FY 2021
State Budget Overview

Susanne Young, Secretary of Administration
Adam Greshin, Commissioner of Finance and Management
Governor Scott’s Vision

➢ Strengthen the Economy
  ▪ Vermont’s economy grows faster than the cost-of-living

➢ Make Vermont More Affordable
  ▪ Vermont is measurably more affordable for families and businesses

➢ Protect the Vulnerable
  ▪ We are meeting our commitment to the most vulnerable
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 affordable healthcare

► Modernizing State Government
  ▪ Percent of workforce trained in continuous improvement
  ▪ Number of successful continuous improvement projects
  ▪ Number of online transactions
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
  - Infrastructure Maintenance
  - Technology and Cybersecurity
Our Demographic Challenges

- Vermont today compared to 2000:
  - 25,515 fewer people under 20
  - 33,511 fewer people between the age of 25-45
  - 32,041 more people over 65
  - Third oldest state behind Maine and New Hampshire

- Over 65 share will grow faster than U.S. average through 2030

- We lose 1,546 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
Workforce Growth of AAA Rated States and Vermont

A strong economy is key to creating greater opportunity for all Vermonters and communities. By restoring Vermont’s economic and fiscal fundamentals, we can work toward ensuring vibrant communities and a thriving economy in all 251 Vermont towns.

Source: Vermont Department of Labor
Governor’s Budget Instructions

- Agencies and Departments were asked to submit budget proposals that:
  - Work within existing financial resources;
  - Make choices to promote the Governor’s strategic priorities of economic growth, affordability, and helping our most vulnerable Vermonters; and
  - Target outcomes to ensure we are investing public money wisely.

- The Administration is working to assemble the FY 2021 Governor’s budget, FY 2020 Budget Adjustment, and FY 2021 Capital Bill Adjustment.

- In December:
  - The FY 2020 Budget Adjustment will be presented

- In January:
  - The FY 2021 Budget will be presented
  - The FY 2020 and FY 2021 revenue forecast will be updated
FY 2020 Budget By Fund (total: $6,133 in millions)

- Federal Fund, 2,045,964,762, 33%
- Education, 1,726,769,204, 28%
- General Fund, 1,644,644,982, 27%
- Special Fund, 333,469,594, 5%
- Transportation Fund, 285,275,034, 5%
- Other, 96,879,032, 2%
FY 2020 General Fund Appropriations By Government Function – $1.64 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
  - FY2021 Survey