



# FY 2022 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
- **Modernize state government**  
State government leverages technology and optimizes existing employee resources.

# 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

# KEY INDICATORS

HOW THE SCOTT ADMINISTRATION WILL MEASURE PROGRESS

- **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

- **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 safety net programs
- Revenue Impact of COVID-19 Public Health Emergency
- Clean Water and Other Environmental Costs
- Infrastructure Maintenance
- Technology and Cybersecurity

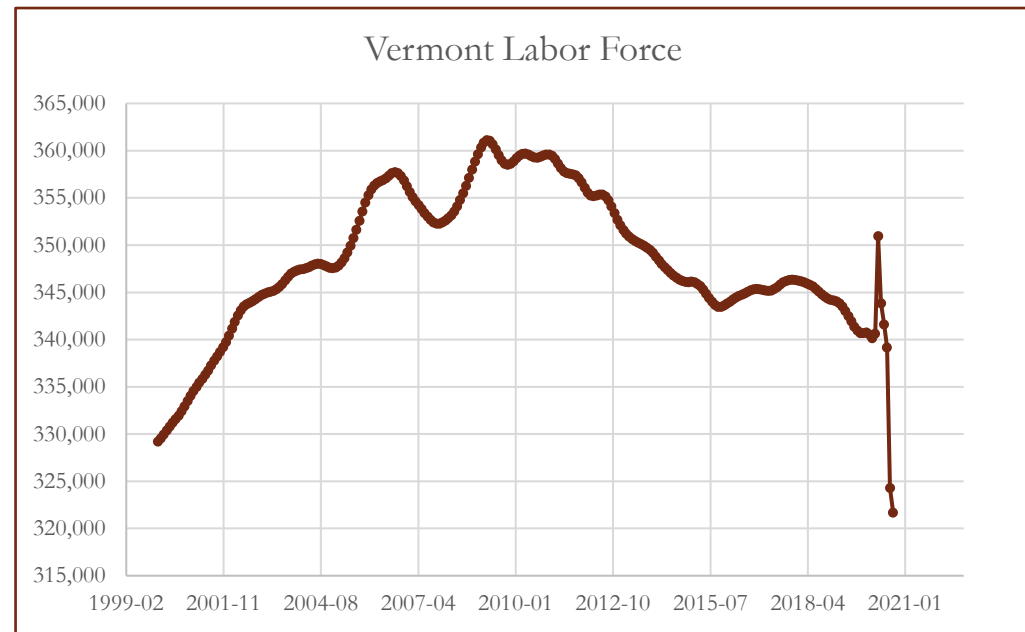
# COVID-19 CHALLENGES

- Since March 2020, the State of Vermont has been in an extended state of emergency due to the COVID-19 public health emergency
- Unemployment in the state reached a peak of more than 16% in April 2020, and has declined to around 4% in September 2020
- The State has implemented many grant and assistance programs for residents and businesses
- The near term impact on the State's economy and population is uncertain



# DEMOGRAPHIC CHALLENGES

- Vermont has a shrinking workforce, exacerbated by COVID-19
- A strong economy is key to creating greater opportunity for all Vermonters. By restoring Vermont's economic and fiscal fundamentals, we can work toward ensuring vibrant communities and a thriving economy in all 251 Vermont towns.



