, develop, and enhance an integrated and seamless transportation system that provides a connected and coordinated network,

accommodates the level of service expected by all transportation customers, and provides a range of choice needed to support Vermont's future and economic growth.

The Operations Division, a division of over 560 employees, including nine maintenance districts (statewide), is responsible to operate and maintain Vermont's highways, railways, airports, and public transit systems. Our primary mission is to keep Vermont State highways and airports open, safe, and aesthetically pleasing to the transportation network users, manage the system in a cost effective and environmentally sensitive manner, and insure efficient service (both passenger and freight) through our rail and public transit systems.

The Operations Division also oversees the Occupational Health and Safety Program, Hazardous Waste and Materials Program, Maintenance Programs, and Roadside Vegetation Management throughout the State. In addition to routine maintenance activities, Operations provides technical assistance to communities for Town Highway Bridge Programs, Town Highway Class 2 Resurfacing and Rehabilitation programs, Federal-aid on Town Highways, and emergency programs related to natural disasters.

Our goal is to maintain a safe and reliable transportation system that facilitates the movement of people and goods to maximize Vermont's economic growth and development. The Aviation Program provides a safe environment for users of the system, preserving the aviation infrastructure, promoting aviation-related activities and education programs, and has expanded travel opportunities at the 17 public use airports located throughout Vermont. The Rail Program assists in the development of rail transportation options for shippers and passengers, and provides support to improve the freight and passenger infrastructure recognizing the social, economic, and environmental importance as a component of the State's transportation systems. The Public Transit Program encourages and promotes statewide public transportation by coordinating transit services to make sure its programs support common sense transit solutions for the transit dependant and general population to access employment, medical appointments and shopping centers, assist with congestion mitigation to preserve air quality, improve economic development and tourism, and provide connectivity to commuter and intercity transit services and passenger air systems.

## PROGRAM DEVELOPMENT

The Program Development Division is responsible for the design, permitting and construction of all capital projects undertaken by VTrans.

The Paving Program is responsible for maintaining the surfaces of approximately 3,200 two-lane miles of paved road. The program divides roads into three networks: Interstates, State Highways, and Class 1 Town Highways. Program functions include monitoring and analyzing network-wide pavement conditions, developing cost-effective rehabilitation strategies, preparing plans and specifications, and providing technical assistance during construction.

Bridges are an integral part of Vermont's highway infrastructure and VTrans' Structures Program makes it a high priority to keep them in a safe and usable condition. The program is fully responsible for inspection of 2,656 long span bridges (greater than 20 foot spans) on both state and local highway systems. The program is also responsible for 1300 short structures (between six and 20 foot spans) on the State system. Inspections are performed on a two-year cycle for long structures and on a five-year cycle for short structures. The Structures Program is responsible for programming and design of bridge rehabilitation and reconstruction projects for any state or local bridge that qualifies for funding. The Structures Section also oversees the inspection, rehabilitation and reconstruction of bridges on the state owned railroads.

The Roadway Program addresses those locations that have been identified as either structurally deficient or hazardous to the traveling public. Roadway projects generally fall into one of three categories: reconstruction, rehabilitation or restoration. Although other alternatives are always a first consideration, new highways or capacity additions to existing highways are also contained within this program.

The Local Transportation Facilities Section (LTF) consists of four major components: the Transportation Enhancement Program, the Bike and Pedestrian Facilities Program, the Park and Ride Program and the Local Projects Program. In addition, LTF is responsible for the development of Scenic Byway, Public Lands Highway, and "Local" projects, which have a high degree of local focus and, for the most part, development and construction is managed by local municipalities.

The Traffic Operations Section implements operational and safety improvements on the highways. Projects include traffic signal, roundabouts, and flashing beacon installation, monitoring and replacement of signs and pavement markings, the identification, evaluation and correction of hazardous locations on the highway system and upgrades to rail-highway crossings.

The Engineering Services Section is responsible for providing expertise in several specialty areas to Agency programs, consultants, and the private sector. Section capabilities include the establishment of geodetic control and survey for design and construction of Agency projects, hydraulic analysis of bridge and culvert improvements, monitoring of highway system conditions, town mapping and maintenance of the GIS database, traffic monitoring and data analysis, utility coordination and highway access permitting, and pavement design support. This section also reviews all Act 250 applications for impacts on the transportation system and consistency with Agency plans or policies and compiles the Agency response or recommendations to the district environmental commissions.

The Environmental Section supports all agency activities and coordinates with resource agencies and other stakeholders to obtain state and federal permits and approvals for environmentally sensitive project designs in a timely manner. Field compliance is ensured through regular site visits by staff from various Program Development sections during project construction and

maintenance activities.

The Right-of-Way Section is responsible for the acquisition of real property needed for transportation projects. The Section provides title abstracting, right-of-way plans, appraisals, appraisal reviews, legal documents, property owner negotiations, relocation of displaced families and businesses and coordination of the eminent domain process. Other key functions include court liaison support for compensation appeals, property management activities, and maintaining the existing highway right-of-way inventory.

The Materials and Research Section provides materials testing, subsurface investigation and geotechnical analysis, concrete and hot mix plant inspection, independent assurance testing, materials certification requirements, research and development of new products, laboratory testing of materials, chemical analysis of materials and quality control oversight for transportation projects.

The Construction Section is responsible for the construction phase of the vast majority of contracts that are let by VTrans. Utilizing a staff of Resident Engineers, the Agency's Construction Program is administered through four Regional offices in Burlington, St. Johnsbury, White River Junction and Rutland. The Resident and Regional Construction Engineers work closely with the Project and Program Managers to insure that the projects are built as designed and in accordance with all resource permits and regulations. Field work includes: project layout, inspection and quality acceptance of all work incorporated into the project, quantity computation, contractor payments, monitoring of contractor compliance with resource regulations, and insuring the project is completed in conformance with the contract. All quantities and payments are verified by the Construction Finals group in Montpelier, before the final payments are made to the contractor.

