

STATE OF VERMONT FISCAL YEAR 2011



BUDGET RECOMMENDATIONS

TABLE OF CONTENTS

00AOA - Agency of Administration	5
01100 - Secretary of Administration.....	7
01105 - Information and Innovation.....	10
01110 - Finance and Management.....	16
01120 - Human Resources.....	21
01130 - Libraries.....	27
01140 - Tax.....	34
01150 - Buildings and General Services.....	39
09170 - Geographic Information System	60
01200 - Executive Office	63
01210 - Legislative Council	68
01211 - Legislature.....	74
01220 - Joint Fiscal Committee.....	78
01230 - Sergeant at Arms	83
01240 - Lieutenant Governor	87
01250 - Auditor of Accounts.....	90
01260 - State Treasurer	101
01270 - State Labor Relations Board	108
01280 - VOSHA Review Board.....	111
09526 - Use Tax Reimbursement Fund.....	114
02310 - Lottery Commission	117
09519 - Payments in Lieu of Taxes	120
09520 - Montpelier PILOT.....	123
09521 - Corrections PILOT.....	126
02132 - Special Investigative Units	129
02100 - Attorney General	132
09522 - Vermont Court Diversion	139

02110 - Defender General.....	145
02120 - Judiciary	154
02130 - State's Attorneys	168
02131 - Sheriffs.....	173
02140 - Public Safety.....	177
02150 - Military	201
02160 - Center for Crime Victims' Services	214
02170 - Criminal Justice Training Council	223
02200 - Agriculture, Food and Markets.....	227
02210 - Banking Ins Sec Hlth Care Adm	241
02230 - Secretary of State.....	258
02240 - Public Service Department	262
02250 - Public Service Board	267
02260 - Enhanced 9-1-1 Board.....	270
02280 - Human Rights Commission	274
02300 - Liquor Control.....	280
00AHS - Agency of Human Services	289
03150 - Mental Health	292
03400 - Human Services Central Office	297
03410 - Office of VT Health Access	309
03420 - Health.....	324
03440 - Children and Family Services.....	334
03460 - Disabilities, Aging and Independent Living.....	372
03480 - Corrections.....	381
03300 - Vermont Veterans' Home	401
03310 - Vermont Commission on Women	407
09529 - Retired Senior Volunteer Program.....	412
04100 - Department of Labor.....	415
05100 - Education.....	427
09518 - State Teachers' Retirement System	446

09525 - Reappraisal and Listing Payments	450
09534 - Home Owner Rebate	453
09536 - Renter Rebate	456
09502 - University of Vermont.....	459
09504 - Vermont Public Television.....	466
09505 - Vermont State Colleges	472
09507 - Vermont Interactive Television.....	479
09508 - Vt Student Assistance Corp	485
09513 - NE Higher Education Compact.....	491
00ANR - Agency of Natural Resources.....	494
06100 - Natural Resources Central Office.....	497
06120 - Fish and Wildlife	505
06130 - Forests, Parks and Recreation.....	510
06140 - Environmental Conservation	519
06215 - Natural Resources Board.....	529
0AACCD - Agency of Commerce and Comm Dev	536
07100 - ACCD - Administration.....	539
07110 - Economic, Housing & Community Development.....	543
07120 - Economic Development	566
07130 - Tourism and Marketing	569
09509 - Vermont Council on the Arts	576
09510 - Vermont Symphony Orchestra	582
09511 - Vermont Historical Society.....	590
09150 - Vt Housing and Conservation Board.....	595
09512 - Vermont Humanities Council.....	600
00AOT - Agency of Transportation	608
08100 - AOT Division Approps and Programs	611
08101 - AOT Department of Motor Vehicles.....	638
08102 - AOT Town Highway Programs.....	646
08115 - Transportation Board	658
9533 - Debt Service.....	662

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agency of Administration**

Agency Mission Statement

The Agency of Administration exists to insure the fiscal integrity of the state, to provide centralized support services for state government as well as providing 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 - promotes, monitors and reports upon the fiscal condition and integrity of state government.

Buildings and General Services - delivers quality operational services and facilities management, enabling government agencies to fulfill their missions.

Taxes - collects the proper amount of taxes in a timely and efficient manner.

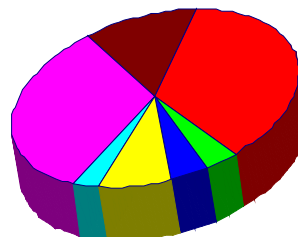
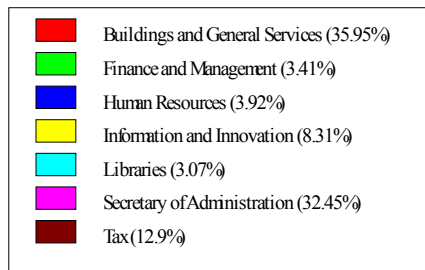
Libraries - fosters and co-ordinates resource sharing and access to information for the citizens of Vermont

Human Resources - provides leadership to and works 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 2011 BUDGET RECOMMENDATIONS
Agency of Administration

AGENCY SUMMARY BY DEPARTMENT

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Secretary of Administration	6	5	6	1,130,628	865,169	47,997,483	39,428,849
Information and Innovation	62	61	75	8,301,107	13,271,842	9,830,250	10,097,976
Finance and Management	52	38	35	5,311,375	4,028,252	3,725,354	4,142,153
Human Resources	53	45	39	5,417,811	5,137,757	4,741,493	4,758,092
Libraries	34	32	26	3,475,449	3,702,434	3,495,788	3,724,721
Tax	187	178	173	15,206,776	15,706,790	14,420,885	15,674,216
Buildings and General Services	432	401	366	46,152,969	45,661,520	43,000,143	43,687,324
TOTAL	826	760	720	84,996,115	88,373,764	127,211,396	121,513,331
FUND TYPE							
General Fund				28,148,481	25,912,384	23,800,622	25,303,921
Transportation Fund				9,469	0	0	0
Special Fund				3,715,844	4,328,913	1,683,809	1,631,392
American Recovery & Reinvestment Act				0	0	47,075,036	38,575,036
Federal Revenue Fund				784,724	855,215	855,215	955,372
Enterprise Fund				116,895	146,500	93,228	136,377
Global Commitment Fund				408,379	527,893	188,393	195,053
Internal Service Fund				48,693,580	51,094,710	47,809,482	49,050,654
Interdepartmental Transfer				3,118,743	5,508,149	5,705,611	5,665,526
TOTAL				84,996,115	88,373,764	127,211,396	121,513,331



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Secretary of Administration

Department Mission Statement

The Agency of Administration exists to provide centralized support services to all agencies and departments of state government as well as providing selected services to Vermont municipalities and Vermont citizens. The Agency also exists to ensure that the fiscal resources of the state are properly managed. The Agency also takes a leadership role on those issues that cross agency lines, such as health care reform and strategic change in government.

The goal of the Agency is to ensure the uniform and consistent functioning of state government, to provide centralized support services for all components of state government, to work consistently to deliver better services to the citizens of Vermont at the lowest possible costs, and to carry out the policy objectives of the Governor and the laws of Vermont.

The Agency was formed by the General Assembly by Act 92 of 1971. The Agency's organization and authority is described in 3 V.S.A. Chapter 45.

Description of Appropriations, Divisions, & Programs

The Secretary of Administration is both principal aide to the Governor and executive manager of the Agency of Administration. The office of the Secretary assists in the development and implementation of policies and programs throughout state government, coordinates and controls functions within state government, and manages the Agency of Administration.

Through the Secretary, the Agency provides first-line assistance to the Governor. The Secretary is a member of the Governor's Cabinet. He also coordinates budget and appropriations testimony to the General Assembly.

Along with the Secretary's office, the agency includes the departments of Buildings and General Services, Finance and Management, Information and Innovation, Libraries, Human Resources, and Taxes.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Secretary of Administration

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Secretary of Administration's Office	6	5	6	1,130,628	865,169	47,997,483	39,428,849
<u>TOTAL</u>	<u>6</u>	<u>5</u>	<u>6</u>	<u>1,130,628</u>	<u>865,169</u>	<u>47,997,483</u>	<u>39,428,849</u>
FUND TYPE							
General Fund				990,198	676,776	734,054	658,760
American Recovery & Reinvestment Act				0	0	47,075,036	38,575,036
Global Commitment Fund				68,879	188,393	188,393	195,053
Interdepartmental Transfer				71,551	0	0	0
<u>TOTAL</u>				<u>1,130,628</u>	<u>865,169</u>	<u>47,997,483</u>	<u>39,428,849</u>

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Secretary of Administration's Office

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	897,061	795,758	773,385	779,981
Operating Expenses	60,937	69,411	90,493	73,832
Grants	172,630	0	47,133,605	38,575,036
<hr/> TOTAL	<hr/> 1,130,628	<hr/> 865,169	<hr/> 47,997,483	<hr/> 39,428,849
FUND TYPE				
General Fund	990,198	676,776	734,054	658,760
American Recovery & Reinvestment Act	0	0	47,075,036	38,575,036
Global Commitment Fund	68,879	188,393	188,393	195,053
Interdepartmental Transfer	71,551	0	0	0
<hr/> TOTAL	<hr/> 1,130,628	<hr/> 865,169	<hr/> 47,997,483	<hr/> 39,428,849

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Information and Innovation**

Department Mission Statement

Vision Statement:

The Department of Information & Innovation will be the leading information technology resource for state government producing results through people, process improvement and collaboration.

Mission Statement:

DII will focus on exceeding customer expectations at every opportunity. Through collaboration with all state agencies we will continue to implement and support enterprise applications. DII's goal will be to enhance the value of information technology projects across state government through our knowledge and commitment to excellence.

Strategic Goals:

- ☐ Reduce government costs
- ☐ Drive effective technology contracting
- ☐ Leverage shared technology operations
- ☐ Promote innovative use of technology that adds value
- ☐ Protect technology and information assets

Description of Appropriations, Divisions, & Programs

The Department of Information and Innovation (DII) was created to establish a single department whose core competencies and business drivers are Information Technology. DII has two separate but related functions. The Commissioner of DII serves as the State's Chief Information Officer as well as the Commissioner of the operations group. This dual role means that the department has two missions to fulfill. The CIO's core function is strategic. It consists of creating and implementing an enterprise technology vision for all of state government, creating statewide IT policies and procedures, recommending technology solutions that will be "right sized" to meet various needs across the enterprise and communicating enterprise IT goals and objectives to other state partners.

Detailed below are DII's core operational duties. The department provides access to communications for most of the state's workforce. DII coordinates the state's land based telephone service, providing day-to-day telephone service as well as equipment installation and repair, toll-free calling, voice mail, call distribution, and calling cards. Cell phone service is also coordinated by DII staff including service

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Information and Innovation

plans, cell phones, and paging services.

Network design, implementation and maintenance also fall under the purview of DII, which manages the Wide Area Network that serves government offices in Montpelier, Waterbury, Burlington and district offices in cities and towns statewide. The network provides for complete inter-agency and inter-departmental information access through a single system servicing all agencies on a cooperative basis. DII manages the state fiber optic backbone, enabling the state to not only connect to state offices, but to the rest of the world.

DII also manages the state enterprise Exchange email platform and is continuing the rollout of additional enterprise applications.

DII has developed an Enterprise Project Management Office. The goal is to assist all agencies and departments in implementing information technology project management best practices. The CIO is responsible for procuring an independent review of any IT project over \$500,000 dollars.

In addition, the Project Management office monitors and maintains the state's IT planning database, called Plan IT.

DII has taken control of the *Technical Services Section* of the Department of Finance & Management. This 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 as they are called in to a central helpdesk. Other responsibilities include seeking, researching, and developing and upgrading system enhancements that will continue to improve the functionality and best practices of the VISION system.

DII has also taken over the technical staff from the Department of Human Resources responsible for the maintenance of the state's human resource management information system. In addition, DII has taken over the IT staff of the Department of Libraries.

DII is also responsible for computer hosting services. The department maintains server rooms at 133 State Street and at National Life housing computers that run software from various departments and agencies around the state. This includes internal servers that are a part of the state network as well as Internet servers allowing the state to communicate to the entire world. A second type of hosting that is provided is the hosting of applications on the state's mainframe computer. This provides several state departments and agencies with a high speed, high volume computing environment for various applications. Included in the hosting services is also the management of the facilities and the individual computers, disaster recovery planning and management, and the ability to warehouse data.

The Director of System Security is responsible for working with experts across state government in

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Information and Innovation

protecting the State's electronic information and information technology assets.

Other various services provided by DII to state government include technical training and a complete customer assistance center to respond to the needs of the agencies and departments DII supports.

DII's role continues to evolve, just as technology itself continues to evolve.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Information and Innovation

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Vermont Information Technology Leaders (VITL)	0	0	0	2,216,942	2,955,674	68,573	0
Comm & Info Technology	62	61	75	6,084,165	10,316,168	9,761,677	10,097,976
TOTAL	62	61	75	8,301,107	13,271,842	9,830,250	10,097,976
FUND TYPE							
General Fund				314,409	97,094	143,274	20,911
Special Fund				1,630,621	2,616,174	68,573	0
Global Commitment Fund				339,500	339,500	0	0
Internal Service Fund				6,016,577	9,698,448	9,097,777	10,077,065
Interdepartmental Transfer				0	520,626	520,626	0
TOTAL				8,301,107	13,271,842	9,830,250	10,097,976

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Information Technology Leaders (VITL)

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	20,960	90,000	0	0
Grants	2,195,982	2,865,674	68,573	0
<hr/> TOTAL	<hr/> 2,216,942	<hr/> 2,955,674	<hr/> 68,573	<hr/> 0
FUND TYPE				
General Fund	246,821	0	0	0
Special Fund	1,630,621	2,616,174	68,573	0
Global Commitment Fund	339,500	339,500	0	0
<hr/> TOTAL	<hr/> 2,216,942	<hr/> 2,955,674	<hr/> 68,573	<hr/> 0

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Comm & Info Technology

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	4,700,427	6,816,269	6,465,144	6,842,098
Operating Expenses	974,829	2,749,899	2,796,533	2,505,878
Grants	408,909	750,000	500,000	750,000
<hr/> TOTAL	<hr/> 6,084,165	<hr/> 10,316,168	<hr/> 9,761,677	<hr/> 10,097,976
FUND TYPE				
General Fund	67,588	97,094	143,274	20,911
Internal Service Fund	6,016,577	9,698,448	9,097,777	10,077,065
Interdepartmental Transfer	0	520,626	520,626	0
<hr/> TOTAL	<hr/> 6,084,165	<hr/> 10,316,168	<hr/> 9,761,677	<hr/> 10,097,976

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Finance and Management

Department Mission Statement

To promote, monitor and report upon the fiscal condition of State government. This mission is achieved through (1) the establishment and maintenance of centralized accounting functions that incorporate appropriate internal controls and generate reliable financial information that is in accord with established accounting principles; and (2) the development, maintenance and advocacy for fiscally responsible budgets and related management recommendations for the Secretary of Administration and the Governor.

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 (VISION), provides related controls and services for managers and employees of state government, provides the payroll services for all three branches of state government, and generates reliable financial information in accordance 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 also is responsible for revenue projecting and reporting. In meeting its responsibilities the Division works to limit spending growth at sustainable levels and to maintain budget stabilization reserves of at least 5% of prior year total 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 recommendations of the Debt Affordability Committee. Another important role of the Division is to assure compliance with Administration Bulletin 3.5, the contracting review and approval process. In addition the Commissioner or other staff represents the Administration through membership on various boards (e.g. State Retirement Board) and various Legislative study committees.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Finance and Management

Financial Operations:

Financial Operations is responsible for the establishment and maintenance of centralized accounting functions that incorporate appropriate internal controls and generate reliable financial information that is in accord with established accounting principles. This division also oversees and processes all payroll services for the entire state. Statute requires that all state disbursements by the Treasurer be approved first by the Commissioner of Finance and Management, with warrants then being provided to the Treasurer. Financial Operations is responsible for the processing and monitoring of these warrants.

The Financial Operations Division consists of two distinct areas: the Financial Services Section and the Payroll Section.

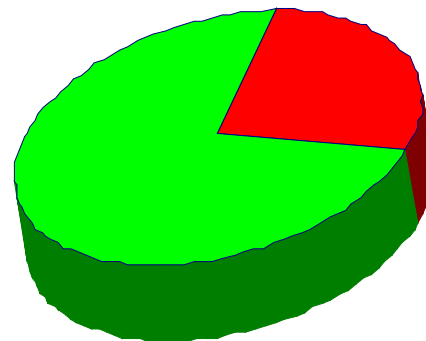
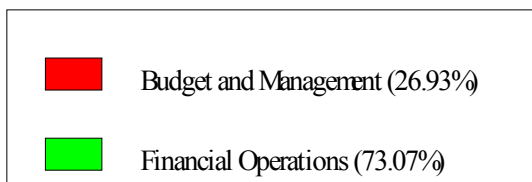
The Financial Services Section performs two primary roles, accounting and auditing. Accounting responsibilities include establishing and monitoring appropriations, as approved by the legislature. Additionally, Financial Services is the primary resource for departments on proper accounting procedures. 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 internal 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 Payroll Section is responsible for issuing accurate and timely payments of salaries, expenses and other benefits to all Executive, Legislative, and Judicial branches of state government.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Finance and Management

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Budget and Management	11	11	10	1,065,105	1,156,434	1,116,274	1,115,386
Financial Operations	41	27	25	4,246,270	2,871,818	2,609,080	3,026,767
TOTAL	52	38	35	5,311,375	4,028,252	3,725,354	4,142,153
FUND TYPE							
General Fund				851,066	841,780	869,712	882,783
Special Fund				67,637	0	0	0
Internal Service Fund				4,178,633	2,871,818	2,609,080	3,026,767
Interdepartmental Transfer				214,039	314,654	246,562	232,603
TOTAL				5,311,375	4,028,252	3,725,354	4,142,153



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Budget and Management

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	960,436	1,011,091	907,581	880,871
Operating Expenses	104,669	145,343	208,693	234,515
<hr/> TOTAL	<hr/> 1,065,105	<hr/> 1,156,434	<hr/> 1,116,274	<hr/> 1,115,386
FUND TYPE				
General Fund	851,066	841,780	869,712	882,783
Interdepartmental Transfer	214,039	314,654	246,562	232,603
<hr/> TOTAL	<hr/> 1,065,105	<hr/> 1,156,434	<hr/> 1,116,274	<hr/> 1,115,386

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Financial Operations

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,805,171	2,578,282	2,315,544	2,474,557
Operating Expenses	436,956	293,536	293,536	552,210
Non Operating Exp Budget	4,143	0	0	0
<hr/> TOTAL	<hr/> 4,246,270	<hr/> 2,871,818	<hr/> 2,609,080	<hr/> 3,026,767
FUND TYPE				
Special Fund	67,637	0	0	0
Internal Service Fund	4,178,633	2,871,818	2,609,080	3,026,767
<hr/> TOTAL	<hr/> 4,246,270	<hr/> 2,871,818	<hr/> 2,609,080	<hr/> 3,026,767

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Resources

Department Mission Statement

The Department of Human Resources exists to attract, cultivate and maintain the highest caliber of employee for the State of Vermont workforce. The Department administers a full range of competitive benefits to current employees. We provide training and human resources support to all departments and agencies throughout state government. Our team also conducts numerous management and leadership trainings to promote workforce excellence. Finally, our recruitment division ensures that job opportunities reach a talented and diverse range of prospective employees in order to maintain our standing as the state's premier employer. These objectives are achieved through the coordinated efforts of a few key divisions.

Description of Appropriations, Divisions, & Programs

The Administrative Services Division includes the Benefits Unit and an Information Management Unit (IM). The Benefits Unit designs and delivers and manages competitive benefit programs to state employees, retirees and their dependents; such plans include medical, dental, life, long term disability, flexible spending, and employee assistance. IM supports all analytical needs of the department, including insurance premium rate setting, and on an as needed basis provides analytical support to the administration. The Division also handles compensation analysis, which encompasses all pay issues that are not determined under the salary provisions of the labor contracts, such as administration of exempt pay, market factor adjustment for certain classes of classified positions, requests for authority to hire into range, and approval of bonuses.

The Labor Relations Division negotiates, implements, and administers four collective bargaining agreements for the state's unionized workforce. The division advises and supports our human resource partners, management and the public on personnel policy and procedure advice.

The Recruitment, Classification and HRIS Division is responsible for three distinct, but related functions. One function is to provide recruitment services for departments and agencies throughout state government, including all advertising for jobs with the State of Vermont. The other function is to conduct classification review of positions and designate categories of employment under state law. The Human Resources Information Systems unit is also part of this Division. The unit is responsible for functional oversight of the enterprise HR system, ensuring data quality control and entering personnel actions for those departments that do not do so on a decentralized basis, as well as providing guidance to users on proper use of the system.

The Workforce Development and Wellness Division engages state employees and organizations in learning and skill-building, facilitating behavioral and cultural change to achieve healthy and effective worksites. This work is accomplished through workforce planning and training for departments and

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Resources

agencies throughout state government; and the provision of a coordinated wellness program for state employees and retirees.

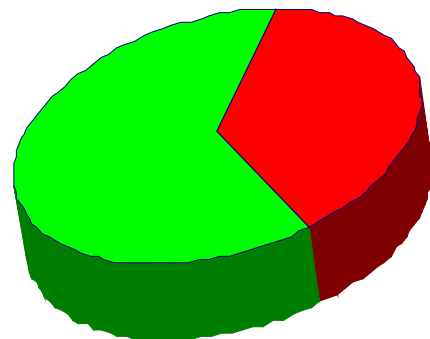
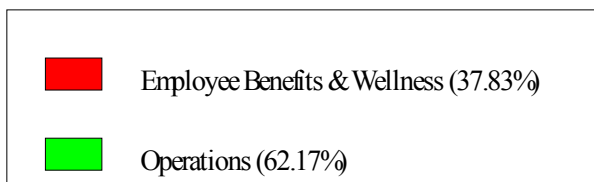
The department now provides direct human resource services to all departments within the Agency of Administration. Services include personnel administration, labor relations, workforce development and training, position recruitment, and operating a classification panel for BGS.

The Commissioner's office provides leadership to all the above-named divisions, guidance on EEO matters throughout state government, and support for the Governor's Workforce Equity and Diversity Council. It also provides legal representation for all state departments and agencies in employment-related matters.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Resources

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Operations	30	32	28	2,621,202	3,086,384	2,989,742	2,958,192
Employee Benefits & Wellness	14	13	11	1,499,975	2,051,373	1,751,751	1,799,900
Information Technology	9	0	0	1,296,634	0	0	0
TOTAL	53	45	39	5,417,811	5,137,757	4,741,493	4,758,092
FUND TYPE							
General Fund				2,143,852	1,888,503	1,989,859	1,689,278
Transportation Fund				9,469	0	0	0
Special Fund				169,216	280,835	280,835	280,835
Internal Service Fund				2,796,609	2,011,520	1,711,898	1,760,047
Interdepartmental Transfer				298,665	956,899	758,901	1,027,932
TOTAL				5,417,811	5,137,757	4,741,493	4,758,092



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Operations

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,270,108	2,478,007	2,649,366	2,543,406
Operating Expenses	351,094	608,377	340,376	414,786
<hr/> TOTAL	<hr/> 2,621,202	<hr/> 3,086,384	<hr/> 2,989,742	<hr/> 2,958,192
FUND TYPE				
General Fund	2,143,852	1,888,503	1,989,859	1,689,278
Transportation Fund	9,469	0	0	0
Special Fund	169,216	280,835	280,835	280,835
Interdepartmental Transfer	298,665	917,046	719,048	988,079
<hr/> TOTAL	<hr/> 2,621,202	<hr/> 3,086,384	<hr/> 2,989,742	<hr/> 2,958,192

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Employee Benefits & Wellness

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,029,183	1,655,935	1,214,861	1,152,032
Operating Expenses	470,792	395,438	536,890	647,868
<hr/> TOTAL	<hr/> 1,499,975	<hr/> 2,051,373	<hr/> 1,751,751	<hr/> 1,799,900
FUND TYPE				
Internal Service Fund	1,499,975	2,011,520	1,711,898	1,760,047
Interdepartmental Transfer	0	39,853	39,853	39,853
<hr/> TOTAL	<hr/> 1,499,975	<hr/> 2,051,373	<hr/> 1,751,751	<hr/> 1,799,900

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Information Technology

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	762,932	0	0	0
Operating Expenses	533,702	0	0	0
<hr/> TOTAL	<hr/> 1,296,634	<hr/> 0	<hr/> 0	<hr/> 0
FUND TYPE				
Internal Service Fund	1,296,634	0	0	0
<hr/> TOTAL	<hr/> 1,296,634	<hr/> 0	<hr/> 0	<hr/> 0

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Libraries

Department Mission Statement

Guided by 22 V.S.A. §601-635, 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. The DOL:

- ☐ Provides access to information in a variety of formats to the three branches of Vermont State Government in order to contribute to effective and efficient government;
- ☐ Provides consultation, training and other services to librarians, public library board members and elected officials and offers resources, services and grants to qualifying libraries in order to strengthen their capacity to deliver quality library service;
- ☐ Enables resource sharing between all types of libraries;
- ☐ Provides all Vermonters with qualifying visual and physical disabilities access to quality library services and the special format materials they need in order to enjoy recreational reading, to engage in lifelong learning and to improve their economic self-sufficiency.

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-sectarian 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. [Location: 109/111 State St., Montpelier (FTE-3.5 in FY10)]

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Libraries

Statewide Library Development: With two Regional Libraries, four Regional Library Consultants and a Youth Services Consultant, provides a service of advice and consultation to all libraries in the state, including library staff, library trustees, and 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.

[Note: in FY09 DOL ended purchase of new materials for the regional library collections, except for minimal purchases of books for children.]

Statewide Library Development compiles and publishes annual statistics covering all public libraries in the state; offers 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). [Locations: 109/111 State St., Montpelier (FTE: 3), Midstate Regional Library, Berlin (FTE: 1.5); Northeast Regional Library, St. Johnsbury (FTE: 2), Southeast Office, Bellow Falls (FTE:1); Southwest Office, Rutland (FTE:1) in FY10]

[Note: Both regional libraries ended direct service to the public in FY09. Midstate Regional Library is now closed and the collection is available to libraries only via Interlibrary Loan. The Northeast Regional Library remains open to public and school libraries, teachers, and home-schoolers on a reduced schedule and with reduced staff.]

Reference & Law Information Services: Includes the Vermont State Library, Law & Documents collections, Reference and Interlibrary Loan Services, University of Vermont Access Office, and the Technical Services Division. 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; organizes and conducts an annual program of seminars, workshops and other training opportunities to increase the professional competence of librarians in the state; maintains a certification program for public librarians.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Libraries

[Locations: 109/111 State St., Montpelier; Bailey/Howe Library, University of Vermont, Burlington.
(FTE: 9 in FY10)]

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 institutions; targets library and information services to persons having difficulty using a library. Maintains a separate online catalog of materials available for the public and offers downloadable audio books for the visually and physically handicapped. Special Services Unit, Berlin Midstate Regional Library Annex [FTE: 4 in FY10]

Vermont Automated Libraries System (VALS): Serves as one of the primary access point for state information, and provides advice on state information technology policy; plans for and implements library-related information technology and information databases for libraries and Vermont 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. DOL is “shopping” for a new Interlibrary Loan (ILL) interface that will make it easier for Vermont librarians to conduct ILL transactions and will introduce online citizen-initiated interlibrary loan requesting. [Location: 109/111 State St., Montpelier) FTE: 1 in FY10]

Related Activities:

Vermont Public Library Foundation/Freeman Foundation - During the 2000 legislative session, the State Librarian was authorized to form the Vermont Public Library Foundation (VPLF)(22 VSA §610) to enhance local public library services through private fundraising. The Vermont Public Library Foundation administers two grant programs: (1) Grants to public libraries using interest earned from the Freeman Foundation Endowment; and (2) Winnie Belle Learned grants, established in 2007 and supported by financial gifts from Dr. Burnett Rawson of Essex, to support services to youth and children in public libraries.

Vermont Online Library (VOL) - The *Vermont Online Library* (VOL) is designed to provide citizen

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Libraries

access to a selection of subscription online information databases designed to serve the state's most common research needs. VOL includes resources for the general public, student research and homework help, business research, professional development for educators, consumer health research, and information on current issues and biography, all tailored to different age groups. The purpose of the *Vermont Online Library* is to ensure statewide, online access for all Vermont residents and students in Vermont schools and colleges to a core set of high quality, full-text information resources through the licensing of online/electronic information database products.

The *Vermont Online Library* is made possible with three sources of funding, with approximately 1/3 coming from each: (1) state general funds; (2) federal LSTA (Library Services and Technology Act) funds; and (3) membership fees from participating libraries.

Vermont Humanities Council (VHC) "First Wednesdays"- This once-a-month humanities forum brings nationally renowned speakers to libraries for public lectures on the first Wednesday of each month, October through May, and is offered in the following communities: Brattleboro, Burlington, Manchester, Middlebury, Montpelier, Newport, Norwich, Rutland and St. Johnsbury. In FY10 the Department of Libraries sponsored the program with a \$3500 payment to VHC (state general funds) and a \$400 grant to each participating library (federal LSTA funds.)

Motion Picture Public Performance License - DOL continues to make available to public libraries a statewide motion picture performance license which permits libraries to show films to groups in the library. Almost all videos/DVDs owned by libraries (or rented from video stores) are not licensed under Copyright Law for public performance (for "Home Use Only.") The statewide motion picture license allows for such performance of films from a wide range of major studios. DOL also negotiated a similar contract for schools which reduced the cost of the license to each school by 50%. Schools pay for their discounted licenses, with DOL managing the payments and the contract with the vendor.

Other Organizations/Groups with which the Department has worked; providing professional expertise and technical advice include: American Academy of Pediatrics/Vermont Chapter; Children's Literacy Foundation (CLiF); Foundation Center (NY); ECHO Lake Aquarium and Science Center; Fleming Museum, Health Sciences Libraries of Vermont and New Hampshire; Library of Congress National Book Festival; National and Vermont Federations for the Blind; New England Library Association (NELA); WCAX-TV ("Across the Fence"); Vermont Public Radio; Vermont Center for the Book (Red

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Libraries

Clover Award); Vermont PTA (Dorothy Canfield Fisher Book Award); Vermont Association for the Blind; Vermont Community Foundation; Vermont Out-of-School Network (VOOST); Vermont 2-1-1 Collaborative; Vermont School Library Association (VSLA); Vermont Historical Society; Vermont Library Association (VLA); Windham County Reads; Vermont State Colleges; Association of Vermont Independent Colleges (AVIC); Green Mountain Library Consortium; Lyrasis (formerly NELINET); Vermont Consortium of Academic Libraries; Vermont Small Business Development Center; and the Vermont Small Business Association. State agencies and departments with which the DOL regularly cooperates include the Dept. of Information and Innovation; Secretary of State's Office; Attorney General's Office; Dept. of Education; Dept. of Labor; Dept. of Disabilities, Aging, & Independent Living.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Libraries

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Libraries	34	32	26	3,475,449	3,702,434	3,495,788	3,724,721
<hr/> TOTAL	<hr/> 34	<hr/> 32	<hr/> 26	<hr/> 3,475,449	<hr/> 3,702,434	<hr/> 3,495,788	<hr/> 3,724,721
FUND TYPE							
General Fund				2,459,545	2,616,539	2,409,893	2,534,917
Special Fund				138,715	132,500	132,500	132,656
Federal Revenue Fund				784,724	855,215	855,215	955,372
Interdepartmental Transfer				92,465	98,180	98,180	101,776
<hr/> TOTAL				<hr/> 3,475,449	<hr/> 3,702,434	<hr/> 3,495,788	<hr/> 3,724,721

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Libraries

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,958,272	2,078,222	1,679,341	1,857,236
Operating Expenses	1,461,920	1,561,712	1,753,947	1,804,985
Grants	55,257	62,500	62,500	62,500
<hr/> TOTAL	<hr/> 3,475,449	<hr/> 3,702,434	<hr/> 3,495,788	<hr/> 3,724,721
FUND TYPE				
General Fund	2,459,545	2,616,539	2,409,893	2,534,917
Special Fund	138,715	132,500	132,500	132,656
Federal Revenue Fund	784,724	855,215	855,215	955,372
Interdepartmental Transfer	92,465	98,180	98,180	101,776
<hr/> TOTAL	<hr/> 3,475,449	<hr/> 3,702,434	<hr/> 3,495,788	<hr/> 3,724,721

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Tax

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 property tax assistance programs through highly efficient means; to serve local governments by striving to improve local property tax assessment practices; and to assist and service taxpayers, legislators and others to the maximum extent feasible.

Description of Appropriations, Divisions, & Programs

Division/Program Description:

Administration:

The Administrative division has overall management control of the entire department. The division responds to all tax policy inquiries from the Governor and the General Assembly, issues rulings and technical bulletins to implement tax legislation, conducts tax appeal hearings, and represents the department in any civil or criminal litigation.

The Administrative division 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. The division also includes coordinating all aspects of the growing "substitute forms program" as a result of processing 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, the current goal is to continue to implement technology-based compliance initiatives to enhance revenue collections and encourage voluntary compliance with tax statutes. To supplement the in-house collection activities, the department also places delinquent accounts with private collection agencies, as authorized by 32 VSA §3109.

Compliance also administers the refund offset program for 21 State and Federal agencies. The

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Tax

department also places qualifying debts with the U. S. Treasury Offset Program (TOPS). This program allows for the offset of federal income tax refunds to pay State of Vermont personal income and withholding debts. This ongoing program collects millions of dollars from federal refund offsets, or from payments received directly from taxpayers as a result of certified letters advising them of potential placement of their debt with the TOPS.

Information Systems:

The Information Systems division provides the majority of technology solutions and support to the entire department. The division is responsible for enterprise architecture and infrastructure, network and desktop support, business systems development and support as well as IT security. The division's technology efforts allow the department to serve the hundreds of thousands of taxpayers in Vermont in a timely and efficient manner.

Property Valuation and Review:

Property Valuation and Review (PVR) provides administrative support for Vermont's property tax system, staff support for the development of property tax policies and administration of several property tax related programs. Most 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.

Revenue Accounting & Returns Processing:

RAARP is responsible for all revenue accounting and returns processing needs for the tax 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 year-end GAAP/GASB 34 reports. The division is also responsible for overseeing the receipt and posting of an ever-increasing number of returns and payments filed electronically via a number of different applications made available to taxpayers over the past few years.

Taxpayer Services:

The Taxpayer Services Division administers 27 taxes, 6 licensing programs, 1 property tax program and 1 renter rebate program. The division provides on-going taxpayer assistance, distributes educational materials, encourages voluntary compliance with Vermont tax laws, and examines tax returns and documents for accuracy and completeness. The division also distributes applications for the Telephone Lifeline and V-Script programs and verifies income for the Lifeline program.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Tax

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 and Champlain College. For example, the staff trains volunteers who help citizens complete personal income tax returns.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Tax

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Administration / Collection	187	178	173	15,206,776	15,706,790	14,420,885	15,674,216
<hr/> TOTAL	<hr/> 187	<hr/> 178	<hr/> 173	<hr/> 15,206,776	<hr/> 15,706,790	<hr/> 14,420,885	<hr/> 15,674,216
FUND TYPE							
General Fund				13,641,106	14,260,386	13,071,984	14,309,315
Special Fund				1,316,463	1,249,404	1,151,901	1,167,901
Interdepartmental Transfer				249,207	197,000	197,000	197,000
<hr/> TOTAL				<hr/> 15,206,776	<hr/> 15,706,790	<hr/> 14,420,885	<hr/> 15,674,216

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration / Collection

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	12,214,037	12,714,125	11,467,905	12,536,124
Operating Expenses	2,992,739	2,992,665	2,952,980	3,138,092
<hr/> TOTAL	<hr/> 15,206,776	<hr/> 15,706,790	<hr/> 14,420,885	<hr/> 15,674,216
FUND TYPE				
General Fund	13,641,106	14,260,386	13,071,984	14,309,315
Special Fund	1,316,463	1,249,404	1,151,901	1,167,901
Interdepartmental Transfer	249,207	197,000	197,000	197,000
<hr/> TOTAL	<hr/> 15,206,776	<hr/> 15,706,790	<hr/> 14,420,885	<hr/> 15,674,216

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Buildings and General Services

Department Mission Statement

"The employees of the Department of Buildings & General Services deliver quality goods, services and facilities management, enabling all government agencies to fulfill their missions to the rest of government as well as the Vermont taxpayer."

This mission is intended to reflect the department's 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 the Department of Buildings & General Services 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 mail services, curatorial services, copying and printing, 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 systems.

BGS is fully committed to providing quality services while seeking customer satisfaction.

Description of Appropriations, Divisions, & Programs

ADMINISTRATIVE SERVICES

The mission of the Administrative Services Division is to provide departmental oversight by the appointed staff, to deliver timely, accurate, and useful information and services to all of BGS in the areas of accounting, budgeting, auditing, management, and legal allowing each program to achieve its objectives and fulfill its stated goals.

The goals of the Administrative Services Division are: (a) to produce timely and accurate financial statements, budget requests, program analysis, chargeable rates, and accounting services for all programs as established by the legislature; and (b) to provide all BGS programs the management and legal support that they need to better serve their customers and achieve their departmental goals and objectives.

FACILITIES OPERATIONS

(Fee for Space)

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Buildings and General Services

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

The goal is customer satisfaction through less down time for maintenance repairs, attractive and safe buildings/grounds, and physical plant maintenance consistent with code requirements.

PROPERTY MANAGEMENT

(Leases and Purchases)

Property Management's mission is to provide State agencies with safe, comfortable, and efficient office space with its effort focused on leasing, space planning, purchases and sales, space assignments, and space move requests. In addition to the space provided to State agencies and departments, surplus space may be leased or sold to the general public. The goals of this program are (1) to efficiently plan, provide, and manage State-owned and leased office space and specialty space to minimize the impact on the State's budget; (2) to facilitate changes to existing space in a timely manner to enable occupants to adapt to changes in programs; and (3) to maintain an inventory of space to facilitate proposed back charging of space to users.

ENGINEERING AND CONSTRUCTION

The mission of the Engineering & Construction 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.

The engineering program provides planning, engineering, and architectural services to State Government based on appropriations in the annual capital construction bill.

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. Results are achieved through the use of qualified staff and qualified professional consultants. All spaces must be attractive, environmentally friendly, safe, and professionally appropriate for the occupants.

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. This includes providing the Montpelier and Waterbury complexes with mail and parcel screening and delivery tracking to promote a safe work environment. Goals are to maintain the automation of the mail processing through the continued investment in technology, provide rate savings, reduce labor costs, increase speed and accuracy of sorts & delivery, and to avoid potential staff exposure to explosives or

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Buildings and General Services

other dangerous items typically routed through mail and delivery systems. Working with other agencies and departments, the program will look to provide additional services including bulk mailing services.

FLEET MANAGEMENT SERVICES

The mission of the Fleet Management program is to provide clean, well-maintained vehicles to all agencies and departments of the state for use by employees traveling on state business; to ensure the efficient use of state owned vehicles and resources to provide safe, cost effective transportation for employees while performing their official duties; and to demonstrate the State's commitment to our environment by reducing the environmental impact of state employee travel.

Goals of the program are to: (1) reduce the environmental impact of State government's daily activities; (2) save money by replacing mileage reimbursement expenses with the use of state owned vehicles that are operated at a lower per-mile cost; (3) demonstrate the State's commitment to preserving our environment, (4) set a positive example for businesses statewide by showing that successful business operations are compatible with environmentally responsible operations; and (5) create increased market demand for hybrid and low emission vehicles.

PRINT SHOP

The mission of the Print Shop is to provide state and local government entities with economical and convenient access to printing, finishing and walk-up copier services. In order to achieve this, RFP's are used to acquire equipment, products, and services at competitive and economical prices. Market basket comparisons are used to assure competitive pricing and surveys conducted to determine customer satisfaction and future needs.

PURCHASING AND CONTRACT ADMINISTRATION

The mission of Purchasing and Contract Administration is to provide state agencies with exceptional products and services that meet agency requirements effectively, at the lowest cost, through a process that meets all applicable laws and administrative requirements. Its mission is to provide leadership and services for innovative, responsive and accountable public purchasing.

BGS Purchasing and Contract Administration have two primary functions. One is to manage the acquisition of material, equipment, supplies, fuels, 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.

Contract Administration, the second function of the program, is responsible for bidding and contracting for planning, design, construction, renovation, repair, maintenance, and various services for facilities statewide. This includes facilities managed by other State Agencies such as the Agency of

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Buildings and General Services

Transportation and the Agency of Natural Resources as well as facilities that are managed by BGS. Contract Administration is also responsible for oversight of the contracting process to ensure compliance with Bulletin 3.5 and relevant state statutes and executive orders.

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.

The State Surplus program is the final destination for excess goods available for sale to the general public. This function has expanded, working with Fleet Management, to provide for the sale of used fleet vehicles at the BGS facility in Middlesex, VT.

RISK MANAGEMENT - INSURANCE SERVICES

The mission of the Risk Management program is to protect the State's assets - human, physical and financial. Operations encompass the following programs: Workers Compensation Coverage (self-insurance), Auto & General Liability (self-insurance), All Other Insurance (commercially purchased coverage), Property Insurance and valuation, and Loss Prevention.

The program accomplishes this mission by fostering safe workplaces and safe work habits, by providing optimum care when injuries or illnesses do occur, by efficiently and effectively managing claims, by structuring appropriate insurance programs to minimize the financial impact of losses, and by being accountable for their 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.

The Workers' Compensation program now administers the Sarcoidosis Benefit Trust fund established by the General Assembly by Act 53 of the 2007 Session (An Act Relating to Closure of the Bennington State Office Building).

INFORMATION CENTERS

The program's mission is to promote the economy of the State of Vermont by providing hospitality, convenience, safe harbor, and information to the traveling public.

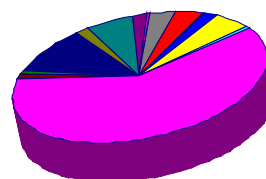
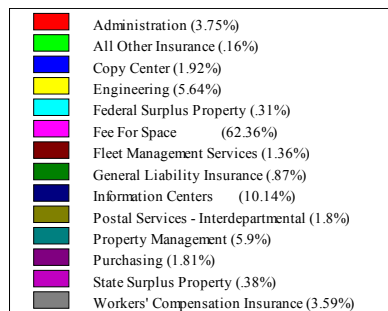
STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Buildings and General Services

Core responsibilities involve marketing, promotions and customer relations in an attempt at influencing the buying practices and purchasing behaviors of the Vermont tourists. In addition, providing clean, safe, and well lighted accommodations for truck drivers as well as the motoring public are essential services provided by the division. The program currently provides internet connections for travelers through hot spots at selected facilities.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Buildings and General Services

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Administration	27	16	17	2,192,816	1,470,790	1,505,154	1,640,430
Engineering	23	22	22	2,099,832	2,408,340	2,392,690	2,465,785
Information Centers	58	55	32	5,063,606	4,210,400	3,749,414	4,429,880
Purchasing	13	11	10	940,042	876,450	832,814	792,361
Postal Services - Interdepartmental	14	12	11	38,017	835,000	762,861	785,379
Postal Services - External	0	0	0	743,680	0	0	0
Copy Center	12	13	11	825,408	920,000	811,602	837,598
Fleet Management Services	8	7	8	672,213	645,000	617,601	593,524
Federal Surplus Property	1	1	1	116,895	146,500	93,228	136,377
State Surplus Property	1	1	1	201,473	166,780	217,591	166,780
Property Management	21	21	16	4,055,068	4,181,630	4,015,594	2,577,952
All Other Insurance	0	0	0	64,356	85,000	84,309	70,000
General Liability Insurance	0	3	3	451,501	420,500	420,460	380,245
Workers' Compensation Insurance	23	17	16	1,628,700	1,639,238	1,579,419	1,566,492
Fee For Space	231	222	216	27,059,362	27,655,892	25,917,406	27,244,521
TOTAL	432	401	366	46,152,969	45,661,520	43,000,143	43,687,324
FUND TYPE							
General Fund				7,748,305	5,531,306	4,581,846	5,207,957
Special Fund				393,192	50,000	50,000	50,000
Enterprise Fund				116,895	146,500	93,228	136,377
Internal Service Fund				35,701,761	36,512,924	34,390,727	34,186,775
Interdepartmental Transfer				2,192,816	3,420,790	3,884,342	4,106,215
TOTAL				46,152,969	45,661,520	43,000,143	43,687,324



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,951,004	1,354,404	1,361,048	1,487,119
Operating Expenses	241,812	116,386	144,106	153,311
<hr/> TOTAL	<hr/> 2,192,816	<hr/> 1,470,790	<hr/> 1,505,154	<hr/> 1,640,430
FUND TYPE				
Interdepartmental Transfer	2,192,816	1,470,790	1,505,154	1,640,430
<hr/> TOTAL	<hr/> 2,192,816	<hr/> 1,470,790	<hr/> 1,505,154	<hr/> 1,640,430

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Engineering

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,658,195	1,989,475	1,995,754	2,124,181
Operating Expenses	441,637	418,865	396,936	341,604
<hr/> TOTAL	<hr/> 2,099,832	<hr/> 2,408,340	<hr/> 2,392,690	<hr/> 2,465,785
FUND TYPE				
General Fund	2,099,832	458,340	13,502	0
Interdepartmental Transfer	0	1,950,000	2,379,188	2,465,785
<hr/> TOTAL	<hr/> 2,099,832	<hr/> 2,408,340	<hr/> 2,392,690	<hr/> 2,465,785

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Information Centers

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,578,896	2,981,451	2,566,985	3,060,509
Operating Expenses	1,394,710	1,183,949	1,149,999	1,324,371
Grants	90,000	45,000	32,430	45,000
<hr/> TOTAL	<hr/> 5,063,606	<hr/> 4,210,400	<hr/> 3,749,414	<hr/> 4,429,880
FUND TYPE				
General Fund	4,670,414	4,160,400	3,699,414	4,379,880
Special Fund	393,192	50,000	50,000	50,000
<hr/> TOTAL	<hr/> 5,063,606	<hr/> 4,210,400	<hr/> 3,749,414	<hr/> 4,429,880

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Purchasing

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	646,193	671,569	620,394	642,843
Operating Expenses	293,849	204,881	212,420	149,518
<hr/> TOTAL	<hr/> 940,042	<hr/> 876,450	<hr/> 832,814	<hr/> 792,361
FUND TYPE				
General Fund	940,042	876,450	832,814	792,361
<hr/> TOTAL	<hr/> 940,042	<hr/> 876,450	<hr/> 832,814	<hr/> 792,361

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Postal Services - Interdepartmental

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	0	650,910	611,727	636,412
Operating Expenses	38,017	184,090	151,134	148,967
<hr/> TOTAL	<hr/> 38,017	<hr/> 835,000	<hr/> 762,861	<hr/> 785,379
FUND TYPE				
General Fund	38,017	36,116	36,116	35,716
Internal Service Fund	0	798,884	726,745	749,663
<hr/> TOTAL	<hr/> 38,017	<hr/> 835,000	<hr/> 762,861	<hr/> 785,379

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Postal Services - External

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	612,911	0	0	0
Operating Expenses	130,769	0	0	0
<hr/> TOTAL	<hr/> 743,680	<hr/> 0	<hr/> 0	<hr/> 0
FUND TYPE				
Internal Service Fund	743,680	0	0	0
<hr/> TOTAL	<hr/> 743,680	<hr/> 0	<hr/> 0	<hr/> 0

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Copy Center

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	614,363	725,873	623,527	715,491
Operating Expenses	211,045	194,127	188,075	122,107
<hr/> TOTAL	<hr/> 825,408	<hr/> 920,000	<hr/> 811,602	<hr/> 837,598
FUND TYPE				
Internal Service Fund	825,408	920,000	811,602	837,598
<hr/> TOTAL	<hr/> 825,408	<hr/> 920,000	<hr/> 811,602	<hr/> 837,598

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Fleet Management Services

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	529,641	475,587	457,271	473,550
Operating Expenses	142,572	169,413	160,330	119,974
<hr/> TOTAL	<hr/> 672,213	<hr/> 645,000	<hr/> 617,601	<hr/> 593,524
FUND TYPE				
Internal Service Fund	672,213	645,000	617,601	593,524
<hr/> TOTAL	<hr/> 672,213	<hr/> 645,000	<hr/> 617,601	<hr/> 593,524

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Federal Surplus Property

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	69,137	83,564	94,761	91,690
Operating Expenses	47,758	62,936	(1,533)	44,687
<hr/> TOTAL	<hr/> 116,895	<hr/> 146,500	<hr/> 93,228	<hr/> 136,377
FUND TYPE				
Enterprise Fund	116,895	146,500	93,228	136,377
<hr/> TOTAL	<hr/> 116,895	<hr/> 146,500	<hr/> 93,228	<hr/> 136,377

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Surplus Property

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	102,691	80,720	90,612	66,974
Operating Expenses	98,782	86,060	126,979	99,806
<hr/> TOTAL	<hr/> 201,473	<hr/> 166,780	<hr/> 217,591	<hr/> 166,780
 FUND TYPE				
Internal Service Fund	201,473	166,780	217,591	166,780
<hr/> TOTAL	<hr/> 201,473	<hr/> 166,780	<hr/> 217,591	<hr/> 166,780

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Property Management

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,130,326	1,196,597	1,059,680	1,120,071
Operating Expenses	429,067	2,985,033	2,955,914	1,457,881
Other Financing Uses Budget	2,495,675	0	0	0
<hr/> TOTAL	<hr/> 4,055,068	<hr/> 4,181,630	<hr/> 4,015,594	<hr/> 2,577,952
FUND TYPE				
Internal Service Fund	4,055,068	4,181,630	4,015,594	2,577,952
<hr/> TOTAL	<hr/> 4,055,068	<hr/> 4,181,630	<hr/> 4,015,594	<hr/> 2,577,952

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
All Other Insurance

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	32,793	33,028	35,505	39,531
Operating Expenses	31,563	51,972	48,804	30,469
<hr/> TOTAL	<hr/> 64,356	<hr/> 85,000	<hr/> 84,309	<hr/> 70,000
FUND TYPE				
Internal Service Fund	64,356	85,000	84,309	70,000
<hr/> TOTAL	<hr/> 64,356	<hr/> 85,000	<hr/> 84,309	<hr/> 70,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
General Liability Insurance

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	292,325	295,114	301,212	304,042
Operating Expenses	159,176	125,386	119,248	76,203
<hr/> TOTAL	<hr/> 451,501	<hr/> 420,500	<hr/> 420,460	<hr/> 380,245
FUND TYPE				
Internal Service Fund	451,501	420,500	420,460	380,245
<hr/> TOTAL	<hr/> 451,501	<hr/> 420,500	<hr/> 420,460	<hr/> 380,245

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Workers' Compensation Insurance

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,261,131	1,329,914	1,291,714	1,295,161
Operating Expenses	367,569	309,324	287,705	271,331
<hr/> TOTAL	<hr/> 1,628,700	<hr/> 1,639,238	<hr/> 1,579,419	<hr/> 1,566,492
 FUND TYPE				
Internal Service Fund	1,628,700	1,639,238	1,579,419	1,566,492
<hr/> TOTAL	<hr/> 1,628,700	<hr/> 1,639,238	<hr/> 1,579,419	<hr/> 1,566,492

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Fee For Space

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	12,647,025	12,684,951	12,239,639	13,357,546
Operating Expenses	14,410,462	14,970,941	13,677,767	13,886,975
Non Operating Exp Budget	1,875	0	0	0
<hr/> TOTAL	<hr/> 27,059,362	<hr/> 27,655,892	<hr/> 25,917,406	<hr/> 27,244,521
FUND TYPE				
Internal Service Fund	27,059,362	27,655,892	25,917,406	27,244,521
<hr/> TOTAL	<hr/> 27,059,362	<hr/> 27,655,892	<hr/> 25,917,406	<hr/> 27,244,521

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Geographic Information System

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

VCGI is a public non-profit supported in part by the State of Vermont (through the property transfer tax) and in part through grants and fees paid for the products and services it provides to clients (e.g. the VT Agency of Transportation and the VT Enhanced 9-1-1 Board).

The storage and provision of free digital geographic data created by members of the VT GIS community are two of the most important tasks that VCGI performs.

VCGI also does the following:

- Develops data standards, guidelines, and procedures
- Develops and assists in the development of essential statewide databases
- Develops and hosts interactive map applications to increase the public's access to information
- Performs outreach and training to current and potential GIS users
- Supports the VT Spatial Data Partnership (an informal membership organization)

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Geographic Information System

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Geographic Information System	0	0	0	408,700	408,700	408,700	408,700
TOTAL	0	0	0	408,700	408,700	408,700	408,700
FUND TYPE							
Special Fund				408,700	408,700	408,700	408,700
TOTAL				408,700	408,700	408,700	408,700

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Geographic Information System

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	408,700	408,700	408,700	408,700
TOTAL	408,700	408,700	408,700	408,700
FUND TYPE				
Special Fund	408,700	408,700	408,700	408,700
TOTAL	408,700	408,700	408,700	408,700

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Executive Office

Department Mission Statement

Office of the Governor -- the staff supports the Governor as he fulfills his constitutional and statutory duties as Vermont's Chief Executive. Communicates development of Governor's administrative and legislative agenda/priorities. Represents the state at the state, national and international levels. Management of appointments to Boards and Commissions, tracks policy changes in the legislature and inter-agency coordination. Provides communication and referrals with the public, and other activities as appropriate.

The Governor's senior staff consists of six positions: a Chief of Staff; a Legal Counsel; a Secretary of Civil & Military Affairs; and three others. 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's Office is supported by one Receptionist and one Information Officer who assists the public with dealings with state government.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Executive Office

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Governor's Office	15	14	14	1,535,334	1,603,815	1,555,866	1,566,174
National and Community Service	4	0	0	1,024,320	0	0	0
TOTAL	19	14	14	2,559,654	1,603,815	1,555,866	1,566,174
FUND TYPE							
General Fund				1,382,044	1,410,315	1,362,366	1,372,674
Federal Revenue Fund				933,011	0	0	0
Interdepartmental Transfer				244,599	193,500	193,500	193,500
TOTAL				2,559,654	1,603,815	1,555,866	1,566,174

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Governor's Office

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 Special Assistant; a Legal Counsel; a Secretary of Civil & Military Affairs; an assistant who serves as Press Secretary; and, for planning policy research and development, a Director of Policy and Research (who also serves as Legislative Liaison) along with three policy analysts. The Governor is also supported by an 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 an Administrative Secretary. The Governor is also served by one Receptionist; two Information Officers who provide communication with the public; and one Special Assistant who works on special projects. The policy research and development staff is also supported by an Administrative Secretary.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Governor's Office

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,191,523	1,217,326	1,169,377	1,174,899
Operating Expenses	343,811	386,489	386,489	391,275
<hr/> TOTAL	<hr/> 1,535,334	<hr/> 1,603,815	<hr/> 1,555,866	<hr/> 1,566,174
FUND TYPE				
General Fund	1,342,582	1,410,315	1,362,366	1,372,674
Interdepartmental Transfer	192,752	193,500	193,500	193,500
<hr/> TOTAL	<hr/> 1,535,334	<hr/> 1,603,815	<hr/> 1,555,866	<hr/> 1,566,174

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
National and Community Service

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	150,297	0	0	0
Operating Expenses	95,546	0	0	0
Grants	778,477	0	0	0
<hr/> TOTAL	<hr/> 1,024,320	<hr/> 0	<hr/> 0	<hr/> 0
FUND TYPE				
General Fund	39,462	0	0	0
Federal Revenue Fund	933,011	0	0	0
Interdepartmental Transfer	51,847	0	0	0
<hr/> TOTAL	<hr/> 1,024,320	<hr/> 0	<hr/> 0	<hr/> 0

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Legislative Council

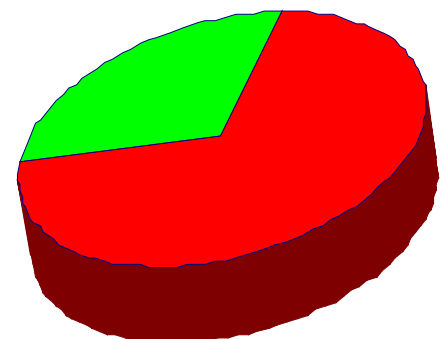
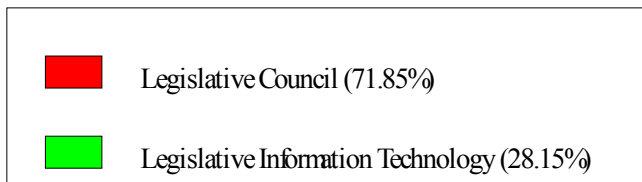
Department Mission Statement

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 2011 BUDGET RECOMMENDATIONS
Legislative Council**

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Legislative Council	24	24	24	2,151,274	2,342,977	2,342,977	2,282,993
Legislative Information Technology	4	4	4	829,255	885,958	885,958	894,587
TOTAL	28	28	28	2,980,529	3,228,935	3,228,935	3,177,580
FUND TYPE							
General Fund				2,980,529	3,228,935	3,228,935	3,177,580
TOTAL				2,980,529	3,228,935	3,228,935	3,177,580



**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Legislative Council**

Appropriation Key Budget Issues

The Legislative Council budget request falls \$80,000 short of anticipated FY2011 need. Savings achieved in FY2010 are expected to offset up to \$80,000 of this deficit in FY2011, but the deficit will pose a challenge in FY2012. This budget maintains the existing staff furlough equivalent to 5% of salaries for employees earning above \$60,000.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Legislative Council

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,987,551	2,164,007	2,164,007	2,090,029
Operating Expenses	163,723	178,970	178,970	192,964
<hr/> TOTAL	<hr/> 2,151,274	<hr/> 2,342,977	<hr/> 2,342,977	<hr/> 2,282,993
FUND TYPE				
General Fund	2,151,274	2,342,977	2,342,977	2,282,993
<hr/> TOTAL	<hr/> 2,151,274	<hr/> 2,342,977	<hr/> 2,342,977	<hr/> 2,282,993

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Legislative Information Technology

Appropriation Key Budget Issues

The Legislative Information Technology budget maintains the existing staff furlough equivalent to 5% of salaries for employees earning above \$60,000. The DII Allocated Charge for the entire legislative branch is paid out of the Legislative IT budget, and this cost increased by \$20,000 over the FY2010 level. This request also includes funding for the ongoing maintenance cost of the new bill tracking system.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Legislative Information Technology

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	361,195	393,601	393,601	376,107
Operating Expenses	468,060	492,357	492,357	518,480
<hr/> TOTAL	<hr/> 829,255	<hr/> 885,958	<hr/> 885,958	<hr/> 894,587
FUND TYPE				
General Fund	829,255	885,958	885,958	894,587
<hr/> TOTAL	<hr/> 829,255	<hr/> 885,958	<hr/> 885,958	<hr/> 894,587

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Legislature

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 2011 BUDGET RECOMMENDATIONS
Legislature

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Legislature	19	19	19	6,887,987	7,061,391	7,061,391	7,087,268
<hr/> TOTAL	<hr/> 19	<hr/> 19	<hr/> 19	<hr/> 6,887,987	<hr/> 7,061,391	<hr/> 7,061,391	<hr/> 7,087,268
FUND TYPE							
General Fund				6,879,768	7,061,391	7,061,391	7,087,268
Special Fund				1,298	0	0	0
Interdepartmental Transfer				6,921	0	0	0
<hr/> TOTAL				<hr/> 6,887,987	<hr/> 7,061,391	<hr/> 7,061,391	<hr/> 7,087,268

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Legislature

Appropriation Key Budget Issues

This budget request falls \$195,000 short of funding the Legislature for a 17 week session in FY2011. Savings achieved in FY2010 are expected to offset up to \$100,000 of this deficit. The remaining \$95,000 deficit will be a challenge in FY2011 and beyond. This budget also funds the Commission on Health Care Reform. No cost-of-living adjustment to legislative salaries is budgeted.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Legislature

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,773,776	3,672,884	3,672,884	3,758,257
Operating Expenses	3,114,211	3,388,507	3,388,507	3,329,011
<hr/> TOTAL	<hr/> 6,887,987	<hr/> 7,061,391	<hr/> 7,061,391	<hr/> 7,087,268
FUND TYPE				
General Fund	6,879,768	7,061,391	7,061,391	7,087,268
Special Fund	1,298	0	0	0
Interdepartmental Transfer	6,921	0	0	0
<hr/> TOTAL	<hr/> 6,887,987	<hr/> 7,061,391	<hr/> 7,061,391	<hr/> 7,087,268

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Joint Fiscal Committee**

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 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 support to the Joint Fiscal Committee.

The staff of the House Ways and Means Committee and the Senate Finance Committee performs the following core functions: economic forecasting; revenue forecasting; tax analysis; economic analysis; analysis of education funding alternatives; and provides staff support to the Joint Fiscal Committee.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Joint Fiscal Committee

The following functions are performed as part of the Joint Fiscal Office's ongoing fiscal oversight activities when the Legislature is not in session: carry out studies generated through legislation, committee directives and legislative inquiries; keep legislators informed through newsletters, creation of the fiscal fact book, a WEB page, and other forms of communication; and monitoring revenues and expenditures.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Joint Fiscal Committee

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Joint Fiscal Committee	12	12	12	1,306,801	1,509,197	1,509,197	1,354,966
TOTAL	12	12	12	1,306,801	1,509,197	1,509,197	1,354,966
FUND TYPE							
General Fund				1,306,716	1,509,197	1,509,197	1,354,966
Transportation Fund				85	0	0	0
TOTAL				1,306,801	1,509,197	1,509,197	1,354,966

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Joint Fiscal Committee**

Appropriation Key Budget Issues

The Joint Fiscal Committee budget maintains the existing staff furlough equivalent to 5% of salaries for employees earning above \$60,000.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Joint Fiscal Committee

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,226,671	1,414,565	1,414,565	1,241,765
Operating Expenses	80,130	94,632	94,632	113,201
<hr/> TOTAL	<hr/> 1,306,801	<hr/> 1,509,197	<hr/> 1,509,197	<hr/> 1,354,966
FUND TYPE				
General Fund	1,306,716	1,509,197	1,509,197	1,354,966
Transportation Fund	85	0	0	0
<hr/> TOTAL	<hr/> 1,306,801	<hr/> 1,509,197	<hr/> 1,509,197	<hr/> 1,354,966

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Sergeant at Arms

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 Legislative pages, provide telephone services, and cafeteria services. Provide statehouse security.

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 member. Door keepers, traffic and security officer and custodians are managed by the Sergeant at Arms.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Sergeant at Arms

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Sergeant at Arms	6	6	6	546,764	609,517	609,517	559,433
TOTAL	6	6	6	546,764	609,517	609,517	559,433
FUND TYPE							
General Fund				546,764	609,517	609,517	559,433
TOTAL				546,764	609,517	609,517	559,433

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Sergeant at Arms**

Appropriation Key Budget Issues

The Sergeant at Arms budget request for FY2011 incorporates the impact of staff military deployment. Reduced need associated with this situation is reflected in the FY2011 budget request but should be considered temporary in nature. Additional funding will be required in FY2012 when the staff situation returns to normal.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Sergeant at Arms

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	495,741	509,586	509,586	477,005
Operating Expenses	51,023	99,931	99,931	82,428
<hr/> TOTAL	<hr/> 546,764	<hr/> 609,517	<hr/> 609,517	<hr/> 559,433
FUND TYPE				
General Fund	546,764	609,517	609,517	559,433
<hr/> TOTAL	<hr/> 546,764	<hr/> 609,517	<hr/> 609,517	<hr/> 559,433

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Lieutenant Governor

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 2011 BUDGET RECOMMENDATIONS
Lieutenant Governor

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Lieutenant Governor	2	2	2	152,388	163,634	163,634	167,212
TOTAL	2	2	2	152,388	163,634	163,634	167,212
FUND TYPE							
General Fund				152,388	163,634	163,634	167,212
TOTAL				152,388	163,634	163,634	167,212

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Lieutenant Governor

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	142,009	146,651	146,651	150,836
Operating Expenses	10,379	16,983	16,983	16,376
<hr/> TOTAL	<hr/> 152,388	<hr/> 163,634	<hr/> 163,634	<hr/> 167,212
FUND TYPE				
General Fund	152,388	163,634	163,634	167,212
<hr/> TOTAL	<hr/> 152,388	<hr/> 163,634	<hr/> 163,634	<hr/> 167,212

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Auditor of Accounts

Department Mission Statement

The mission of the Auditor's Office is to be a catalyst for good government by promoting professional audits, financial training, efficiency and economy in government, and service to cities and towns.

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 generally defined by 32 V.S.A. §§ 163, 167 and 168. These duties include the following:

- (1) performance of and/or contracting to perform the Federal Single Audit which includes the compliance audit of federal programs and the audit of the state's financial statements;
- (2) discretionary government audits and examinations of any department, institution and agency of the State and certain county officers;
- (3) special audits as requested by the Governor;
- (4) audits or reviews as statutorily required by the Legislature, such as the recent law requiring the audit of the Sex Offender Registry;
- (6) at the request of a municipality, establishment of uniform systems of accounting and reporting for cities and towns.

Guiding Values

The Vermont State Auditor's Office is dedicated to providing government entities, the Vermont Legislature, and the public with professional audit services that are:

- ☐ useful;
- ☐ timely;
- ☐ accurate;
- ☐ objective;
- ☐ of high quality;
- ☐ audited in a fair manner; and
- ☐ performed in conformance with Generally Accepted Government Auditing Standards.

In addition, the Office is committed to improving the professional skills of the staff, sharing knowledge with others, and maintaining a work environment that is ethical, supportive, respectful, collaborative and productive.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Auditor of Accounts

Significant Recent Achievements of the Auditor's Office

Although the Vermont State Auditor's Office is the smallest State auditor's office in the nation, in fiscal year 2009 we completed the following several significant projects, including:

- ☐ Issued a performance audit report on the Agency of Transportation's (AOT) Rail Section contracts and agreements. This report had four key findings: (1) AOT and its railroad subcontractors did not adequately follow procurement regulations, resulting in \$7.2 million of recent contracts not being competitively bid, (2) oversight and administration of rail contracts needed improvement, (3) lease revenues and the performance of leaseholders were not being verified, and AOT had foregone \$37,000 in interest revenues from late payments of monthly leases and (4) AOT did not have adequate procedures to correct audit findings and to follow up on approximately \$436,000 in questioned costs from past Rail Section audits. We made recommendations designed to address each of these findings, which were generally agreed to by AOT.
- ☐ Evaluated the performance measurement system utilized by the Department of Buildings and General Services (BGS). In general, while BGS had taken important steps in implementing a performance measurement system, this system was not yet mature. We made a series of recommendations that, if implemented, could improve BGS' performance measurement system which, in turn, should provide a realistic and multifaceted picture of the Department's performance.
- ☐ Reviewed Orange County's internal controls over disbursement and related policies and procedures after being contacted by concerned citizens and County personnel. We found that many financial transactions of the County were not being handled in a fiscally prudent manner, putting the County at risk for inappropriate expenditures and financial reporting misstatements. Accordingly, we recommended a variety of actions to improve the internal controls and financial competence of the organization, including implementing segregation of duties, instituting clearly written comprehensive policies and procedures, utilizing accounting expertise and improving the monitoring of the financial transactions of the County.
- ☐ Completed the FY 2008 state financial statement audit and Federal single audit on time.
- ☐ Responded to a wide variety of inquiries, with detailed reviews, including schools' use of State purchasing contracts, State autism funding estimates, and the financial reporting process related to the Professional Regulatory Fee Fund.
- ☐ **Successful changeover of financial statement audit to KPMG.** Although we contributed a significant number of hours to this contract to keep costs down (3,000 hours in FY 2009), KPMG bore the overall responsibility of the audit and contributed the bulk of the staff time. Contracting

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Auditor of Accounts

with KPMG for the financial statement audit has had significant benefits to the SAO and the state as a whole. In particular, audit efficiencies were derived by having a single entity be responsible for both the financial statement audit and the Single Audit. In addition, with a large firm being responsible for the financial statement audit rather than our small office, we have substantially reduced our risks due to staffing limitations while also taking advantage of the specialized accounting knowledge available in such a firm (e.g., pension, pollution remediation, etc.).

- **Implementation of a performance audit plan.** In December 2008 we developed a short-term performance audit plan that we have been using to guide our staffing and audit planning. This plan was particularly important in helping to guide our work while the State Auditor was deployed to Iraq with the Navy Seabees.
- **Training and professional standards development.** During FY 2009 all SAO staff received training in performance auditing. In addition, policies and procedures were drafted for performance audits that were tested throughout calendar year 2009.

Statutorily Required Audits

In fiscal year 2009, the Auditor's Office was required to complete audits of the State's Basic Financial Statement and the federally-mandated Single Audit of all programs receiving federal funds. These audits were completed by their mandated deadlines. They were performed in accordance with generally accepted government auditing standards, and made significant recommendations for improvement in the State's processes.

- *CAFR (Basic Financial Statement Audit).* The Office's most resource-intensive audit, the objective of this audit is to express an opinion on whether the State's financial statements are free of material misstatement and to report on the State's internal controls over financial reporting and compliance with certain provision of laws and regulations. The CAFR audit is performed annually and this year the audit was performed by KPMG with a very significant contribution of hours from our Office. The audit for the period ending June 30, 2008, was completed on time.
- *Federal Single Audit.* This annual audit reviews the more than \$1.3 billion Vermont receives annually from the federal government to ensure that it is spent in compliance with all applicable laws and regulations. It is performed by an independent audit firm (KPMG) with the assistance of the State Auditor's Office.
- *Litigation Report for Calendar Year 2008.* Required by Act 80, Section 22a. This report details spending by the Attorney General's office in defending the State in pharmaceutical regulation litigation.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Auditor of Accounts

Other Audits and Reviews

As time and staff resources permit, the State Auditor's Office completes performance audits and other reviews. These audits and reviews are initiated based upon the Office's assessment of risk areas within State government or as a result of whistleblower allegations.

During the past year our office initiated the following performance measurement audits which will be completed in FY 2010.

- ☐ Department of Motor Vehicles
- ☐ Department of Economic Development and Vermont Economic Progress Council
- ☐ Improper payments

Other Significant Activities

In FY 2008 the Office changed its focus toward an "accountability office" model, and negotiated a five-year contract with KPMG to perform both the CAFR and the A-133 Single Audit at very competitive prices. This contract allowed the office to do more performance audits and special reviews to assess the efficiency and effectiveness of the programs and operations of state government. This past year (FY2009) was the first full year of that effort.

In addition to audits, the State Auditor's Office has taken the initiative to work with State agencies to continually monitor whether they have put policies and procedures in place to address audit findings and recommendations. Audit findings that are repeated year after year add to the State's audit costs and, more importantly, indicate management's failure to fix known problems. By committing to providing sustained attention to this issue, the Office hopes to reduce such repetitive and costly findings in the future.

The Auditor's Office has also worked extensively with municipalities and sheriffs' departments to improve their financial operations. For example, the Auditor's office had met once a month for 18 consecutive months with the Vermont Sheriffs and their bookkeeping staff to revise the uniform accounting manual, develop a uniform chart of accounts and facilitate the adoption of a uniform accounting software. We continue to meet on a bi-monthly basis to focus on accounting issues, and to review policies and procedures to insure best management practices.

In June 2009 the Auditor's Office partnered with Vermont League of Cities and Towns (VLCT), with the cooperation of the Government Finance Officers Association (GFOA), and the Vermont Municipal Clerks and Treasurers Association (VMCTA) to hold their second annual training for financial managers in towns, schools and state government. Approximately 175 attendees representing state and municipal organizations, schools, CPA firms, and others came from across the

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Auditor of Accounts

state to hear presentations on conflict in the workplace, grant management, enterprise fund accounting, lease agreements, revolving loan programs, fraud risk assessment, and auditing standards.

Planning is under way for the 2010 training planned for June 22nd.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Auditor of Accounts

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Auditor of Accounts	15	14	15	2,673,397	3,171,680	3,179,964	3,040,076
<hr/> TOTAL	<hr/> 15	<hr/> 14	<hr/> 15	<hr/> 2,673,397	<hr/> 3,171,680	<hr/> 3,179,964	<hr/> 3,040,076
FUND TYPE							
General Fund				374,666	437,938	446,222	399,951
Special Fund				53,430	51,709	51,709	53,099
Internal Service Fund				2,245,301	2,682,033	2,682,033	2,587,026
<hr/> TOTAL				<hr/> 2,673,397	<hr/> 3,171,680	<hr/> 3,179,964	<hr/> 3,040,076

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Auditor of Accounts

Department Mission Statement

Mission Statement

The mission of the Auditor's Office is to be a catalyst for good government by promoting professional audits, financial training, efficiency and economy in government, and service to cities and towns.

Appropriation Key Budget Issues

Key Budget Matters

The upcoming fiscal year 2011 budget process is significantly impacted by Federal requirements to audit programs receiving American Recovery and Reinvestment Act (ARRA) funds. At this time, under federal audit guidelines we anticipate that a total of 36 programs will require federal compliance audits, 21 more than normally anticipated. Fifteen A-133 audits are included in the contract with KPMG. Additional ARRA audits are not included in the base budget.

Funding Targets

Our funding targets must be viewed together with the Single Audit Revolving Fund (SARF). Title 32, Chapter 3, section 168 of the Vermont Statutes “establishing a single audit revolving fund within the state treasury, to be administered by the auditor of accounts” is the State’s mechanism to capture the costs of the federal compliance audit, the basic financial statement audit, and other audit services. These costs are billed to all agencies and departments, and this year will reflect the additional audits required as a result of the ARRA funds Vermont has received.

Expenditures

Office staff salaries and benefits are a major component of our budget, along with the fee paid to the contractor for the CAFR and the A-133 Single Audit. In order to more fully describe the assumptions incorporated into the budget, we will address these items separately.

Personal Services

Salary and Wages - The Office currently has 15 authorized positions, including one position we did not

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Auditor of Accounts

request funding for in FY 2010. Because of continuing budget pressures we are not asking for funding for that position for FY2011. In addition, we have realigned the duties of the Deputy State Auditor, Executive Assistant, and the Administrative Services Coordinator to adsorb the duties of the Private Secretary and as a result we are also not asking for funding for the position of “private secretary” in this budget request. Therefore we are asking for funding for only 13 positions included in this budget request, at a budgeted cost of salaries and benefits of \$1,481,031. These include the Auditor and two appointed (exempt) positions and 10 classified positions. Although one funded classified position is vacant, candidate searches are on-going and some suitable candidates are being considered. As such, this position is budgeted at full value.

Benefits - Employee benefits for Social Security, retirement and life insurance increase in relative proportion to increases in salary and wages. The increases in the state’s contributions to the retirement fund have increased our benefits cost by \$35,161.

Non-employee Personal Services

The most significant component is the fee paid to KPMG for the audit of the state’s financial statements and the A-133 audit of federal funds. In order to control the rate of growth in these costs, we entered into a five-year contract in 2008 at a very competitive price to perform the audits. The contracted price to perform the audit of the CAFR and A-133 audit for the term of the contract is:

FY 2008: \$1,127,000

FY 2009: \$1,375,000

FY 2010: \$1,392,000

FY 2011: \$1,392,000

FY 2012: \$1,400,000

The price of the audits for the two option years of FY 2013 and FY 2014 are \$1,450,000 and \$1,500,000 respectively.

Although we negotiated competitive pricing for the CAFR and A-133 audits, the KPMG contract is premised upon 15 federal program audits per year. Factors that cause the number of program audits to exceed 15, such as ARRA funding and repeat compliance findings, will result in increased audit costs.

Due to the expenditure of ARRA funds, FY2011 will see an increase in the number of federal programs required to be included in the scope of the A-133 audit. Generally, each program with ARRA funding is required to have an audit. Prior to ARRA, the state’s federal programs were audited on a rotational basis

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Auditor of Accounts

(once every 3 years), which typically resulted in 15 programs audited each year. We estimate approximately 36 programs will need to be audited during FY2011 - a 21-program increase at an additional cost.

Re-audits are another driver of audit costs. FY2009's A-133 audit identified 12 federal programs with significant noncompliance findings which result in a repeat audit of these programs. Four of these programs are habitual repeat audit offenders and for multiple years have cost the State approximately \$180,000 per year in additional audit costs. These programs are:

Immunization Grants - 7 years

CDC Technical Assistance - 7 years

Child Support Enforcement - 7 years

Highway Planning and Construction - 4 years

Non-employee personal services also include amounts budgeted for audit specialists hired directly by this office to supplement existing staff skill sets as needed (We are not asking for funding for this service in FY 2011). This category also includes the projected costs of the audits of the county sheriffs' departments. Since by statute this office pays one-third of the cost of the biennial audits, we have budgeted accordingly. In addition our office is required to have a Peer Review of our policies and procedures in FY2011 at an estimated cost of \$11,000.

Municipal Investigations

Non-employee personal services also include special reviews and investigations of municipal officials and/or municipal financial issues performed by this office. For example the Isle LaMotte investigation performed at the request of the attorney general cost approximately \$40,000 and paid for from our General Fund appropriation. There is a similar municipal investigation under way now which will again be paid from our General Fund appropriation.

The reductions to our general fund target for FY2011 is 20% lower than the FY2009 and 9% lower than the FY2010 appropriations. We addressed this lower target by combining the duties of four staff into three positions, and are not asking for funding for the private secretary position. There are no funds available in FY 2011 to cover municipal investigations.

