



FY 2021 STATE BUDGET OVERVIEW

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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

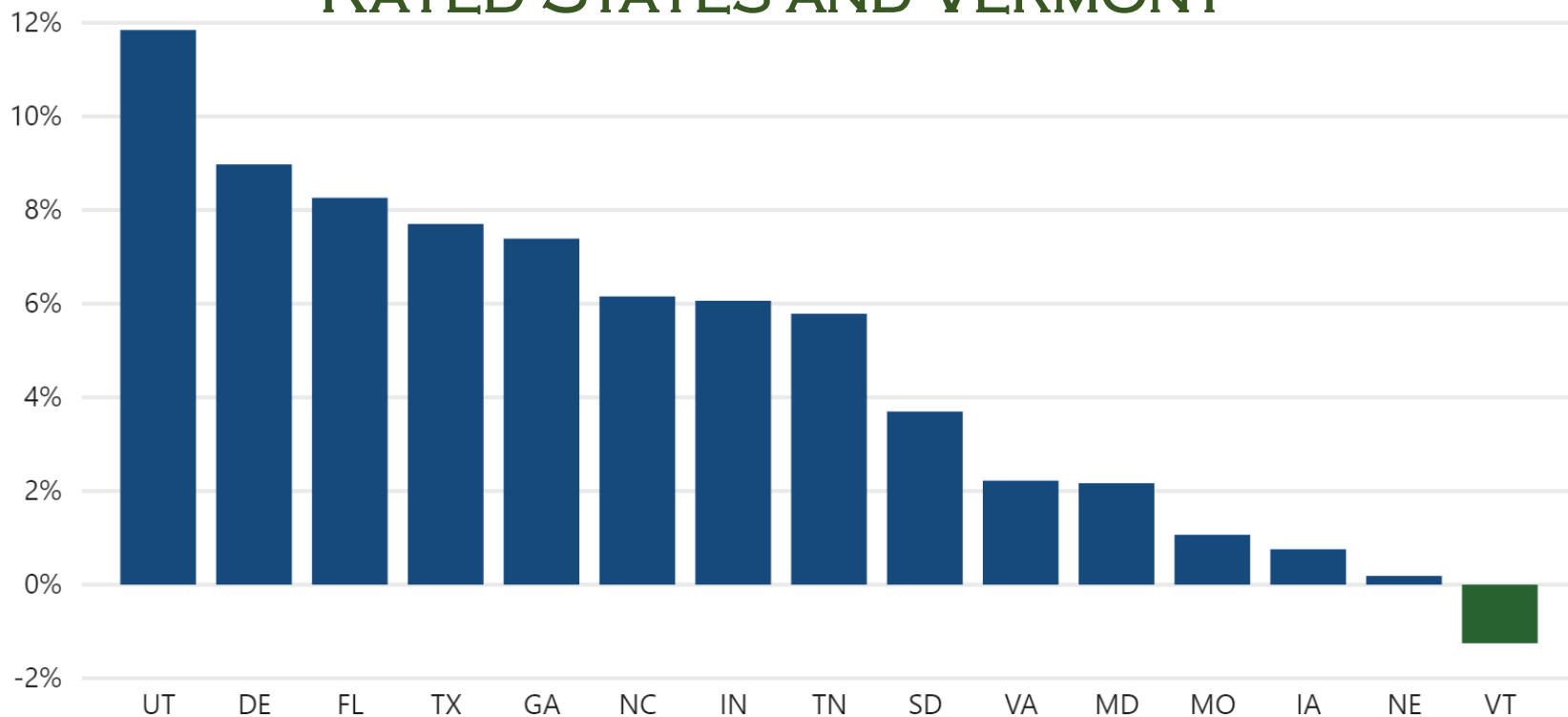
▶ **Other Pressures**

- 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

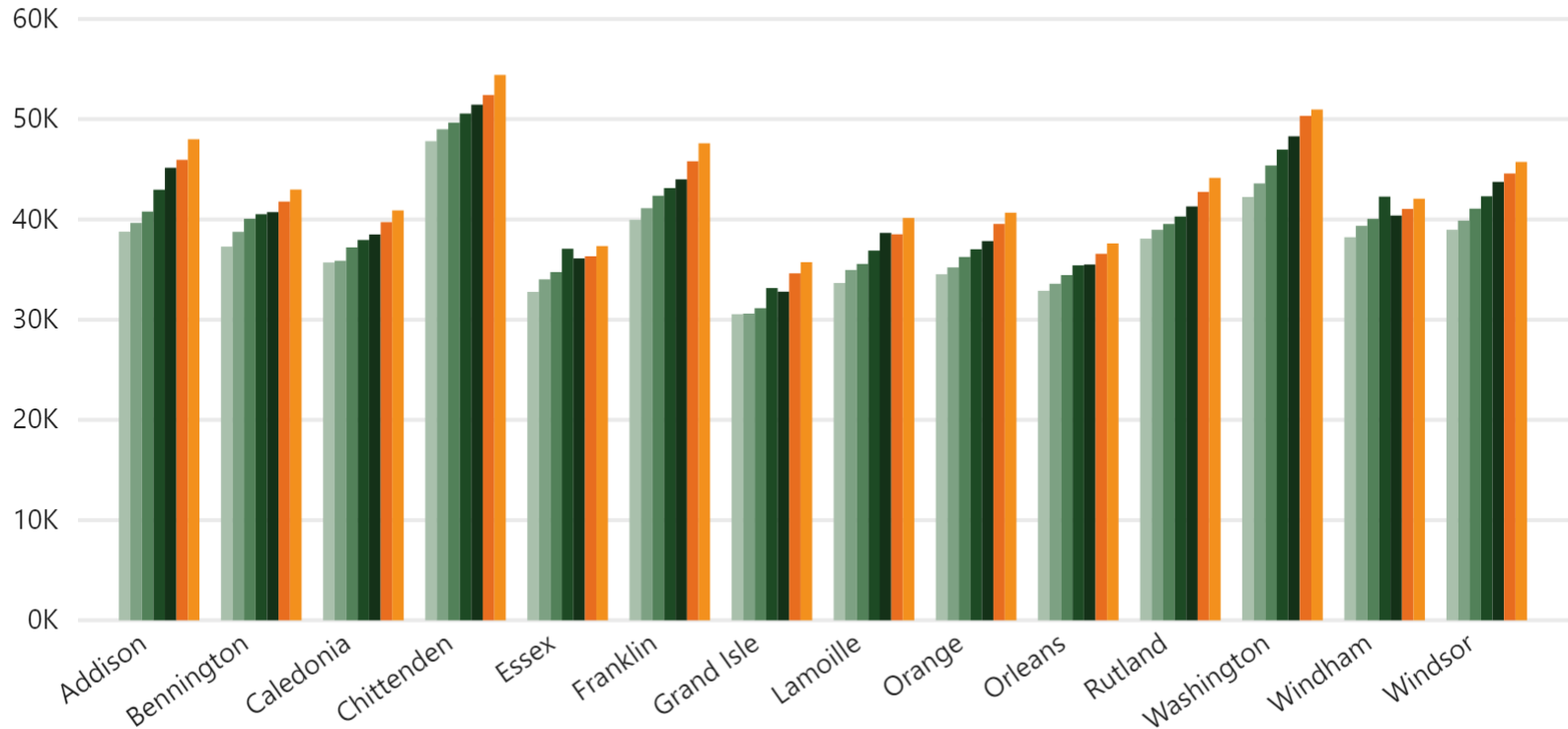
WORKFORCE GROWTH OF AAA RATED STATES AND VERMONT



Percent change in civilian labor force (2011-2016). Source: Bureau of Labor Statistics.

CHANGE IN WAGE DOLLARS BY COUNTY

Year ● 2012 ● 2013 ● 2014 ● 2015 ● 2016 ● 2017 ● 2018



Source: Vermont Department of Labor

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.