## POLICY AND PLANNING

The Policy and Planning Division works with all of VTrans', other state and federal agencies, transportation research centers, Regional Planning Commissions and the Chittenden County Metropolitan Planning Organization to provide comprehensive, coordinated transportation plans for future improvements to the transportation system. The division is responsible for VTrans' strategic planning, asset and performance management, policy analysis and formulation, and integration of transportation plans. Policy and Planning is also responsible for coordinating with the Agency of Commerce and Community Development on the interactions between transportation and economic development.

The Policy Analysis Section assists the Secretary in analyzing federal transportation policy and reauthorization issues, manages the Legislative Liaison function of the Agency, updates the State's 20 year long range transportation plan at 5 year intervals, and serves on various Inter-Agency Task Forces and Committees related to Smart Growth Initiatives, Intelligent Transportation Systems, and environmental policy.

The Planning Integration Section manages the day to day operations of the Transportation Planning Initiative, which engages Vermont's citizens, towns, regional planning commissions, and the Chittenden County Metropolitan Planning Organization in dialogue about issues of transportation planning and needs identification.

The Systems Planning Section provides systems analysis and planning, statewide transportation modeling, modal and intermodal operational planning.

The Office of Civil Rights and Labor Compliance is responsible for ensuring compliance with all federal and state Equal Employment Opportunity and Affirmative Action regulations and labor requirements within the Agency and on all US Department of Transportation funded projects. VTrans' goal of creating workforce diversity and a workplace free from harassment, intimidation and discrimination, is pursued through the development and administration of numerous programs and initiatives.

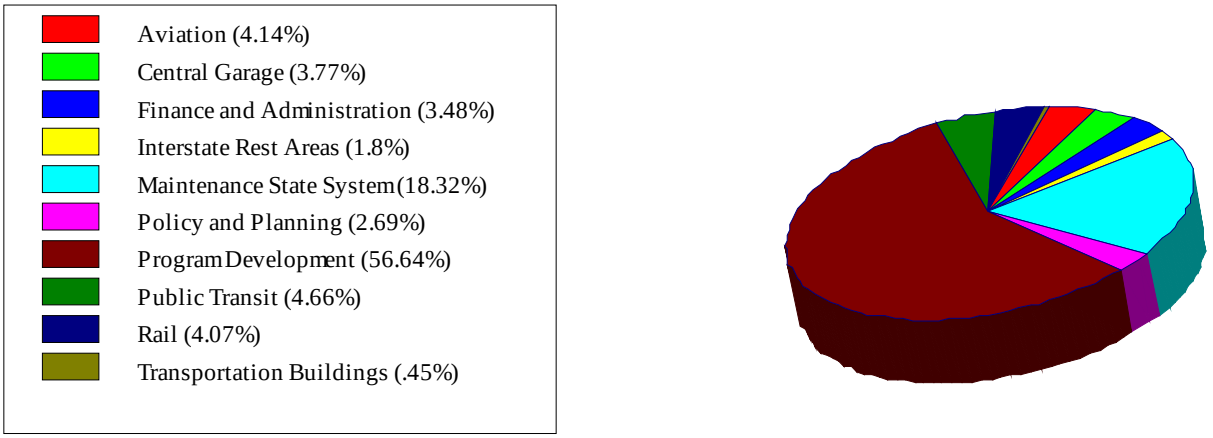
**FINANCE AND ADMINISTRATION**

The mission of the Division of Finance and Administration is to provide support for and to communicate methods to achieve VTrans goal of a safe, effective, balanced transportation system for the State of Vermont. The division's goal is to maximize our financial and human resources and improve our business practices to meet the needs of our internal and external customers. The division consists of the following sections: Audit, Contract Administration, Information Technology, Budget and Financial Operations, Human Resources, and Policy and Hearings.

Audit provides audit assistance to VTrans' management and audit assurance about VTrans' administration of public funds. Contract Administration is responsible for the performance of various contracting functions. Information Technology is responsible for assessing and supporting VTrans' information technology requirements. Budget and Financial Operations oversees the development and control of the VTrans budget and processes all financial and related transactions. Human Resources provides all of VTrans' personnel related activities including training, recruitment, benefits administration, and labor relations. Policy and Hearings is responsible for holding Agency administrative hearings, testifying in court on Agency records, and administration of VTrans' internal policies.

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Finance and Administration | 138 | 133 | 136 | 9,658,308 | 9,604,062 | 9,495,999 | 10,133,306 |
| Aviation | 7 | 6 | 7 | 5,326,328 | 10,377,080 | 10,982,316 | 12,057,275 |
| Transportation Buildings | 0 | 0 | 0 | 2,452,333 | 1,550,000 | 2,015,094 | 1,304,000 |
| Program Development | 343 | 349 | 349 | 116,979,459 | 157,597,031 | 157,707,062 | 165,106,658 |
| Interstate Rest Areas | 0 | 0 | 0 | 1,452,567 | 195,000 | 1,136,853 | 5,254,282 |
| Maintenance State System | 499 | 500 | 500 | 49,612,953 | 50,722,184 | 50,385,281 | 53,393,959 |
| Policy and Planning | 30 | 29 | 31 | 20,913,205 | 7,524,719 | 7,843,204 | 7,845,573 |
| Rail | 12 | 6 | 7 | 10,470,680 | 15,057,301 | 16,522,830 | 11,850,236 |
| Public Transit | 0 | 6 | 7 | 0 | 12,893,232 | 13,365,077 | 13,572,514 |
| Central Garage | 41 | 41 | 41 | 12,107,506 | 12,495,879 | 12,495,879 | 10,989,945 |
| TOTAL | 1,070 | 1,070 | 1,078 | 228,973,339 | 278,016,488 | 281,949,595 | 291,507,748 |
| FUND TYPE | | | | | | | |
| Transportation Fund | | | | 112,660,044 | 108,534,959 | 112,926,658 | 113,167,234 |
| Local Fund | | | | 295,142 | 2,148,012 | 2,148,012 | 2,703,741 |



## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 7,780,419 | 8,395,552 | 7,800,712 | 8,337,296 |
| Operating Expenses | 1,627,889 | 1,208,510 | 1,695,287 | 1,796,010 |
| Grants | 250,000 | 0 | 0 | 0 |
| TOTAL | 9,658,308 | 9,604,062 | 9,495,999 | 10,133,306 |
| FUND TYPE | | | | |
| Transportation Fund | 8,891,353 | 9,158,562 | 9,050,499 | 9,658,306 |
| Federal Revenue Fund | 766,955 | 445,500 | 445,500 | 475,000 |
| TOTAL | 9,658,308 | 9,604,062 | 9,495,999 | 10,133,306 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 1,141,210 | 1,174,245 | 1,174,245 | 1,326,437 |
| Operating Expenses | 4,150,118 | 9,152,835 | 9,758,071 | 10,600,838 |
| Grants | 35,000 | 50,000 | 50,000 | 130,000 |
| TOTAL | 5,326,328 | 10,377,080 | 10,982,316 | 12,057,275 |
| FUND TYPE | | | | |
| Transportation Fund | 2,830,215 | 2,892,080 | 3,497,316 | 3,024,775 |
| Federal Revenue Fund | 2,496,113 | 7,485,000 | 7,485,000 | 9,032,500 |
| TOTAL | 5,326,328 | 10,377,080 | 10,982,316 | 12,057,275 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Transportation Buildings**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 180,658 | 295,000 | 295,000 | 202,000 |
| Operating Expenses | 2,271,675 | 1,255,000 | 1,720,094 | 1,102,000 |
| TOTAL | 2,452,333 | 1,550,000 | 2,015,094 | 1,304,000 |
| FUND TYPE | | | | |
| Transportation Fund | 2,248,252 | 1,550,000 | 2,015,094 | 1,304,000 |
| Local Fund | 204,081 | 0 | 0 | 0 |
| TOTAL | 2,452,333 | 1,550,000 | 2,015,094 | 1,304,000 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 30,691,623 | 36,076,170 | 35,760,936 | 35,250,853 |
| Operating Expenses | 76,414,570 | 97,255,980 | 97,681,245 | 100,265,847 |
| Grants | 9,873,266 | 24,264,881 | 24,264,881 | 29,589,958 |
| TOTAL | 116,979,459 | 157,597,031 | 157,707,062 | 165,106,658 |
| FUND TYPE | | | | |
| Transportation Fund | 32,625,339 | 30,635,406 | 30,745,437 | 30,846,861 |
| Local Fund | 174,392 | 2,080,513 | 2,080,513 | 2,636,241 |
| Federal Revenue Fund | 84,179,728 | 124,881,112 | 124,881,112 | 131,623,556 |
| TOTAL | 116,979,459 | 157,597,031 | 157,707,062 | 165,106,658 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Interstate Rest Areas**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 182,401 | 75,000 | 75,000 | 180,000 |
| Operating Expenses | 1,270,166 | 120,000 | 1,061,853 | 5,074,282 |
| TOTAL | 1,452,567 | 195,000 | 1,136,853 | 5,254,282 |
| FUND TYPE | | | | |
| Transportation Fund | 147,320 | 19,500 | 961,353 | 0 |
| Federal Revenue Fund | 1,305,247 | 175,500 | 175,500 | 5,254,282 |
| TOTAL | 1,452,567 | 195,000 | 1,136,853 | 5,254,282 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 27,169,185 | 28,861,011 | 26,910,681 | 29,175,042 |
| Operating Expenses | 22,134,557 | 21,861,173 | 23,474,600 | 23,636,617 |
| Grants | 309,211 | 0 | 0 | 582,300 |
| TOTAL | 49,612,953 | 50,722,184 | 50,385,281 | 53,393,959 |
| FUND TYPE | | | | |
| Transportation Fund | 49,591,993 | 50,422,184 | 50,085,281 | 52,633,459 |
| Local Fund | 14,599 | 0 | 0 | 0 |
| Federal Revenue Fund | 6,361 | 300,000 | 300,000 | 760,500 |
| TOTAL | 49,612,953 | 50,722,184 | 50,385,281 | 53,393,959 |