Operating Expenses

Educational materials - These expenses include the cost of professional literature and audit resource materials.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Auditor of Accounts

Rentals - This represents our fee for space allocation. This is our share of the cost allocation from BGS.

Data processing - These costs are also based on cost allocation plans charged out by DII.

Dues, Subscriptions, Registrations - This line item includes our cost of continuing professional education (CPE). Under professional standards prescribed by the US Government Accounting Office, each member of the audit staff must complete a specified number of CPE credits on an annual basis. The amount budgeted in this line item reflects the elevation of Auditor staff qualifications, and the reality that CPE is not only required but essential to the effective delivery of audit services.

Travel - Represents estimated cost for staff to travel to audit locations, conferences and trainings.

Data Processing Hardware / Software - The efficient and effective delivery of audit services relies on the use of technology. For FY 2011 we anticipate the replacement / upgrade of computers purchased more than 4 years ago. The budget also includes the renewal of software licenses.

Conclusion

Based on our initial analysis of the funding targets provided, it appears that the Office of the State Auditor will be capable of supporting its base budget-funded operations within those funding targets with the exception of costs related to municipal investigations.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Auditor of Accounts

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,542,294	3,032,314	3,028,601	2,900,631
Operating Expenses	131,103	139,366	151,363	139,445
<hr/> TOTAL	<hr/> 2,673,397	<hr/> 3,171,680	<hr/> 3,179,964	<hr/> 3,040,076
FUND TYPE				
General Fund	374,666	437,938	446,222	399,951
Special Fund	53,430	51,709	51,709	53,099
Internal Service Fund	2,245,301	2,682,033	2,682,033	2,587,026
<hr/> TOTAL	<hr/> 2,673,397	<hr/> 3,171,680	<hr/> 3,179,964	<hr/> 3,040,076

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Treasurer

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 members 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 Auditor of Accounts audits the office annually. 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 are required to maintain the current range of services in a cost-effective manner. The service mix has been characterized by increases in the number of transactions and customers, particularly in the Unclaimed Property and Retirement Services divisions. Increased efficiencies have reduced the need for substantial budget increases.

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 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.

As of June 30, 2009, the system had 8,095 active members, 939 inactive members, 798 terminated vested members, and approximately 4,797 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 value of the fund was \$1,218 million as of June 30, 2009, compared with \$1,377 million as of June 30, 2008. The system paid \$71.6 million in retirement benefits during fiscal year 2009.

Health care cash payments for premiums totaled approximately \$17.8 million in 2009, rise to \$21.0

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Treasurer

million in the FY2010 budget, and are budgeted at \$27 million in FY2011 in this request. Beginning in 2010, health care expenses have been funded in a separate OPEB Trust fund, enacted by the Legislature. While the cash payments or “pay-as-you-go” amounts are budgeted the State has not prefunded these per the actuarial recommendation, with the exception of a small portion of Medicare D reimbursements from the State Employees’ system. The budget request includes the prefunding amount. Full funding of the ARC for OPEB on a prefunded basis is \$39,436,550. Budgeted cash payments in the pension are \$27,000,000 leaving the ARC to be funded of \$12,436,550. If prefunding does not occur, the remaining ARC cost rises significantly (\$61,039,006 total, less \$27,000,000 budgeted, leaving the ARC to be funded at \$34,039,006). Of the \$34,305,495 proposed budget, \$7,305,495 will be paid from VSERS Pension trust funds, and \$27,000,000 will be paid from VSERS OPEB trust funds.

The Vermont State Employees Retirement System 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 Vermont Retired State Employees Association. Staff is provided by the Retirement Division of the State Treasurer's Office, which also administers the State Teachers' Retirement System of Vermont and the Vermont Municipal Employees’ Retirement System.

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.

As of June 30, 2009, the system had 426 contributing employers; 6,533 active members, 2,015 inactive members, 554 terminated vested members, and 1,538 retirees and beneficiaries.

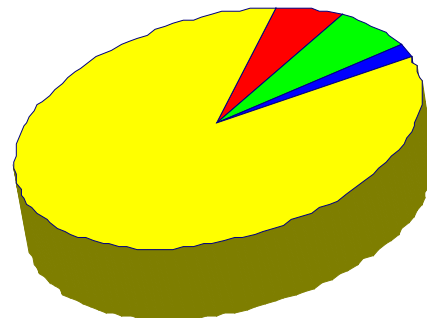
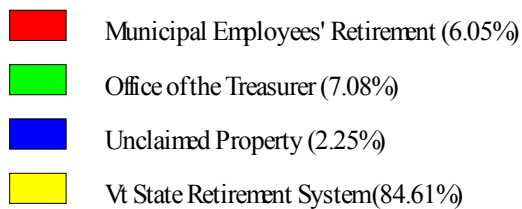
Administration of the system involves the management of the assets of the retirement fund as well as the administration of the benefits and recordkeeping for the membership. The value of the fund was \$331.4 million as of June 30, 2009, compared with \$348.7 million as of June 30, 2008. The system paid \$11.7 million in retirement benefits during FY2009.

The Vermont Municipal Employees’ Retirement System Board of Trustees is responsible for the administration of the system. This board consists of the State Treasurer, one representative designated by the Governor, and two municipal employees and one municipal official all three of whom are elected by the membership of the system. Staff is provided by the Retirement Division of the State Treasurer's Office who also administer the Vermont State Employees' Retirement System and the State Teachers' Retirement System of Vermont.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Treasurer

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Office of the Treasurer	33	33	29	5,145,978	2,677,029	2,677,029	2,870,192
Unclaimed Property	4	4	4	825,303	925,391	925,391	913,995
Vt State Retirement System	0	0	0	21,622,571	27,888,580	27,888,580	34,305,495
Municipal Employees' Retirement	0	0	0	2,399,527	2,188,188	2,188,188	2,453,743
TOTAL	37	37	33	29,993,379	33,679,188	33,679,188	40,543,425
FUND TYPE							
General Fund				1,093,521	1,086,815	1,086,815	1,130,500
Special Fund				2,437,088	1,506,190	1,506,192	1,636,099
Permanent Trust Fund				1,025,881	0	0	0
Pension Trust Fund				24,519,127	30,076,768	30,076,768	36,759,238
Private Purpose Trust Fund				825,303	925,391	1,009,785	913,995
Interdepartmental Transfer				92,459	84,024	(372)	103,593
TOTAL				29,993,379	33,679,188	33,679,188	40,543,425



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Office of the Treasurer

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,925,609	2,313,466	2,313,466	2,522,619
Operating Expenses	1,188,004	357,079	357,079	331,089
Grants	1,025,881	6,484	6,484	16,484
Other Financing Uses Budget	6,484	0	0	0
<hr/> TOTAL	<hr/> 5,145,978	<hr/> 2,677,029	<hr/> 2,677,029	<hr/> 2,870,192
FUND TYPE				
General Fund	1,093,521	1,086,815	1,086,815	1,130,500
Special Fund	2,437,088	1,506,190	1,506,192	1,636,099
Permanent Trust Fund	1,025,881	0	0	0
Pension Trust Fund	497,029	0	0	0
Private Purpose Trust Fund	0	0	84,394	0
Interdepartmental Transfer	92,459	84,024	(372)	103,593
<hr/> TOTAL	<hr/> 5,145,978	<hr/> 2,677,029	<hr/> 2,677,029	<hr/> 2,870,192

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Unclaimed Property

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	557,164	687,596	687,596	670,521
Operating Expenses	268,139	237,795	237,795	243,474
<hr/> TOTAL	<hr/> 825,303	<hr/> 925,391	<hr/> 925,391	<hr/> 913,995
FUND TYPE				
Private Purpose Trust Fund	825,303	925,391	925,391	913,995
<hr/> TOTAL	<hr/> 825,303	<hr/> 925,391	<hr/> 925,391	<hr/> 913,995

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vt State Retirement System

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	20,878,681	27,115,165	27,115,165	6,370,747
Operating Expenses	743,890	773,415	773,415	27,934,748
<hr/> TOTAL	<hr/> 21,622,571	<hr/> 27,888,580	<hr/> 27,888,580	<hr/> 34,305,495
 FUND TYPE				
Pension Trust Fund	21,622,571	27,888,580	27,888,580	34,305,495
<hr/> TOTAL	<hr/> 21,622,571	<hr/> 27,888,580	<hr/> 27,888,580	<hr/> 34,305,495

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Municipal Employees' Retirement

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,336,853	1,841,374	1,841,374	2,002,388
Operating Expenses	1,062,674	346,814	346,814	451,355
<hr/> TOTAL	<hr/> 2,399,527	<hr/> 2,188,188	<hr/> 2,188,188	<hr/> 2,453,743
FUND TYPE				
Pension Trust Fund	2,399,527	2,188,188	2,188,188	2,453,743
<hr/> TOTAL	<hr/> 2,399,527	<hr/> 2,188,188	<hr/> 2,188,188	<hr/> 2,453,743

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Labor Relations Board**

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 six citizen members who are paid on a per diem basis. At present, the Board has two employees - Executive Director and Clerk.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Labor Relations Board

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
State Labor Relations Board	2	2	2	211,718	203,983	202,170	200,275
<hr/> TOTAL	<hr/> 2	<hr/> 2	<hr/> 2	<hr/> 211,718	<hr/> 203,983	<hr/> 202,170	<hr/> 200,275
FUND TYPE							
General Fund				209,896	198,260	196,447	194,699
Special Fund				1,458	2,788	2,788	2,788
Interdepartmental Transfer				364	2,935	2,935	2,788
<hr/> TOTAL				<hr/> 211,718	<hr/> 203,983	<hr/> 202,170	<hr/> 200,275

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Labor Relations Board

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	170,454	166,789	162,320	161,823
Operating Expenses	41,264	37,194	39,850	38,452
<hr/> TOTAL	<hr/> 211,718	<hr/> 203,983	<hr/> 202,170	<hr/> 200,275
FUND TYPE				
General Fund	209,896	198,260	196,447	194,699
Special Fund	1,458	2,788	2,788	2,788
Interdepartmental Transfer	364	2,935	2,935	2,788
<hr/> TOTAL	<hr/> 211,718	<hr/> 203,983	<hr/> 202,170	<hr/> 200,275

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
VOSHA Review Board**

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 Vermont Department of Labor, 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 the Vermont Department of Labor, 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 paid hearing officers to conduct hearings and prepare written findings and decisions, the Board has the ultimate review and determination of all decisions.

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
VOSHA Review Board**

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
VOSHA Review Board	1	1	1	44,747	47,812	52,259	53,166
TOTAL	1	1	1	44,747	47,812	52,259	53,166
FUND TYPE							
General Fund				23,145	23,905	26,128	26,583
Interdepartmental Transfer				21,602	23,907	26,131	26,583
TOTAL				44,747	47,812	52,259	53,166

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
VOSHA Review Board**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	36,756	37,997	42,444	42,635
Operating Expenses	7,991	9,815	9,815	10,531
<hr/> TOTAL	<hr/> 44,747	<hr/> 47,812	<hr/> 52,259	<hr/> 53,166
FUND TYPE				
General Fund	23,145	23,905	26,128	26,583
Interdepartmental Transfer	21,602	23,907	26,131	26,583
<hr/> TOTAL	<hr/> 44,747	<hr/> 47,812	<hr/> 52,259	<hr/> 53,166

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Use Tax Reimbursement Fund

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 2011 BUDGET RECOMMENDATIONS
Use Tax Reimbursement Fund

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Use Tax Reimbursement Fund	0	0	0	9,711,494	10,807,403	10,807,403	11,700,000
<hr/> TOTAL	<hr/> 0	<hr/> 0	<hr/> 0	<hr/> 9,711,494	<hr/> 10,807,403	<hr/> 10,807,403	<hr/> 11,700,000
FUND TYPE							
General Fund				9,711,494	10,807,403	10,807,403	11,700,000
<hr/> TOTAL				<hr/> 9,711,494	<hr/> 10,807,403	<hr/> 10,807,403	<hr/> 11,700,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Use Tax Reimbursement Fund

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,432	0	0	0
Grants	9,709,062	10,807,403	10,807,403	11,700,000
<hr/> TOTAL	<hr/> 9,711,494	<hr/> 10,807,403	<hr/> 10,807,403	<hr/> 11,700,000
FUND TYPE				
General Fund	9,711,494	10,807,403	10,807,403	11,700,000
<hr/> TOTAL	<hr/> 9,711,494	<hr/> 10,807,403	<hr/> 10,807,403	<hr/> 11,700,000

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Lottery Commission**

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 currently offers seven products to the playing public: Instant Games; and On-line games known as Powerball, Hot Lotto, Tri-State Megabucks Plus!, Tri-State Weekly Grand, and the Tri-State Daily Numbers Games of Pick 3 and Pick 4. A new lotto game, Mega Millions, is expected to be launched January 31, 2009.

Licensed Vermont Lottery agents offer lottery games to players. Currently, there are approximately 700 licensed Vermont Lottery agents. All agents sell instant games as well as 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 one 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 2011 BUDGET RECOMMENDATIONS
Lottery Commission

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Lottery Commission	21	21	21	2,574,914	2,669,605	2,869,605	2,755,201
<hr/> TOTAL	<hr/> 21	<hr/> 21	<hr/> 21	<hr/> 2,574,914	<hr/> 2,669,605	<hr/> 2,869,605	<hr/> 2,755,201
FUND TYPE							
Enterprise Fund				2,574,914	2,669,605	2,869,605	2,755,201
<hr/> TOTAL				<hr/> 2,574,914	<hr/> 2,669,605	<hr/> 2,869,605	<hr/> 2,755,201

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Lottery Commission

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,474,230	1,555,943	1,572,385	1,658,986
Operating Expenses	950,684	1,113,662	1,297,220	1,096,215
Other Financing Uses Budget	150,000	0	0	0
<hr/> TOTAL	<hr/> 2,574,914	<hr/> 2,669,605	<hr/> 2,869,605	<hr/> 2,755,201
FUND TYPE				
Enterprise Fund	2,574,914	2,669,605	2,869,605	2,755,201
<hr/> TOTAL	<hr/> 2,574,914	<hr/> 2,669,605	<hr/> 2,869,605	<hr/> 2,755,201

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Payments in Lieu of Taxes**

Department Mission Statement

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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Payments in Lieu of Taxes

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Payments in Lieu of Taxes	0	0	0	4,500,000	4,900,000	4,900,000	5,500,000
TOTAL	0	0	0	4,500,000	4,900,000	4,900,000	5,500,000
FUND TYPE							
Special Fund				4,500,000	4,900,000	4,900,000	5,500,000
TOTAL				4,500,000	4,900,000	4,900,000	5,500,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Payments in Lieu of Taxes

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	4,500,000	4,900,000	4,900,000	5,500,000
TOTAL	4,500,000	4,900,000	4,900,000	5,500,000
FUND TYPE				
Special Fund	4,500,000	4,900,000	4,900,000	5,500,000
TOTAL	4,500,000	4,900,000	4,900,000	5,500,000

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Montpelier PILOT**

Department Mission Statement

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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Montpelier PILOT

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
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							
Special Fund				184,000	184,000	184,000	184,000
TOTAL				184,000	184,000	184,000	184,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Montpelier PILOT

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	184,000	184,000	184,000	184,000
TOTAL	184,000	184,000	184,000	184,000
FUND TYPE				
Special Fund	184,000	184,000	184,000	184,000
TOTAL	184,000	184,000	184,000	184,000

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections PILOT**

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 2011 BUDGET RECOMMENDATIONS
Corrections PILOT

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
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							
Special Fund				40,000	40,000	40,000	40,000
TOTAL				40,000	40,000	40,000	40,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections PILOT

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	40,000	40,000	40,000	40,000
TOTAL	40,000	40,000	40,000	40,000
FUND TYPE				
Special Fund	40,000	40,000	40,000	40,000
TOTAL	40,000	40,000	40,000	40,000

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Special Investigative Units**

Department Mission Statement

Special Identification Units are multidisciplinary teams whose members are specially trained in the investigation, prosecution and victim advocacy of crimes of sexual violence, with a focus on crimes involving child victims. The Unit works as a team to present the best case possible for prosecution or resolution. The prosecutor in each unit is provided by the State's Attorney's office as an in-kind contribution. The goal of this approach puts together the best case possible because the units have a reduced caseload. Reduced caseloads provide more specialized attention per case. This approach often results in a confession by the accused, and confessions in turn result in a higher rate of case resolution short of trial. Not having to go through the rigors of trial lessens the possibility of additional trauma to the victim.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Special Investigative Units

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Special Investigative Units	0	0	0	465,742	1	371,367	1,060,950
<hr/> TOTAL	<hr/> 0	<hr/> 0	<hr/> 0	<hr/> 465,742	<hr/> 1	<hr/> 371,367	<hr/> 1,060,950
FUND TYPE							
General Fund				375,742	1	271,367	1,060,950
Special Fund				90,000	0	0	0
Federal Revenue Fund				0	0	100,000	0
<hr/> TOTAL				<hr/> 465,742	<hr/> 1	<hr/> 371,367	<hr/> 1,060,950

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Special Investigative Units

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	21,645	0	0	0
Operating Expenses	2,095	0	0	0
Grants	442,002	1	371,367	1,060,950
<hr/> TOTAL	<hr/> 465,742	<hr/> 1	<hr/> 371,367	<hr/> 1,060,950
FUND TYPE				
General Fund	375,742	1	271,367	1,060,950
Special Fund	90,000	0	0	0
Federal Revenue Fund	0	0	100,000	0
<hr/> TOTAL	<hr/> 465,742	<hr/> 1	<hr/> 371,367	<hr/> 1,060,950

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Attorney General

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 who are named in civil lawsuits brought in state and federal courts, including personal injury, wrongful death, employment, and civil rights actions. It also defends legislative acts and administrative rules that are challenged on constitutional or other grounds. In addition, the Division may bring affirmative claims on behalf of the state, for example, to recover money claims for the State. The Division also litigates civil appeals before appellate tribunals such as the Vermont Supreme Court, the United States Courts of Appeals, and the United States Supreme Court.

Criminal Division

The Criminal Division is a statewide prosecutorial agency. The Division's caseload consists primarily of homicides, violent felonies including child abuse and sexual assault, public corruption, and drug trafficking. The Criminal Division reviews all incidents involving the use of deadly force by Vermont police officers. The Division works closely with county, state and federal law enforcement and provides technical assistance and personnel support to county prosecutors as needed. The Division works with the Legislature on a wide range of criminal justice issues and is an active participant on a number of committees and working groups that shape criminal justice policy in Vermont.

A specialized *Drug Unit* within the Criminal Division provides prosecutorial support to the Vermont Drug Task Force. The Drug Unit and the Vermont Drug Task Force have been in place for over twenty years and both are primarily federally funded. Federal funds currently support the equivalent of approximately 1.5 attorneys. Over the last several years the State has experienced continued and significant cuts in federal funding which has resulted in the loss of one full time attorney position within the Unit.

Another specialized unit, the *Medicaid Fraud and Residential Abuse Unit*, investigates and prosecutes

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Attorney General

Medicaid provider fraud and violations of Vermont's Medicaid fraud laws. This Unit participates in civil actions, both locally and nationally, to recoup fraud losses for the Medicaid Program. From July 1, 2008 - June 30, 2009, the Unit recovered more than 4.5 million dollars. In addition, the Unit investigates and prosecutes complaints of patient abuse, exploitation or neglect in health care facilities that receive Medicaid funds. In recent years the Unit has investigated and prosecuted an increasing number of complaints that health care providers diverted drugs from patients. These enforcement activities are 75% federally-funded.

Environmental Protection Division

The Environmental Protection Division litigates environmental cases of statewide importance. The Division files civil and criminal actions (the latter in conjunction with the Criminal Division) to enforce Vermont's environmental laws based on referrals from the Agency of Natural Resources and the Natural Resources Board. The Division also brings civil cases to recover monies expended by the state environmental clean-up funds on contaminated properties. The Division defends the State of Vermont and its agencies when they are sued in state or federal court over environmental matters and handles appeals of decisions from the Environmental Court and Superior Courts involving environmental issues. On a national level, the Division participates in a variety of environmental cases and joint initiatives with other states. In addition, the Division provides legal advice and counsel to the Vermont Agency of Natural Resources, the Natural Resources Board and other state agencies on environmental matters.

Over the past year, the Division continued its successful defense of a challenge to Vermont's automobile greenhouse gas emissions regulations in federal court. The Division is participating in a national settlement with the automobile manufacturers that will end the automobile manufacturers' challenge to the State's regulations. The Division also won a federal appellate court ruling that recognized the legal right to sue to limit carbon dioxide emissions. The ruling was issued in a prominent multi-state case against a large Midwest electric utility. In addition, the Division successfully concluded various cases recovering monies for the State's environmental clean-up funds and/or imposing penalties on polluters. In FY 2009 the Division recovered \$2,410,000 for the State of Vermont. Outside the courtroom, in October 2009 the Division co-sponsored a 40th Anniversary Act 250 Conference that was held in the House Chamber at the Statehouse. (The other sponsors were the Vermont Bar Association and the Vermont Law School.)

General Counsel Division

The General Counsel Division advises and represents Vermont's constitutional officers, the retirement boards, the pension investment committee, the buildings and general services department, liquor control and other state agencies. It handles public records and open meetings issues and lawsuits, reviews and negotiates state contracts and handles elections cases. It investigates and prosecutes disciplinary complaints against physicians. The Division's appellate unit briefs and argues civil appeals in the Vermont Supreme Court and in the federal Appellate Courts including the United States Supreme Court. It assists other staff and other state agencies in complex trials and appeals. The Division also administers

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Attorney General

the statewide juvenile and adult court diversion programs.

Public Protection Division

The *Civil Rights Unit* within the Public Protection Division enforces laws that protect victims of hate crimes and protect all Vermonters (except State employees) from discrimination and harassment in the workplace. It produces informational materials and sponsors education programs for businesses, workers, and youth entering the work force. In federal FY09, the Unit investigated 124 charges of employment discrimination and resolved 116 employment discrimination claims; it investigated 14 complaints of hate crimes; and it responded to 1,063 inquiries about Vermont's civil rights laws.

The *Consumer Protection* and *Antitrust Units* investigate and prosecute frauds against consumers and unfair, deceptive and anticompetitive business practices. The units handle a wide variety of matters both in Vermont and nationally, including actions concerning pharmaceuticals, privacy, deceptive advertising, telemarketing fraud and tobacco. In response to civil actions or initiatives undertaken by the Attorney General, the units also recommend or support legislation or promulgate regulations to protect consumers. In cooperation with UVM, the Attorney General operates a Consumer Assistance Program to educate consumers and to resolve consumer complaints on an informal basis. In FY09, this Program received approximately 7,000 complaints and requests for information.

In FY09 and FY10 the Consumer Protection and Antitrust Units recovered \$8,600,000 in civil actions against pharmaceutical companies. They recovered more than \$400,000 for consumers and \$300,000 for the State from debt settlement companies that violated Vermont law. In other litigation and contested matters they settled consumer fraud cases involving timeshare repurchases and AT&T's transitioning of Unicef wireless subscribers.

The Consumer Unit continued its efforts to protect Vermonters, particularly young children, from exposure to lead and other toxins by supporting statutory changes and enforcing existing legal standards. Following a December 2008 multistate settlement with Mattel over lead in toys, the Unit helped to arrange a first-ever summit between state offices of attorney general and the Consumer Product Safety Commission. The Unit also monitored security breaches affecting Vermonters; worked on several fuel pricing matters; commenced rulemaking to revise the Attorney General's 1986 rule regulating the sale of propane gas, and helped organize a multi-disciplinary meeting at Stanford University to identify needed research on consumer fraud and behavior change. The Unit produced its sixth annual report on Pharmaceutical Marketing Disclosures, and responded to legislative interest in substantial changes to the disclosure law.

The *Tobacco Unit* enforces Vermont's tobacco statutes, including laws that prohibit the sale of tobacco to minors, sales of tobacco over the Internet, smoking in workplaces and public places and laws that require all cigarettes sold in the state to meet reduced ignition standards. The Unit implements the 1998 Tobacco Master Settlement Agreement and related statutes. In FY09, the Unit continued preparations for defending the State's receipt of Settlement Agreement payments owed for 2003. The amounts in

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Attorney General

issue are several million dollars. Also in FY09 the Unit completed the trial phase of the multi-state litigation that challenges the advertising and marketing of “reduced-harm” cigarettes and we are awaiting a ruling in that case.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Attorney General

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Attorney General	72	71	75	8,200,422	7,573,301	7,558,344	7,937,564
<hr/> TOTAL	<hr/> 72	<hr/> 71	<hr/> 75	<hr/> 8,200,422	<hr/> 7,573,301	<hr/> 7,558,344	<hr/> 7,937,564
FUND TYPE							
General Fund				3,900,862	3,894,689	3,659,456	3,785,911
Special Fund				1,887,446	1,343,302	1,473,578	1,515,000
Federal Revenue Fund				641,336	677,526	677,526	707,526
Interdepartmental Transfer				1,770,778	1,657,784	1,747,784	1,929,127
<hr/> TOTAL				<hr/> 8,200,422	<hr/> 7,573,301	<hr/> 7,558,344	<hr/> 7,937,564

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Attorney General**

Appropriation Key Budget Issues

The Fiscal 2010 budget reflects an administrative general fund reduction of \$116,841 offset in part by renewed federal criminal grant funding of \$90,000.

The Fiscal 2011 funding levels will sustain the core mission and activities of the Attorney General's Office. The budget continues the Fiscal 2010 special fund (fees and recoveries) replacement of general funds - \$500,000; funding for expert witnesses in criminal prosecutions - \$50,000; and an increased tobacco fund appropriation to enforce the Master Settlement Agreement - \$220,000.

Vacancy and turnover savings continue to be budgeted at \$184,278.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Attorney General

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	7,052,503	6,518,250	6,530,134	6,855,359
Operating Expenses	1,147,919	1,055,051	1,028,210	1,082,205
<hr/> TOTAL	<hr/> 8,200,422	<hr/> 7,573,301	<hr/> 7,558,344	<hr/> 7,937,564
FUND TYPE				
General Fund	3,900,862	3,894,689	3,659,456	3,785,911
Special Fund	1,887,446	1,343,302	1,473,578	1,515,000
Federal Revenue Fund	641,336	677,526	677,526	707,526
Interdepartmental Transfer	1,770,778	1,657,784	1,747,784	1,929,127
<hr/> TOTAL	<hr/> 8,200,422	<hr/> 7,573,301	<hr/> 7,558,344	<hr/> 7,937,564

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Court Diversion

Department Mission Statement

The mission of Vermont court diversion programs is to engage community members in responding to the needs of crime victims, the community, and those who violated the law, holding the latter accountable in a manner that promotes responsible behavior.

Court Diversion is a locally governed community justice program begun in the 1970's to divert minor offenders out of the court system to community-based programs staffed largely by volunteers. It provides a community-based alternative to the formal court process for juvenile and adult offenders. Its goals are to

- ☐ Use citizen involvement and a restorative model to make victims whole
- ☐ Restore to the community any loss it sustained
- ☐ Redirect offenders in a more productive direction
- ☐ Reduce recidivism
- ☐ Reduce the workload on Vermont courts

Description of Appropriations, Divisions, & Programs

Through Court Diversion, offenders have the opportunity to accept responsibility for their actions, to repair the harm done, and to avoid a criminal record. The State's Attorney refers individuals to the county program. The majority of diversion clients are first-time offenders charged with misdemeanors; typical violations are disorderly conduct, simple assault, retail theft, and alcohol and marijuana violations.

In FY 2009, 2,129 individuals were referred to Court Diversion and 2,871 youth to the Teen Alcohol Safety Program. Close to 85 percent of the adults and youth completed their court diversion contracts successfully. Clients paid over \$125,000 in restitution and charitable donations during the past year. Staffed by 30 full-time staff equivalents and 500 volunteers, programs provided these services at a cost of approximately \$240 per case in General Fund dollars.

Court Diversion is a cost-effective program that holds offenders accountable, helps offenders to repair the harm caused to victims and the larger community, and works to prevent future criminal behavior. It is a valuable investment that reduces the workload and cost of the Courts, State's Attorneys, and to a certain degree, that of the Department of Corrections and Department for Children and Families.

Community members on review boards meet with clients to develop contracts that address the

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Court Diversion

offense and the underlying reasons for the client's actions. Victims are invited to voice their opinion, and contracts may require clients to pay restitution, participate in counseling or substance abuse treatment, write letters of apology, etc. Participation in the program is voluntary and upon successful completion of the program, the State's Attorney dismisses the case. If an offender does not complete the terms of the contract, the case is returned for prosecution.

In addition, Court Diversion programs run the Teen Alcohol Safety Program (TASP). Youth who violate Vermont's underage possession and consumption of alcohol laws (7 VSA §656) are referred by law enforcement to the Teen Alcohol Safety Program. Participants pay a fee, meet with a licensed substance abuse counselor for a screening or assessment and follow the recommendations of the counselor, and may participate in an educational program and perform community service. If an individual fails to complete the contract, the ticket is sent to the Vermont Judicial Bureau, which levies a fine, and the individual's driver's license is suspended.

The Vermont Association of Court Diversion Programs is made up of 14 court diversion programs housed in 13 community based non-profit agencies. Two programs (Caledonia and Essex Counties) are based in the same agency. A community board of directors governs each program, designated by the Attorney General and the Vermont Association of Court Diversion Programs as the diversion agency serving a particular county.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Court Diversion

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Vermont Court Diversion	0	0	0	1,746,911	1,724,784	1,724,784	1,724,773
TOTAL	0	0	0	1,746,911	1,724,784	1,724,784	1,724,773
FUND TYPE							
General Fund				1,158,740	1,204,784	1,204,784	1,204,776
Special Fund				588,171	520,000	520,000	519,997
TOTAL				1,746,911	1,724,784	1,724,784	1,724,773

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Court Diversion

Appropriation Key Budget Issues

The FY 2011 General Fund Court Diversion budget of \$1,204,776 is level-funded from FY 2010, as has been the case since FY 2004, except in FY 2007 an increase of approximately \$79,000 was awarded to raise wages in seven counties.

On average, the state grant supports approximately 60% of the annual costs of each Court Diversion program, and fees provide 25% of program revenue. In recent years, directors have spent a growing amount of time working to raise the remainder, through annual campaigns, special events, town appropriations and the United Way. While town support is important for some programs, there has been little growth in these appropriations, and many towns have more stringent conditions for requesting funds. Obtaining this funding is a labor-intensive process. United Way support varies significantly by community and has decreased in some regions. Approximately one-third of Court Diversion programs do not receive any support from towns, and a similar number do not receive United Way funding.

As revenues decline, expenses continue to escalate. Double-digit health insurance rate increases led some programs a few years ago to switch to Health Savings Accounts; however, this year's premium increase was a significant 25%. In addition, program are asking employees to pay a greater portion of the premium. Rising costs of liability insurance, workers compensation insurance, financial audits, and mileage reimbursement have all contributed to mounting operating expenses.

As each Court Diversion program is run by an independent locally governed non-profit agency, strategies to deal with rising costs and declining revenue vary around the state. Some agencies reduce staff hours and reduce, or eliminate, benefits. The trend is that staff spend more time working to raise other funds and have less time to work with clients, providing less support to offenders, victims, and review board members. Court Diversion's approach of addressing the underlying causes for clients' behavior may be compromised, and the percentage of clients who complete their Court Diversion contract may drop.

Special Fund: Court Diversion Fees

The FY 2011 Court Diversion Special Fund is budgeted at \$519,997. Court Diversion programs collect fees from clients and submit that fee revenue quarterly to the Attorney General's Office (AGO) for deposit in the Court Diversion Special Fund, according to 3 VSA §166. In turn, the AGO then returns the fee revenue back to the collecting program. A uniform statewide fee schedule was adopted in January 2009. Programs may reduce or waive fees to account for participants' financial situation.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Court Diversion

Performance Program Information

Current key indicators of Court Diversion programs' success include the percentage of clients who complete their contracts, percentage of victims who receive financial compensation, amount of restitution and donations paid by clients, and hours of community service performed by clients.

<u>FY 07</u>	<u>Juvenile CD</u>	<u>Adult CD</u>	<u>TASP</u>
Successful Completion Rate	73%	79%	71%
Victims Financially Compensated	93%	96%	NA
Restitution & Charitable Donations	\$16,264	\$79,569	\$10,362
Hours of Community Service	5,434	13,606	6,689

The Evaluation Committee of the Vermont Association of Court Diversion Programs (VACDP) is reviewing how to document other desired outcomes, such as clients meeting educational goals and strengthening connections with support systems and resources, as well as victim satisfaction. Program directors are also discussing the need for an operational statewide data base to track client participation and outcomes.

A major focus of VACDP's Program Committee is the ongoing work of creating uniform practices, while still preserving local control and governance. Newly adopted performance standards for the Teen Alcohol Safety Program are now encompassed in the Compliance Standards. These standards serve as the basis for each program's peer review, conducted every three years. Following the peer review, a program develops a plan to implement improvements, and the Court Diversion Director, of the Attorney General's Office, monitors that implementation plan.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Court Diversion

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	1,746,911	1,724,784	1,724,784	1,724,773
TOTAL	1,746,911	1,724,784	1,724,784	1,724,773
FUND TYPE				
General Fund	1,158,740	1,204,784	1,204,784	1,204,776
Special Fund	588,171	520,000	520,000	519,997
TOTAL	1,746,911	1,724,784	1,724,784	1,724,773

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Defender General

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 clients charged with serious crime is a necessary component to the fair administration of the criminal justice system.

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 (SFU) 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. In FY 2008 budget constraints forced the elimination of the designated serious felony staff attorney which was established in FY 2005. A part-time special projects contract attorney was added in FY 2008 in an attempt to fill that void, and in

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Defender General

FY 2009 this contract was expanded to encompass additional serious felony cases. In FY 2005 a Public Defense Caseload Relief contract was established to provide relief to counties experiencing caseload spikes and backlogs, primarily in the southern counties. In FY 2006 a second Caseload Relief contract was established focusing on the northern counties. The contract public defenders provide substantial savings to the state over a staff office with salary, benefit and operating costs.

Post-Adjudication Office and Juvenile Representation

There are also two 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. Based upon the recommendation in the "Investigative Report on the Deaths of Seven Inmates and Related Issues", in FY 2005 four positions were added to the Prisoners' Rights Office, doubling the office's staff. 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 75 separate contracts for assigned counsel services, including 2 attorneys who handle appeals and 2 attorneys who handle post-conviction relief cases.

Ad Hoc Counsel

Ad hoc counsel are assigned by the court when there are conflicts with all staff and contract attorneys. Services provided by ad hoc counsel represent less than 2% of the caseload. However, it is the most expensive means of service, with an hourly rate of \$50. Recent efforts at expanding the contract system and implementation of the Serious Felony Units have yielded from the first quarter of FY 2002 to the first quarter of FY 2008 a 72% reduction in ad hoc debentures (bills for services), and an 86% decrease in added ad hoc clients.

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 and realized first year savings of \$112,000.00. The units are projected to realize savings of up to approximately \$170,000 per year, and they provide stability and quality representation to clients charged with the most serious crimes. In FY 2004 a fourth SFU was implemented. Since FY 2002 the establishment of the SFUs has saved approximately \$1,600,000 as

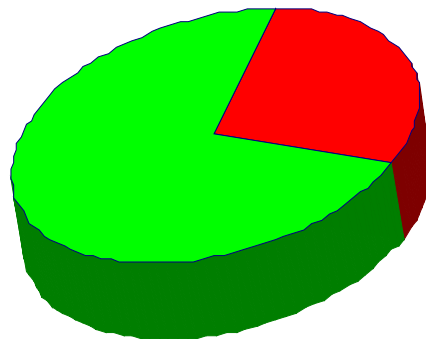
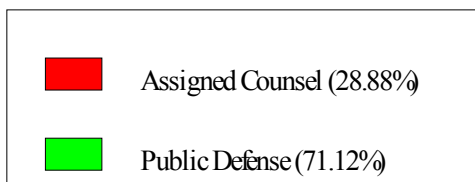
STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Defender General

compared to assignment on an ad hoc basis. Additionally, the implementation of the SFUs has rendered budgeting much more predictable.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Defender General

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Public Defense	67	66	66	7,647,234	8,193,091	8,181,044	8,511,395
Assigned Counsel	2	2	2	3,328,091	3,397,766	3,396,939	3,456,498
TOTAL	69	68	68	10,975,325	11,590,857	11,577,983	11,967,893
FUND TYPE							
General Fund				10,423,268	10,964,288	10,946,260	11,329,341
Special Fund				548,557	626,569	626,569	638,552
Interdepartmental Transfer				3,500	0	5,154	0
TOTAL				10,975,325	11,590,857	11,577,983	11,967,893



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Defense

Appropriation Key Budget Issues

The Governor's recommended funding for FY 2011 continues current services and includes funds for staff salary and benefit increases. Previously negotiated and funded cost of living adjustments for Public Defense contractors were not funded. The salaries of top level staff attorneys were reduced by 5% in FY 2009, and are frozen in FY 2010 and 2011. Most operating line items are level funded.

With this level of funding, the Office of the Defender General expects to continue to fund the various improvements made to the delivery of cost-effective public defense services over the last few years. Specifically, the Public Defense Serious Felony Units, the special projects Serious Felony contract attorney, and two Public Defense caseload relief contracts are expected to be continued.

The ODG will continue the cost containment measures implemented in FY 2002 such as holding vacant positions open for at least 60 days, hiring replacement staff at a lower rate, contracting the after-hours DWI on-call coverage, and entering into long-term personal services contracts whenever possible. Also, in FY 2003, the ODG eliminated quarterly adjustments in the public defense contracts. This results in predictability for budget purposes, and fairly compensates the contractor based upon the prior year's caseload.

In FY 2011 the long term primary public defense contracts are up for renewal. In FY 2002 the Defender General began negotiating longer terms to primary public defense contracts to bring fiscal stability to the system, and financial certainty to the contractors. the ODG hopes to level fund the contracts that are up for renewal.

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. Public defenders 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. Chittenden County is still handling nearly 40% of the state's caseload. Currently the statewide understaffing is at 31.7%.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Defense

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	6,913,746	7,273,704	7,202,403	7,631,450
Operating Expenses	733,488	919,387	978,641	879,945
<hr/> TOTAL	<hr/> 7,647,234	<hr/> 8,193,091	<hr/> 8,181,044	<hr/> 8,511,395
FUND TYPE				
General Fund	7,220,190	7,691,786	7,674,585	7,998,107
Special Fund	423,544	501,305	501,305	513,288
Interdepartmental Transfer	3,500	0	5,154	0
<hr/> TOTAL	<hr/> 7,647,234	<hr/> 8,193,091	<hr/> 8,181,044	<hr/> 8,511,395

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Assigned Counsel

Appropriation Key Budget Issues

The Governor's recommended funding for FY 2011 in Assigned Counsel pays for existing staff salary increases, and level funds Assigned Counsel Contractors and Assigned Counsel Serious Felony Unit contractors. Assigned counsel contractors are the most cost-efficient means of providing public defense services. 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 assigned counsel for seven consecutive fiscal years. The ODG will continue to make every effort to use assigned counsel contractors whenever possible, and the four serious felony units will be continued. It has become increasingly difficult to attract assigned counsel contractors, particularly in rural counties, and for juvenile representation.

Changes in sex crimes immediately and inadvertently impacts potential ad hoc assignments and debentures. Legislative increases in penalties for sex offenses to include indeterminate probationary sentences with the potential for life in prison increases ad hoc compensation, per the Court's existing Administrative Order 4, from a maximum allowable compensation of \$5,000 per case to \$25,000 per case, with the potential for additional supplemental payments. The increased attention to sex crimes also impacts expert expenditures, and this budget sees slight increases in expert expenditures to address this increased attention.

Ad Hoc Counsel 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. The ODG continues to minimize the use of ad hoc counsel and to keep costs as low as possible. The FY 2011 funding for Ad Hoc Counsel should be sufficient if the caseload responds to reallocation of contract resources employed in FY 2010.

Additionally, the cost containment measures implemented in FY 2002 and FY 2003 will be continued, most significantly including: reduction in excess compensation in ad hoc cases, elimination of payment for frivolous ad hoc post-conviction relief assignments, and elimination of quarterly adjustments for assigned counsel contractors.

Assigned Counsel Caseload Activity

Over the five-year period ending FY 2003 added clients assigned to assigned counsel contractors increased 49%. Starting in FY 2002 there has been a major shift in cases assigned to assigned counsel contractors and serious felony units versus ad hoc counsel, with a significant reduction in cases assigned to ad hoc counsel. There was an 86% reduction in added ad hoc clients from first quarter FY 2002 to first quarter FY 2008. Ad hoc debentures received in FY 2007 totaled only \$184,834, a reduction of 67% from FY 2001. The ad hoc program, however, has reached a level of "frictional ad hoc," that is, ad hoc that is created at the margins of what could be diverted to assigned counsel contractors. While FY 2008 and FY 2009 saw an increase in amount of debentures and number of added ad hoc cases, the

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Assigned Counsel

ODG believes that redeployment of assigned counsel contracts will maintain an essentially "frictional ad hoc" caseload.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Assigned Counsel

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,249,624	3,319,857	3,355,030	3,414,589
Operating Expenses	78,467	77,909	41,909	41,909
<hr/> TOTAL	<hr/> 3,328,091	<hr/> 3,397,766	<hr/> 3,396,939	<hr/> 3,456,498
FUND TYPE				
General Fund	3,203,078	3,272,502	3,271,675	3,331,234
Special Fund	125,013	125,264	125,264	125,264
<hr/> TOTAL	<hr/> 3,328,091	<hr/> 3,397,766	<hr/> 3,396,939	<hr/> 3,456,498

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

Department Mission Statement

The Vermont Judicial Branch of state government was established under the Vermont Constitution to protect the rights of all Vermonters by providing equal access to justice and to the courts, and to provide an opportunity for the merits of every legal dispute to be impartially heard and timely decided. The Judiciary, as a co-equal branch of government, is an important element in the constitutional balance of power between the Executive, the Legislative, and the Judicial Branches. The courts provide a forum for resolution of disputes involving the range of human conflict, including cases that address the protection of individual rights, public safety, and business and commercial concerns. The purpose of the Courts is identified in our constitution and is essential to the maintenance of an orderly society.

It is the mission of the Vermont Judicial Branch to provide a justice system that engenders public trust and confidence through impartial decision-making and accountability for the use of public resources. The general public and those who use the court system will refer to it as accessible, fair, consistent, responsive, free of discrimination, independent and well-managed.

Key Constitutional Concepts

Article 6 of Chapter I of the Vermont Constitution states that all power is “originally inherent in and consequently derived from the people, therefore, all officers of government, whether legislative or executive, are their trustees and servants” and are legally accountable to them at all times.

Article 1 of Chapter I of the Vermont Constitution states that all people have inalienable rights to be secure in their persons, homes, properties, and pursuits.

Article 4 of Chapter I of the Vermont Constitution endows the people with the remedy of “recourse to the laws, for all injuries or wrongs” and further endows the people with the right to obtain justice “freely . . . ; completely and without any denial; promptly and without delay”.

Article 18 of Chapter I of the Vermont Constitution states that firm adherence to the fundamental principle of justice is “absolutely necessary to preserve the blessings of liberty, and keep government free”.

Article 18 of Chapter I of the Vermont Constitution endows the people with the right “to exact . . . from their legislators and magistrates” a “due and constant regard” for justice “in making and executing such laws as are necessary for the good government of the State.”

Article 4 of Chapter II of the Vermont Constitution states “The judicial power of the State shall be vested in a unified judicial system which shall be composed of a Supreme Court, a Superior Court, and such other subordinate courts as the General Assembly may from time to time ordain and establish.”

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

Principles for Administration of the Vermont Judiciary

- ☐ The Judicial Branch is an independent, co-equal branch of government; its judges are fair, impartial and competent, and it is composed of people of integrity who will interpret and apply the law that governs our society.
- ☐ The Supreme Court operates the state court system as a unified system, in accordance with the Vermont Constitution, Ch. II, Sec. 4, which provides that “the judicial power of the State shall be vested in a unified judicial system...”
- ☐ The Supreme Court manages, controls and is accountable for all resources and buildings that support state judicial services in Vermont in accordance with the Vermont Constitution, Ch. II, Sec. 30, which provides that “the Supreme Court shall have administrative control of all the courts of the state...”
- ☐ The Supreme Court deploys resources in a manner that is cost-efficient for the taxpayer while providing access to court services that is cost effective to litigants.
- ☐ Court services are provided in a system that is open, affordable, understandable, and with a level of service that is appropriate to the characteristics of the case.
- ☐ Court services are provided in a system that ensures access to justice and respect for all litigants and members of the bar.
- ☐ Case decisions are made by appropriately educated and well-trained judicial officers; trial court judges are capable of working in any court, hearing any case that needs to be heard on a particular day.
- ☐ Judicial officers issue timely decisions that do justice for the litigants, establish clear and ascertainable law, and apply the law correctly to the facts.
- ☐ The Judicial Branch is organized to minimize redundancies in court structure, procedures and personnel, and to provide an efficient balance of workload among courts.
- ☐ Funding authorities provide resources that are appropriate to the structure and provide long-term stability in the budgeting, funding and operations of the Judicial Branch.

Description of Appropriations, Divisions, & Programs

THE CURRENT ORGANIZATION OF THE VERMONT JUDICIARY

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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

General Assembly votes whether to retain the justice in office.

THE SUPREME COURT'S JUDICIAL DUTIES

The Supreme Court is the court of final appeal in Vermont. It hears cases primarily in Montpelier. The court hears appeals from the Superior, Family, District Court and Environmental Court, 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. This is when a case is brought directly to the Supreme Court without having to be heard first in one of the lower courts.

The five justices of the Supreme Court resolve nearly 525 cases per year by deciding whether the trial court judge accurately applied Vermont law to the facts in the case. 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 SUPREME COURT'S ADMINISTRATIVE DUTIES

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. 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 Justices administer the Vermont Court System with the assistance of the Administrative Judge for Trial Courts and the Court Administrator.

The **Administrative Judge** assigns the district and superior judges, environmental judges, child support magistrates, judicial bureau hearing officers and assistant judges to the trial courts, resolves attorney conflicts, and in cooperation with the Court Administrator, assumes general administrative control of the work of the trial courts.

The Administrative Judge assigns each of the judges to sit in each of the trial courts for a specific length of time, generally for a year. (The environmental judges hear and dispose of most cases in the environmental court, which has statewide jurisdiction.) In the smaller counties, one judge may be assigned to sit in the Superior, District, and Family courts concurrently, especially when all three courts are located in the same building. In the larger counties, a different judge may sit in each of the trial courts.

The **Court Administrator** provides 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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

personnel matters, computer services, recordkeeping and court security. The Court Administrator serves as liaison between the Supreme Court and its boards and committees and between the Judiciary and the legislative and executive branches of government.

THE DISTRICT COURT

Each county has a **DISTRICT COURT**. The Court is responsible for the 20,000 criminal and civil suspension cases that the State's Attorneys, Attorney General and Municipal Grand Jurors 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 arbitrary use of government power.

THE FAMILY COURT

Each county has a **FAMILY COURT**. The Court is responsible for the 2,900 divorce and annulment actions, 1,700 other domestic actions (primarily parentage) and the 4,200 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 8,100 motions to establish, modify or enforce child support, 1,100 juvenile delinquency cases, 500 cases involving the abuse and neglect of children, 200 cases in which the state seeks to terminate parental rights, 250 cases involving children who may be unmanageable and 3,700 petitions for relief from domestic abuse and other family matters including how the state should care for persons with mental illness and developmental disabilities.

The Administrative Judge assigns district and superior judges, child support magistrates and assistant judges to Family Court. These judicial officers and court staff 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; and
- 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.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

THE SUPERIOR COURT

Each county has a **SUPERIOR COURT**. The Court is responsible for the 7,400 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. People may go to Superior Court to seek protection from those who have stalked or sexually assaulted them. The Court also hears appeals of some governmental actions.

There are 28 Assistant Judges in the state's Judiciary, two in each of Vermont's 14 counties. They are elected to four-year terms. Their duties are not only judicial in scope, but also include administrative and legislative functions. In their judicial capacity, the assistant judges serve in non-jury trials as members of a unique three-person panel of judges which determines disputed facts. In some counties, assistant judges sit alone to hear and decide small claims matters and traffic violations. In their administrative capacity, the assistant judges are the chief executive officers of the state's county government. In their legislative capacity, the assistant judges levy a tax on the towns in their respective counties to fund county government. The county budgets include funding for the Superior and Probate Courts and the county sheriff's departments.

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 11,300 small claims filed each year. Citizens and businesses seeking up to \$5,000 for unpaid debts, shoddy home improvement jobs and a return of their apartment security deposit, save the expense of hiring an attorney and look to the superior court to resolve their disputes.

THE ENVIRONMENTAL COURT

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 municipal zoning boards and planning commissions and appeals from Act 250 district commissions. The Court is located in Washington County, however, cases are heard in the county where the action arises. Two Environmental Judges hear most matters filed with the Court.

THE PROBATE COURT

The **PROBATE COURT** is responsible for the 3,500 guardianships, adoptions, decedent estates and

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

testamentary trusts that are filed each year. There are 17 Probate Courts in Vermont. There is one Probate Court in eleven of Vermont's counties; the other three, Rutland, Windham and Windsor counties, each have two probate districts and two probate judges. The dual county districts will be consolidated on February 1, 2011 leaving one probate court district per county.

The Probate Judges and Staff (called Registers) work to:

- 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;
- determine whether guardianships need to be established for incompetent persons;
- assist persons wishing to relinquish parental rights for the purpose of placing a child up for adoption;
and
- monitor the processing of the cases in the court to insure fiduciaries meet their responsibilities to the estates and guardianships.

THE JUDICIAL BUREAU

The **JUDICIAL BUREAU** is responsible for the approximately 115,000 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 approximately 1,250 violations of underage drinking laws, 2,700 municipal ordinance violations and 700 fish and wildlife violations each year.

- Through court trials, the hearing officers and some assistant judges determine whether the 14,000 people who contest their tickets each year have violated the law and whether they must pay civil penalties to the state and municipalities.
- Through the assistance of court developed computer programs, Bureau staff accept \$18,000,000 in civil penalties and surcharges from the 77,000 drivers who chose not to contest their traffic tickets or ordinance violations and from the 39,200 people who receive default judgments for failure to respond to their tickets.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Judiciary	356	356	356	34,776,413	37,392,978	37,587,813	37,443,467
<hr/> TOTAL	<hr/> 356	<hr/> 356	<hr/> 356	<hr/> 34,776,413	<hr/> 37,392,978	<hr/> 37,587,813	<hr/> 37,443,467
FUND TYPE							
General Fund				30,625,238	30,995,922	31,033,271	30,784,588
Special Fund				1,965,015	3,930,748	4,067,827	3,145,326
Federal Revenue Fund				431,784	546,919	546,919	1,435,418
Interdepartmental Transfer				1,754,376	1,919,389	1,939,796	2,078,135
<hr/> TOTAL				<hr/> 34,776,413	<hr/> 37,392,978	<hr/> 37,587,813	<hr/> 37,443,467

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

Appropriation Key Budget Issues

The FY 2011 Budget Request of the Judicial Branch has been developed to incorporate the recommendations of the Commission on Judicial Operation.

The Legislative Charge

In May of 2008, the Vermont Legislature directed the Supreme Court to appoint and convene a Commission on Judicial Operation composed of members of the three branches of government and the citizens of Vermont. The Legislature asked the Commission to address the following areas:

- ☐ Consolidation of staff, including clerks of courts, paid by the state within the Judiciary budget and consolidation of staff functions, across courts in individual counties and statewide;
- ☐ Regionalization of court administrative functions, both those now performed at the state level and those performed at the county level;
- ☐ Use of technology, including video technology, to reduce unnecessary expenditures, including transport of prisoners, while improving access and maintaining the quality of adjudication;
- ☐ Flexibility in use of resources to respond to the demands on the Judiciary overall and particularly in instances where the amount and nature of demand changes;
- ☐ Reallocation of jurisdiction between courts, consistent with effective and efficient operation;
- ☐ Any other idea for the efficient and effective delivery of judicial services;
- ☐ A reduction of \$1 million in the Judiciary budget.

The Work of the Commission

In establishing principles to guide its work, the Commission focused on values important to the judicial system of the future, taking into account the rural nature of the state, access to justice, the advantages and disadvantages of new technologies, and judicial independence. At the same time, the Commission recognized the reality that a reduction in funding of at least \$1 million, coupled with dire revenue projections in the upcoming years, means either significant changes in the operation of the Judicial Branch or severe retraction in services. The challenge was to build a system based, first, on values and second, on a reduced cost.

The Commission also recognized that the advent of new technology will dramatically reshape the Vermont Judiciary of the future.

A major source of information for the Commission came from 44 focus groups held throughout the state during the summer and early fall and surveys of court users that addressed the issues identified by the Legislature. Over 800 individuals responded to the survey and/or participated in a focus group and over 360 different ideas, suggestions and proposals were made to the Commission.

Key Commission Findings

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

Structure of the Judiciary

- ☐ The current four-courts-per-county construct of the Judicial Branch is duplicative, overly expensive and inefficient.
- ☐ Although the Vermont Constitution mandates that the judicial power be vested in a unified judicial system and gives the Supreme Court administrative control of all the courts, these mandates have not been fully implemented. Instead, a hybrid state/county management system diffuses authority between the Supreme Court and fourteen individual county governments.
- ☐ As the shortfall in general fund revenues continues to grow, it is imperative to implement the unification envisioned in the Vermont Constitution.
- ☐ Vermont courts currently bring justice to the citizens of Vermont through 63 courts in over 30 locations. With far more access points than any other governmental service, the fixed costs of its delivery system are substantial.
- ☐ Without management authority over all personnel and public funds devoted to the judicial system, the Supreme Court cannot make rational decisions on resource allocation when reductions in funds occur.
- ☐ Budget cuts to the Judiciary have already reduced access to all Vermont courts as a result of monthly full-day furloughs and weekly half-day closings.
- ☐ Without restructuring, the courts that will be the hardest hit by future budget cuts will be the courts that have the highest priority cases involving public protection and children at risk of harm-District and Family. Although these are the courts that can least afford reductions, they are the only courts over which the Supreme Court has full management control.
- ☐ The system must be reconfigured to eliminate redundancies in management and procedures, and to improve access to justice and service to the public by taking full advantage of new technologies.

The Impact of New Technology

- ☐ One of the greatest benefits that will accrue from restructuring is the administrative flexibility necessary to produce long-term improvements in efficiency from technology. One key to surviving the economic crisis without massive reductions in services is technology.
- ☐ Through the introduction of new available technologies, the Judiciary has a unique opportunity to improve judicial services, greatly increase access to justice and implement efficiencies that will reduce costs over time.
- ☐ The introduction of the electronic case file and electronic filing enables dramatic increases in efficiency and reductions in cost in two ways: lower personnel costs through the automation of routine activities and the flexibility to accomplish certain activities anywhere in the state without having to duplicate the process in each court.
- ☐ As new technologies, such as the use of videoconferencing, improve communications between courts and users, many types of hearings can occur with the parties and the judge in different locations.

Smaller, Underutilized Courts

- ☐ The resources consumed by the smallest Vermont courts are disproportionate to the demand for court services.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

- ☐ The combined caseloads for Grand Isle and Essex represent less than 2% of the total number of cases filed in Vermont.
- ☐ Although their caseloads require only 4 to 5 days of trial judge time per month, each county is fully staffed five days a week.
- ☐ The cost per case in Essex and Grand Isle is two to three times greater than the statewide average.

Probate Courts

- ☐ The Probate Courts are not fully integrated into the rest of the court system. Probate Court is usually housed in the Superior Court house, but with the exception of Grand Isle, the staff of probate and the staffs of the trial courts exist in separate silos.
- ☐ The Probate Courts rely on county funds for equipment and office systems.
- ☐ Probate employees are hired by the probate judges, but paid out of the state Judiciary budget.
- ☐ Chittenden Probate Court handles 19% of all probate cases statewide and is the only court with a full-time judge. Chittenden is significantly more efficient and less costly than the other Probate Courts.

Assistant Judges

- ☐ Of the \$411,000 paid to the assistant judges by the state for their judicial duties, approximately two-thirds is used to pay assistant judges for the time they spend sitting with the presiding judge.
- ☐ A court order is valid regardless of whether the case is adjudicated by one, two or three judges, and there is simply no evidence that having more than one judge improves the quality of justice. It makes sense to eliminate the cost of this redundancy.
- ☐ The current use of assistant judges to preside over small claims and traffic cases results in a two-tiered justice system, one in which cases that are the most likely to involve self-represented litigants are heard by non-law-trained judges.
- ☐ Use of lay judges to preside over certain types of cases is inconsistent with the principle that all judges in a modern judicial system should be law-trained.
- ☐ Practicing attorneys who currently preside over small claims cases are entitled to earn a maximum reimbursement of \$75 per day, which is half what it costs to have an assistant judge perform the same function. Further, practicing attorneys frequently do not charge for their services. Thus, removing this function from assistant judges makes economic sense.

Key Commission Recommendations

- ☐ **A Single Superior Court with Four Divisions:** The Commission endorses the creation of a single Superior Court with four divisions: Civil, Criminal, Family and Probate. The court should be administered by the Supreme Court on a county basis with staff support directed by a single manager appointed by the Court Administrator and a presiding judge designated by the Administrative Judge for Trial Courts.
- ☐ **Comparable Pay/Benefits for and Management of all Employees:** The Commission further recommends that all employees of the courts within the management control of the Supreme Court be state employees paid according to the same pay scale and eligible for the same benefits. *Total cost to the General Fund: \$1,896,405. Estimated net savings to counties: \$1.2 million in*

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

property tax.

- **Transfer Small Claims Filing Fees to the General Fund:** If the state takes over all of the costs currently borne by the county for staff costs associated with judicial functions, the revenues from small claims filing fees should revert to the General Fund, thereby offsetting a portion of the cost of converting county employees into state employees. *Total revenue added to the General Fund: \$700,000.*
- **Reduce Middle Management Positions in the Trial Courts:** With unification and the creation of a single Superior Court with four divisions and one court manager, the number of middle management positions can be reduced. *Estimated net savings to the General Fund: \$649,907.*
- **Reduce and Transfer Court Staff in the Smallest, Underutilized Courts:** A full-time equivalent position should be maintained in each county for transacting court business such as the filing of pleadings, providing information and referrals to the public and assisting self-represented litigants to the same degree that they do today. The administrative work of these courts should, however, be consolidated with the work of the neighboring larger court. Court hearings may still be held at the Grand Isle or Essex courthouse as appropriate. *Total Saving to the General Fund: \$353,588.*
- **Continue to Maintain County Buildings for Judicial Services:** The Commission recommends that the counties, through the assistant judges, continue to make available the county courthouses for any judicial business that the Supreme Court determines is necessary, under the same cost-sharing arrangement that existed as of July 1, 2009.
- **Improve Access to Justice through Flexible Venue Rules and Improved Assistance to Self-Represented Litigants:** The Commission recommends that venue rules be promulgated by the Supreme Court, subject to review by the Legislative Rules Committee, consistent with effective implementation of new technologies. Such rules will improve convenience for court users, as well as allow the efficient deployment of judicial resources. Following the implementation of electronic filing, the Supreme Court should ensure that sufficient assistance is available for self-represented litigants through service centers at the courthouse, and through trained assistance in areas where maintenance of a service center is not justified by demand.
- **Integrate Probate Court into the Trial Courts:** The Commission proposes integrating the Probate Court into the trial court system by making the Probate Court a division of the newly formed Superior Court. The probate division would be a part of the Superior Court in each of the twelve counties.
- **Require Probate Judges to be Lawyers:** Consistent with the principles of the Commission, the Commission recommends that probate judges be lawyers.
- **Eliminate Redundant Appeals:** All court proceedings in Probate Court should be on the record and appeals from contested Probate Court proceedings should be direct to the Supreme Court, thereby eliminating the redundant appeal to Superior Court over disputed factual issues.
- **Consolidate Judicial Positions:** The Commission recommends that the position of probate judge be a full-time position and that the number of positions be reduced to five. The probate judge from a multi-county district would be expected to travel just as trial judges, magistrates, hearing officers and environmental judges do now. *Total savings attributable to the reduction in the number of probate judges including retirement and health care benefits: \$686,208.*

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

- **Reduce Probate Court Staff:** Consolidation of the Probate Court into the newly organized Superior Court will modernize the system and create efficiencies that will reduce the need for the number of staff the current system supports. *Total savings from probate staff reductions: \$440,377.*
- **Eliminate the Judicial Functions of Assistant Judges:** The Commission recommends that the judicial functions of the assistant judges be eliminated. This recommendation has no impact on the county role of the assistant judge. Under the Commission proposal, assistant judges would continue to be responsible for the county budget and county buildings. In addition, they would continue to oversee the activities of the county sheriffs and provide services such as handling passport applications. The savings to the General Fund would be offset to some degree by filling one of the two vacant hearing officer positions to handle the traffic ticket cases currently adjudicated by assistant judges. *Estimated net savings to the General Fund: \$288,000.*
- **Total estimated savings to the state and county budgets from the aggregate of all Commission proposals is \$1.2 million in property tax savings to the counties and \$1.2 million in savings to the state General Fund.**

The Vision for the Future

Under a unified system, the Judicial Branch can deliver better service at less cost without compromising access to justice. With the advent of technological improvements and a more flexible approach to where a case must be filed and heard, court users can file papers, access information about their case or receive help filling out forms, at any location where the Judicial Branch maintains an office. Such offices could be the clerk's office at the courthouse or a service center designed specifically for litigants, complete with computers and web access, and staffed by an employee whose job is to help court users with access to the courts. Attorneys and litigants will be able to access their cases on the web.

With the advent of a court file that is accessible from any location, court hearings can be scheduled at a courthouse based on convenience to litigants rather than in accordance with rigid and outdated venue rules. Videoconferencing can even permit the judge and the parties to be in different locations during a court hearing, providing even more convenient access for the public and the bar.

The Commission's proposal for a unified system saves \$1.2 million in general fund dollars. More importantly, it addresses the lack of flexibility that threatens the ability of the Judicial Branch to meet its constitutional responsibilities to Vermonters. Without unification, public protection and children at risk will be hardest hit by cutbacks because of outdated and irrational structural limitations on the Supreme Court's management authority. With revenues on the decline for the foreseeable future, the Supreme Court must have more options at its disposal besides reducing access to the courts through furloughs and half-day closings.

Even if Vermont revenues were to improve tomorrow, the unification plan proposes a wiser use of public money by eliminating long overdue redundancies in staff, procedures, and judicial functions. It

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

positions the Judicial Branch to take maximum advantage of future technological improvements that will allow further efficiencies and reduced costs. The plan outlined in this report is largely an internal management plan designed to streamline functions that are for the most part invisible to the public. From the standpoint of the court user, the court system will look virtually the same except that justice will be more, rather than less, accessible.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Judiciary

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	27,145,072	27,238,182	27,406,498	27,254,775
Operating Expenses	7,391,256	10,084,796	10,111,315	10,118,692
Grants	240,085	70,000	70,000	70,000
<hr/> TOTAL	<hr/> 34,776,413	<hr/> 37,392,978	<hr/> 37,587,813	<hr/> 37,443,467
FUND TYPE				
General Fund	30,625,238	30,995,922	31,033,271	30,784,588
Special Fund	1,965,015	3,930,748	4,067,827	3,145,326
Federal Revenue Fund	431,784	546,919	546,919	1,435,418
Interdepartmental Transfer	1,754,376	1,919,389	1,939,796	2,078,135
<hr/> TOTAL	<hr/> 34,776,413	<hr/> 37,392,978	<hr/> 37,587,813	<hr/> 37,443,467

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State's Attorneys

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 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.

Description of Appropriations, Divisions, & Programs

The Department of State's Attorneys has one program - 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 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 FY2011, the breakdown of anticipated costs between personal services and operating expenses is 86% personal services and 14% 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.)

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State's Attorneys

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
State's Attorneys	126	126	126	10,437,576	10,984,205	10,865,038	10,584,913
<hr/> TOTAL	<hr/> 126	<hr/> 126	<hr/> 126	<hr/> 10,437,576	<hr/> 10,984,205	<hr/> 10,865,038	<hr/> 10,584,913
FUND TYPE							
General Fund				8,331,607	8,754,382	8,635,215	8,378,990
Special Fund				120,438	56,675	56,675	32,775
Federal Revenue Fund				11,260	31,000	31,000	31,000
Interdepartmental Transfer				1,974,271	2,142,148	2,142,148	2,142,148
<hr/> TOTAL				<hr/> 10,437,576	<hr/> 10,984,205	<hr/> 10,865,038	<hr/> 10,584,913

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State's Attorneys

Appropriation Key Budget Issues

The key budget pressure for the Department of State's Attorneys in 2011 is the cost of an effective trial program. Additional pressures are decreasing federal dollars to support critical Department victim advocate and grant funded prosecutor positions.

Effective Trial Program A strong trial program is essential to the effective performance of the Department. The great majority of cases are resolved short of trial because the Department is able and willing to take a case to trial. Fair and firm plea negotiations to resolve cases depends upon the Department's prospects for success at trial.

While case disposition by trial is the exception and not the rule, the Department does conduct a number of complete trials each year. Depending on the nature of the offense, success at trial may require one or more expert witnesses. For example, in a homicide case involving competency or other mental health issues, expert witness testimony runs into thousands of dollars.

The Department has instituted and continues to utilize 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 budget request for trial experts for all 14 counties reflects the upward pressure of both with a heavy case load and hourly expert witness rates that at a minimum are \$150.00 per hour.

As part of its trial program, and as its preferred method of case management, the Department will continue to move toward vertical prosecution. Vertical prosecution means that the same prosecutor handles a case from initial charging decision straight through to final appeal. This approach not only ensures that the person handling a case is most familiar with its strengths and weaknesses, but also provides a consistent point of contact for crime victims. While the Department lacks sufficient attorneys to adopt vertical prosecution as standard practice, and court scheduling conflicts often require attorneys to cover for one another (especially in those counties with more than one presiding judge), the Department will continue to implement vertical prosecution where possible.

The potential for decline in federal support will continue to be a concern.

Continued Implementation and Maintenance of CRIMES Database The Department's operating budget mainly covers the cost of rents, telecommunications, data circuits/computers, and postage. These four items account for over 70% of the Department's 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 funds 15 offices and the infrastructure that each office requires.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State's Attorneys

In FY2005, FY2006, and FY2007, the Department continued to implement CRIMES, an integrated database that enhances the Department's handling of its case loads, as well as significantly improve the Department's ability to work with the larger criminal justice community in an increasingly data-rich environment. The Department must rely upon its operating budget for annual maintenance costs. The Department has performed an essential upgrade to its data circuit network in FY2010.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State's Attorneys

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	9,105,764	9,685,589	9,278,009	9,447,680
Operating Expenses	1,146,265	1,298,616	1,587,029	1,137,233
Grants	185,547	0	0	0
<hr/> TOTAL	<hr/> 10,437,576	<hr/> 10,984,205	<hr/> 10,865,038	<hr/> 10,584,913
FUND TYPE				
General Fund	8,331,607	8,754,382	8,635,215	8,378,990
Special Fund	120,438	56,675	56,675	32,775
Federal Revenue Fund	11,260	31,000	31,000	31,000
Interdepartmental Transfer	1,974,271	2,142,148	2,142,148	2,142,148
<hr/> TOTAL	<hr/> 10,437,576	<hr/> 10,984,205	<hr/> 10,865,038	<hr/> 10,584,913

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Sheriffs**

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.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Sheriffs

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Sheriffs	38	38	38	3,293,129	3,662,987	3,466,825	3,599,330
TOTAL	38	38	38	3,293,129	3,662,987	3,466,825	3,599,330
FUND TYPE							
General Fund				3,293,129	3,662,987	3,466,825	3,599,330
TOTAL				3,293,129	3,662,987	3,466,825	3,599,330

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Sheriffs

Appropriation Key Budget Issues

Prisoner Transports: The challenges for the transport program in FY2011 are both structural and financial. The structural challenge continues to be the number of transports. Coordinated effort by Sheriffs, the Court Administrator, Corrections, and the Defender General in the past has helped the Department to reduce the number of transports. The transport program remains, however, the Department's most serious fiscal challenge.

With vigilance in scheduling and careful use of per diem deputies to keep costs down, Sheriff's seek to control transport costs. If there is an upward trend in using transports in FY2011, it will be difficult to meet the budget target.

The Sheriffs are doing everything in their power to reduce costs. At this juncture, the use of video conferencing of appropriate court hearings and telephone status conferences, if prisoners are involved, could be key in reducing these costs.

Position Funding: The Sheriffs Department consists of 38 State-paid positions: 14 elected Sheriffs; 23 transport deputy sheriffs; and 1 administrative position located in Montpelier. The administrative position provides central financial, payroll, and transport support to the 14 offices around the state. Except for funding per diem transport deputy sheriffs and associated transport mileage, and State assessments for financial processing and insurance, the Department's appropriation is entirely dedicated to funding its 38 positions. There is minimal operating support provided to the 14 local sheriff offices. Consequently, the Department uses position vacancies to absorb any funding shortfall. The Sheriffs continue to strive for efficiency in the transport program to control budget costs.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Sheriffs

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,927,323	3,306,718	3,128,056	3,315,504
Operating Expenses	365,806	356,269	338,769	283,826
<hr/> TOTAL	<hr/> 3,293,129	<hr/> 3,662,987	<hr/> 3,466,825	<hr/> 3,599,330
FUND TYPE				
General Fund	3,293,129	3,662,987	3,466,825	3,599,330
<hr/> TOTAL	<hr/> 3,293,129	<hr/> 3,662,987	<hr/> 3,466,825	<hr/> 3,599,330

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Safety**

Department Mission Statement

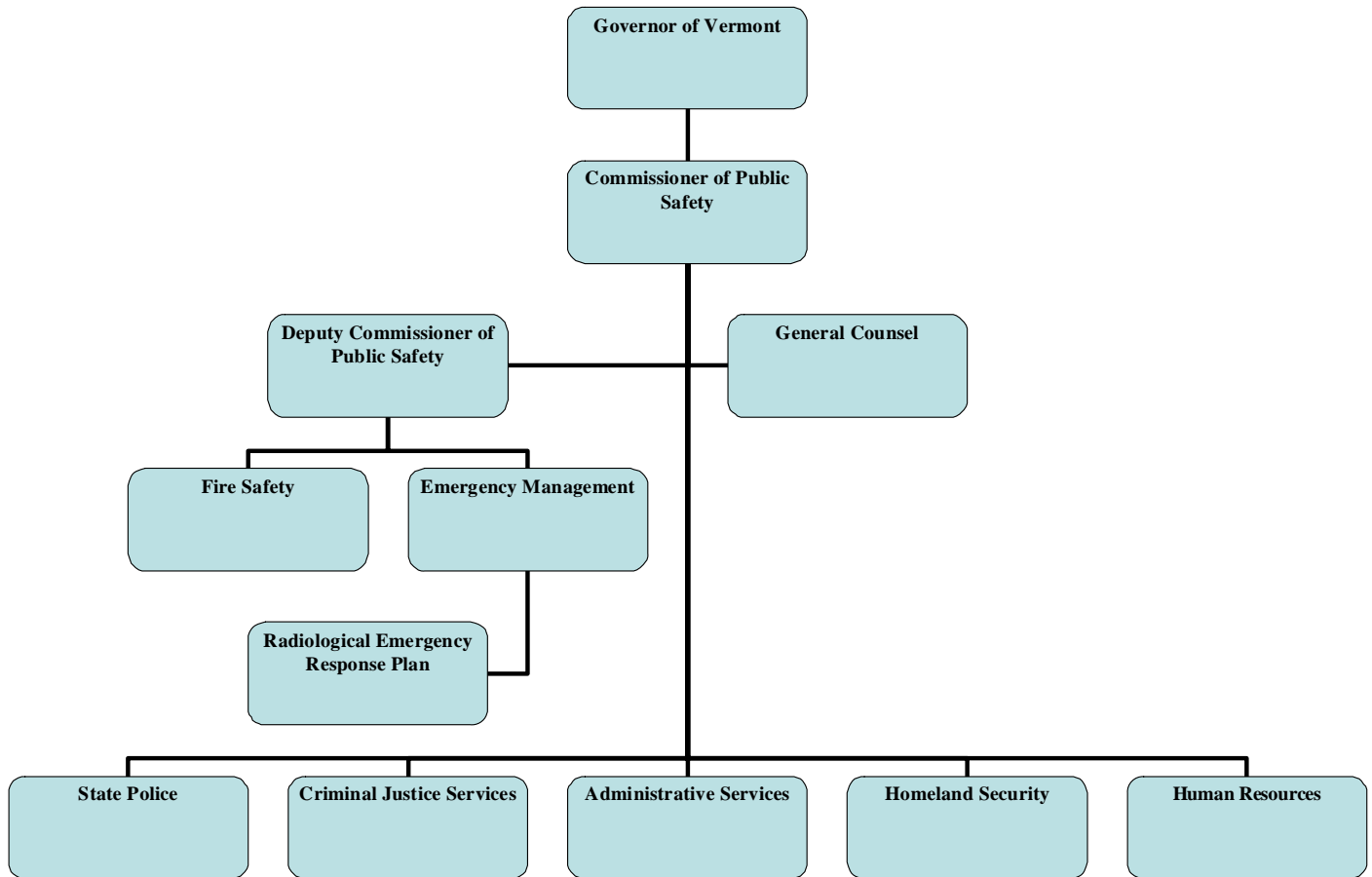
The mission of the Department of Public Safety is to provide law enforcement services, criminal justice systems support, emergency management, fire prevention activities and fire fighter training programs for the State of Vermont.

CREATION OF THE DEPARTMENT

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). No. 141 of the Acts of 2004 created the Fire Safety Division in the Department of Public Safety consisting of the Fire Prevention Division from the Department of Labor and Industry and incorporation of the Fire Service Training Council within Public Safety.

Description of Appropriations, Divisions, & Programs

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Safety

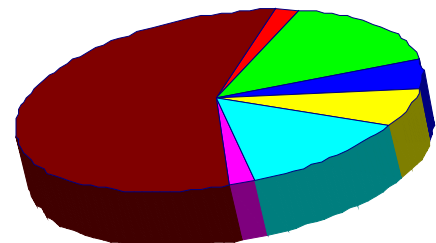
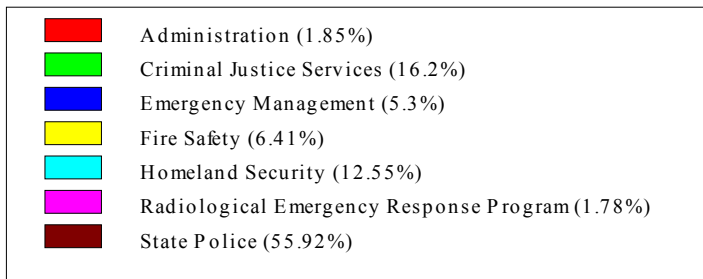


The Department of Public Safety is organized into seven appropriations: Administrative Services, Homeland Security, Vermont State Police, Criminal Justice Services, Vermont Emergency Management, the Radiological Emergency Response Program and the Fire Safety Division; which was added in FY 2005 by combining the former Fire Prevention Division from Labor and Industry with the Fire Services Training Council.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Safety

DEPARTMENT SUMMARY BY APPROPRIATION

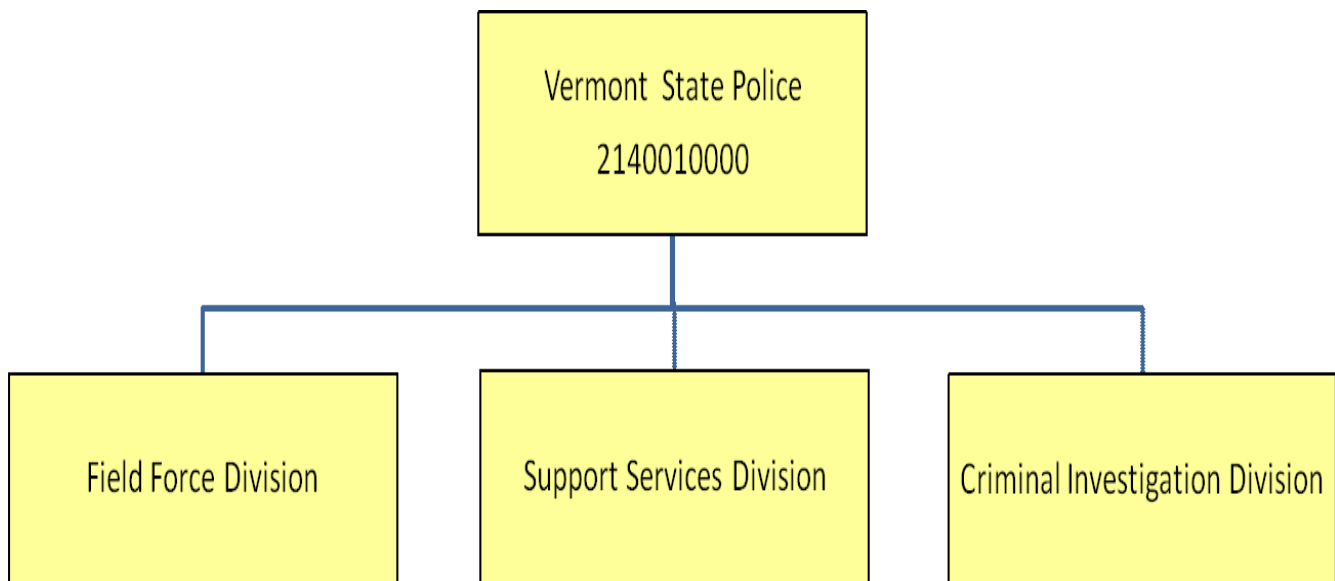
	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
Department	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
State Police	466	461	458	48,650,349	54,020,827	53,261,012	54,874,650
Criminal Justice Services	70	65	66	14,233,977	11,964,506	11,872,062	15,894,209
Emergency Management	15	14	13	3,222,008	3,845,054	3,973,534	5,197,315
Fire Safety	58	58	57	5,743,448	6,042,560	6,705,639	6,290,033
Administration	26	22	19	1,816,535	1,891,492	1,613,885	1,816,419
Homeland Security	10	8	8	3,289,789	7,302,592	7,293,238	12,312,131
Radiological Emergency Response Program	9	8	8	1,525,738	1,712,471	1,712,471	1,749,576
TOTAL	653	636	628	78,481,844	86,779,502	86,431,841	98,134,333
FUND TYPE							
General Fund				16,026,253	20,068,605	17,569,028	31,333,355
Transportation Fund				33,289,224	28,352,807	28,352,807	24,852,807
Special Fund				10,207,594	10,519,279	10,352,645	11,337,855
American Recovery & Reinvestment Act				0	7,461,782	3,061,782	1,905,926
Federal Revenue Fund				16,346,752	17,810,979	17,810,979	27,243,313
Interdepartmental Transfer				2,612,021	2,566,050	9,284,600	1,461,077
TOTAL				78,481,844	86,779,502	86,431,841	98,134,333



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Police

Appropriation Key Budget Issues

State Police



The Vermont State Police includes 327 sworn members and 152 civilian personnel. They are the primary law enforcement agency in the state, providing 24 hour coverage to 212 of the state's 257 towns and villages or 46% of the state population on a full-time basis. In geographic terms, this accounts for 84% of the total land area in Vermont.