GOVERNOR'S BUDGET INSTRUCTIONS

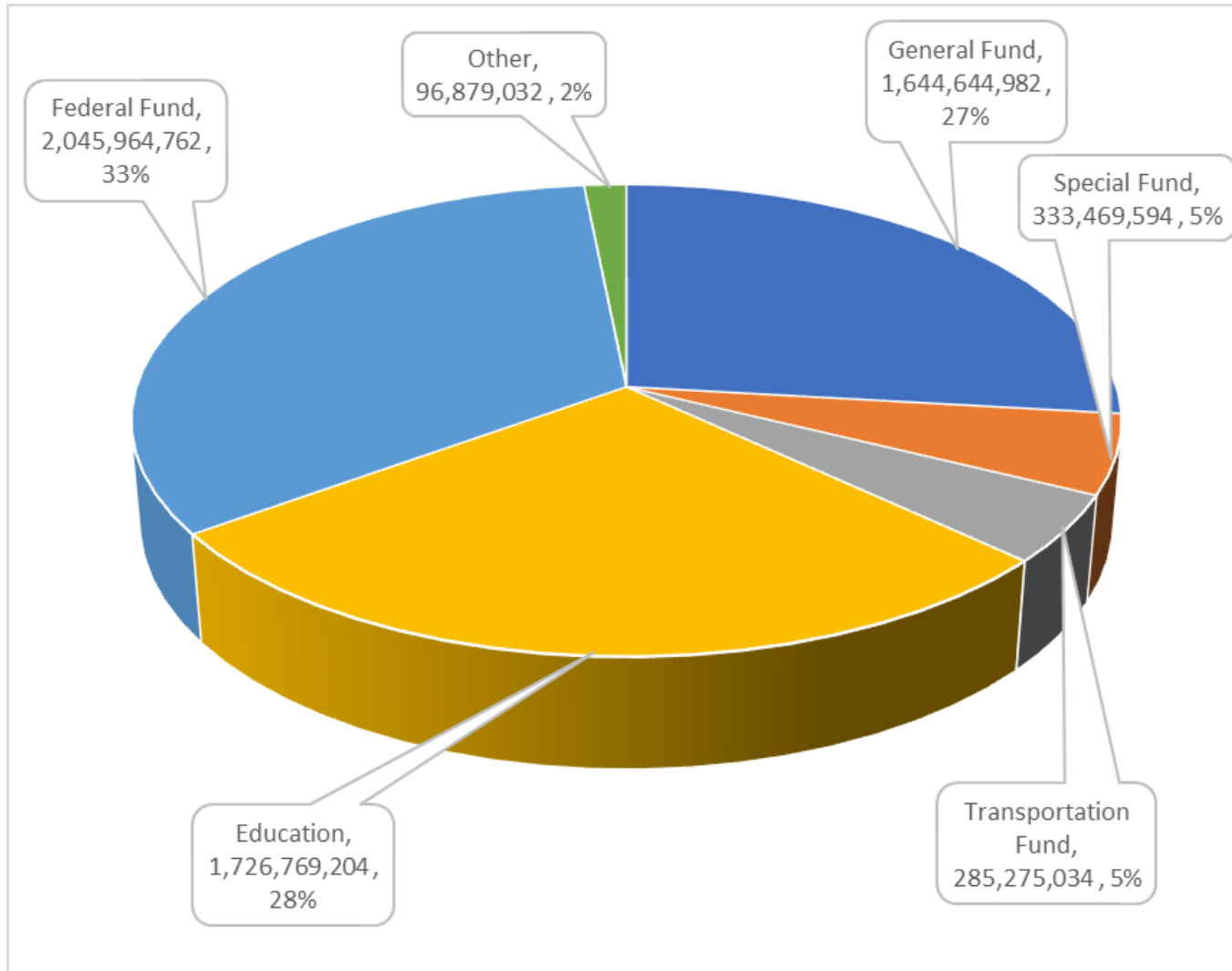
- ▶ **Agencies and Departments were asked to submit budget proposals that:**
 - Work within existing financial resources;
 - Make choices to promote the Governor's strategic priorities of economic growth, affordability, and helping our most vulnerable Vermonters; and
 - Target outcomes to ensure we are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