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,870,916 | 3,114,719 | 3,163,204 | 3,260,021 |
| Operating Expenses | 1,283,773 | 445,560 | 465,560 | 504,783 |
| Grants | 16,758,516 | 3,964,440 | 4,214,440 | 4,080,769 |
| TOTAL | 20,913,205 | 7,524,719 | 7,843,204 | 7,845,573 |
| FUND TYPE | | | | |
| Transportation Fund | 6,586,122 | 1,457,461 | 1,525,946 | 1,707,221 |
| Local Fund | 2,071 | 0 | 0 | 0 |
| Federal Revenue Fund | 14,325,012 | 6,067,258 | 6,317,258 | 6,138,352 |
| TOTAL | 20,913,205 | 7,524,719 | 7,843,204 | 7,845,573 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Rail**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,240,657 | 1,760,212 | 1,810,212 | 3,744,449 |
| Operating Expenses | 5,495,023 | 13,297,089 | 12,412,618 | 4,605,787 |
| Grants | 2,735,000 | 0 | 2,300,000 | 3,500,000 |
| TOTAL | 10,470,680 | 15,057,301 | 16,522,830 | 11,850,236 |
| FUND TYPE | | | | |
| Transportation Fund | 9,739,450 | 7,310,836 | 8,726,365 | 7,613,236 |
| Federal Revenue Fund | 731,230 | 7,746,465 | 7,796,465 | 4,237,000 |
| TOTAL | 10,470,680 | 15,057,301 | 16,522,830 | 11,850,236 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Public Transit**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 0 | 402,093 | 402,093 | 471,074 |
| Operating Expenses | 0 | 705,460 | 705,460 | 742,112 |
| Grants | 0 | 11,785,679 | 12,257,524 | 12,359,328 |
| TOTAL | 0 | 12,893,232 | 13,365,077 | 13,572,514 |
| FUND TYPE | | | | |
| Transportation Fund | 0 | 5,088,930 | 6,319,367 | 6,379,376 |
| Local Fund | 0 | 67,500 | 67,500 | 67,500 |
| Federal Revenue Fund | 0 | 6,903,508 | 6,903,508 | 7,125,638 |
| Interdepartmental Transfer | 0 | 833,294 | 74,702 | 0 |
| TOTAL | 0 | 12,893,232 | 13,365,077 | 13,572,514 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Central Garage**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 2,760,858 | 2,947,557 | 2,872,147 | 2,994,408 |
| Operating Expenses | 9,346,648 | 9,548,322 | 9,623,732 | 7,995,537 |
| TOTAL | 12,107,506 | 12,495,879 | 12,495,879 | 10,989,945 |
| FUND TYPE | | | | |
| Internal Service Fund | 12,107,506 | 12,495,879 | 12,495,879 | 10,989,945 |
| TOTAL | 12,107,506 | 12,495,879 | 12,495,879 | 10,989,945 |

## Department Mission Statement

The Department of Motor Vehicles' mission is to administer motor vehicle and related laws, promote highway safety, and collect transportation revenues, while providing a high level of customer service and satisfaction and to perform these tasks in a timely and cost-effective manner.

## Description of Appropriations, Divisions, & Programs

The Department of Motor Vehicles (DMV) is responsible for issuing driver licenses, permits, motor vehicle registrations (including snowmobile and motorboat registrations), driver license suspensions and reinstatements, and collecting motor fuel revenue for the State of Vermont, as well as managing several safety programs. To this end the department serves a resident population of over 616,000 as well as a significant number of nonresidents.

The Department's key performance indicators are:
- Telephone queue time: 3 minutes maximum
- Driver license exam schedule: within 2 weeks
- Internal processing time: within 11 workdays
- Recruitment period for vacancies: within 8 weeks
- Approval and setup of new inspection stations: within 30 calendar days
- Investigations initiated within priority standard by investigation type: High Priority - usually within 24 to 48 hours of receipt.

The Department is comprised of three divisions: Enforcement & Safety, Operations, and Support Services.

**The Enforcement & Safety Division** is primarily responsible for enforcing commercial trucking regulations, providing highway safety training and informational program, and regulatory and investigative functions concerning illegal or questionable activities relating to licensing, registration and title fraud, dealer and inspection regulations and general law enforcement support services. This Division manages the following programs within the Department:

Commercial Vehicle Enforcement Program: The Commercial Vehicle Enforcement Program is comprised of three programs: the federally sponsored Motor Carrier Safety Assistance program (MCSAP), the Size and Weight program and the Commercial Vehicle Permit program.

Inspection and Emissions Program: The Department of Motor Vehicles has worked closely with the Agency of Natural Resources (ANR) Air Quality Division to help develop and implement measures that

will reduce the level of contaminants in the air. DMV has also worked closely with ANR to educate the inspection mechanics on the proper methods of conducting OBD II inspections. A pilot program for data collection and management for the OBD II and Vehicle Safety Inspection program is still in progress, testing various types of handheld electronic scanning devices and different PC based systems. When implemented, the system will enhance our efforts to collect and massage useful inspection data and cut down on the amount of paper documentation that inspection stations are required to fill out and maintain. In addition, DMV has partnered with ANR, the VT Dealer's Association, the Vermont Inspection Station Association and various vocational-tech schools located throughout the state, to help train and certify vocational-tech students to conduct vehicle safety inspections.

Education & Safety Programs: The Education & Safety program encompasses the driver training schools and instructor program, the third party testing program, the Vermont Rider Education Program (VREP), the Vermont Motorcycle Awareness Program (VMAP) and Pupil Transportation Safety. The VREP and VMAP programs deal with safe motorcycle operation and will be reported on in a separate document.

New Motor Vehicle Arbitration Board: The Department provides administrative assistance to this Board, which under Vermont's Lemon Law provides a fast, efficient, and inexpensive remedy for consumers who purchase new cars that, despite numerous repair attempts by the dealer under the warranty, still have not been repaired.

**The Operations Division** is responsible for all license, registration, driver examination, size and weight permit, driver improvement, fuel tax collection, and mail services functions for the Department of Motor Vehicles and manages the following programs:

Registration and License Program: This is the Department's largest program, encompassing 70% of total resources, including all customer service functions (Montpelier Counter, branch offices, mobile van operations and telephone information services), mail processing, license suspension and reinstatement, crash reporting, the International Registration Plan, commercial vehicle operations, and all backroom operations (including data entry, quality control, and imaging and retrieval of departmental records functions).

Fuel Tax Collection Program: The goals of this program are to collect and distribute fuel taxes, maintain accurate and reliable records, track delinquent accounts, and initiate suspension on accounts that are in arrears.

