

# FY 2019 STATE BUDGET OVERVIEW

Susanne Young, Secretary of Administration Adam Greshin, Commissioner of Finance and Management



# 6-3-1

- ► Six fewer Vermonters in the workforce every day
- ► Three fewer children every day in Vermont's public school system
- ► One child born every day to an opiate addicted parent



# **KEY INDICATORS**

# HOW THE SCOTT ADMINISTRATION WILL MEASURE PROGRESS

#### ► Growing the Economy

- Size of the workforce--as a percent of the population (statewide and by county)
- Employer growth rate--total size and by employee count
- Wage growth--by region

#### Making Vermont More Affordable

• Average percent of household income spent on healthcare, housing (includes utility and heating costs, etc.), and taxes & fees

#### ▶ Protecting the Vulnerable

- Percent of the population living below 200% of the Federal Poverty Level (FPL)
- Rate of homelessness/housing stability
- Kindergarten readiness
- Percent of the population with access to comprehensive healthcare

## GENERAL FUND PRESSURES

#### Known Liabilities

- Pension and Debt Service Costs
- State Employee Contractual Obligations
- Education Financing
- Maintaining Statutory Reserves

#### Other Pressures

- Medicaid and Other Human Service Caseload
- Clean Water and Other Environmental Costs
- Technology Costs
- Federal Funding Uncertainty

## OUR DEMOGRAPHIC CHALLENGES

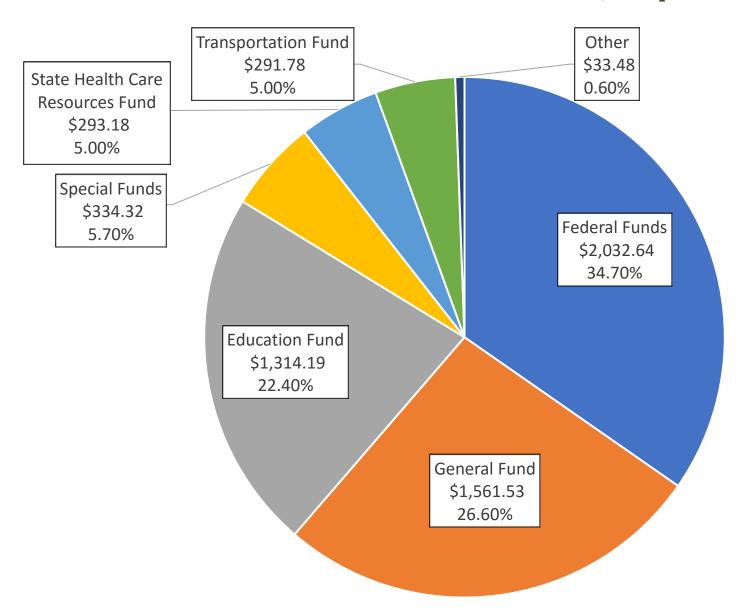
- ▶ Vermont today compared to 2000:
  - 25,000 fewer people under 20
  - 60,000 more people over 65
  - Second oldest state behind Maine
- ▶ Over 65 share will grow faster than U.S. average through 2030
- ▶ We lose 1,788 people each year in the working-age category of 20-64
- ► We must grow our shrinking working-age population to grow our workforce and tax base

#### GOVERNOR'S BUDGET INSTRUCTIONS

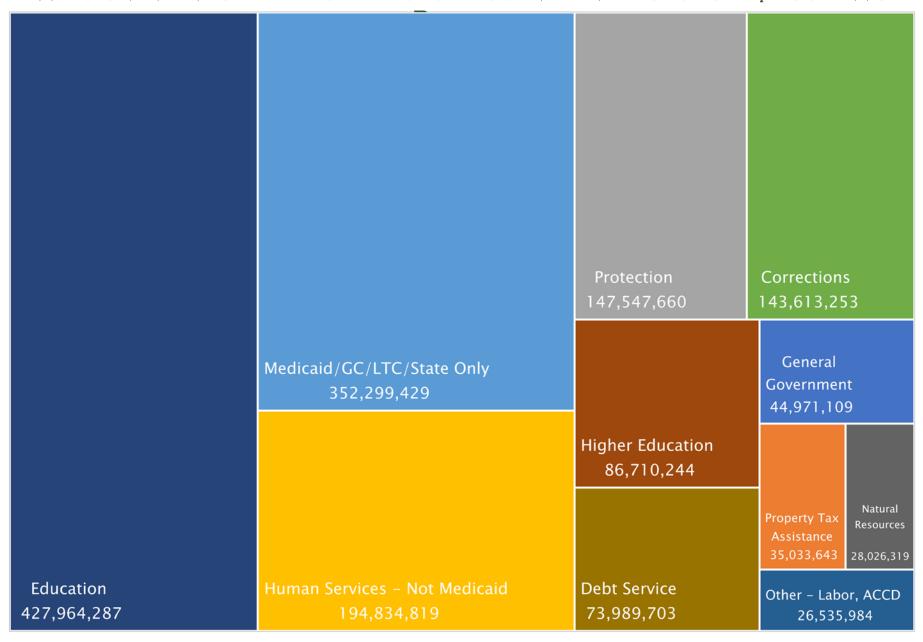
- ► Agencies and Departments were asked to submit budget proposals that:
  - Work within existing financial resources; and
  - Make choices to promote the Governor's strategic priorities of economic growth, affordability, and helping our most vulnerable Vermonters.
- ► The Administration is working to assemble the FY 2019 Governor's budget, the FY 2018 Budget Adjustment, the FY 2019 Capital Bill Adjustment, and other adjustments as necessary.
- ► In January:
  - The FY 2018 Budget Adjustment and FY 2019 Budget will be presented
  - The FY 2018 and FY 2019 revenue forecast will be updated



# FY 2018 BUDGET BY FUND (IN \$ MILLIONS)



FY 2018 GENERAL FUND APPROPRIATIONS BY GOVERNMENT FUNCTION - \$1.56 BILLION



## PUBLIC PROCESS

- ► Public Comments can be submitted through the Finance & Management Website
  - Public Comment Page
- ► Citizens can provide feedback on priorities by completing the following survey
  - FY 2019 Budget Survey