The State Police is led by the Director and has three divisions identified as the Field Force or Uniform Division, Criminal Investigation Division and the Support Services Division.

Field Force Division

The Field Force Division of the Vermont State Police consists of 234 sworn members, 41 civilian staff members, and 100 Emergency Communications Dispatchers.

The Uniform Division's mission is to fairly and aggressively enforce Vermont's laws and provide for the safety of the citizens of Vermont and its visitors. Troopers strive to perform their duties in an unbiased fashion reinforcing the public trust and inspiring public confidence. Our departmental

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Police

resources provide services from conventional patrol and investigation to comprehensive responses to major incidents.

Troopers utilize cooperative and data driven law enforcement strategies. Beyond conventional emergency calls, Troopers protect families against sexual predators, target domestic violence, combat substance abuse, and work with all communities for emergency preparedness.

The Vermont State Police have developed a variety of specialized teams and resources staffed by highly trained sworn and civilian members. These "Special Teams" include Critical Incident Dispatch Team, Search and Rescue, Tactical Services Unit, Hostage Negotiation Unit, Bomb Team, SCUBA Team, PEER Support, and Crash Reconstruction Team. The Vermont State Police have two Mobile Command Posts that respond with total dispatch capabilities (Critical Incident Dispatch Team). We stand ready to assist all our allied agencies in times of crisis both statewide and throughout New England.

The Field Force Division is responsible for operating four Public Safety Answering Points (PSAPs) staffed by professional civilian Emergency Communication Dispatchers (ECDs). Beside providing all primary radio communications for State Police, their duties include taking approximately 90% of E911 calls for service, emergency and non emergency calls for service ensuring that first responders have been dispatched to critical incidents.

Criminal Investigation Division

The Criminal Investigation Division consists of 67 sworn members, with 1 civilian member and is divided into two units, the Bureau of Criminal Investigation (BCI) and the Special Investigations Section (SIS). The Bureau of Criminal Investigation investigates all major crimes that are brought to their attention. Their primary focus is on death investigations, including homicides, fatal fires, untimely deaths and major crime cases. Secondary priorities include fire investigations, sex crimes and drug investigations. This includes the investigation of criminal conduct allegations made against Vermont law enforcement officers. 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 to include the processing of major crime scenes with the Vermont State Police Crime Scene Search Team (CSST).

The Special Investigations Section (SIS) is comprised of four 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 Protective Services unit provides personal security and transportation to the Governor. Members of

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Police

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.

The Special Investigations Unit (SIU) investigates crimes of a sexual nature and extreme cases of child abuse and neglect. Troopers assigned to this unit work in conjunction and cooperation with local police agencies in investigating these crimes as well as the Department of Children and Families, state prosecutors and victim advocacy organizations statewide in a multi-disciplinary team approach to the investigation and prosecution of these crimes. The unit is comprised of (1) Lieutenant, (2) Sergeants a North and South Supervisor, and (12) Detective Troopers assigned to County SIU's.

Support Services Division

The mission of the Support Services Division is to provide all civilian and sworn personnel of the Vermont State Police with the resources required to effectively perform their assigned duties and to enhance the capabilities of the Vermont State Police. Each section within the Support Services Division is an integral part of the planning and management of a broad range of services provided to the organization.

The Division is broken down into three sections, namely Staff Operations, Homeland Security and Fleet Services.

Staff Operations

The Office of Staff Operations is housed within the Support Services Division and is comprised of the Office of Professional Development, Office of Technology Services, the Vermont State Police Quartermaster and Public Information Officer.

The **Office of Professional Development/Training** supports the career and professional development of every sworn member, auxiliary trooper and emergency communications personnel and will work cooperatively with all stakeholders to:

- ☐ Establish outreach programs to recruit and hire individuals whose core values reflect those of the Vermont State Police.
- ☐ Promote individual development and advancement through continuing training and development programs designed to build and expand professional skills and knowledge.
- ☐ Endorse programs that foster the total health and well-being of our members.
- ☐ Retain talented individuals within the Vermont State Police.
- ☐ Engender a culture of mentorship throughout the department.
- ☐ Cultivate the next generation of public safety leaders.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Police

- ☐ Engage members in the policy and procedure review and development process.

The **Office of Technology Services** enhances the productivity of our members and provides easy access to information technology services. The Office of Technology Services is the foundation of user support and will:

- ☐ Provide a single point of contact for accessing technology based resources and services.
- ☐ Implement cost-effective technology solutions, including web-based technology support.
- ☐ Maintain the state police internet web page and the intranet resource page for VIBRS users.
- ☐ Significantly increase managerial oversight of technology purchases, inventory, and systems.
- ☐ Coordinate the technology requirements of the state police with Criminal Justice Services personnel.
- ☐ Provide oversight of building construction and renovation projects.
- ☐ Support the technology requirements of our emergency communication centers.
- ☐ Augment our ability to detect and apprehend those who exploit and victimize others through the use of technology.

The Vermont State Police **Public Information Officer** will respond to media inquiries and public relations requests as quickly, completely and accurately as possible.

The role of the **Quartermaster** is to provide supply support and field services to members of the department and will:

- ☐ Manage efficient and cost-effective equipment inventory and distribution systems
- ☐ Maintain positive relationships with department supply vendors
- ☐ Prepare and submit equipment purchase orders
- ☐ Participate in sworn staff inspection functions
- ☐ Provide Honor Guard services for special events

The **Office of Internal Affairs** was established by the legislature in 1979. The enacting legislation can be found at [20 V.S.A. §1923](#)

<http://www.leg.state.vt.us/statutes/fullsection.cfm?Title=20&Chapter=113&Section=01923>. The purpose of the Office of Internal Affairs is to investigate, or cause to be investigated, all complaints regarding conduct by members of the Vermont State Police.

Homeland Security

Based on the recommendation of Governor Douglas and State Legislative approval, the Homeland Security Unit (HSU) was established within the Department of Public Safety in July 2002. The primary mission of the HSU is to provide coordination and support to all local and state response organizations to ensure that the state is adequately prepared for any type of incident. The HSU coordinates Homeland

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Police

Security Grants to provide funding for terrorist or all-hazard preparedness efforts in the areas of planning, training, exercises, and equipment.

Fleet Services is an integral part of the Support Services Division. The Unit's responsibilities include:

- ☐ Vehicle purchase/issuance
- ☐ Maintenance and repairs
- ☐ Installation of emergency equipment
- ☐ Fuel
- ☐ Vehicle crashes
- ☐ Surplus vehicles disposal

Fleet Services performs many of the large repairs and all of the outfitting and striping of State Police vehicles. The Unit works closely with local repair facilities for overflow maintenance, routine preventative maintenance and parts procurement. In addition, Fleet Services operates an intra-department wrecker service and is responsible for capturing vehicle usage data for trend analysis and the replacement cycle. Unit personnel also work closely with Driving Instructors to support the Emergency Vehicle Operation Course training cycle by ensuring vehicles are available and ready for training.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Police

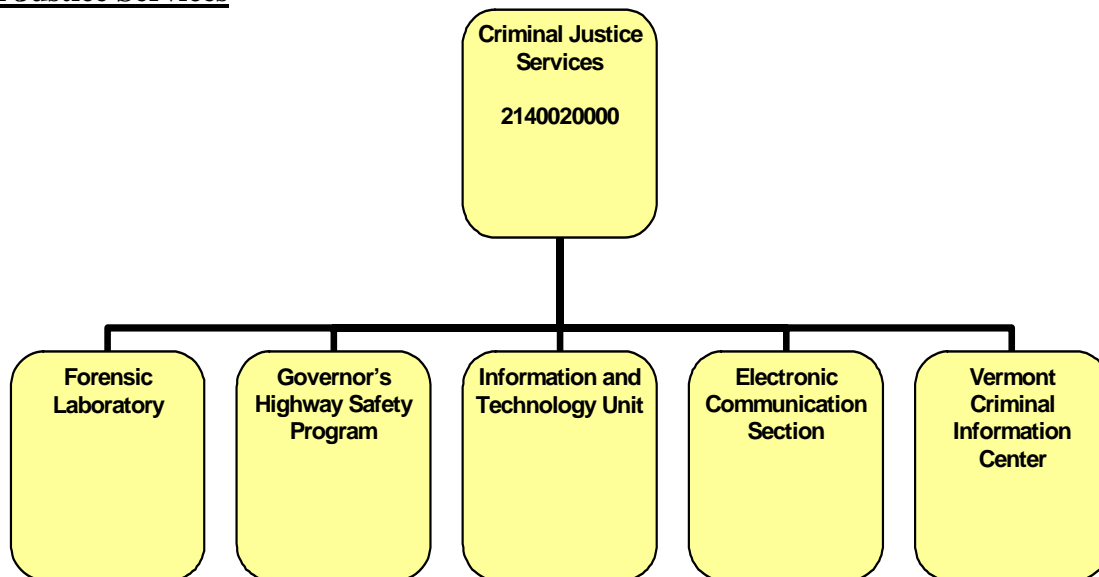
APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	40,083,553	42,024,804	41,474,760	45,807,970
Operating Expenses	7,543,501	11,413,936	11,204,165	8,211,814
Grants	1,015,912	582,087	582,087	854,866
Other Financing Uses Budget	7,383	0	0	0
<hr/> TOTAL	<hr/> 48,650,349	<hr/> 54,020,827	<hr/> 53,261,012	<hr/> 54,874,650
FUND TYPE				
General Fund	12,486,948	16,465,183	13,542,727	22,801,332
Transportation Fund	28,769,261	23,731,384	23,771,454	24,852,807
Special Fund	2,167,343	1,910,795	1,883,366	2,116,262
American Recovery & Reinvestment Act	0	7,461,782	3,061,782	969,703
Federal Revenue Fund	2,835,714	2,159,888	2,159,888	2,826,886
Interdepartmental Transfer	2,391,083	2,291,795	8,841,795	1,307,660
<hr/> TOTAL	<hr/> 48,650,349	<hr/> 54,020,827	<hr/> 53,261,012	<hr/> 54,874,650

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Criminal Justice Services**

Appropriation Key Budget Issues

Criminal Justice Services



Criminal Justice Services, headed by a civilian Director, is responsible for providing system support to a variety of state, county and local criminal justice agencies. Evidence analysis is available from the Vermont Forensics Laboratory serving all law enforcement agencies in Vermont. The Vermont Criminal Information Center (VCIC), the state central repository for criminal information, disseminates criminal information for criminal and non-criminal justice purposes. VCIC also manages the sex offender registry program and the marijuana registry along with all NCIC information. The Electronic Radio Communication Section manages the two-way radio system for the Vermont State Police and other State agencies along with the State's digital microwave network. The Information Technology Section operates a wide area network that provides a system of electronic services to over 2100 users both at the state, county and municipal level. These services are mission-critical information technology applications for the effective and efficient support of law enforcement services throughout the state. The Governor's Highway Safety Program offers funding and advocacy to state and local jurisdictions on traffic safety issues that are designed to reduce the incidence of death, injury and property damage on Vermont's highways.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Criminal Justice Services

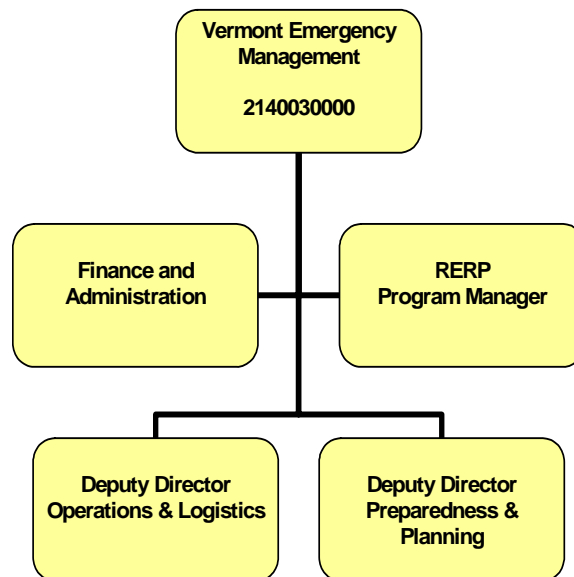
APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	6,224,793	6,078,888	5,990,389	6,625,882
Operating Expenses	2,547,561	2,976,224	2,972,279	3,291,327
Grants	5,461,623	2,909,394	2,909,394	5,977,000
<hr/> TOTAL	<hr/> 14,233,977	<hr/> 11,964,506	<hr/> 11,872,062	<hr/> 15,894,209
FUND TYPE				
General Fund	663,751	756,092	750,857	5,546,732
Transportation Fund	4,480,994	4,557,454	4,557,454	0
Special Fund	1,597,259	1,860,980	1,773,771	1,972,320
American Recovery & Reinvestment Act	0	0	0	640,956
Federal Revenue Fund	7,388,116	4,689,372	4,689,372	7,645,784
Interdepartmental Transfer	103,857	100,608	100,608	88,417
<hr/> TOTAL	<hr/> 14,233,977	<hr/> 11,964,506	<hr/> 11,872,062	<hr/> 15,894,209

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Emergency Management**

Appropriation Key Budget Issues

Vermont Emergency Management



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 20, VEM manages programs that include state and local government emergency planning, local government outreach, radiological emergency preparedness (nuclear power plant), hazardous materials compliance, response and disaster prevention planning and mitigation. In addition, VEM staffs the state warning point that coordinates the assessment of response to the daily hazard incidents that occur in the state 24/7. The key to VEM's success 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. Sub-grants are awarded to the Local Emergency Planning Committees, Community Emergency Response Teams, Regional Planning Commissions, and municipalities for recovery, mitigation and preparedness activities.

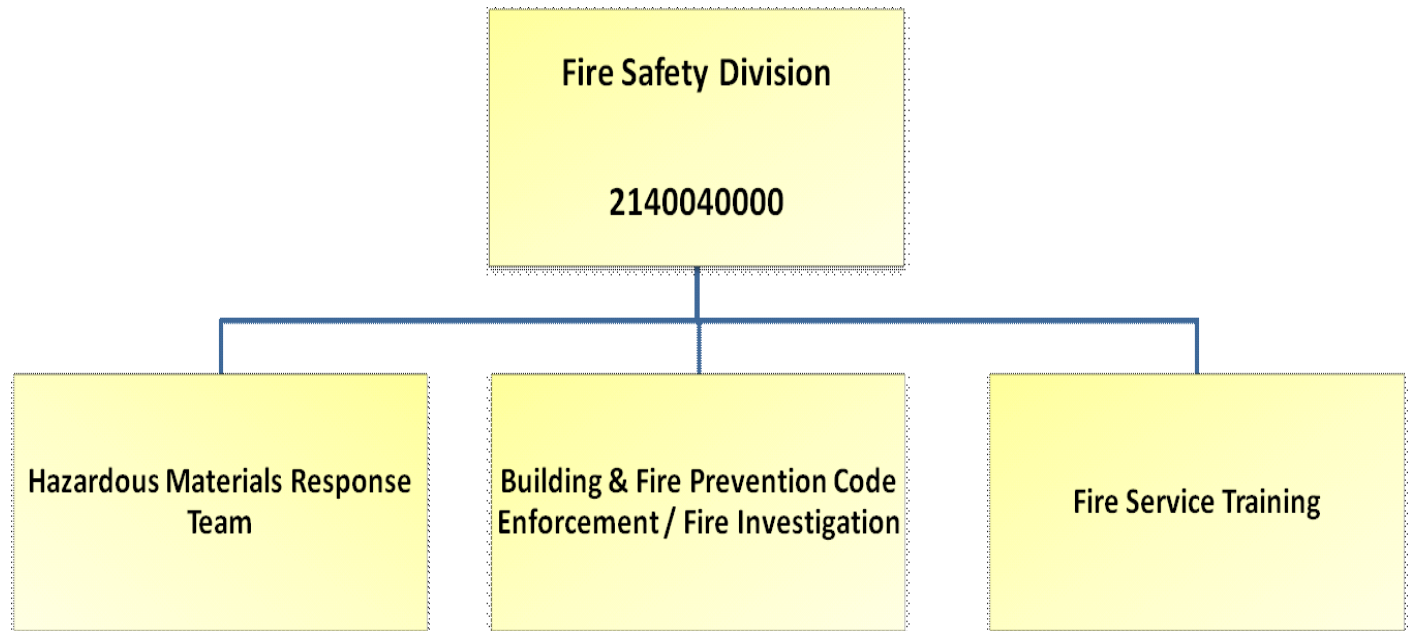
STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Emergency Management

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,268,067	1,778,662	1,907,142	2,716,202
Operating Expenses	629,091	1,246,992	1,246,992	879,113
Grants	1,324,850	819,400	819,400	1,602,000
<hr/> TOTAL	<hr/> 3,222,008	<hr/> 3,845,054	<hr/> 3,973,534	<hr/> 5,197,315
FUND TYPE				
General Fund	0	0	0	63,969
Transportation Fund	38,969	63,969	23,899	0
Special Fund	174,243	168,831	168,831	224,014
Federal Revenue Fund	2,953,140	3,612,254	3,612,254	4,889,332
Interdepartmental Transfer	55,656	0	168,550	20,000
<hr/> TOTAL	<hr/> 3,222,008	<hr/> 3,845,054	<hr/> 3,973,534	<hr/> 5,197,315

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Fire Safety

Appropriation Key Budget Issues



The Fire Safety Division ensures the safety of the public through enforcement, education and certification programs. The Division, with 58 positions located in Berlin, Rutland, Springfield and Williston, has responsibility for the safety and accessibility of Vermont's 80,000 public buildings. The Division administers fire, electrical, boiler/pressure vessel and plumbing safety and licensing 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 provides 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 plan reviews, 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. The Division's remaining funds are general funds and transfers from other departments.

Fire Service Training was originally created as the Vermont Fire Service Training Council on May 3,

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Fire Safety

1988, when Governor Madeleine Kunin signed into law Senate Bill - S-83. The 11 member VFSTC was formed to conduct and administer training schools and courses for the firefighters of the State of Vermont, a program which continues in its present configuration within the Fire Safety Division of the Department of Public Safety. The Training Council continues to develop training and certification programs for all Vermont firefighters. The chief training officer is appointed by and reports to the Director of the Fire Safety Division.

The chief training officer 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 10 positions and is responsible for administering, developing, delivering, and documenting the efforts of firefighting students in many different programs. Firefighter training programs are available to the 6,500 Vermont firefighters / 243 fire departments. These include Firefighter I, Fire Instructor I, Hazardous Materials, Incident Management and Terrorism related courses.

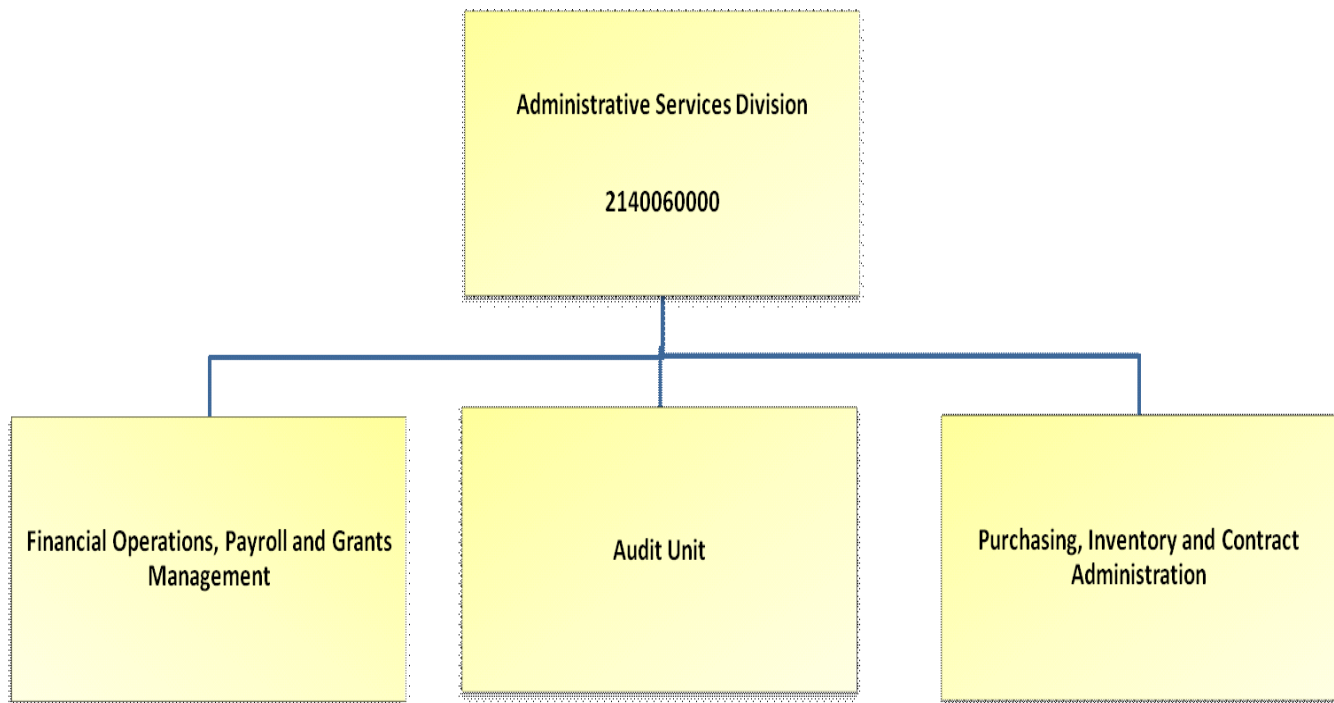
STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Fire Safety

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	4,521,225	4,396,900	5,063,902	4,953,243
Operating Expenses	1,167,223	1,590,660	1,586,737	1,281,790
Grants	55,000	55,000	55,000	55,000
<hr/> TOTAL	<hr/> 5,743,448	<hr/> 6,042,560	<hr/> 6,705,639	<hr/> 6,290,033
FUND TYPE				
General Fund	697,165	590,719	1,305,794	714,083
Special Fund	4,743,011	4,866,202	4,814,206	5,275,683
Federal Revenue Fund	241,847	411,992	411,992	255,267
Interdepartmental Transfer	61,425	173,647	173,647	45,000
<hr/> TOTAL	<hr/> 5,743,448	<hr/> 6,042,560	<hr/> 6,705,639	<hr/> 6,290,033

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration**

Appropriation Key Budget Issues



Administrative Services provides a full range of financial services, payroll administration, grants management, auditing, purchasing and contract administration for all Public Safety divisions. Bill paying, purchasing administration, payroll and auditing activities are all managed through a central office operation consisting of 14 positions at the department headquarters in Waterbury. The audit unit provides financial monitoring and outreach to sub-recipients and review of internal procedures and fiscal controls. Grants Management is responsible for monitoring the department's various Federal revenue sources and related programs. The objective is to keep managers and staff informed as to the availability and application of Federal resources and review issues of cost allowability to ensure optimum utilization of federal grant funds. Recommendations are prepared for the department's executive staff on funding opportunities that would enhance and improve the various business activities of the department through a coordinated grants management program.

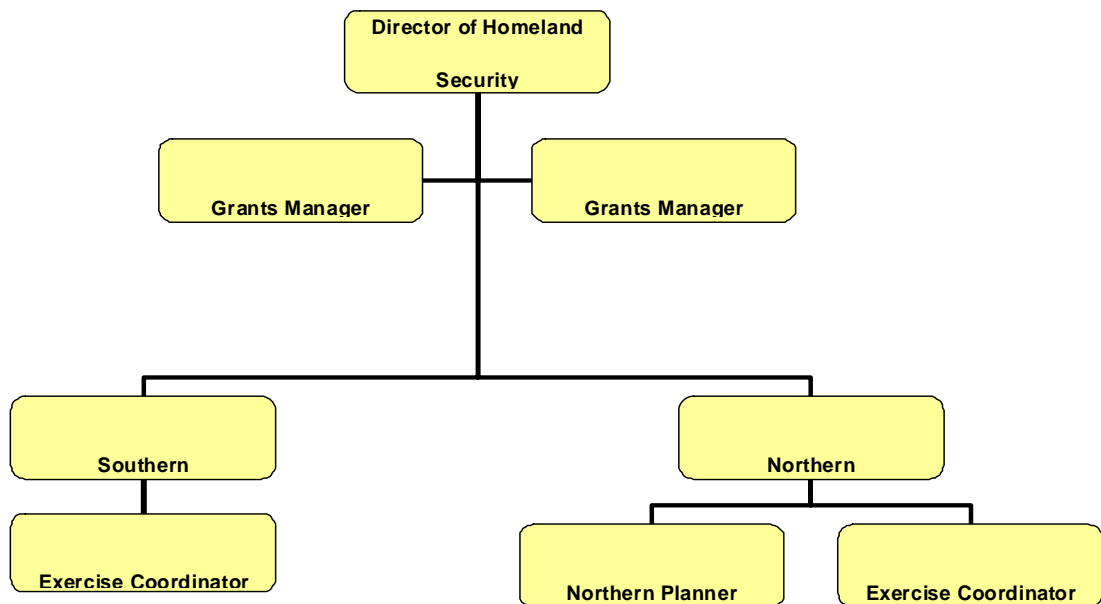
STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,651,829	1,696,711	1,423,940	1,619,185
Operating Expenses	164,706	194,781	189,945	197,234
<hr/> TOTAL	<hr/> 1,816,535	<hr/> 1,891,492	<hr/> 1,613,885	<hr/> 1,816,419
FUND TYPE				
General Fund	1,779,913	1,861,340	1,583,733	1,776,694
Federal Revenue Fund	36,622	30,152	30,152	39,725
<hr/> TOTAL	<hr/> 1,816,535	<hr/> 1,891,492	<hr/> 1,613,885	<hr/> 1,816,419

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Homeland Security**

Appropriation Key Budget Issues



Homeland Security Division

The Department of Public Safety Homeland Security Unit (HSU) was developed to enhance public safety by promoting coordinated prevention and response to a terrorist incident among all Vermont's first response agencies. Further it is the mission of HSU to implement the National Priorities through collaboration with first responders and emergency management personnel. The HSU consists of 8 positions (3 sworn State Police officers and 5 civilian classified employees) and currently contracts with one individual who serves as a planner for specific tasks to the Vermont Homeland Security Unit. The Vermont State Police Troop Commanders work closely with HSU for operational issues and have been appointed by the Commissioner as Public Safety District Coordinators as defined by Title 20. The Homeland Security Unit has been charged with four critical missions:

a. Gather, evaluate and disseminate all crimes and threat information - The HSU works in a collaborative effort with the Vermont Fusion Center, the Federal Bureau of Investigation, the federal Department of Homeland Security and many other local, state, federal and international law enforcement agencies in an effort to keep our first response agencies, government officials and private industry informed of the most up-to-date terrorist threat information. The HSU facilitates the distribution of updated crime threats to local stakeholders, has partnership with the US Attorney's Office Anti Terrorism Task Force, New York State, and the Province of Quebec and actively participates in the FBI's Joint Terrorism Task Force.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Homeland Security

- b. All Hazard response plans - The HSU works in partnership with local stakeholders and provides guidance, training and federal homeland security funding to Vermont's first responder and governmental entities to assist in the development of local and statewide all hazards response plans.
- c. . Train local state and federal partners in All-Hazard response planning through the two Public Safety Academies with a specific focus on incident command system and training related to the prevention, protection and response to a terrorist incident. The HSU coordinates approved response training programs through the Vermont Police and Fire Academies. The HSU has facilitated grant funding to these Academies to ensure that all Vermont first responders receive the training required to be able to Prevent, Protect Against, Respond To, and Recover from Terrorist Incidents.
- d. Manage and administer federal homeland security grants - Since 1999, the Vermont Homeland Security Unit has received approximately \$92 million dollars of federal homeland security funding. Since that time, the HSU has been the single point of contact with the federal government for the receipt and distribution of these federal preparedness funds. The HSU works with over 8,000 first responders, 450 first response agencies and during any one year provides grant funds to over 300 sub-grantees.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Homeland Security

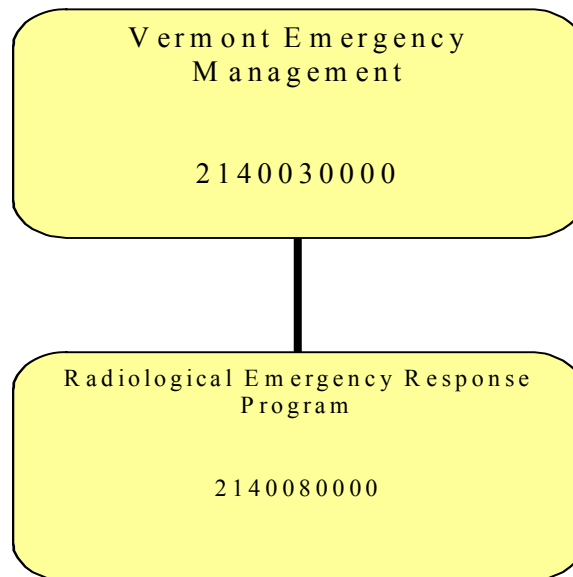
APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	877,492	1,252,863	1,250,337	9,213,757
Operating Expenses	536,684	4,999,729	4,992,901	718,374
Grants	1,882,995	1,050,000	1,050,000	2,380,000
Other Financing Uses Budget	(7,382)	0	0	0
TOTAL	3,289,789	7,302,592	7,293,238	12,312,131
FUND TYPE				
General Fund	398,476	395,271	385,917	430,545
American Recovery & Reinvestment Act	0	0	0	295,267
Federal Revenue Fund	2,891,313	6,907,321	6,907,321	11,586,319
TOTAL	3,289,789	7,302,592	7,293,238	12,312,131

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Radiological Emergency Response Program**

Appropriation Key Budget Issues

Radiological Emergency Response Program (RERP)



RADIOLOGICAL EMERGENCY RESPONSE PROGRAM

The Radiological Emergency Response Program includes the overall planning support activity in the Waterbury office and the specific on-site support program in the Emergency Planning Zone (EPZ) office located in Brattleboro. This latter effort is designed to provide a direct interface and coordination with the communities and other affected entities in the EPZ that are at risk from the nuclear power plant in Vernon. RERP is a separate appropriation within Vermont Emergency Management.

Planning: Reviews, revises and distributes more than 100 state and local emergency response plans for a potential incident at Vermont Yankee Nuclear Power Station in Vernon, Vermont.

Training: The staff coordinate develops and conducts training for staff and emergency workers at various facilities and teams.

Coordination: Ensures that plans and training enable the various facilities and teams to work as a cohesive system.

Resource Allocation: Provides funding for communities, organizations, and state agencies to assist in being prepared for an incident.

Preparedness: Conducts tests, drills, inventories, readiness checks, etc., to ensure that facilities and equipment are prepared for an incident, including evacuation. Maintains communication structure to support the emergency planning zone within the 10-mile zone around VY.

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Radiological Emergency Response Program**

Administration: Provides financial management, support services and logistics to participant organizations.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Radiological Emergency Response Program

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	564,628	695,571	695,571	657,163
Operating Expenses	211,708	273,382	273,382	215,438
Grants	749,402	743,518	743,518	876,975
<hr/> TOTAL	<hr/> 1,525,738	<hr/> 1,712,471	<hr/> 1,712,471	<hr/> 1,749,576
FUND TYPE				
Special Fund	1,525,738	1,712,471	1,712,471	1,749,576
<hr/> TOTAL	<hr/> 1,525,738	<hr/> 1,712,471	<hr/> 1,712,471	<hr/> 1,749,576

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Military**

Department Mission Statement

The state mission of the Vermont National Guard is “Soldiers and Airmen of the Vermont National Guard serve, protect, and defend the citizens of our Communities, State and Nation; ensuring our security and preserving our freedoms.” The State of Vermont Military Department commands and supports the National Guard as mandated by state and federal constitutions. The department is also required by State law to provide support to Vermont Veterans. The Department is administered by the Adjutant General and includes the Vermont Army and Air National Guard as well as a State work force integrated into these organizations. The Vermont National Guard serves as a military force available to the governor in the event of state emergencies which exceed the capability of civil authorities and as a federal force, providing an immediate operational force for both the US Army and US Air Force in times of national emergency or war.

Description of Appropriations, Divisions, & Programs

APPROPRIATIONS: In FY2009, the Military Department received approximately \$213,000,000 combined Federal and State dollars to administer the military and state work force, maintain facilities, as well as train and equip the military force. The State of Vermont provided \$3,138,020 of that total amount in general funds.

COMPONENTS: As a State force, the Military Department has provided relief services to citizens of Vermont and other states on numerous occasions. This support ranges from providing water storage units in time of drought, helping to bring power and services to storm ravaged areas, to road repair and evacuation in time of flood and other natural disasters.

During the last 5 years, the Military Department has also been tasked with providing support to over 2,500 deployed Vermont Army and Air National Guard members during their participation in combat operations in Afghanistan and Iraq, as well as other operations worldwide. This support includes maintenance support for the armories throughout the State, assisting with implementing additional security measures as required at Camp Johnson, VTANG and the Aviation Flight Facility; and providing facilities for the feeding and housing of soldiers called to duty for homeland security missions throughout the country.

	FY 2011	FY 2011	FY 2011
MILITARY DEPARTMENT	General Funds (G/F)	Federal Funds(F/F)	Special Funds(S/F)

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Military**

ADMINISTRATIVE COMPONENT (6 Employees)

\$846,575 (G/F) \$ 0 (F/F) \$0 (S/F)

Essential Services:

- 1. Support the Adjutant General's Mission**
 - 2. Financial services for the Military Department, through the budgeting process, securing funding for employees' salary and benefits; along with operating funds to maintain the Vermont National Guard and state owned buildings.**
 - 3. Human Resources for the Military Department's employees to include, but not limited to, processing payroll, disciplinary actions, leave and benefits and the HCM System.**
 - 4. Coordinate State Active Duty when called to order by the Governor for a state or national emergency.**
-

AIR SERVICE COMPONENT (58 Emp)

\$468,392 (G/F) \$5,364,894 (F/F) \$0 (S/F)

Air Fire Department Section

\$0 \$2,300,837 (F/F) \$0

- 1. Provide fire protection and medical services to the Vermont Air National Guard, Burlington International Airport and their tenants, and mutual aid services to Chittenden County.**
- 2. Fire prevention services for the Vermont Air National Guard, to include code enforcement, inspection, and building code enforcement.**
- 3. Provide heavy rescue services for the city of Winooski and first response for the Northeast area of the City of South Burlington.**
- 4. Respond when called to order by the Governor for a state or national emergency.**

Vermont Starbase Youth Program

\$0 \$687,936 (F/F) \$0

- 1. Support the Vermont National Guard's community service mission.**
- 2. Provide hands on education for at-risk, disadvantaged youth and their schools in Vermont.**
- 3. Inspire greater student interest, knowledge and skills in STEM (science, technology, engineering and math) to address educational standards and economic security for our**

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Military**

state and nation.

4. Teach children to work cooperatively, resist drugs and alcohol, and achieve their potential.
5. Develop and maintain successful educational partnerships with Vermont schools, giving highest priority to schools with the greatest need (Title I status).
6. Starbase is 100% federally funded by the Department of Defense.
7. Please visit www.starbasevt.org <<http://www.starbasevt.org>> for more details.

Air Environmental Management Section

\$20,861 (G/F) \$62,585 (F/F) \$0

1. Support the Adjutant Generals' and Air Force Mission
2. Maintain the VT Air National Guard's compliance with the following:
 - a. All federal, state and local environmental regulations
 - b. All National Guard Bureau and Air Force environmental instructions and policies
 - c. Executive Order 13423
3. Provide outreach to the local community regarding environmental issues on base.

Air Security Guard Section

\$0 \$812,731 (F/F) \$0

1. Staffing levels mandated by Department of Defense for the Security of the Vermont Air National Guard Base.
2. Vehicle and personal identification checks prior entry to VTANG Base.
3. 24 hour perimeter and buildings checks.
4. Respond to alarms and incidents when required.

Air Real Property Management Section

\$0 \$158,212 (F/F) \$0

1. Real Property technician tracks capital improvements and all real property located at the Vermont Air National Guard. Tracks energy consumption and trends. Administers the acquisition, management, and disposal of property and equipment for the Vermont Military Department at the Vermont Air National Guard Base.
2. Federal Programs Administrator supports facility maintenance and operations at the Vermont Air National Guard by coordinating federal/state funding sources. Ensures expenditures are made in accordance with governing state and federal requirements.

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Military**

Air Facility Operations and Maintenance Section

\$447,531 (G/F) \$1,342,593 (F/F) \$0

- 1. Support of the Master Cooperative Agreement created between the National Guard Bureau and the State of Vermont under the direction of the Adjutant General.**
 - 2. Operation and Maintenance support on approximately 450,000 sq ft of VTANG Facilities and infrastructure in accordance with mandated and inspected standards.**
 - 3. Maintaining Facility systems to have the ability to complete federal flying missions.**
 - 4. 24 hour mission for snow removal on F-16 taxiways to be able to complete federal flying missions.**
 - 5. Maintenance at Air Force and Industry standards of buildings that house specialized equipment.**
 - 6. Provide resources to sustain utilities at all VTANG facilities that houses over 300 full-time Guard staff and over 1,000 part-time guard staff.**
 - 7. Airfield mowing to dissuade bird habitat in order to prevent bird strikes in moving aircrafts; impacts flight safety.**
 - 8. Life cycle day to day maintenance and repair of facilities at base.**
-

ARMY SERVICE CONTRACT COMPONENT (38 Employees)

\$112,380 (G/F) \$12,802,939 (F/F) \$0

Army Logistical Facilities Section

\$112,380 (G/F) \$337,140 (F/F) \$0

Army Training Site Facilities Section

\$0 \$5,300,984 (F/F) \$0

Army Facility Maintenance and Environmental Section

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Military**

	\$0	\$833,976 (F/F)	\$0
<u>Army Automated Targetry System Section</u>			
	\$0	\$235,047 (F/F)	\$0
<u>Army Construction Projects Section</u>			
	\$0	\$5,400,000 (F/F)	\$0
<u>Army Security Guard Division Section</u>			
	\$0	\$695,792 (F/F)	\$0
<ol style="list-style-type: none"> 1. Provide access control for Camp Johnson and the Army Aviation Support Facility (AASF) <ol style="list-style-type: none"> a. Deny access to unauthorized personnel b. Log in visitors and issue visitor badges when required c. Conduct vehicle searches d. Inspect all deliveries to Camp Johnson and the AASF e. Report suspicious activity to the JOC and DOMS for follow-up 2. Conduct patrols of Camp Johnson Property to include motor pools and the Ammo Supply Point 3. Conduct building checks at Camp Johnson and the AASF 4. Write incident reports when necessary 5. Respond to alarms and incidents when required. 			
BUILDING MAINTENANCE COMPONENT(15 Employees)			
	\$1,370,178 (G/F)	\$0	\$0
<u>Building Maintenance Section</u>			
	\$1,179,187 (G/F)	\$0	\$0
<u>Armory Caretaker Section</u>			
	\$190,991 (G/F)	\$0	\$0
ARMY SERVICE CONTRACT AND BUILDING MAINTENANCE ESSENTIAL SERVICES:			
<ol style="list-style-type: none"> 1. Construction and maintenance of all facilities and land at over 30 locations throughout the state; to include 22 armories, 1 Army Aviation Support Facility, 6 Field Maintenance 			

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Military**

Shops, Ethan Allen Firing Range, Camp Johnson and Ethan Allen Air Force Base in support of the Vermont Army National Guard (2900+/- soldiers) and their mission for readiness, operations and training, as well as state emergency response capabilities.

2. Provide resources to sustain utilities at all facilities and to employ approximately 42 state employees (with a combination of State and Federal funds) to accomplish the mission.
 3. Maintain community based installations with favorable demographics for the Construction Facilities Maintenance Office mission, geographically disbursed, sufficient land areas, good access and good proximity to training areas, adequate infrastructure, and the capability for expansion.
 4. Provide accessibility of armories to community organizations for various functions such as: law enforcement agencies for training, wedding receptions, auctions, tool shows, Red Cross, etc. Also for use as polling places and shelters in times of emergency situations.
 5. See attached spreadsheet which details the total square footage of all facilities (State & Federal) to include their value.
-

VETERANS AFFAIRS COMPONENT(7 Employees)

\$605,099 (G/F) \$75,729 (F/F) \$83,529 (S/F)

1. Advocacy for Veterans Seeking Federal Benefits - Takes power of attorney to legally represent veterans seeking benefits from the U.S. Department of Veterans Affairs, primarily Disability Compensation. As a result of advocacy work, program annually generates approximately \$3M in new benefits to veterans each year, which benefits the veteran as well as ensuring disabled veterans are supported by federal programs instead of state programs.
2. Vermont Veterans Memorial Cemetery - The state is responsible for maintaining the cemetery for perpetuity. Failure to meet minimum standards would not only result in loss of confidence of the veteran community but would result in the removal of our veteran cemetery status, requiring the state to return construction grant funds to the U.S. Department of Veterans Affairs.
3. Vermont Military Records Repository - Maintains over 160,000 military discharge records used to verify eligibility for state and federal benefits. As a result of a fire in 1973 at the

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Military**

national archives, many of these records are unique. Receipt of new records are the driving force behind marketing of federal benefits.

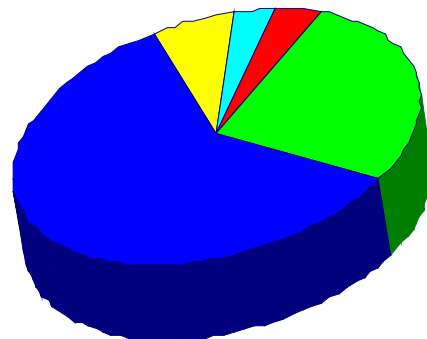
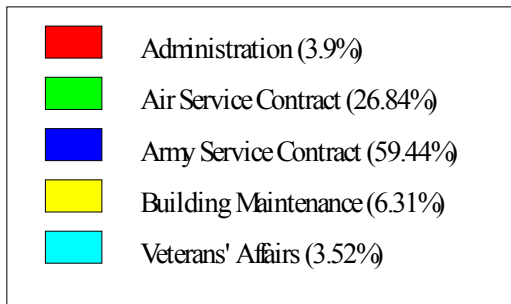
- 4. Recognition Programs for Veterans - Operates various programs to express the state's appreciation for the service of veterans, including the Vermont Medals Program, High School Diplomas, Veteran License Plate verifications, coordinating the state's annual Memorial Day Ceremony, etc.**

12/09/2009

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Military

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Administration	7	7	6	961,724	880,810	880,810	846,575
Air Service Contract	60	60	58	5,204,014	6,258,737	6,258,737	5,833,286
Army Service Contract	41	41	38	10,422,732	12,819,563	12,819,563	12,915,319
Building Maintenance	18	18	15	1,334,918	1,410,717	1,410,717	1,370,178
Veterans' Affairs	7	7	7	698,492	727,755	727,755	764,357
TOTAL	132	132	124	18,621,880	22,097,582	22,097,582	21,729,715
FUND TYPE							
General Fund				3,356,184	3,340,462	3,340,462	3,402,624
Special Fund				141,000	83,529	83,529	83,529
Federal Revenue Fund				15,124,696	18,673,591	18,673,591	18,243,562
TOTAL				18,621,880	22,097,582	22,097,582	21,729,715



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	600,820	595,055	595,055	548,148
Operating Expenses	160,904	185,755	185,755	198,427
Grants	200,000	100,000	100,000	100,000
<hr/> TOTAL	<hr/> 961,724	<hr/> 880,810	<hr/> 880,810	<hr/> 846,575
FUND TYPE				
General Fund	961,724	880,810	880,810	846,575
<hr/> TOTAL	<hr/> 961,724	<hr/> 880,810	<hr/> 880,810	<hr/> 846,575

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Air Service Contract

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	4,008,351	4,682,496	4,682,496	4,618,657
Operating Expenses	1,195,663	1,576,241	1,576,241	1,214,629
<hr/> TOTAL	<hr/> 5,204,014	<hr/> 6,258,737	<hr/> 6,258,737	<hr/> 5,833,286
FUND TYPE				
General Fund	431,364	433,236	433,236	468,392
Federal Revenue Fund	4,772,650	5,825,501	5,825,501	5,364,894
<hr/> TOTAL	<hr/> 5,204,014	<hr/> 6,258,737	<hr/> 6,258,737	<hr/> 5,833,286

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Army Service Contract

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	4,451,036	3,645,443	3,645,443	3,729,599
Operating Expenses	5,971,696	9,174,120	9,174,120	9,185,720
<hr/> TOTAL	<hr/> 10,422,732	<hr/> 12,819,563	<hr/> 12,819,563	<hr/> 12,915,319
FUND TYPE				
General Fund	158,256	107,071	107,071	112,380
Federal Revenue Fund	10,264,476	12,712,492	12,712,492	12,802,939
<hr/> TOTAL	<hr/> 10,422,732	<hr/> 12,819,563	<hr/> 12,819,563	<hr/> 12,915,319

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Building Maintenance

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	627,252	1,024,137	1,024,137	983,598
Operating Expenses	707,666	386,580	386,580	386,580
<hr/> TOTAL	<hr/> 1,334,918	<hr/> 1,410,717	<hr/> 1,410,717	<hr/> 1,370,178
FUND TYPE				
General Fund	1,284,918	1,343,826	1,343,826	1,370,178
Federal Revenue Fund	50,000	66,891	66,891	0
<hr/> TOTAL	<hr/> 1,334,918	<hr/> 1,410,717	<hr/> 1,410,717	<hr/> 1,370,178

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Veterans' Affairs

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	377,490	430,316	430,316	467,788
Operating Expenses	321,002	133,624	133,624	132,754
Grants	0	163,815	163,815	163,815
<hr/> TOTAL	<hr/> 698,492	<hr/> 727,755	<hr/> 727,755	<hr/> 764,357
FUND TYPE				
General Fund	519,922	575,519	575,519	605,099
Special Fund	141,000	83,529	83,529	83,529
Federal Revenue Fund	37,570	68,707	68,707	75,729
<hr/> TOTAL	<hr/> 698,492	<hr/> 727,755	<hr/> 727,755	<hr/> 764,357

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Center for Crime Victims' Services

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. Through 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 Vermont Center for Crime Victim Services is mandated by statute to administer the Victims Compensation and Victim Assistance Programs, as well as the Restitution Unit, which was 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 and to improve the criminal justice system's response to domestic violence, sexual assault and stalking.

The Victims Compensation Program provides limited financial assistance to victims who have experienced a financial loss as a direct result of a violent crime. In general, compensation is not provided for property losses and, as designated "last payer," the program reimburses only those expenses not covered by some form of insurance. Staff members verify claims through a comprehensive investigative process, and approved payments are made either to service providers or directly to the victim. The number of new claims received annually fluctuates between 500 and 600 claims each year. In addition, claims from previous years often remain open for several years due to the on-going needs of crime victims who need counseling and support throughout their recovery process. This results in a cumulative increase over time. 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 becoming far more common than they were when the program was first established. In addition, the cost of claims has steadily increased each year due to rising healthcare costs.

The Victim Assistance Program is funded through the Center's Special fund Appropriation and Federal VOCA funds. It maintains 21.5 full-time equivalent Victim Advocates in the State's Attorneys 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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Center for Crime Victims' Services

present, and to be heard at all critical stages of the criminal justice process. In the larger counties, there are also specialized Victim Advocates who work exclusively with victims of domestic violence, child abuse or sexual assault in order to respond to the unique needs of these crime victims. Currently, there are five Victim Advocates who are part of these special prosecution units. 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.

The Restitution Unit, established by Act 57 and passed by the Legislature in FY 2003, was charged with improving the system of ordering and collecting restitution owed to victims by criminal offenders. A 15% surcharge was added to court fines and traffic tickets beginning on July 1, 2003 in order to capitalize a Restitution Fund. A Restitution Unit was created at the Center and became operational on July 1, 2004. Restitution Judgment Orders ordered by the Court are sent to the Unit and payment to the victim is made out of the Restitution Fund up to a \$10,000 cap. The Unit then collects from the offender to reimburse the fund (or the victim for orders over \$10,000). The Unit also took over the collection of restitution ordered prior to July 1, 2004 from the Department of Corrections.

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. 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.

Federal Grant Programs:

VOCA (Victims of Crime Act) federal funds provide "core" services to crime victims, including victims of domestic or sexual violence, child sexual abuse, and elder abuse victims and to the families of homicide victims. These services are provided by Advocates at the Attorney General's Office, SafeSpace of Burlington, Vermont Center for the Deaf & Hard of Hearing, the Victim Assistance Program and the fifteen member programs of the Vermont Network Against Domestic and Sexual Violence.

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

FVPSA (Family Violence Prevention and Services Act) monies provide immediate shelter and related assistance to victims of family violence and their dependents. The grant also funds public awareness activities related to domestic violence.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Center for Crime Victims' Services

Rural Domestic Violence and Child Victimization Grant federal funds are aimed at reducing the obstacles that prevent battered women and their children in isolated rural areas from accessing needed services. In Vermont, this grant program funds a Domestic Violence Unit at the Department of Children and Families and children's services at local domestic violence programs.

Grants to Encourage Arrest Policies Program federal dollars are used to keep domestic violence victims safer and hold batterers more accountable by funding law enforcement, the Domestic Violence Council, and legal services for victims in Family Court matters.

State Grant Programs:

State Domestic Violence and Sexual Assault Funds are passed through to the 15 member programs of the Vermont Network Against Domestic and Sexual Violence to enable them to provide direct service to victims of domestic and sexual violence.

The Supervised Visitation Grant program funds twelve Supervised Visitation Centers that provide a neutral place for children to visit their non-residential parent when domestic violence or child abuse is present in the family.

Child Advocacy Center Grant program funds six nationally accredited Child Advocacy Centers that coordinate the investigation, prosecution and clinical treatment of children who have been sexually abused.

Act 174 provides funding for prevention programs and services to break the generational cycle of domestic violence and support the victims of domestic and sexual violence. The programs included in this act are the fifteen member programs of the Vermont Network Against Domestic and Sexual Violence, Project Safe Choices and SafeSpace of Burlington, Vermont Center for the Deaf & Hard of Hearing, and a domestic Violence Trainer at the Police Academy.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Center for Crime Victims' Services

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Center for Crime Victims' Services	0	0	0	9,604,331	10,970,631	11,371,849	11,124,773
<hr/> TOTAL	<hr/> 0	<hr/> 0	<hr/> 0	<hr/> 9,604,331	<hr/> 10,970,631	<hr/> 11,371,849	<hr/> 11,124,773
FUND TYPE							
General Fund				49,809	1,119,233	1,119,233	1,118,448
Special Fund				5,912,053	5,201,380	5,201,380	5,424,117
American Recovery & Reinvestment Act				0	797,067	797,067	571,809
Federal Revenue Fund				3,642,469	3,852,951	4,254,169	4,010,399
<hr/> TOTAL				<hr/> 9,604,331	<hr/> 10,970,631	<hr/> 11,371,849	<hr/> 11,124,773

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Center for Crime Victims' Services

Description of Appropriations, Divisions, & Programs

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STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Center for Crime Victims' Services

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Grants to Encourage Arrest Policies Program federal dollars are used to keep domestic violence victims safer and hold batterers more accountable by funding law enforcement, the Domestic Violence Council, and legal services for victims in Family Court matters.

Sexual Assault Services Program formula grant funds are used to provide direct services to victims of sexual assault.

Outreach for Underserved Victims discretionary grant funds are used to implement a culturally and linguistically appropriate public awareness campaign about crime victims’ rights and services for immigrants, refugees and asylees whose original language is not English to raise their awareness about their rights as victims of crime and to increase their knowledge of, and access to, existing services.

State Grant Programs:

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Center for Crime Victims' Services

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Appropriation Key Budget Issues

The Center has been level funded for special funds and general funds for fiscal year 2011. Special funds revenues have improved greatly over fiscal year 2009 and we are on target to meet fiscal year 2010 appropriations. At the same time we have less American Reinvestment and Recovery Act (ARRA) funds available for fiscal year 2011.

Budget pressures facing the Center are increases to our rent, in-state mileage reimbursement, health care costs and technology. In addition, Center employees did not receive step or cost of living increases in fiscal year 2010 and they are not included in fiscal year 2011 budget. We also have a vacant position that will not be filled in FY 2011. We had already made significant cuts to our operating expenses during the two previous fiscal years.

The programs of the Vermont Network Against Domestic and Sexual Violence and the Child Advocacy Centers have been level funded for fiscal year 2011. We have level funded the State's Attorneys Victim Advocates, though the cost of the program continues to rise resulting in the administrative portion of the

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Center for Crime Victims' Services

grant to be reduced in order to meet the increases in salaries and benefits. We have used ARRA STOP formula grant funds to level fund the domestic violence prosecutors for fiscal year 2011. We have level funded the Restitution program payments based on 2009 actual expenses. We have slightly reduced the Victims Compensation program payments based on 2009 actual expenses as well.

The Center was able to use Recovery Act VOCA funds to level-fund the 10 Supervised Visitation Programs in the 2010 budget. However, these funds are no longer available for 2011. These programs provide critical supervised visitation services to families where domestic and sexual violence put the children at-risk for abuse. We have reduced funding by \$200,000 or almost 60% for these programs in fiscal year 2011.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Center for Crime Victims' Services

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,251,632	1,275,841	1,293,442	1,264,211
Operating Expenses	302,317	261,734	287,371	302,306
Grants	8,050,382	9,433,056	9,791,036	9,558,256
<hr/> TOTAL	<hr/> 9,604,331	<hr/> 10,970,631	<hr/> 11,371,849	<hr/> 11,124,773
FUND TYPE				
General Fund	49,809	1,119,233	1,119,233	1,118,448
Special Fund	5,912,053	5,201,380	5,201,380	5,424,117
American Recovery & Reinvestment Act	0	797,067	797,067	571,809
Federal Revenue Fund	3,642,469	3,852,951	4,254,169	4,010,399
<hr/> TOTAL	<hr/> 9,604,331	<hr/> 10,970,631	<hr/> 11,371,849	<hr/> 11,124,773

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Criminal Justice Training Council

Department Mission Statement

The mission of the Vermont Criminal Justice Training Council is to offer the most current 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, and in-service education for certified police officers. Additionally, the Academy offers canine training and certification and dispatcher training to all departments who wish to enter the program. The Training Council has also been designated as one of the two primary delivery points for homeland security training for emergency responders throughout the State.

Description of Appropriations, Divisions, & Programs

Description of Department: The Criminal Justice Training Council operates the Vermont Police Academy and The Vermont Police Canine Training Program.

The Council operates two full-time classes each year, consisting of a total of eighteen weeks each including the two-week post-basic training for those graduates without prior certification in such topics as DUI Enforcement, RADAR, etc. The Council also operates five 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 Council certifies approximately 100 part-time officers and 60-70 full-time officers each year plus approximately 25 waiver students from other states. Additionally, an average of 40-50 people attend the Academy each day for in-service education and re-certification training.

The Vermont Police canine Program currently consists of 39 certified teams from all types of departments including State Police, Municipal Police, Sheriff's Deputies, Fish and Wildlife Wardens 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 Council also cooperates with various community organizations by offering the facility for student seminars, recreation events and leadership classes. Additionally, the Academy houses several youth programs geared to a future in law enforcement and/or firefighting.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Criminal Justice Training Council

Appropriations, Programs: The Criminal Justice Training Council is funded through the general fund, special funds, and interdepartmental transfers (sub-grants). The special fund is made up of tuition charged to officers' departments who attend in-service training. This includes fees for meals, lodging, materials, and tuition where applicable. The Special Fund also has receipts from penalty assessment deposited to it. Income from other tuition and reimbursement sources make up the remainder. In addition, federal, state, county and local departments are donating nearly a half million dollars in time and equipment through adjunct faculty. The Council is the recipient of additional sub-grant (interdepartmental transfer) funding in the areas of homeland security, workforce education and development, and underage drinking enforcement.

The Academy works closely with all police agencies in the state in areas of recruiting and retention as well as providing audiovisual programs the recruiters can use away from their department. Every month, an entrance test is administered to potential students who are selected by agencies. Once hired, the full-time basic training program consists of sixteen weeks of intense physical and mental training to prepare students for duty with the sponsoring agency. The part-time program consisting of a minimum of 168 hours is also offered. There is no cost passed on to agencies for basic training required by law. All other training is delivered at cost.

The agencies that the Academy serves are continuing to demand alternative methods of training. This includes distance-learning modalities and regional training offerings. These alternatives are becoming more in demand but are expensive and time consuming. The delivery mechanisms are becoming much more demanding in the area of information technology.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Criminal Justice Training Council

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Criminal Justice Training Council	10	11	11	2,449,252	2,361,419	2,367,390	2,488,255
<u>TOTAL</u>	<u>10</u>	<u>11</u>	<u>11</u>	<u>2,449,252</u>	<u>2,361,419</u>	<u>2,367,390</u>	<u>2,488,255</u>
FUND TYPE							
General Fund				1,380,849	1,453,753	1,407,576	1,592,462
Special Fund				600,023	534,343	534,343	531,285
Federal Revenue Fund				165,354	0	13,516	0
Interdepartmental Transfer				303,026	373,323	411,955	364,508
<u>TOTAL</u>				<u>2,449,252</u>	<u>2,361,419</u>	<u>2,367,390</u>	<u>2,488,255</u>

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Criminal Justice Training Council

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,217,113	1,225,444	1,228,915	1,222,580
Operating Expenses	1,232,139	1,135,975	1,138,475	1,265,675
<hr/> TOTAL	<hr/> 2,449,252	<hr/> 2,361,419	<hr/> 2,367,390	<hr/> 2,488,255
FUND TYPE				
General Fund	1,380,849	1,453,753	1,407,576	1,592,462
Special Fund	600,023	534,343	534,343	531,285
Federal Revenue Fund	165,354	0	13,516	0
Interdepartmental Transfer	303,026	373,323	411,955	364,508
<hr/> TOTAL	<hr/> 2,449,252	<hr/> 2,361,419	<hr/> 2,367,390	<hr/> 2,488,255

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agriculture, Food and Markets

Department Mission Statement

The Vermont Agency of Agriculture, Food and Markets has four divisions. 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 continues its significant role in the Governor's Clean and Clear initiative to improve and protect Vermont's water quality. Clean and Clear tackles the problem of phosphorus runoff through a comprehensive and accelerated cleanup program. The Agency of Agriculture and the Agency of Natural Resources administer this multi-million dollar project. Significant resources continue to be directed to Clean and Clear in the proposed FY11 budget.

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 Agency. The Agency is currently undertaking an extensive review of all its business functions as part of the Strategic Enterprise Initiative.

The Agricultural Resource Management and Environmental Stewardship Division (formerly the Plant Industry Division) has the primary responsibility for implementing the agricultural provisions of the Governor's Clean and Clear Initiative. The purpose of Clean and Clear is to improve statewide water quality and to meet the EPA approved clean-up plan to limit the Phosphorus Total Maximum Daily Load (TMDL) in Vermont's waterways thus protecting the water quality in the Lake Champlain basin and other Vermont lakes, rivers and streams. Groundwater and surface water quality is protected from agricultural non-point source pollution by enforcing accepted agricultural practices and pesticide regulations; providing technical and financial assistance to the farm community; participation in the watershed planning process on behalf of farmers; and administering the permit process for large and medium size farms.

Farmers receive financial assistance to maintain vegetated buffers along waterways, develop alternative manure management technologies, and for nutrient management planning.

The Agricultural Resource Management and Environmental Stewardship Division:

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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agriculture, Food and Markets

Protects 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.

Provides 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.

Registers, inspects and analyzes 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.

Provides 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:

Promote and protect the health and welfare of animals in the State of Vermont and enhance the viability of Vermont's animal industries. Under the leadership of Vermont's State Veterinarian and Assistant State Veterinarian, the Agency is developing a comprehensive animal health program. Issues being addressed include increased disease surveillance; farmer education; and regulatory oversight of livestock movement. The primary mission for the Animal Health Section is public health and food safety.

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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agriculture, Food and Markets

Department of Health.

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

Provide 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.

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

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

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

The Agricultural Development Division supports and assists Vermont's agricultural industry by providing leadership, technical and business expertise by:

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

Developing "first stop shop" to encourage agricultural business formation. It supports a continuum of technical and educational services to farm entrepreneurs including the Farm Viability Program with funding from several sources including the Vermont Housing and Conservation Board.

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

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

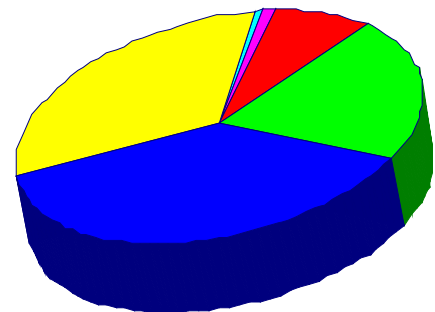
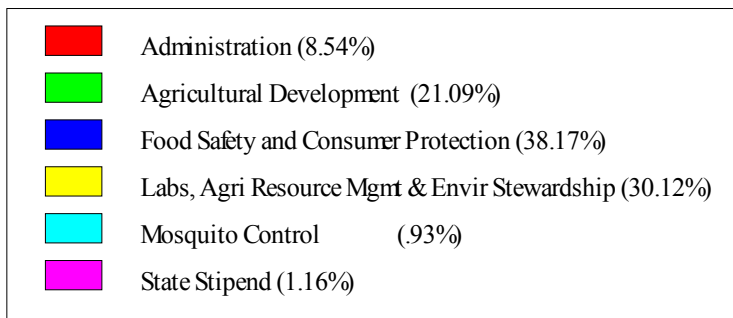
Helping to improve the economy of the state and competitive position of the dairy industry by increasing the consumption of dairy products.

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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agriculture, Food and Markets

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
Department	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Administration	10	8	8	1,583,680	1,435,993	1,448,521	1,286,629
Food Safety and Consumer Protection	26	24	34	2,454,458	2,374,636	2,480,315	5,752,958
Agricultural Development	8	8	7	1,562,951	1,494,725	1,379,377	3,178,745
Labs, Agri Resource Mgmt & Envir Stewardship	54	49	34	9,100,887	8,921,281	9,818,066	4,540,296
State Stipend	0	0	0	175,000	175,000	175,000	175,000
Mosquito Control	0	0	0	246,461	80,000	137,177	140,000
TOTAL	98	89	83	15,123,437	14,481,635	15,438,456	15,073,628
FUND TYPE							
General Fund				5,886,299	5,434,375	6,161,454	5,253,396
Special Fund				7,089,728	6,979,571	6,987,694	7,132,742
Federal Revenue Fund				1,573,399	1,470,435	1,605,054	2,153,732
Interdepartmental Transfer				574,011	597,254	684,254	533,758
TOTAL				15,123,437	14,481,635	15,438,456	15,073,628



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration

Appropriation Key Budget Issues

The Administration Division is providing leadership for extensive review of all the Agency business functions as part of the Strategic Enterprise Initiative.

Continued upgrading of the Agency's informational technology infrastructure is needed in order to participate in national databases; to respond to agricultural regulatory issues; and to have a coordinated marketing policy. Federal grant funds and special funds are being used to assist in this process.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	911,599	707,514	705,341	744,915
Operating Expenses	330,197	390,128	397,903	203,363
Grants	341,884	338,351	345,277	338,351
<hr/> TOTAL	<hr/> 1,583,680	<hr/> 1,435,993	<hr/> 1,448,521	<hr/> 1,286,629
FUND TYPE				
General Fund	965,664	886,626	899,154	862,260
Special Fund	419,574	382,449	382,449	272,465
Federal Revenue Fund	125,904	124,918	124,918	109,904
Interdepartmental Transfer	72,538	42,000	42,000	42,000
<hr/> TOTAL	<hr/> 1,583,680	<hr/> 1,435,993	<hr/> 1,448,521	<hr/> 1,286,629

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Food Safety and Consumer Protection**

Appropriation Key Budget Issues

Ensuring infrastructure for Vermont's meat industry while providing State inspection services to slaughter facilities and processors.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Food Safety and Consumer Protection

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,882,388	2,041,806	2,035,000	2,717,103
Operating Expenses	572,070	332,830	445,315	635,855
Grants	0	0	0	2,400,000
<hr/> TOTAL	<hr/> 2,454,458	<hr/> 2,374,636	<hr/> 2,480,315	<hr/> 5,752,958
FUND TYPE				
General Fund	1,142,750	1,278,611	1,274,721	2,147,861
Special Fund	681,326	651,025	629,174	3,095,426
Federal Revenue Fund	584,568	438,000	482,420	502,671
Interdepartmental Transfer	45,814	7,000	94,000	7,000
<hr/> TOTAL	<hr/> 2,454,458	<hr/> 2,374,636	<hr/> 2,480,315	<hr/> 5,752,958

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agricultural Development

Appropriation Key Budget Issues

The myriad of state, federal and private programs developed to assist farmers will be integrated into four strategic areas including, business assistance, innovation, marketing, and sector development. The integration will focus resources on initiatives that develop more (and better paying) jobs for Vermonters.

Farm innovation and modernization will create solutions to environmental problems and greater prosperity for Vermont farms. Increased productivity associated with new product development or greater production efficiencies will grow farm profits.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agricultural Development

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	848,227	688,162	546,518	1,062,108
Operating Expenses	325,626	504,063	530,359	398,437
Grants	389,098	302,500	302,500	1,718,200
<hr/> TOTAL	<hr/> 1,562,951	<hr/> 1,494,725	<hr/> 1,379,377	<hr/> 3,178,745
FUND TYPE				
General Fund	731,271	673,775	444,045	319,093
Special Fund	480,759	432,950	457,133	1,536,567
Federal Revenue Fund	340,921	388,000	478,199	1,023,085
Interdepartmental Transfer	10,000	0	0	300,000
<hr/> TOTAL	<hr/> 1,562,951	<hr/> 1,494,725	<hr/> 1,379,377	<hr/> 3,178,745

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Labs, Agri Resource Mgmt & Envir Stewardship

Appropriation Key Budget Issues

The Agricultural Resource Management and Environmental Stewardship Division is making significant progress in regulatory oversight and technical assistance to address agricultural water quality. Staffing and program flexibility target critical water quality issues.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Labs, Agri Resource Mgmt & Envir Stewardship

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,950,190	3,800,621	3,745,891	2,877,085
Operating Expenses	649,159	639,708	664,968	857,259
Grants	4,501,533	4,480,952	5,407,207	805,952
Non Operating Exp Budget	5	0	0	0
<hr/> TOTAL	<hr/> 9,100,887	<hr/> 8,921,281	<hr/> 9,818,066	<hr/> 4,540,296
FUND TYPE				
General Fund	2,753,790	2,420,363	3,311,357	1,689,182
Special Fund	5,379,432	5,433,147	5,438,938	2,148,284
Federal Revenue Fund	522,006	519,517	519,517	518,072
Interdepartmental Transfer	445,659	548,254	548,254	184,758
<hr/> TOTAL	<hr/> 9,100,887	<hr/> 8,921,281	<hr/> 9,818,066	<hr/> 4,540,296

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Stipend

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	175,000	175,000	175,000	175,000
TOTAL	175,000	175,000	175,000	175,000
FUND TYPE				
General Fund	175,000	175,000	175,000	175,000
TOTAL	175,000	175,000	175,000	175,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Mosquito Control

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	0	20,000	20,000	20,000
Operating Expenses	246,461	60,000	117,177	120,000
<hr/> TOTAL	<hr/> 246,461	<hr/> 80,000	<hr/> 137,177	<hr/> 140,000
FUND TYPE				
General Fund	117,824	0	57,177	60,000
Special Fund	128,637	80,000	80,000	80,000
<hr/> TOTAL	<hr/> 246,461	<hr/> 80,000	<hr/> 137,177	<hr/> 140,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Banking Ins Sec Hlth Care Adm

Department Mission Statement

The mission of the Department of Banking, Insurance, Securities and Health Care Administration is to promote and assure the financial health, stability, quality and integrity of Vermont financial service providers and health care entities. The Department also strives to secure full access for Vermonters to financial and health care services and to protect the public through the consistent enforcement of the laws and regulations necessary to the operation of a healthy and responsible marketplace and through consumer outreach and education programs. The Department achieves its mission through activities including:

- ☐ Licensing, registering, and chartering individuals and entities under the supervision of the Commissioner.
- ☐ Conducting examinations and audits of Vermont regulated individuals and entities
- ☐ Providing consumer protection, assistance and education
- ☐ Requiring industry regulatory filings for evaluation, response and approval
- ☐ Investigating violations and enforcing Vermont law and regulation
- ☐ Promoting cost containment in healthcare through activities including the review of capital expenditure and hospital budgets
- ☐ Providing data and analysis to advance public policy discussions at state and federal level
- ☐ Cooperating with other state, federal and international regulators and law enforcement agencies
- ☐ Responding to evolving markets, trends and legislative initiatives through implementation of efficient and responsible regulation

Description of Appropriations, Divisions, & Programs

Division Overview:

BISHCA Administration and General Counsel Division:

The **Administration Division**, including the **General Counsel's Office**, supports the other five divisions of BISHCA. Specifically the administration division provides for internal budgeting and business management services, human resources, consumer education and public information services including producing consumer publications, consumer outreach and assistance, media liaison, internal and external communications, including in-house website design, content management and publishing. The administration division also provides IT support and executive and administrative assistant services throughout the department. The General Counsel's office provides for the legal services to all divisions

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Banking Ins Sec Hlth Care Adm

of BISHCA and is responsible for the insurance market conduct program. Additionally, the General Counsel's office provides legal analysis for legislative proposals.

The Administration Division's mission is to provide the best possible tools, infrastructure and operations expertise to all BISHCA divisions. This is achieved through organizational management, financial and technological support and effective, professional communications.

The General Counsel's Office mission is to maintain high quality legal and enforcement services to BISHCA, characterized as: timely, competent, clearly communicated, independent, and effective as an advocate for the client. The General Counsel's Office, within the Administration Division, consists of all of the Department's attorneys and market conduct/investigative staff. The Office is responsible for providing legal services and enforcement support for each of the Divisions, and for the Department as a whole. The reorganization into a General Counsel's Office has fulfilled its purpose of increasing the capabilities of the Department's attorneys to better serve the Department's regulatory and consumer protection programs. In particular, market conduct examinations and insurance and health insurance enforcement has been strengthened, thereby increase the Department's consumer protection capabilities in these areas. Strategically, the General Counsel's Office is planning to increase its litigation capacity, to maintain a close dialogue and relationship with our clients, and to enhance the Office's professionalism with higher attorney retention rates.

Banking Division

The **Banking Division's** mission is: to promote the safety, soundness, and stability of financial services providers; to promote competition in and availability of financial services; to provide consumer protection; and to provide education. The Banking Division pursues this mission by:

- ☐ Examining and monitoring financial services providers
- ☐ Proposing appropriate bulletins, regulations, and statutes
- ☐ Enforcing laws and regulation
- ☐ Chartering and licensing financial service providers
- ☐ Providing information and education services
- ☐ Assisting the public and financial service providers
- ☐ Cooperating with other supervisory authorities
- ☐ Training for Examiners

The 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 data 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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Banking Ins Sec Hlth Care Adm

availability of financial services to the public.

(2) Consumer services which is 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 may be initiated where needed. A mortgage assistance program with a toll free telephone number to help mortgage customers who are facing foreclosure has been available since April of 2008.

(3) Education, which was added with the passage of a banking law in 2000, provides the public with valuable information 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 <<http://www.bishca.state.vt.us>>.

Insurance Division

The mission of BISHCA's Insurance Division is to keep insurance affordable and available for Vermont consumers, to ensure that insurers are able to meet their contractual obligations, to ensure reasonable and orderly competition among insurers, and to protect Vermont consumers against unfair and unlawful business practices. The Division accomplishes this mission by licensing and overseeing the financial stability of insurers doing business in Vermont, overseeing the rates and forms used by insurers and monitoring the competitiveness of Vermont's insurance markets, licensing individuals involved in the insurance industry, assisting Vermonters with insurance complaints and providing consumer education, and enforcing Vermont's insurance laws and regulations.

The Insurance Division regulates those persons and companies engaged in providing insurance to Vermont consumers. The Division regulates the insurance industry through ongoing financial analysis, periodic financial and market conduct examinations, rate and policy form reviews (except for health-related policies and forms which are reviewed by Health Care Administration), producer licensing and educational requirements for insurance agents, as well as consumer education and consumer complaint resolution in all areas other than health-related issues which are handled by the Health Care Administration.

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 fiscal year 2009, approximately 6,000 filings were received by the Section resulting in approximately \$691,000 in fees. 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.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Banking Ins Sec Hlth Care Adm

The primary goal of Company Licensing and Examination Section is to ensure that consumers purchase insurance from companies that are fiscally responsible. The Insurance Division's Company Licensing Section oversees approximately 1,200 licensed insurers doing business in Vermont, including surplus lines insurers. Of these, 19 traditional insurers 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 companies, service contract companies and continuing care retirement communities. In fiscal year 2009, fees amounting to approximately \$1,450,000 were collected from these companies. The Division maintains a financial examination program under which the 19 insurers domiciled in Vermont are reviewed every three to five years. The companies examined pay the cost of these on-site examinations. Financial analysis of insurance companies is also conducted by the Division and involves the review and monitoring of the financial statements routinely submitted to the Division as well as other information. The cost of the financial analysis is absorbed in examination fees.

The Division's staff resolves consumer complaints as well as providing consumer education and guidance of various types, including comparative information about insurance rates and products in the marketplace. During fiscal year 2009, the Consumer Assistance Section logged approximately 5,162 calls for assistance, processed 184 written inquiries including e-mails, and recovered approximately \$1,015,613 for consumers through problem solving resolution and intervention with companies.

The Producer Licensing Section has the responsibility of licensing insurance professionals. Licenses are issued to insurance producers, adjusters, appraisers, consultants, public adjusters, managing general agents, reinsurance intermediaries, surplus lines brokers and viatical settlement brokers. The Section processes new applications and appointments within three working days from the date of receipt. This year, the Section has made available electronic licensing for resident and nonresident producer and business entity licensees. The Section renews producer licenses and company appointments on a biennial basis on odd numbered years and renews adjuster and all other individual license types in even numbered years. The even year renewals are smaller because there are fewer non-producer licensees. In fiscal year 2009, 15,789 license applications, 38,259 license renewals and 233,735 appointments and appointment renewals were processed and the Section collected approximately \$18.5 million in licensing fees.

Captive Insurance

The **mission** of the Captive Insurance Division is to maintain a regulatory system that ensures the solvency of captive insurers while recognizing the special purpose for which they were created. The Division pursues this mission by:

- ☐ Performing ongoing financial surveillance
- ☐ Performing periodic financial examinations
- ☐ Implementing and enforcing laws and regulations
- ☐ Developing effective and reasonable policies and procedures

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Banking Ins Sec Hlth Care Adm

- ☐ Advancing the growth of Vermont's captive industry

The Captive 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. The number of captives in Vermont continues to grow.

Currently there are approximately 560 active captive insurance companies licensed in this state. Vermont remains the country's premier domicile for captive insurance. The Captive Insurance Division is charged with licensing and examining these insurers to ensure their financial solvency. The Division collects fees for its licensing and examination activities. Captive insurers create jobs and also generate premium taxes for the state; in FY2009 24 new licenses were issued to Captive insurers and the Captive insurance industry paid approximately \$24,000,000 in Vermont premium taxes.