**The Support Services Division** is responsible for DMV facility management, budget planning and financial services, human resources, and project management. This Division manages the following programs:

DMV Administration: The primary focus of the Department continues to be improving customer service. DMV Administration continues to monitor customer feedback closely and make improvements

where feasible. In FY 03, we implemented expanded hours one day a week at the Burlington office on a pilot basis. Since this has been successful, in FY 04 the business hours at Montpelier, Rutland, and Springfield offices were expanded as well. The field offices are also processing registration transfers and duplicate registrations.

DMV continues to encounter the challenge of maintaining a full staff. In FY 01, the Department met the 8-week vacancy period 90% of the time. However, the hiring freezes of FY 02 had a tremendous impact on its ability to meet the 8-week vacancy period, since many of the Department's positions are entry-level, which are difficult to fill within State Government.

The Department continues to attempt to improve its service delivery through technology. DMV implemented the processing of registration renewals via the Web and IVR technology. In FY04 DMV will be implementing the processing of snowmobile and motorboats via the Web. We will also be setting up kiosks at the branch offices, which will allow customers to renew their registration via the Web on site, and will have a second mobile van in operation, which will provide services to more Vermonters. DMV implemented an enhanced photo license system, adding security features to its identity documents and issuing vertical as well as horizontal licenses as a means to combat the underage-drinking problem.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**AOT Department of Motor Vehicles**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Department of Motor Vehicles | 240 | 241 | 245 | 17,107,075 | 18,694,678 | 19,413,371 | 19,711,118 |
| TOTAL | 240 | 241 | 245 | 17,107,075 | 18,694,678 | 19,413,371 | 19,711,118 |
| FUND TYPE | | | | | | | |
| Transportation Fund | | | | 16,493,958 | 17,449,809 | 18,168,502 | 18,747,491 |
| Federal Revenue Fund | | | | 613,117 | 1,244,869 | 1,244,869 | 963,627 |
| TOTAL | | | | 17,107,075 | 18,694,678 | 19,413,371 | 19,711,118 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Department of Motor Vehicles**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 11,541,777 | 13,252,989 | 13,407,682 | 13,473,295 |
| Operating Expenses | 5,403,858 | 5,341,689 | 5,905,689 | 6,137,823 |
| Grants | 161,440 | 100,000 | 100,000 | 100,000 |
| TOTAL | 17,107,075 | 18,694,678 | 19,413,371 | 19,711,118 |
| FUND TYPE | | | | |
| Transportation Fund | 16,493,958 | 17,449,809 | 18,168,502 | 18,747,491 |
| Federal Revenue Fund | 613,117 | 1,244,869 | 1,244,869 | 963,627 |
| TOTAL | 17,107,075 | 18,694,678 | 19,413,371 | 19,711,118 |

## Department Mission Statement

The Vermont Agency of Transportation provides all municipalities with several types of assistance including monetary pass through grants, technical services, special studies, emergency relief or actual roadway maintenance. Program success can be demonstrated in terms of availability and actual use by the towns, which might not otherwise be able to improve or maintain their infrastructure, or provide the technical expertise required to design necessary repairs or improvements.

## Description of Appropriations, Divisions, & Programs

The Vermont Agency of Transportation (VTrans) provides Vermont municipalities with assistance through several Town Highway programs: Bridges, Structures, Class 2 Roadway, Emergency Fund, Town Highway Aid Program, Class 1 Supplemental Grants, Vermont Local Roads, and general technical assistance.

The Town Highway Bridge Program assists towns with bridge engineering services and for aid in maintaining and constructing bridges having a span of six feet or more on Class 1, 2, and 3 town highways. Towns apply to VTrans for assistance. If approved, funds may be used for alternatives which eliminate the need for a bridge or bridges, including, but not limited to, construction or reconstruction of highways, purchase of parcels of land that would be landlocked by closure of a bridge or bridges, payment of damages for loss of highway access and substitution of other means of access.

The Town Highway Structures Program provides grants to municipalities for maintenance, including actions to extend life expectancy, and construction of bridges, culverts and other structures, including causeways and retaining walls intended to preserve the integrity of the traveled portion of Class 1, 2 and 3 town highways. Towns apply to VTrans for assistance.

The Town Highway Class 2 Roadway Program provides grants to municipalities for resurfacing, rehabilitation, or reconstruction of paved or unpaved Class 2 town highways. Towns apply to VTrans for assistance.

The Town Highway Emergency Fund provides emergency aid in repairing, building, or rebuilding Class 1, 2 or 3 town highways and bridges damaged by natural or man-made disasters of such magnitude that state aid is both reasonable and necessary to preserve the public good.

Town Highway Aid Program is provided annually to each municipality in the state. The size of each grant is based on the total amount of money appropriated for this program by the Legislature, and the Class 1, 2, and 3 highway mileage in each of the 251 towns. Funds may be

used for town highway construction, improvement, or maintenance purposes or as the nonfederal share for public transit assistance.

The Town Highway Class 1 Supplemental Grants provide aid to municipalities having Class 1 town highways with more than two lanes.

The Vermont Local Roads Program, through a contract with Saint Michael's College, provides technical assistance to towns in areas including planning, engineering, construction and maintenance assistance, and legal advice.