Data from: <http://www.vtlmi.info/laus.cfm>

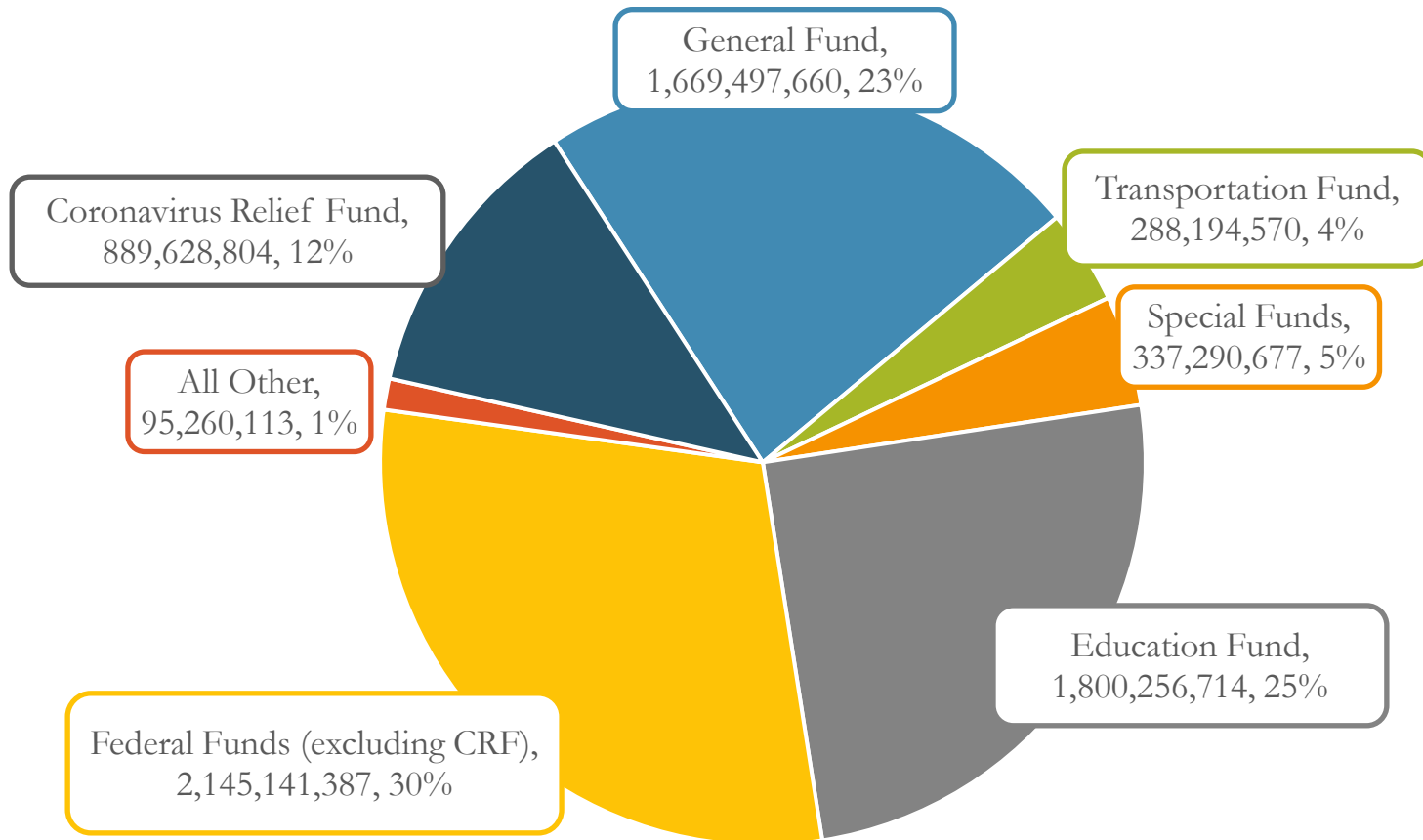
# GOVERNOR'S BUDGET INSTRUCTIONS

- 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 and equitably.
- The Administration is working to prepare the following for presentation in January 2021:
  - FY 2021 Budget Adjustment
  - FY 2022 Budget
  - FY 2021 and FY 2022 revenue forecast updates



# FY 2021 BUDGET

ALL FUNDS – TOTAL: \$7.225 BILLION



# FY 2021 GENERAL FUND APPROPRIATIONS

BY GOVERNMENT FUNCTION — TOTAL: \$1.67 BILLION



# PUBLIC PROCESS

- Public Comments can be submitted through the Finance & Management Website:

[Public Comment Page](#)

- People can provide feedback on priorities by completing the following survey

[Link to Survey](#)