Securities Division

The mission of the **Securities Division** is to protect Vermont investors and to help promote the legitimate formation of capital in this State. This is achieved by enforcing and administering the securities laws of the State of Vermont, including:

- ☐ Reviewing and approving securities offered to Vermont investors
- ☐ Registering securities broker/dealers, investment advisors, and their representatives
- ☐ Examining/auditing the above for compliance with the law
- ☐ Granting exceptions from registration, where appropriate
- ☐ Investigating violations of the securities laws
- ☐ Bringing administrative or civil actions against violators of the securities laws
- ☐ Responding to investor complaints
- ☐ Educating investors and industry participants about the securities laws, and
- ☐ Creating policy and regulations that further the mission

In FY2009, the Division's revenue from all sources, including fines and licensing fees, exceeded \$21 million. In FY2008, the Division's revenue from all sources was \$16.6 million, which represents an increase in revenue of over 26%.

As stated earlier, the Securities Division's dual mission is to protect consumers while facilitating the legitimate formation of capital. The ongoing financial crisis has resulted in an increase in activity in the areas of consumer complaints/investigations and registrations. These additional efforts have been undertaken without reducing the level of consumer protections.

One of the Division's core functions is consumer outreach and education. The Division engages in many investor education efforts each year. Many of these activities are specifically designed and implemented to reach seniors. For example, the Division has been involved in the 50+ Expo for the last

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Banking Ins Sec Hlth Care Adm

six years and has this year partnered with the AARP and FINRA to deliver investor education training to Vermont seniors.

Health Care Administration Division:

The **mission** of HCA is to achieve an accessible, affordable, high quality health care system for all Vermonters. HCA accomplishes its mission by:

- ☐ Enforcing health care and health insurance laws.
- ☐ Educating the public.
- ☐ Providing information and data analysis.
- ☐ Advancing effective public policies.
- ☐ Containing costs.
- ☐ Resolving disputes.
- ☐ Providing consumer services.

The **vision** of the Division of Health Care Administration (HCA) is that Vermont will have the highest quality, most affordable, most accessible health care system in the country.

The foundation for Vermont's Health Care Reform Plan is designed to achieve the following three goals:

- ☐ Increase access to affordable health insurance for all Vermonters
- ☐ Improve quality of care across the lifespan
- ☐ Contain health care costs

Division Overview

HCA strives to carry out its extensive regulatory responsibilities and respond to inquiries from the Governor, the Legislature and the public in a timely, efficient and effective manner. The Division oversees health care provider and insurer regulation and enforcement, implements the Certificate of Need and hospital budget processes to contain health care costs, conducts data research and analysis, educates consumers, and develops information to inform policymakers. The following describes HCA's division-wide strategic goals for 2011 and major functions by unit.

HCA MAJOR FUNCTIONS BY UNIT

HEALTH CARE QUALITY IMPROVEMENT

Managed Care Quality Assurance: HCA regulates managed care organizations (MCOs) under 18 V.S.A. § 9414 and Rule 10. Each year under Rule 10, 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 national and regional averages, and works with the MCOs to identify quality

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Banking Ins Sec Hlth Care Adm

improvement opportunities based on the data. The MCOs also undergo Rule 10 Triennial Reviews to ensure that their policies and practices conform to Rule 10 requirements. Mental health review agents are licensed under 8 V.S.A. § 4089a and Regulation 95-2; licensure verifies that review agents have compliant utilization review and appeal processes.

Hospital Community Reports: Hospital community reports are required by 18 V.S.A. § 9405b. Each hospital must publish an annual report according to BISHCA specifications that includes information about the hospital's: quality, patient safety, hospital-acquired infections, nurse staffing, pricing, financial health, budget, processes for obtaining meaningful public participation in the hospital's planning and decision-making, complaint resolution process; quality improvement and patient safety projects, and governing body. BISHCA is required to provide hospital comparisons on its website.

Consumer Price and Quality Transparency: This statutory requirement (18 VSA § 9410(a)(2)) is broader than the Hospital Community Report requirement in that it extends to other health care providers and encourages reliance on insurers to provide actual health care service pricing information for their subscribers, rather than provider charge information. Regulation H-2007-05 was adopted in 2008 to implement the statutory requirement.

Preventing Healthcare Associated Infections: BISHCA partnered with the Vermont Department of Health, the Vermont Program for Quality in Health Care, Vermont hospitals, and consumer advocates to apply for federal ARRA funds to prevent healthcare associated infections (HAI). The application was successful; the grant award will be used to hire a State HAI Prevention Coordinator, develop a Vermont HAI Prevention Plan, enhance hospital collection and validation of HAI data, and provide comprehensive infection prevention training for health care workers.

CONSUMER PROTECTION PROGRAMS

Complaints: HCA provides consumer protection services for health insurance consumers in Vermont. There are a number of regulatory mechanisms for achieving this goal:

Complaint Processes:

- ☐ Consumers who are enrolled in managed care plans receive the protections contained in 18 VSA § 9414 and Vermont Rule 10 (Quality Assurance Standards and Consumer Protections for Managed Care Plans).
- ☐ Consumers who experience utilization review of mental health and substance abuse services are protected by 8 VSA § 4089a and Regulation 95-2 (regulation of mental health service review agents).
- ☐ Consumers with complaints against their health insurers have the protection of the full range of statutes, regulations and bulletins related to health insurance, and can exercise their rights in a number of ways: internal health insurer grievance processes that are specified in state and federal

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Banking Ins Sec Hlth Care Adm

regulation, HCA's consumer complaint process, and/or the external review processes outlined in Regulation 95-2 (for mental health and substance abuse service denials) and Regulation 99-1 (for all other denials of coverage).

- ☐ Consumers have access to a consumer hotline and a wide range of educational materials (produced both in-house and nationally) to address their questions about health insurance in Vermont.
- ☐ Mental Health Parity, enacted in 1997 (codified at 8 VSA § 4089b) prevents insurers from imposing greater financial burdens on consumers of mental health and substance abuse services than on consumers of physical health services.

External Appeals Programs: In 1996, the Legislature established the volunteer Independent Panel of Mental Health Providers to hear appeals of mental health and substance abuse denials. An independent external review program for other health care service denials became operational in July 1999 and contracts with Independent Review Organizations (IROs) to perform reviews. These programs ensure that Vermonters can obtain independent review based on objective clinical evidence when their health insurers deny claims for lack of medical necessity or other specified medically based grounds. The responsible Division staff member is on call 24-hours a day/7 days per week to ensure access to independent review for denials of emergency and urgently needed care.

Consumer access to HCA services: HCA's Consumer Services Specialists handle approximately 500 telephone calls and 20 written inquiries each month from consumers with questions about health, disability, long-term care or accident insurance. In addition, about 200 consumers file complaints against their health insurers each year. HCA maintains a database tracking the telephone inquiries; it shows that approximately 30 percent of the calls relate to purchasing insurance. Another 15 to 20 percent of the callers have questions related to coverage or billing, and approximately 8 to 10 percent are inquiring about specific laws or regulations. In order to respond to consumers with questions about health insurance, HCA produces a series of publications. Consumer services specialists also bring information to the public by participating in health fairs and other outreach efforts. Some examples of publications include:

- ☐ Shopping for Vermont's Catamount Health Insurance
- ☐ A Consumer's Guide to Health Insurance
- ☐ Vermont Managed Health Care Plans: A Guide for Consumers
- ☐ Shopping for Individual or Small Group Health Insurance in Vermont
- ☐ Shopping for Medicare Supplement Insurance

DATA, INFORMATION AND ANALYSIS

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, availability, delivery, cost and quality of health care services offered to Vermonters and in Vermont. HCA administers data collection and reporting programs related to health insurance coverage as measured by the 2008 and 2009 Vermont Household

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Banking Ins Sec Hlth Care Adm

Health Insurance Surveys; health insurance market financial and enrollment statistics submitted by insurers on the Annual Statement Supplement Reports and reported by BISHCA annually; health insurance enrollment, expenditures, and utilization of covered services as reported by the Vermont Healthcare Claims Uniform Reporting and Evaluation System (VHCURES); and utilization of hospital services in Vermont hospitals by residents and non-residents (Uniform Discharge Data Set) and by Vermonters receiving hospital services in bordering states. VHCURES is a key tool for evaluating the impacts of health care reform initiatives and programs including the Blueprint for Health and Catamount Health. HCA also produces the annual Vermont health care expenditure analysis and forecast quantifying trends and point-in-time expenditures for health care in the state, and for state residents in and out of state.

HOSPITAL BUDGET REVIEWS AND CERTIFICATE OF NEED

The public fiscal oversight provided through the division's regulatory activities is focused on “containing or reduc[ing] increases in the cost of delivering [health care] services” and discouraging development of unnecessarily duplicative health care services while working to maintain and improve the quality of and access to health care services and promote the rational allocation of health care services in the state. In addition, improved reporting efforts are designed to help educate communities and the consumer about hospital pricing and local health service needs.

Specifically, HCA:

- ☐ As required by 18 V.S.A. § 9451 et seq., establishes the Vermont hospital budgets on an annual basis which determines each hospital’s allowed level of expenditures, rate increase, revenues, and margin for that year;
- ☐ Reviews budgets to determine whether a hospital operated within its approved budget level established in the prior year;
- ☐ As required by 18 V.S.A. § 9431 et seq., approves or disapproves expenditures for new health care projects which exceed specific dollar amounts and reviews other proposals as mandated by Certificate of Need (CON) laws;
- ☐ As required by 18 V.S.A. § 9431 develops three-year projections of health care expenditures, using the Vermont Expenditure Analysis; and,
- ☐ Adopts an annual unified health care budget to serve as a guide for controlling costs, directing resources and assuring quality and access.

The CON program continues to refine the hospital and health care facility delivery system in order to enhance cost containment and health care quality. It is hoped through the consistent regulation of large health care system investments, Vermont’s health care resources will be delivered in a rational, efficient fashion, providing all Vermonters with high quality health care in the most cost effective manner.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Banking Ins Sec Hlth Care Adm

The Public Oversight Commission reviews CON applications and makes recommendations to the Commissioner. The POC also reviews one-year capital expenditure plans and four-year capital expenditure projections and engages in dialogue with hospitals regarding the HRAP and the health policy needs of Vermont. HCA provides the administrative support necessary for the POC to perform its duties.

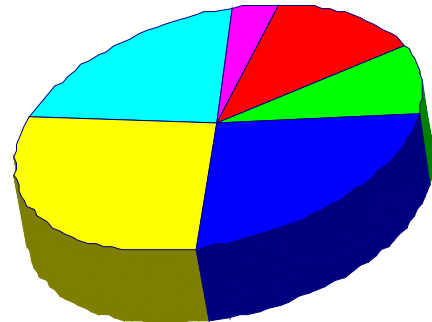
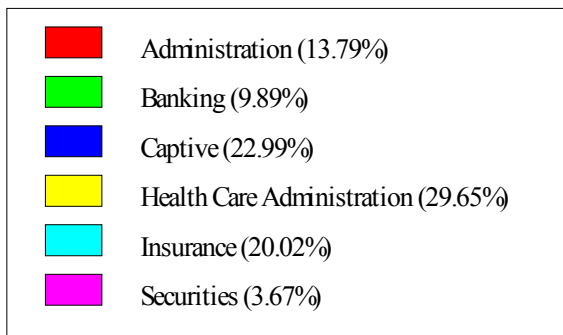
HEALTH INSURANCE RATE FILINGS AND FORM FILINGS

HCA reviews all health insurance product and rate filings prior to their use in the marketplace. Typically, HCA processes over a thousand filings a year. Rate and product (or “form”) filings include comprehensive health insurance rates and products. In addition, filings involve other product lines such as long-term care, disability, Medicare Supplement and limited benefit products. Product filings describe the coverage and benefit options available to the consumer. Form filings require staff to review and analyze the product documents to determine whether such materials are in compliance with federal and state law. Staff also ensures that form materials are written so that the consumer can understand his or her coverage. Rate review and analysis includes analysis of key assumptions used to determine the need for rate increases, while also considering the financial status of the company and its market. Department analysis includes internal staff review. In some rate filings, an actuarial review is also required. In addition, some Medicare Supplement rate requests require the HCA to administer an extensive statutory process that includes public hearings. All rates filings are reviewed for compliance with various legislatively mandated standards. The standards applied to a rate filing depend on the product and the type of entity seeking the rate approval.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Banking Ins Sec Hlth Care Adm

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
Department	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Banking	16	15	15	1,366,760	1,489,618	1,483,873	1,581,545
Insurance	25	25	24	2,963,254	3,215,896	3,087,103	3,201,894
Captive	30	27	28	3,126,067	3,450,995	3,340,731	3,676,773
Securities	6	5	5	512,368	562,950	560,804	587,779
Health Care Administration	21	20	19	4,346,991	4,665,898	4,588,063	4,741,907
Administration	21	21	21	1,824,606	2,071,447	2,064,379	2,204,989
TOTAL	119	113	112	14,140,046	15,456,804	15,124,953	15,994,887
FUND TYPE							
General Fund				255,848	0	0	0
Special Fund				12,012,549	13,557,980	13,227,799	14,096,063
Global Commitment Fund				1,871,649	1,898,824	1,897,154	1,898,824
TOTAL				14,140,046	15,456,804	15,124,953	15,994,887



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Banking

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,142,469	1,240,658	1,234,913	1,338,504
Operating Expenses	224,291	248,960	248,960	243,041
<hr/> TOTAL	<hr/> 1,366,760	<hr/> 1,489,618	<hr/> 1,483,873	<hr/> 1,581,545
FUND TYPE				
Special Fund	1,366,760	1,489,618	1,483,873	1,581,545
<hr/> TOTAL	<hr/> 1,366,760	<hr/> 1,489,618	<hr/> 1,483,873	<hr/> 1,581,545

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Insurance

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,580,103	2,765,146	2,636,353	2,768,091
Operating Expenses	383,151	450,750	450,750	433,803
<hr/> TOTAL	<hr/> 2,963,254	<hr/> 3,215,896	<hr/> 3,087,103	<hr/> 3,201,894
FUND TYPE				
Special Fund	2,963,254	3,215,896	3,087,103	3,201,894
<hr/> TOTAL	<hr/> 2,963,254	<hr/> 3,215,896	<hr/> 3,087,103	<hr/> 3,201,894

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Captive

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,714,569	2,998,995	2,888,731	3,237,368
Operating Expenses	411,498	452,000	452,000	439,405
<hr/> TOTAL	<hr/> 3,126,067	<hr/> 3,450,995	<hr/> 3,340,731	<hr/> 3,676,773
FUND TYPE				
Special Fund	3,126,067	3,450,995	3,340,731	3,676,773
<hr/> TOTAL	<hr/> 3,126,067	<hr/> 3,450,995	<hr/> 3,340,731	<hr/> 3,676,773

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Securities

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	398,331	418,217	416,071	447,065
Operating Expenses	114,037	144,733	144,733	140,714
<hr/> TOTAL	<hr/> 512,368	<hr/> 562,950	<hr/> 560,804	<hr/> 587,779
FUND TYPE				
Special Fund	512,368	562,950	560,804	587,779
<hr/> TOTAL	<hr/> 512,368	<hr/> 562,950	<hr/> 560,804	<hr/> 587,779

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Health Care Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	4,017,579	4,338,993	4,261,158	4,421,102
Operating Expenses	329,412	326,905	326,905	320,805
<hr/> TOTAL	<hr/> 4,346,991	<hr/> 4,665,898	<hr/> 4,588,063	<hr/> 4,741,907
FUND TYPE				
General Fund	255,848	0	0	0
Special Fund	2,219,494	2,767,074	2,690,909	2,843,083
Global Commitment Fund	1,871,649	1,898,824	1,897,154	1,898,824
<hr/> TOTAL	<hr/> 4,346,991	<hr/> 4,665,898	<hr/> 4,588,063	<hr/> 4,741,907

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,784,843	1,982,977	1,975,909	2,094,388
Operating Expenses	39,763	88,470	88,470	110,601
<hr/> TOTAL	<hr/> 1,824,606	<hr/> 2,071,447	<hr/> 2,064,379	<hr/> 2,204,989
FUND TYPE				
Special Fund	1,824,606	2,071,447	2,064,379	2,204,989
<hr/> TOTAL	<hr/> 1,824,606	<hr/> 2,071,447	<hr/> 2,064,379	<hr/> 2,204,989

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Secretary of State

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, facilitate commerce in Vermont, and 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 Vermont State Archives and Records Administration, Elections, Corporations, and Professional Regulation, as well as the Safe at Home address confidentiality program.

VERMONT STATE ARCHIVES AND RECORDS ADMINISTRATION

The Vermont State Archives and Records Administration (VSARA) division within the Office of the Secretary of State advises and guides public agencies in records and information management; appraises and schedules public records so they are preserved only as long as they have a legal or administrative value; preserves and enhances access to the State government's archival records; and operates a secure record center for non-permanent and inactive agency records.

VSARA cooperates with other public agencies in identifying technical and legal guidelines for managing public records, including digital records, and may offer advice on questions associated with the statutory provisions governing access to public records. The primary statutory authority for VSARA is found in 3 V.S.A. §117 and 3 V.S.A. §218 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 advice and direction to 246 town clerks and Boards of Civil Authority (the local elections boards) to promote compliance with all requirements of federal and state election laws; provides materials and direction to public assistance agencies and the Department of Motor Vehicles to promote compliance with the requirements of federal law for voter registration; provides responsive and accurate information and advice to citizens, candidates, 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; continues to increase the availability of information through its web site

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Secretary of State

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, 2009 there were 442,846 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 proprietorships doing business in Vermont; to register trademarks and trade names; and to act as the central filing office for Uniform Commercial Code liens. Through its web pages, the office seeks to increase opportunities for business to register and file, and for the public to search for information.

The division pays for its services through the generation of fee and registration revenues and contributes additional revenues to the general fund.

OFFICE OF PROFESSIONAL REGULATION

The Office of Professional Regulation within the Office of the Secretary of State serves 44 professions and approximately 55,000 licensees by providing administrative, investigative and legal assistance to the regulatory programs for these professions. The mission of the Office of Professional Regulation 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; and to ensure equity in licensing, regulation and discipline by fairly and responsibly administering the rules and statutes pertaining to these professions and occupations.

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.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Secretary of State

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Secretary of State	55	65	65	7,682,167	8,527,442	8,476,114	8,650,681
<hr/> TOTAL	<hr/> 55	<hr/> 65	<hr/> 65	<hr/> 7,682,167	<hr/> 8,527,442	<hr/> 8,476,114	<hr/> 8,650,681
FUND TYPE							
General Fund				1,517,542	1,710,918	1,659,590	1,741,157
Special Fund				4,811,713	4,741,524	4,741,524	4,834,524
Federal Revenue Fund				1,257,562	2,000,000	2,000,000	2,000,000
Interdepartmental Transfer				95,350	75,000	75,000	75,000
<hr/> TOTAL				<hr/> 7,682,167	<hr/> 8,527,442	<hr/> 8,476,114	<hr/> 8,650,681

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Secretary of State

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	5,171,292	5,440,700	5,413,700	5,639,766
Operating Expenses	2,433,851	2,086,742	2,062,414	2,010,915
Grants	77,024	1,000,000	1,000,000	1,000,000
<hr/> TOTAL	<hr/> 7,682,167	<hr/> 8,527,442	<hr/> 8,476,114	<hr/> 8,650,681
FUND TYPE				
General Fund	1,517,542	1,710,918	1,659,590	1,741,157
Special Fund	4,811,713	4,741,524	4,741,524	4,834,524
Federal Revenue Fund	1,257,562	2,000,000	2,000,000	2,000,000
Interdepartmental Transfer	95,350	75,000	75,000	75,000
<hr/> TOTAL	<hr/> 7,682,167	<hr/> 8,527,442	<hr/> 8,476,114	<hr/> 8,650,681

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Service Department

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 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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Service Department

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.

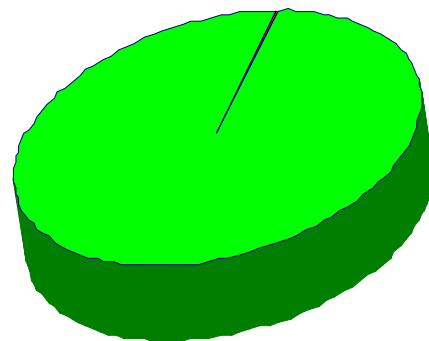
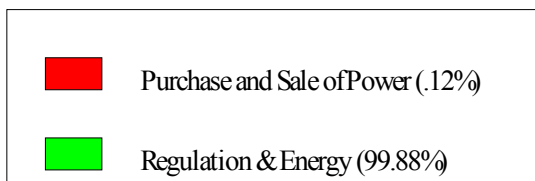
Monitoring of Non-Regulated Fuels. The Department monitors and reports non-regulated fuel prices and supplies statewide. This information is summarized and distributed in a monthly publication, "Vermont Fuel Price Report." Key issues and trends are identified and actions are recommended when appropriate 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 2011 BUDGET RECOMMENDATIONS
Public Service Department

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Regulation & Energy	43	42	47	13,636,333	77,988,398	77,988,398	29,099,287
Purchase and Sale of Power	0	0	0	28,188	20,000	20,000	35,000
TOTAL	43	42	47	13,664,521	78,008,398	78,008,398	29,134,287
FUND TYPE							
Special Fund				12,973,347	45,258,098	45,258,098	12,180,237
American Recovery & Reinvestment Act				0	31,592,500	31,592,500	15,796,250
Federal Revenue Fund				659,706	1,157,800	1,157,800	1,157,800
Interdepartmental Transfer				31,468	0	0	0
TOTAL				13,664,521	78,008,398	78,008,398	29,134,287



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Regulation & Energy

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	8,783,768	9,060,185	9,060,185	7,194,022
Operating Expenses	599,953	709,206	709,206	701,799
Grants	4,252,612	68,219,007	68,219,007	21,203,466
<hr/> TOTAL	<hr/> 13,636,333	<hr/> 77,988,398	<hr/> 77,988,398	<hr/> 29,099,287
FUND TYPE				
Special Fund	12,945,159	45,238,098	45,238,098	12,145,237
American Recovery & Reinvestment Act	0	31,592,500	31,592,500	15,796,250
Federal Revenue Fund	659,706	1,157,800	1,157,800	1,157,800
Interdepartmental Transfer	31,468	0	0	0
<hr/> TOTAL	<hr/> 13,636,333	<hr/> 77,988,398	<hr/> 77,988,398	<hr/> 29,099,287

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Purchase and Sale of Power

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	26,400	18,484	18,484	33,484
Operating Expenses	1,788	1,516	1,516	1,516
<hr/> TOTAL	<hr/> 28,188	<hr/> 20,000	<hr/> 20,000	<hr/> 35,000
FUND TYPE				
Special Fund	28,188	20,000	20,000	35,000
<hr/> TOTAL	<hr/> 28,188	<hr/> 20,000	<hr/> 20,000	<hr/> 35,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Service Board

Department Mission Statement

The Public Service Board is a quasi-judicial board that supervises the rates, quality of service, and overall financial management of Vermont's public utilities: cable television, electric, gas, telecommunications, water and large wastewater companies. It also reviews the environmental and economic impacts of energy purchases and facilities, the safety of hydroelectric dams, the financial aspects of nuclear plant decommissioning, licensing, and radioactive waste storage, and the rates paid to independent power producers. The Board's mission is to ensure the provision of 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 long-term public good of the state. The Board strives to achieve this mission by providing an independent, fair and efficient means of resolving public utility disputes; and by guiding the development of state utility policies and rules for public services to best serve the long-term interest of Vermont and its residents, all as defined in Title 30 V.S.A.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Service Board

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Public Service Board	26	26	27	2,960,764	2,875,286	2,992,646	3,080,697
TOTAL	26	26	27	2,960,764	2,875,286	2,992,646	3,080,697
FUND TYPE							
Special Fund				2,960,764	2,875,286	2,992,646	2,814,863
American Recovery & Reinvestment Act				0	0	0	265,834
TOTAL				2,960,764	2,875,286	2,992,646	3,080,697

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Service Board

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,713,908	2,555,286	2,672,646	2,716,697
Operating Expenses	246,856	320,000	320,000	364,000
<hr/> TOTAL	<hr/> 2,960,764	<hr/> 2,875,286	<hr/> 2,992,646	<hr/> 3,080,697
FUND TYPE				
Special Fund	2,960,764	2,875,286	2,992,646	2,814,863
American Recovery & Reinvestment Act	0	0	0	265,834
<hr/> TOTAL	<hr/> 2,960,764	<hr/> 2,875,286	<hr/> 2,992,646	<hr/> 3,080,697

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Enhanced 9-1-1 Board**

Department Mission Statement

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

Description of Appropriations, Divisions, & Programs

The Enhanced 911 Board has statutory responsibility for the design, installation and operation of state wide 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 state wide.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Enhanced 9-1-1 Board

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Enhanced 9-1-1 Board	11	11	11	5,019,764	5,487,045	5,487,045	4,605,803
TOTAL	11	11	11	5,019,764	5,487,045	5,487,045	4,605,803
FUND TYPE							
Special Fund				5,019,764	5,487,045	5,487,045	4,605,803
TOTAL				5,019,764	5,487,045	5,487,045	4,605,803

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Enhanced 9-1-1 Board**

Appropriation Key Budget Issues

Enhanced 9-1-1 Operating System Costs

Our current system contract expires June 2011. We are in the process of a bid procurement pursuant to Administrative Bulletin 3.5, which mandates a maximum of 4 years on a contract term. The Administration granted the E9-1-1 Board an additional one-year extension for a contract term total of five years with our current vendor. It normally takes three years to go from Request for Information (RFI) to Request for Proposal (RFP) to bid procurement to deployment of a 9-1-1 system, and we have already embarked upon that process.

Depending on the system vendor chosen, a year's lead time to properly implement and test before going on-line is required. This will mean an overlap in system contracts during the FY11 budget cycle. We will be required to pay maintenance on our current contract while at the same time covering initial costs associated with the next vendor. It is our expectation to cover the new system expense in FY11 using carry-forward funds.

Rulemaking

Rulemaking needs priority in FY11. It is long overdue as our current Standards speak to the telco-based system envisioned in 1996 and used until 2007, rather than the next generation IP system we currently have. The E9-1-1 Board has rulemaking authority to ensure the safety and reliability of Vermont's E9-1-1 system. The E9-1-1 Board cannot be expected to accomplish its mission by enforcing outdated Rules. It must be able to retain the expertise necessary to promulgate Rules that are often strenuously opposed by telecommunications market participants.

Public Education

The Enhanced 9-1-1 Board relies on the emergency service community to make the public aware of E9-1-1, starting in the elementary grade schools. Due to budget pressures, we have not been able to provide adequate training materials to outside sources to assist in this training. There is a huge benefit to public education where E9-1-1 service is concerned, not only to E911 call takers, but also to emergency service providers including the Vermont State Police. The public needs to be aware of the capabilities and limitations of technology as it relates to the E9-1-1 system. We must focus more resources on public education.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Enhanced 9-1-1 Board

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,059,013	2,098,342	2,098,342	2,441,508
Operating Expenses	1,137,308	1,565,260	1,565,260	1,252,574
Grants	1,823,443	1,823,443	1,823,443	911,721
<hr/> TOTAL	<hr/> 5,019,764	<hr/> 5,487,045	<hr/> 5,487,045	<hr/> 4,605,803
FUND TYPE				
Special Fund	5,019,764	5,487,045	5,487,045	4,605,803
<hr/> TOTAL	<hr/> 5,019,764	<hr/> 5,487,045	<hr/> 5,487,045	<hr/> 4,605,803

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Rights Commission

Department Mission Statement

The mission of the Vermont Human Rights 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. *

The Commission pursues its mission by:

- ☐ Enforcing Laws
- ☐ Mediating Disputes
- ☐ Educating the Public
- ☐ Providing Information and Referrals
- ☐ Advancing Effective Public Policies on Human Rights

*A public accommodation is an establishment such as a school, restaurant, office or store that offers facilities, goods or services to the general public.

Description of Appropriations, Divisions, & Programs

The Vermont Human Rights Commission is the state agency having jurisdiction over claims of unlawful discrimination in housing, state employment, and the provision of goods and services by businesses. The activities of the Commission are directed by five commissioners each appointed by the governor and confirmed by the Senate to five year terms. The Commission is staffed by its executive director and legal counsel, three investigators and its case manager. The Commission has three statutorily mandated roles: enforcement, conciliation, and education.

First and foremost, the Commission is charged with enforcing Vermont's civil rights laws. It investigates complaints of alleged discrimination and determines whether there are reasonable grounds to believe that unlawful discrimination occurred. Upon a finding of reasonable grounds, in accord with its statutory directive, Commission staff attempts conciliation of the complaint with the parties, and in the public interest. If the Commission cannot bring the parties together to settle the dispute, the Commission is authorized to file suit in court to obtain remedies for violations of the state's civil rights laws. It is the commissioners, rather than commission staffs, who are responsible both for deciding the merits of any discrimination complaint as well as the decision as whether or not to bring suit.

The Commission is also charged with increasing "public awareness of the importance of full civil and human rights for each inhabitant of this state;" examining "the existence of practices of discrimination which detract from the enjoyment of full civil and human rights;" and, with recommending "measures designed to protect those rights." 9 V.S.A. §4552. In furtherance of these goals, the Commission's staff speaks with individuals and groups about their rights and responsibilities

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Rights Commission

under state and federal civil rights laws, works with individuals, agencies, and groups to combat bias and bigotry, and supplies information, legal analyses, and advice to the Legislature.

For FY10, the Legislature appropriated \$273,219 in general funds to support the on-going work of the Human Rights Commission (HRC). In addition, the Legislature appropriated \$170,739 in federal funds (FF) derived from an on-going contractual relationship (which began in 1998) with the U.S. Department of Housing and Urban Development's Fair Housing and Equal Opportunity Office (HUD) to investigate housing discrimination complaints in Vermont that allege violations of both state and federal fair housing law, "dual filed" complaint.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Rights Commission

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Human Rights Commission	5	5	5	433,727	443,958	447,215	488,994
<hr/> TOTAL	<hr/> 5	<hr/> 5	<hr/> 5	<hr/> 433,727	<hr/> 443,958	<hr/> 447,215	<hr/> 488,994
FUND TYPE							
General Fund				280,755	273,219	273,219	318,255
Special Fund				7,641	0	8,422	0
Federal Revenue Fund				145,331	170,739	165,574	170,739
<hr/> TOTAL				<hr/> 433,727	<hr/> 443,958	<hr/> 447,215	<hr/> 488,994

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Rights Commission**

Appropriation Key Budget Issues

The primary and continuing HRC budget issue is the volatility, and continuing decline, in the amount of federal funds granted over time to the Commission by HUD. Grant funding has ranged from a high of \$127,140 (FY03) to a low of \$53,880 (FY09). In recent years, HUD has eliminated grant enhancements beyond its base case processing payment premised on the number of dual filed complaints closed by the HRC each year.

The HUD grant in FY10 (\$85,558) does not fully support the Commission's current \$170,739 FF appropriation. The outstanding \$85,181 of the FF is withdrawn from a federal reserve fund which has been maintained on behalf of the Commission since FY99 when the HUD grant monies were first received. The initial three years of grant funding, called "capacity building," produced \$315,000 in revenue. These funds remained essentially unexpended for a number of years building a reserve that will be all but depleted by the close of FY10 as current projections show a \$2,500 remainder.

Even if the Commission receives HUD grant funds equivalent to the funds received during FY10, there will still be a shortfall of over \$80,000. The combination of the Commission's reduction in FF spending and the Administration's recommended increase in GF appropriations provides a firm foundation for the Commission to continue to provide the current level of service to persons, landlords, businesses, schools and other governmental entities throughout Vermont during FY11.

Performance Program Information

The number of complaints processed to completion has remained relatively constant in recent years. During FY08, monetary recoveries by complainants in 14 separate complaints totaled over \$93,000. During FY09, the Commission had twenty-one (21) complaints which resulted in resolutions with tangible benefits to the complainants. The work of the Commission contributed directly to nearly \$400,000 in cash awards to persons subjected to discrimination, and more than \$100,000 in non-monetary relief including an employee who was allowed to return to work after being terminated, changes in policies and practices in schools and housing complexes, installation of accessible features in places of public accommodations and the like.

Recently, HRC staff initiated a new process which complainants are asked whether they wished Commission staff to attempt to resolve their grievances without resort to the formal filing of a complaint and a full investigation. Forty two (42) such informal resolutions were attempted during FY09, with more than half (20 or 56%) resolved, another 45% (16) were unsuccessful. (Six were still pending at year end.) The informal attempts failed in only four cases which resulted in the filing of a formal charge. This change in practice results in faster resolution and conservation of finite staff resources.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Rights Commission

FY04 - FY09 Total Charges and Informals

	Housing	PA	Emp	Total	Informals	Total charges & informals
FY04	50	31	13	94	X	94
FY05	45	37	7	89	X	89
FY06	33	28	20	81	X	81
FY07	40	23	9	72	X	72
FY08	30	21	11	62	53	115
FY09	33	15	15	63	42	105

The Commission continues to focus its efforts to ensure that all students feel welcome and safe in Vermont schools. The strategies utilized to achieve this objective include processing complaints of student harassment and providing anti-harassment training to educators. School harassment continues to be an enforcement priority for the Commission as well as racial profiling and discrimination against persons with psychiatric disabilities. The demands on our services will only continue to increase given that one of four new Vermonters is non-Caucasian and over one in four Vermonters have one or more disabilities.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Rights Commission

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	376,152	375,041	393,423	411,862
Operating Expenses	57,575	68,917	53,792	77,132
<hr/> TOTAL	<hr/> 433,727	<hr/> 443,958	<hr/> 447,215	<hr/> 488,994
FUND TYPE				
General Fund	280,755	273,219	273,219	318,255
Special Fund	7,641	0	8,422	0
Federal Revenue Fund	145,331	170,739	165,574	170,739
<hr/> TOTAL	<hr/> 433,727	<hr/> 443,958	<hr/> 447,215	<hr/> 488,994

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Liquor Control

Department Mission Statement

The Department of Liquor Control purchases, distributes, and sells distilled spirits through its agency stores; enforces Vermont's alcohol and tobacco statutes, with a strong emphasis on limiting youth access; educates licensees; and promotes responsibility. An integral part of our mission is to control the distribution of alcoholic beverages while providing excellent customer service and effective public safety for the general good of the state.

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 to promote moderate consumption while maximizing the revenues generated for the state.

The Retail Operations division provides for the sale of alcoholic beverages to the public and licensed establishments throughout the state.

The Liquor Control Board, Commissioner, and support personnel supervise and manage the sale of spirituous liquors as well as enforce laws and regulations under V.S.A. Title 7. Supervisory staff provide 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 vendor to resale. Information Technology supports all divisions of the department.

Warehousing, Distribution, & Recycling Appropriation:

Warehousing, Distribution, & Recycling receives and stores alcoholic 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.

Enforcement, Licensing, and Education Appropriation:

The Enforcement, Licensing, and Education division's mission is to provide a safe and healthy

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Liquor Control

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 Vermont's Alcohol Beverage statutes, regulations, and certain tobacco laws. This division also provides mandatory alcohol and tobacco education for all licensees and their employees.

Enforcement and Licensing investigates 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 and alcohol products.

Enforcement approves, processes, and issues more than 4900 licenses annually, handles cases, and enforces decisions made by the Liquor Control Board.

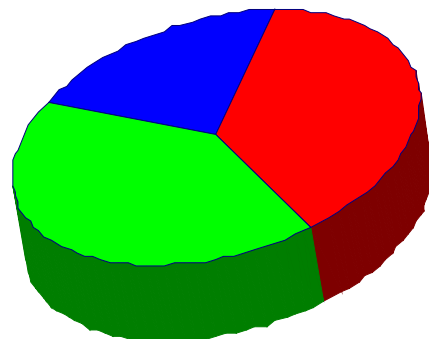
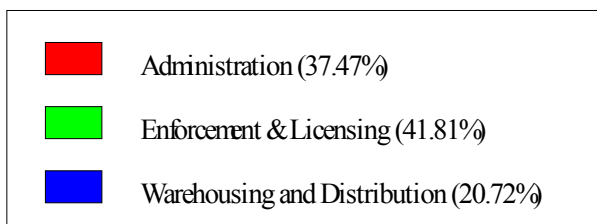
The Education unit provides licensee server training for business owners and their employees. A training schedule and calendar can be found on DLC's website: <http://liquorcontrol.vermont.gov/>. They also process statistical seminar activity. Their primary function is to provide mandatory server/seller training as mandated by 7 V.S.A. Sec. 236(c). Tobacco compliance testing also has been mandated by the legislature (2001-2002). The Tobacco Settlement Fund is used to cover the Education Unit as well as monthly tobacco compliance test costs.

In 1999, the role of the Alcohol Server Education unit increased greatly as a result of the legislature's passage of a mandatory server/seller education law. The education Section became a more defined part of the division. In the Education Section, there are now two Education Investigators and a Training Specialist working together to improve the department's educational programs. The section has been developing updated programs for licensees, as well as 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 2011 BUDGET RECOMMENDATIONS
Liquor Control

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
Department	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Enforcement & Licensing	24	23	21	2,350,113	2,307,551	2,227,606	2,307,551
Administration	19	20	17	2,140,282	2,038,984	2,031,368	2,068,000
Warehousing and Distribution	14	13	14	1,110,631	1,117,913	1,117,913	1,143,384
TOTAL	57	56	52	5,601,026	5,464,448	5,376,887	5,518,935
FUND TYPE							
Special Fund				381,500	296,306	296,306	296,306
Enterprise Fund				4,938,173	4,925,142	4,802,581	4,972,629
Interdepartmental Transfer				281,353	243,000	278,000	250,000
TOTAL				5,601,026	5,464,448	5,376,887	5,518,935



**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Enforcement & Licensing**

Appropriation Key Budget Issues

Enforcement, Licensing & Education Appropriation:

The total budget for this division is level funded. There are small decreases in personal services and some increases in the operating. An Investigator Supervisor position was not filled due the early retirement provisions passed by the Legislature.

Tobacco Settlement money (\$296,306) funds the education program for tobacco and alcohol licensees and their employees. It also funds the tobacco compliance program under which DLC conducts monthly tobacco compliance tests. These funds are integral to the provision of DLC's mandatory educational programs, which significantly influence the success of the compliance programs.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Enforcement & Licensing

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,877,452	1,963,476	1,873,531	1,930,027
Operating Expenses	472,661	344,075	354,075	377,524
<hr/> TOTAL	<hr/> 2,350,113	<hr/> 2,307,551	<hr/> 2,227,606	<hr/> 2,307,551
FUND TYPE				
Special Fund	304,644	289,645	289,645	289,645
Enterprise Fund	2,018,416	2,017,906	1,902,961	2,017,906
Interdepartmental Transfer	27,053	0	35,000	0
<hr/> TOTAL	<hr/> 2,350,113	<hr/> 2,307,551	<hr/> 2,227,606	<hr/> 2,307,551

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration**

Appropriation Key Budget Issues

Administration Appropriation:

The total budget increase for this division is \$29,016. Personal services increased as new benefit rates were applied. Operating expenses have decreased as we monitor our expenses more closely. The department has received a \$250,000 grant from the Governor's Highway Safety Program for the VTLSP/SADD program. That's a \$7,000 increase over the previous year. DLC has collaborated with them in the past on the Governor's Youth Leadership Conference. Both organizations are concerned with preventing underage drinking and promoting highway safety.

The revenue stream from sale of spirits has increased dramatically since 1996, when DLC introduced its Prime Focus sales program. The program's main objective was to promote local purchases of spirits by providing Vermonters with excellent product value while diminishing the loss of revenue due to cross-boarder purchasing. The strategy has succeeded, with sales increasing from \$34,931,651 in 1996 to \$59,200,000 in FY2009. Sales for the first six months of FY2010 are promising with anticipated sales of 61,000,000 for the year. The economic downturn has affected the spirits industry. Vermont is in line with many states with flat sales or small increases. The on-premise business has declined as restaurants feel the brunt of less business in a slowing economy. Also there is additional tax revenue with a 6% sales tax on liquor effective July 1, 2009. The current economy is causing consumers to purchase value items at lower prices rather than premium higher priced items. This is a consistent trend throughout the nation.

Summary:

The 2011 budget is increased less than 1% over last year's budget. Personal Services are increased as benefits have increased in all divisions. Operating is down as we try to reduce our expenses and still run a business for state government. There is also a \$7,000 increase in the VTLSP program grant from the Governor's Highway Safety Program.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,592,724	1,495,953	1,488,337	1,442,422
Operating Expenses	547,558	543,031	543,031	625,578
<hr/> TOTAL	<hr/> 2,140,282	<hr/> 2,038,984	<hr/> 2,031,368	<hr/> 2,068,000
FUND TYPE				
Special Fund	76,856	6,661	6,661	6,661
Enterprise Fund	1,809,126	1,789,323	1,781,707	1,811,339
Interdepartmental Transfer	254,300	243,000	243,000	250,000
<hr/> TOTAL	<hr/> 2,140,282	<hr/> 2,038,984	<hr/> 2,031,368	<hr/> 2,068,000

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Warehousing and Distribution**

Appropriation Key Budget Issues

Warehouse & Distribution:

The Warehouse budget is increased \$25,471. The warehouse had two retirements of employees with over thirty years service each. They were replaced and one position was added having been reclassified from the administration division. The warehouse is the front line to the department's business operations and needed an extra position to deal with the demands of a \$60+ million dollar operation.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Warehousing and Distribution

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	840,897	750,352	750,352	813,769
Operating Expenses	269,734	367,561	367,561	329,615
<hr/> TOTAL	<hr/> 1,110,631	<hr/> 1,117,913	<hr/> 1,117,913	<hr/> 1,143,384
FUND TYPE				
Enterprise Fund	1,110,631	1,117,913	1,117,913	1,143,384
<hr/> TOTAL	<hr/> 1,110,631	<hr/> 1,117,913	<hr/> 1,117,913	<hr/> 1,143,384

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agency of Human Services

Agency Mission Statement

The mission of the AHS Office of the Secretary is to:

- * provide leadership and set Agency priorities across the five departments and one office of AHS;
- * 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 Departments in Agency

Office of the Secretary: The Office includes the Division of Administrative Services that provides Agency planning and oversight functions for the Secretary. It also provides support for the Division of Rate Setting, the Investigations Unit, the Human Services Board, and the Developmental Disabilities Council. The VT Commission on National & Community Service joined the Agency in fiscal year 2010.

Department of Disabilities, Aging and Independent Living(DAIL): The Department assists older Vermonters and adults with disabilities to live as independently as possible. It helps adults with disabilities to find and maintain meaningful employment. It licenses inpatient health care facilities and long-term care providers. The Department also protects elders and adults with disabilities from abuse, neglect, and exploitation.

Department of Corrections (DOC): In partnership with Vermont communities, 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 that develop sanctions and restorative plans to enable nonviolent offenders make amends for their crimes and return value to their communities.

Department of Health (DOH): DOH protects and promotes health, and prevents disease and injury through public health programs to maintain and improve the health status of all Vermonters. Programs focus on infectious and chronic disease control and prevention (e.g., injury prevention, and healthy

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agency of Human Services

babies programs), surveillance (e.g., disease reporting), and protection (e.g., restaurant inspections).

Department of Mental Health (DMH): DMH promotes the health and well being of Vermonters in coordination with community organizations, such as Designated agencies, Specialty Services agencies, and schools, as they provide statewide mental health services for children, families, adults and the elderly. These services include psychiatry, case management, employment, crisis, and residential care. In addition DMH operates the Vermont State Hospital and provides designation to the 5 independent psychiatric hospital units in the state that provide inpatient services for adults and children. The Department also works in collaboration with advocacy and consumer organizations to ensure that educational, support, and peer-directed services occur statewide.

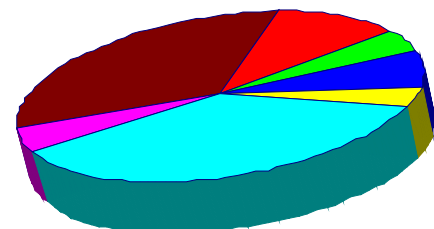
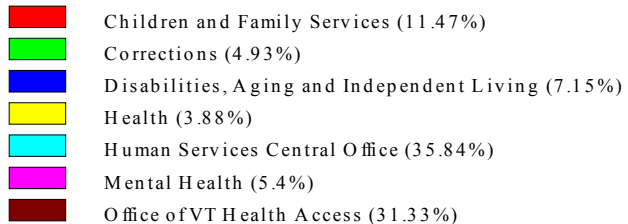
Department for Children and Family Services (DCF): DCF administers many programs that address the basic needs of Vermonters. These programs promote the well-being of families and individuals through welfare-to-work services, in-kind benefits, and cash assistance. DCF also helps families and individuals 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 play a lead role in developing quality child care services in Vermont. The Division of Child Support enforces state and federal statutes to ensure that children receive financial support from non-custodial parents. Child Support improves financial security for children by obtaining child support obligations and payments.

Office of Vermont Health Access (OVHA): OVHA promotes the well-being of families and individuals through the provision of health care coverage. OVHA is the state office responsible for the management of Medicaid, the State Children's Health Insurance Program, and other publicly funded health insurance programs in Vermont. Additionally, in FY'08, OVHA became the lead agency in implementation of the state's new health care plan, Catamount Health. As such, it is the largest insurer in Vermont with regard to dollars spent and the second largest insurer with regard to covered lives.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agency of Human Services

AGENCY SUMMARY BY DEPARTMENT

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
Department	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Mental Health	268	267	272	144,581,477	157,394,529	158,363,003	157,832,447
Human Services Central Office	104	124	109	907,615,284	1,034,350,358	1,024,220,175	1,048,370,868
Office of VT Health Access	117	98	94	776,763,610	840,562,990	838,064,833	916,396,516
Health	604	529	473	113,151,745	118,494,921	116,281,175	113,565,286
Children and Family Services	963	964	924	335,335,878	338,911,980	337,081,932	335,607,394
Disabilities, Aging and Independent Living	316	293	261	193,255,485	204,414,306	206,622,092	209,280,199
Corrections	1,168	1,096	1,042	130,591,818	137,650,832	140,854,115	144,219,710
TOTAL	3,540	3,371	3,175	2,601,295,297	2,831,779,916	2,821,487,325	2,925,272,420
FUND TYPE							
General Fund				450,925,285	440,293,019	432,093,137	505,196,122
Special Fund				273,190,017	270,844,578	277,882,838	282,492,948
American Recovery & Reinvestment Act				76,268,402	162,975,537	162,784,102	86,014,634
Federal Revenue Fund				912,981,081	981,082,042	971,517,073	1,002,167,142
Permanent Trust Fund				10,000	10,000	10,000	10,000
Global Commitment Fund				875,347,556	956,972,250	957,942,480	1,029,690,618
Internal Service Fund				1,729,326	1,709,076	1,526,345	1,540,358
Interdepartmental Transfer				10,843,630	17,893,414	17,731,350	18,160,598
TOTAL				2,601,295,297	2,831,779,916	2,821,487,325	2,925,272,420



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Mental Health

Department Mission Statement

VISION

Mental health will be a cornerstone of health in Vermont. People will live in caring communities with compassion for and a determination to respond effectively and respectfully to, the mental-health needs of all citizens. Vermonters will have access to effective prevention, early intervention, and mental-health treatment and supports as needed to live, work, learn, and participate fully in their communities.

MISSION

It is the mission of the Vermont Department of Mental Health to promote and improve the mental health of Vermonters.

VALUES

The Agency of Human Services values respect, integrity, and commitment to excellence expressed as follows:

Excellence in Customer Service

- ☐ People receiving mental health services and their families should be informed and involved in planning at the individual and the system levels
- ☐ Services must be accessible, of high quality and reflect state-of-the-art practices.
- ☐ A continuum of community-based services is the foundation of our system.

Holistic approach to our clients

- ☐ We can promote resilience and recovery through effective prevention, treatment, and support services.

Strength Based Relationships

- ☐ It is important to foster the strengths of individuals, families, and communities.

Results Orientation

- ☐ Strong leadership, active partnerships and innovation are vital strategies to achieve our mission.

The **Mental Health** appropriation funds:

- Adult mental health services,
- Children's mental health services,
- Mental health legal services
- Vermont State Hospital

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Mental Health

The **Department 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. All mental health services to individuals are provided through contracts with ten private non-profit designated agencies and one specialized service agency located throughout the state.

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 9,556 clients received these community-based mental health services in FY2009.

In addition, approximately 9,731 children and adolescents and their families received community-based mental health services in FY2009. 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 disorder 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 3,767 Vermonters were served through these Emergency programs in 2009.

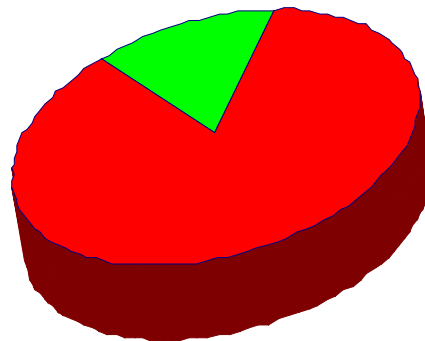
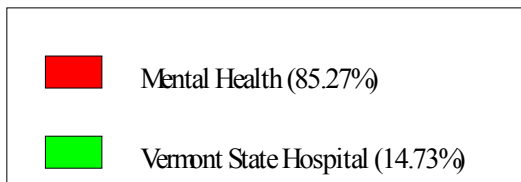
The **Vermont State Hospital** appropriation funds:

The Vermont State Hospital (VSH) has 54 beds and is Vermont's only public psychiatric inpatient facility. Inpatient services 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. During FY2009, VSH had 246 admissions and an average daily census of 46.7.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Mental Health

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Mental Health	42	40	49	122,743,062	134,078,569	135,548,934	134,580,638
Vermont State Hospital	226	227	223	21,838,415	23,315,960	22,814,069	23,251,809
TOTAL	268	267	272	144,581,477	157,394,529	158,363,003	157,832,447
FUND TYPE							
General Fund				22,251,104	22,831,311	22,623,811	11,879,457
Special Fund				218,878	176,836	101,836	1,656,836
Federal Revenue Fund				3,238,563	6,140,881	6,336,243	6,035,393
Global Commitment Fund				118,577,612	127,925,501	128,981,113	137,940,761
Interdepartmental Transfer				295,320	320,000	320,000	320,000
TOTAL				144,581,477	157,394,529	158,363,003	157,832,447



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Mental Health

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	4,017,947	4,492,095	5,248,277	5,363,774
Operating Expenses	604,436	562,604	862,547	904,685
Grants	118,120,679	129,023,870	129,438,110	128,312,179
<hr/> TOTAL	<hr/> 122,743,062	<hr/> 134,078,569	<hr/> 135,548,934	<hr/> 134,580,638
FUND TYPE				
General Fund	1,069,723	698,915	782,306	792,412
Special Fund	11,866	6,836	6,836	6,836
Federal Revenue Fund	3,048,541	5,877,317	6,072,679	5,821,829
Global Commitment Fund	118,577,612	127,475,501	128,667,113	127,939,561
Interdepartmental Transfer	35,320	20,000	20,000	20,000
<hr/> TOTAL	<hr/> 122,743,062	<hr/> 134,078,569	<hr/> 135,548,934	<hr/> 134,580,638

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont State Hospital

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	19,284,619	20,480,654	20,341,083	20,934,634
Operating Expenses	2,479,203	2,752,971	2,390,651	2,234,840
Grants	74,593	82,335	82,335	82,335
<hr/> TOTAL	<hr/> 21,838,415	<hr/> 23,315,960	<hr/> 22,814,069	<hr/> 23,251,809
FUND TYPE				
General Fund	21,181,381	22,132,396	21,841,505	11,087,045
Special Fund	207,012	170,000	95,000	1,650,000
Federal Revenue Fund	190,022	263,564	263,564	213,564
Global Commitment Fund	0	450,000	314,000	10,001,200
Interdepartmental Transfer	260,000	300,000	300,000	300,000
<hr/> TOTAL	<hr/> 21,838,415	<hr/> 23,315,960	<hr/> 22,814,069	<hr/> 23,251,809

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Services Central Office

Department Mission Statement

The mission of the AHS Office of the Secretary is to:

- 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

Secretary's Office Administration Appropriation:

The Secretary's Office is responsible for the central support functions of the Agency of Human Services. As such it houses several units and associated programs that cut across departments or are independent of departments. In FY 2011 they include:

- ☐ Field Services
- ☐ Housing and Transportation Coordination,
- ☐ Health Care Operations, Compliance and Improvement
- ☐ Refugee Resettlement Coordination
- ☐ Fiscal Unit
- ☐ Information Technology Unit
- ☐ Human Resources
- ☐ Investigations Unit
- ☐ Committee for National and Community Services

Two independent boards are also housed within the Agency and receive some support from the Secretary's Office. These are the Vermont Developmental Disabilities Council and the Tobacco Evaluation & Review Board. A third independent Board, The Human Services Board, is included under the umbrella and receives basic administrative support from AHS.

Field Services

This division has broad responsibility for the operations of all Agency of Human Services functions within each region. Regional Field Directors are charged with assuring the optimal functioning of the Agency, oversight of district offices and mobilization of the local community to design and implement a human services system which contributes to the health and well-being of all Vermonters.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Services Central Office

Field Directors work with local state managers, private sector managers, community partnerships, education, the community, and with individuals participating in services to develop and implement effective service delivery systems. To achieve that end, they utilize the following specific programmatic strategies in addition to their ongoing connections and participation in larger community initiatives:

Fiscal Unit:

The fiscal unit coordinates the development of the Agency's budget (including Global Commitment to Health Waiver) 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 internal audit and statewide single audit functions, development of the AHS indirect rate, updates on federal cost allocation plans, and monitors the Global Commitment Health 1115 waiver budget.

The fiscal unit includes the Division of Rate Setting. Rate setting audits and establishes Medicaid payment rates for nursing facilities for the Office of Vermont Health Access (OVHA), intermediate care facilities for people with developmental disabilities for the Department of Disabilities, Aging and Independent Living (DAIL) and private non-medical institutions for the Department for Children and Family (DCF). Through the application of its rules, the unit evaluates the reasonableness and allowability of program budgets and expenditures to ensure both cost containment and quality of care.

Office of the Chief Information Officer and Network Systems:

The Agency's CIO office provides overall leadership in the development and use of information technology in the delivery of agency services. It assures that network, software and hardware support services are functioning at optimum levels throughout the agency; maintains the agency's web pages, coordinates the development of new web sites throughout the agency, develops and maintains applications and systems necessary to support the mission of the Agency, works with department IT managers on IT goals and standards, reviews and approves agency IT procurements, and provides broad oversight of all IT expenditures.

Human Resources Unit:

AHS Human Resources Personnel support all management functions for an Agency workforce of approximately 3,500 employees. These include maintenance of personnel records and employee status, position management, recruitment, performance management, workers' compensation, administration of leave benefits, employment investigations, grievances, and administration of collective bargaining agreements and personnel policies. Additionally, the unit integrates and aligns professional development and human resource management practices so that all employees of the Agency of Human

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Services Central Office

Services perform their respective functions adhering to four key practices: customer service, holistic service, strengths-based relationships and results orientation.

Investigations Unit:

This unit is responsible for all labor related investigations within the Agency of Human Services, specifically those within the Department of Corrections. In addition to labor related issues this Unit investigates incidents within the Department of Corrections to include but not limited to alleged misconduct, policy violations, work rule violations, bargaining agreement violations, inmate grievances and inmate on inmate incidents. The unit works closely with all Departments within the Agency of Human Services and maintains an established toll-free telephone number set up to allow the general public and those under the charge of the Department of Corrections to file complaints. This Unit is a result of Legislative action to create more accountability and transparency within the Agency of Human Services.

Health Care Operations, Compliance and Improvement Unit

This unit oversees AHS activities pertaining to Medicaid and associated health care operations. It is responsible for integrated planning, policy development, regulatory compliance and funding. These initiatives require cross-departmental (and intra-governmental) operations for successful implementation and outcomes. Activities include but are not limited to: federal negotiations relative to changes in the AHS Medicaid structure; oversight of the OVHA and AHS operations of the Vermont's Global Commitment to Health Medicaid Wavier; Quality assurance, improvement and performance measurement of program activities; providing technical assistance to departments; overseeing AHS Consumer Information and Privacy Standards, Federal Health Information Portability and Accountability Act requirements;

Human Services Board:

The Board is a citizen's panel consisting of seven members created by the legislature pursuant to 3 V.S.A.3090. Its duties are to act as a fair hearing board for appeals brought by individuals who believe they have been 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.

Vermont Developmental Disabilities Council:

Vermont Developmental Disabilities Council (VTDDC) is a state-wide board that works to increase public awareness about critical issues affecting people with developmental disabilities and their families.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Services Central Office

60% of its members are self-advocates and family members. The mission of VTDDC is to facilitate connections and to promote supports that bring people with developmental disabilities into the heart of Vermont communities. Each year VTDDC uses its federal funds to engage in advocacy, capacity building, and systems change activities, including projects in public education, leadership training, and advocacy aimed at enhancing services and supports, community participation and choice.

Tobacco Evaluation & Review Board:

The Vermont Tobacco Evaluation & Review Board, an independent state board, was established by the Legislature in July 2000. The Board establishes an annual budget, program criteria and policy development and oversees evaluation of the state's comprehensive tobacco control program.

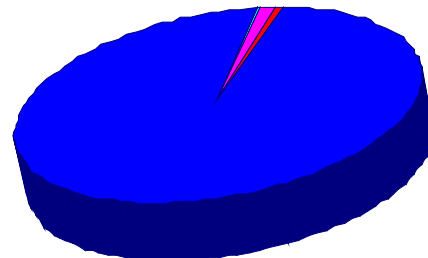
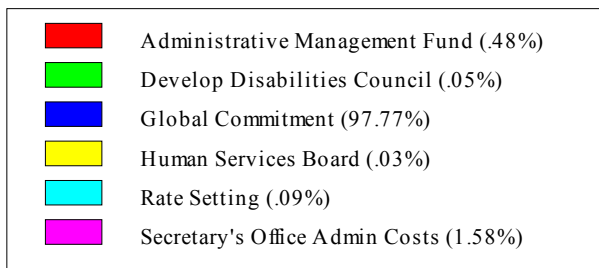
VT Commission on National & Community Service

The Commission administers several federal grants to support community based initiatives throughout the state. The programs include Neighbor to Neighbor, the Dream mentoring initiative, the Northeast Kingdom Initiative, the Vermont Youth Development Corps, and Vermont Community Stewardship program.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Services Central Office

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
Department	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Secretary's Office Admin Costs	87	107	93	13,127,258	18,114,572	17,275,305	16,514,072
Juv Accountability Block Grant	0	0	0	785,285	0	0	0
Global Commitment	0	0	0	887,888,168	1,009,425,249	1,000,216,106	1,025,036,045
Rate Setting	10	10	9	856,997	935,228	854,036	928,368
Develop Disabilities Council	3	3	3	426,880	509,048	509,048	541,685
Human Services Board	4	4	4	309,517	366,261	365,680	350,698
Administrative Management Fund	0	0	0	4,221,179	5,000,000	5,000,000	5,000,000
TOTAL	104	124	109	907,615,284	1,034,350,358	1,024,220,175	1,048,370,868
FUND TYPE							
General Fund				79,911,960	62,332,463	60,681,716	118,192,350
Special Fund				212,175,842	223,676,653	222,251,280	232,755,401
American Recovery & Reinvestment Act				57,473,963	111,206,921	110,195,453	57,929,851
Federal Revenue Fund				553,730,775	626,584,303	620,843,117	629,222,836
Global Commitment Fund				1,271,997	1,333,628	1,269,036	1,343,368
Interdepartmental Transfer				3,050,747	9,216,390	8,979,573	8,927,062
TOTAL				907,615,284	1,034,350,358	1,024,220,175	1,048,370,868



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Secretary's Office Admin Costs

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	7,358,630	10,016,218	9,161,467	8,997,483
Operating Expenses	2,284,674	2,998,915	2,998,915	2,421,348
Grants	3,483,954	5,099,439	5,114,923	5,095,241
<hr/> TOTAL	<hr/> 13,127,258	<hr/> 18,114,572	<hr/> 17,275,305	<hr/> 16,514,072
FUND TYPE				
General Fund	4,272,480	5,333,921	5,051,042	4,805,220
Special Fund	387,630	617,247	627,847	430,847
Federal Revenue Fund	5,323,143	8,068,443	7,721,672	7,444,102
Global Commitment Fund	415,000	398,400	415,000	415,000
Interdepartmental Transfer	2,729,005	3,696,561	3,459,744	3,418,903
<hr/> TOTAL	<hr/> 13,127,258	<hr/> 18,114,572	<hr/> 17,275,305	<hr/> 16,514,072

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Juv Accountability Block Grant

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Other Financing Uses Budget	785,285	0	0	0
<hr/> TOTAL	<hr/> 785,285	<hr/> 0	<hr/> 0	<hr/> 0
FUND TYPE				
Federal Revenue Fund	785,285	0	0	0
<hr/> TOTAL	<hr/> 785,285	<hr/> 0	<hr/> 0	<hr/> 0

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Global Commitment

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	887,888,168	1,009,425,249	1,000,216,106	1,025,036,045
<hr/> TOTAL	<hr/> 887,888,168	<hr/> 1,009,425,249	<hr/> 1,000,216,106	<hr/> 1,025,036,045
FUND TYPE				
General Fund	75,590,301	56,946,630	55,579,343	113,337,417
Special Fund	207,567,033	223,059,406	221,623,433	232,324,554
American Recovery & Reinvestment Act	57,473,963	111,206,921	110,195,453	57,929,851
Federal Revenue Fund	547,045,570	617,849,638	612,455,223	621,086,556
Interdepartmental Transfer	211,301	362,654	362,654	357,667
<hr/> TOTAL	<hr/> 887,888,168	<hr/> 1,009,425,249	<hr/> 1,000,216,106	<hr/> 1,025,036,045

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Rate Setting

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	808,812	853,246	772,054	858,339
Operating Expenses	48,185	81,982	81,982	70,029
<hr/> TOTAL	<hr/> 856,997	<hr/> 935,228	<hr/> 854,036	<hr/> 928,368
FUND TYPE				
Global Commitment Fund	856,997	935,228	854,036	928,368
<hr/> TOTAL	<hr/> 856,997	<hr/> 935,228	<hr/> 854,036	<hr/> 928,368

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Develop Disabilities Council

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	176,330	240,797	240,797	269,694
Operating Expenses	41,121	48,251	48,251	51,991
Grants	209,429	220,000	220,000	220,000
<hr/> TOTAL	<hr/> 426,880	<hr/> 509,048	<hr/> 509,048	<hr/> 541,685
 FUND TYPE				
Federal Revenue Fund	426,880	509,048	509,048	541,685
<hr/> TOTAL	<hr/> 426,880	<hr/> 509,048	<hr/> 509,048	<hr/> 541,685

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Human Services Board

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	276,144	299,820	299,239	282,894
Operating Expenses	33,373	66,441	66,441	67,804
<hr/> TOTAL	<hr/> 309,517	<hr/> 366,261	<hr/> 365,680	<hr/> 350,698
FUND TYPE				
General Fund	49,179	51,912	51,331	49,713
Federal Revenue Fund	149,897	157,174	157,174	150,493
Interdepartmental Transfer	110,441	157,175	157,175	150,492
<hr/> TOTAL	<hr/> 309,517	<hr/> 366,261	<hr/> 365,680	<hr/> 350,698

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administrative Management Fund

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	199,080	500,000	500,000	250,000
Operating Expenses	3,953,855	4,500,000	4,500,000	4,750,000
Grants	68,244	0	0	0
<hr/> TOTAL	<hr/> 4,221,179	<hr/> 5,000,000	<hr/> 5,000,000	<hr/> 5,000,000
FUND TYPE				
Special Fund	4,221,179	0	0	0
Interdepartmental Transfer	0	5,000,000	5,000,000	5,000,000
<hr/> TOTAL	<hr/> 4,221,179	<hr/> 5,000,000	<hr/> 5,000,000	<hr/> 5,000,000

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Office of VT Health Access**

Department Mission Statement

OVHA's Mission Statement:

Office of Vermont Health Access (OVHA) is the State office responsible for the management of Medicaid, the State Children's Health Insurance Program (SCHIP), and other publicly funded health insurance programs in Vermont. OVHA is the largest insurer in Vermont in terms of dollars spent and the second largest insurer in terms of covered lives. As of 2009, OVHA also is the home of state oversight and coordination of Vermont's expansive Health Care Reform initiatives which are designed to increase access, improve quality, and contain the cost of health care for all Vermonters. OVHA also now has responsibility for Vermont's health information technology strategic planning, coordination and oversight.

OVHA's Mission Statement

- To provide leadership across all Vermont stakeholders to improve access, quality and cost effectiveness of health care in the state.
- To assist Medicaid beneficiaries in accessing clinically appropriate health services.
- To collaborate with other health care system entities in bringing evidence-based practices to Vermont Medicaid beneficiaries.
- To administer Vermont's public health insurance system efficiently and effectively.

Description of Appropriations, Divisions, & Programs

OVHA Leadership & Organization

In fall 2009, OVHA's organization was re-structured into three distinct Divisions to consolidate like functions, clarify responsibilities, and better reflect organizational goals. OVHA leadership comprises the Director, three Deputy Directors and a Medicaid Medical Director. *The OVHA Director* is responsible for all of OVHA's operations, is the Director for Vermont Health Care Reform, and is Co-Chair of the Governor's Cabinet for Health Care. Under the new organizational structure, the *Deputy Director for the Managed Care Division* oversees the following Units: Quality Improvement and Clinical Integrity; Managed Care Operations (clinical operations and the Chronic Care Initiative); Pharmacy; and Provider and Member Services. The *Deputy Director for the Medicaid Policy, Fiscal and Support Services Division* oversees the following Units: Program Policy; Coordination of Benefits; Data Integrity and Reimbursement; and Fiscal and Administrative Operations. The *Deputy Director for the Health Care Reform Division* is the lead coordinator for health care reform activities across multiple state stakeholders, and has primary responsibility for statewide Health Information Technology planning

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Office of VT Health Access

and implementation.

The new (as of December, 2009) organizational alignment between the Administration's oversight and implementation of Vermont's comprehensive Health Care Reform and OVHA's health care programs and administrative functions has also provided new opportunities for more program integration related to health care reform among the departments within the Agency of Human Service (AHS) initiatives, as well as cross-Agency and Departmental activities outside of AHS.

Program Descriptions with Enrollment & Expenditure Information

With the passage of Vermont's comprehensive health care reform in 2006, the state created



Green Mountain Care as the umbrella name for the state-sponsored family of low-cost and free health coverage programs for uninsured Vermonters, which are described in detail below.

Dr. Dynasaur

Dr. Dynasaur is the umbrella name that encompasses all of the health care coverage programs available for children up to age 18 (SCHIP, Underinsured Children) or up to age 21 (Blind or Disabled (BD) and/or Medically Needy Children and General Medicaid).

Benefits include doctor visits, prescription medicines, dental care, skin care, hospital visits, vision care, mental health care, immunizations and special services for pregnant women such as lab work and tests, prenatal vitamins and more.

Blind or Disabled (BD) and/or Medically Needy Children

The general eligibility requirements for BD and/or Medically Needy Children are: under age 21, categorized as blind or disabled, generally includes Supplemental Security Income (SSI) cash assistance recipients, hospice patients, eligible under "Katie Beckett" rules, and medically needy Vermonters [i.e., eligible because their income is greater than the cash assistance level but less than the Medicaid protected income level (PIL)]. Medically needy children may or may not be blind or disabled.

General Children

The general eligibility requirements for General Children are: under age 21 and below the Medicaid Protected income level (PIL), categorized as those eligible for cash assistance including Reach Up (Title V) and foster care payments (Title IV-E); receiving traditional Medicaid after the receipt of cash assistance, and Medicaid related Dr. Dynasaur.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Office of VT Health Access

State Children's Health Insurance Program (SCHIP)

The general eligibility requirements for the State Children's Health Insurance Program (SCHIP) are: uninsured, up to age 18 and up to 300% FPL, and eligible under the SCHIP eligibility rules in Title XXI of the Social Security Act.

Underinsured Children

The general eligibility requirements for Underinsured Children are: up to age 18 and up to 300% FPL; designed as part of the original 1115 waiver to Title XIX of the Social Security Act to provide health care coverage for children who would otherwise be underinsured

Medicaid for Adults

Medicaid programs for adults provide low-cost or free coverage for low-income parents, pregnant women, caretaker relatives, people who are blind or disabled, and those age 65 or older. Eligibility is based on income and resources (e.g., cash, bank accounts, etc.). These Medicaid programs cover most physical and mental health care services such as doctor visits, hospital care, prescription medicines, vision and dental care, long-term care, physical therapy, medically-necessary transportation and more. It does not cover dentures or eyeglasses.

Dual Eligibles

People within this category are eligible for both Medicare and Medicaid, at least 65 years of age, below the protected income level (PIL) and categorized as aged, blind, or disabled.

Aged, Blind, or Disabled (ABD) and/or Medically Needy Adults

The general eligibility requirements for the ABD and/or Medically Needy Adults are: age 18 and older, categorized as aged, blind, or disabled (ABD) but ineligible for Medicare; generally includes Supplemental Security Income (SSI) cash assistance recipients, working disabled, hospice patients, Breast and Cervical Cancer Treatment (BCCT) participants, or Medicaid/Qualified Medicare Beneficiaries (QMB), and medically needy [i.e., eligible because their income is greater than the cash assistance level but less than the Medicaid protected income level (PIL)]. Medically needy adults may be ABD or the parents/caretaker relatives of minor children.

Choices for Care Waiver

Long-Term Care Waiver participants are a subset of the Aged, Blind, and Disabled population. These individuals participate in the Choices for Care 1115 demonstration waiver managed by the Department of Disabilities, Aging, and Independent Living, in conjunction with the Office of

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Office of VT Health Access

Vermont Health Access and the Department for Children and Families. The purpose behind this waiver program is to equalize the entitlement to both home and community based services with nursing home services for all those eligible.

The general eligibility requirements for the Choices for Care Waiver are: Vermonters in nursing homes, home-based settings under home and community based services (HCBS) waiver programs, and enhanced residential care (ERC).

General Adults

The general eligibility requirements for General Adults are: parents/caretaker relatives of minor children including cash assistance recipients and those receiving transitional Medicaid after the receipt of cash assistance.

Vermont Health Access Plan (VHAP)

VHAP was created through an 1115 waiver to provide low cost, comprehensive health care benefits to adults without children who have a household income below 150% of the federal poverty level (FPL), and adults with children who have a household income below 185% of the federal poverty level. VHAP covers the same services as the Medicaid programs above, with the exception that it does not cover dental care or medically-necessary transportation.

Other eligibility requirements to qualify for VHAP include: age 18 and older; currently have health insurance that covers only hospital care or only doctor visits; have not had health insurance for the past 12 months, or within the past 12 months have lost their insurance because they have been uninsured for 12 months or more, or within the past 12 months have lost their insurance because they (1) lost their job, their employer reduced their work hours or their job ended, (2) got divorced or their civil union dissolved, (3) experienced domestic violence or abuse, (4) had insurance through someone who passed away, (5) no longer continue their health insurance through Consolidated Omnibus Budget Reconciliation Act (COBRA) or state continuation coverage ("VIPER"), (6) are no longer a dependent on their parent's or caretaker's health insurance; or (7) were getting their insurance through college and can no longer do so because they graduated, took a leave of absence, reduced their credits or stopped going to college.

Catamount Health and Premium Assistance

Catamount Health Plans are offered in the individual product market by Blue Cross Blue Shield of Vermont. These plans provide comprehensive, quality health coverage with low out-of-pocket costs for uninsured Vermonters. Catamount Health is designed for Vermont residents who meet the following qualifications:

- ☐ Age 18 or older;

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Office of VT Health Access

- ☐ Families who are not eligible for existing state-sponsored coverage programs such as Medicaid, Medicare or Vermont Health Access Plan (VHAP);
- ☐ Have been uninsured for 12 months or more, or within the past 12 months have lost their insurance because they (1) lost their job, their employer reduced their work hours or their job ended, (2) got divorced or their civil union dissolved, (3) experienced domestic violence or abuse, (4) had insurance through someone who passed away, (5) no longer continue their health insurance through Consolidated Omnibus Budget Reconciliation Act (COBRA) or state continuation coverage ("VIPER"), (6) are no longer a dependent on their parent's or caretaker's health insurance; or (7) were getting their insurance through college and can no longer do so because they graduated, took a leave of absence, reduced their credits or stopped going to college.
- ☐ Do not have access to insurance through their employer.

OVHA provides Catamount Health premium assistance on a sliding scale for Vermonters that have household income at or below 300% of the federal poverty level (FPL) when:

- ☐ Access is not available to comprehensive health insurance through their employer as determined by the state; or
- ☐ Employer's plan offers comprehensive benefits, but it is more cost-effective for the state to provide premium assistance to enroll in Catamount Health or VHAP than to provide premium assistance to enroll in employer's plan; or
- ☐ Waiting for the open enrollment period to enroll in employer's plan.

Current monthly premiums for Catamount Health Plans range from \$60-\$393 based on income.

Employer-Sponsored Insurance Premium Assistance

The state provides premium assistance to eligible uninsured employees to help them enroll in their employer-sponsored health insurance plan if all of the following criteria are met:

- ☐ The employee meets the eligibility criteria to enroll in Catamount Health or the Vermont Health Access Plan (VHAP);
- ☐ The employee's household income is under \$2,719 a month for one person;
- ☐ The employer's plan has comprehensive benefits; and
- ☐ The cost of providing premium assistance to enroll in an employer's plan is less than the cost of providing premium assistance to enroll in Catamount Health or the VHAP.

Prescription Assistance Pharmacy (PAP) Only Programs

Vermont has the following prescription assistance programs to help Vermonters pay for prescription medicines based on income, disability status and age:

VPharm assists Vermonters who are enrolled in Medicare Part D and who have household incomes up to 225% FPL with paying for prescription medicines. This includes people age 65 and older as well as people of all ages with disabilities.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Office of VT Health Access

VHAP-Pharmacy helps Vermonters age 65 and older and people with disabilities who are not enrolled in Medicare and who have household incomes up to 150% FPL pay for eye exams and prescription medicines for short-term and long-term medical problems.

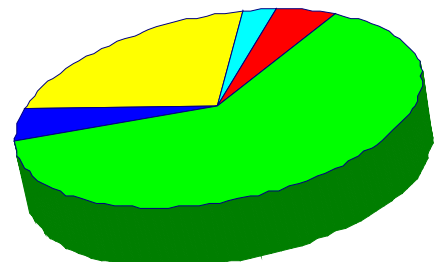
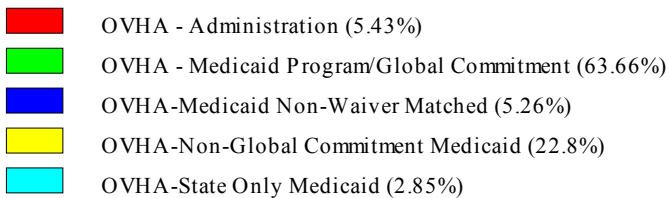
VScript helps Vermonters age 65 and older and people of all ages with disabilities who are not enrolled in Medicare and who have household incomes between 150% and 225% FPL pay for prescription medicines for long-term medical problems.

Healthy Vermonters provides a discount on short-term and long-term prescription medicines for individuals not eligible for other PAPs with household incomes up to 350% and 400% FPL if they are aged or disabled. There is not cost to the state for this program.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Office of VT Health Access

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
OVHA - Administration	117	98	94	30,013,054	35,660,248	38,183,904	49,803,659
OVHA - Medicaid Program/Global Commitment	0	0	0	467,839,943	522,020,786	521,523,500	583,377,317
OVHA-Non-Global Commitment Medicaid	0	0	0	197,954,288	203,305,257	199,235,074	208,933,456
OVHA-State Only Medicaid	0	0	0	36,967,515	33,024,951	32,034,876	26,124,256
OVHA-Medicaid Non-Waiver Matched	0	0	0	43,988,810	46,551,748	47,087,479	48,157,828
TOTAL	117	98	94	776,763,610	840,562,990	838,064,833	916,396,516
FUND TYPE							
General Fund				111,980,512	106,674,175	100,672,650	117,753,059
Special Fund				8,872,743	3,813,567	10,178,542	3,016,174
American Recovery & Reinvestment Act				13,105,318	23,525,633	21,916,210	11,738,651
Federal Revenue Fund				144,644,351	151,130,621	150,392,391	166,447,722
Global Commitment Fund				498,160,686	555,418,994	554,905,040	617,440,910
TOTAL				776,763,610	840,562,990	838,064,833	916,396,516



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
OVHA - Administration

Appropriation Key Budget Issues

The continuing dire economic situation of our nation and state requires that we address the concern that our current programs are not sustainable in the long run. Although our federal partner has helped with increased federal Medicaid match through the America Recovery and Reinvestment Act (ARRA), these increased funds expire on December 31, 2010, half-way through the state 2011 fiscal year. As such, we must act now to bring these long-term costs in line.

A “Tiger Team” effort in the summer and fall of 2009 helped point to four areas that could provide more efficiency in the use of our limited resources and / or maximize reimbursement potential:

1. *Benchmark Vermont’s benefit allowances through peer state comparisons with states of similar high standards to Vermont.* By examining the benefit structure of similar states across the country, OVHA has identified several categories of service that may be managed more efficiently through clinical operations changes (e.g., service limitations, prior authorizations, targeted provider reimbursement changes).
2. *Maximize access to private insurance through the Health Insurance Premium Payment Program.* We will increase our efforts to enable Medicaid beneficiaries to access their employer’s insurance without incurring additional costs or forgoing benefits that they would have received through the Medicaid program.
3. *Expand the utilization of Vermont’s premium based system.* In order to sustain our generous programs for low income Vermonters, we must request that Green Mountain Care program participants contribute through targeted increases in premiums. Of course, these cannot go into place until the Maintenance of Effort (MOE) requirements in ARRA expire on January 1, 2011.