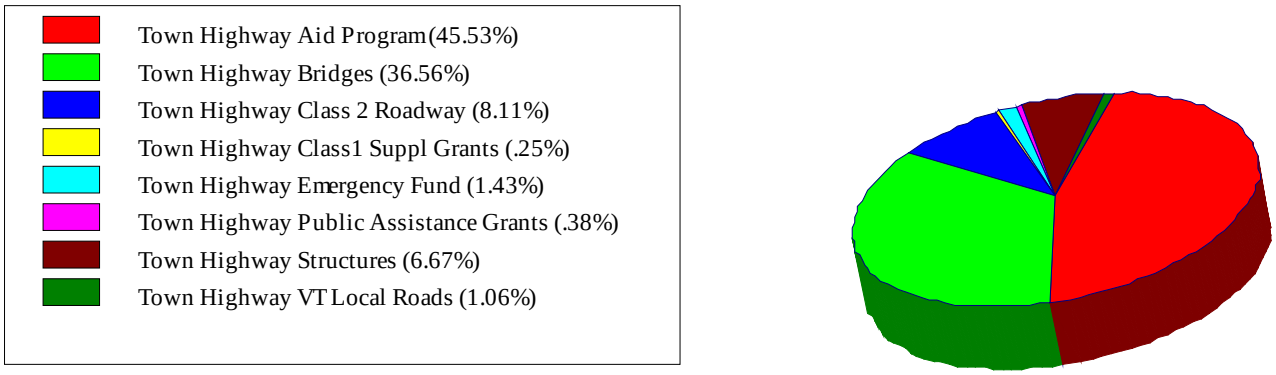
The Town Highway Public Assistance Grant Program provides supplemental aid to state and town efforts in recovery from federally declared disasters.

General Assistance is provided by Districts to towns, as time/conditions permit, on road/bridge concerns, associated grants, and disaster recovery efforts.

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
# AOT Town Highway Programs

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Town Highway Structures | 0 | 0 | 0 | 2,860,208 | 3,494,500 | 3,494,500 | 3,494,500 |
| Town Highway Emergency Fund | 0 | 0 | 0 | 518,274 | 750,000 | 971,929 | 750,000 |
| Town Highway VT Local Roads | 0 | 0 | 0 | 456,699 | 448,000 | 522,812 | 557,000 |
| Town Highway Class 2 Roadway | 0 | 0 | 0 | 4,091,944 | 4,248,750 | 4,248,750 | 4,248,750 |
| Town Highway Bridges | 0 | 0 | 0 | 20,742,551 | 24,102,720 | 24,467,484 | 19,157,867 |
| Town Highway Aid Program | 0 | 0 | 0 | 23,857,744 | 23,857,744 | 23,857,744 | 23,857,744 |
| Town Highway Class1 Suppl Grants | 0 | 0 | 0 | 128,750 | 128,750 | 128,750 | 128,750 |
| Town Highway Public Assistance Grants | 0 | 0 | 0 | 1,159,014 | 461,001 | 1,696,474 | 200,001 |
| TOTAL | 0 | 0 | 0 | 53,815,184 | 57,491,465 | 59,388,443 | 52,394,612 |
| FUND TYPE | | | | | | | |
| Transportation Fund | | | | 36,091,784 | 37,415,416 | 38,076,921 | 38,681,898 |
| Local Fund | | | | 2,069,359 | 1,862,209 | 2,165,519 | 1,230,837 |
| Federal Revenue Fund | | | | 15,654,041 | 18,213,840 | 19,146,003 | 12,481,877 |
| TOTAL | | | | 53,815,184 | 57,491,465 | 59,388,443 | 52,394,612 |



**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Town Highway Structures**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 2,860,208 | 3,494,500 | 3,494,500 | 3,494,500 |
| TOTAL | 2,860,208 | 3,494,500 | 3,494,500 | 3,494,500 |
| FUND TYPE | | | | |
| Transportation Fund | 2,860,208 | 3,494,500 | 3,494,500 | 3,494,500 |
| TOTAL | 2,860,208 | 3,494,500 | 3,494,500 | 3,494,500 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Town Highway Emergency Fund**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 518,274 | 750,000 | 971,929 | 750,000 |
| TOTAL | 518,274 | 750,000 | 971,929 | 750,000 |
| FUND TYPE | | | | |
| Transportation Fund | 518,274 | 750,000 | 971,929 | 750,000 |
| TOTAL | 518,274 | 750,000 | 971,929 | 750,000 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Town Highway VT Local Roads**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 456,699 | 448,000 | 522,812 | 557,000 |
| TOTAL | 456,699 | 448,000 | 522,812 | 557,000 |
| FUND TYPE | | | | |
| Transportation Fund | 294,510 | 308,000 | 382,812 | 417,000 |
| Federal Revenue Fund | 162,189 | 140,000 | 140,000 | 140,000 |
| TOTAL | 456,699 | 448,000 | 522,812 | 557,000 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Town Highway Class 2 Roadway**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 4,091,944 | 4,248,750 | 4,248,750 | 4,248,750 |
| TOTAL | 4,091,944 | 4,248,750 | 4,248,750 | 4,248,750 |
| FUND TYPE | | | | |
| Transportation Fund | 4,091,944 | 4,248,750 | 4,248,750 | 4,248,750 |
| TOTAL | 4,091,944 | 4,248,750 | 4,248,750 | 4,248,750 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Town Highway Bridges**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| Major Object | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| | FY03 Actuals | FY04 Appropriated | FY04 Estimated Expenditure | FY05 Agency Request |
| Personal Services | 5,232,559 | 3,242,934 | 3,242,934 | 3,610,000 |
| Operating Expenses | 13,697,848 | 18,791,786 | 19,156,550 | 15,129,867 |
| Grants | 1,812,144 | 2,068,000 | 2,068,000 | 418,000 |
| TOTAL | 20,742,551 | 24,102,720 | 24,467,484 | 19,157,867 |
| FUND TYPE | | | | |
| Transportation Fund | 4,340,354 | 4,627,672 | 4,992,436 | 5,785,154 |
| Local Fund | 1,910,939 | 1,862,208 | 1,862,208 | 1,230,836 |
| Federal Revenue Fund | 14,491,258 | 17,612,840 | 17,612,840 | 12,141,877 |
| TOTAL | 20,742,551 | 24,102,720 | 24,467,484 | 19,157,867 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Town Highway Aid Program**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 23,857,744 | 23,857,744 | 23,857,744 | 23,857,744 |
| TOTAL | 23,857,744 | 23,857,744 | 23,857,744 | 23,857,744 |
| FUND TYPE | | | | |
| Transportation Fund | 23,857,744 | 23,857,744 | 23,857,744 | 23,857,744 |
| TOTAL | 23,857,744 | 23,857,744 | 23,857,744 | 23,857,744 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Town Highway Class1 Suppl Grants**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 128,750 | 128,750 | 128,750 | 128,750 |
| TOTAL | 128,750 | 128,750 | 128,750 | 128,750 |
| FUND TYPE | | | | |
| Transportation Fund | 128,750 | 128,750 | 128,750 | 128,750 |
| TOTAL | 128,750 | 128,750 | 128,750 | 128,750 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Town Highway Public Assistance Grants**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Grants | 1,159,014 | 461,001 | 1,696,474 | 200,001 |
| TOTAL | 1,159,014 | 461,001 | 1,696,474 | 200,001 |
| FUND TYPE | | | | |
| Special Fund | 158,420 | 1 | 303,311 | 1 |
| Federal Revenue Fund | 1,000,594 | 461,000 | 1,393,163 | 200,000 |
| TOTAL | 1,159,014 | 461,001 | 1,696,474 | 200,001 |