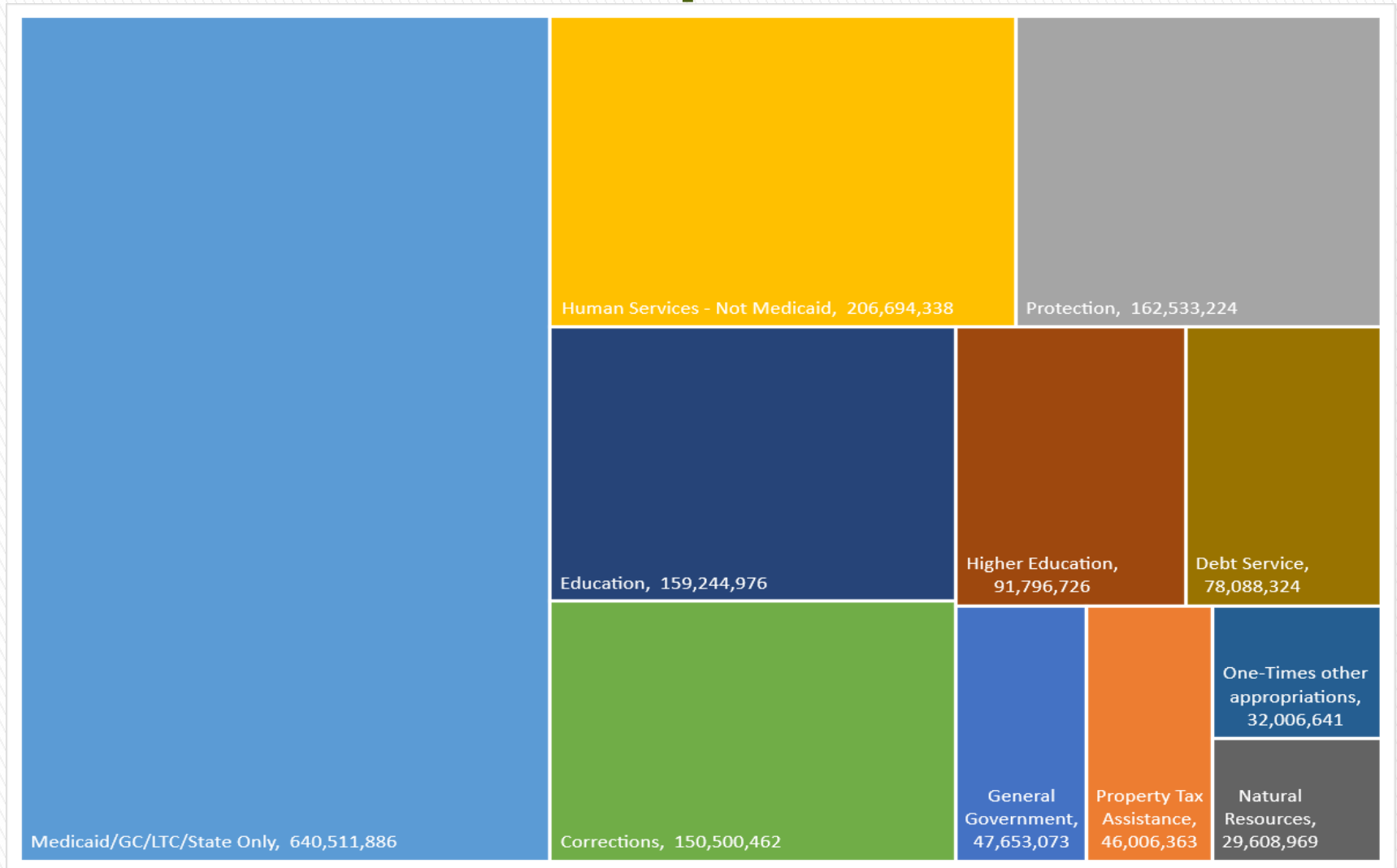
- ▶ **In December:**
 - The FY 2020 Budget Adjustment will be presented

- ▶ **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)



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](#)