The Governor and his Administration also are strongly committed to continuing support for the premium assistance programs associated Catamount Health and Employer-sponsored insurance. However, in these fiscal times, we must examine whether we can afford the very generous cost sharing benefits in the existing Catamount Health Plans.

Further, utilize mechanisms to validate eligibility. As such, we will enhance our efforts to ensure that beneficiaries are enrolled in the correct programs based on the eligibility requirements.

4. *Strengthen the relationship between the Office of Vermont Health Access (OVHA) Program Integrity Unit and the Medicaid Fraud and Residential Abuse Unit (MFRAU) for fraud and abuse identification.* We also will augment or existing staffing within the OVHA PI Unit to maximize the effects of these efforts.

Similarly, our efforts must be strengthened to ensure that the funds supporting the programs for our beneficiaries are used efficiently and appropriately. For example, reimbursement for

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
OVHA - Administration

pharmaceuticals must reflect the true costs of the drugs and not artificially inflated prices. And we must ensure that transportation services for Medicaid beneficiaries are provided in the most efficient manner possible.

We also will need to ask that providers with the most financial ability to support our programs contribute to this effort. In turn, OVHA is committed to working with them to reduce administrative burdens that detract from their ability to deliver efficient quality care.

Performance Program Information

Despite challenging financial times, the number of Vermonters lacking health insurance decreased from 9.8 percent in the fall of 2005 (61,056) to 7.6 percent (47,286) in the fall of 2008. Updated data from a survey conducted in the fall of 2009 will be available in early 1 2010. A major contributor to this success is the extensive marketing and outreach conducted by the state and its partners beginning in Fall 2007 to inform Vermonters about Green Mountain Care, which includes all of the state supported health coverage programs (Medicaid, Dr. Dynasaur, VHAP, Catamount Health and the premium assistance programs). In fact, since the launch of Green Mountain Care, enrollment in these programs has increased by almost 25,000 Vermonters.

We also have been successful in other aspects of our state's comprehensive health care reform efforts. In the past 18 months, we have launched the Blueprint multi-payer Integrated Medical Home Pilots in three areas of the state that are changing the way care is delivered at the local level and ultimately will control the growth in health care costs. We also are collaborating with Maine, New Hampshire, Massachusetts and Rhode Island, with support from the Milbank Foundation, to develop a New England wide medical home pilot initiative, and will be applying for a Medicare Demonstration grant to have full Medicare participation in the Blueprint effort.. During 2008 and 2009, we also implemented a Health Information Technology Fee to support health care information technology for primary care providers and to further our statewide health information exchange network; implemented a 340B Pharmacy program to decrease the pharmaceutical cost for FQHC patients; made significant progress on public health and prevention efforts related to promoting healthy weight for Vermonters; promulgated rules to allow Vermont health insurance carriers to offer cost-sharing discounts for enrollee adherence to health promotion and disease prevention programs, as well as rules to facilitate the availability of transparent price and quality information for health care consumers; and begun implementation of a multi-payer claims database to facilitate understanding of our health care utilization, expenditures, and performance across all payers and services. We also are participating in two external two-year evaluations regarding the success of our efforts to improve access and affordability for health care coverage.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
OVHA - Administration

In addition, the Office of Vermont Health Access (OVHA) continues to implement initiatives to help improve the quality of health care services for our most vulnerable citizens and also contain costs of these publicly-supported programs. OVHA's Chronic Care Initiative is providing care coordination for beneficiaries with the most significant needs, including those who are taking Buprenorphine. The CCI program is expected to yield a savings of \$6.4 m in SFY10). In addition, as one of the four major insurance carriers in the state, OVHA directly supports the Blueprint for Health Multi-payer Medical Homes Pilot by making provider incentive payments and funding its share of the Community Health Teams in the pilot areas. The OVHA CCI Program also is now integrated with these Blueprint pilots, and will be expanding this capacity in SFY11.

OVHA's Coordination of Benefits Unit also continues to successfully focus on ensuring that the appropriate insurer covers the costs of care when an OVHA beneficiary has dual coverage (e.g. Medicare, private insurance); or pursuing casualty or estate recovery of Medicaid costs. In SFY09, the COB unit recovered \$8.6 million that supports our Green Mountain Care programs, and is on track to recover a similar amount in SFY10.

In combination, all of these efforts will help our current programs be sustainable as we transition to the new programs that will emerge under federal health care reform.

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
OVHA - Administration**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	27,258,584	32,311,860	31,928,983	43,557,367
Operating Expenses	2,200,893	2,330,388	2,334,638	2,272,618
Grants	553,577	1,018,000	3,920,283	3,973,674
<hr/> TOTAL	<hr/> 30,013,054	<hr/> 35,660,248	<hr/> 38,183,904	<hr/> 49,803,659
FUND TYPE				
General Fund	228,241	429,107	419,943	1,549,943
Special Fund	351,627	494,739	3,042,340	3,016,174
Federal Revenue Fund	245,436	2,848,458	2,848,458	12,883,458
Global Commitment Fund	29,187,750	31,887,944	31,873,163	32,354,084
<hr/> TOTAL	<hr/> 30,013,054	<hr/> 35,660,248	<hr/> 38,183,904	<hr/> 49,803,659

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
OVHA - Medicaid Program/Global Commitment**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	467,839,943	522,020,786	521,523,500	583,377,317
TOTAL	467,839,943	522,020,786	521,523,500	583,377,317
FUND TYPE				
Global Commitment Fund	467,839,943	522,020,786	521,523,500	583,377,317
TOTAL	467,839,943	522,020,786	521,523,500	583,377,317

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
OVHA-Non-Global Commitment Medicaid**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	197,954,288	203,305,257	199,235,074	208,933,456
<hr/> TOTAL	<hr/> 197,954,288	<hr/> 203,305,257	<hr/> 199,235,074	<hr/> 208,933,456
FUND TYPE				
General Fund	68,468,344	61,072,899	59,850,215	74,519,501
American Recovery & Reinvestment Act	13,105,318	22,465,253	21,916,210	11,738,651
Federal Revenue Fund	116,380,626	119,767,105	117,468,649	122,675,304
<hr/> TOTAL	<hr/> 197,954,288	<hr/> 203,305,257	<hr/> 199,235,074	<hr/> 208,933,456

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
OVHA-State Only Medicaid**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	36,967,515	33,024,951	32,034,876	26,124,256
<hr/> TOTAL	<hr/> 36,967,515	<hr/> 33,024,951	<hr/> 32,034,876	<hr/> 26,124,256
FUND TYPE				
General Fund	27,313,406	28,195,859	23,390,297	24,414,747
Special Fund	8,521,116	3,318,828	7,136,202	0
Global Commitment Fund	1,132,993	1,510,264	1,508,377	1,709,509
<hr/> TOTAL	<hr/> 36,967,515	<hr/> 33,024,951	<hr/> 32,034,876	<hr/> 26,124,256

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
OVHA-Medicaid Non-Waiver Matched

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	43,988,810	46,551,748	47,087,479	48,157,828
<hr/> TOTAL	<hr/> 43,988,810	<hr/> 46,551,748	<hr/> 47,087,479	<hr/> 48,157,828
FUND TYPE				
General Fund	15,970,521	16,976,310	17,012,195	17,268,868
American Recovery & Reinvestment Act	0	1,060,380	0	0
Federal Revenue Fund	28,018,289	28,515,058	30,075,284	30,888,960
<hr/> TOTAL	<hr/> 43,988,810	<hr/> 46,551,748	<hr/> 47,087,479	<hr/> 48,157,828

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Health**

Department Mission Statement

VISION:

Healthy Vermonters living in healthy communities.

MISSION:

To protect and optimize the health of all Vermonters.

Description of Appropriations, Divisions, & Programs

The Health Department's budget is divided into three appropriations:

Administration and Support

- ☐ Commissioner's Office
- ☐ Information Technology Services
- ☐ Business Office
- ☐ Rural Health and Primary Care Programs

Public Health

- ☐ Public Health Preparedness
- ☐ Health Surveillance
- ☐ Maternal and Child Health
- ☐ Health Promotion and Disease Prevention
- ☐ Vermont Blueprint for Health
- ☐ Local Health
- ☐ Board of Medical Practice

Alcohol and Drug Abuse Programs

- ☐ Administration and Planning
- ☐ Prevention
- ☐ Treatment

Working with partners throughout Vermont, regionally and nationally, the Vermont Department of Health works to protect and optimize the health of the population. The work of the department is guided by its vision and mission, by goals and objectives laid out in Healthy Vermonters 2010, by a Strategic Plan, and in coordination with the Blueprint for Health - the state's initiative to improve health care and prevent serious complications for people who have chronic health conditions.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Health

One of the essential functions of public health is to continually analyze data and trends and apply what we can learn to improving the health of the population. The Health Department regularly reports on the health status of the population. The last such report was in 2008.

ADMINISTRATION AND SUPPORT

- ☐ Commissioner's Office
- ☐ Information Technology Services
- ☐ Business Office
- ☐ Primary Care and Rural Health Programs

- ☐ **Commissioner's Office** provides public health leadership, policy development, direction and management guidance to staff and programs throughout the Department. Functions carried out by the Commissioner's Office include operations, legal counsel, planning, policy and public health communication including crisis and emergency communication planning/response, health risk communication, media relations, social marketing, and the department's website. In addition to the divisions of Public Health and Alcohol and Drug Abuse Programs, other programs with direct leadership from the commissioner and deputy commissioners are: Office of Rural Health and Primary Care (see below); Minority Health; Quality Assurance/Patient Safety; and Vermont Blueprint for Health.

- ☐ **Information Technology Services** develops, supports and maintains multiple and diverse custom software applications serving department programs. The unit has developed registries for births, deaths, immunizations and hearing screenings. The unit has implemented solutions provided by CDC or purchased from vendors such as electronic disease surveillance and reporting system and a laboratory information management system. Staff is also responsible for electronic data transfers such as electronic laboratory reporting.

- ☐ **Business Office** provides financial and logistical support for all departmental operations. It works to ensure that program financial management is reliable, timely, and in accordance with state and federal compliance requirements. It implements internal controls as needed, and provides periodic reporting to partners. Budget and grants staff manages the department's overall budget and spending for nearly 100 federal and foundation funding sources that comprise nearly three-quarters of the Health Department's budget.

- ☐ **Rural Health and Primary Care Office** works to assure that all Vermonters have access to quality health care and health care workforce development. Major federal programs include the Rural Hospital Flexibility program, State Office of Rural Health, State Primary Care Office, and the Small Hospital Improvement program. Major state programs include the Area Health Education Centers (AHEC's) and VSAC loan repayment/loan forgiveness; nine Clinics for the Uninsured; and Federally Qualified Health Center planning and development grants.

PUBLIC HEALTH

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Health

- ☐ Health Surveillance
- ☐ Maternal and Child Health
- ☐ Health Promotion and Disease Prevention
- ☐ Vermont Blueprint for Health
- ☐ Public Health Preparedness
- ☐ Local Health
- ☐ Board of Medical Practice

Division of Health Surveillance

- ☐ Public Health Statistics - Collects, analyzes, interprets and reports information to determine health risk behaviors, health status, health disparities, morbidity and mortality of the population. Provides research, statistical and analytical support to all Health Department programs. Maintains and analyzes vital records (births, deaths, marriages, civil unions, fetal deaths, and abortions). Conducts health surveys. Operates the Vermont Cancer Registry and the Immunization Registry.
- ☐ Infectious Disease Epidemiology - Monitors, investigates and takes action to limit the spread of infectious disease to prevent or control illness and death in the community. Provides vaccines for children and adults. Provides prevention and treatment services for zoonotic diseases, HIV, AIDS and sexually transmitted diseases, hepatitis, and tuberculosis. Coordinates health services for newly arrived refugees.
- ☐ Public Health Laboratory - Provides highest quality laboratory tests and analytical services to support public health work including disease prevention, control and surveillance; environmental health and protection, food safety, and emergency response.
- ☐ Environmental Health Epidemiology - Works to assess, prevent and control risks to public health associated with exposure to harmful substances in the environment. Performs toxicology risk assessments. Provides expert consultation for public inquiries. Operates asbestos and lead contractor certification program, childhood lead poisoning prevention program, radon program and school environmental health (ENVISION) program. Inspects and licenses restaurants, hotels, motels, inns, delicatessens, bakeries, school food service facilities, summer camps and fairs to prevent food borne illness. Investigates complaints to enforce the Clean Indoor Air Act.
- ☐ Office of the Chief Medical Examiner - In the interest of public health and public safety, performs autopsies, investigates, and determines cause and manner of unexpected or unnatural deaths from violence, injury, suicide, drugs or other circumstances.

Division of Maternal and Child Health

- ☐ Monitors and works to improve the system of health care for women, children and families. Promotes evidence-based prevention and intervention strategies and practices. Administers the Maternal and Child Health federal block grant, the federal family planning grant, and the

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Health

abstinence education grant. Serves as MCH coordinator for the Healthy Babies, Kids, and Families program.

- ☐ Children with Special Health Needs (CSHN) - Provides health care and support services to children (age 0-21) who have complex health problems. Coordinates the School Health Initiative funded through EPSDT to promote health in coordination with school staff.
- ☐ Special Supplemental Nutrition Program for Women, Infants and Children (WIC) - Promotes the health of infants, young children, pregnant women and new mothers by providing food and nutrition education, monitoring child growth and development, and linking participants to prenatal and pediatric health care.
- ☐ Early Periodic Screening, Diagnosis and Treatment (EPSDT) - Works to enhance the health of children on Medicaid by assuring access to health insurance and primary care. Prescribes standards for children's preventive health care and works to see that these standards are applied

Division of Health Promotion and Disease Prevention

Public health promotion and education programs directed at helping Vermonters adopt healthy behaviors, nutrition, and lifestyles to prevent leading chronic diseases and injury. Works in close coordination with the Vermont Blueprint for Health and communities. Major programs include:

- ☐ Tobacco Control - Works to cut smoking rates and exposure to second-hand smoking by supporting tobacco control work in community coalitions, schools and other settings; funding quit-smoking support services; conducting public education and counter-marketing campaigns; enforcing no-smoking laws; monitoring and evaluating progress toward goals.
- ☐ Nutrition and Physical Activity - Works to prevent obesity and related chronic conditions by helping communities conduct local assessments, plan and implement policy and environmental changes to promote nutrition and physical activity.
- ☐ Injury and Violence Prevention and Control - Works to develop a coordinated approach to injury and violence prevention throughout the state. Priority areas are: child abuse, intimate partner abuse, work-related injuries, seat belt use, residential fire deaths, teen suicide attempts, suicide deaths, drunk-driving deaths, elderly falls, prescription drug misuse, motor vehicle crashes, and ATV injuries.
- ☐ Oral Health - Works to reduce prevalence of dental disease through community and school-based efforts. The Tooth Tutor program puts dental hygienists in Head Start and elementary schools to link children with a dental home. Provides technical assistance to ensure appropriate services are provided to children and families enrolled in state-funded dental programs.
- ☐ Diabetes Prevention and Control - Works to improve service quality and capabilities of providers

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Health

to help consumers achieve diabetes control. Promotes self-management of diabetes.

- ☐ Ladies First/WISEWOMAN - Provides for breast and cervical cancer screening and cardiovascular health screening for women age 40 and older with limited incomes and not eligible for Medicaid, VAHP or Medicare Part B. Women age 18-39 who have breast cancer symptoms or abnormal Pap tests are also eligible. Provides self-help for women to make lifestyle behavior changes to prevent, delay or control cardiovascular disease, and referrals for medical treatment.
- ☐ Asthma Control - Works to reduce hospitalization rate for asthma. Promotes use of Asthma Action Plans to manage disease, work to increase number of certified asthma educators, and educates health care providers on the most recent diagnosis and treatment guidelines.
- ☐ Comprehensive Cancer Control - Collaborates with internal and external partners in five priority areas: reduce exposure to known carcinogens; detect new cancers as early as possible through appropriate screening; increase access to quality cancer treatment and follow-up care; improve quality of life for people living with cancer; and improve end-of-life care for cancer survivors.

Vermont Blueprint for Health

The Vermont Blueprint for Health is a vision, a plan and a statewide partnership to improve public health and the health care delivery system for all Vermonters. The Blueprint provides the information, tools and support that Vermonters with chronic conditions need to manage their own health - and that doctors need to keep their patients healthy. The Blueprint is working to change health care to a system focused on preventing illness and complications, rather than reacting to health emergencies.

Office of Public Health Preparedness

- ☐ Preparedness and Response - Coordinates and manages preparedness/response plans, training, drills, exercises and events related to widespread disease outbreaks, pandemic flu, radiological, chemical or bio-terrorist health threats, and other public health emergencies. Works with external partners to manage emergency health and medical preparedness/response systems. Manages federal grants related to public health and hospital preparedness.
- ☐ Emergency Medical Services - Standard setting, regulation and planning for statewide EMS systems including training, technical assistance and program development for local services. Also licenses/certifies personnel, emergency vehicles and emergency equipment.
- ☐ Radiological Health - Minimizes radiation dose to patients, workers and the public by registering and inspecting radiation sources, providing technical assistance, and conducting extensive environmental surveillance around Vermont Yankee nuclear power plant.

Office of Local Health

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Health

Provides public health leadership and direct service to Vermonters in their communities.

- 12 district offices work in close coordination with other AHS district office staff to provide public health leadership for community health assessments, coalition building, and planning. Provides health promotion, disease prevention, outreach, education, emergency preparedness and follow-up necessary to support an effective public health system. It is through these district offices that most Health Department programs reach all Vermonters.

Board of Medical Practice

The Health Department provides administrative support to the Board of Medical Practice, which regulates physicians (MDs), physician's assistants (PA's), podiatrists, and anesthesiology assistants. Investigates, issues and renews licenses. Adjudicates complaints of unprofessional conduct.

ALCOHOL AND DRUG ABUSE PROGRAMS:

Alcohol and Drug Administration and Planning:

Undertakes analyses to determine the prevalence of substance abuse and treatment needs in communities and Statewide; 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; and manages and monitors federal data grants and SAPT Block Grant data reporting. Plans and manages training and technical assistance to develop the community substance abuse workforce. Develops strategic plan and implementation strategies.

Alcohol and Drug Abuse Treatment:

Manages and provides quality assurance for the state's substance abuse treatment system and assures regional access to substance abuse treatment. System of care includes outpatient, intensive outpatient and residential treatment for adolescents and adults; pharmacological treatment, including methadone and care management for clients in treatment with Suboxone (buprenorphine); recovery services and transitional housing. Monitors and approves programs through site visits and ongoing technical assistance. Funds treatment services for VHAP and uninsured clients. Manages and monitors Medicaid funding of treatment providers. Responsible for licensing/certification standards for substance abuse counselors. Operates the Drinking Driver Rehabilitation (CRASH) Program. Manages Student Assistance Programs. Provides technical assistance and funding to the Court Administrator's Office for development and implementation of drug court programs in family and district courts. The Governor's DETER Initiative is also managed under this area..

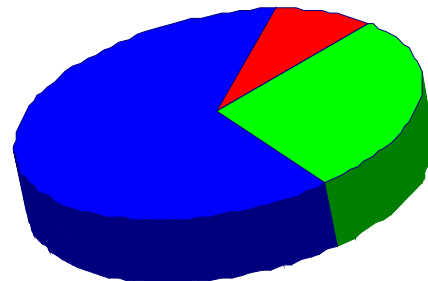
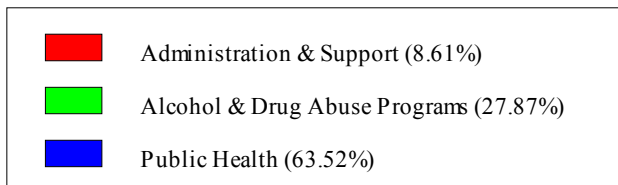
Alcohol and Drug Prevention:

Through staff based in the Health Department's central office and the 12 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.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Health

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Administration & Support	90	71	58	11,599,716	11,927,516	10,488,463	9,775,967
Health Protection	47	0	0	0	0	0	0
Public Health	0	425	384	71,592,026	75,121,566	73,364,028	72,140,269
Health Surveillance	132	0	0	0	0	0	0
Health Improvement	79	0	0	0	0	0	0
Community Public Health	208	0	0	0	0	0	0
Alcohol & Drug Abuse Programs	42	33	31	29,960,003	31,445,839	32,428,684	31,649,050
Medical Practice Board	6	0	0	0	0	0	0
TOTAL	604	529	473	113,151,745	118,494,921	116,281,175	113,565,286
FUND TYPE							
General Fund				9,286,618	11,099,275	10,695,520	11,422,432
Special Fund				15,468,163	13,071,415	12,974,110	13,154,857
Federal Revenue Fund				44,602,940	46,271,694	45,002,066	44,970,638
Permanent Trust Fund				10,000	10,000	10,000	10,000
Global Commitment Fund				42,677,327	47,228,406	46,826,102	43,252,935
Interdepartmental Transfer				1,106,697	814,131	773,377	754,424
TOTAL				113,151,745	118,494,921	116,281,175	113,565,286



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration & Support

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	5,441,140	6,222,550	5,619,079	5,741,814
Operating Expenses	2,285,209	2,812,966	2,157,384	2,182,153
Grants	3,873,367	2,892,000	2,712,000	1,852,000
<hr/> TOTAL	<hr/> 11,599,716	<hr/> 11,927,516	<hr/> 10,488,463	<hr/> 9,775,967
FUND TYPE				
General Fund	630,237	1,083,788	823,438	1,070,058
Special Fund	960,407	324,678	285,468	232,148
Federal Revenue Fund	4,919,697	6,027,218	6,000,043	5,833,750
Global Commitment Fund	5,006,088	4,419,832	3,348,268	2,640,011
Interdepartmental Transfer	83,287	72,000	31,246	0
<hr/> TOTAL	<hr/> 11,599,716	<hr/> 11,927,516	<hr/> 10,488,463	<hr/> 9,775,967

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Health

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	32,465,333	35,134,321	31,620,557	32,322,118
Operating Expenses	7,023,753	7,080,700	7,171,167	7,193,132
Grants	32,102,940	32,906,545	34,572,304	32,625,019
<hr/> TOTAL	<hr/> 71,592,026	<hr/> 75,121,566	<hr/> 73,364,028	<hr/> 72,140,269
FUND TYPE				
General Fund	5,638,342	6,951,822	6,853,061	7,172,987
Special Fund	11,885,387	10,127,693	10,073,724	10,307,791
Federal Revenue Fund	33,582,532	31,809,266	30,660,708	30,795,573
Permanent Trust Fund	10,000	10,000	10,000	10,000
Global Commitment Fund	19,632,697	25,630,654	25,174,404	23,249,494
Interdepartmental Transfer	843,068	592,131	592,131	604,424
<hr/> TOTAL	<hr/> 71,592,026	<hr/> 75,121,566	<hr/> 73,364,028	<hr/> 72,140,269

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Alcohol & Drug Abuse Programs

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,838,518	3,195,089	3,041,356	2,931,722
Operating Expenses	436,715	1,299,901	609,845	709,845
Grants	26,684,770	26,950,849	28,777,483	28,007,483
<hr/> TOTAL	<hr/> 29,960,003	<hr/> 31,445,839	<hr/> 32,428,684	<hr/> 31,649,050
FUND TYPE				
General Fund	3,018,039	3,063,665	3,019,021	3,179,387
Special Fund	2,622,369	2,619,044	2,614,918	2,614,918
Federal Revenue Fund	6,100,711	8,435,210	8,341,315	8,341,315
Global Commitment Fund	18,038,542	17,177,920	18,303,430	17,363,430
Interdepartmental Transfer	180,342	150,000	150,000	150,000
<hr/> TOTAL	<hr/> 29,960,003	<hr/> 31,445,839	<hr/> 32,428,684	<hr/> 31,649,050

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children and Family Services

Department Mission Statement

The Department for Children and Families, as part of an integrated Agency of Human Services, fosters the healthy development, safety, well-being, and self-sufficiency of Vermonters.

We are passionate about prevention and will:

- ☐ Reduce poverty and homelessness;
- ☐ Improve the safety and well-being of children and families;
- ☐ Create permanent connections for children and youth; and
- ☐ Provide timely and accurate financial supports for children, individuals, and families.

Description of Appropriations, Divisions, & Programs

The Department for Children and Families is comprised of the commissioner's office, three divisions and three offices:

Child Development Division (CDD). CDD supports the well being of Vermont's children through the development and provision of comprehensive child development services for children and their families from pre-birth to age sixteen. The Division is organized under three primary functional areas: Internal Child Care Management which includes the licensing, subsidy and operations units; Child Care Administrator and Workforce Development which includes Early Childhood and Afterschool Systems of Care; and External Systems and the Head Start Collaboration Office which includes Children's Integrated Services, the Early Childhood Comprehensive Systems Grant and management of grants and contracts with community based partners, e.g. the Parent Child Centers.

Family Services Division. This division provides the following services: child abuse and neglect investigations, child protective services, services to children in the custody of the Commissioner of DCF and youth justice services, including supervision of youth on juvenile probation.

Economic Services Division (ESD). This Division provides both benefits and services to low to moderate income Vermonters. ESD consists of the following programs: Reach Up, Aid to the Aged, Blind, & Disabled (AABD), Health Care eligibility, Home Heating Assistance (LIHEAP), Food & Nutrition, Essential Person, Telephone Lifeline, General and Emergency Assistance.

Office of Disability Determinations Services (DDS). DDS determines medical eligibility for disability

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children and Family Services

benefits under Social Security and Supplemental Security (SSI) and Medicaid.

Office of Child Support (OCS). This office manages the Vermont child support program. It enforces ordered child support obligations; establishes child and medical support and parentage orders; and locates missing non-custodial parents.

Office of Economic Opportunity (OEO). OEO supports community-based antipoverty programs with grants management; resource identification and development; training and technical assistance; and advocacy.

Commissioner's Office

The Commissioner's Office provides administrative oversight and support to the operating divisions. It is responsible for policy and budget development, operational management of all programs and divisions, human resource development for approximately 924 DCF staff, internal and external communication and is charged with maintaining relationships with other state agencies, the legislature and federal officials.

Child Development Division

Program Focus:

The Child Development Division seeks to improve the well being of Vermont's children by ensuring access to high quality, economically viable child development services. The goals for the division include promoting school readiness and life long success for Vermont's children and youth thereby reducing the need for more costly, long term social, education, economic and correction services. The CDD works in partnership with a network of community based providers to ensure a continuum of early childhood and after-school services are available throughout Vermont. Direct services for children and families include regulated early childhood and afterschool programs, early intervention services for at risk children, resource and referral for families, and parent education and family support services. The division also provides technical assistance and professional development opportunities to the early childhood and afterschool workforce in the state.

In addition, the Child Development Division is committed to the ongoing work of building an integrated system of early childhood services that are accessible to all Vermont young children. This public/private partnership is called Building Bright Futures.

Population Served:

The division provides services to children from pre-birth through sixteen and their families. The services include family support, primary prevention, early intervention and therapeutic services. The focus of efforts between six and sixteen involves after-school services.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children and Family Services

Major Programs/Services:

Licensing: The Licensing Unit is responsible for regulating, monitoring and providing technical assistance for child care providers including early childhood and afterschool programs, family child care registered and licensed homes, and certified legally exempt providers in Vermont. There are currently 687 Licensed Centers, 1,093 Registered Homes and 1100 Certified Legally Exempt providers. The regulated child care system serves approximately 36,150 children ages 6 weeks to 13 years. The Licensing Unit processes applications for child care, including approximately 75,000 criminal record, child abuse and adult abuse screens annually. The Child Care Consumer Line (1-800-540-7942) services, complaint investigations and additional technical assistance to providers and families are also part of this unit.

Children's Integrated Early Intervention Services: This unit brings together early intervention and primary prevention services to build a more seamless continuum of services for children and families. The immediate goal is to merge three early intervention programs into a holistic approach for service delivery that utilizes a team approach, a single treatment plan, and a primary interventionist model. Each AHS region is currently involved in the implementation of this new service approach, which includes a broad range of early childhood providers. Child Development Division services included in this work are:

Maternal and child health services which provide home visiting, nursing and family support services to pregnant women and children up to 6 years who are receiving Medicaid benefits. 5,000 women and children are served annually.

Part C early intervention serves children under 3 years with established disabilities or a diagnosed condition with high probability of subsequent developmental delays. There are about 800 active participants at any given time with over 1,400 children served through the course of a year.

Early childhood and family mental health services provide mental health consultation and education services to several hundred early childhood programs annually as well as direct therapeutic services to 800 children.

Subsidy: The Subsidy Unit manages the child care financial assistance program to aid eligible families with the cost of their child care. Basic eligibility is based on income (monthly gross) and family size. It is also based on familial risk factors. The program serves between 7,000-8,000 children at any given time.

The Child Development Division contracts with child care community support agencies in each of the twelve AHS regions where trained specialists manage the financial assistance program and connect parents and child care providers. Provider payments are managed by the Child Development Division's central office with payments of approximately one and half million dollars every two weeks. The child

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children and Family Services

care financial assistance program is funded with the Federal Child Care Development Fund and State General Funds.

Workforce Development: This unit manages all initiatives that support improving the quality of child development services including all early childhood and afterschool programs. Major initiatives include promoting the ongoing professional development of the workforce through the Northern Lights Career Development Center, promoting increased quality through the Step Ahead Recognition System (STARS) and the expansion of infant/toddler and school age services through initiatives targeted to each age group.

Operations: The Operations Unit is responsible for the following major functional areas: CDD's Administrative Support, the CDD's IT System Helpdesk, Contract and Grants Management, CDD's web-based Bright Futures Information System, the development of management information systems for the new units of CDD, Children's Integrated Services and Community Systems, and federal and state reporting. Currently, CDD is conducting business on-line with nearly 80% of the 1780 regulated child care providers. Decreasing our paper use and improving customer service and responsiveness by growing the population of e-providers is a major accomplishment of the Operations unit utilizing the Bright Futures Information System.

Early Childhood and Afterschool Systems of Care: This unit supports external work with community, state and federal partners to establish, sustain and enhance the infrastructure and direct service capacity for Vermont's Child Development System, including early childhood and school age services.

External Systems: This unit helps ensure effective partnerships with community partners who deliver many of CDD's direct services in the AHS regions. Primarily through grants and contracts, CDD seeks to ensure access to quality early childhood and family support services for all Vermonters with young children. The goal is to improve outcomes and the general well being of children. Specific services and CDD initiatives include:

The State Head Start Collaboration Office
Building Bright Futures
The Early Childhood Comprehensive Systems Grant
Healthy Child Care Vermont
The School Age Care Network and Out of School Time Initiative
The Children's Trust Fund
Parent Child Centers, and
Building Bright Futures Direct Services

Family Services Division

Program Focus/Population Served:

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children and Family Services

The Family Services Division is Vermont's child welfare and juvenile justice agency. It serves high risk children and families and intervenes as the statutes allow. It provides care and supervision for children in the custody of the commissioner.

Major Programs/Services:

Child abuse and neglect investigations: The division is responsible for responding to reports alleging that children are abuse or neglected. When an intake results in a child abuse investigation, a social worker must see the child within 72 hours. The focus is on the child's immediate safety. Frequently, social workers collaborate with law enforcement personnel when conducting these investigations.

Ongoing services to families at risk: For families who are at the highest risk of abuse or neglect, the division provides family services focused on addressing the underlying factors that contribute to the risk. Social workers provide direct services, and coordinate other therapeutic services targeted at risk reduction.

Substitute care, treatment and permanency planning services for children in custody: The division focuses on providing the most appropriate out-of-home living situation. Whenever possible, children are placed in their own school districts. The division is actively focused on ensuring a permanent home for children as soon as possible, preferably with the child's own family.

Transition services: Services to support the successful transition of youth in custody to adulthood, including training and support services through the Youth Development program, housing supports, extended foster care, and financial assistance with post-secondary training. Services are available to the young adults 22nd birthday.

Probation and other restorative justice services for delinquent youth, including detention and treatment services at the Woodside Juvenile Rehabilitation Facility, a 28-bed facility: The division provides services to delinquent youth with a focus on balanced and restorative justice. A central goal is to avoid later involvement with the adult corrections system.

Adoption subsidy and post-adoption supports for adoptees with special needs: Children adopted through the foster care system care are often eligible for financial supports due to their special needs. In addition, adoptive families are provided with post-adoption services to ensure their success as parents through the predictably difficult times they will face in parenting children with special needs.

The Emergency Services Program: Provides after-hours support for foster parents and other families. In addition, the Emergency Services Program staff responds to reports of abuse and neglect, deploying social workers to respond when necessary.

The Residential Licensing Unit: Promotes safety of children by licensing foster families, residential facilities and child placing agencies.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children and Family Services

The Family Services Central Office: Provides necessary supports to ensure quality services, such as planning, policy development, quality assurance, budget development and oversight, support of the foster and residential care system, oversight on the contracted services system, etc.

Economic Services Division

Program Focus/Population Served:

The Economic Services Division (ESD) administers a variety of state, federal/state, and federal programs that address the basic needs of low and moderate income Vermonters. Contributing factors include unemployment, part-time or low-wage employment, family breakup, single parenthood, age, temporary or permanent disability, death of a family member, or other catastrophic event. These programs promote the well-being of families and individuals by providing assistance-to-work services, health care coverage, cash assistance and food support.

ESD programs serves about 150,000 low to moderate income people at any given time during the year. More than one in five Vermonters will receive benefits or services from these programs.

Major Programs/Services:

Reach Up Program- On a monthly average, this program serves around 5,800 families with children who are unable to provide for themselves as a result of family breakup, single parenthood, temporary or permanent disability, unemployment, or low-wage employment. Participating families receive cash assistance, case management, and other help to achieve self-sufficiency. Families receiving Reach Up are provided Medicaid coverage and approximately nine out of ten receive federal supplemental nutrition assistance program benefits (3SquaresVT) - formerly known as Food Stamps. Expenditure of general funds in the program is required to receive the federal TANF state block grant. Reach Up supports participants in program activities such as basic education, work experience, occupational training, parenting, postsecondary education, job readiness and job search. Reach Up also provides support services to help participants with the cost of child care, transportation and other work related expenses.

Postsecondary Education program on average serves 160 families by providing financial assistance and support services while an adult member works on getting an associate or bachelor degree.

Reach First Program - This program was implemented in July 2008 and provides short-term help to families who financially qualify for Reach Up, but do not need ongoing financial assistance. The program served an average of 475 families monthly by providing them with a limited financial benefit and services to fill a temporary need while they overcome a temporary period or circumstance of financial need.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children and Family Services

Aid to the Aged, Blind, & Disabled (AABD) - The AABD appropriation funds the State Supplement to federal Supplemental Security Income (SSI) cash benefit Vermonters receive from the Social Security Administration. The majority of recipients live independently in the community, and the remainder live in community or residential care homes. This appropriation also funds the Essential Person Program that provides cash assistance to needy household members, in many instances the spouse of the person who is aged or disabled, who is ineligible for SSI and Reach Up benefits and whose care or services are essential to the aged or disabled person's ability to remain at home.

In FY 2011 the estimated average AABD caseload is expected to be 15,325 recipients a month and the Essential Person Program caseload should be approximately 185 households a month.

General Assistance - General Assistance/Emergency Assistance (GA/EA) programs are emergency financial assistance and services for eligible individuals and families. The GA/EA Program provides emergency help to low income people who are homeless or likely to lose their home. It also pays for burial services for the poor.

ESD has been given authorization by the Legislature to waive the GA/EA rules to try out new approaches to serving those seeking housing assistance. ESD is operating pilots in all areas of the State.

ESD has joined with Voc. Rehabilitation Division to address the large number of regular GA recipients who are SSI applicants. The SSI application process is extremely complex and by providing specialized services, ESD hopes to shorten the time it takes for these GA recipients to get through the process.

GA is funded from General Funds and EA from federal TANF block grant.

Food & Nutrition Programs - The Economic Services Division operates two primary food and nutrition programs:

3SquaresVT

The USDA Supplemental Nutrition Assistance Program (SNAP) is a federally regulated and funded entitlement program, much like Social Security. Anyone who applies and meets eligibility criteria must be found eligible. SNAP is the country's first line of defense against hunger. Its mission is to provide low-income households better access to a healthy diet while supporting American agriculture and inspiring public confidence. USDA allows states to call the federal SNAP by a state-specific name. In Vermont, SNAP is known as 3SquaresVT.

3SquaresVT benefits are 100 percent federally funded and increasing the benefits used in Vermont is one of the most direct ways to help boost the state economy because benefits are redeemed almost immediately on new purchases of food. The program generated over \$10.3 million in federal benefit dollars in December 2009 - supporting family food budgets and the state's economy. According to studies performed by USDA's Economic Research Service, every 3SquaresVT dollar redeemed

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children and Family Services

stimulates our economy by an additional 84 cents. Thus, November brought more than \$19.0 million in economic stimulus to the state of Vermont.

3SquaresVT has been instrumental in generating funds to support modernization efforts underway at the department. Since 2006, 3SquaresVT has been awarded more than \$1.3 million via four cash bonuses from the United States Department of Agriculture for high performance in the areas of error reduction and increased participation. These funds may be leveraged to draw down more federal financial participation administrative dollars from the USDA.

The department issues nearly all of its 3SquaresVT benefits by electronic benefit transfer (EBT). EBT benefits are applied to a card that looks and operates like a credit or ATM card. Use of the card allows beneficiaries to purchase their food in privacy without calling attention to their status as 3SquaresVT participants. DCF partnered with VDH to implement a fruit and vegetable program for WIC recipients. This program supports approximately 11,000 households.

For households in which everyone is either age 65 or older, an SSI recipient, or a combination of both, 3SquaresVT benefits are issued either as a cash benefit applied to the EBT card or as a direct deposit of cash to a bank account. These cash benefits are intended to be used to purchase eligible foods but there is no restriction on their use. Beneficiaries are allowed full discretion on use of the cash benefit.

In September 2008, Governor Douglas announced that Vermont would follow the lead of 12 other states to expand 3SquaresVT eligibility to more households by eliminating the asset test and raising the gross income test from 130% of the federal poverty level to 185% of the poverty level. This expanded eligibility for the program was implemented January 1, 2009. In FY 2011 the estimated 3SquaresVT caseload will approach 83,000 individuals a month and 41,000 households per month. These numbers are dependent on the success of aggressive outreach and program redesign strategies.

Farm To Family

Farm To Family coupons help Vermonters buy locally-grown fresh vegetables and fruits. They can be used at about 50 participating farmers' markets throughout Vermont.

About one in four Vermonters qualifies for Farm To Family coupons including families enrolled in the WIC Program and other individuals or families who have a household income at or below 185% of the federal poverty limit.

The application process begins in late June of each year, and \$30 worth of coupons is provided at the time of application. Receipt of coupons is not an entitlement so distribution is on a first come, first served basis and they run out quickly. The coupons are valid for just one market season and expire on October 31 each year.

Families with a WIC participant over six months old must apply at special Farm To Family sessions held by the local District Health Office. Other households must apply through their local Community Action Agency <http://dcf.vermont.gov/community_action_agencies> beginning in mid-June.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children and Family Services

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. Fuel assistance funding primarily comes from the federal Low-Income Home Energy Assistance Program (LIHEAP).

Vermont's fuel assistance program has two components: Seasonal Fuel Assistance operated state-wide by ESD's Office of Home Heating Fuel Assistance, and Crisis Fuel Assistance operated through grant agreements with the state's five community action agencies. The net income qualification for the Seasonal component is 125% of the federal poverty level (based on household size) and 150% for the Crisis component.

The Seasonal component accepts applications from early July to the end of February. Benefits are issued once a season per household either as a line of credit paid to a household's certified fuel supplier, or for households where heat is included in the rent as a cash benefit paid to the head of household. Benefits are not intended to meet the total cost of heating the home, but rather to provide supplemental assistance to households that qualify.

For FY2009 applications were 27 percent above the prior year and are projected to reach well over 41,000 by the end of February. Due to increased demand ESD projects that the Seasonal component will assist over 25,300 households in FY2009, an increase of 17 percent over FY2008. The Fuel Office began issuing benefits in mid-November 2008 with an average benefit issued to fuel suppliers of \$1,721. Total benefits of \$31.3 million are projected to be issued.

The Crisis component operates from late November until late April. Households may receive up to three grants per season for either heating fuel or to prevent disconnection of electric service. A state-wide emergency hotline operates nights, weekends and holidays. Households do not have to be out of fuel to apply for Crisis assistance, and if the head of household is elderly (age 60 or older) or disabled they may apply for Crisis assistance by phone.

In FY2009 over 7,000 households were assisted from the \$4.1 million that has been designated for Crisis grants.

In FY2010, it is projected that those 27,400 households will be scheduled to receive benefits of approximately \$21.5M. Crisis benefits are expected to be about \$2.5M

Health Care Eligibility Determination Services

The division determines eligibility for more than 150,000 Vermonters who are eligible for health care coverage and thousands of others who are seeking coverage but are not eligible under the program rules. The complexity of eligibility determinations results from the hundreds of available bases for health care coverage in Vermont.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children and Family Services

Office of Disability Determination Services

Program Focus/Population Served:

Disability Determination Services (DDS) serves the public by making prompt, regulation-compliant decisions of medical eligibility for disability benefits under Social Security and Supplemental Security Income (SSI). All funds expended by DDS to process Social Security and SSI disability claims, including staff salaries and benefits, are 100% federally reimbursed. A small part of the DDS workload involves medical eligibility for Medicaid based on the regulatory definition of SSI disability and the Katie Beckett Medicaid waiver.

Office of Child Support

Program Focus:

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 non-custodial parents. Title IV-D requires that 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. Ultimately, Vermont OCS is required by law to perform the complete array of our existing services regardless of budgetary circumstances.

For the families served, collections are the most critical outcome. Receiving child support often makes the difference between needing state financial assistance or remaining independent and self-supporting. 46% of families served by OCS have moved away from public assistance to being self-supportive. There is a growing reliance on child support payments as the safety net for the working poor. The majority of families served by OCS (70%), although typically low income, are not receiving TANF benefits. While TANF caseloads may be declining (30% of OCS families), OCS provides an income support to the former-TANF families for many years to come.

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

In 2008, OCS embarked on a Business Process Improvement initiative by working with a professional carefully scrutinizing several operational processes OCS understands improvement of internal processes leads to business efficiency and would help offset diminished resources.

Now in SFY'10, OCS is fortunate to receive federal ARRA funds specifically for the purpose of improving the child support program. Using the funding, coupled with the planning performed from the

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children and Family Services

business process initiative, OCS is working toward improving the financial processing system for child support. Having ARRA funding available was a timely opportunity to address previously identified systems deficiencies.

Office of Economic Opportunity

Program Focus

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.

Major Programs/Services

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 2009, Vermont CAA's provided direct services to over 50,000 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 approximately 25 non-profit organizations serving low-income Vermonters, thereby assisting them with emergency food and shelter needs.

Homelessness Services

OEO provides multiple grants and technical support to community non-profits engaged in sheltering the homeless, homelessness prevention, and moving families and individuals towards permanent housing.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children and Family Services

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 persons who are homeless or at risk of homelessness. Efforts continue to provide sufficient shelter with increased initiatives providing more emergency shelters.

Asset Development Programs

The statewide Micro Business Development Program is operated through Community Action Agencies to promote self-employment and business opportunities for low income Vermonters through Job Start loans, business planning and technical assistance. In 2009, new businesses continued to start up and approximately 128.5 new full and part-time jobs were created by business start-ups, expansions and enhancements.

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 a national energy crisis. Funding for the early days of the program was provided 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 is over \$15M including \$8.4M of ARRA funds.

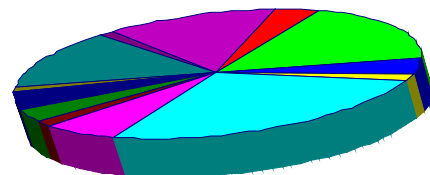
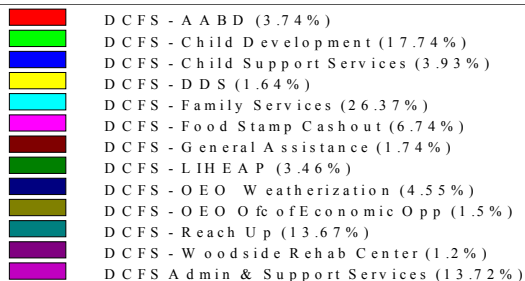
Services Available to Income-Eligible People Include:

- 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.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children and Family Services

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
DCFS Admin & Support Services	434	457	425	45,229,143	45,288,737	44,016,001	46,061,495
DCFS - Family Services	290	276	270	86,742,810	91,660,997	87,090,571	88,486,508
DCFS - Child Development	41	43	40	56,654,284	60,125,442	60,192,571	59,550,867
DCFS - Child Support Services	130	118	115	12,099,820	13,305,854	13,054,724	13,194,039
DCFS - AABD	0	0	0	11,894,052	11,506,789	12,291,589	12,539,089
DCFS - General Assistance	0	0	0	6,446,695	6,000,928	6,845,888	5,850,928
DCFS - Food Stamp Cashout	0	0	0	15,899,832	19,031,133	19,031,133	22,610,178
DCFS - Reach Up	0	0	0	43,972,350	47,929,876	50,519,796	45,864,463
DCFS - LIHEAP	0	0	0	33,251,735	11,612,664	11,612,664	11,612,664
DCFS - OEO Ofc of Economic Opp	3	3	3	5,548,804	8,938,942	8,938,942	5,044,390
DCFS - OEO Weatherization	2	2	2	9,820,488	15,264,728	15,264,728	15,273,952
DCFS - Woodside Rehab Center	33	34	33	3,610,470	4,113,242	4,090,677	4,031,512
DCFS - DDS	30	31	36	3,809,174	4,132,648	4,132,648	5,487,309
Children's Trust Fund	0	0	0	356,221	0	0	0
TOTAL	963	964	924	335,335,878	338,911,980	337,081,932	335,607,394
FUND TYPE							
General Fund				87,557,623	91,061,227	88,837,982	95,733,623
Special Fund				32,435,675	27,066,889	29,516,889	28,820,199
American Recovery & Reinvestment Act				5,681,674	26,504,983	29,061,159	14,608,132
Federal Revenue Fund				141,539,547	125,916,922	124,510,359	131,286,989
Global Commitment Fund				66,497,766	67,679,960	64,473,544	64,476,452
Interdepartmental Transfer				1,623,593	681,999	681,999	681,999
TOTAL				335,335,878	338,911,980	337,081,932	335,607,394



**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS Admin & Support Services**

Appropriation Key Budget Issues

New Federal Mandates 2008

Unfunded federal mandates and caseload growth continue to require significant additional human and fiscal resources for the provision of health care eligibility determination services and for the development and management of the data systems required to support it.

In 2008, Congress imposed the following three new mandates that require implementation in the near future or the agency risks loss of federal funding for part or its entire Medicaid program:

PARIS -State eligibility determination systems must operate data matching through the Public Assistance Reporting Information System (PARIS) or risk loss of Medicaid federal matching funds for reimbursement of state costs for automated data systems used for the administration of the Medicaid state plan.

AVS - As soon as November 2009, states are required to implement an automated verification system (AVS) for liquid assets. This unfunded federal mandate is required by the Supplemental Appropriations Act of 2008) passed July 2008

MIPPA - By January 2010, states must determine eligibility for Medicare Savings Programs for all individuals who applied for the federal low-income subsidy and are referred to the state by the social security administration. This unfunded federal mandate is known as MIPPA (Medicare Improvements for Patients and Providers Act) passed July 2008.

Continued Implementation of Recent Federal Mandates 2006-2007

Healthcare eligibility staff continue to work through the myriad implementation challenges of these recent federal mandates.

Citizenship: In the Deficit Reduction Act passed in February, 2006, Congress mandated a new verification requirement for Medicaid applicants and beneficiaries. The law now requires most US citizens who apply for or receive Medicaid funded programs to present documentary evidence of their citizenship status and identity. Medicaid applicants and beneficiaries who also receive Supplemental Security Income (SSI), Medicare, Social Security Disability Income (SSDI), foster children, and recipients of Title IV-E adoption assistance are exempt from the requirement.

PERM - the FFY10 Payment Error Rate Measurement review begins October 2009. This unfunded federal mandate entails an eligibility review of approximately 1400 individuals for the sample months October 2009 through September 2010. An RFP to contract for this work will be issued July 1, 2009.

Implementation of New State Health Care Initiatives

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS Admin & Support Services

Premium Assistance Programs: Act 191 passed during the 2006/2007 legislative session created premium assistance programs for Employer-Sponsored Insurance (ESI) and Catamount Health. These programs were implemented October 1, 2007. Catamount Health is the private insurance product offered by Blue Cross Blue Shield and MVP to uninsured Vermonters. Premium assistance programs allow more uninsured Vermonters to obtain affordable and comprehensive health care coverage.

This initiative has resulted in the transition of some VHAP beneficiaries to the ESI program and an increase in health care program applicants through the Economic Services Division. It also created a new level of complexity in eligibility determination and administration of the program. We have been working collaboratively with OVHA on enhancements to the system design, rules, notices and related information for these programs.

Long term-care (LTC) Medicaid administration: The cost of LTC Medicaid continues as a significant budget pressure. The increasingly complex financial situations of many applicants challenge the division to provide resources to assure the consistent and accurate administration of the program serving the most expensive of all health care populations. Critical resources include adequate training, supervision, and access to legal assistance for review of case documents. Further legal analysis of federal rules and estate planning vehicles also yields program savings through changes resulting in increased cost sharing by individuals or estate recovery receipts.

Increased applications for Catamount Health and other health care programs: The new Premium Assistance Programs have significantly increased health care coverage in Vermont. ESD has a major role in determining eligibility. The State is actively recruiting new participants through a marketing campaign.

Economic Benefits Modernization

DCF is engaged in a dramatic shift in the administration of benefits programs. Instead of operating 12 district offices, actual benefits eligibility work will be done through centrally operated units. Most client contact will be through the web or via a call center. Most local work will be done by other human services staff already located in agencies all over Vermont. This shift is slated to begin by the end of January 2010, and be fully operational by the beginning of FY'11.

Most costs associated with this effort are being borne by bonuses earned by the Food Stamps Program and by a federal grant. This effort will produce efficiencies.

Responding to the Food and Fuel Crisis

We are living through very challenging economic times. In the summer of 2008, fuel prices threatened to create an unprecedented crisis across the cold weather states. Food prices were rising. This was immediately followed by the dramatic collapse of the US economy. All of these forces have resulted in Vermont closely looking at various program which can respond to increased financial instability in families across the state.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS Admin & Support Services

Beginning in January, 2009 and for FY'10, the food stamps program has been expanded. DCF has been allocated 16 additional positions for an 18 month period to handle this increase in workload. Modernization will allow the department to absorb the workload in FY'11.

The Home Heating Assistance Program has expanded benefits dramatically through increased federal dollars. Benefit levels and eligibility criteria will continue to be reassessed in the coming months depending on economic realities.

Economic forces create and remove demand on the economic benefits provided through the Economic Services Division. We will need to be vigilant in assuring that we are prepared to respond to changing realities.

Rising Reach Up Caseloads

In 1995, the federal government “ended welfare as we know it”. At the time, more than 25,000 individuals in Vermont were in households who were recipients of public welfare benefits. With the advent of TANF, Temporary Assistance to Needy Families, a work requirement was instituted for recipients. Over the succeeding 12 years, the caseload fell dramatically to below 12,000 individuals (less than 5,000 households). However, beginning in summer, 2006, that number leveled off and over the past two years has inched upward. With the collapse of the national economy, the numbers are rising faster and we are now projecting a caseload in FY'10 of 15,066. Depending on the state of the economy by the time we reach FY'10, this number could grow even higher. The budget includes funding at the 15,202 level, reflecting a significant increase over FY2010 base budget.

The budget also projects savings from three proposed policy changes in the Reach Up Program which require legislative action during the 2009 session:

- ☐ Inclusion of SSI benefits as “family income” in calculating eligibility-until now, that income has been exempt.
- ☐ Creating an ability to remove people from the program after they chronically refuse to complete their family development plan and meet work requirements.
- ☐ Preventing people who don't meet “hardship criteria” from receiving benefits for more than 60 months.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS Admin & Support Services

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	35,548,150	37,028,517	36,040,783	37,767,592
Operating Expenses	8,109,833	7,305,795	7,305,794	7,439,383
Grants	1,571,160	954,425	669,424	854,520
<hr/> TOTAL	<hr/> 45,229,143	<hr/> 45,288,737	<hr/> 44,016,001	<hr/> 46,061,495
FUND TYPE				
General Fund	12,498,911	15,015,703	14,265,970	15,044,158
Special Fund	554,469	147,950	147,950	0
American Recovery & Reinvestment Act	304,074	300,000	140,000	0
Federal Revenue Fund	15,960,428	13,969,887	13,802,060	13,783,952
Global Commitment Fund	15,628,753	15,855,197	15,660,021	17,233,385
Interdepartmental Transfer	282,508	0	0	0
<hr/> TOTAL	<hr/> 45,229,143	<hr/> 45,288,737	<hr/> 44,016,001	<hr/> 46,061,495

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - Family Services

Appropriation Key Budget Issues

A 2007 federal audit of those programs identified concerns in the following areas:

*The “front door” of the child welfare system is too narrow and too inconsistent.
Not enough focus is placed on supporting families whose children are in the home.
Too many children in foster care experience placement instability.
There is generally insufficient worker/client contact.*

The Division has undergone significant changes over the past three years including:

- Creation of Centralized Intake
- Implementation of various family engagement strategies
- Reduction in the use of out of home care and increase in use of kin
- Shifting of resources toward front line work (adding 5 social workers and properly equipping all social workers)
- Expanded family visiting and “front end” services.
- Passage of two major new laws governing all aspects of operation and requiring major changes in practice
- Expansion of services to youth aging out of services
- Implementation of differential response

The results have been exceptional:

- 30% increase in acceptance of reports of abuse and neglect
- Increased use of kin and decrease in out of home care
- Continued high rate of adoptions
- Substantial improvement in community/client perception of services
- Improvement in client contact

Budget changes include reduction in use of substitute care (\$2M removed in rescission), increases in adoption subsidies, continued increases in services for youth aging out of care (4th year of three following passage of new law in 2007).

Several potential risks include:

Increases in substance abuse and domestic violence in Vermont negatively affect children, youth and families - and precipitate DCF intervention. Often, these families’ circumstances result in a neglect or risk of harm substantiation.

The number of child abuse investigations is significantly increased since the centralization of child abuse intake in September of 2008. We have opened 40% more investigations than during the same

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - Family Services

period in 2007. This threatens to overwhelm Divisional staff.

Implementation of due process requirements for individuals whose names may be placed on the state child abuse and neglect registry -this new requirement called for in 2007 legislation was implemented without new resources. The demand for hearings has severely stretched our resources.

The federal government has continued to push down supports and increase regulations. This environment may change in the coming year, but remains a concern at this time.

Currently, the division provides supports to nearly 1600 adopted children with special needs. These children, adopted at an older age, continue to need supportive services after adoption, which have not kept pace with caseload.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - Family Services

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	20,736,172	22,307,550	21,636,374	22,899,710
Operating Expenses	4,000,750	3,312,909	3,312,909	3,344,491
Grants	62,005,888	66,040,538	62,141,288	62,242,307
<hr/> TOTAL	<hr/> 86,742,810	<hr/> 91,660,997	<hr/> 87,090,571	<hr/> 88,486,508
FUND TYPE				
General Fund	16,537,445	18,452,530	17,827,907	20,976,321
Special Fund	2,165,046	1,966,637	1,966,637	1,966,637
American Recovery & Reinvestment Act	1,044,447	1,411,224	1,411,224	705,724
Federal Revenue Fund	25,547,108	27,837,813	27,446,419	27,503,180
Global Commitment Fund	40,889,662	41,892,793	38,338,384	37,234,646
Interdepartmental Transfer	559,102	100,000	100,000	100,000
<hr/> TOTAL	<hr/> 86,742,810	<hr/> 91,660,997	<hr/> 87,090,571	<hr/> 88,486,508

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - Child Development**

Appropriation Key Budget Issues

Changing Federal Requirements:

Federal requirements mandate that the Part C Program screen all children under 3 years old who are substantiated victims of child abuse and neglect. This has increased the number of children served and the reporting requirements.

The increased work participation requirements under TANF is resulting in an increased demand for subsidized child care as families receiving TANF benefits are working additional hours that require their children to be in out of home care.

Pressures on the Child Care Subsidy Program:

Part of the Governor's vision for the future is to bring greater balance to government support for lifelong learning. Part of that effort is to bolster support for early care and education. The program implemented in January 2010 will do the following:

- ☐ Increase access to high quality child care in Vermont
- ☐ Align Vermont's rates and eligibility with federal guidelines
- ☐ Reinforce provider incentives to achieve quality
- ☐ Increase work incentives and support for families
- ☐ Increase fairness and equity in CC Financial Assistance Program
- ☐ Sustain specialized providers and comprehensive services
- ☐ Support continuity of care for children

Quality: In 2004, Vermont initiated a quality incentive system to encourage child care providers to work toward meeting higher standards. The program has been very successful with the numbers of children served in quality centers rising dramatically over the past couple years to over 2500. Currently, approximately 37% of all children served are in quality environments.

Accessibility: Currently, to be eligible for a "full" child care subsidy, a family's income must be at the Federal Poverty Level as it was set in 2009-- \$22,044 for a family of four. As salary rises from there, the family loses child care benefits. The loss of child care support occurs more quickly than the rise in salary, creating a disincentive for work. The overall increase in funding has allowed Vermont to adjust the fee scale from the 1999 level to 2009, easing the "benefit cliff" and providing additional incentive for families to work.

Affordability: The standard rates within Vermont's child care subsidy program have been adjusted considerably effective with the program change in January 2010. The continued increase in rates related to quality incentives helps with that challenge.

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - Child Development**

Complexity of Children's Needs:

An increasing number of young children in child development services are requiring more intensive services due to changing needs of Vermont's families. These include the impact of incarcerated parents, addiction issues, homelessness, and military deployment. This requires more specialized services to be provided within the child development programs.

Specialized services require informed, qualified and skilled service providers which in turn means that the professional development, monitoring and support of these professionals is a critical, under resourced component of the CDD workforce's development activities.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - Child Development

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,292,394	3,473,066	3,296,487	3,265,859
Operating Expenses	619,236	545,908	545,908	498,925
Grants	52,742,654	56,106,468	56,350,176	55,786,083
<hr/> TOTAL	<hr/> 56,654,284	<hr/> 60,125,442	<hr/> 60,192,571	<hr/> 59,550,867
FUND TYPE				
General Fund	23,184,593	23,481,012	22,681,046	23,165,673
Special Fund	1,731,784	1,820,000	1,820,000	1,820,000
American Recovery & Reinvestment Act	99,472	2,452,636	2,878,636	2,282,687
Federal Revenue Fund	26,264,095	27,011,234	27,009,160	26,845,496
Global Commitment Fund	5,294,319	5,221,053	5,664,222	5,297,504
Interdepartmental Transfer	80,021	139,507	139,507	139,507
<hr/> TOTAL	<hr/> 56,654,284	<hr/> 60,125,442	<hr/> 60,192,571	<hr/> 59,550,867

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - Child Support Services**

Appropriation Key Budget Issues

Position Elimination--Conducting Business with Less:

Vermont OCS understands the budgetary issues presented to states today. However, the impact of position eliminations will likely erode our usual high level of performance and reduce the number of legal actions on behalf of our customers. This pressure is also viewed as an opportunity for us, as well, as demonstrated in the section above. OCS will attempt to be creative and efficient by developing ways to prevent service impact to our customers. However, as customer needs increase and positions decrease there will likely be a saturation level when such consequences are felt.

The Deficit Reduction Act '05 (DRA'05) - impact on budget and programming for OCS.

The Deficit Reduction Act '05 brought about a simplification to the method of distributing child support collections to families. Moreover, more child support is now distributed to families rather than retained by the state. This is good news for families. This involved a significant amount of system programming needed to accommodate these financial changes. This very complex system programming was done on October 1, 2009.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - Child Support Services

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	8,143,223	8,905,003	8,708,765	9,071,791
Operating Expenses	3,941,616	4,400,851	4,345,959	4,122,248
Grants	14,981	0	0	0
<hr/> TOTAL	<hr/> 12,099,820	<hr/> 13,305,854	<hr/> 13,054,724	<hr/> 13,194,039
FUND TYPE				
General Fund	2,432,186	2,671,384	2,565,522	2,690,672
Special Fund	406,975	455,718	455,718	455,718
American Recovery & Reinvestment Act	694,144	660,000	660,000	431,230
Federal Revenue Fund	8,049,517	9,131,152	8,985,884	9,228,819
Interdepartmental Transfer	516,998	387,600	387,600	387,600
<hr/> TOTAL	<hr/> 12,099,820	<hr/> 13,305,854	<hr/> 13,054,724	<hr/> 13,194,039

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - AABD**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,799,000	1,801,009	1,801,009	1,801,009
Grants	10,095,052	9,705,780	10,490,580	10,738,080
<hr/> TOTAL	<hr/> 11,894,052	<hr/> 11,506,789	<hr/> 12,291,589	<hr/> 12,539,089
FUND TYPE				
General Fund	8,144,052	7,756,789	8,541,589	8,789,089
Global Commitment Fund	3,750,000	3,750,000	3,750,000	3,750,000
<hr/> TOTAL	<hr/> 11,894,052	<hr/> 11,506,789	<hr/> 12,291,589	<hr/> 12,539,089

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - General Assistance**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	50	0	0	0
Grants	6,446,645	6,000,928	6,845,888	5,850,928
<hr/> TOTAL	<hr/> 6,446,695	<hr/> 6,000,928	<hr/> 6,845,888	<hr/> 5,850,928
FUND TYPE				
General Fund	4,927,119	2,850,196	3,595,156	2,700,196
American Recovery & Reinvestment Act	0	1,699,412	1,699,412	1,699,412
Federal Revenue Fund	1,139,576	1,111,320	1,111,320	1,111,320
Global Commitment Fund	380,000	340,000	440,000	340,000
<hr/> TOTAL	<hr/> 6,446,695	<hr/> 6,000,928	<hr/> 6,845,888	<hr/> 5,850,928

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - Food Stamp Cashout**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	15,899,832	19,031,133	19,031,133	22,610,178
<hr/> TOTAL	<hr/> 15,899,832	<hr/> 19,031,133	<hr/> 19,031,133	<hr/> 22,610,178
FUND TYPE				
American Recovery & Reinvestment Act	1,089,537	2,300,000	2,300,000	575,000
Federal Revenue Fund	14,810,295	16,731,133	16,731,133	22,035,178
<hr/> TOTAL	<hr/> 15,899,832	<hr/> 19,031,133	<hr/> 19,031,133	<hr/> 22,610,178

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - Reach Up

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,024	0	0	0
Operating Expenses	91,235	0	0	0
Grants	43,880,091	47,929,876	50,519,796	45,864,463
<hr/> TOTAL	<hr/> 43,972,350	<hr/> 47,929,876	<hr/> 50,519,796	<hr/> 45,864,463
FUND TYPE				
General Fund	14,828,801	15,462,246	14,011,990	17,197,609
Special Fund	19,248,210	18,025,000	20,475,000	19,916,856
American Recovery & Reinvestment Act	2,450,000	5,485,423	7,775,599	492,791
Federal Revenue Fund	7,119,823	8,582,807	7,882,807	7,882,807
Global Commitment Fund	325,516	374,400	374,400	374,400
<hr/> TOTAL	<hr/> 43,972,350	<hr/> 47,929,876	<hr/> 50,519,796	<hr/> 45,864,463

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - LIHEAP**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	0	20,000	20,000	20,000
Operating Expenses	0	90,000	90,000	90,000
Grants	31,868,199	11,502,664	11,502,664	11,502,664
Other Financing Uses Budget	1,383,536	0	0	0
<hr/> TOTAL	<hr/> 33,251,735	<hr/> 11,612,664	<hr/> 11,612,664	<hr/> 11,612,664
FUND TYPE				
Federal Revenue Fund	33,251,735	11,612,664	11,612,664	11,612,664
<hr/> TOTAL	<hr/> 33,251,735	<hr/> 11,612,664	<hr/> 11,612,664	<hr/> 11,612,664

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - OEO Ofc of Economic Opp**

Appropriation Key Budget Issues

Homelessness plagues many Vermonters. Families with children are found in increasing numbers in homeless shelters. Homeless shelters, Community Action Agencies and other service providers struggle to find decent housing - at any price - for the large number of working, but homeless, families. Living in shelters and being homeless has a negative effect on children. As shelters reach capacity, more and more Vermonters are turned away, ultimately living on the streets or on someone's couch. Transitional housing with supportive services can alleviate some of this pressure.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - OEO Ofc of Economic Opp

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	206,217	250,236	250,236	266,289
Operating Expenses	30,370	78,644	78,644	78,339
Grants	5,312,217	8,610,062	8,610,062	4,699,762
<hr/> TOTAL	<hr/> 5,548,804	<hr/> 8,938,942	<hr/> 8,938,942	<hr/> 5,044,390
FUND TYPE				
General Fund	1,312,110	1,313,017	1,313,017	1,193,285
Special Fund	129,131	57,810	57,810	57,990
American Recovery & Reinvestment Act	0	3,775,000	3,775,000	0
Federal Revenue Fund	4,067,564	3,793,115	3,793,115	3,793,115
Interdepartmental Transfer	39,999	0	0	0
<hr/> TOTAL	<hr/> 5,548,804	<hr/> 8,938,942	<hr/> 8,938,942	<hr/> 5,044,390

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - OEO Weatherization**

Appropriation Key Budget Issues

The Weatherization Program has been expanded both by the 2008 legislature and also by the federal government. However, the Weatherization Trust Fund is expecting shrinkage and that reduction is reflected in the budget.

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - OEO Weatherization**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	152,313	174,293	174,293	183,254
Operating Expenses	169,877	130,499	130,499	130,762
Grants	9,498,298	14,959,936	14,959,936	14,959,936
<hr/> TOTAL	<hr/> 9,820,488	<hr/> 15,264,728	<hr/> 15,264,728	<hr/> 15,273,952
FUND TYPE				
Special Fund	8,108,993	4,593,774	4,593,774	4,602,998
American Recovery & Reinvestment Act	0	8,421,288	8,421,288	8,421,288
Federal Revenue Fund	1,588,495	2,249,666	2,249,666	2,249,666
Interdepartmental Transfer	123,000	0	0	0
<hr/> TOTAL	<hr/> 9,820,488	<hr/> 15,264,728	<hr/> 15,264,728	<hr/> 15,273,952

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - Woodside Rehab Center

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,136,476	3,482,661	3,460,096	3,453,113
Operating Expenses	472,944	630,581	630,581	578,399
Grants	1,050	0	0	0
<hr/> TOTAL	<hr/> 3,610,470	<hr/> 4,113,242	<hr/> 4,090,677	<hr/> 4,031,512
FUND TYPE				
General Fund	3,588,505	4,058,350	4,035,785	3,976,620
Interdepartmental Transfer	21,965	54,892	54,892	54,892
<hr/> TOTAL	<hr/> 3,610,470	<hr/> 4,113,242	<hr/> 4,090,677	<hr/> 4,031,512

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - DDS**

Appropriation Key Budget Issues

Staffing

Maintaining sufficient DDS staffing is critical. It takes a minimum of two years to train to basic competency for adjudicative positions. A loss of even one adjudicator significantly reduces the number of claims that the DDS can complete until the replacement is fully trained. Social Security usually authorizes DDS hiring during a short window after the federal budget is passed and before the federal fiscal year ends. Since all DDS staff's salaries and benefits are 100% federally funded, the Department makes every effort to facilitate prompt hiring whenever authorized by Social Security. Otherwise, some of the most vulnerable Vermonters - people with disabilities in severe financial hardship - may suffer from significant claim delays. Reviews of medical eligibility for benefits may also be delayed, enabling people who are no longer disabled to continue to collect benefits until the reviews of their claims are complete.

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DCFS - DDS**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,395,697	3,508,357	3,508,357	4,353,948
Operating Expenses	413,477	624,291	624,291	1,133,361
<hr/> TOTAL	<hr/> 3,809,174	<hr/> 4,132,648	<hr/> 4,132,648	<hr/> 5,487,309
FUND TYPE				
Federal Revenue Fund	3,579,658	3,886,131	3,886,131	5,240,792
Global Commitment Fund	229,516	246,517	246,517	246,517
<hr/> TOTAL	<hr/> 3,809,174	<hr/> 4,132,648	<hr/> 4,132,648	<hr/> 5,487,309

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Children's Trust Fund

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	356,221	0	0	0
TOTAL	356,221	0	0	0
FUND TYPE				
General Fund	103,901	0	0	0
Special Fund	91,067	0	0	0
Federal Revenue Fund	161,253	0	0	0
TOTAL	356,221	0	0	0

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Disabilities, Aging and Independent Living

Department Mission Statement

The Department's mission is to make Vermont the best state in the nation in which to grow old or live with a disability, with dignity, respect and independence.

Description of Appropriations, Divisions, & Programs

The Department has four major divisions that contribute to achieving the mission.

* **The Division for the Blind and Visually Impaired (DBVI)** assists Vermonters who are blind or have a visual impairment to enter or return to work, much the same as VR. It also provides some funds for independent living services, to help blind or visually impaired individuals to live and contribute in their communities. The major programs in DBVI include: the core rehabilitation work, known as Section 110 services and the Older Blind Program.

* **The Division of Disability and Aging Services (DDAS)** manages a wide variety of programs and services for elders, people with physical disabilities, individuals with developmental disabilities and people with traumatic brain injuries. The primary goal of these services is to help individuals gain independence or remain independent and active in their community and to ensure their long-term care needs are met. The major programs in this division include: the long term care Section 1115 Choices for Care Waiver (managed by DAIL, but the funds are in OVHA); the Developmental Disability Home and Community Based Services (now part of the Global Commitment); Flexible Family Funding; all Older Americans Act programs in the Area Agencies on Aging, including case management and nutrition programs; Adult Day Services; Attendant Services Program; the Office of Public Guardian; Traumatic Brain Injury Program (now part of Global Commitment), Children's Personal Care Services (managed in DDAS, but the funds are in OVHA); and the High Tech Program (managed in DDAS, but the funds are in OVHA).

* **The Division of Licensing and Protection (DLP)** performs a critical role in ensuring the quality of many health care services and protecting vulnerable adults from abuse, neglect and exploitation. Major programs in DLP include: Survey and Certification which involves inspections and surveys of all Medicare and Medicaid facilities and organizations including nursing homes and home health agencies; State licensure of residential care homes; and other facilities; and Adult Protective Services, which investigates allegations of abuse, neglect and exploitation against vulnerable adults.

* **The Division of Vocational Rehabilitation (VR)** assists Vermonters with a disability to enter or re-enter the work force through a wide variety of programs and individual support services. The core

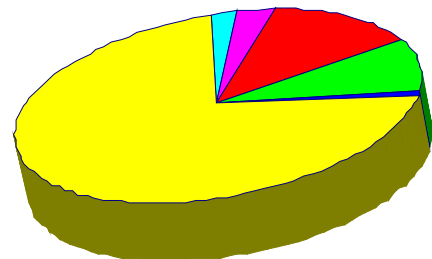
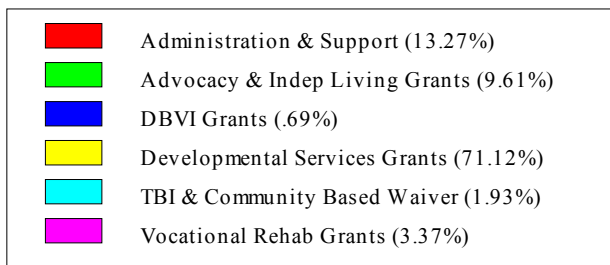
STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Disabilities, Aging and Independent Living

program (VR Section 110) enables Vermonters with a disability to assess their skills and abilities, identify a vocational goal, develop an Individualized Plan for Employment and receive services leading to meaningful employment. VR invests heavily in serving people with the most significant disabilities through supported employment programs and has developed a network of specialized Transition Counselors to support young adults from school to work. The Division operates the VR Reach Up program to serve TANF recipients with disabilities, a state wide Benefits Counseling Program to support Social Security beneficiaries to work, and the Assistive Technology (AT) Project that provides Vermonters with information and training on AT devices and services.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Disabilities, Aging and Independent Living

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
Department	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Administration & Support	316	293	261	27,270,523	28,456,624	26,515,975	27,770,604
Advocacy & Indep Living Grants	0	0	0	21,791,706	22,371,437	22,414,574	20,122,238
DBVI Grants	0	0	0	1,427,831	1,486,457	1,481,457	1,449,712
Vocational Rehab Grants	0	0	0	6,637,712	7,302,971	7,176,251	7,042,496
Developmental Services Grants	0	0	0	132,113,829	140,669,369	144,910,936	148,850,250
TBI & Community Based Waiver	0	0	0	4,013,884	4,127,448	4,122,899	4,044,899
TOTAL	316	293	261	193,255,485	204,414,306	206,622,092	209,280,199
FUND TYPE							
General Fund				18,648,536	19,254,325	18,236,310	16,818,721
Special Fund				1,391,993	1,306,935	1,111,393	1,128,159
American Recovery & Reinvestment Act				7,447	1,738,000	1,611,280	1,738,000
Federal Revenue Fund				24,536,505	24,452,760	23,848,036	24,032,602
Global Commitment Fund				145,068,025	154,291,617	158,393,501	162,142,048
Interdepartmental Transfer				3,602,979	3,370,669	3,421,572	3,420,669
TOTAL				193,255,485	204,414,306	206,622,092	209,280,199



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration & Support

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	23,468,000	24,693,635	22,752,986	24,109,012
Operating Expenses	3,802,522	3,762,989	3,762,989	3,661,592
Grants	1	0	0	0
<hr/> TOTAL	<hr/> 27,270,523	<hr/> 28,456,624	<hr/> 26,515,975	<hr/> 27,770,604
FUND TYPE				
General Fund	6,335,822	6,952,640	6,372,535	7,131,010
Special Fund	1,139,699	1,068,022	872,480	889,246
Federal Revenue Fund	11,393,209	11,666,254	11,061,530	11,246,096
Global Commitment Fund	5,866,416	6,329,926	5,718,745	6,014,470
Interdepartmental Transfer	2,535,377	2,439,782	2,490,685	2,489,782
<hr/> TOTAL	<hr/> 27,270,523	<hr/> 28,456,624	<hr/> 26,515,975	<hr/> 27,770,604

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Advocacy & Indep Living Grants

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,934,166	0	0	0
Grants	18,857,540	22,371,437	22,414,574	20,122,238
<hr/> TOTAL	<hr/> 21,791,706	<hr/> 22,371,437	<hr/> 22,414,574	<hr/> 20,122,238
FUND TYPE				
General Fund	10,229,300	10,229,301	9,791,391	7,925,047
Special Fund	27,836	0	0	0
American Recovery & Reinvestment Act	0	404,000	404,000	404,000
Federal Revenue Fund	7,682,088	7,645,317	7,645,317	7,645,317
Global Commitment Fund	3,353,270	3,455,319	3,936,366	3,510,374
Interdepartmental Transfer	499,212	637,500	637,500	637,500
<hr/> TOTAL	<hr/> 21,791,706	<hr/> 22,371,437	<hr/> 22,414,574	<hr/> 20,122,238

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
DBVI Grants

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	241	0	0	0
Grants	1,427,590	1,486,457	1,481,457	1,449,712
<hr/> TOTAL	<hr/> 1,427,831	<hr/> 1,486,457	<hr/> 1,481,457	<hr/> 1,449,712
FUND TYPE				
General Fund	364,064	364,064	364,064	332,319
Special Fund	173,480	223,450	223,450	223,450
Federal Revenue Fund	640,287	648,943	648,943	648,943
Global Commitment Fund	250,000	250,000	245,000	245,000
<hr/> TOTAL	<hr/> 1,427,831	<hr/> 1,486,457	<hr/> 1,481,457	<hr/> 1,449,712

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vocational Rehab Grants

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	6,637,712	7,302,971	7,176,251	7,042,496
<hr/> TOTAL	<hr/> 6,637,712	<hr/> 7,302,971	<hr/> 7,176,251	<hr/> 7,042,496
FUND TYPE				
General Fund	1,535,694	1,535,695	1,535,695	1,275,220
American Recovery & Reinvestment Act	7,447	1,334,000	1,207,280	1,334,000
Federal Revenue Fund	4,526,181	4,132,389	4,132,389	4,132,389
Global Commitment Fund	0	7,500	7,500	7,500
Interdepartmental Transfer	568,390	293,387	293,387	293,387
<hr/> TOTAL	<hr/> 6,637,712	<hr/> 7,302,971	<hr/> 7,176,251	<hr/> 7,042,496

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Developmental Services Grants

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	132,113,829	140,669,369	144,910,936	148,850,250
<hr/> TOTAL	<hr/> 132,113,829	<hr/> 140,669,369	<hr/> 144,910,936	<hr/> 148,850,250
FUND TYPE				
General Fund	183,656	172,625	172,625	155,125
Special Fund	50,978	15,463	15,463	15,463
Federal Revenue Fund	294,740	359,857	359,857	359,857
Global Commitment Fund	131,584,455	140,121,424	144,362,991	148,319,805
<hr/> TOTAL	<hr/> 132,113,829	<hr/> 140,669,369	<hr/> 144,910,936	<hr/> 148,850,250

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
TBI & Community Based Waiver**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	4,013,884	4,127,448	4,122,899	4,044,899
<hr/> TOTAL	<hr/> 4,013,884	<hr/> 4,127,448	<hr/> 4,122,899	<hr/> 4,044,899
FUND TYPE				
Global Commitment Fund	4,013,884	4,127,448	4,122,899	4,044,899
<hr/> TOTAL	<hr/> 4,013,884	<hr/> 4,127,448	<hr/> 4,122,899	<hr/> 4,044,899

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections

Department Mission Statement

The Vermont Department of Corrections supports community safety by ensuring offenders serve their sentence, take responsibility for their crimes and have the opportunity to make amends to their victims. The department partners with Vermont communities to manage offender risk and assure accountability. It provides disciplined preparation of offenders to become productive citizens. The vision statement for the Department states 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

The Department of Corrections has five basic goals: to involve the community; to address the needs of victims; to restore the community; to ensure that offenders are held responsible; and to keep offenders safely in custody.