## Department Mission Statement

The Transportation Board performs regulatory and quasi-judicial functions relating to transportation. These responsibilities include response to appeals, petitions and specific activities pursuant to the statutory authority; i.e. Highways (19 V.S.A.), Aeronautics and Surface Transportation (5 V.S.A.), and Railroads (30 V.S.A. Part 2).

## Description of Appropriations, Divisions, & Programs

The Transportation Board performs regulatory and quasi-judicial functions relating to transportation. Among its many and varied responsibilities are the following:

1. Hear appeals from Agency decisions and rulings regarding measurement, description or reclassification of town highways. Pursuant to Section 305 of 19 V.S.A.

2. Hear and determine small claims pursuant to Section 20 of 19 V.S.A.

3. Provide appellate review, when requested in writing, of decisions of the secretary of transportation when he or she assumes the powers and duties of a selectboard in highway matters in unorganized towns and gores pursuant to Section 16 of 19 V.S.A.

4. Provide appellate review, when requested in writing, regarding legal disputes in the execution of contracts.

5. Provide appellate review, when requested in writing, of decisions of the secretary in administering the provisions of 24 V.S.A., relating to junkyards.

6. Provide appellate review, when requested in writing, regarding the fairness of rents and fees charged for the occupancy or use of state-owned properties administered by the agency.

7. Hear and determine disputes involving the decision of a selectboard under subdivision 302(a)(3)(B) or subsection 310(a) of 19 V.S.A., not to plow and make negotiable a Class 2 or 3 town highway during the winter.

8. When requested by the secretary, conduct public hearings on matters of public interest, after which it shall transmit its findings and recommendations to the secretary and the chairs of the senate and house committees on transportation in a report which shall be a public document.

9. Conduct compensation hearings and make damage awards where the Agency of Transportation and affected landowners are unable to agree on the amount of compensation.

10. Designate state scenic roads and corridors (19 V.S.A. Section 2501(a)).

11. Approve new highway or public ways opening into or connecting with established limited access highways.

12. Issue findings orders regarding rail-highway grade crossings, farm crossings and other railroad related responsibilities outlined in Title 5.

13. Approval of airports and restricted landing areas pursuant to Title 5, Section 207 (a-h).

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Transportation Board**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Transportation Board | 1 | 1 | 1 | 79,970 | 130,000 | 128,032 | 78,400 |
| TOTAL | 1 | 1 | 1 | 79,970 | 130,000 | 128,032 | 78,400 |
| FUND TYPE | | | | | | | |
| Transportation Fund | | | | 79,970 | 130,000 | 128,032 | 78,400 |
| TOTAL | | | | 79,970 | 130,000 | 128,032 | 78,400 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Transportation Board**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 64,245 | 60,434 | 118,027 | 68,138 |
| Operating Expenses | 15,725 | 69,566 | 10,005 | 10,262 |
| TOTAL | 79,970 | 130,000 | 128,032 | 78,400 |
| FUND TYPE | | | | |
| Transportation Fund | 79,970 | 130,000 | 128,032 | 78,400 |
| TOTAL | 79,970 | 130,000 | 128,032 | 78,400 |

## Department Mission Statement

The Vermont Transportation Authority was established by 29 V.S.A. Chapter 16 to oversee the acquisition, operation, maintenance, support, improvement, development and extension of railroad passenger train service and facilities.

## Description of Appropriations, Divisions, & Programs

The Vermont Transportation Authority Board (VTA) was established by 29 V.S.A. to oversee the acquisition, operation, maintenance, support, improvement, development and extension of railroad passenger train service and facilities. Most recently the VTA was responsible for oversight and management of the operation of the Champlain Flyer commuter train service between Charlotte and Burlington.