The administration of the Department consists of the commissioner, deputy commissioner and the supporting divisions of finance, information technology, planning and a legal division staffed by the attorney general.

PAROLE BOARD

The Parole Board is an autonomous body that is included in the Corrections appropriation only for administrative purposes. The board reviews recommendations made by the department to grant or revoke parole status. The Parole Board reviews all inmates in statutory reviews, and makes site visits to all facilities to perform parole hearings as required by law.

EDUCATION

The purpose of the Community High School of Vermont (CHSVT) is to provide an accredited, coordinated and personalized education that assists students in their academic, social and vocational successes. Through education, students in the custody of the Vermont DOC obtain the basic educational and job skills that allow a contribution to communities, as well as the economic health of our state upon release.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections

The Community High School of Vermont awarded 114 High School Diplomas and 17 G.E.D.s during FY2009.

CORRECTIONAL SERVICES

Correctional Services administers for the courts six Legal Sanctions:

Probation: An offender found guilty of a crime upon verdict or plea, 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 conditions in return for the court not imposing the sentence. Violation of this sanction requires due process, with a court hearing, counsel, and proof beyond reasonable doubt. Within the probation sanction is the reparative probation program, 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.

Supervised Community Sentence: Based on a law passed in 1990 that provides the legal framework for the intermediate sanctions, the judge sentences to a set of conditions and programs, as agreed by the Commissioner, under the supervision of the Parole Board. The offender is a step closer to incarceration: Violation occurs as a Parole Hearing, with lesser standards of proof and representation.

Pre-approved Furlough: The offender is sentenced to a term of confinement, but with prior approval of the Commissioner, for immediate release on furlough. Furlough status is a community placement, but the revocation is administrative, and the rules for behavior more stringent.

Incarceration: The sentence is confinement to a correctional facility, under the care and custody of the Commissioner. Release is by the Parole Board, upon completion of the minimum term or placement on conditional reentry by the Commissioner.

Conditional Reentry: Up to 90 days prior to completion of the minimum term of sentence, the inmate may be released to the community, still under confinement, subject to conditions of reentry. This status is more restrictive than any other community based placement.

Parole: On completion of Conditional Reentry, or during the term of incarceration, on petition of the State or the inmate, the Parole Board may release the inmate on Parole, subject to the rules of the Board, supervised by Corrections.

PROGRAMS:

Correctional Facilities

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections

Central Correctional Facilities: Northern State [Newport], and Southern State [Springfield] hold and treat violent and sexual offenders serving long sentences.

Regional Correctional Facilities: Northeast Regional [St. Johnsbury], Chittenden Regional [South Burlington] and Marble Valley Regional [Rutland] serve courts and law enforcement agencies by providing detention, classification and short sentence housing, though this distinction has become less defined as a result of increased incarceration.

Work Camp: The Caledonia Community Work Camp [St. Johnsbury] and the Windsor Community Work Camp [Windsor] provides less expensive incarceration for appropriate offenders working in the community.

Facilities for Female Offenders: Northwest State Correctional Facility [St Albans] provides incarceration for women offenders.

Key outcomes include public safety, rehabilitation/reentry and quality assurance. Programs in facilities include sex offender treatment, the violent offender program, an intensive domestic violence program, a federally funded substance abuse program, Community High School of Vermont, vocational training, and offender work programs. Offenders are entitled to standards of care such as nutrition, sanitation, recreation, education, religion, basic safety, medical, dental, and mental health care. More detailed data is presented in Facts and Figures, the Department's annual report on statistics and outcomes.

Probation & Parole Offices

Eleven Probation and Parole Offices manage offenders in the community who need supervision, treatment, and surveillance. The Vermont DOC partners with community-based organizations and treatment providers to offer programs in domestic violence, intensive substance abuse, cognitive skills training and education (through Community High School of Vermont), sex offender treatment and women's programs.

Probation & Parole Offices provide information to the courts at sentencing and eligibility determinations for program placement, while assisting Community Justice Centers and Reparative Boards in creating appropriate reparative sanctions to low risk offenders. These services can also include restitution and community service.

Key outcomes include community and victim reparation, and community involvement/reintegration.

There are currently 15 Community Justice Centers that assist 70 reparative boards operating in 45 different Vermont communities. In the last year, these groups have included over 650 citizen volunteers who developed sanctions and restorative plans for 1,450 offenders under DOC probation supervision,

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections**

and a large number who were diverted from prosecution in Community Justice Centers. These offices also monitor probation conditions for some 8,500 offenders.

Other Outcomes

There were two escapes from custody last year; both occurrences were associated with crews out of Caledonia Community Work Camp. There were no escapes from confinement within our facilities. Failures to return under field supervision were up slightly from 4.7% of the number furloughed to 5.0%. New charges filed against persons under supervision are down from 17.2% of all charges in Vermont to 15.9% of all charges, a real reduction of 7.6% of new crimes. Recidivism: Three year follow-up recidivism for the 2005 cohort is 51%, up slightly from the previous year's releases. Reparation to community: Offender work hours increased 8% to 443,000 person hours. Community involvement: More than 1,450 Vermonters volunteer time and services to inmates in prison, and through 15 community justice centers and some 70 reparative boards.

CORRECTION FACILITIES - RECREATION

The recreation fund is funded by the receipts from inmate commissaries and the inmate telephone system. The recreation fund is managed by both the Department of Corrections and inmate committees for inmate recreational opportunities. In addition, several of the inmate boards have decided to make substantive donations to victims' activities. The Recreation fund is also used to pay for inmate postage and to provide for support for reentry after release including housing.

CORRECTIONAL SERVICES-OUT OF STATE BEDS

Due to the current size and continued growth of the sentenced and detainee populations in Vermont, additional space to house inmates is provided by correctional facilities outside the state. The Out of State population (at this time, 670+/- inmates) is currently managed by the Out of State Unit. This office coordinates the classification and movement of appropriate offenders between Vermont DOC facilities and out of state facilities located currently in Kentucky, and Tennessee.

VERMONT OFFENDER WORK PROGRAMS (VOWP)

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections

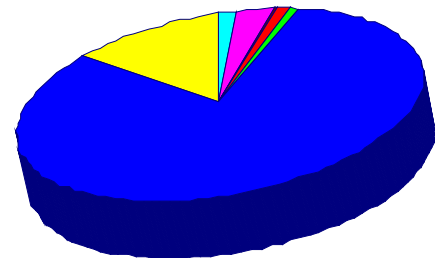
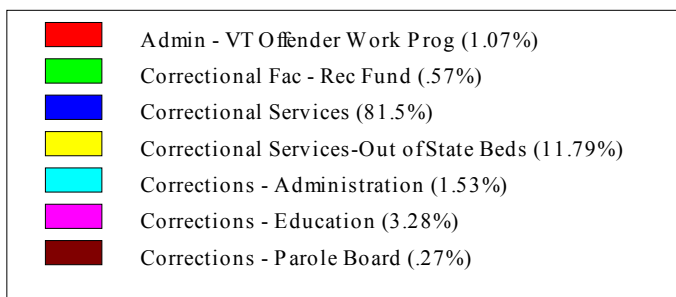
Vermont Offender Work Programs provides industrial and vocational training programs as well as work opportunities through three divisions. The Vermont Correctional Industry (VCI) shops include a print shop, a furniture manufacture and assembly shop, a license plate and sheet metal working shop, and smaller correctional industries. The program also works with the Caledonia and Windsor Community Work Camps, providing many surrounding communities with work service crews that perform a wide variety of reparative services.

The majority of Vermont DOC Probation and Parole Offices host Community Restitution Service Units (CRSU'S) that provide work crews composed of offenders on probation and intermediate sanctions. These crews provide work service to communities across Vermont. Among many other projects, correctional community work service crews maintain all 110 fishing access areas managed by the Department of Fish and Wildlife, while also providing support to the Vermont State Parks and several forest projects. Crews work for nearly every town in Vermont, and many of the non-profit agencies ranging from food shelves to public libraries.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
Department	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Corrections - Administration	27	30	21	2,268,755	2,650,405	2,152,638	2,199,496
Corrections - Parole Board	3	3	3	374,199	378,495	379,834	389,059
Corrections - Education	58	55	55	4,311,137	4,322,827	4,341,847	4,725,983
Correctional Services	1,052	985	943	109,729,108	115,194,675	116,564,137	117,538,706
Correctional Fac - Rec Fund	9	7	7	727,899	785,820	795,358	817,868
Correctional Services-Out of State Beds	0	0	0	11,351,394	12,609,534	15,093,956	17,008,240
Admin - VT Offender Work Prog	19	16	13	1,829,326	1,709,076	1,526,345	1,540,358
TOTAL	1,168	1,096	1,042	130,591,818	137,650,832	140,854,115	144,219,710
FUND TYPE							
General Fund				121,288,932	127,040,243	130,345,148	133,396,480
Special Fund				2,626,723	1,732,283	1,748,788	1,961,322
Federal Revenue Fund				688,400	584,861	584,861	170,962
Global Commitment Fund				3,094,143	3,094,144	3,094,144	3,094,144
Internal Service Fund				1,729,326	1,709,076	1,526,345	1,540,358
Interdepartmental Transfer				1,164,294	3,490,225	3,554,829	4,056,444
TOTAL				130,591,818	137,650,832	140,854,115	144,219,710



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections - Administration

Appropriation Key Budget Issues

The Administration of the Department of Corrections continues to face serious fiscal, programmatic and infrastructure challenges in the next fiscal year. In an environment of reduced budget funding, the Department continues to reevaluate its mission and the sustainability of all of its operations. Of particular concern, is the Department's continuing struggles related to the out-dated and often, unreliable offender database. Other ongoing challenges include population growth, aging facilities and increasing demands from advocates for both victims and offenders.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections - Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,074,167	2,348,301	1,850,534	1,984,192
Operating Expenses	194,588	302,104	302,104	215,304
<hr/> TOTAL	<hr/> 2,268,755	<hr/> 2,650,405	<hr/> 2,152,638	<hr/> 2,199,496
FUND TYPE				
General Fund	2,268,755	2,650,405	2,152,638	2,199,496
<hr/> TOTAL	<hr/> 2,268,755	<hr/> 2,650,405	<hr/> 2,152,638	<hr/> 2,199,496

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections - Parole Board**

Appropriation Key Budget Issues

The Parole Board is an autonomous entity, 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 to the community. The Parole Board is also reviewing an increasing number of offenders on parole after serving a sentence on supervised community sentence status. Although the expenditures for periodic review of inmates serving sentences in out of state facilities was reduced, the board must still travel throughout the state of Vermont to conduct its work. Controlling expenditures related to board member per-diem payments, as well as mileage and lodging expenditures continues to pose a challenge to the Department.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections - Parole Board

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	301,060	320,374	321,713	328,861
Operating Expenses	73,139	58,121	58,121	60,198
<hr/> TOTAL	<hr/> 374,199	<hr/> 378,495	<hr/> 379,834	<hr/> 389,059
FUND TYPE				
General Fund	374,199	378,495	379,834	389,059
<hr/> TOTAL	<hr/> 374,199	<hr/> 378,495	<hr/> 379,834	<hr/> 389,059

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections - Education

Appropriation Key Budget Issues

The VT DOC is statutorily mandated to provide education services for offenders in custody who are under the age of 23. The Community High School of Vermont serves as the vehicle for offenders to obtain their high school diplomas, and social and vocational training. As an accredited high school, there are mandated programs and services that the educational program must provide to students. Critical issues facing the education program include the provision of appropriate levels of educational services to the offenders who are special education students. Other concerns include the ability to provide quality programs in the facilities and probation and parole offices as dictated by statute as enrollment fluctuates and funding based on enrollment decreases.

The number of students fluctuates, however the number of needed faculty does not. As funding decreases, the ability to fund the teaching positions lessens. Teaching positions have been re-allocated to meet the most critical areas first; however, there are some areas that have been left open or unfilled due to lack of funding.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Corrections - Education

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,854,205	4,016,553	4,035,573	4,419,709
Operating Expenses	456,932	306,274	306,274	306,274
<hr/> TOTAL	<hr/> 4,311,137	<hr/> 4,322,827	<hr/> 4,341,847	<hr/> 4,725,983
FUND TYPE				
General Fund	2,365,033	413,648	361,097	368,863
Special Fund	1,423,530	500,000	506,967	696,991
Interdepartmental Transfer	522,574	3,409,179	3,473,783	3,660,129
<hr/> TOTAL	<hr/> 4,311,137	<hr/> 4,322,827	<hr/> 4,341,847	<hr/> 4,725,983

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Correctional Services

Appropriation Key Budget Issues

The Department of Corrections continues to face staffing challenges including a very high vacancy savings. As in prior years, our annualized Pay Act is the biggest increase for this appropriation. The department just finished negotiating a combined health and mental contract which yielded a slight decrease in total cost and will enable the department to better coordinate these services. Other increases include regular inflationary items that impact facility operations (food and utilities) and normal internal service fund adjustments. It should be noted the majority of the personnel savings related to retirements and position reductions took place within Correctional Services.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Correctional Services

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	91,028,967	79,298,255	78,640,564	80,054,352
Operating Expenses	15,760,693	34,200,620	34,200,620	33,761,401
Grants	2,939,308	1,695,800	3,722,953	3,722,953
Non Operating Exp Budget	140	0	0	0
<hr/> TOTAL	<hr/> 109,729,108	<hr/> 115,194,675	<hr/> 116,564,137	<hr/> 117,538,706
FUND TYPE				
General Fund	104,804,551	110,863,161	112,232,623	113,305,822
Special Fund	600,294	571,463	571,463	571,463
Federal Revenue Fund	688,400	584,861	584,861	170,962
Global Commitment Fund	3,094,143	3,094,144	3,094,144	3,094,144
Interdepartmental Transfer	541,720	81,046	81,046	396,315
<hr/> TOTAL	<hr/> 109,729,108	<hr/> 115,194,675	<hr/> 116,564,137	<hr/> 117,538,706

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Correctional Fac - Rec Fund

Appropriation Key Budget Issues

The recreation fund is supported by the commission receipts from inmate commissary sales and the inmate telephone system. The recreation fund is managed by both the Department of Corrections and inmate committees for inmate recreational opportunities. Funds that are not expended in the year in which they are collected remain in the Recreation Fund to be used for this purpose in a subsequent year. In response to a Legislative mandate, inmate postage stamps are provided from this fund, as are some monies in support of the successful reentry of offenders. The recreation fund revenues have stabilized after a sizable decrease related to the discontinuance of cigarette sales. The stabilization can be attributed to a recently renegotiated commission structure related to commissary items. To ensure that the inmate recreation fund can continue to be self supportive, internal allocations are limited to annual fund receipts and general fund contributions.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Correctional Fac - Rec Fund

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	441,346	436,744	446,282	475,506
Operating Expenses	286,553	349,076	349,076	342,362
<hr/> TOTAL	<hr/> 727,899	<hr/> 785,820	<hr/> 795,358	<hr/> 817,868
FUND TYPE				
General Fund	125,000	125,000	125,000	125,000
Special Fund	602,899	660,820	670,358	692,868
<hr/> TOTAL	<hr/> 727,899	<hr/> 785,820	<hr/> 795,358	<hr/> 817,868

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Correctional Services-Out of State Beds

Appropriation Key Budget Issues

As the population of incarcerated individuals in the State of Vermont continues to grow, our ability to house inmates in state-operated facilities will persistently be surpassed. At present, +/-670 male inmates are incarcerated outside of Vermont in private correctional facilities. The need for increasing space to house inmates will continue to exert upward pressure on the Vermont DOC budget. While out-of-state providers are significantly less costly than Vermont DOC prisons, these funds flow out of the state with no positive impact on the local economy.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Correctional Services-Out of State Beds

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	11,351,290	12,609,534	15,093,956	17,008,240
Operating Expenses	104	0	0	0
<hr/> TOTAL	<hr/> 11,351,394	<hr/> 12,609,534	<hr/> 15,093,956	<hr/> 17,008,240
FUND TYPE				
General Fund	11,351,394	12,609,534	15,093,956	17,008,240
<hr/> TOTAL	<hr/> 11,351,394	<hr/> 12,609,534	<hr/> 15,093,956	<hr/> 17,008,240

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Admin - VT Offender Work Prog

Appropriation Key Budget Issues

The VOWP is a self-funded operation, providing offender work and vocational training at no cost to the general fund. Like many other businesses, the VOWP has seen a downturn in business resulting in a deficit in the fund balance. All three divisions of VOWP (Correctional Industries, Community Restitution Service Units and Work Camps) expect stable revenues in the coming year and the Department has worked to minimize unnecessary expenditures so the current deficit in the fund can be reduced in the coming year.

VOWP Service Impacts:

In addition to the programmatic value of preparing offenders for the workforce, the VOWP adds value in several other ways. Virtually all VOWP expenses represent money put back into the economy that would not have otherwise existed. The majority of this money is spent in Vermont. All raw materials are purchased in the private sector, as are many services. Wages to offenders and VOWP staff are also spent mostly in the Vermont economy. Essentially, nearly all VOWP revenues represent an equal amount of money put into the local economy in the form of operating expenses.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Admin - VT Offender Work Prog

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,076,800	1,154,973	972,242	986,255
Operating Expenses	752,526	554,103	554,103	554,103
<hr/> TOTAL	<hr/> 1,829,326	<hr/> 1,709,076	<hr/> 1,526,345	<hr/> 1,540,358
FUND TYPE				
Internal Service Fund	1,729,326	1,709,076	1,526,345	1,540,358
Interdepartmental Transfer	100,000	0	0	0
<hr/> TOTAL	<hr/> 1,829,326	<hr/> 1,709,076	<hr/> 1,526,345	<hr/> 1,540,358

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Veterans' Home**

Department Mission Statement

The Vermont Veterans' Home has been serving veterans for over 120 years. On April 1, 1887, the first Civil War Veteran was admitted to what would later become the Vermont Veterans' Home. In its earliest years, the Vermont Veterans' Home provided housing to one hundred and sixty veterans on a working farm in Bennington. That farm on the Northern gateway to town is now the site of our nursing care facility. We have changed over time but have maintained our rich tradition of serving veterans and their families. Our mission of "Fulfilling the Promise" is deeply ingrained in the culture of our Home.

The Vermont Veterans' Home is one of five skilled nursing facilities in Bennington County. We have a 177 bed skilled nursing facility with an 8 bed Residential Care Unit. We only consider Veterans, their spouses and Gold Star Parents for admission. Our facility has a certified Alzheimer's Unit and we are home to the nationally acclaimed and award winning "Namaste" program. The Namaste program is a palliative care program for those with a diagnosis of end stage dementia.

Our residents differ from those who reside in other skilled nursing facilities in that the population is overwhelmingly male, greater than 75 percent have a diagnosis of post traumatic stress disorder or depression, and many have little or no active family involvement, placing them at higher risk for negative outcomes. We continue to focus on meeting the individualized needs of our residents as veterans and as individuals. We accomplish this through our skilled nursing services, skilled mental health services, a new and intensive rehabilitative service and an intensive recreational therapy program. All are designed to meet the special needs of our veteran population.

Vermont veterans are eligible for admission, we currently serve residents from the following counties of Vermont: Addison, Bennington, Caledonia, Chittenden, Orleans, Rutland, Washington, Windham, and Windsor. Additionally, since we receive Medicare and Medicaid funding and are unable to restrict admissions based on geography, we also serve veterans from New York, Massachusetts, New Hampshire and 5 other states

The administration of the Vermont Veterans' Home continues to strive to:

- Assess and implement financial efficiencies without impacting resident services.
- Recruit and retain a high quality health care team.
- Continue to pursue and implement best practice programs and care interventions.
- Continue to foster and encourage residents to make their own life decisions while meeting their medical and psychosocial needs.

As we look to 2011, we continue to implement programmatic changes to improve the delivery of care to our veterans:

- The development of a sub-acute wound care program.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Veterans' Home

- Cultural changes to include alternate pain relieving techniques and improving the dining experience for our residents.
- Explore the provision of care for those veterans with traumatic brain injury.

In FY 2011 we will continue the internal work on the geo-thermal project. The major portion of work in this phase is the renovation of North Wing and installing the geo system on A wing.

Description of Appropriations, Divisions, & Programs

The Vermont Veterans' Home is a component of the State of Vermont that provides skilled nursing, rehabilitative, psychological and domiciliary care to Veterans, spouses of Veterans and Gold Star Parents. The home generated over \$18 million of revenue in SFY '09 and provided over 58,000 days of resident care. Sources of funding were Medicare, Vermont and New York Medicaid, Private funds, other insurances and stipends / per diems from the Veterans Administration. The budgeted revenue is based on a daily census of 153 skilled nursing and 4 domiciliary residents. This represents 86 % occupancy of available beds.

PROGRAMS:

The Vermont Veterans' Home has developed specialized programs to address the acute needs of our Veterans and their family members.

1) **DEMENTIA CARE** - The Vermont Veterans' Home is the site of "Namaste", a world acknowledged dementia program. This program has demonstrated the ability to facilitate contact with the inner being of residents diagnosed with advanced dementia. Our program has been so successful that it has been the focus of many conferences, both nationally and internationally.

2) **PALLIATIVE CARE** - The Reagan Room allows residents to die with dignity and within a supportive environment. Residents are surrounded by the pictures of loved ones and familiar and reassuring music. Additionally, families of residents are able to be comfortable and near their loved one during the end stage of life. Guest accommodations are available and are especially helpful to those who live a distance from the home. Our Chapel continues to be available for both residents and their families.

3) **PAIN MANAGEMENT** - Pain management is a critical component of the care at the Vermont Veterans' Home. Continuous education is provided to staff to assist in identifying pain related issues and to intervene and advocate for our residents so that they are as comfortable as is humanly possible. We continue to focus on a delivery of care that includes the management of pain.

4) **WOUND CARE** - The Vermont Veterans Home has a skilled and effective wound care team. Cutting

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Veterans' Home**

edge technology and care interventions are used with significant success. We are justifiably proud of our wound healing successes.

5) **SKILLED REHABILITATION** - The Vermont Veterans' Home has a professional team of occupational therapists, physical therapists and speech language pathologists. The Home has been successful in rehabilitating many residents to their previous level of functioning so that many return home. Additionally, the Vermont Veterans' Home now provides outpatient therapy services for veterans who reside in the community.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Veterans' Home

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Care and Support Services	222	222	218	17,289,948	18,258,823	19,288,823	19,058,443
<hr/> TOTAL	<hr/> 222	<hr/> 222	<hr/> 218	<hr/> 17,289,948	<hr/> 18,258,823	<hr/> 19,288,823	<hr/> 19,058,443
FUND TYPE							
Special Fund				10,470,323	10,931,473	11,961,473	11,615,802
Federal Revenue Fund				5,938,582	6,490,125	6,490,125	6,031,685
Global Commitment Fund				881,043	837,225	837,225	1,410,956
<hr/> TOTAL				<hr/> 17,289,948	<hr/> 18,258,823	<hr/> 19,288,823	<hr/> 19,058,443

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Care and Support Services**

Appropriation Key Budget Issues

**Vermont Veterans' Home
2011 Budget Assumptions**

Operations

- ☐ Phase 2 of the Geo-thermal system project was completed in December 2009. Both B and C wings are now on the system. Phase 3 will start in May 2010 with an estimated completion date on December 2010. The system will be installed on A and North wings completing the project. Some beds will be taken off line; however we do not expect an impact to our census from this project.
- ☐ The work force was reduced by 4 positions in 2009. These reductions were carried forward into the 2011 budget.
- ☐ Total expenses increased \$800,000 of which \$500,000 was associated with increased fringe benefits. The cost of Medical Supplies and Drugs also increased by \$205,000.
- ☐ The Home is also incurring the cost of therapies and medications for veterans with 70% service connected disabilities. Previously these costs were billed to insurance companies.
- ☐ The Home with 65% funding from the VA will be implementing an Electronic Medical Record in 2011.

Revenue

- ☐ The Home's budget is based on an average daily census of 153. This is below last year's budget but in line with current volumes.
- ☐ The Home has received a 3% cut in its Medicare reimbursement rates. We are budgeting an average rate of \$343.
- ☐ The VT Medicaid rate is budgeted at \$234 with an estimated adjustment from a prior year settlement of \$240,000.
- ☐ The proportion of residents with New York Medicaid has increased to 22.
- ☐ Private pay rates will be increased by approximately \$10.
- ☐ The VA payment for veterans with 70% service connected disability is \$306, a decrease from \$311. The VA stipend is budgeted at \$78 dollars.
- ☐ The Home is requesting Global Commitment funds of \$1,410,956, an increase of \$573,731.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Care and Support Services

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	13,726,310	14,896,756	14,896,756	15,385,424
Operating Expenses	3,563,638	3,362,067	4,392,067	3,673,019
<hr/> TOTAL	<hr/> 17,289,948	<hr/> 18,258,823	<hr/> 19,288,823	<hr/> 19,058,443
FUND TYPE				
Special Fund	10,470,323	10,931,473	11,961,473	11,615,802
Federal Revenue Fund	5,938,582	6,490,125	6,490,125	6,031,685
Global Commitment Fund	881,043	837,225	837,225	1,410,956
<hr/> TOTAL	<hr/> 17,289,948	<hr/> 18,258,823	<hr/> 19,288,823	<hr/> 19,058,443

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Commission on Women

Department 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 operates with these tenets in mind:

*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.

*that all women should be able to live with justice, equity, freedom, dignity, privacy, equality, economic self-sufficiency, mental and physical health, and well-being.

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.

Description of Appropriations, Divisions, & Programs

The Commission is the only state entity 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, and the Commission work is guided by a strategic plan, summarized below:

PRIORITY AREA #1: ECONOMIC EQUITY & SECURITY

Goal: Women will have support to balance work and family life.

Goal: Women and men will earn equal pay and a livable wage.

Goal: Workplaces will be free of gender bias and harassment.

PRIORITY AREA #2: LEADERSHIP & PUBLIC LIFE

Goal: Legislature will increase its knowledge of women's issues.

Goal: Women will be influential leaders.

Goal: Vermonters will value the contributions of women now and in the future by better understanding their past.

PRIORITY AREA #3: HEALTH, SAFETY, & CIVIL RIGHTS

Goal: Women will live free of violence and have access to the health care they need.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Commission on Women

PRIORITY AREA #4: EDUCATION AND HUMAN DEVELOPMENT

Goal: Schools will be free of gender bias and harassment.

Goal: Women and girls will have equal access to math, science, and technology education.

Goal: Women will be supported at all key points in their lifelong development.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Commission on Women

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Vermont Commission on Women	3	3	3	284,584	291,905	303,260	301,822
<hr/> TOTAL	<hr/> 3	<hr/> 3	<hr/> 3	<hr/> 284,584	<hr/> 291,905	<hr/> 303,260	<hr/> 301,822
FUND TYPE							
General Fund				267,517	286,905	295,830	296,822
Special Fund				1,270	5,000	5,000	5,000
Interdepartmental Transfer				15,797	0	2,430	0
<hr/> TOTAL				<hr/> 284,584	<hr/> 291,905	<hr/> 303,260	<hr/> 301,822

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Commission on Women**

Appropriation Key Budget Issues

Eighty percent of the Commission's budget is for personal services, providing for 2.75 FTE staff positions. Eleven percent is for allocated expenses such as fee-for-space and VISION. The remaining nine percent covers all other operating expenses, such as commissioner travel reimbursement (mandated), staff travel, phone, printing/publications, postage, membership/dues, the copier lease, computer repair and maintenance.

Staff share responsibilities for implementation in all program areas; capital needs are met by utilizing recycled equipment from other state departments, and interns and volunteers are relied upon for many Commission activities.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Commission on Women

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	234,632	224,632	235,987	235,132
Operating Expenses	49,952	67,273	67,273	66,690
<hr/> TOTAL	<hr/> 284,584	<hr/> 291,905	<hr/> 303,260	<hr/> 301,822
FUND TYPE				
General Fund	267,517	286,905	295,830	296,822
Special Fund	1,270	5,000	5,000	5,000
Interdepartmental Transfer	15,797	0	2,430	0
<hr/> TOTAL	<hr/> 284,584	<hr/> 291,905	<hr/> 303,260	<hr/> 301,822

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Retired Senior Volunteer Program

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 2,555 volunteers who, in grant year 2009, gave 400,780 hours of service to over 648 community non-profit organizations. These organizations include schools, aging programs, cultural organizations, libraries, hospitals, social service agencies, health care organizations, and many others. Their volunteer service provided equaled 7.3 million dollars of social capital to the State of Vermont.

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 Community Network, Grantee for Green Mountain RSVP serving Counties of Windham, Windsor and Bennington.
- Central VT Council on Aging, Grantee for RSVP for Central Vermont (Washington, Orange, Lamoille Counties) and Northeast Kingdom (Orleans, Essex & Caledonia Counties).

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Retired Senior Volunteer Program

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Retired Senior Volunteer Program	0	0	0	131,096	131,096	131,096	131,096
TOTAL	0	0	0	131,096	131,096	131,096	131,096
FUND TYPE							
General Fund				131,096	131,096	131,096	131,096
TOTAL				131,096	131,096	131,096	131,096

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Retired Senior Volunteer Program

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	131,096	131,096	131,096	131,096
TOTAL	131,096	131,096	131,096	131,096
FUND TYPE				
General Fund	131,096	131,096	131,096	131,096
TOTAL	131,096	131,096	131,096	131,096

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Department of Labor**

Department Mission Statement

The Vermont Department of Labor is dedicated to helping develop and maintain the economic health and safety of Vermont businesses and workers by providing labor market information and various programs supporting safety and health, workforce development, wage and other compensation protection.

Description of Appropriations, Divisions, & Programs

During this next year the department will look for further ways to improve service to Vermont's businesses and workforce, as well as assisting the increased numbers of unemployed, who are in need of both benefit payments and job retraining. The department has updated its website to assist the user to more easily access information and services from all divisions. The department, with federal funding, is implementing internet based employer reporting systems and is working with the Tax Department and Secretary of State to create an internet based employer registration system.

The Department of Labor's total fiscal 2011 request is approximately \$35.5 million. 78 percent of the funding is federal/ARRA with 11 percent special funds, 7 percent general funds and 4 percent interdepartmental transfer.

Economic and Labor Market Information

The Economic and Labor Market Information Division, in cooperation with the US Bureau of Labor Statistics, surveys businesses and utilizes information from the Current Population Survey to produce a wide variety of information on jobs, the labor force, occupations, and workplace injuries and deaths. The division also produces a number of reports for the US Department of Labor's Employment and Training Administration. The Economic and Labor Market Information Division has 13 employees. Its funding is 100 percent federal. There remains a threat of significant federal budget cuts to this activity.

Information generated by the Division is used by other state agencies particularly the Department of Economic Development and the Regional Development Corporations. We produce monthly reports disseminated to and used by a wide variety of Vermont businesses. The Division can produce certain specialized reports upon request.

Unemployment Insurance and Wages

The 100 employees of the Unemployment Insurance and Wages Division process claims for

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Department of Labor

unemployment compensation, ensure employers are covered, and collect the necessary contributions. The division processes approximately 400,000 weekly claims for unemployment benefits, resolves 16,000 disputed claims and processes 90,000 employer reports annually. Benefit payments in federal fiscal year 2009 totaled \$196 million. Federal funds account for 97 percent of the division's resources and pay for unemployment insurance activities.

The Benefit Accuracy Measure and Tax Performance System programs test methods and procedures, many of which are related to federally mandated performance measures. The Program Integrity Unit audits paid unemployment benefits to detect and administer improper payments stemming from unreported employment, resulting in credit adjustments to taxable employers. The Employer Services Unit and Unemployment Claims Center handle employer and claimant unemployment insurance needs.

Wage and hour staff receives over 12,000 inquiries from businesses and workers and pursues about 400 wage claims each year. The Wage and Hour program works closely with employers and employees to educate them of their rights and responsibilities under the Vermont employment laws as well as oversees the program to get mandatory postings out to Vermont employers. The division also provides information about wage and hour and child labor laws and resolves wage disputes. The 2 FTE wage and hour staff is supported with general funds.

The Division completed the following projects during the past year.

- ☐ Launched web application for claimants to file additional or re-opened claims
- ☐ Developed and working on final stages of web application for employers to submit weekly certifications on STC plans
- ☐ Increased the number of employers filing all phases of quarterly reports electronically
- ☐ Overall increase in claimants enrolled in direct deposit
- ☐ Developed and implemented web work search certification for Extended Benefit claims
- ☐ Launched EUC Tier I, Tier II, FAC and state Extended Benefit payment programs.

The Division continues work on developing and implementing several improvements including:

- ☐ Various Internet applications to assist claimants and employers with responding to department request and/or accessing/updating individual account information.
- ☐ Electronic benefit payments
- ☐ Enhancing cross-match of state and national New Hire directory in order to identify potential fraud.
- ☐ Enhance automated telephone phone response systems designed to assist unemployed workers.

Workforce Development Council

The Workforce Development Council is designated as the State Workforce Investment Board under the

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Department of Labor

Federal Workforce Investment Act, and under State law 10 VSA 541. The Council advises the Governor on the development and implementation of a comprehensive, flexible and responsive workforce education and training system. The Council, by law, has a business majority to help ensure that the workforce development efforts of the public members of the Council are consistent with business needs.

The Department serves as fiscal agent for the Council and staff are housed at our offices at 5 Green Mountain Drive. Limited funding is provided to the Council from the Department and the federal government.

Workers' Compensation and Safety

The Workers' Compensation and Safety Division offers a number of services focused upon workplace safety and resolving disputes between injured workers and their employers.

The division's goal is to:

- ☐ Reduce injuries and shorten time for those injured to return to work.
- ☐ Make safety a "core" value for all employers
- ☐ Lower workers' compensation costs

The division's strategy is to:

- ☐ Combine labor market information and workers' compensation to better determine what sectors need the most focus.
- ☐ Reach out to the medical community, employer groups, health and safety associations, insurers and others to reduce injuries and identify efficiencies.
- ☐ Acknowledge and commend those employers in Vermont who have successful workplace safety programs.

The Workers' Compensation program of the division ensures that workers who are injured because of work receive medical and disability compensation from the employer or employer's insurance company. The 17 staff provides dispute resolution, including form audits, mediation, adjudication, and compliance reviews. In FY 2009 the division received 18,032 injury reports. Approximately 5,000 of the injuries involve lost work time of three or more days. 8,300 cases involve dispute resolution, more than 160 interim orders were issued, and 54 formal hearing decisions were issued. The Workers' compensation Program at VDOL is funded by an assessment on workers' compensation premiums. Because it is anticipated that premiums will be reduced in calendar year 2009, it may be necessary to increase the assessment rate this year. In addition, program staff track employer compliance with Vermont's workers' compensation laws, and investigate alleged fraud. Where non-compliance or fraud is identified, administrative sanctions and penalties are issued. During the last fiscal year, approximately 60 investigations were conducted and a dozen administrative citations and penalties were issued. It is important to note the Department does NOT set worker's compensation insurance rates. That function is performed by the Banking, Insurance, Securities and Health Care Administration.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Department of Labor

The Vermont Occupational Safety and Health Administration (VOSHA) works to ensure that all persons are provided safe and healthy conditions at their workplace. Activities include inspecting workplaces for violations of VOSHA standards and imposing penalties for violations classified as Serious. Additional penalties are assessed if violations are not corrected. In addition compliance officers investigate serious workplace accidents. The VOSHA inspections at Vermont businesses are mandatory. The department also recognizes businesses for their efforts in workplace safety with programs such as the Green Mountain Voluntary Protection Program (VPP). The Vermont Compliance Assistance Specialist works with trade associations and industry groups to help employers comply with the VOSHA Safety and Health standards. The 14 employees are funded on a 50 percent federal, 50 percent general fund basis.

Project WorkSAFE provides voluntary consulting services to employers wishing to improve the health and safety condition of the workplace. Its six employees are funded with a combination of federal and state funds. Seventy-five to eighty percent of the funding is federal and the remainder is a mixture of general funds and funding from the workers' compensation administrative fund. Federal OSHA grant requirements have a target of 200 visits to the private sector for onsite safety and health consultations including review or development of safety and health management programs. 25 onsite public sector onsite safety and health consultations were conducted, including review or development of safety and health management programs. Additional responsibilities include: developing and providing safety and health trainings to Vermont companies on new OSHA regulations and other topics as requested; emergency response consultation and assistance with radiological and biological issues, in cooperation with the Vermont Department of Health and the Department on Public Safety; maintaining and increasing the amount of VT Companies in the Safety and Health Achievement Recognition Program (SHARP); and, developing recommendations for the Governors' Workplace Safety Awards.

The RoadSafe employer traffic safety program provides educational outreach to employers concerning employee travel related hazards. Travel related accidental injury or death continues to be a significant problem in Vermont and nationally. The program provides a regular safety newsletter, and works closely with the Governor's Highway Safety Council, and industry groups to promote awareness and traffic safety education. The one employee in this program is funded through a federal grant.

The Passenger Tramway Program inspects the construction, operation and maintenance of ski tows, lifts and trams and monitors them for compliance with state regulations. Each year there are about 250 injuries related to ski lifts over the course of 4 million skier days. Vermont's 26 ski areas pay the cost of this program. There are three inspectors.

Workforce Development

The Workforce Development Division provides employment services and training assistance to businesses and workers. Programs include:

- The Next Generation Program, first established by the 2007 Legislature, continues to fund a

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Department of Labor

variety of programs that promote the creation and retention of high quality jobs, and the growth of a highly skilled workforce by funding occupational skills training, internships for secondary and post-secondary students, and other specialized training activities that lead to employment with new and existing businesses. The Workforce Education and Training Fund (WETF) is the largest of the Next Generation Programs, providing grants under two categories, Training and Internships. During the most recent program year, approximately 550 individuals were trained for new positions, and more than 2,000 individuals received training that upgraded their skills and wages. Nearly 500 secondary and post-secondary students participated in WETF sponsored internships.

- The Workforce Investment Act serves 1200+ disadvantaged youth, adults, and dislocated workers with case management and training assistance.
- The Registered Apprenticeship Program continues to be one of VDOL's most effective workforce training models. The combination of technical classroom instruction and paid hands-on training under a qualified employer sponsor, ensures that training is relevant, current, and directly tied to employment. Apprenticeship is supported by a combination of state general funds and "special funds" that consist of employer-paid tuition for classroom instruction. The current recession took a serious toll on apprenticeship numbers this year, particularly in the construction related trades of electrician and plumber. From a record high of 1,000 apprentices in 2007, we dropped to approximately 800 by June 30, 2009.
- The Employment Service helps match employers and job seekers. Nearly ten thousand individuals, 58 percent of those exiting programs managed by the division, found employment after receiving services through the program during the past fiscal year in spite of the bad economy.
- The Reach-Up Program services are administered by VDOL under an agreement with the Department for Children and Families, the division provides case management and employment services to more than 1,500 individuals on public assistance as part of Vermont's TANF block grant plan. The primary goal of the Reach Up program at VDOL is to work with participants, Vermont businesses and non-profit organizations to transition recipients from Welfare to Work. To that end, more than 1,000 people were placed in either community service positions or new jobs during the most recently completed fiscal period. The current MOU with DCF provides for 16 staff positions in all 12 districts funded with a budget of \$1.6 million.
- The Division also oversees federal discretionary grant programs that currently total approximately \$900,000.

The Division is working towards:

Implementing a Demand-Driven System that will focus on and respond to employer needs.
Finalizing implementation of a New Service Delivery system for Workforce Development.
Administering the Interagency Committee within State Government to coordinate the State's response to workforce development needs
Maintaining a Seamless Continuum of Workforce Development and Training Services
Maintaining a Career Development Website System, supported by VDOL and VSAC

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Department of Labor

Expanding the use of existing training resources to include Apprenticeship Programs, OJT, Workforce Education and Training Fund (WETF), and collaboration with all VDOL training partners.

Developing, applying for, and administering federal discretionary grants.

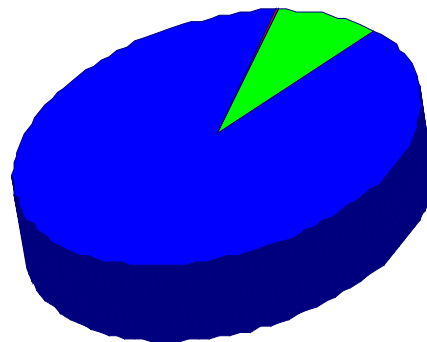
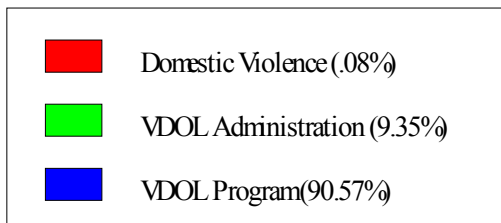
Administration

Administration consists of the commissioner's office, the business office, human resources, information technology, building maintenance and other support activities. The cost of administration is allocated across the various programs based upon a federally approved allocation formula, which focuses upon personal services costs.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Department of Labor

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
VDOL Program	255	253	277	23,543,160	32,991,170	32,991,170	32,217,480
VDOL Administration	34	38	32	3,110,280	5,477,966	4,602,966	3,324,240
Domestic Violence	0	0	0	30,000	30,000	30,000	30,000
TOTAL	289	291	309	26,683,440	38,499,136	37,624,136	35,571,720
FUND TYPE							
General Fund				1,967,852	2,590,569	2,590,569	2,561,430
Special Fund				2,731,694	3,637,300	3,637,300	3,765,862
American Recovery & Reinvestment Act				258,028	8,668,753	7,793,753	4,571,772
Federal Revenue Fund				19,322,672	21,198,676	21,198,676	23,172,655
Interdepartmental Transfer				2,403,194	2,403,838	2,403,838	1,500,001
TOTAL				26,683,440	38,499,136	37,624,136	35,571,720



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
VDOL Program

Appropriation Key Budget Issues

The nation and Vermont continue to face an economic crisis. While the recession may “technically” be over, Vermont is not yet seeing signs of recovery. The demand for unemployment insurance, job search and job training assistance continues at historical levels.

We have been fortunate to have federal funds increase to meet the increased demand in unemployment claims. The American Recovery and Reinvestment Act (ARRA) have also provided additional resources to assist with workforce development and job search capability. However, temporary staff added to meet increased demand will end when funding is depleted. In addition, we continue to see increased demand for programs funded by state general funds.

Congress has extended unemployment benefits several times in the last year and funded the cost of those benefits. However, high unemployment has placed strains on a diminishing unemployment insurance trust fund which will force the state to borrow to meet UI benefit obligations. While federal funds to administer the UI program will continue during these high unemployment periods, there is no further help approved for the soon to be bankrupt trust fund. VDOL continually seeks to improve processes and automate many operations in our unemployment division as special resources and/or grant funding allows. Temporary help now picks up the slack when systems become overloaded. We do not have any general funds supporting UI operations.

Our workers compensation division continues to see increased demand for services. Staffing levels have remained the same with the exception of new positions created by the legislature last year to fund misclassification investigators. These positions are almost entirely filled and investigative activities have commenced.

Explanation of Significant Changes:

Workers’ Compensation functions are funded through an assessment on insurance premiums paid to the insurance companies. Fortunately, workers’ compensation claims and related premiums are expected to decline for the fourth year in a row. However, the decline in claims and premiums is not reflected in the workload. Fewer but more complicated cases continue to place a heavy demand for VDOL’s dispute resolution services. There is also an increased demand from employers, organized labor, and the Legislature to more actively pursue fraud on the part employers and workers and also premium avoidance. The net result is that administrative costs to VDOL have not declined. And, as the dollar value of premiums declines the assessment rate must increase just to cover level funding. The recession has also resulted in fewer private sector employees being employed and therefore insured for workers compensation. This has further reduced premium dollars demanding yet another increase in the annual assessment on premiums is needed to fund a level funded budget.

The Department has been successful in obtaining one competitive federal grant to fund new labor

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
VDOL Program

market activities. We have applied for two other competitive grants that if funded will enable enhance training activities above and beyond state funded Next Generation activities.

Demand for Next Generation programs continues to grow. Employers are seeking to upgrade wages to remain competitive and expand markets. Some employers are diversifying their product and service base resulting in new demands for training. Further, Vermonters need enhanced training to be more competitive in the workforce. Demand for the Workforce Education and Training Funds has again outpaced available funds.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
VDOL Program

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	21,138,420	21,048,615	21,048,615	23,010,309
Operating Expenses	4,617,268	4,726,026	4,726,026	5,488,024
Grants	(2,212,528)	7,216,529	7,216,529	3,719,147
<hr/> TOTAL	<hr/> 23,543,160	<hr/> 32,991,170	<hr/> 32,991,170	<hr/> 32,217,480
FUND TYPE				
General Fund	1,828,188	2,058,632	2,058,632	2,288,674
Special Fund	2,332,746	3,315,766	3,315,766	3,229,987
American Recovery & Reinvestment Act	258,028	6,793,753	6,793,753	4,222,948
Federal Revenue Fund	17,018,093	18,786,531	18,786,531	21,170,870
Interdepartmental Transfer	2,106,105	2,036,488	2,036,488	1,305,001
<hr/> TOTAL	<hr/> 23,543,160	<hr/> 32,991,170	<hr/> 32,991,170	<hr/> 32,217,480

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
VDOL Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	0	4,900,419	4,025,419	2,746,693
Operating Expenses	0	577,547	577,547	577,547
Grants	3,110,280	0	0	0
<hr/> TOTAL	<hr/> 3,110,280	<hr/> 5,477,966	<hr/> 4,602,966	<hr/> 3,324,240
FUND TYPE				
General Fund	139,664	531,937	531,937	272,756
Special Fund	368,948	291,534	291,534	505,875
American Recovery & Reinvestment Act	0	1,875,000	1,000,000	348,824
Federal Revenue Fund	2,304,579	2,412,145	2,412,145	2,001,785
Interdepartmental Transfer	297,089	367,350	367,350	195,000
<hr/> TOTAL	<hr/> 3,110,280	<hr/> 5,477,966	<hr/> 4,602,966	<hr/> 3,324,240

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Domestic Violence

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	30,000	0	0	0
Grants	0	30,000	30,000	30,000
<hr/> TOTAL	<hr/> 30,000	<hr/> 30,000	<hr/> 30,000	<hr/> 30,000
FUND TYPE				
Special Fund	30,000	30,000	30,000	30,000
<hr/> TOTAL	<hr/> 30,000	<hr/> 30,000	<hr/> 30,000	<hr/> 30,000

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Education**

Department Mission Statement

Mission

We provide leadership and support to help all Vermont students achieve excellence.

Vision

The State Board of Education and the Department of Education shall sustain a vision of high skills, creative thinking, and love of knowledge and learning for every student while ensuring student achievement in a safe and healthy learning environment.

In 2004, the Board, Commissioner Cate, and the Department developed a strategic plan. The plan, complete with objectives, strategies and indicators, guides the work of the Board and the Department. Each year, the Board revisits the plan and highlights specific focus strategies for the upcoming year. The guiding principles of the strategic plan are expressed in the five goals listed below, which are based on the respective Board and department roles and responsibilities.

- I. Support high-quality, innovative instruction to improve student achievement
- II. Provide and promote high-quality educational leadership
- III. Promote safe and positive learning environments
- IV. Build department capacity to best support external needs
- V. Practice and promote effective use of all resources

Description of Appropriations, Divisions, & Programs

Finance and Administration: Provides the operating functions of the department including 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. The budgets for the Commissioner's office and the State Board of Education are also included.

Education Programs: The six major areas comprising education programs are Educator Quality, Independent School and Federal Programs, Lifelong Learning, Safe and Healthy Schools, Standards and Assessment, and Student Support. Each of these areas provides technical assistance and program support for Vermont's education system. The types of programs supported range from special education for preschool aged children to literacy skills for adults.

The remainder of the education budget is composed of the following programs.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Education

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 Local Education Agency'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 implemented for the first time in FY 2005. The education spending amount makes up about 80 percent of school budgets statewide. In FY010 and FY11 \$38,575,036 will come from the American Recovery and Reinvestment Act each of the two years.

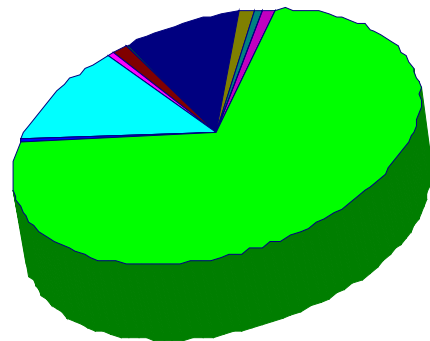
STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Education

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Finance and Administration	64	67	58	18,138,566	19,234,222	19,172,665	18,766,525
Education Services	121	115	101	121,640,532	128,046,639	127,935,966	180,552,109
Special Education - Formula Grants	0	0	0	142,760,620	142,687,975	142,687,975	142,687,975
State-placed Students	0	0	0	15,179,822	18,900,000	15,600,000	15,585,059
Adult Education and Literacy	0	0	0	6,029,588	6,463,656	6,463,656	6,463,656
Adjusted Education Payment	0	0	0	1,111,511,187	1,136,100,000	1,137,450,000	1,142,178,403
Transportation	0	0	0	15,045,351	15,542,809	15,542,809	15,782,031
Small School Grants	0	0	0	6,565,714	6,977,336	6,977,336	3,500,000
Capital Debt Service Aid	0	0	0	194,185	188,000	188,000	180,000
Tobacco Litigation	2	2	1	950,243	988,917	988,917	988,917
Essential Early Education Grant	0	0	0	5,461,391	5,700,000	5,700,000	5,679,216
Technical Education	0	0	0	12,361,242	12,800,000	12,800,000	12,784,382
Act 117 Cost Containment	15	12	12	978,086	1,282,705	1,282,705	1,282,707
TOTAL	202	196	172	1,456,816,527	1,494,912,259	1,492,790,029	1,546,430,980
FUND TYPE							
General Fund				12,509,632	11,407,559	11,296,886	8,673,388
Education Fund				1,311,421,784	1,304,222,835	1,302,272,835	1,305,931,307
Special Fund				16,065,821	17,412,218	17,350,661	16,728,905
American Recovery & Reinvestment Act				0	38,575,036	0	46,719,169
Federal Revenue Fund				115,753,721	122,175,933	122,175,933	128,720,522
Global Commitment Fund				1,028,913	1,088,212	1,088,212	1,053,092
Interdepartmental Transfer				36,656	30,466	38,605,502	38,604,597
TOTAL				1,456,816,527	1,494,912,259	1,492,790,029	1,546,430,980

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Education**

	Act 117 Cost Containment (.08%)
	Adjusted Education Payment (73.86%)
	Adult Education and Literacy (.42%)
	Capital Debt Service Aid (.01%)
	Education Services (11.68%)
	Essential Early Education Grant (.37%)
	Finance and Administration (1.21%)
	Small School Grants (.23%)
	Special Education - Formula Grants (9.23%)
	State-placed Students (1.01%)
	Technical Education (.83%)
	Tobacco Litigation (.06%)
	Transportation (1.02%)



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Finance and Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	4,879,091	5,498,188	5,436,631	5,666,454
Operating Expenses	1,620,478	1,651,304	1,651,304	1,715,341
Grants	11,638,997	12,084,730	12,084,730	11,384,730
<hr/> TOTAL	<hr/> 18,138,566	<hr/> 19,234,222	<hr/> 19,172,665	<hr/> 18,766,525
FUND TYPE				
General Fund	3,130,215	3,409,206	3,409,206	3,103,135
Education Fund	0	0	0	427,526
Special Fund	12,138,629	12,951,342	12,889,785	12,395,755
Federal Revenue Fund	2,065,554	2,010,732	2,010,732	2,012,287
Global Commitment Fund	798,913	858,212	858,212	823,092
Interdepartmental Transfer	5,255	4,730	4,730	4,730
<hr/> TOTAL	<hr/> 18,138,566	<hr/> 19,234,222	<hr/> 19,172,665	<hr/> 18,766,525

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Education Services

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	12,217,636	13,136,696	13,026,023	12,293,389
Operating Expenses	1,708,476	1,873,037	1,873,037	1,598,645
Grants	107,714,420	113,036,906	113,036,906	166,660,075
<hr/> TOTAL	<hr/> 121,640,532	<hr/> 128,046,639	<hr/> 127,935,966	<hr/> 180,552,109
FUND TYPE				
General Fund	6,791,422	5,410,358	5,299,685	4,782,258
Education Fund	0	1,131,751	1,131,751	1,131,751
Special Fund	1,998,863	2,189,254	2,189,254	2,061,526
American Recovery & Reinvestment Act	0	0	0	46,719,169
Federal Revenue Fund	112,818,846	119,289,540	119,289,540	125,832,574
Interdepartmental Transfer	31,401	25,736	25,736	24,831
<hr/> TOTAL	<hr/> 121,640,532	<hr/> 128,046,639	<hr/> 127,935,966	<hr/> 180,552,109

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Special Education - Formula Grants

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	142,760,620	142,687,975	142,687,975	142,687,975
<hr/> TOTAL	<hr/> 142,760,620	<hr/> 142,687,975	<hr/> 142,687,975	<hr/> 142,687,975
FUND TYPE				
Education Fund	142,530,620	142,457,975	142,457,975	142,457,975
Global Commitment Fund	230,000	230,000	230,000	230,000
<hr/> TOTAL	<hr/> 142,760,620	<hr/> 142,687,975	<hr/> 142,687,975	<hr/> 142,687,975

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State-placed Students

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	15,179,822	18,900,000	15,600,000	15,585,059
TOTAL	15,179,822	18,900,000	15,600,000	15,585,059
FUND TYPE				
Education Fund	15,179,822	18,900,000	15,600,000	15,585,059
TOTAL	15,179,822	18,900,000	15,600,000	15,585,059

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Adult Education and Literacy

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	6,029,588	6,463,656	6,463,656	6,463,656
<hr/> TOTAL	<hr/> 6,029,588	<hr/> 6,463,656	<hr/> 6,463,656	<hr/> 6,463,656
FUND TYPE				
General Fund	2,587,995	2,587,995	2,587,995	787,995
Education Fund	2,572,272	3,000,000	3,000,000	4,800,000
Federal Revenue Fund	869,321	875,661	875,661	875,661
<hr/> TOTAL	<hr/> 6,029,588	<hr/> 6,463,656	<hr/> 6,463,656	<hr/> 6,463,656

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Adjusted Education Payment

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	1,111,511,187	1,136,100,000	1,137,450,000	1,142,178,403
<hr/> TOTAL	<hr/> 1,111,511,187	<hr/> 1,136,100,000	<hr/> 1,137,450,000	<hr/> 1,142,178,403
FUND TYPE				
Education Fund	1,111,511,187	1,097,524,964	1,098,874,964	1,103,603,367
American Recovery & Reinvestment Act	0	38,575,036	0	0
Interdepartmental Transfer	0	0	38,575,036	38,575,036
<hr/> TOTAL	<hr/> 1,111,511,187	<hr/> 1,136,100,000	<hr/> 1,137,450,000	<hr/> 1,142,178,403

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Transportation

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	15,045,351	15,542,809	15,542,809	15,782,031
TOTAL	15,045,351	15,542,809	15,542,809	15,782,031
FUND TYPE				
Education Fund	15,045,351	15,542,809	15,542,809	15,782,031
TOTAL	15,045,351	15,542,809	15,542,809	15,782,031

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Small School Grants

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	6,565,714	6,977,336	6,977,336	3,500,000
<hr/> TOTAL	<hr/> 6,565,714	<hr/> 6,977,336	<hr/> 6,977,336	<hr/> 3,500,000
FUND TYPE				
Education Fund	6,565,714	6,977,336	6,977,336	3,500,000
<hr/> TOTAL	<hr/> 6,565,714	<hr/> 6,977,336	<hr/> 6,977,336	<hr/> 3,500,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Capital Debt Service Aid

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	194,185	188,000	188,000	180,000
TOTAL	194,185	188,000	188,000	180,000
FUND TYPE				
Education Fund	194,185	188,000	188,000	180,000
TOTAL	194,185	188,000	188,000	180,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Tobacco Litigation

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	180,704	131,153	131,153	129,931
Operating Expenses	19,354	57,584	57,584	46,222
Grants	750,185	800,180	800,180	812,764
<hr/> TOTAL	<hr/> 950,243	<hr/> 988,917	<hr/> 988,917	<hr/> 988,917
FUND TYPE				
Special Fund	950,243	988,917	988,917	988,917
<hr/> TOTAL	<hr/> 950,243	<hr/> 988,917	<hr/> 988,917	<hr/> 988,917

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Essential Early Education Grant

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	5,461,391	5,700,000	5,700,000	5,679,216
TOTAL	5,461,391	5,700,000	5,700,000	5,679,216
FUND TYPE				
Education Fund	5,461,391	5,700,000	5,700,000	5,679,216
TOTAL	5,461,391	5,700,000	5,700,000	5,679,216

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Technical Education

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	12,361,242	12,800,000	12,800,000	12,784,382
TOTAL	12,361,242	12,800,000	12,800,000	12,784,382
FUND TYPE				
Education Fund	12,361,242	12,800,000	12,800,000	12,784,382
TOTAL	12,361,242	12,800,000	12,800,000	12,784,382

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Act 117 Cost Containment

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	885,345	1,070,398	1,070,398	1,059,820
Operating Expenses	92,741	121,307	121,307	131,887
Grants	0	91,000	91,000	91,000
<hr/> TOTAL	<hr/> 978,086	<hr/> 1,282,705	<hr/> 1,282,705	<hr/> 1,282,707
FUND TYPE				
Special Fund	978,086	1,282,705	1,282,705	1,282,707
<hr/> TOTAL	<hr/> 978,086	<hr/> 1,282,705	<hr/> 1,282,705	<hr/> 1,282,707

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
General Fund Approp to Ed Fund

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
General Fund Approp to Ed Fund	0	0	0	291,127,800	240,803,944	240,803,944	240,803,945
TOTAL	0	0	0	291,127,800	240,803,944	240,803,944	240,803,945
FUND TYPE							
General Fund				291,127,800	240,803,944	240,803,944	240,803,945
TOTAL				291,127,800	240,803,944	240,803,944	240,803,945

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
General Fund Approp to Ed Fund

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	0	240,803,944	240,803,944	240,803,945
Other Financing Uses Budget	291,127,800	0	0	0
<hr/> TOTAL	<hr/> 291,127,800	<hr/> 240,803,944	<hr/> 240,803,944	<hr/> 240,803,945
 FUND TYPE				
General Fund	291,127,800	240,803,944	240,803,944	240,803,945
<hr/> TOTAL	<hr/> 291,127,800	<hr/> 240,803,944	<hr/> 240,803,944	<hr/> 240,803,945

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Teachers' Retirement System

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.

As of June 30, 2009, the system consisted of approximately 10,799 active members, 2,655 inactive members, 721 terminated vested members and approximately 5,910 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 value of the fund was approximately \$1,374 million as of June 30, 2009, compared with about \$1,605 million as of June 30, 2008. The system paid \$91.6 million in retirement benefits during fiscal year 2009.

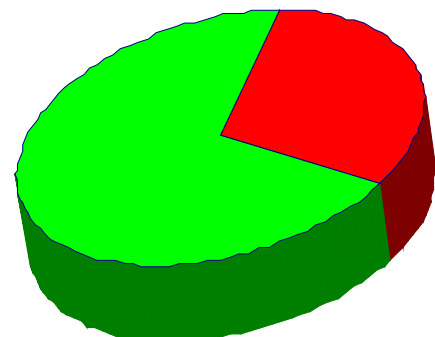
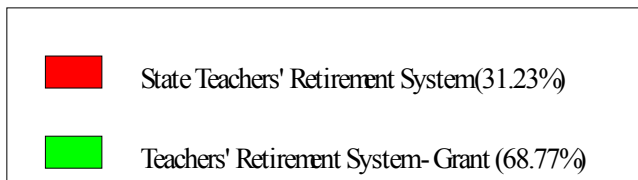
The State Teachers' Retirement System of Vermont Board of Trustees is responsible for the administration of the system. The Board consists of the State Treasurer, Commissioner of Education, Commissioner of Banking, Insurance, Securities and Health Care Administration, two active members elected by the 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 Vermont State Employees' and Municipal Retirement Systems.

In addition to pension payments, the fund also makes health care payments to retirees, totaling \$16.4 million in 2009. These are not added to the pension calculation and are treated as coming from the assets of the fund, therefore creating an actuarial loss. In addition, the actuary annually calculates an annual required contribution (ARC), similar to the pension contribution, necessary to recognize full accrual of retiree health care costs, including prefunding of benefits earned but not yet paid. Currently the State does not prefund these amounts. One recommendation of the Treasurer and the Commission on the Design and Funding of Retirement and Retiree Health Benefit Plans for State Employees and Teachers is that the Legislature develop and implement a structural plan to fund health care obligations and set money aside in a material way through a separate, independent funding mechanism. Full funding of the ARC for OPEB on a prefunded basis is \$33,805,841. Budgeted cash payments in the pension are \$20,000,000 leaving the ARC to be funded of \$13,805,841. If prefunding does not occur, the remaining ARC cost rises significantly (\$62,147,390 total, less \$20,000,000 budgeted, leaving the ARC to be funded at \$42,147,390).

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Teachers' Retirement System

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Teachers' Retirement System - Grant	0	0	0	33,549,097	40,228,002	40,228,002	62,181,595
State Teachers' Retirement System	0	0	0	22,595,594	27,571,642	27,571,642	28,233,387
TOTAL	0	0	0	56,144,691	67,799,644	67,799,644	90,414,982
FUND TYPE							
General Fund				33,549,097	40,228,002	40,228,002	51,772,599
Education Fund				0	0	0	10,408,996
Pension Trust Fund				22,595,594	27,571,642	27,571,642	28,233,387
TOTAL				56,144,691	67,799,644	67,799,644	90,414,982



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Teachers' Retirement System - Grant

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	33,549,097	40,228,002	40,228,002	62,181,595
<hr/> TOTAL	<hr/> 33,549,097	<hr/> 40,228,002	<hr/> 40,228,002	<hr/> 62,181,595
FUND TYPE				
General Fund	33,549,097	40,228,002	40,228,002	51,772,599
Education Fund	0	0	0	10,408,996
<hr/> TOTAL	<hr/> 33,549,097	<hr/> 40,228,002	<hr/> 40,228,002	<hr/> 62,181,595

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Teachers' Retirement System

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	21,728,080	26,629,115	26,629,115	7,269,278
Operating Expenses	867,514	942,527	942,527	20,964,109
<hr/> TOTAL	<hr/> 22,595,594	<hr/> 27,571,642	<hr/> 27,571,642	<hr/> 28,233,387
FUND TYPE				
Pension Trust Fund	22,595,594	27,571,642	27,571,642	28,233,387
<hr/> TOTAL	<hr/> 22,595,594	<hr/> 27,571,642	<hr/> 27,571,642	<hr/> 28,233,387

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Reappraisal and Listing Payments

Department Mission Statement

As a result of Act 60 of 1997, municipalities receive financial assistance from the state to support the collection of education tax revenue. All municipalities receive \$8.50 per grand list parcel per year to help with the cost of reappraisals and maintenance of their grand lists plus an additional dollar to assist PVR with its equalization study. Lister training is funded through a formula providing \$3.65 per parcel for the first 100 parcels, \$.20 per parcel for the next 100 parcels and \$.01 per parcel for any parcels remaining. These programs are administered by the Property Valuation and Review Division within the Tax Department.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Reappraisal and Listing Payments

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Reappraisal and Listing Payments	0	0	0	3,241,427	3,470,000	3,470,000	3,243,196
TOTAL	0	0	0	3,241,427	3,470,000	3,470,000	3,243,196
FUND TYPE							
Education Fund				3,241,427	3,470,000	3,470,000	3,243,196
TOTAL				3,241,427	3,470,000	3,470,000	3,243,196

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Reappraisal and Listing Payments

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	0	200,000	200,000	0
Grants	3,241,427	3,270,000	3,270,000	3,243,196
<hr/> TOTAL	<hr/> 3,241,427	<hr/> 3,470,000	<hr/> 3,470,000	<hr/> 3,243,196
FUND TYPE				
Education Fund	3,241,427	3,470,000	3,470,000	3,243,196
<hr/> TOTAL	<hr/> 3,241,427	<hr/> 3,470,000	<hr/> 3,470,000	<hr/> 3,243,196

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Home Owner Rebate

Description of Appropriations, Divisions, & Programs

32 V.S.A. 6066(a) establishes the Home Owner Rebate Program. It provides property tax relief to home owners earning \$47,000 or less; benefits are determined on a sliding scale based upon one's income and their total property tax bill. This relief is supplemental to the education property tax relief provided under 32 V.S.A 6066.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Home Owner Rebate

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Home Owner Rebate	0	0	0	11,870,198	13,725,647	13,725,647	16,736,859
TOTAL	0	0	0	11,870,198	13,725,647	13,725,647	16,736,859
FUND TYPE							
General Fund				11,870,198	13,725,647	13,725,647	16,736,859
TOTAL				11,870,198	13,725,647	13,725,647	16,736,859

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Home Owner Rebate

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Operating Expenses	11,870,198	0	0	0
Grants	0	13,725,647	13,725,647	16,736,859
<hr/> TOTAL	<hr/> 11,870,198	<hr/> 13,725,647	<hr/> 13,725,647	<hr/> 16,736,859
FUND TYPE				
General Fund	11,870,198	13,725,647	13,725,647	16,736,859
<hr/> TOTAL	<hr/> 11,870,198	<hr/> 13,725,647	<hr/> 13,725,647	<hr/> 16,736,859

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Renter Rebate

Description of Appropriations, Divisions, & Programs

32 V.S.A. 6066(b) establishes the Renter Rebate Program. It provides relief, on a sliding scale based upon income, to those earning \$47,000 or less. It is intended to offset a portion of the rent used by the property owner for property taxes.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Renter Rebate

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Renter Rebate	0	0	0	7,608,244	8,476,695	8,476,695	13,599,313
TOTAL	0	0	0	7,608,244	8,476,695	8,476,695	13,599,313
FUND TYPE							
General Fund				2,331,543	2,543,008	2,543,008	4,079,794
Education Fund				5,276,701	5,933,687	5,933,687	9,519,519
TOTAL				7,608,244	8,476,695	8,476,695	13,599,313

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Renter Rebate

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Operating Expenses	7,608,244	0	0	0
Grants	0	8,476,695	8,476,695	13,599,313
<hr/> TOTAL	<hr/> 7,608,244	<hr/> 8,476,695	<hr/> 8,476,695	<hr/> 13,599,313
FUND TYPE				
General Fund	2,331,543	2,543,008	2,543,008	4,079,794
Education Fund	5,276,701	5,933,687	5,933,687	9,519,519
<hr/> TOTAL	<hr/> 7,608,244	<hr/> 8,476,695	<hr/> 8,476,695	<hr/> 13,599,313

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
University of Vermont

Department Mission Statement

The University of Vermont's mission is to create, evaluate, share, and apply knowledge and to prepare students to be accountable leaders who will bring to their work dedication to the global community, a grasp of complexity, effective problem-solving and communication skills, and an enduring commitment to learning and ethical conduct. 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 Mathematical Sciences, the School of Business Administration, the College of Nursing and Health Sciences, the Rubenstein School of Environment and Natural Resources), the Graduate College, the College of Medicine, the Honors College, the Extension System, and the Division of Continuing Education that operate 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 teaching, research, 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.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
University of Vermont

OUTCOMES

Currently, the purpose of the state base appropriation is to:

- ☐ Support the College of Medicine's education of medical students;
- ☐ Fund the teaching, research, and public service activities of Extension, the Agricultural Experiment Station, and the related agricultural services;
- ☐ Subsidize tuition rates for Vermonters, but at a level that does not cover costs; and,
- ☐ Provide matching funds for the VT Experimental Program to Stimulate Competitive Research (EPSCoR).

State funding of the University of Vermont's base state appropriation will allow the University to continue to provide these services.

The University stresses the importance of educating individuals, thereby providing the State with strong leadership, good citizens, entrepreneurship, and social responsibility. In addition to high quality education, the University of Vermont is a distinguished, comprehensive research institution of nationally renowned reputation-a critical driver for enhancing the State's economy, health, and well-being. The newly-educated professionals entering the workforce, research dollars generated, the businesses created, 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.

The University of Vermont: Educating Vermonters

- ☐ Vermonters comprise 39.8% of the University's student body (Fall 2009: 5,328 Vermonters out of a total enrollment of 13,291)
- ☐ The University is attracting academically strong Vermont students from all parts of the State.
- ☐ The University supports Vermonters through academic scholarships including:
Vermont Scholarships for students in the top tier of their high school classes;
Green and Gold Scholarships for the top student in each Vermont high school; and,
Vermont Merit Scholarships for high-achieving Vermonters who qualify as National Merit Scholars.
- ☐ The University is committed to access for financially needy Vermonters.

It is estimated that about 61% of Vermont undergraduates will receive some form of financial aid this year. In 200_, the University began providing 100% tuition assistance to all Vermonters who are eligible for Federal PELL grants. In addition to state and federal support, almost \$12 million

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
University of Vermont

in grant and scholarship aid from the University's own funds went to Vermonters in FY 2009. Starting in FY 2008, the University began awarding financial aid from the Next Generation scholarship funds.

- ☐ The University provides continuing education to more than 8,500 individuals from Vermont and beyond.

The University of Vermont: A Research Enterprise to the State

- ☐ In FY 2009, UVM was awarded \$133 million in grants and contracts.
- ☐ Over 88% of University research funding comes into Vermont from out-of-state sources.
- ☐ University spin-off companies include Apollo Bioscience, Bio-Tek Instruments, Ergomedics, Haematologic Technologies, Green Mountain Antibodies, MicroStrain, Plomics, Stromatec, TeleMedTest, Vermont Clinical Decision Support, and Vermont Natural Coatings.
- ☐ One million (\$1M) in FY 2007 one-time funds was invested in agriculture and environmental innovations, advanced engineering and technology, and public knowledge programs. In FY 2010, \$118,750 appropriated from the Next Generation fund was used by the University's technology transfer program to help bring University research innovations to the marketplace.
- ☐ The Vermont Business Center, a partnership between the School of Business Administration and Continuing Education, provides executive and professional education for Vermont employers, and the Center's Family Business Initiative offers support to small businesses.
- ☐ The University supports Vermont agriculture through research-based programs such as the Proctor Maple Laboratory, the Center for Sustainable Agriculture, the Center for Rural Studies, and a new partnership with the non-profit Center for an Agricultural Economy.

The University of Vermont: Service to Vermont

- ☐ UVM students perform more than 110,000 hours of community and internship service annually.
- ☐ Medical, nursing, and allied health students provide health care services to help meet community needs. Graduates and residents trained in UVM/Fletcher Allen programs account for almost 40% of the physicians practicing in Vermont.
- ☐ Education and information are provided through collaborative community projects and more than 1,000 significant educational programs. The University's Agricultural Extension programs make over 50,000 Vermont contacts annually, including 6,800 youth, through workshops and consultations.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
University of Vermont

- The University's George Bishop Lane Series, among Vermont's premier presenters of performing arts, entertained over 8,000 patrons last year.

The University of Vermont: A Major Vermont Industry

- Almost 29,000 alumni -- 30% of all UVM graduates -- reside in Vermont and contribute to their communities. Their earnings are estimated at \$1.3 billion annually.
- The University of Vermont is the fourth largest employer in the state. Over 3,700 employees will receive wages and benefits of almost \$357 million this year.
- The direct and indirect economic impact of University, faculty, staff, student, and visitor spending in Vermont is estimated at almost a billion dollars annually.
- Since the beginning of 2005, the University has invested \$268 million in 35 major capital construction projects.
- The University's total operating budget for FY 2009 was \$575 million. This resulted in a **14 to 1 return** on the state's base appropriation of \$42.3 million.

The competition for high quality students is intense. 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, and
- 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 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 2011 BUDGET RECOMMENDATIONS
University of Vermont

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
University of Vermont	0	0	0	40,746,629	40,746,629	40,746,629	43,334,279
UVM - Morgan Horse Farm	0	0	0	0	1	1	0
<hr/> TOTAL	<hr/> 0	<hr/> 0	<hr/> 0	<hr/> 40,746,629	<hr/> 40,746,630	<hr/> 40,746,630	<hr/> 43,334,279
FUND TYPE							
General Fund				36,740,473	36,740,474	36,740,474	39,328,123
Global Commitment Fund				4,006,156	4,006,156	4,006,156	4,006,156
<hr/> TOTAL				<hr/> 40,746,629	<hr/> 40,746,630	<hr/> 40,746,630	<hr/> 43,334,279

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
University of Vermont

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	40,746,629	40,746,629	40,746,629	43,334,279
<hr/> TOTAL	<hr/> 40,746,629	<hr/> 40,746,629	<hr/> 40,746,629	<hr/> 43,334,279
FUND TYPE				
General Fund	36,740,473	36,740,473	36,740,473	39,328,123
Global Commitment Fund	4,006,156	4,006,156	4,006,156	4,006,156
<hr/> TOTAL	<hr/> 40,746,629	<hr/> 40,746,629	<hr/> 40,746,629	<hr/> 43,334,279

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
UVM - Morgan Horse Farm**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	0	1	1	0
TOTAL	0	1	1	0
FUND TYPE				
General Fund	0	1	1	0
TOTAL	0	1	1	0

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Public Television**

Department Mission Statement

Vermont Public Television works to educate, inform, entertain and inspire Vermonters to be lifelong learners and to be engaged in their community by fostering:

- Understanding of one another and various points of view
- Lifelong learning
- Children's readiness to learn
- Personal enrichment through arts, culture and entertainment
- Appreciation and respect for the environment and working landscape
- Involvement and participation in community and civic affairs

Description of Appropriations, Divisions, & Programs

Vermont Public Television was created by the State of Vermont in 1967. While best known as a broadcaster of PBS and local programs, VPT has developed into a 24-hour statewide public media organization using many platforms. Thanks to digital technology, VPT now has three channels -- the main schedule, Create and World. It offers webcasts; video on demand; podcasts and online discussions. Community engagement activities complement on-air and online services.

Whether VPT's focus is helping people cope with hard times, exploring state parks, educating children, documenting state history, helping citizens prepare for elections or featuring Vermont scientists, it is an essential part of life in Vermont.

There have been many high points this past year: an award-winning campaign that helped thousands prepare for the end of analog broadcasting; Emmy Awards for Champlain: The Lake Between and Emerging Science; and a Corporation for Public Broadcasting award for a project with Harwood Union High School.

The annual state appropriation is 10% of VPT's operating revenue and an essential base of support for everything from production to statewide distribution to outreach. State funding ensures that Vermonters of all ages, income levels and backgrounds have access to quality television. It demonstrates to other funders the state's confidence in VPT.

The state appropriation is the largest single source of the local revenue on which VPT claims federal matching dollars. For every state dollar received, VPT raises about \$9 from non-state sources, including contributions from thousands of individuals and businesses. Through its investment in VPT -- 88 cents per capita in operating funds in FY 2010, along with capital appropriations for infrastructure -- the state

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Public Television**

gives back to Vermonters every day.

Public media are at the heart of a democratic society, offering what the commercial marketplace, even with its hundreds of TV channels, does not provide. Following are a few highlights of how the state serves Vermonters every day through VPT:

Programming and Services for Children, Parents and Educators

Vermont's children are at the heart of VPT's mission. Non-violent, commercial-free content inspires them to ask questions, solve problems, read books and explore science. VPT helps preschoolers be ready to learn and older children continue learning. Classroom teachers use VPT's video, teacher guides and free DVDs. In a recent outreach effort, VPT has been working with the Vermont National Guard to inform Vermonters how to support families of deployed soldiers.

Programming and Services That Foster Lifelong Learning

VPT opens a window on the worlds of history, arts, culture and science. Nova, Great Performances, American Experience and Ken Burns' documentaries are among the most valued PBS shows. The local Profile series features the region's writers, artists, performers and leaders.

VPT is in the third year of Emerging Science, a project funded by Vermont EPSCoR that uses TV programming, newer media and outreach to raise awareness of science and encourage young people to consider careers in science.

For the Quadricentennial, VPT was part of an ambitious project that included broadcast of the Emmy-winning film about Lake Champlain. Educational outreach was a key component.

Programming and Services That Foster Community Engagement

Public TV honors the democratic ideal that people can work together for the good of their communities. With the NewsHour, BBC World News, Washington Week, Frontline, Vermont This Week, Report From Montpelier, Report From Washington, Call the Governor and election debates VPT arms viewers with trusted information as they participate in civic affairs.. Many of the programs are call-ins, where citizens speak directly to the state's leaders.

Beginning in fall 2008, after its board, staff and Community Council members served as listeners at the Future of Vermont sessions, VPT adopted affordability as a theme for key local programs. VPT has been offering practical information to help Vermonters cope in today's economy.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Public Television

Programming and Services That Foster Appreciation for the Environment and Working Landscape

Programs like Nature have helped generations of viewers appreciate the natural world. VPT's Outdoor Journal -- beginning its eighth season in 2010 -- celebrates the state's traditions of recreation and conservation. Vermont Fish & Wildlife is the funder.

Helping to boost use of Vermont's state parks, historic sites and public places, VPT promoted them with broadcast stories, online efforts and outreach in 2009.

Community Engagement/Community Partners

Over the past five years, VPT has integrated community engagement into every project. Staff participate in listening sessions around the state and use what they've learned to address issues. To increase its relevance, and to do more with less, VPT works with community partners -- 125 organizations last year, including state agencies.

Public Health and Safety

During the flu season, VPT has worked with the Vermont Dept. of Health to provide information about prevention and refer viewers to the latest information.

VPT offers weather advisories, school closings and emergency information. It hosts equipment for public safety organizations, including NOAA, FBI, FAA, State Police, sheriffs, Civil Air Patrol and first responders.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Public Television

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Vermont Public Television	0	0	0	564,620	564,620	564,620	547,683
TOTAL	0	0	0	564,620	564,620	564,620	547,683
FUND TYPE							
General Fund				564,620	564,620	564,620	547,683
TOTAL				564,620	564,620	564,620	547,683

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Public Television**

Appropriation Key Budget Issues

VPT is under severe financial pressure. It depends on voluntary contributions for most of its revenue and is experiencing losses that are likely to last for the next few years.

VPT's state operating appropriation for FY 10 is down 13% from the as-passed FY 09 figure. Projected revenues overall for FY 10 are estimated to drop by \$177,010 from FY 09. Much of that is a falloff in business contributions projected at \$72,000.

VPT's policy in hard times is to do everything possible to sustain quality. Broadcasting is its most popular service. Because it motivates most of the voluntary contributions, VPT has protected that service by making most of its expense cuts behind the scenes. However, there have been some cuts that may affect VPT's ability to generate revenue.

Current expense-cutting measures include:

- ☐ Temporary 5% pay cut for all non-management/supervisory staff, until further notice.
- ☐ Temporary 10% pay cut for all management/supervisory staff, until further notice. Temporary suspension of employer contributions to the retirement plan, until further notice.
- ☐ Wage freeze
- ☐ Fewer on-location productions such as coverage of Statehouse hearings
- ☐ Energy-saving initiatives
- ☐ Travel reductions
- ☐ Fewer new episodes of Profile
- ☐ Contributors' monthly program guide moved online and printed/mailed only on request

Since the recession began, VPT management has done everything possible to keep its employees at work and contributing to the economy. If revenues decline further, VPT would have to resort to layoffs.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Public Television

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	564,620	564,620	564,620	547,683
TOTAL	564,620	564,620	564,620	547,683
FUND TYPE				
General Fund	564,620	564,620	564,620	547,683
TOTAL	564,620	564,620	564,620	547,683

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont State Colleges**

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

VERMONT STATE COLLEGES

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 delivers programs and services at twelve leased and owned sites around the state. Through its five colleges, the VSC offers certificate, associate, baccalaureate and graduate programs in over 150 majors through on-site as well as web-based learning. Over eighty percent of VSC graduates remain in Vermont to work and live, contributing to Vermont's workforce in such vital areas as K-12 education, criminal justice, social work, nursing, dental hygiene 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. Over 26,000 VSC alumni live and work in Vermont.

VSC colleges continue to experience enrollment at or above all-time records. In the past eight years, full-time equivalent enrollment has increased 41% (it's instructive to note that in the same time period, staffing has increased by only 11 percent). Total VSC headcount enrollment for fall 2009 is 13,170 students of which 84% are Vermonters. Fifty-seven percent of all Vermonters attending undergraduate college in Vermont go to the VSC. Additionally notable is that 52% of VSC students are the first generation in their families to go to college. More than 38% of those in the VSC are considered "non-

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont State Colleges

traditional" students aged 25 or older, with many of these adult learners pursuing college education while working to support their families. Approximately 75% of all VSC students require some form of financial aid, and the average debt load of VSC graduates is about \$20,000.

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 are **Nursing** and **Allied Health**. Nursing was transferred from the Vermont Department of Education beginning FY1995. The Nursing and Allied Health program provide curricula to teach students to become nurses, respiratory therapists and dental hygienists. The Nursing and Allied Health program is key to helping meet Vermont's critical shortage of health care workers. Nursing programs are located at its Thompson Campus in Brattleboro, Putnam Campus in Bennington, Fanny Allen Campus in Williston, on the Vermont Tech campus in Randolph Center, and via Vermont Interactive Television where the nursing program is offered at five additional locations throughout the State. Dental Hygiene is located at the Williston Campus and Respiratory Therapy is located in Williston, Rutland and Newport.

Also overseen by the VSC Board and separately tracked within the VSC's State operating appropriation is Workforce Development (WD, previously called Vermont Manufacturing Extension Center - VMEC). Beginning in FY2002, the State of Vermont's investment in WD shifted from passing through the Vermont Department of Economic Development to being a line item in the VSC budget. WD staff operates from offices located throughout the state, with WD's headquarters based centrally on the main Vermont Tech campus. WD services and training offerings help Vermont's manufacturers across the state to increase productivity, modernize manufacturing and business processes, adopt advanced technologies, reduce costs, and improve their competitiveness.

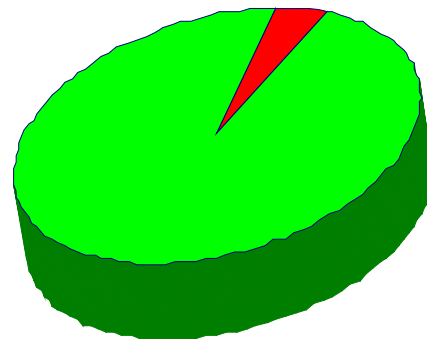
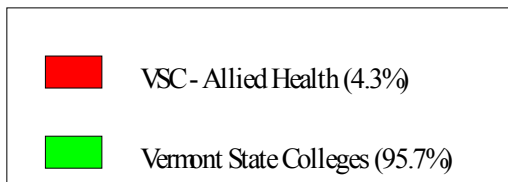
The VSC serves approximately 20,000 Vermonters annually through its workforce education and training programs, including WD described above as well as the Vermont Small Business Development Center, and customized business and industry programs and apprenticeships offered through VTC's Technical Extension Division. These programs serve major employers including IBM, General Dynamics, General Electric, Central Vermont Hospital, National Life, and many more Vermont businesses large and small. Additionally, the VSC oversees the separately appropriated Vermont Interactive Television, fully described below.

The VSC has full-time employees in over 60 locations statewide, with every Vermonter being within 25 miles from some VSC site. The VSC is the fifth largest employer in Vermont, providing over 2,200 jobs for Vermonters, whose employment contributes greatly to the economy of communities across the State.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont State Colleges

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Vermont State Colleges	0	0	0	23,155,213	23,155,213	23,155,213	24,830,084
VSC - Allied Health	0	0	0	1,068,537	1,068,537	1,068,537	1,116,503
TOTAL	0	0	0	24,223,750	24,223,750	24,223,750	25,946,587
FUND TYPE							
General Fund				23,818,343	23,818,343	23,818,343	25,541,180
Global Commitment Fund				405,407	405,407	405,407	405,407
TOTAL				24,223,750	24,223,750	24,223,750	25,946,587



**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont State Colleges**

Appropriation Key Budget Issues

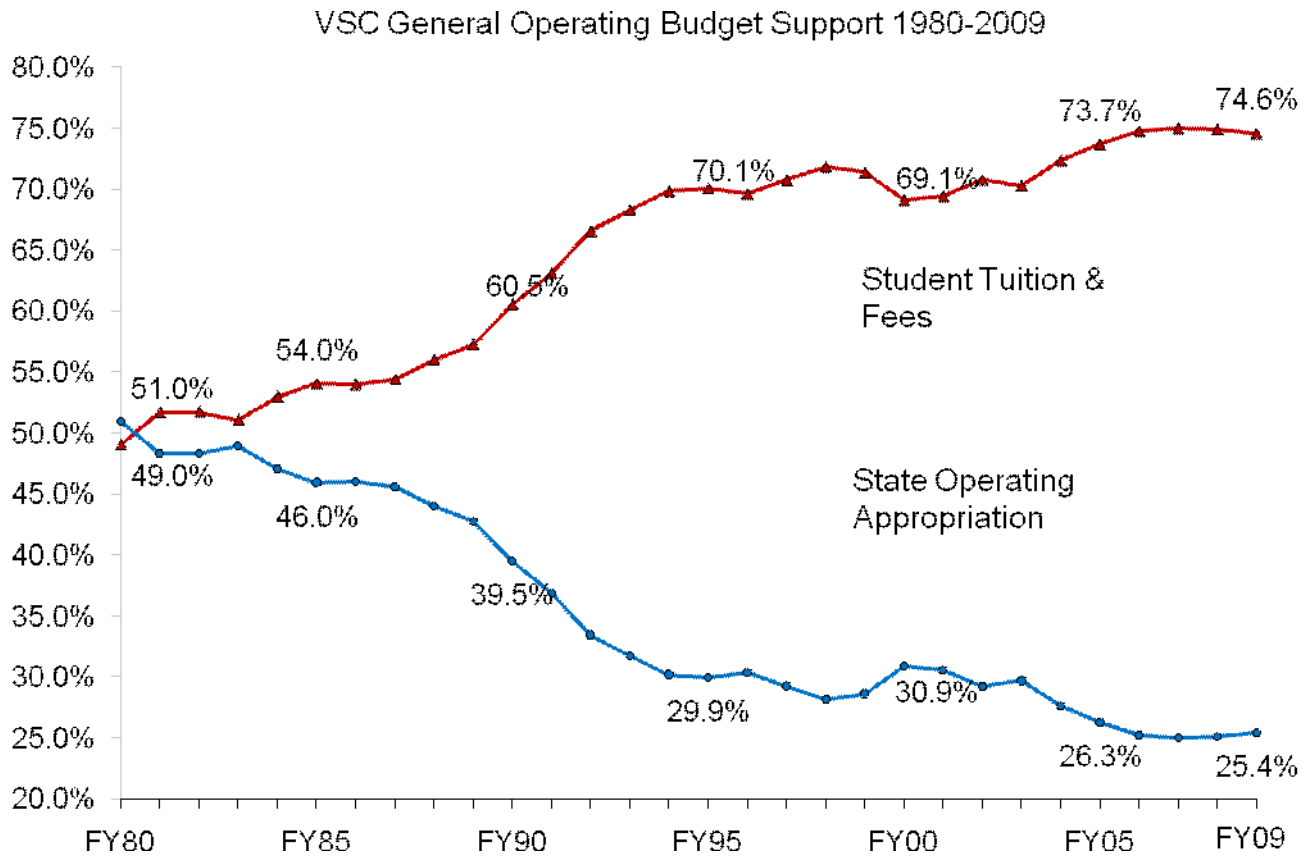
During the forty eight years since VSC came into being, the proportion of State funding for the System's general operating budget has consistently declined, from originally around two-thirds down to just under 55% in 1980 to less than one-fourth presently. The VSC now receives less appropriation per Vermont FTE than it did in 1986 - these are pure dollars, not adjusted for inflation.

To help offset reduced State support the VSC has made concerted efforts toward cost containment. This poses a constant challenge to the VSC in maintaining the quality of education needed to prepare students for good jobs in 21st century Vermont and elsewhere and the competitiveness of our institutions to continue to thrive in a time of demographic decline and economic turmoil.

For many years, the State of Vermont has been last in the nation, by a wide margin, in higher education appropriations per full-time equivalent enrollment (FTE). In 2008, our appropriation per FTE was \$2,143 while New Hampshire which held the 49th position, had appropriation of \$2,730 per FTE.

Following is the graphically illustrated state operating appropriations vs. student tuition and fees mix. It is well worth noting that during 1980's the state operating appropriation contributed more than tuition and fees. Since then, the mix has changed dramatically, and detrimentally, to \$3 of tuition and fees for every \$1 of state operating appropriation.

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont State Colleges**



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont State Colleges

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	23,155,213	23,155,213	23,155,213	24,830,084
TOTAL	23,155,213	23,155,213	23,155,213	24,830,084
FUND TYPE				
General Fund	23,155,213	23,155,213	23,155,213	24,830,084
TOTAL	23,155,213	23,155,213	23,155,213	24,830,084

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
VSC - Allied Health

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	1,068,537	1,068,537	1,068,537	1,116,503
<hr/> TOTAL	<hr/> 1,068,537	<hr/> 1,068,537	<hr/> 1,068,537	<hr/> 1,116,503
FUND TYPE				
General Fund	663,130	663,130	663,130	711,096
Global Commitment Fund	405,407	405,407	405,407	405,407
<hr/> TOTAL	<hr/> 1,068,537	<hr/> 1,068,537	<hr/> 1,068,537	<hr/> 1,116,503

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Interactive Television

Department Mission Statement

VIT's mission is to support the economic health and development of the State and its citizens by providing the statewide and worldwide videoconferencing infrastructure and operational expertise necessary to deliver education, training and information equally to all areas of the state.

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:

- o an integrated video, voice, and data telecommunications network be developed to meet the needs of education, government, and business; and
- o the telecommunications system be accessible within 25 miles of 90 percent of all Vermonters.

The General Assembly has supported VIT with annual operating appropriations beginning FY1989, as well as with several capital appropriations throughout the years to partially fund additional new sites and needed replacement/upgrade to system equipment and infrastructure. Intent has continually been that VIT funding be separately appropriated and budgeted from the Vermont State Colleges, but that the VSC and its Board provide financial as well as managerial oversight to take advantage of existing administrative efficiencies. All VIT staff members are employees of the Vermont State Colleges and VIT is categorized as a higher education account. To further assure operational and policy guidance, the Governor established the VIT Coordinating Council-a seven-member group comprised of representatives from education, government, and business that meets on a monthly basis.

Community funding: All 16 sites are hosted without charge by an institution or business in each VIT community. This in-kind contribution is valued annually at approximately \$300,000 and is critical to VIT's ongoing operations. In addition, the Vermont State Colleges provides in-kind administrative support, valued at approximately \$100,000 per year.

Sales and services make up the final component of VIT funding. In FY2010 VIT expects to bring in an estimated \$345,000 in sales and service fees, derived from rates charged to clients to use the system as well as from consulting services. FY2011 assumes an aggressive sales goal.

Program

VIT has entered its second decade of service to Vermonters, making it possible for hundreds of organizations (in the education, nonprofit, government and business categories) to provide education, training, and information to people in all areas of the state. VIT currently operates **15 sites** (16 studios-2

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Interactive Television

in Williston) in Vermont, one within no more than 30 minutes of most Vermonters. Sites include: Bennington, Brattleboro, Castleton, Johnson, Lyndonville, Middlebury, Montpelier, Newport, Randolph Center, Rutland, Springfield, St. Albans, Waterbury, White River Junction & two rooms in Williston), and in addition to statewide services offers nationwide and worldwide videoconferencing from all sites.

VIT also has satellite downlinking capabilities; a direct connection to UVM's Distance Learning Network; connections to the Vermont Department of Corrections, the Vermont Criminal Justice Training Council and VSC's internet protocol based network; a partnership with the K-12 Learning Network of Vermont; and a consulting contract with the Vermont Department of Corrections.

VIT is uniquely positioned to provide videoconferencing via T1 and ISDN lines *and* via internet protocol (video over IP). As a result, VIT can connect to just about any desktop or room based videoconferencing system in the world. VIT's staff members, most of who have more than 10 years experience, are Vermont's foremost videoconferencing experts. In 2009, VIT added an audience response system and a wireless network to its list of services. In 2010 VIT will begin to offer audio and video streaming solutions as well. VIT is well positioned to support room based, desktop and/or home based videoconferencing applications. VIT staff is currently building the delivery model of the future, which includes room based, desktop, home based and possibly mobile videoconferencing and meeting applications. The goal is to provide this remote meeting technology anytime, anywhere.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Interactive Television

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Vermont Interactive Television	0	0	0	769,119	785,679	785,679	785,679
TOTAL	0	0	0	769,119	785,679	785,679	785,679
FUND TYPE							
General Fund				769,119	785,679	785,679	785,679
TOTAL				769,119	785,679	785,679	785,679

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Interactive Television

Appropriation Key Budget Issues

VIT's goal is to retain its highly trained staff and well developed technology, maintain its current delivery model, while simultaneously expanding its services to support all videoconferencing applications in Vermont, no matter the location.

During this recession, more and more Vermonters are turning to VIT videoconferencing because it is an innovative, cost-effective and environmentally supportive travel alternative. VIT brings Vermonters cost savings, time savings and energy savings. For example, an average in-person meeting costs 70% more than a VIT videoconference meeting when personnel and mileage costs are considered. And, VIT is a green technology that can help reduce vehicle emissions. The Vermont Agency of Natural Resources calculated that for every average meeting held via VIT, vehicle emissions are reduced by $\frac{3}{4}$ ton. Each year, on average, through VIT use, Vermonters save:

4,872,696 miles

90,480 hours

190 tons of air pollution

2,500 tons of green house gases

\$4,308,623 in travel expenses

Over the past six years, VIT has reduced staff (3.5 positions eliminated in 2005) and expenses to minimal operational levels. Not too long ago, VIT had 16 full-time staff members running 12 sites. Today, VIT has only 9 full-time staff members managing 16 studios, a worldwide videoconferencing service and consulting contracts. VIT, even with its limited staff of 9 full-time employees, continues to work on increasing sales and service revenue. FY2011 assumes a very aggressive sales goal. In addition, as previously stated, VIT communities and the VSC contribute approximately \$400,000 per year toward VIT operations. VIT will need continued support from the State in order to ensure that the 32,000+ Vermonters who have come to rely on VIT will have continued access to this resource and to ensure that the future demand for videoconferencing can be met.

VIT will continue to focus on helping state agencies take advantage of this technology; thereby reducing the State travel budget, increasing staff productivity and reducing the carbon footprint. In 2009, Government use of VIT more than doubled.

VIT serves a broad cross-section of Vermont's institutions and organizations, including higher education, non-profits, state agencies, and businesses. Programs range in content from public hearings to workforce training, to undergraduate degree programs, to court proceedings, to updates on state and federal legislation and regulations for state employees, to national and international videoconferencing for such purposes as corporate meetings, candidate interviews and depositions. Last year's figures provide some dimension to evolving use of VIT over the last 21 years:

VIT...

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Interactive Television

- served 32,797 participants in Vermont
- hosted 1,149 videoconferences
- logged 18,656 hours on the system
- attracted 46 new clients
- hosted 181 worldwide videoconferences
- transported Vermonters to destinations near and far, including: Armenia, Australia, Canada, Denmark, Netherlands, New Zealand, Russia, South Africa, United Arab Emirates, as well as Connecticut, Washington DC, California, New Jersey, Maryland, Montana, North Carolina, Pennsylvania, Colorado, Illinois, Kansas, Massachusetts, New Hampshire, Georgia, Rhode Island, Ohio, Oregon, Utah, Florida, Alabama, Maine, Indiana, Arkansas & Texas.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Interactive Television

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	769,119	785,679	785,679	785,679
TOTAL	769,119	785,679	785,679	785,679
FUND TYPE				
General Fund	769,119	785,679	785,679	785,679
TOTAL	769,119	785,679	785,679	785,679

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vt Student Assistance Corp**

Department Mission Statement

VSAC was created by the Legislature in 1965 as a public nonprofit corporation and is overseen by an 11 member board of directors. Its mission is to ensure that all Vermonters have the necessary financial and information resources to pursue their education goals beyond high school. To achieve this mission, VSAC provides: (1) career and college planning services, (2) information on financial aid and postsecondary education and training programs, (3) financial aid in the form of grants, loans, and scholarships for qualified Vermonters, (4) early intervention and outreach to disadvantaged students, and (5) the Vermont Higher Education Investment Plan.

VSAC is unique in that all of its programs and services are available from a “one-stop” agency. While VSAC is probably best known for providing student loans, from origination through repayment, VSAC also supports social initiatives and addresses state workforce development needs by collaborating with other state agencies, such as the Department of Labor, in addition to working with many other public and private organizations.

Description of Appropriations, Divisions, & Programs

Career Education and Outreach Programs

Early career awareness and postsecondary aspiration are vital to Vermont’s economic growth and vitality; therefore, it is imperative that statewide career awareness and planning be made available to all students, starting in 7th grade. From curriculum that emphasizes critical life skills and postsecondary education opportunities, to job shadowing and dual enrollment, Vermont students need to be more aware of how the choices they make today affect their lives tomorrow (such as making class choices with interests and future goals in mind).

As a state, we must invest in our youth today, so that we have better prepared graduates progressing onto postsecondary education, especially considering the economic challenges we face together at this time. Even with higher tuition and other costs, postsecondary education is as important today as a high school diploma was twenty years ago. Education beyond high school is likely to mean:

- **More job opportunities.** Most good jobs require more than a high school diploma. A college degree or other postsecondary training will open more doors for Vermont students because employers need people who can think critically, communicate well, and solve problems creatively.
- **Financial rewards.** Over a lifetime, a person with a four-year degree can earn twice as much as someone

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vt Student Assistance Corp**

with only a high school diploma, according to the U.S. Census Bureau.

- **A sense of accomplishment.** Increased educational attainment provides the satisfaction of personal growth. Vermonters need education beyond high school if they are to realize life's opportunities - sustainable incomes, career advancement, self-fulfillment, and effective citizenship - and for Vermont to survive and thrive in the future.

VSAC is working together with Vermont school counselors, educators, and parents to help Vermont students develop the knowledge and skills that will support their plans for the future. Eighty-nine percent (89%) of students who received VSAC career and education outreach services were enrolled in a postsecondary education program in the fall of 2009.

<p><u>Middle school contacts:</u> 11,068 students in grades 5-8 received individual counselor contact or participated in a classroom workshop. (FY09)</p>

<p><u>High school contacts:</u> 28,423 students in grades 9-12 received individual counselor contact or participated in a classroom workshop. (FY09)</p>
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Career Planning Initiative (CPI) Consultations and Trainings

46 schools (elementary, middle, and high schools) and 1,540 education professionals across Vermont are benefitting from VSAC CPI consultation and training services. These services range from an overview of the program, to full, ongoing consultations and creation of a career awareness program for their students.

Adult Career and Education Counseling

It is important that we not stop at high school graduation when it comes to career education and guidance. Many adult Vermonters already in the labor force find themselves seeking assistance when faced with such circumstances as job loss or change. To be successful in today's job market, individuals often must update their skills or attain additional education to increase overall employability.

VSAC staff provide counseling and objective information on career development, education options, and financial aid to Vermonters in communities around the state in individual and group sessions. Forty-four percent of the adults are referred by human services agencies and colleges. Also offered are career and education planning workshops for the general public, and specialized workshops to meet the needs of partner agencies. During FY09, VSAC Adult Outreach Counselors provided 7,312 counseling sessions to Vermonters.

Grant Program Descriptions

VSAC grants, funded in full by state appropriations, are awarded to Vermont students based on financial

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vt Student Assistance Corp**

need. The grant programs include Incentive Grants for full-time students, Part-Time Grants for students taking fewer than 12 credits per semester, and Non-Degree Grants for students taking up to three individual courses to improve employability.

Vermont Incentive Grants

Incentive Grants are the major source of need-based assistance to full-time Vermont students. They are available to residents who attend an approved postsecondary education institution 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.

FULL-TIME GRANT PROGRAM:	FY01	FY03	FY05	FY07	FY09	Change: FY01-FY09	
						#	%
Number of Applicants	15,843	16,799	17,332	15,933	16,002	159	1.0%
Number of Recipients	8,919	9,245	9,736	8,953	8,769	-150	-1.7%
Amount Awarded	\$12,928,055	\$15,078,021	\$14,787,727	\$16,174,886	\$16,272,121	\$3,344,066	25.9%
Average Grant	\$1,449	\$1,631	\$1,519	\$1,807	\$1,856	\$407	28.0%

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.

PART-TIME GRANT PROGRAM:	FY01	FY03	FY05	FY07	FY09	Change: FY01-FY09	
						#	%
Number of Applicants	4,509	4,141	4,855	4,440	4,349	-160	-3.5%
Number of Recipients	2,323	2,025	2,220	2,085	2,186	-137	-5.9%
Amount Awarded	\$980,780	\$965,221	\$951,614	\$1,090,736	\$1,119,640	\$138,860	14.2%
Average Grant	\$422	\$477	\$429	\$523	\$512	\$90	21.3%

Vermont Non-Degree Grants

Non-Degree Grants are available to Vermonters for non-degree courses that will improve an individual's employability or encourage further study, and which will not necessarily lead to a degree, certificate, or diploma. Non-Degree Grants are need-based and are a major source of financial aid for Vermonters seeking to acquire, keep, or expand their employment skills.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vt Student Assistance Corp

Non-Degree Grants are used at many different institutions, including vocational/technical centers, trade-specific training schools, and community college courses. It is not unusual for Vermonters to begin a course of study by using a Non-Degree Grant and then become matriculating students. This grant is unique to Vermont, and is particularly useful for non-traditional students.

NON-DEGREE GRANT PROGRAM:	FY01	FY03	FY05	FY07	FY09	<u>Change: FY01-FY09</u>	
						#	%
Number of Applicants	1,803	1,693	2,011	1,863	2,348	545	30.2%
Number of Recipients	1,045	921	1,100	936	1,222	177	16.9%
Amount Awarded	\$643,815	\$668,727	\$856,276	\$785,941	\$1,841,747	\$1,197,932	186.1%
Average Grant	\$616	\$726	\$778	\$840	\$1,507	\$891	144.6%

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vt Student Assistance Corp

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Vt Student Assistance Corp	0	0	0	18,363,607	18,363,607	18,363,607	19,608,602
TOTAL	0	0	0	18,363,607	18,363,607	18,363,607	19,608,602
FUND TYPE							
General Fund				18,363,607	18,363,607	18,363,607	19,608,602
TOTAL				18,363,607	18,363,607	18,363,607	19,608,602

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vt Student Assistance Corp

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	18,363,607	18,363,607	18,363,607	19,608,602
TOTAL	18,363,607	18,363,607	18,363,607	19,608,602
FUND TYPE				
General Fund	18,363,607	18,363,607	18,363,607	19,608,602
TOTAL	18,363,607	18,363,607	18,363,607	19,608,602

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
NE Higher Education Compact**

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 2011 BUDGET RECOMMENDATIONS
NE Higher Education Compact

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
NE Higher Education Compact	0	0	0	84,000	84,000	84,000	84,000
TOTAL	0	0	0	84,000	84,000	84,000	84,000
FUND TYPE							
General Fund				84,000	84,000	84,000	84,000
TOTAL				84,000	84,000	84,000	84,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
NE Higher Education Compact

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	84,000	84,000	84,000	84,000
TOTAL	84,000	84,000	84,000	84,000
FUND TYPE				
General Fund	84,000	84,000	84,000	84,000
TOTAL	84,000	84,000	84,000	84,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agency of Natural Resources

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 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 programs, including the financial management, human resource management, information system management, and legal services for the agency..

Key Budget Issues

The Agency is a partner with all the other state entities in sharing the burden of this unprecedented economic downturn. In response, the agency is making carefully targeted reductions in all areas. Positions are being shifted to leverage alternate funding sources, several fee changes are being proposed and the agency plans to reduce a total of 13 positions to offset upward pressures and to meet budget targets.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agency of Natural Resources

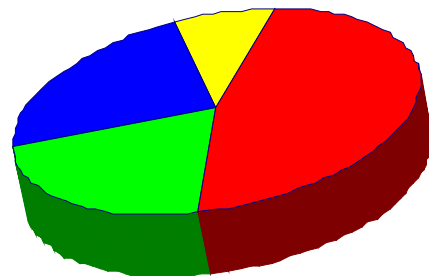
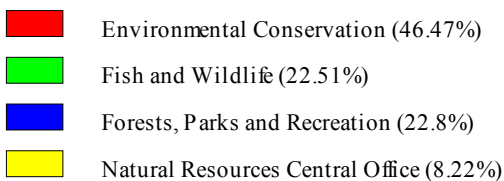
Clean and Clear Action Plan

In 2004, the State of Vermont adopted an aggressive plan for reducing pollution and protecting Vermont's waters, state wide, including controlling algae-feeding phosphorus discharges to Lake Champlain. For FY11, the Governor's proposed budget provides a continuing commitment for the Clean and Clear Action Plan programs in the Agency of Natural Resources.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agency of Natural Resources

AGENCY SUMMARY BY DEPARTMENT

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
Department	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Natural Resources Central Office	61	47	41	8,437,674	7,553,821	7,248,121	6,803,031
Fish and Wildlife	135	130	133	18,106,705	17,819,893	17,653,446	18,628,015
Forests, Parks and Recreation	116	110	102	21,652,048	18,794,107	23,676,060	18,869,409
Environmental Conservation	306	289	268	36,793,821	37,683,958	38,074,600	38,464,044
TOTAL	618	576	544	84,990,248	81,851,779	86,652,227	82,764,499
FUND TYPE							
General Fund				22,201,261	22,016,793	20,370,320	19,440,759
Fish & Wildlife Fund				16,601,712	16,355,474	16,314,594	17,113,525
Special Fund				26,832,469	26,609,704	27,079,050	27,230,602
American Recovery & Reinvestment Act				102,890	0	124,250	1,467,187
Federal Revenue Fund				16,391,913	14,715,898	19,886,571	14,659,151
Permanent Trust Fund				14,496	0	0	0
Interdepartmental Transfer				2,845,507	2,153,910	2,877,442	2,853,275
TOTAL				84,990,248	81,851,779	86,652,227	82,764,499



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Natural Resources Central Office

Department Mission Statement

The mission of the Agency of Natural Resources Central Office is 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:

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 policy and public information.

Environmental Litigation Group - The Environmental Litigation Group represents the Agency in proceedings before the Environmental Court, the Public Service Board, and the Natural Resources Board. These proceedings may include: (1) Appeals of Agency actions such as the issuance or denial of permits, (2) Appeals of Act 250 permits to the Environmental Court from Environmental Commissions, and (3) the review of proposed projects seeking a certificate of public good before the Public Service Board.

Division of Regulatory Management and Act 250 Review - Members of this Division manage the Agency's review of Act 250 applications and coordinate staff review teams for Act 250 and, along with the Environmental Litigation Group, coordinate staff review of other regulatory processes, including Public Service Board and federal EIS processes. The attorneys represent the Agency in Act 250 proceedings and in other forums, including the Environmental Court and the Public Service Board. The Division publishes a weekly list of Act 250, Environmental Court and Public Service Board applications and maintains a data base of Act 250 records. The Division provides case management for large, complex projects in both pre application work and throughout the regulatory process.

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,

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Natural Resources Central Office

employee orientation, employee assistance, performance evaluation, employee records, and coordination with the state Department of Human Resources.

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 Joint Commission, 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.

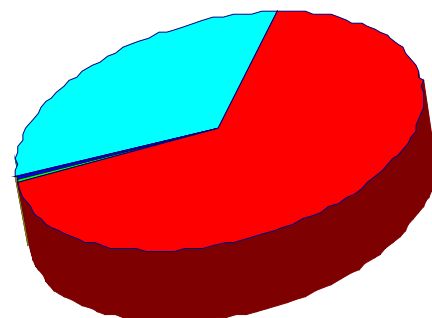
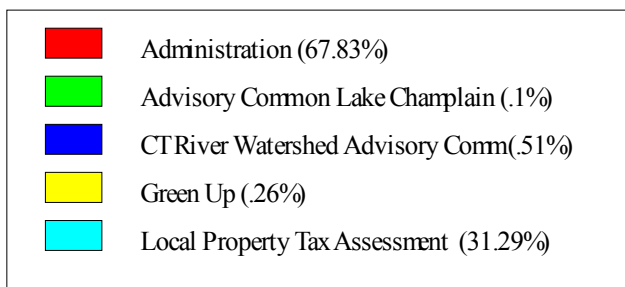
Department Key Budget Issues

The ANR Central Office anticipates reducing one position to meet their budget target. Several positions are being shifted across the Agency to leverage alternate funding sources.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Natural Resources Central Office

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
Department	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Administration	61	47	41	6,250,816	5,361,444	5,055,744	4,614,641
CT River Watershed Advisory Comm	0	0	0	40,200	38,000	38,000	34,960
Advisory Comm on Lake Champlain	0	0	0	7,558	7,500	7,500	6,900
Local Property Tax Assessment	0	0	0	2,123,000	2,128,733	2,128,733	2,128,733
Green Up	0	0	0	16,100	18,144	18,144	17,797
TOTAL	61	47	41	8,437,674	7,553,821	7,248,121	6,803,031
FUND TYPE							
General Fund				6,420,273	6,547,647	6,241,947	5,976,498
Special Fund				1,124,500	18,144	18,144	17,797
Federal Revenue Fund				305,199	278,120	278,120	174,332
Interdepartmental Transfer				587,702	709,910	709,910	634,404
TOTAL				8,437,674	7,553,821	7,248,121	6,803,031



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	4,860,506	3,830,378	3,472,178	3,493,140
Operating Expenses	1,352,964	1,506,066	1,558,566	1,096,501
Grants	37,346	25,000	25,000	25,000
<hr/> TOTAL	<hr/> 6,250,816	<hr/> 5,361,444	<hr/> 5,055,744	<hr/> 4,614,641
FUND TYPE				
General Fund	4,620,465	4,794,914	4,489,214	4,227,405
Special Fund	1,113,950	0	0	0
Federal Revenue Fund	305,199	278,120	278,120	174,332
Interdepartmental Transfer	211,202	288,410	288,410	212,904
<hr/> TOTAL	<hr/> 6,250,816	<hr/> 5,361,444	<hr/> 5,055,744	<hr/> 4,614,641

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
CT River Watershed Advisory Comm

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	40,200	38,000	38,000	34,960
TOTAL	40,200	38,000	38,000	34,960
FUND TYPE				
General Fund	40,200	38,000	38,000	34,960
TOTAL	40,200	38,000	38,000	34,960

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Advisory Comm on Lake Champlain

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,425	3,600	3,600	3,600
Operating Expenses	4,133	3,900	3,900	3,300
<hr/> TOTAL	<hr/> 7,558	<hr/> 7,500	<hr/> 7,500	<hr/> 6,900
FUND TYPE				
General Fund	7,558	7,500	7,500	6,900
<hr/> TOTAL	<hr/> 7,558	<hr/> 7,500	<hr/> 7,500	<hr/> 6,900

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Local Property Tax Assessment

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Operating Expenses	2,123,000	2,128,733	2,128,733	2,128,733
<hr/> TOTAL	<hr/> 2,123,000	<hr/> 2,128,733	<hr/> 2,128,733	<hr/> 2,128,733
FUND TYPE				
General Fund	1,746,500	1,707,233	1,707,233	1,707,233
Interdepartmental Transfer	376,500	421,500	421,500	421,500
<hr/> TOTAL	<hr/> 2,123,000	<hr/> 2,128,733	<hr/> 2,128,733	<hr/> 2,128,733

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Green Up

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Operating Expenses	5,550	7,594	7,594	7,247
Grants	10,550	10,550	10,550	10,550
<hr/> TOTAL	<hr/> 16,100	<hr/> 18,144	<hr/> 18,144	<hr/> 17,797
FUND TYPE				
General Fund	5,550	0	0	0
Special Fund	10,550	18,144	18,144	17,797
<hr/> TOTAL	<hr/> 16,100	<hr/> 18,144	<hr/> 18,144	<hr/> 17,797

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Fish and Wildlife

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.

Description of Appropriations, Divisions, & Programs

The **Support & Field Services** appropriation provides the funding for the Department's core services. These core services include: conserving, restoring and enhancing fish and wildlife habitat, wetlands and natural communities; inventorying, monitoring and managing game species to ensure sustainable population levels are maintained; inventorying, monitoring, and managing species that are not hunted and developing recovery initiatives for species that are threatened or endangered; promoting and providing a diversity of hunting and angling opportunities; promoting and facilitating land management planning and stewardship in Vermont; managing wildlife habitat on 82 Wildlife Management Areas, maintaining public access to water bodies on over 180 Access Areas, providing viewing and photography opportunities of fish and wildlife; ensure safe practices for those participating in fish- and wildlife-based recreational activities; maintaining full response to requests from citizens and agencies regarding threats to human life or safety; limiting the number of human injuries and fatalities that result from encounters with wildlife (i.e. moose and deer car collisions); 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.

Key Divisions within the Department are as follows:

Administration Division - The Administration Division provides policy, legal, planning, personnel, and financial management leadership for the Department. It oversees the production, distribution, and sales of all hunting and fishing licenses and over fifteen types of other permits related to resource protection. It is also responsible for the management of over \$5 million in federal grant dollars, ensuring the funds are spent appropriately and that all reporting requirements are met.

Fisheries Division - The Fisheries Division is responsible for the conservation and management of all fish and fish habitats throughout Vermont. Staff members are engaged in a wide variety of activities, including: monitoring populations of sport fish species and their habitats; cooperating in the research, management, and restoration of fish communities in the Lake Champlain and Connecticut River Basins; rearing and stocking more than 9 million sport fish annually for recreational and restoration purposes; evaluating current and preparing new fishing harvest regulation recommendations for lake trout, brook

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Fish and Wildlife

trout, perch, northern pike, walleye, bass, and other species; participating in the protection of critical aquatic habitat through regulatory processes such as Act 250 and technical assistance; and preparing educational materials.

Law Enforcement Division - The Law Enforcement Division is an integral part of fish and wildlife conservation and management. Its primary duty is to enforce Vermont's fish and wildlife laws and regulations. Fish and Wildlife species are held in the Public Trust and this Division enforces laws related to the protection of these resources for the benefit of all Vermonters. The Division provides responses to citizen requests in the for Department involving fish and wildlife resources, conflicts, search and rescue and many other additional law enforcement assistance to citizens and other law enforcement agencies.

Outreach Division - **The Outreach Division is responsible for all major outreach and formal educational programs of the Fish and Wildlife Department. Programs are designed to improve the public's knowledge and appreciation of Vermont's fish and wildlife resources and their habitats as well as related laws, disease issues and management programs. Division staff supports the Department's mission by providing professional communications and education to the state's inhabitants and visitors alike. These efforts are a means to create awareness and achieve voluntary compliance with state laws, regulations and programs and encourage support for fish, wildlife and habitat conservation and protection programs.**

Wildlife Division - The Wildlife Division is responsible for the conservation and management of all wildlife, plants, and their habitat throughout Vermont. Division staff are engaged in a variety of activities such as: conducting research in support of management actions and decisions; monitoring populations of rare, threatened and endangered plant and animal species; preparing harvest recommendations for wildlife species with open regulated hunting or trapping seasons; participating in the protection of critical wildlife habitat through regulatory processes such as Act 250; land acquisition and management of 131,000 acres on the Department's 82 Wildlife Management Areas, monitoring wildlife diseases and the importation of wildlife into Vermont; and, technical assistance, planning and outreach to wildlife observers, landowners, hunters, school children, and natural resources professionals regarding wildlife in Vermont.

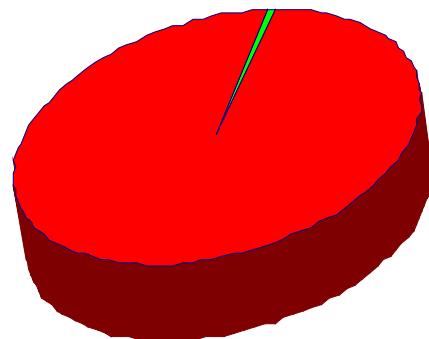
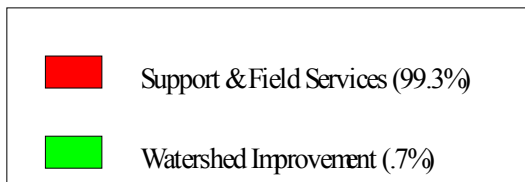
Department Key Budget Issues

FY 2011 is a fee bill year and the Department is proposing to increase several hunting and fishing license fees which will help to offset significant increases in salary and fringe benefits. This budget also includes two (2) positions in reduction-in-force to meet budget targets.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Fish and Wildlife

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Support & Field Services	135	130	133	17,979,497	17,694,893	17,528,446	18,498,015
Watershed Improvement	0	0	0	127,208	125,000	125,000	130,000
TOTAL	135	130	133	18,106,705	17,819,893	17,653,446	18,628,015
FUND TYPE							
General Fund				1,124,511	1,227,419	1,101,852	1,180,253
Fish & Wildlife Fund				16,601,712	16,355,474	16,314,594	17,113,525
Special Fund				97,140	0	0	0
Interdepartmental Transfer				283,342	237,000	237,000	334,237
TOTAL				18,106,705	17,819,893	17,653,446	18,628,015



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Support & Field Services

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	11,688,491	12,437,985	12,280,361	12,826,506
Operating Expenses	5,775,171	4,482,575	4,473,752	4,897,176
Grants	515,835	774,333	774,333	774,333
<hr/> TOTAL	<hr/> 17,979,497	<hr/> 17,694,893	<hr/> 17,528,446	<hr/> 18,498,015
FUND TYPE				
General Fund	1,124,511	1,227,419	1,101,852	1,180,253
Fish & Wildlife Fund	16,474,504	16,230,474	16,189,594	16,983,525
Special Fund	97,140	0	0	0
Interdepartmental Transfer	283,342	237,000	237,000	334,237
<hr/> TOTAL	<hr/> 17,979,497	<hr/> 17,694,893	<hr/> 17,528,446	<hr/> 18,498,015

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Watershed Improvement

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Operating Expenses	256	0	0	0
Grants	126,952	125,000	125,000	130,000
<hr/> TOTAL	<hr/> 127,208	<hr/> 125,000	<hr/> 125,000	<hr/> 130,000
FUND TYPE				
Fish & Wildlife Fund	127,208	125,000	125,000	130,000
<hr/> TOTAL	<hr/> 127,208	<hr/> 125,000	<hr/> 125,000	<hr/> 130,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Forests, Parks and Recreation

Department Mission Statement

The mission of the Vermont Department of Forests, Parks and Recreation (FPR) is to monitor and maintain the health, integrity, diversity and value of important species, natural communities, and ecological processes by:

- Managing forests for sustainable economic growth;
- Providing and promoting opportunities for compatible outdoor recreation; and
- Furnishing related information, education, and service.

Description of Appropriations, Divisions, & Programs

Administration - The Administration Division is responsible for leadership and oversight of all Department programs, financial management, personnel management, policy development and legal services, as well as administering recreation grant programs.

Forestry - Forestry programs effect a broad and expanding constituency concerned with the sustainable use, management, protection and future condition of Vermont's forest landscape, representing 75% of the state. These forests provide the economic resource base for Vermont's diverse forest products industry through sustainable timber management, as well as providing the cornerstone of the state's recreation and tourism economies. Vermont's actively managed forest also provides critical biological diversity, natural communities and wildlife habitats.

The Forestry Division has responsibility for administration and oversight of the 1.5 million acres of private land enrolled in the current use tax program for forest land, stewardship activities on over 343,000 acres of state-owned land, assisting municipalities in the management of urban trees and municipal forests, forest health monitoring, assisting the forest products industry-including the growing biomass energy market-and the administration of forestry regulatory programs.

State Parks - The State Park Division is responsible for planning for the operation, maintenance and preservation of the state park system and the protection of the natural resources within it. The State Park system currently includes 52 developed parks that, not including capital construction, contribute and estimated \$60 million annually to Vermont's economy.

Land Administration - The Lands Division has responsibility for the administration and real estate activity of state-owned lands managed by the three departments with the Agency of Natural Resources (ANR) --approximately 343,000 acres. The Division also maintains ANR property records and maps; administers leases, licenses and special use permits for ANR lands; carries out land acquisitions and other transactions; assists with long-range management planning for ANR lands; surveys and maps

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Forests, Parks and Recreation

ANR lands, and coordinates development of ANR lands policies.

Vermont Youth Conservation Corps - FPR is the administrator of pass through monies from state parks, AOT, trail funds, general funds and donations. This program educates youth in good conservation ethics through employment in natural resource related projects.

Forest Highway Maintenance - This program uses state funds to repair and maintain the ANR forest highway network. This network consists of approximately 600 miles of roads and essential to the interior maintenance of state forest land and providing Vermonters with access to roadside firewood lots available through the Governor's Wood Warms initiative.

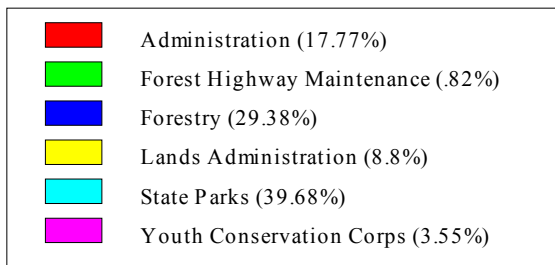
Department Key Budget Issues

Like all of state government, and our private sector partners, the downturn in the economy presents serious challenges to the Department of Forests, Parks and Recreation (FPR). The FY 2011 budget proposal includes further reductions. At present, balancing the FY 2011 budget requires operating cuts throughout FPR, the leveraging of a FPR special fund, relying on the Parks special fund and a partnership with the Department of Fish & Wildlife (F&W) that provides technical assistance for reimbursement from federal funds. In addition, two positions will be transferred to F&W to leverage federal funds. This budget also includes one (1) reduction-in-force.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Forests, Parks and Recreation

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Administration	13	13	10	3,637,738	3,434,469	3,733,400	3,352,426
Forestry	63	58	53	5,634,395	5,405,195	5,181,522	5,543,766
State Parks	35	34	34	7,481,594	7,370,829	7,478,930	7,488,172
Lands Administration	5	5	5	3,952,002	1,652,682	6,351,276	1,659,579
Youth Conservation Corps	0	0	0	657,638	751,666	751,666	670,541
Forest Highway Maintenance	0	0	0	288,681	179,266	179,266	154,925
TOTAL	116	110	102	21,652,048	18,794,107	23,676,060	18,869,409
FUND TYPE							
General Fund				6,541,229	6,219,185	5,557,123	5,370,370
Special Fund				9,180,638	8,923,922	9,020,265	9,199,859
American Recovery & Reinvestment Act				0	0	124,250	372,750
Federal Revenue Fund				5,513,634	3,189,000	8,289,000	3,366,906
Permanent Trust Fund				14,496	0	0	0
Interdepartmental Transfer				402,051	462,000	685,422	559,524
TOTAL				21,652,048	18,794,107	23,676,060	18,869,409



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,048,532	1,020,309	864,240	918,024
Operating Expenses	868,307	555,710	610,710	621,179
Grants	1,720,899	1,858,450	2,258,450	1,813,223
<hr/> TOTAL	<hr/> 3,637,738	<hr/> 3,434,469	<hr/> 3,733,400	<hr/> 3,352,426
FUND TYPE				
General Fund	1,203,448	1,223,859	1,057,790	1,033,816
Special Fund	1,426,568	1,305,610	1,355,610	1,305,610
American Recovery & Reinvestment Act	0	0	10,000	50,000
Federal Revenue Fund	939,449	905,000	1,305,000	963,000
Interdepartmental Transfer	68,273	0	5,000	0
<hr/> TOTAL	<hr/> 3,637,738	<hr/> 3,434,469	<hr/> 3,733,400	<hr/> 3,352,426

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Forestry

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	4,538,534	4,482,990	4,259,317	4,511,199
Operating Expenses	464,647	579,205	579,205	531,567
Grants	631,214	343,000	343,000	501,000
<hr/> TOTAL	<hr/> 5,634,395	<hr/> 5,405,195	<hr/> 5,181,522	<hr/> 5,543,766
FUND TYPE				
General Fund	3,790,555	3,633,694	3,329,896	3,221,738
Special Fund	392,931	474,501	497,501	679,372
American Recovery & Reinvestment Act	0	0	57,125	252,750
Federal Revenue Fund	1,321,874	1,140,000	1,140,000	1,259,906
Permanent Trust Fund	14,496	0	0	0
Interdepartmental Transfer	114,539	157,000	157,000	130,000
<hr/> TOTAL	<hr/> 5,634,395	<hr/> 5,405,195	<hr/> 5,181,522	<hr/> 5,543,766

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
State Parks

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	5,219,989	5,381,818	5,489,919	5,503,357
Operating Expenses	2,265,080	1,989,011	1,989,011	1,984,815
Grants	(3,475)	0	0	0
<hr/> TOTAL	<hr/> 7,481,594	<hr/> 7,370,829	<hr/> 7,478,930	<hr/> 7,488,172
FUND TYPE				
General Fund	864,381	767,889	577,100	532,197
Special Fund	6,617,213	6,602,940	6,626,283	6,751,451
American Recovery & Reinvestment Act	0	0	57,125	70,000
Interdepartmental Transfer	0	0	218,422	134,524
<hr/> TOTAL	<hr/> 7,481,594	<hr/> 7,370,829	<hr/> 7,478,930	<hr/> 7,488,172

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Lands Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	478,092	443,601	442,195	450,413
Operating Expenses	3,366,027	1,209,081	5,909,081	1,209,166
Grants	107,883	0	0	0
<hr/> TOTAL	<hr/> 3,952,002	<hr/> 1,652,682	<hr/> 6,351,276	<hr/> 1,659,579
FUND TYPE				
General Fund	344,164	368,477	367,071	385,374
Special Fund	337,543	179,205	179,205	179,205
Federal Revenue Fund	3,200,411	1,050,000	5,750,000	1,050,000
Interdepartmental Transfer	69,884	55,000	55,000	45,000
<hr/> TOTAL	<hr/> 3,952,002	<hr/> 1,652,682	<hr/> 6,351,276	<hr/> 1,659,579

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Youth Conservation Corps

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	178,554	0	0	0
Grants	479,084	751,666	751,666	670,541
<hr/> TOTAL	<hr/> 657,638	<hr/> 751,666	<hr/> 751,666	<hr/> 670,541
FUND TYPE				
General Fund	50,000	46,000	46,000	42,320
Special Fund	406,383	361,666	361,666	284,221
Federal Revenue Fund	51,900	94,000	94,000	94,000
Interdepartmental Transfer	149,355	250,000	250,000	250,000
<hr/> TOTAL	<hr/> 657,638	<hr/> 751,666	<hr/> 751,666	<hr/> 670,541

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Forest Highway Maintenance

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	32,494	20,000	20,000	20,000
Operating Expenses	256,187	159,266	159,266	134,925
<hr/> TOTAL	<hr/> 288,681	<hr/> 179,266	<hr/> 179,266	<hr/> 154,925
FUND TYPE				
General Fund	288,681	179,266	179,266	154,925
<hr/> TOTAL	<hr/> 288,681	<hr/> 179,266	<hr/> 179,266	<hr/> 154,925

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Environmental Conservation**

Department Mission Statement

The mission of the Vermont Department of Environmental Conservation is 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 (DEC) is charged with protecting public health and the environment. The department meets this challenge through: (1) 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; (2) financial assistance in the form of grants and loans; (3) public education and technical assistance; and (4) monitoring the environment and completing projects such as aquatic weed harvesting and riverbank restoration. DEC believes that people must be treated fairly, honestly and openly; that programs must be efficient and cost-effective; that DEC must lead by example; that actions must be timely; and that the department 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 four appropriations. Three appropriations cover the majority of the Department's work in eight divisions. Descriptions of each division are located below under their appropriation. The fourth appropriation is the Connecticut River Valley Flood Control Compact for Tax Losses.

Management and Support Services Appropriation

Commissioner's Office

The Commissioner's Office provides leadership, management, business, policy and planning services for all departmental divisions and programs. The Commissioner's Office includes the Environmental Assistance Office.

The Environmental Assistance Office (EAO) assists the public with permitting activities. Permit specialists provide assistance and identify needed permits for each applicant. Compliance specialists

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Environmental Conservation

provide assistance to small businesses and municipalities to help them understand and comply with environmental requirements.

Reginald A. LaRosa Environmental Laboratory

The R. A. LaRosa Laboratory provides analytical services primarily to the science-based programs of the Department of Environmental Conservation, but at times also to other Vermont state agencies and departments, neighboring states environmental programs, and federal agencies needing environmental analysis. These analytical services provide scientific information regarding the health of natural resources, threats to human health and the environment, and the presence, discharges or emissions of contaminants into the environment.

Compliance and Enforcement Division

The Compliance and Enforcement Division moved to DEC in FY10 and has incorporated the longstanding Enforcement Division that had previously been housed at the Agency level. Responsibilities of this program have broadened and now include proactive management of compliance matters, as well as enforcement of all laws and regulations administered by the Agency, except for those programs managed by the Department of Fish and Wildlife. The goals of this new program are to integrate all compliance and enforcement activities in a manner that ensures the highest integrity for DEC regulatory programs. 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.

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. Additionally, the division has been actively involved at the national level in efforts to document the impact of Midwestern power plants on the environment of Vermont and other eastern states. The division has been active in the development of a Northeastern states and Eastern Canadian climate action plan as well as a “cap and trade” program for carbon dioxide emissions within seven states in the Northeast, known as the Regional Greenhouse Gas Initiative (“RGGI”). The division has been at the forefront of greenhouse gas litigation against the auto manufacturers, and has recently adopted new Low Emission Vehicles Rules. The division approaches the challenges of air quality management through risk assessment and risk management. The Planning and Technical Services Sections identify and assess risk: the Field Services, Engineering Services, and Mobile Source Control Sections implement risk management decisions.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Environmental Conservation

Waste Management and Pollution Prevention

The newly augmented Waste Management and Pollution Prevention Division includes the pollution prevention activities from the Environmental Assistance Office, both to support the pollution prevention activities already going on as a part of waste management and to provide pollution prevention with access to administrative support. Through a combination of assistance, planning, regulation, permitting, and inspections, the Waste Management Division oversees the management of solid and hazardous wastes to protect the public health and the environment. Hazardous and solid waste programs are managed to meet Vermont environmental law and regulatory standards and U.S. Environmental Protection Agency standards for the Resource Conservation Recovery Act. The division also oversees the investigation and remediation of sites contaminated by hazardous wastes from petroleum, chemical, and industrial release. The Petroleum Clean-up Fund is managed to remediate sites contaminated by petroleum. The Redevelopment of Contaminated Properties Program (“Brownfields”) promotes and assists in the clean-up and reuse of contaminated properties. The Underground Storage Tank (“UST”) Program is responsible for overseeing the management of USTs, and has successfully increased compliance with regulatory requirements via a new compliance program. In addition, the division maintains a 24-hour Spill Response Team to provide assistance in the control and clean-up of spills.

The Pollution Prevention office provides pollution prevention planning and assistance, department-level continuous quality improvement for permitting and compliance, department-level information system design and oversight, and mercury education and reduction.

Office of Water Appropriation

Facilities Engineering Division

The Facilities Engineering Division assists in the planning, design, construction and first year operation phases for the new construction or upgrade of municipal and private potable water supply systems (including schools) and municipal wastewater systems. The division also administers the state and federal grant and revolving loan programs that fund this work. It also plans and implements the original construction or improvement projects for state-owned dams, and for Fish and Wildlife and Forests, Parks and Recreation projects such as fishing access areas, fish culture stations, and state park facilities. The division also administers the Dam Safety and Hydrology Program, which involves safety inspections of non-power generating dams, review and permitting for dam alteration or construction projects, coordinates FERC hydroelectric licensing reviews, and assures that stream flows below dams, water withdrawals, and hydropower reservoirs meet minimum standards.

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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Environmental Conservation

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 is responsible for implementation of the state's Wetland Program as well as state and federal Stormwater Programs. It issues Conditional Use Permits for allowed activities in state protected wetlands. It issues permits for Erosion Prevention and Sediment Control (land disturbances greater than one acre), Multi-Sector Industrial Stormwater Permits and Operational Stormwater Permits. The Division also issues permits for aquatic nuisance control, lakeshore encroachment, mineral prospecting, and stream alteration. The Division's work is carried out to assure compliance with the State's Water Quality Standards. The Division issues grants and provides technical assistance for local nonpoint source pollution management activities in lake and river watersheds. Finally, the division administers aquatic nuisance management, river management and flood hazard mitigation programs, and sponsors Project WET (Water Education for Teachers).

Wastewater Management Division

The Wastewater Management Division staff administers the federally delegated permitting programs for municipal and industrial discharges. It also administers the permitting programs for indirect discharges and residuals management. These programs regulate the pollutants contained in the approximately 150 million gallons of wastewater being discharged to Vermont waters each day. In addition to permitting, these programs conduct inspections, compliance review, and technical assistance (with particular attention to small communities). The Division also oversees the wastewater operator certification program.

The Division administers the wastewater system and potable water supply rules from its five regional offices. These rules regulate soil-based wastewater systems with a design capacity of less than 6,500 gallons per day as well as all connections to the municipal water and wastewater systems. The program currently covers all single family residences, commercial development, public buildings, mobile home parks, and campgrounds and has been issuing approximately 3,000 permits annually. This division also licenses the designers of the systems it permits.

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 source water development, construction and operation. The division also oversees the state's groundwater protection and well driller's regulatory programs.

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Environmental Conservation**

Connecticut River Valley Flood Control Compact - Tax Losses Appropriation

The Connecticut Valley Flood Control Compact appropriation facilitates the management of receipts from 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 Department of Environmental Conservation (DEC) budget reflects continuing weak permit revenues despite proposed fee increases, and tight GF allocations in SFY '11. In addition, federal funds which make up a considerable portion of DEC's budget are expected to remain flat in FY'11. The tight fiscal environment means that some shuffling of DEC functions will be necessary to squeeze as much efficiency as possible from the system.

In FY'11 the Division of Geology (Vermont Geological Survey) is proposed to be transferred to the University of Vermont along with its three positions. This will allow the Program to better leverage research funds while continuing to provide geological mapping services to Vermonters.

In addition, the pollution prevention activities of the current Environmental Assistance Office (EAO) will be consolidated into the Waste Management Division, which will become the Waste Management and Pollution Prevention Division. The permit specialists currently in EAO will remain a part of the Commissioner's Office and will continue to provide permit assistance across all DEC permitting programs. These changes as proposed will result in the elimination of two positions that have yet to be identified.

In addition an Agency IT position will be reassigned to DEC to work half time on Solid Waste work, and be paid for from the solid waste special funds, reducing by 50% the GF Clean and Clear funds currently funding that position.

In order to minimize disruptions and lay-offs DEC will transfer one financial position currently being paid for with GF Clean and Clear funds onto a mix of base federal and ARRA funding. This is a limited service position that will continue based on availability of that funding year to year.

Two other FTE, to be identified based on operational needs, will be transferred from general funds to solid waste special funds to fulfill statutory obligations.

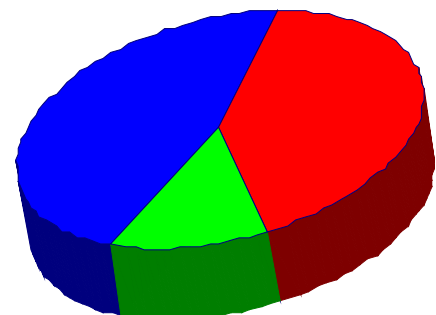
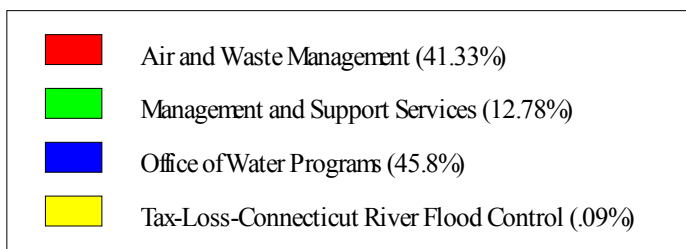
Finally DEC will eliminate \$64,000 in pass through funds to VLCT and eliminate four currently vacant positions that had been held open for vacancy savings in 2010.

The internal restructuring within DEC built into this FY'11 budget will allow the department to meet its obligations to the people of Vermont, even with fewer resources, by streamlining management and at the same time keeping front-line staff on the ground.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Environmental Conservation

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
Department	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Management and Support Services	40	49	44	3,703,854	4,953,070	5,375,052	4,915,585
Air and Waste Management	84	77	69	16,361,625	15,052,624	15,437,072	15,898,884
Office of Water Programs	182	163	155	16,693,642	17,638,264	17,222,476	17,614,875
Tax-Loss-Connecticut River Flood Control	0	0	0	34,700	40,000	40,000	34,700
TOTAL	306	289	268	36,793,821	37,683,958	38,074,600	38,464,044
FUND TYPE							
General Fund				8,115,248	8,022,542	7,469,398	6,913,638
Special Fund				16,430,191	17,667,638	18,040,641	18,012,946
American Recovery & Reinvestment Act				102,890	0	0	1,094,437
Federal Revenue Fund				10,573,080	11,248,778	11,319,451	11,117,913
Interdepartmental Transfer				1,572,412	745,000	1,245,110	1,325,110
TOTAL				36,793,821	37,683,958	38,074,600	38,464,044



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Management and Support Services

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,959,435	4,043,142	3,965,014	3,745,984
Operating Expenses	650,900	806,015	1,306,125	1,119,601
Grants	93,519	103,913	103,913	50,000
<hr/> TOTAL	<hr/> 3,703,854	<hr/> 4,953,070	<hr/> 5,375,052	<hr/> 4,915,585
FUND TYPE				
General Fund	712,329	1,065,644	987,516	641,248
Special Fund	799,234	2,425,301	2,425,301	2,366,427
Federal Revenue Fund	1,343,745	1,407,125	1,407,125	1,397,800
Interdepartmental Transfer	848,546	55,000	555,110	510,110
<hr/> TOTAL	<hr/> 3,703,854	<hr/> 4,953,070	<hr/> 5,375,052	<hr/> 4,915,585

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Air and Waste Management

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	6,745,343	7,183,059	6,817,507	7,715,537
Operating Expenses	8,297,333	6,483,565	7,233,565	6,426,547
Grants	1,318,949	1,386,000	1,386,000	1,756,800
<hr/> TOTAL	<hr/> 16,361,625	<hr/> 15,052,624	<hr/> 15,437,072	<hr/> 15,898,884
FUND TYPE				
General Fund	972,892	619,928	619,928	560,448
Special Fund	11,693,050	10,783,016	11,167,464	10,909,314
American Recovery & Reinvestment Act	11,093	0	0	540,966
Federal Revenue Fund	3,421,820	3,439,680	3,439,680	3,583,156
Interdepartmental Transfer	262,770	210,000	210,000	305,000
<hr/> TOTAL	<hr/> 16,361,625	<hr/> 15,052,624	<hr/> 15,437,072	<hr/> 15,898,884

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Office of Water Programs

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	13,256,544	13,507,863	13,092,075	13,400,525
Operating Expenses	1,976,254	1,964,999	1,964,999	1,967,669
Grants	1,460,844	2,165,402	2,165,402	2,246,681
<hr/> TOTAL	<hr/> 16,693,642	<hr/> 17,638,264	<hr/> 17,222,476	<hr/> 17,614,875
FUND TYPE				
General Fund	6,430,027	6,336,970	5,861,954	5,708,472
Special Fund	3,903,207	4,419,321	4,407,876	4,705,975
American Recovery & Reinvestment Act	91,797	0	0	553,471
Federal Revenue Fund	5,807,515	6,401,973	6,472,646	6,136,957
Interdepartmental Transfer	461,096	480,000	480,000	510,000
<hr/> TOTAL	<hr/> 16,693,642	<hr/> 17,638,264	<hr/> 17,222,476	<hr/> 17,614,875

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Tax-Loss-Connecticut River Flood Control

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Operating Expenses	34,700	40,000	40,000	34,700
<hr/> TOTAL	<hr/> 34,700	<hr/> 40,000	<hr/> 40,000	<hr/> 34,700
FUND TYPE				
General Fund	0	0	0	3,470
Special Fund	34,700	40,000	40,000	31,230
<hr/> TOTAL	<hr/> 34,700	<hr/> 40,000	<hr/> 40,000	<hr/> 34,700

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Natural Resources Board**

Description of Appropriations, Divisions, & Programs

Act 115 Transition/Act 183 Growth Center Legislation

1) Introduction

As a result of Act 115, the E Board and the WR Board were eliminated effective January 31, 2005 although they have continued to finish their respective caseloads, which was completed in 2006. There have been two remands from the Vermont Supreme Court. Act 115 consolidated all existing environmental permitting appeal routes so that acts or decisions of the District Environmental Commissions and the Agency of Natural Resources (ANR) are now subject to appeal to the newly expanded Environmental Court (E Court), as are decisions by local development review entities and jurisdictional opinions issued by District Environmental Coordinators.

2) New and Existing Responsibilities

Act 115 replaced the E Board and the WR Board with the Natural Resources Board (NRB), consisting of a full-time Chair and two citizen panels: a Land Use Panel (LUP) and a Water Resources Panel (WRP). These Panels consist of four citizen volunteers each, with the full time NRB Chair serving as a member and Chair of each Panel of each of the two panels.

The LUP has assumed procedural and substantive rulemaking functions previously exercised by the E Board and continues to manage the process by which Act 250 permits are issued. The LUP also initiates enforcement on related Act 250 matters, may intervene/participate as a statutory party in Act 250 appeals to the E Court, and may petition the E Court for permit revocation. The LUP is also authorized to hear District Commission fee issue appeals, and will also hear, at the discretion of a municipality, applications for requests for findings of facts and conclusions of law under specific Act 250 criteria for designated Growth Centers.

3) Chair of the NRB

The full time Chair of the NRB, appointed by the Governor and confirmed by the Senate, serves as Chair of both Panels and focuses on: external relations, procedural and substantive rulemaking thus establishing significant land use and water resource policy in Vermont, enforcement of Act 250 land use permits, general oversight of E Court appeals and general oversight of the offices and employees of the NRB and the offices and employees of the District Commissions.

4) Act 250: Vermont's Land Use Control Law

The LUP has administrative oversight over nine District Environmental Commissions consisting of up to 63 volunteer District environmental commissioners (Environmental Commissioners

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Natural Resources Board

(each District consists of three Members and up to four Alternates) appointed by the Governor). There are nine District Coordinators, three Assistant District Coordinators and seven administrative support staff. The professional staff of eighteen professionals support the nine district environmental Commissions in five Regional Offices: Springfield, Rutland, Essex, St. Johnsbury and Barre. The District Environmental Commissions process, an average of 500 Land Use Permit (Act 250) applications per year representing an average of \$425,000,000 in annual development activity. There are approximately 100 people in the NRB organization as a whole including Coordinators, District Commissioners, NRB Members and Alternates, legal and administrative staff.

5) Combined NRB Legal Staff

Before Act 115, a general counsel served the E Board and an Executive Officer served the WR Board. The WR Board's Executive Officer position has been eliminated. The General Counsel position is now serving the Natural Resources Board NRB and has general oversight over the legal staff. One attorney position continues to work full time on Act 250 enforcement matters in all areas of the State. In addition, two other staff attorney positions have been retained to assist the NRB and its respective Panels in the formulation of land use and water resource policy, goals, standards and the promulgation of administrative and substantive rules.

6) Administrative and Legal Support to the District Commissions

Since all appeals now go to the E Court, there has been an increased emphasis on providing necessary legal and administrative support to the District Environmental Commissions and staff in the five Regional Offices. Previous to this change, it was difficult to have complete and open discussions with the District Commissions and staff because of the E Board's role as adjudicator of District Commission decisions and the need to maintain the so called Chinese wall. Direct legal assistance is now being provided to the District Commissions without the concern that conflicts might arise in an appeal of a Commission decision to the E Board. The legal staff has assumed a much greater role in providing legal assistance to the District Coordinators and District Environmental Commissions.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Natural Resources Board

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Natural Resources Board	31	31	28	2,873,768	2,606,614	2,606,614	2,732,602
TOTAL	31	31	28	2,873,768	2,606,614	2,606,614	2,732,602
FUND TYPE							
General Fund				962,898	816,942	816,942	766,716
Special Fund				1,910,870	1,789,672	1,789,672	1,965,886
TOTAL				2,873,768	2,606,614	2,606,614	2,732,602

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Natural Resources Board**

Appropriation Key Budget Issues

NRB General Fund Carry Forward and Special Fund Surplus: Key Budget Issues

*The NRB has identified our **Document Imaging and Internet Map Project** as the top priority opportunity for any available funding in FY09 and FY 2010. This project will create an on-line database of Act 250 permits and supporting documents which are used extensively by Act 250 applicants, parties, and practitioners such as attorneys, real estate and title professionals, and banking officials. The project is closely tied to recent efforts of the Agency of Natural Resources (ANR) to develop a similar on-line permit database. ANR has identified its **Electronic Content Management System** as one of the priority opportunities in its SEI Step 2 submission. Integration with Act 250 documents and data is a key part of ANR's project. We believe the combined efforts of the two agencies will bring Vermont closer to its goal of becoming an e-government leader by providing citizens with electronic access to important documents and services through a revitalized web portal and agency web sites. Strategic Enterprise Initiative Memorandum to Michael Smith, April 16, 2006.*

Performance Program Information

This report is based upon a statistical analysis of Natural Resources Board (Board)NRB and District Environmental Commission activity during Calendar Year 2006 (CY 2006). Where appropriate, a historical perspective has been provided to complement the current information. Information for Fiscal Year 2006 (FY 2006) has been used for the fee revenue analysis.

1) Number of Act 250 Applications (CY 2006)

In CY 2006, 490 Act 250 permit applications were submitted to filed with the nine District Environmental Commissions, compared to 516 the previous year, a decrease of 5%.

Seven permit applications were denied by the District Commissions in CY 2006, a rate of 1.4%. This compares to eight denials in CY 2005, a denial rate of 1.5%.

2) NRB Special Fund - Permit Application Fees

Act 250 permit application fees are based on the estimated cost of construction for each project, except state and municipal projects which are exempt from fees. 10 V.S.A. Section 6083a.

3) District Commission Performance (CY 2006)

In CY 2006 83% of all Act 250 applications were processed as either minor applications or administrative amendments, compared to an average of 81% the previous year. For minors, no hearing

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Natural Resources Board

is held unless a statutory or permitted party files a timely request for a hearing. a hearing within Administrative amendments are processed without a hearing; the amendment is distributed to all statutory parties and adjoining property owners with opportunity for reconsideration within 15 days. The minor and administrative amendment rate for CY 2006 was consistent with the average of 81% for the past several years.

The median processing time at the District Commission level for all decisions in CY 2006 was 27 days from the date the application was deemed complete. In CY 2006, 66% of all permit decisions were issued within 60 days and 83% were issued within 120 days. These percentages are comparable to those from the previous year.

4) Enforcement Activity

The NRB has a successful enforcement program. In 2007, the NRB reallocated significantly more of its legal resources to Act 250 enforcement. The result is a comprehensive, fair and even handed approach to Act 250 violations. This enhances the integrity of the Act 250 program and furthers the State's interest in its public health and environment.

The LUP of the NRB has certain administrative enforcement jurisdiction by virtue of 10 VSA Section 6027 (G); 10 VSA Section 8004; 10 VSA Section 8007; 10 VSA Section 8221 and Memorandum of Understanding and Delegation of Authority from ANR to LUP renewed on 9/1/06 for two years.

Thirty-five (35) administrative enforcement files were opened in CY 2006. Twenty-two (22) of these cases were resolved by the parties executing Assurances of Discontinuances. (AODs)

Eleven (11) cases opened in CY 2006 remain open and are in varying stages of administrative activity. Enforcement was declined in two matters after the files were opened.

In addition to the above, four files opened in CY 2005 were resolved by AODs.

Penalties assessed (AODs and AOs) in CY 2006 total \$26,861. Penalties collected in CY 2006 (assessed in CY 2005 and CY 2006) were \$30,986. In addition to penalties, 10 V.S.A. Section 8007(b) allows the LUP to include in any AOD, money for supplemental environmental projects (SEPs). SEPs assessed in CY 2006 total \$56,000. SEPs collected in CY 2006 were \$32,000.

The above numbers do not account for the large number of potential compliance/violation matters which see immediate correction due to the attention of our Coordinators and enforcement attorney.

In addition we have hired a permit compliance officer to investigate many of our cases. With our own full time compliance officer we will for the first time have a systematic process for checking the status of Act 250 permits while the projects are being built. This will allow the NRB to not only be

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Natural Resources Board

more pro-active in the enforcement arena but also help prevent many violations before they become major problems.

5) Public Information and Education

We continue to improve our access to E Board decisions and other information for both staff and the general public, using our web site and legal research tools such as the Board's E-Note Index. In CY 2006 NRB and Commission staff continued to educate the general public, the business community, and other interest groups about the role of Act 250 in Vermont's regulatory system by giving presentations to numerous groups throughout the state. We have made extensive use of our 18-page color brochure about the Act 250 process as well as slide and Power Point presentations developed for specific audiences.

In CY 2006 the NRB initiated a project which will result in a searchable, on-line database of all Act 250 District Commission decisions dating back to 1970, including scanned images of these decisions and all other important associated file documents. This database will significantly improve access to Act 250 documents for the general public and Act 250 practitioners, facilitating real estate transactions and the resolution of title issues. The NRB has contracted with a vendor, Competitive Computing, to conduct a systems analysis and to develop a comprehensive scope of work for this project. The NRB anticipates that this project will be completed in CY 2009.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Natural Resources Board

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	2,466,076	2,259,294	2,259,294	2,375,663
Operating Expenses	392,692	347,320	347,320	356,939
Grants	15,000	0	0	0
<hr/> TOTAL	<hr/> 2,873,768	<hr/> 2,606,614	<hr/> 2,606,614	<hr/> 2,732,602
FUND TYPE				
General Fund	962,898	816,942	816,942	766,716
Special Fund	1,910,870	1,789,672	1,789,672	1,965,886
<hr/> TOTAL	<hr/> 2,873,768	<hr/> 2,606,614	<hr/> 2,606,614	<hr/> 2,732,602

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agency of Commerce and Comm Dev

Agency Mission Statement

The mission for the Agency of Commerce and Community Development is to help Vermonters improve their quality of life and build strong communities.

Description of Departments in Agency

The Agency is comprised of the Departments of Administration, Economic, Housing and Community Development, and Tourism and Marketing. Vermont Life Magazine is part of the Department of Tourism and Marketing, and the Division for Historic Preservation is part of the Department of Economic, Housing and Community Development.

Administration

Administration consists of the Office of the Agency Secretary, Deputy Secretary, Communications, IT Services, Administrative Services, Grants Management and Legal Counsel. Together they provide managerial direction, coordination, and support services to the agency. The department also includes the Office of the Chief Marketing Officer for the state of Vermont.

Economic, Housing and Community Development

The Housing and Community Development Division serves Vermont's regions, municipalities, housing development organizations, owners of older and historic buildings, and the visiting public through six principal functions: 1) administration of state and federal grant programs; 2) provision of technical assistance, including coordination of education and training for local land use decision-makers; 3) implementation of state and federal housing, planning, community development, and historic preservation policy, programs, and statutes; 4) management, maintenance, operation, and interpretation of the state-owned historic sites with an ongoing objective of increasing historic, educational, and economic value to Vermont citizens and tourists; 5) provision of funds that support local and regional planning efforts through the Municipal Planning Grants Program and Regional Planning Commissions; 6) provision of matching funds to historic buildings owned by nonprofits or local governments; to historic barns; and to Certified Local Government municipalities for planning and education.

The Economic Development Division provides support for businesses and job creation by assisting with finance, permitting, foreign trade, export finance, training, business recruitment/expansion, government marketing, and captive insurance sales and marketing services. The Vermont Economic Progress Council is an arm of the department but operates under direction of a separate board. The department also funds and supports regional economic development efforts through the Regional Development Corporations and general business development through other partners.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agency of Commerce and Comm Dev

Tourism and Marketing

The Department of Tourism and Marketing (VDTM) promotes Vermont as a travel destination in order to support a diverse and vital economy. The VDTM mission is accomplished through the development and implementation of a comprehensive marketing plan that integrates television, radio, newspaper, magazine print and media communications with VermontVacation.com, the state's most comprehensive tourism database.

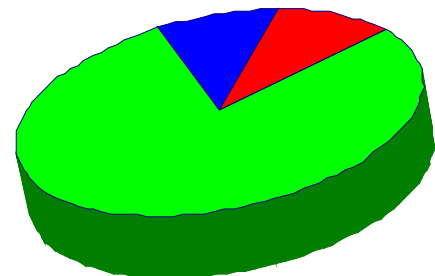
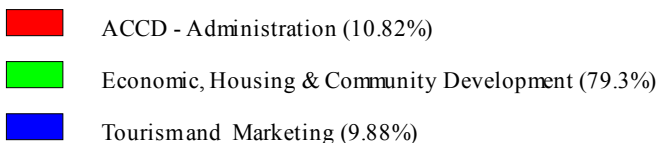
The department also supports and/or funds statewide initiatives including 5-1-1 travel information, travel and trade shows and familiarization trips. Informative and effective communication with the industry through newsletters, meetings, and conferences is also a priority of the Department.