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vt Transportation Authority**

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Vt Transportation Authority | 1 | 0 | 0 | 1,849,826 | 6,000 | 435,381 | 0 |
| TOTAL | 1 | 0 | 0 | 1,849,826 | 6,000 | 435,381 | 0 |
| FUND TYPE | | | | | | | |
| Transportation Fund | | | | 467,168 | 6,000 | 147,075 | 0 |
| Federal Revenue Fund | | | | 1,382,658 | 0 | 288,306 | 0 |
| TOTAL | | | | 1,849,826 | 6,000 | 435,381 | 0 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Vt Transportation Authority**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

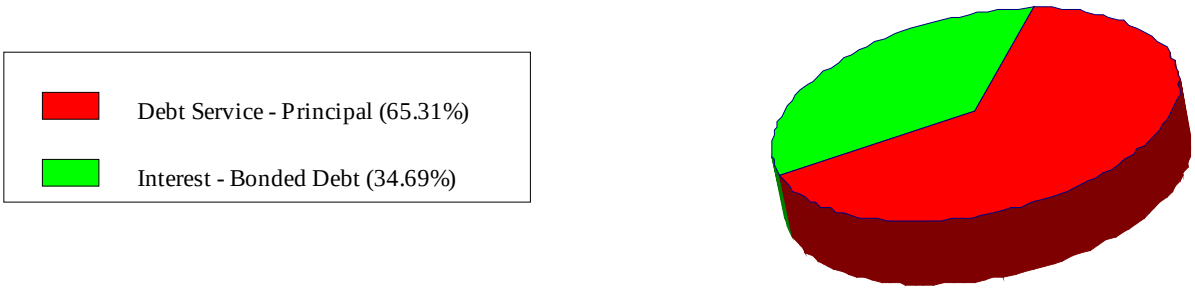
| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Personal Services | 182,873 | 0 | 346,986 | 0 |
| Operating Expenses | 1,367,388 | 6,000 | 31,395 | 0 |
| Grants | 299,565 | 0 | 57,000 | 0 |
| TOTAL | 1,849,826 | 6,000 | 435,381 | 0 |
| FUND TYPE | | | | |
| Transportation Fund | 467,168 | 6,000 | 147,075 | 0 |
| Federal Revenue Fund | 1,382,658 | 0 | 288,306 | 0 |
| TOTAL | 1,849,826 | 6,000 | 435,381 | 0 |

# STATE OF VERMONT
# FISCAL YEAR 2005 BUDGET RECOMMENDATIONS
## Debt Service

{*NARR*}

## DEPARTMENT SUMMARY BY APPROPRIATION

| Department | FY 2003 Pos. # | FY 2004 Pos. # | FY 2005 Pos. # | FY 2003 FY03 Actuals | FY 2004 FY04 Appropriated | FY 2004 FY04 Estimated Expenditure | FY 2005 FY05 Agency Request |
|---|---|---|---|---|---|---|---|
| Interest - Temporary Borrowing | 0 | 0 | 0 | 1,505,208 | 0 | 0 | 0 |
| Interest - Bonded Debt | 0 | 0 | 0 | 23,685,722 | 24,530,779 | 24,530,658 | 23,417,445 |
| Debt Service - Principal | 0 | 0 | 0 | 47,917,055 | 46,361,699 | 46,361,699 | 44,086,912 |
| TOTAL | 0 | 0 | 0 | 73,107,985 | 70,892,478 | 70,892,357 | 67,504,357 |
| FUND TYPE | | | | | | | |
| General Fund | | | | 67,902,550 | 65,902,206 | 65,902,206 | 62,788,425 |
| Transportation Fund | | | | 2,820,400 | 2,407,287 | 2,407,166 | 2,327,922 |
| Education Fund | | | | 0 | 200,000 | 200,000 | 0 |
| Special Fund | | | | 2,385,035 | 2,382,985 | 2,382,985 | 2,388,010 |
| TOTAL | | | | 73,107,985 | 70,892,478 | 70,892,357 | 67,504,357 |



**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Interest - Temporary Borrowing**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Operating Expenses | 1,505,208 | 0 | 0 | 0 |
| TOTAL | 1,505,208 | 0 | 0 | 0 |
| FUND TYPE | | | | |
| General Fund | 1,505,208 | 0 | 0 | 0 |
| TOTAL | 1,505,208 | 0 | 0 | 0 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Interest - Bonded Debt**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Operating Expenses | 23,685,722 | 24,530,779 | 24,530,658 | 23,417,445 |
| TOTAL | 23,685,722 | 24,530,779 | 24,530,658 | 23,417,445 |
| FUND TYPE | | | | |
| General Fund | 22,392,139 | 22,875,239 | 22,875,239 | 22,016,515 |
| Transportation Fund | 398,548 | 627,555 | 627,434 | 642,920 |
| Education Fund | 0 | 200,000 | 200,000 | 0 |
| Special Fund | 895,035 | 827,985 | 827,985 | 758,010 |
| TOTAL | 23,685,722 | 24,530,779 | 24,530,658 | 23,417,445 |

**STATE OF VERMONT**
**FISCAL YEAR 2005 BUDGET RECOMMENDATIONS**
**Debt Service - Principal**

## APPROPRIATION SUMMARY BY MAJOR OBJECT

| | FY 2003 | FY 2004 | | FY 2005 |
|---|---|---|---|---|
| **Major Object** | **FY03 Actuals** | **FY04 Appropriated** | **FY04 Estimated Expenditure** | **FY05 Agency Request** |
| Operating Expenses | 47,917,055 | 46,361,699 | 46,361,699 | 44,086,912 |
| TOTAL | 47,917,055 | 46,361,699 | 46,361,699 | 44,086,912 |
| FUND TYPE | | | | |
| General Fund | 44,005,203 | 43,026,967 | 43,026,967 | 40,771,910 |
| Transportation Fund | 2,421,852 | 1,779,732 | 1,779,732 | 1,685,002 |
| Special Fund | 1,490,000 | 1,555,000 | 1,555,000 | 1,630,000 |
| TOTAL | 47,917,055 | 46,361,699 | 46,361,699 | 44,086,912 |