Vermont Life Magazine promotes Vermont as a beautiful and interesting place to travel, work and live.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agency of Commerce and Comm Dev

AGENCY SUMMARY BY DEPARTMENT

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
ACCD - Administration	22	21	20	2,611,831	3,693,051	4,337,244	4,491,075
Economic, Housing & Community Development	35	31	45	14,122,390	30,231,653	28,604,085	32,903,632
Economic Development	21	18	0	5,354,487	5,595,090	5,495,693	0
Tourism and Marketing	22	20	18	4,022,885	4,479,230	4,182,254	4,099,227
TOTAL	100	90	83	26,111,593	43,999,024	42,619,276	41,493,934
FUND TYPE							
General Fund				12,349,367	12,708,641	12,131,392	12,114,545
Special Fund				4,896,932	4,556,950	4,148,250	4,557,257
American Recovery & Reinvestment Act				0	1,982,000	1,155,000	1,529,195
Federal Revenue Fund				8,080,771	23,741,457	23,741,457	21,843,850
Enterprise Fund				722,766	850,978	739,179	813,417
Interdepartmental Transfer				61,757	158,998	703,998	635,670
TOTAL				26,111,593	43,999,024	42,619,276	41,493,934



**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
ACCD - Administration**

Department Mission Statement

The mission of Administration is the oversight and coordination of agency efforts to implement programs, develop policy and meet statutory objectives in all areas of responsibility.

Description of Appropriations, Divisions, & Programs

The Department is responsible for serving the members of the agency in the areas of communications, human resources, IT, legal, grants management, administrative support, management and supervisory training, and the prioritization of agency initiatives. The Office of the Chief Marketing Officer for the State of Vermont adds the responsibility of supporting state-wide marketing coordination.

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
ACCD - Administration**

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Administration Division	22	21	20	2,611,831	3,693,051	4,337,244	4,491,075
<u>TOTAL</u>	<u>22</u>	<u>21</u>	<u>20</u>	<u>2,611,831</u>	<u>3,693,051</u>	<u>4,337,244</u>	<u>4,491,075</u>
FUND TYPE							
General Fund				2,570,196	2,793,051	2,630,244	2,726,075
American Recovery & Reinvestment Act				0	0	262,000	350,000
Federal Revenue Fund				0	800,000	800,000	800,000
Interdepartmental Transfer				41,635	100,000	645,000	615,000
<u>TOTAL</u>				<u>2,611,831</u>	<u>3,693,051</u>	<u>4,337,244</u>	<u>4,491,075</u>

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration Division**

Appropriation Key Budget Issues

The Administration Department's budget challenges include maintaining level services with cuts in resources, retaining valuable personnel, and planning for the future.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Administration Division

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,669,463	1,914,002	1,815,452	1,925,799
Operating Expenses	540,478	642,659	1,113,402	1,078,886
Grants	401,890	1,136,390	1,408,390	1,486,390
<hr/> TOTAL	<hr/> 2,611,831	<hr/> 3,693,051	<hr/> 4,337,244	<hr/> 4,491,075
FUND TYPE				
General Fund	2,570,196	2,793,051	2,630,244	2,726,075
American Recovery & Reinvestment Act	0	0	262,000	350,000
Federal Revenue Fund	0	800,000	800,000	800,000
Interdepartmental Transfer	41,635	100,000	645,000	615,000
<hr/> TOTAL	<hr/> 2,611,831	<hr/> 3,693,051	<hr/> 4,337,244	<hr/> 4,491,075

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

Department Mission Statement

The mission of the Department of Economic, Housing and Community Development is to lead a statewide coordinated effort to foster the growth of higher quality jobs that will develop a more vital and diverse economy through supporting existing businesses coupled with attracting new businesses to the state; to promote the production of housing that is affordable to all Vermonters; to preserve Vermont's built and archeological heritage; to promote vibrant communities through preservation of Vermont's historic downtowns and village centers; to identify and protect the state's historic resources and promote our state-owned historic sites.

Description of Appropriations, Divisions, & Programs

Retention and Expansion: DEHCD's retention and expansion program assists new and expanding companies that operate in Vermont with facility site relocation and/or expansion support, financing and marketing information, entrepreneurship, state permits and regulation information, and workforce training initiatives, by means of client interaction through our partnership with the Regional Development Corporations (RDCs).

The goal of this program is:

- ☐ to retain existing jobs and assist Vermont companies in adding new quality jobs for Vermonters to facilitate and coordinate delivery of programs and services from funded partners and state government
- ☐ to provide companies with "one-stop shopping" for information regarding doing business in Vermont
- ☐ to provide companies with a direct avenue for feedback regarding state policies and regulations
- ☐ to assist companies in weathering difficult economic conditions and pursuing new targets of opportunity
- ☐ to support entrepreneurial efforts to grow new businesses and create new jobs.

To date in 2009, DEHCD staff has conducted 430 counseling sessions with Vermont companies in all 14 counties of the state, and has also fielded 250 inquiries seeking guidance, access to resources, technical assistance or other services.

Procurement Technical Assistance Center (PTAC): The nationally recognized program assists Vermont companies in securing government contracts and subcontracts as well as helping them through any technical issues they encounter as bidders, contractors or subcontractors. VTPTAC administers the state bid board that not only acts for state government, but also provides a place for local and regional government to post bids as well, providing one source for government contract bid posting in Vermont.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

VTPTAC serves over 1,600 subscribers to this bid board. Additionally, VTPTAC maintains the Vermont Business to Business Directory, a fully searchable database of over 14,000 Vermont businesses available on the internet.

For FY 09, VTPTAC clients were awarded over \$43,472,180.34 in contracts contained in 279 contracts with 80 clients. During the fiscal year, the program has given direct one-on-one counseling to 339 Vermont companies, of which 107 companies were new to the program. An additional 55 companies received comprehensive bid match services from the program and another 1,855 Vermont business subscribers used the VT Bid forwarding service. VTPTAC provides an interactive, fully searchable, business directory for over 15,115 Vermont businesses on-line. VTPTAC also sponsored 15 training and outreach events and participated in eight other events to further the goals of the program.

The VT-PTAC program was recognized as the Outstanding Program of the Year by the Association of Procurement Technical Assistance Centers at its national awards ceremony during the annual APTAC conference in April.

Vermont Training Program (VTP): VTP promotes industrial expansion and encourages the creation and retention of jobs in manufacturing by providing training contracts to new and existing businesses, thereby increasing the skills of the Vermont workforce, improving wages, and Vermonters' standard of living.

In FY'09, the VTP underwrote 74 training contracts with Vermont companies. Types of training provided included on-the-job training, classroom training, cross training, ISO-9001 training, and Lean Manufacturing. The VTP provided training support to 4,585 Vermont workers, resulting in an average wage of \$15.52. In addition to FY'09 completed contracts, VTP carried over 57 training contracts into FY'10, providing training for another 2,870 workers. Every dollar invested in the VTP yields \$2.67 in net profit revenues to Vermont's coffers.

International Trade: The Vermont Global Trade Partnership (VGTP) provides international trade assistance, educational support, and informational services to Vermont businesses to help them expand their international business or expand into international markets. The VGTP provides technical support to businesses with emphasis on international market research, trade technical assistance, international skills training, and new market development as well as coordinated participation in international trade shows and trade missions. The Partnership includes, but is not limited to representatives from the 12 RDCs, Vermont Chamber of Commerce, U.S. Customs and Border Protection, Champlain College, Marlboro College, the U.S. Department of Commerce, and Vermont's Congressional delegation.

In FY 08, the Vermont Global Trade Partnership responded to a total of 604 trade-related assistance requests from 266 unique businesses and organizations from across Vermont's Regional Development Corporation (RDC) territories through in-person, written and telephone assistance to Vermont companies, organizations and individuals.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

The VGTP organized, contributed or presented over 15 educational events, distributed monthly international trade e-newsletters and targeted industry e-blasts, and supported 8 inbound and outbound trade delegations

Results:

- ☐ Nearly \$4.5 million in FY08 export sales reported by VGTP clients.
- ☐ Over \$1.9 million in FY08 12-month projected exports reported by VGTP clients.
- ☐ An additional \$1 million in 12-month export sales projected from the FY08 MEDICA 2007 “Best of New England” trade show, with 4 new agent/distributor relationships pending
- ☐ Initial evaluation results from the FY09 (November 2008) Ireland trade mission organized by the VGTP project \$19.5 million in expected sales and investments over the next 12-18 months and an additional \$50 million in sales in the next 3-4 years for participating companies.

Entrepreneurship: DEHCD develops and supports a focused approach that optimizes the utilization of Vermont’s resources in its efforts to grow and retain highly successful start-up businesses - both technology-based as well as general business - through coherent and inter-related strategies for incubation and access to risk capital. DEHCD sponsors the Vermont Investors Forum. This is held annually to facilitate meetings between entrepreneurs and potential investors. DEHCD also hosts educational sessions covering both the entrepreneurial and investor sides of the equation. The 2009 Forum was held in Stowe in October with 9 presentations to the investor audience, and 10 presenters in the “Innovators’ Corner”.

DEHCD also hosts North Country Angels, an angel investor’s network that meets regularly to consider financing a wide variety of entrepreneurs.

Recruitment: The Recruitment Program’s mission is to attract business to start-up, relocate and/or expand to Vermont. The DEHCD recruitment strategy continues to focus on increasing national perception and awareness of Vermont as a competitive location for a business to operate. As part of this strategy various industry sectors and markets have been selected as being of specific benefit to the State such as software developers and green technology. Recruitment marketing tactics are focused on enhancing Vermont’s image as a business friendly State offering viable economic incentives and other competitive advantages such as our educated workforce, geographic proximity to major markets, and recognized quality of life. We also actively market our applicable financial incentives, specifically VEGI, VTP, and VEDA, as well as VT’s unique position as a regional EB-5 center.

Historically, Vermont targets prospects in small to midsize operations, from 20 to 400 employees, which complements the States small scale and labor force.

Examples of success for this program in FY 09 include:

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

ASK-intTag, a joint venture between a French based Radio Frequency Identification (RFID) manufacturer and a U.S. based packaging company chose Essex Jct., Vermont as the site for their U.S. manufacturing facility. The company chose Vermont over a potential site in Ohio sighting Vermont's attractive labor force, a secure manufacturing facility on the IBM campus, and a competitive incentive package which included the Vermont Employment Growth Incentive and Vermont Training Program. Plans call for creating up to 90 new Vermont jobs over the next three years.

Vermont Transformer, a subsidiary of Quebec based Bemag Transformer, chose St. Albans, Vermont as the site of their first U.S. based manufacturing facility. Vermont Transformer will manufacture dry-type electrical transformers which they plan to sell into the U.S. market. The company chose Vermont over several competing states because Vermont offered a competitive incentive package including a "Green" Vermont Employment Growth Incentive and workforce training funds through the Vermont Training Program as well as a low interest loan from the Vermont Economic Development Corporation. Plans call for creating over 40 new Vermont jobs in the next three years.

Project Graphics, a manufacturer of banners and fabric displays, chose to re-locate their existing Connecticut based business to South Burlington, Vermont. The company cited Vermont's skilled talent pool, as well as Vermont's competitive incentive package including the Vermont Employment Growth Incentive and Vermont Training Program for their decision to choose Vermont over potential sites in neighboring New England States. The company plans to create over 20 new Vermont jobs in the next three years.

AirBoss Defense, a Canadian based manufacturer of rubber protective wear, chose to expand their operations into Milton, Vermont. AirBoss Defense is a world leader in the design, manufacture, and sale of Chemical, Biological, Radiological, and Nuclear (CBIR) protective wear, including gloves, footwear, and respiratory protection. The company received a competitive incentive package including VEGI and VTP assistance which overcame competition from several locations including North Carolina. The company plans to create up to 30 new jobs in 2010.

Financial Services (Captive Insurance): The financial services program promotes Vermont's leading position as the top US captive insurance domicile and seeks out new and diversified opportunities in the financial services field.

The captive insurance program's target markets are Risk Managers and Chief Financial Officers, and the insurance brokers and consultants that work with these individuals. Originally the prime market was Fortune 1000 type companies, but this has expanded into more middle market companies. Another sector that has drawn specific interest is hospitals and doctors' groups looking for medical malpractice coverage as this is a very fast growing sector for the captive industry.

To market to this group, a combination of strategies is effectively utilized. The department partners with the Captive Insurance Division of BISHCA and the Vermont Captive Insurance Association whenever possible to maximize resources and effectiveness. Tactics include speaking events throughout the

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

country through “Business Development Road Shows”, speaking at conferences, media events, trade shows, electronic newsletters, direct marketing, networking and various other means of marketing Vermont.

The industry continues to be extremely competitive. Over 30 US states now compete with Vermont for this valuable industry. While offshore, Bermuda and the Cayman Islands are Vermont’s biggest competitors. Vermont has to invest now, more than ever, to both retain our existing captive insurance companies and to attract new companies.

A single captive insurance company last year paid the state over \$42,000 in premium taxes. In total the revenues collected in both premium taxes and fees from these companies, provided the state of Vermont over \$26 million dollars in revenues. The Department’s role is essential to both the establishment of new captives and helping to retain existing captive insurance companies.

Administration: The Administration division oversees the human, technical, and financial resources of the Department; administers the grant programs with RDCs and other economic development partners; provides outreach via the media, partnerships, seminars, and direct client contact.

VT Economic Progress Council (VEPC): VEPC is an independent body governed by a eleven-member board, nine members appointed by the governor and two by the legislature. VEPC has 1 full-time staff and is attached to the Department of Economic Development for administrative support. The Council, supported by staff, administers the application and authorization process for two programs: The Vermont Employment Growth Incentive (VEGI) program (including the Enhanced VEGI for Environmental Technology companies) and the Tax Increment Financing District program. Additionally, the Council and staff continue to jointly administer, with the Department of Taxes, the reporting, performance review, and recapture functions for the remaining authorizations made under the Economic Advancement Tax Incentive (EATI) program, for which authorizations ended in December 2006.

The major budget costs consist of salaries and benefits for staff, statutory per diem and travel costs for board members, contract and license fees for an economic and fiscal cost-benefit model required by statute, and operating costs.

Through December 2006, EATI incentives with a net value of \$100 million were authorized for 142 projects that would occur between 1998 and 2010. Through the 2007 tax year, a total of \$34.4 million in income tax credits, sales and use exemptions, and property tax reductions and exemptions have been exercised. In return, Vermont has retained over 8,500 jobs, added 1,912 new jobs with an average compensation of \$49,370 and added over \$727 million in new capital, research and development, workforce training, and high technology investments.

During the first three years (2007-2009) of the VEGI program, VEPC authorized net incentives valued

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

at \$16.8 million for 28 projects. These companies must meet and maintain payroll, employment, and capital investment targets each year to earn the incentives. Then the incentives are paid out in five installments for each year earned. If the incentives are earned, by 2014 Vermont will gain 1,991 new qualifying jobs, \$85.5 million in new qualifying payroll and \$126 million in capital investments. In addition, the state will realize over \$12 million in net new revenues.

Housing and Community Affairs: The division offers a wide range of programs to support sustainable development of Vermont communities: preservation of Vermont's historic downtowns and village centers; local and regional land use planning; the Vermont Community Development Program; the Neighborhood Stabilization Program; state housing policy, including the Mobile Home Park Program and Charitable Housing Investment Tax Credit; the identification and protection of historic resources, including incentive programs; and the State-owned historic sites where history comes alive.

Two-hundred-forty-five mobile home parks are registered with the division, with a total of 7,247 lots. The division also mediated five rent increase cases in the past year.

While mobile home park sales have slowed somewhat due to the economy, the division has processed six MHP sales notices to date, and also approximately 130 lot rent increases.

Vermont Community Development Program: The Vermont Community Development Program (VCDP) receives 35 to 45 applications from municipalities each year. The requests greatly outstrip the available grant resources each year by at least 2 to 1. VCDP has been funded at a level of \$7 to \$8 M annually through the federal Community Development Block Grant Program administered by the U.S. Department of Housing and Urban Development (HUD). Grants are made available to all municipalities in Vermont with the exception of the City of Burlington; they receive funds directly from HUD. Approved projects receive grant awards for vital community development projects in the categories of affordable housing, economic development, public services and public facilities.

The VCDP funding priorities are established in the HUD Consolidated Plan for Vermont. This plan is developed every 5 years and then up-dated annually through an Action Plan. To develop the Consolidated Plan and the annual Action Plan the State must follow a Citizen Participation Plan that encourages participation by low-income people likely to benefit from projects and actions funded by VCDP. During the rest of this current fiscal year the VCDP will be soliciting public input and developing a 5 year Consolidated Plan to be implemented next fiscal year. The lack of adequate housing stock in many regions of the state has led to escalating home prices and rents. A Vermont family must earn approximately \$16.00 an hour to afford a typical two-bedroom apartment. The statewide Housing and Homeless Needs Assessment, completed in June of 2005 as part of the Consolidated Plan, showed a serious shortage of both rental and ownership units in the region. An updated Housing Needs Assessment is currently underway and the division has also begun holding community outreach meetings in preparation for the publication of a new five-year Consolidated Plan. The results of this new Housing Needs assessment will help guide the use of VCDP funding for housing projects.

VCDP continues to fulfill its statutory purpose, which is to improve and maintain the economic and

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

physical environment in Vermont's municipalities to enhance the quality of life for all Vermonters, particularly those of lower incomes. This overall goal is sustained by addressing the State's statutory legislative objectives of conserving, expanding, and improving housing; creating and retaining employment; and improving public facilities and services that support housing and economic development activities, or to eliminate a threat to public health and safety. The three goals stated in the current Consolidated Plan mirror those stated above. The three are 1) provide decent housing, 2) provide a suitable living environment, and 3) expand economic opportunities.

Over the past year the VCDP has provided over \$3.2 M to support business expansion projects that will assist 5 businesses create over 110 new jobs throughout Vermont. This is in addition to over \$5.3M to support the creation of more than 250 new affordable housing opportunities in 8 communities around the state. The VCDP was also able to support many smaller projects with almost \$.5M benefitting communities around the state with handicapped access to public buildings, planning for growth and other critical community needs. During the past year the VCDP was able to secure an additional \$2M in ARRA stimulus funding from HUD which it was able to utilize in less than 3 months and allowed funding to be granted for more projects than usual in FY 10.

The VCDP was also approved by HUD to administer the Neighborhood Stabilization Program (NSP). This has resulted in the dispensing \$19 M in federal funds to help address the housing foreclosure crisis through the acquisition and redevelopment of foreclosed, blighted and abandoned properties. Seven large NSP projects were funded around the state to purchase and re-develop foreclosed homes and blighted and abandoned properties. This will result in saving over 150 housing units for Vermonters.

Division for Community Planning and Revitalization

Vermont Downtown Program: The Vermont Downtown Program (VDP) is part of the Division for Community Planning and Revitalization, and supports community efforts to strengthen downtowns and village centers through training and technical assistance. There are incentives for both the public and private sector within the designated area, including tax credits for historic building rehabilitations and code improvements, transportation-related public improvements, and priority consideration for other State programs. 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. Accomplishments: There remain 23 Designated Downtowns, 11 new Village Centers were added for a total of 94, and one new Vermont Neighborhood was added for a total of two. One New Town Center was added, which remains the only one to date but a second application is currently pending. Financial awards: Downtown Transportation Fund: 9 grants totaling \$400,000. Downtown and Village Tax Credits: 15 projects funded totaling \$1,700,000. New for this year is that the Downtown Board has directed us to perform annual assessments of the Designated Downtowns.

The Downtown Program is also responsible for administering the Growth Center Program. The program provides incentives for communities to designate areas appropriate for dense and compact

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

growth. Communities must show that necessary infrastructure is, or will be, in place to support the growth, and that key natural resources are protected. The first community that was designated demonstrated that their Growth Center would be able to support more than 50% of that community's growth for the next 20 years on just 3% of the Town's land base. Colchester and Montpelier became Designated Growth Centers this year, joining Williston and Bennington. Applications are expected within this FY from White River Jct and St Albans

In 2008, legislation creating the Vermont Neighborhood Program was enacted to support much needed housing development within or contiguous to designated downtowns and villages, and served by sewer systems. These neighborhoods must be dense, walkable, and integrate the new housing into existing neighborhoods, commercial and civic services and facilities. This program will further the state's longstanding goal of compact communities surrounded by working landscape. Several communities and projects are working on applications.

Community Planning and Revitalization: As well as administering the Downtown, Village, VT Neighborhood and Growth Centers programs, the Division for Community Planning and Revitalization (CP&R) also provides technical assistance to local and regional officials on smart growth planning tools, primarily via coordination of the Vermont Land Use Education & Training Collaborative. This collaborative, primarily staffed by DHCA, manages the Vermont Planning Information Center (VPIC) website at www.VPIC.info, has administered contracts for a series of publications and final editing. In 2006, the Division started and administers the \$40,000 Municipal Education Grant program - small grants a town can apply for to pay for direct training to volunteer decision-makers in the development review process. The Division awards approximately 50 of these grants per year.

The CP&R Division also administers the Municipal Planning Grant Program (MPG) and state funding for the 11 Regional Planning Commissions (RPCs), both funded through the Property Transfer Tax. The Division annually awards and administers 40-60 MPG grants per year, this year's appropriation is \$400,000. RPC grants total \$2,630,000 per year. The Division has also been administering \$428,000 in Ancient Roads grants to 89 municipalities to research "ancient roads", a part of legislation aimed at clearing real estate title problems that have emerged.

Division for Historic Preservation: The Division for Historic Preservation supports the continued use of historic buildings, and research and protection of archaeological sites. The Division assists communities in adopting preservation-based development practices, giving new life to old buildings while protecting community character and pride. The Division administers small grant programs (Historic Preservation and Barn grants), and tax credits, which are in great demand. It also reviews and comments on developments for their impact on historic and archaeological resources, and provides education and training about historic resources and their protection. The State Historic Sites tell a story of Vermont's past in the places where it happened. There are 10 sites open to the public, including the village of Plymouth Notch, 2 Revolutionary battlefields, and the tallest structure in the state - the

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

Bennington Battle Monument. Revenues from ticket and gift shop sales provide a portion of the sites' budget. The Division also owns several bridges, underwater shipwrecks, an iron blast furnace, and a variety of historic houses and taverns, all representing Vermont's rich history. **Retention and Expansion:** DEHCD's retention and expansion program assists new and expanding companies that operate in Vermont with facility site relocation and/or expansion support, financing and marketing information, entrepreneurship, state permits and regulation information, and workforce training initiatives, by means of client interaction through our partnership with the Regional Development Corporations (RDCs).

The goal of this program is:

- ☐ to retain existing jobs and assist Vermont companies in adding new quality jobs for Vermonters to facilitate and coordinate delivery of programs and services from funded partners and state government
- ☐ to provide companies with "one-stop shopping" for information regarding doing business in Vermont
- ☐ to provide companies with a direct avenue for feedback regarding state policies and regulations
- ☐ to assist companies in weathering difficult economic conditions and pursuing new targets of opportunity
- ☐ to support entrepreneurial efforts to grow new businesses and create new jobs.

To date in 2009, DEHCD staff has conducted 430 counseling sessions with Vermont companies in all 14 counties of the state, and has also fielded 250 inquiries seeking guidance, access to resources, technical assistance or other services.

Procurement Technical Assistance Center (PTAC): The nationally recognized program assists Vermont companies in securing government contracts and subcontracts as well as helping them through any technical issues they encounter as bidders, contractors or subcontractors. VTPTAC administers the state bid board that not only acts for state government, but also provides a place for local and regional government to post bids as well, providing one source for government contract bid posting in Vermont. VTPTAC serves over 1,600 subscribers to this bid board. Additionally, VTPTAC maintains the Vermont Business to Business Directory, a fully searchable database of over 14,000 Vermont businesses available on the internet.

For FY 09, VTPTAC clients were awarded over \$43,472,180.34 in contracts contained in 279 contracts with 80 clients. During the fiscal year, the program has given direct one-on-one counseling to 339 Vermont companies, of which 107 companies were new to the program. An additional 55 companies received comprehensive bid match services from the program and another 1,855 Vermont business subscribers used the VT Bid forwarding service. VTPTAC provides an interactive, fully searchable, business directory for over 15,115 Vermont businesses on-line. VTPTAC also sponsored 15 training and outreach events and participated in eight other events to further the goals of the program.

The VT-PTAC program was recognized as the Outstanding Program of the Year by the Association of

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

Procurement Technical Assistance Centers at its national awards ceremony during the annual APTAC conference in April.

Vermont Training Program (VTP): VTP promotes industrial expansion and encourages the creation and retention of jobs in manufacturing by providing training contracts to new and existing businesses, thereby increasing the skills of the Vermont workforce, improving wages, and Vermonters' standard of living.

In FY'09, the VTP underwrote 74 training contracts with Vermont companies. Types of training provided included on-the-job training, classroom training, cross training, ISO-9001 training, and Lean Manufacturing. The VTP provided training support to 4,585 Vermont workers, resulting in an average wage of \$15.52. In addition to FY'09 completed contracts, VTP carried over 57 training contracts into FY'10, providing training for another 2,870 workers. Every dollar invested in the VTP yields \$2.67 in net profit revenues to Vermont's coffers.

International Trade: The Vermont Global Trade Partnership (VGTP) provides international trade assistance, educational support, and informational services to Vermont businesses to help them expand their international business or expand into international markets. The VGTP provides technical support to businesses with emphasis on international market research, trade technical assistance, international skills training, and new market development as well as coordinated participation in international trade shows and trade missions. The Partnership includes, but is not limited to representatives from the 12 RDCs, Vermont Chamber of Commerce, U.S. Customs and Border Protection, Champlain College, Marlboro College, the U.S. Department of Commerce, and Vermont's Congressional delegation.

In FY 08, the Vermont Global Trade Partnership responded to a total of 604 trade-related assistance requests from 266 unique businesses and organizations from across Vermont's Regional Development Corporation (RDC) territories through in-person, written and telephone assistance to Vermont companies, organizations and individuals.

The VGTP organized, contributed or presented over 15 educational events, distributed monthly international trade e-newsletters and targeted industry e-blasts, and supported 8 inbound and outbound trade delegations

Results:

- ☐ Nearly \$4.5 million in FY08 export sales reported by VGTP clients.
- ☐ Over \$1.9 million in FY08 12-month projected exports reported by VGTP clients.
- ☐ An additional \$1 million in 12-month export sales projected from the FY08 MEDICA 2007 "Best of New England" trade show, with 4 new agent/distributor relationships pending
- ☐ Initial evaluation results from the FY09 (November 2008) Ireland trade mission organized by the VGTP project \$19.5 million in expected sales and investments over the next 12-18 months and an additional \$50 million in sales in the next 3-4 years for participating companies.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

Entrepreneurship: DEHCD develops and supports a focused approach that optimizes the utilization of Vermont's resources in its efforts to grow and retain highly successful start-up businesses - both technology-based as well as general business - through coherent and inter-related strategies for incubation and access to risk capital. DEHCD sponsors the Vermont Investors Forum. This is held annually to facilitate meetings between entrepreneurs and potential investors. DEHCD also hosts educational sessions covering both the entrepreneurial and investor sides of the equation. The 2009 Forum was held in Stowe in October with 9 presentations to the investor audience, and 10 presenters in the "Innovators' Corner".

DEHCD also hosts North Country Angels, an angel investor's network that meets regularly to consider financing a wide variety of entrepreneurs.

Recruitment: The Recruitment Program's mission is to attract business to start-up, relocate and/or expand to Vermont. The DEHCD recruitment strategy continues to focus on increasing national perception and awareness of Vermont as a competitive location for a business to operate. As part of this strategy various industry sectors and markets have been selected as being of specific benefit to the State such as software developers and green technology. Recruitment marketing tactics are focused on enhancing Vermont's image as a business friendly State offering viable economic incentives and other competitive advantages such as our educated workforce, geographic proximity to major markets, and recognized quality of life. We also actively market our applicable financial incentives, specifically VEGI, VTP, and VEDA, as well as VT's unique position as a regional EB-5 center.

Historically, Vermont targets prospects in small to midsize operations, from 20 to 400 employees, which complements the States small scale and labor force.

Examples of success for this program in FY 09 include:

ASK-intTag, a joint venture between a French based Radio Frequency Identification (RFID) manufacturer and a U.S. based packaging company chose Essex Jct., Vermont as the site for their U.S. manufacturing facility. The company chose Vermont over a potential site in Ohio sighting Vermont's attractive labor force, a secure manufacturing facility on the IBM campus, and a competitive incentive package which included the Vermont Employment Growth Incentive and Vermont Training Program. Plans call for creating up to 90 new Vermont jobs over the next three years.

Vermont Transformer, a subsidiary of Quebec based Bemag Transformer, chose St. Albans, Vermont as the site of their first U.S. based manufacturing facility. Vermont Transformer will manufacture dry-type electrical transformers which they plan to sell into the U.S. market. The company chose Vermont over several competing states because Vermont offered a competitive incentive package including a "Green" Vermont Employment Growth Incentive and workforce training funds through the Vermont Training Program as well as a low interest loan from the Vermont Economic Development Corporation. Plans

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

call for creating over 40 new Vermont jobs in the next three years.

Project Graphics, a manufacturer of banners and fabric displays, chose to re-locate their existing Connecticut based business to South Burlington, Vermont. The company cited Vermont's skilled talent pool, as well as Vermont's competitive incentive package including the Vermont Employment Growth Incentive and Vermont Training Program for their decision to choose Vermont over potential sites in neighboring New England States. The company plans to create over 20 new Vermont jobs in the next three years.

AirBoss Defense, a Canadian based manufacturer of rubber protective wear, chose to expand their operations into Milton, Vermont. AirBoss Defense is a world leader in the design, manufacture, and sale of Chemical, Biological, Radiological, and Nuclear (CBIR) protective wear, including gloves, footwear, and respiratory protection. The company received a competitive incentive package including VEGI and VTP assistance which overcame competition from several locations including North Carolina. The company plans to create up to 30 new jobs in 2010.

Financial Services (Captive Insurance): The financial services program promotes Vermont's leading position as the top US captive insurance domicile and seeks out new and diversified opportunities in the financial services field.

The captive insurance program's target markets are Risk Managers and Chief Financial Officers, and the insurance brokers and consultants that work with these individuals. Originally the prime market was Fortune 1000 type companies, but this has expanded into more middle market companies. Another sector that has drawn specific interest is hospitals and doctors' groups looking for medical malpractice coverage as this is a very fast growing sector for the captive industry.

To market to this group, a combination of strategies is effectively utilized. The department partners with the Captive Insurance Division of BISHCA and the Vermont Captive Insurance Association whenever possible to maximize resources and effectiveness. Tactics include speaking events throughout the country through "Business Development Road Shows", speaking at conferences, media events, trade shows, electronic newsletters, direct marketing, networking and various other means of marketing Vermont.

The industry continues to be extremely competitive. Over 30 US states now compete with Vermont for this valuable industry. While offshore, Bermuda and the Cayman Islands are Vermont's biggest competitors. Vermont has to invest now, more than ever, to both retain our existing captive insurance companies and to attract new companies.

A single captive insurance company last year paid the state over \$42,000 in premium taxes. In total the revenues collected in both premium taxes and fees from these companies, provided the state of Vermont over \$26 million dollars in revenues. The Department's role is essential to both the establishment of new captives and helping to retain existing captive insurance companies.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

Administration: The Administration division oversees the human, technical, and financial resources of the Department; administers the grant programs with RDCs and other economic development partners; provides outreach via the media, partnerships, seminars, and direct client contact.

VT Economic Progress Council (VEPC): VEPC is an independent body governed by a eleven-member board, nine members appointed by the governor and two by the legislature. VEPC has 1 full-time staff and is attached to the Department of Economic Development for administrative support. The Council, supported by staff, administers the application and authorization process for two programs: The Vermont Employment Growth Incentive (VEGI) program (including the Enhanced VEGI for Environmental Technology companies) and the Tax Increment Financing District program. Additionally, the Council and staff continue to jointly administer, with the Department of Taxes, the reporting, performance review, and recapture functions for the remaining authorizations made under the Economic Advancement Tax Incentive (EATI) program, for which authorizations ended in December 2006.

The major budget costs consist of salaries and benefits for staff, statutory per diem and travel costs for board members, contract and license fees for an economic and fiscal cost-benefit model required by statute, and operating costs.

Through December 2006, EATI incentives with a net value of \$100 million were authorized for 142 projects that would occur between 1998 and 2010. Through the 2007 tax year, a total of \$34.4 million in income tax credits, sales and use exemptions, and property tax reductions and exemptions have been exercised. In return, Vermont has retained over 8,500 jobs, added 1,912 new jobs with an average compensation of \$49,370 and added over \$727 million in new capital, research and development, workforce training, and high technology investments.

During the first three years (2007-2009) of the VEGI program, VEPC authorized net incentives valued at \$16.8 million for 28 projects. These companies must meet and maintain payroll, employment, and capital investment targets each year to earn the incentives. Then the incentives are paid out in five installments for each year earned. If the incentives are earned, by 2014 Vermont will gain 1,991 new qualifying jobs, \$85.5 million in new qualifying payroll and \$126 million in capital investments. In addition, the state will realize over \$12 million in net new revenues.

Housing and Community Affairs: The division offers a wide range of programs to support sustainable development of Vermont communities: preservation of Vermont's historic downtowns and village centers; local and regional land use planning; the Vermont Community Development Program; the Neighborhood Stabilization Program; state housing policy, including the Mobile Home Park Program and Charitable Housing Investment Tax Credit; the identification and protection of historic resources, including incentive programs; and the State-owned historic sites where history comes alive.

Two-hundred-forty-five mobile home parks are registered with the division, with a total of 7,247 lots.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

The division also mediated five rent increase cases in the past year.

While mobile home park sales have slowed somewhat due to the economy, the division has processed six MHP sales notices to date, and also approximately 130 lot rent increases.

Vermont Community Development Program: The Vermont Community Development Program (VCDP) receives 35 to 45 applications from municipalities each year. The requests greatly outstrip the available grant resources each year by at least 2 to 1. VCDP has been funded at a level of \$7 to \$8 M annually through the federal Community Development Block Grant Program administered by the U.S. Department of Housing and Urban Development (HUD). Grants are made available to all municipalities in Vermont with the exception of the City of Burlington; they receive funds directly from HUD. Approved projects receive grant awards for vital community development projects in the categories of affordable housing, economic development, public services and public facilities.

The VCDP funding priorities are established in the HUD Consolidated Plan for Vermont. This plan is developed every 5 years and then up-dated annually through an Action Plan. To develop the Consolidated Plan and the annual Action Plan the State must follow a Citizen Participation Plan that encourages participation by low-income people likely to benefit from projects and actions funded by VCDP. During the rest of this current fiscal year the VCDP will be soliciting public input and developing a 5 year Consolidated Plan to be implemented next fiscal year. The lack of adequate housing stock in many regions of the state has led to escalating home prices and rents. A Vermont family must earn approximately \$16.00 an hour to afford a typical two-bedroom apartment. The statewide Housing and Homeless Needs Assessment, completed in June of 2005 as part of the Consolidated Plan, showed a serious shortage of both rental and ownership units in the region. An updated Housing Needs Assessment is currently underway and the division has also begun holding community outreach meetings in preparation for the publication of a new five-year Consolidated Plan. The results of this new Housing Needs assessment will help guide the use of VCDP funding for housing projects.

VCDP continues to fulfill its statutory purpose, which is to improve and maintain the economic and physical environment in Vermont's municipalities to enhance the quality of life for all Vermonters, particularly those of lower incomes. This overall goal is sustained by addressing the State's statutory legislative objectives of conserving, expanding, and improving housing; creating and retaining employment; and improving public facilities and services that support housing and economic development activities, or to eliminate a threat to public health and safety. The three goals stated in the current Consolidated Plan mirror those stated above. The three are 1) provide decent housing, 2) provide a suitable living environment, and 3) expand economic opportunities.

Over the past year the VCDP has provided over \$3.2 M to support business expansion projects that will assist 5 businesses create over 110 new jobs throughout Vermont. This is in addition to over \$5.3M to support the creation of more than 250 new affordable housing opportunities in 8 communities around the state. The VCDP was also able to support many smaller projects with almost \$.5M benefitting communities around the state with handicapped access to public buildings, planning for growth and

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

other critical community needs. During the past year the VCDP was able to secure an additional \$2M in ARRA stimulus funding from HUD which it was able to utilize in less than 3 months and allowed funding to be granted for more projects than usual in FY 10.

The VCDP was also approved by HUD to administer the Neighborhood Stabilization Program (NSP). This has resulted in the dispensing \$19 M in federal funds to help address the housing foreclosure crisis through the acquisition and redevelopment of foreclosed, blighted and abandoned properties. Seven large NSP projects were funded around the state to purchase and re-develop foreclosed homes and blighted and abandoned properties. This will result in saving over 150 housing units for Vermonters.

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STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

Community Planning and Revitalization: As well as administering the Downtown, Village, VT Neighborhood and Growth Centers programs, the Division for Community Planning and Revitalization (CP&R) also provides technical assistance to local and regional officials on smart growth planning tools, primarily via coordination of the Vermont Land Use Education & Training Collaborative. This collaborative, primarily staffed by DHCA, manages the Vermont Planning Information Center (VPIC) website at www.VPIC.info, has administered contracts for a series of publications and final editing. In 2006, the Division started and administers the \$40,000 Municipal Education Grant program - small grants a town can apply for to pay for direct training to volunteer decision-makers in the development review process. The Division awards approximately 50 of these grants per year.

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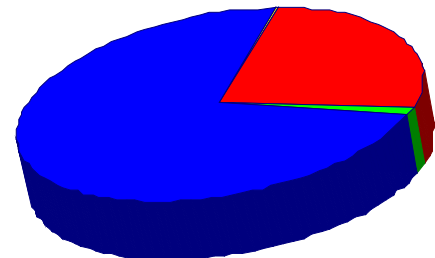
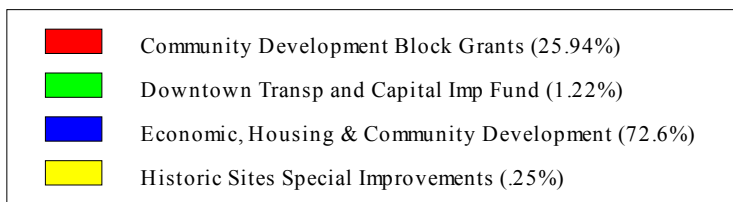
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Appropriation Key Budget Issues

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Economic, Housing & Community Development	29	25	44	6,072,749	19,283,496	18,744,928	23,887,432
Historic Sites Operations	5	5	0	915,742	935,180	935,180	0
Historic Sites Special Improvements	0	0	0	125,576	184,447	184,447	80,670
Community Development Block Grants	0	0	0	6,335,266	9,428,530	8,339,530	8,535,530
Downtown Transp and Capital Imp Fund	1	1	1	673,057	400,000	400,000	400,000
TOTAL	35	31	45	14,122,390	30,231,653	28,604,085	32,903,632
FUND TYPE							
General Fund				1,827,787	1,698,598	1,568,730	6,108,660
Special Fund				4,460,451	4,050,600	3,641,900	4,551,257
American Recovery & Reinvestment Act				0	1,982,000	893,000	1,179,195
Federal Revenue Fund				7,814,030	22,441,457	22,441,457	21,043,850
Interdepartmental Transfer				20,122	58,998	58,998	20,670
TOTAL				14,122,390	30,231,653	28,604,085	32,903,632



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

Appropriation Key Budget Issues

The Vermont Training Program has seen a one-third reduction in its appropriation in FY10, which is expected to result in a depletion of training funds with one quarter of the fiscal year remaining. As a result, 40 fewer companies and 1,800 fewer workers are expected to be served by the program.

The Division of Housing and Community Affairs is very dependent on federal funds. With the federal budget constraints over the last few years, there has been a decline in these funds.

The Growth Centers program deals with complex issues that require professional planning expertise that is resident in the Department and has taken steps to appropriately administer the program. As mentioned earlier, the Planning division and Downtown Program have been merged into the new Division for Community Planning and Revitalization (CP&R) division to better utilize the synergy between planning and downtown/village revitalization and to bring a planning component to the growth center work.

While visitors remain pleased with their experience at the State historic sites, attendance has been declining yearly for the past decade. The basic costs of maintenance, insurance, utilities, and staffing do not decrease. With fewer visitations, there is less income, which puts pressure on the General Fund portion of the budget. The Division continues to take steps to improve visibility and visitation, however a reduced operating schedule at some sites may be necessary based on available resources.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic, Housing & Community Development

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,996,842	2,333,275	2,203,407	4,364,330
Operating Expenses	364,611	420,760	420,760	1,360,756
Grants	3,711,296	16,529,461	16,120,761	18,162,346
<hr/> TOTAL	<hr/> 6,072,749	<hr/> 19,283,496	<hr/> 18,744,928	<hr/> 23,887,432
FUND TYPE				
General Fund	1,291,207	1,153,070	1,023,202	6,108,660
Special Fund	3,379,023	3,210,948	2,802,248	4,131,257
American Recovery & Reinvestment Act	0	0	0	90,195
Federal Revenue Fund	1,387,519	14,881,478	14,881,478	13,557,320
Interdepartmental Transfer	15,000	38,000	38,000	0
<hr/> TOTAL	<hr/> 6,072,749	<hr/> 19,283,496	<hr/> 18,744,928	<hr/> 23,887,432

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Historic Sites Operations

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	573,603	593,585	568,209	0
Operating Expenses	339,315	338,745	366,971	0
Grants	2,824	2,850	0	0
<hr/> TOTAL	<hr/> 915,742	<hr/> 935,180	<hr/> 935,180	<hr/> 0
FUND TYPE				
General Fund	536,580	545,528	545,528	0
Special Fund	379,162	389,652	389,652	0
<hr/> TOTAL	<hr/> 915,742	<hr/> 935,180	<hr/> 935,180	<hr/> 0

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Historic Sites Special Improvements

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	87,749	108,200	108,200	40,000
Operating Expenses	37,827	76,247	76,247	40,670
<hr/> TOTAL	<hr/> 125,576	<hr/> 184,447	<hr/> 184,447	<hr/> 80,670
FUND TYPE				
Special Fund	29,209	50,000	50,000	20,000
Federal Revenue Fund	91,245	113,449	113,449	40,000
Interdepartmental Transfer	5,122	20,998	20,998	20,670
<hr/> TOTAL	<hr/> 125,576	<hr/> 184,447	<hr/> 184,447	<hr/> 80,670

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Community Development Block Grants

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	6,335,266	9,428,530	8,339,530	8,535,530
<hr/> TOTAL	<hr/> 6,335,266	<hr/> 9,428,530	<hr/> 8,339,530	<hr/> 8,535,530
FUND TYPE				
American Recovery & Reinvestment Act	0	1,982,000	893,000	1,089,000
Federal Revenue Fund	6,335,266	7,446,530	7,446,530	7,446,530
<hr/> TOTAL	<hr/> 6,335,266	<hr/> 9,428,530	<hr/> 8,339,530	<hr/> 8,535,530

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Downtown Transp and Capital Imp Fund

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	101,268	72,978	72,978	79,326
Operating Expenses	2,946	0	0	0
Grants	568,843	327,022	327,022	320,674
<hr/> TOTAL	<hr/> 673,057	<hr/> 400,000	<hr/> 400,000	<hr/> 400,000
 FUND TYPE				
Special Fund	673,057	400,000	400,000	400,000
<hr/> TOTAL	<hr/> 673,057	<hr/> 400,000	<hr/> 400,000	<hr/> 400,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic Development

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Economic Development	20	16	0	3,741,425	3,891,935	3,793,615	0
Vermont Training Program	1	2	0	1,613,062	1,703,155	1,702,078	0
TOTAL	21	18	0	5,354,487	5,595,090	5,495,693	0
FUND TYPE							
General Fund				4,664,506	4,594,740	4,495,343	0
Special Fund				423,240	500,350	500,350	0
Federal Revenue Fund				266,741	500,000	500,000	0
TOTAL				5,354,487	5,595,090	5,495,693	0

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Economic Development

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,699,465	1,530,824	1,432,504	0
Operating Expenses	559,533	619,677	619,677	0
Grants	1,482,427	1,741,434	1,741,434	0
<hr/> TOTAL	<hr/> 3,741,425	<hr/> 3,891,935	<hr/> 3,793,615	<hr/> 0
FUND TYPE				
General Fund	3,070,641	2,926,585	2,828,265	0
Special Fund	404,043	465,350	465,350	0
Federal Revenue Fund	266,741	500,000	500,000	0
<hr/> TOTAL	<hr/> 3,741,425	<hr/> 3,891,935	<hr/> 3,793,615	<hr/> 0

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Training Program

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	88,812	197,200	196,581	0
Operating Expenses	22,951	22,334	21,876	0
Grants	1,501,299	1,483,621	1,483,621	0
<hr/> TOTAL	<hr/> 1,613,062	<hr/> 1,703,155	<hr/> 1,702,078	<hr/> 0
FUND TYPE				
General Fund	1,593,865	1,668,155	1,667,078	0
Special Fund	19,197	35,000	35,000	0
<hr/> TOTAL	<hr/> 1,613,062	<hr/> 1,703,155	<hr/> 1,702,078	<hr/> 0

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Tourism and Marketing

Department Mission Statement

To promote Vermont's 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 partners and in a manner consistent with the values and traditions of the state for the economic benefit of all Vermonters.

Description of Appropriations, Divisions, & Programs

The Department of Tourism and Marketing's (VDTM) key objective is to increase awareness of Vermont as a tourism, recreation and conference destination. To accomplish this objective, VDTM markets Vermont to likely travelers from across the country, from around the world and from within Vermont itself, as well as encouraging the purchase of Vermont products and services. VDTM continues to promote Vermont in the key drive/fly markets of New York City, Boston, Montreal and Philadelphia, as well as important secondary markets.

Vermonters continue to discover that the best tourism and recreation opportunities are right in their backyard. The success of the Department's initial, in-state tourism program demonstrated that this is a market with considerable growth potential. Current efforts are focused on highlighting the Vermont tourism experience for a broad cross-section of Vermonters.

Research: A benchmark study to measure the impact of travel and tourism on the Vermont economy during 2007 was completed during FY 2008 by Economic & Policy Resources, Inc., under contract to VDTM. The benchmarks, which are reconciled with independent economic measures, estimated that during 2007, \$1.615 billion in direct spending by visitors making 14.3 million person trips to Vermont generated \$206.9 million in revenue to the State of Vermont. The 2007 benchmark study shows a positive annual growth rate of 2.8 percent in person trips to Vermont. Vermont's tourism industry supports an estimated 37,490 jobs, approximately 12 percent of all jobs in Vermont. Component studies have focused on lodging establishments, Vermonters as visitors, second-home owners, and travel and tourism employees and proprietors. The benchmark study is performed on odd calendar years. The next benchmark year is 2009, with a completed study available in the fall of 2010.

Advertising: The fiscal 2010 and 2011 media strategy includes a combination of television, magazine, newspaper, radio, out of home (outdoor advertising) and online advertising. Advertisements are placed in publications, busy public locations as signage, and broadcast networks that attract potential visitors interested in outdoor recreation, cultural heritage, unique lodging, fine dining and the Vermont experience. The call to action in all advertising campaigns and printed materials directs consumers to VermontVacation.com and 1-800-VERMONT.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Tourism and Marketing

VDTM is developing multi-demographic campaigns targeted at drawing the interest of different markets. Most recently, the Department has made a concerted effort to target a younger audience. This effort is in collaboration with *Vermont Life* magazine and the Department of Economic Development. The goal is to attract a younger audience to the state through recreational activities while promoting industry in Vermont and, ultimately, employment opportunities. Vermont has a tremendous need for employees in the technical and engineering fields. VDTM hopes to entice potential employees through Vermont's recreational appeal and then promote relocation to Vermont.

To stretch media dollars VDTM reviews last-minute opportunities with the potential to deliver a strong message in key markets, providing the advantage of better-priced remnants in print. In addition, the longstanding partnership of pooling marketing dollars with Cabot Creamery and the Vermont Ski Areas Association makes it possible for VDTM to purchase more television spots than its budget alone would allow.

Sales: Regular communications and sales missions to travel agents and tour operators ensure that Vermont retains a strong presence in travel trade product offerings throughout the world. Motorcoaches continue to be an integral part of the Vermont tourism mix. Hundreds of motorcoach companies come to Vermont with thousands of travelers during all four seasons. Personal interaction with tour operators, travel agents and consumers at special events and shows highlights Vermont as an exceptional vacation destination in a way that other promotional mediums cannot.

VDTM has in-country representation in France, Japan and Canada, as well as in the U.K. and Germany through Discover New England. These contractors focus on public relations opportunities, familiarization trips, and selling Vermont as a premier vacation destination. Other efforts to attract international travelers include trade shows, sales missions and the Internet. VDTM has international pages on VermontVacation.com translated into German, French, U.K. English and Japanese which complement printed lure pieces in the same languages.

Web/Technology: With over 300 pages of content, VermontVacation.com continues to be a tremendous resource for prospective visitors and the Vermont tourism industry. VDTM is encouraging more return visits through its monthly e-newsletter (20,000 addresses), plus an increasing presence on various social media sites to highlight happenings in Vermont and direct readers to the Web for more information.

The Vermont Travel Planner database is the state's most comprehensive listing of lodging, dining, attractions and events, and the most used portion of VermontVacation.com. The site sees an average of 150,000 searches for information each month. Vermont event listings from the Travel Planner are also distributed to other Web sites, magazines, newspapers, radio and television stations in Vermont and throughout the Northeast.

Social Marketing: In addition to its Web site, VDTM communicates directly with Vermont visitors using eScapes, an e-mail marketing newsletter. The newsletter supports the overall web marketing effort

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Tourism and Marketing

with interest-specific, seasonal promotions. Prospective travelers visiting VermontVacation.com “opt in” to receive these quarterly e-newsletters that highlight the best of Vermont and target their specific interests. In addition, VDTM uses social media channels, such as Facebook, Twitter, YouTube and Flickr, to provide a fully interactive experience, enabling Vermont’s “fans” to comment on and recommend destinations, attractions and/or events to others and help others with vacation planning. VDTM carefully follows these conversations to develop Web and newsletter content that will be of interest to potential travelers.

Public Relations: Effective media relations translate into millions of dollars in advertising value equivalency each year for Vermont, which is further enhanced by the value placed on editorial coverage by consumers

VDTM continues to focus on expanding outreach efforts by populating the VermontPressroom.com and Vermont.Gov with story ideas and marketing its resources to journalists, as well as attending more press events and meetings with journalists in major media markets than ever before.

Cultural Heritage: In 2005 Vermont launched the first-ever, statewide celebration of culture and heritage throughout the month of June. The program was soon expanded to include Independence Day activities with the goal of showcasing Vermont’s rich cultural heritage through a broad range of events and experiences. During the summer of 2006, VDTM initiated a first-ever, in-state promotion of Vermont Cultural Heritage Days through public service announcements and paid advertising to encourage Vermonters to explore their own state and participate in local events. The program has received a tremendous amount of interest and will continue in 2010.

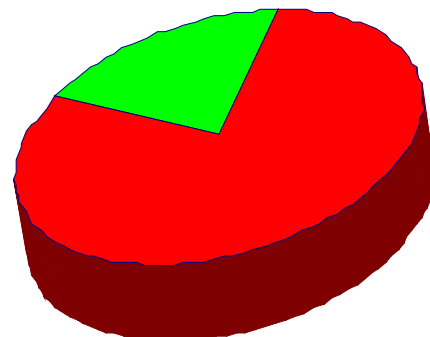
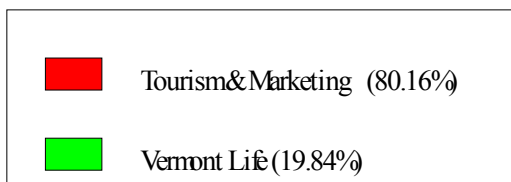
Vermont Life magazine: As a division of VDTM by statute, the commissioner of tourism & marketing has general oversight over the magazine's operation. *Vermont Life* has made substantial improvements in both publication quality and business activities, including a stronger presence on the Internet, additional collaborative promotion through VermontVacation.com, and establishing an agreement with Vermont’s Quadricentennial Commission for the sale of Quad logo merchandise. *Vermont Life* is focusing on increasing the sale of both in and out of state subscriptions and increasing the sales of products distributed through *Vermont Life*’s catalogue.

Vermont Life is published quarterly in February, May, August and November as the State of Vermont’s official magazine. The magazine explores the state’s people, places and heritage. *Vermont Life* magazine celebrated 60 years of publication in 2006, and has won more than 95 national and international magazine awards since 1990. In 2009, the magazine won the Most Improved Magazine award from the International Magazine Association along with two, editorial honor awards.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Tourism and Marketing

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Tourism & Marketing	12	9	9	3,300,119	3,628,252	3,443,075	3,285,810
Vermont Life	10	11	9	722,766	850,978	739,179	813,417
TOTAL	22	20	18	4,022,885	4,479,230	4,182,254	4,099,227
FUND TYPE							
General Fund				3,286,878	3,622,252	3,437,075	3,279,810
Special Fund				13,241	6,000	6,000	6,000
Enterprise Fund				722,766	850,978	739,179	813,417
TOTAL				4,022,885	4,479,230	4,182,254	4,099,227



**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Tourism & Marketing**

Appropriation Key Budget Issues

Statewide Tourism Marketing Campaign: VDTM currently strives to use existing dollars to forge new partnerships in Tourism's core market; the metro areas of NY, Boston and Montreal. There is an excellent return on the dollars Vermont currently spends in these markets. The Department buys media at a fraction of the going rate and receives far more exposure for the dollars spent, as compared to Vermont's competitive neighbors.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Tourism & Marketing

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,562,964	1,448,276	1,448,861	1,503,826
Operating Expenses	1,472,143	2,008,976	1,797,464	1,751,984
Grants	265,012	171,000	196,750	30,000
<hr/> TOTAL	<hr/> 3,300,119	<hr/> 3,628,252	<hr/> 3,443,075	<hr/> 3,285,810
FUND TYPE				
General Fund	3,286,878	3,622,252	3,437,075	3,279,810
Special Fund	13,241	6,000	6,000	6,000
<hr/> TOTAL	<hr/> 3,300,119	<hr/> 3,628,252	<hr/> 3,443,075	<hr/> 3,285,810

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Life

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	666,224	740,669	639,265	723,536
Operating Expenses	56,542	110,309	99,914	89,881
<hr/> TOTAL	<hr/> 722,766	<hr/> 850,978	<hr/> 739,179	<hr/> 813,417
FUND TYPE				
Enterprise Fund	722,766	850,978	739,179	813,417
<hr/> TOTAL	<hr/> 722,766	<hr/> 850,978	<hr/> 739,179	<hr/> 813,417

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Council on the Arts

Department Mission Statement

The mission of the Vermont Arts Council is to advance and preserve the arts at the center of Vermont communities through partnerships, grants and information services. Specific goals include increasing participation in the arts, and supporting art-based programs and services that provide clear and demonstrable returns on the public investment made in them.

The Vermont Council on the Arts, Inc. d/b/a the Vermont Arts Council was organized as a 501(c)(3) not-for-profit 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 Council's funding sources are a combination of State appropriations and collaborative projects, a Federal "Partnership" grant from the National Endowment for the Arts, and a small amount of private (corporate, individual, and foundation) funding.

The Arts Council provides technical and information services to its constituents, collaborates with state and local agencies on projects of mutual interest, and serves as the largest single financial resource to the state's art sector. As a granting agency, its three funding areas are designed to:

- ☐ Support artists and arts organizations and help them to provide their audiences with excellent artistic products and services;
- ☐ Promote high quality arts education and lifelong learning in and through the arts;
- ☐ Support the development of healthy communities through funding strategies that enable local artists and arts organizations to positively impact the quality of local community life.

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 the cultural infrastructure, and promote the products and services of Vermont's "creative sector." Examples of Council collaborative activities are:

- ☐ Collaborating with the Agency of Transportation, the Department of Tourism and Marketing, and the Agency of Commerce and Community Development to create and maintain an online interactive statewide Arts and Cultural Events calendar that offers a comprehensive picture of cultural activities around the state, while making it easier for artists and presenters to promote their events;
- ☐ 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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Council on the Arts

(most recently, the reopening and dedication of the state office building at 133 State Street in Montpelier);

- ☐ 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;
- ☐ 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;
- ☐ 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;
- ☐ Engaging communities statewide in community arts projects (Palettes of Vermont, Art Fits Vermont);
- ☐ Administering the Local Arts Partnership Initiative which provides funding to cultural institutions seeking to broaden the impact of the arts at the community level through activities that engage the arts in social service, education, or economic development activities.

The major goals the Council is pursuing to achieve its mission are:

1) To increase opportunities for everyone in Vermont to experience and/or participate in the arts

- ☐ Increasing opportunities for the public to see and experience high quality art in all its forms and to achieve greater understanding of the arts; help artists increase direct access by the public to their work
- ☐ Improving conditions for showcasing excellent art
- ☐ Improving communications and information-sharing networks that inform the public about art-related activities and encourage its participation

2) To demonstrate and promote the positive ("public value") benefits of investing tax dollars to support the arts

- ☐ Supporting local arts organizations' efforts to broaden their programs and services within their local communities which, in turn, make the communities more attractive to investors, homeowners, tourists, etc.
- ☐ Helping schools plan and implement curricula in which the arts are integrated, fully staffed, and supported which greatly increase the ability of the school to prepare students for the 21st century "knowledge/creative economy"
- ☐ Increasing the number of communities that embrace the Creative Economy as a core strategy for community economic development; supporting artists and arts organizations in communities that are engaged in Creative Economy activities

3) To expand and sustain our capacity to serve our constituencies

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Council on the Arts

- ☐ Improving communications with and among constituents, and with key decision-makers
- ☐ Expanding the online “library” of best practices, calendars, directories and other professional development tools that serve the needs of the Arts community
- ☐ Maintaining and expanding collaborations that support the Council's technological capacity
- ☐ Expanding sources of support for Council projects and collaborative activities

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Council on the Arts

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Vermont Council on the Arts	0	0	0	540,857	507,607	507,607	507,607
TOTAL	0	0	0	540,857	507,607	507,607	507,607
FUND TYPE							
General Fund				507,607	507,607	507,607	507,607
Special Fund				33,250	0	0	0
TOTAL				540,857	507,607	507,607	507,607

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Council on the Arts**

Appropriation Key Budget Issues

Demands and pressures on the creative sector are over-stressing its inadequately-funded operating infrastructure. Organizations that were initially founded to present art are being asked to play leadership roles in significant community projects that speak to the economic vitality and quality of life of their community. The impact of this is that the organizational capacity of not-for-profit arts organizations is at the breaking point, and many lack the necessary resources to participate effectively in creative economy efforts that are a vital part of improving the overall economic condition the State.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Council on the Arts

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	540,857	507,607	507,607	507,607
TOTAL	540,857	507,607	507,607	507,607
FUND TYPE				
General Fund	507,607	507,607	507,607	507,607
Special Fund	33,250	0	0	0
TOTAL	540,857	507,607	507,607	507,607

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Symphony Orchestra

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) traditionally receives a single appropriation from the General Fund 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, 2008 - August 31, 2009), the VSO performed 48 major presentations in 24 Vermont towns plus Lebanon, NH. These offerings included two major statewide tours-the foliage season Made in Vermont Music Festival (ten concerts), and the nine-concert Summer Festival-along with the Masterworks series in Burlington (five concerts); the Sunday Matinee Series in Rutland (three concerts), two Holiday Pops concerts; four Holiday presentations with Brass Quintet and Robert De Cormier's vocal ensemble Counterpoint; two *SymphonyKids* Orchestral Youth Concerts in Burlington and a 10-concert statewide tour; the free David M. Wilson Memorial Farmers' Night Concert in Montpelier; the Waltz Night gala; and a VSO Chorus concert.

The recently-concluded 2008/2009 season reflected average activity for presentations and students served through the VSO's *SymphonyKids* statewide educational programs: 171 events were produced, involving 23,192 Vermont schoolchildren from 159 schools in 128 towns (including some in New York and New Hampshire). The attendance represents nearly half of all Vermont K-6 schoolchildren. No other orchestra in the country can lay claim to such a pervasive education program. Still, this was a decline from record-setting results in 2007/2008, due primarily to tightening school budgets. The VSO continues to rely on substantial support for *SymphonyKids* from the New Jersey-based Turrell Fund. As with most private foundations, however, funding from that source has been reduced over time because of a decline in the stock market. The *SymphonyKids* program encompasses several offerings: the Musical Petting Zoo, Musicians-in-the-Schools (smaller ensembles), Orchestral Youth Concerts, and

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Symphony Orchestra

(our most recent addition) the Green Room Program for high school students. Special programs that feature visiting guest artists, composers, and other musical personalities supplement these mainstays.

The VSO presented a total of 258 concerts and programs during its 2008/2009 season, reaching 49,079 people statewide. 213 of the events were offered free of charge to audience members.

The VSO continues to improve fulfillment of its statewide mission. The three-concert Sunday Matinee Series inaugurated at Rutland's Paramount Theatre two seasons ago experienced audience growth in 2008/2009. The new volunteer regional boards of trustees in the Upper Valley and Southeast Vermont have developed and are working to increase performances in their regions. A successful 2008 Made in Vermont Music Festival tour concert at the Bellows Falls Opera House led the presenting organization there to book two performances for 2009/2010. Likewise, Pentangle Arts Council in Woodstock engaged the VSO for a 2009 Made in Vermont Music Festival tour concert, and the Upper Valley regional board produced a successful Halloween Family Concert in October 2009, to benefit VSO *SymphonyKids* programs in that region.

Market

The Vermont Symphony Orchestra was organized nearly 75 years ago to serve all of the communities of Vermont. As the name implies, it is a state orchestra that provides services and programs throughout Vermont. Out of hundreds of professional 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 2005 census data, the average U.S. orchestra in the VSO's budget class serves a metropolitan area population of 456,383 people. The VSO market of 623,000 constitutes 37% more than the average; however, 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. There is no statistical data available on the number of communities served each year by other orchestras of similar budget size to the VSO, 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 unique mission by annually granting a direct appropriation, making it the oldest state-supported orchestra in the country. The most important component of the market that compels the Orchestra's existence is the 50,000-60,000 individuals who use VSO programs, more than forty-five percent 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 National Center for Education Statistics study 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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Symphony Orchestra

been shown to have an enhanced mathematical ability over their classmates. This and other 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. 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 2011 BUDGET RECOMMENDATIONS
Vermont Symphony Orchestra

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Vermont Symphony Orchestra	0	0	0	113,821	113,821	113,821	113,821
<hr/> TOTAL	<hr/> 0	<hr/> 0	<hr/> 0	<hr/> 113,821	<hr/> 113,821	<hr/> 113,821	<hr/> 113,821
FUND TYPE							
General Fund				113,821	113,821	113,821	113,821
<hr/> TOTAL				<hr/> 113,821	<hr/> 113,821	<hr/> 113,821	<hr/> 113,821

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Symphony Orchestra

Appropriation Key Budget Issues

Among the major indicators measuring the results and impact of VSO programs each fiscal year, the most important are:

1) Program usage statistics. These are arguably the most important indicators of success for a performing arts organization. Usage statistics include ticket revenues and attendance figures.

	Actual <u>FY07</u>	Actual <u>FY08</u>	Actual <u>FY09</u>	Estimated <u>FY10</u>	Estimated <u>FY11</u>
Ticket Sales	\$410,756	\$428,186	\$365,296	\$385,050	\$393,500
Attendance	58,068	61,358	49,079	55,000	56,000

FY09 Ticket sales and attendance figures dropped substantially due primarily to a terrible 2009 summer festival tour (weather and one cancelled concert) and because of fewer *SymphonyKids* and ensembles bookings. Annual figures vary based on the number of presentations. VSO concerts still enjoy excellent attendance with a high percentage of capacity. Many concerts are performed in relatively small spaces in rural communities. This allows the Orchestra to increase its coverage of the state as mandated by its mission. Given programmatic changes and the economic downturn, the relative stability of sales and attendance suggests organizational strength among the VSO's patronage. Projections for the next two years show modest increases, based on limited programmatic expansion.

2) The number and variety of programs/services offered and the number of different Vermont communities participating in those programs. The chart below shows historical and projected numbers of major events planned for each fiscal year, followed by the number of Vermont communities served:

	Actual <u>FY07</u>	Actual <u>FY08</u>	Actual <u>FY09</u>	Estimated <u>FY10</u>	Estimated <u>FY11</u>
Number of Programs	48	38	48	35	36
Number of Communities	25	21	25	17	18

Orchestral Youth Concert tours take place every other season; thus the numbers of programs and communities are fewer during even years. Due to the recession, an Orchestral Youth Concert tour is not planned for FY11.

3) Statistical evidence of broadening community and business support across the state. Included below are the results and projections from annual individual and business fundraising efforts.

	Actual <u>FY07</u>	Actual <u>FY08</u>	Actual <u>FY09</u>	Estimated <u>FY10</u>	Estimated <u>FY11</u>
Individual Gifts	\$303,322	\$296,362	\$306,498	\$291,000	\$299,750

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Symphony Orchestra

Business Support	\$226,507	\$252,595	\$279,288	\$237,535	\$244,675
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Until the recent recession, the VSO has maintained a slow but steady increase in business and individual support. Even though giving improved during FY09, reduced contributions are anticipated for FY10, a delayed effect of the economic downturn. A slight rebound is expected in FY11.

Beginning in 2007, the VSO undertook its first-ever endowment campaign. To date, over \$2,700,000 has been raised toward a \$3,500,000 goal. The campaign is scheduled to end in August, 2010. Even with this extraordinary drive-occurring during a financially difficult period-operating support has grown or, at least, remained fairly stable.

Broadening community support is also measured in terms of volunteer participation and non-cash giving. The number of active volunteers has grown to well over 400, while the value of in-kind contributions averages \$207,600 annually (with nearly \$264,000 donated in FY09).

Funding from the National Endowment for the Arts and the Vermont Arts Council has been inconsistent in recent years: FY08 support dropped by 36%; FY09 support nearly doubled the reduced FY08 level; FY10 support declined by 72%! Support from the national and state arts agencies is an ongoing concern for the VSO. Likewise, foundation support can be unreliable, given an uncertain stock market and shifting funding interests. The challenge is to find more stable sources of contributed revenues that will remain available during future downturns in the economy.

The anticipated successful completion of the \$3,500,000 endowment campaign will bring the VSO's permanently restricted fund to a level that is closer to the national standard for orchestras (at least three times the annual operating budget). Adding these new funds to the VSO's existing modest endowment will eventually result in a new annual funding stream of approximately \$160,000, based on a conservative 4% draw. This will help the VSO maintain its offerings, even during unpredictable economic times.

4) Evidence of artistic and administrative excellence and financial results and evidence of economic impact. The Vermont Symphony Orchestra has developed a consistent, superior level of artistic ability that is unparalleled locally, and is competitive at the regional and national level. This is indicated both through critical reviews of performances and from periodic review by outside agencies, some of which fund the VSO in a highly competitive environment. Annual indicators include the Vermont Arts Council, the National Endowment for the Arts, and several private foundations. During the past five years, the VSO enjoyed seven national broadcasts of performances on National Public Radio, including the premiere broadcast of a new work commissioned and performed in all 50 states by more than 70 orchestras. This, too, attests to the quality level the Orchestra has attained.

Senior administrative staff continuity during the past seven years and increasingly active governing and regional boards have played a role in the financial turnaround of the organization.

From FY01 to FY07, the VSO reduced its accumulated operating deficit by 80%, from <\$585,964> to

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Symphony Orchestra

<\$114,954> (audited year-end result). Unfortunately, the last two years have resulted in losses. These operating deficits, combined with endowment fund losses in the equity and bond markets, have put the VSO back in a tenuous position, operationally: we expect the FY09 audit to reflect an accumulated operating deficit of approximately <\$450,000>. The FY10 budget is break-even, based on no revenue increases, and the VSO is currently crafting a three-year budget (FY11-13) that will provide operating surpluses to offset the significant FY09 deficit. The VSO's Governing Board of Directors and its six Regional Boards of Trustees are committed to conservative budgeting in order to eliminate the operating deficit within the next five years.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Symphony Orchestra

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	113,821	113,821	113,821	113,821
TOTAL	113,821	113,821	113,821	113,821
FUND TYPE				
General Fund	113,821	113,821	113,821	113,821
TOTAL	113,821	113,821	113,821	113,821

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Historical Society

Department Mission Statement

The Vermont Historical Society engages both Vermonters and “Vermonters at heart” in the exploration of our state’s rich heritage. Our purpose is to reach a broad audience through our outstanding collections, statewide outreach and dynamic programming. We believe that an understanding of the past changes lives and builds better communities.

Department Vision Statement:

The Vermont Historical Society will set the standard for statewide work in Vermont history. We will reach more people through expanded outreach, leadership in Vermont history education, accessible collections, and participation in public policy discussion. Our audiences will be engaged citizens who are informed about the past and motivated to create a better 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.

Description of Appropriations, Divisions, & Programs

Statewide Outreach

Vermont Historical Society impacts the lives of Vermonters in every community of the state through a range of programs and activities, including:

- **League of Local Historical Societies:** nearly 200 member organizations benefit from their association with VHS through technical assistance, an annual conference and awards program, an e-newsletter, and other activities that promote the work of local societies.
- **Educational Outreach:** schools and home-based educational units have access to resources that aid in the teaching of Vermont history, including traveling trunks, teacher professional development, lesson plans, and reading materials. VHS has partnered with the Department of Education to create new content-rich resources for classrooms that will promote attainment of *Grade Expectations for Vermont’s Framework of Standards and Learning Opportunities* for third and fourth grade students.
- **Statewide Heritage Collections Initiatives:** Connecting to Collections is a statewide program coordinated by VHS that surveyed organizations responsible for heritage collections in Vermont, including town clerks, and will be addressing the most critical needs identified in that study. Alliance for Response is a VHS initiative that promotes emergency planning for historical collections and links heritage organizations with first responders at the community level.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Historical Society

- **Vermont History Expo:** now a bi-annual event, Expo brings together over a hundred local historical societies and other organizations for a statewide celebration of Vermont's history. Called "Vermont's Family Reunion," Expo is still the only event of its kind in the nation.
- **Civil War Sesquicentennial:** VHS is leading an effort to coordinate a statewide commemoration of the 150th Anniversary of the Civil War.
- **Historic Preservation in Vermont Study Committee:** a VHS representative, appointed by the Governor, serves on this body that is exploring how the state manages its heritage resources.

Museum and Educational Programs

- **Freedom & Unity Exhibition:** nearly 10,000 people tour the exhibition at the History Museum in Montpelier, including almost 5,000 Vermont schoolchildren.
- **Museum collections:** VHS cares for a collection of over 20,000 objects that document the lives of Vermonters and houses the state's collection of Civil War flags.
- **Public Programs:** offerings include Martin Luther King Day programs, Farmers Night at the Statehouse, historic games at events throughout the state, Annual Meeting and Conference and special events throughout the year.
- **Vermont Women's History Project:** in 2009 VHS became the new home of the VWHP, which provides research opportunities and public programs about the lives of Vermont women.
- **Vermont History Day:** provides an opportunity for middle and high school students to research historical topics and present their findings through a variety of project formats, including documentaries, exhibits, research papers and dramatic performances. Nearly 200 students participate in the statewide competition that is held as a preliminary for National History Day.

Research and Publications Programs

- **Library Collections:** VHS cares for a collection of almost 50,000 books and serials; 50,000 photographs; and thousands of manuscripts, broadsides, maps, films, audio recordings, and microfilm.
- **Research Services:** over 1,500 people conduct research at the Leahy Library at the Vermont History Center in Barre each year, including students, scholars and genealogists. Several hundred more are served remotely by email, phone and written correspondence.
- **Online Resources:** VHS is increasingly making research materials accessible through the website (www.vermonthistory.org), including photographs, manuscripts, diaries and letters.
- **Publications Programs:** VHS publishes a variety of titles on Vermont history and promotes access to publications through the annual *Book List*. The semi-annual journal, *Vermont History*, is enjoyed by nearly 3,000 subscribers, with back issues accessible through the VHS website.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Historical Society

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Vermont Historical Society	0	0	0	770,635	795,669	795,669	795,669
TOTAL	0	0	0	770,635	795,669	795,669	795,669
FUND TYPE							
General Fund				770,635	795,669	795,669	795,669
TOTAL				770,635	795,669	795,669	795,669

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Historical Society**

Appropriation Key Budget Issues

The Vermont Historical Society has been operating with significant operating deficits since opening the Vermont History Center in 2002. Reserve funds and extraordinary draws on endowment funds have been used to balance budgets. This is no longer a sustainable course for the organization; the Board of Trustees and staff are committed to resolving this situation through a combination of immediate actions and long-term initiatives:

Immediate Responses

- ☐ **Expense Reductions:** During the past two years VHS reduced staffing levels by almost 25%, eliminating 4.5 FTE positions; remaining staff accepted voluntary pay reductions of 6.25%; diminished public hours at the museum and library; and suspended Vermont History Expo in 2009. VHS also is economizing on printing costs, postage and mail prep expenses for delivery of VHS publications. We also are realizing savings by seeking competitive bids on energy purchases and service contract.
- ☐ **Revenue Enhancements:** The Board of Trustees has accepted a challenge to enhance annual giving substantially in this fiscal year; to date, contributions are up nearly 20% over the same period last year. VHS also is enhancing its marketing efforts to promote museum visitation and bookstore purchases.

Long-Term Initiatives

- ☐ **Capital Campaign:** VHS has launched a \$7.3 million capital campaign that will renew the vitality of the Vermont History Center by creating new exhibition venues; eliminate the capital debt remaining from the initial development of the Center; and triple the endowment. Attainment of the campaign's goals will have a \$300,000-400,000 positive impact upon the annual operating budget.
- ☐ **Partnerships with State Agencies:** VHS also is exploring ways to partner with state agencies and other organizations to share space at the Vermont History Center and at the Pavilion in Montpelier.

Without immediate results and attainment of the long-term financial goals of the organization, the future of VHS is threatened. Contingencies, such as consolidation into a single campus and elimination of vital programs, are difficult to contemplate but will be necessary realities if these measures do not realize the needed results.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Historical Society

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	770,635	795,669	795,669	795,669
TOTAL	770,635	795,669	795,669	795,669
FUND TYPE				
General Fund	770,635	795,669	795,669	795,669
TOTAL	770,635	795,669	795,669	795,669

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vt Housing and Conservation Board

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 \$4 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, Farm Preservation Program, and an AmeriCorps program, all of which supplement the VHCB funds in projects. In FY2010, VHCB administered one time federal funding from the Neighborhood Stabilization Program (NSP) and the American Recovery and

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vt Housing and Conservation Board

Reinvestment Program's energy funding to improve energy efficiency of multi-family housing.

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 prioritized 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 \$28 million from this program to date.

The Farm Viability Program is now operating in partnership with the Agency of Agriculture, Food and Markets (VAAFMM) and works closely with an advisory board, per 6 V.S.A. Section 4710. 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.

The Board's audited financials are presented in the state financial statements as a non-major component unit.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vt Housing and Conservation Board

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Vt Housing and Conservation Board	0	0	0	27,145,463	19,933,436	19,933,436	23,789,348
<hr/> TOTAL	<hr/> 0	<hr/> 0	<hr/> 0	<hr/> 27,145,463	<hr/> 19,933,436	<hr/> 19,933,436	<hr/> 23,789,348
FUND TYPE							
Special Fund				16,781,515	8,326,662	8,326,662	6,606,662
Federal Revenue Fund				10,363,948	11,606,774	11,606,774	17,182,686
<hr/> TOTAL				<hr/> 27,145,463	<hr/> 19,933,436	<hr/> 19,933,436	<hr/> 23,789,348

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vt Housing and Conservation Board**

Appropriation Key Budget Issues

Even in these difficult economic times, the Governor has sought to maintain the state's commitment to affordable housing even during this challenging budget year.

The VHCB annual state appropriation comes mainly from Property Transfer Tax receipts. The budget recommendation is \$6,101,662 for funding for VHCB from the Property Transfer Tax in FY11. This portion of VHCB's appropriation is the same as the FY10 level. There is a significant increase in FY11 in federal funds to VHCB. This increase of \$5,575,912 is mainly due to the increase in grant funds for the Federal Farm Preservation Program.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vt Housing and Conservation Board

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	24,378,464	19,933,436	19,933,436	23,789,348
Other Financing Uses Budget	2,766,999	0	0	0
<hr/> TOTAL	<hr/> 27,145,463	<hr/> 19,933,436	<hr/> 19,933,436	<hr/> 23,789,348
FUND TYPE				
Special Fund	16,781,515	8,326,662	8,326,662	6,606,662
Federal Revenue Fund	10,363,948	11,606,774	11,606,774	17,182,686
<hr/> TOTAL	<hr/> 27,145,463	<hr/> 19,933,436	<hr/> 19,933,436	<hr/> 23,789,348

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Humanities Council**

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 VHC believes that engagement with the world of ideas, in interaction with others, contributes uniquely to richer lives, stronger communities, a more humane society, and a better world. Because the humanities and the world of ideas belong to everyone, the VHC has developed a broad range of programs that serve Vermonters of all ages and backgrounds. The humanities include history, literature, art history, and comparative religion. They are the tools of self-reflection; they help us better understand ourselves and others, and the past and present.

Description of Appropriations, Divisions, & Programs

The State of Vermont's allocation to VHC is essential to pursuing its mission by complementing federal funds and enabling it to leverage dramatically the state's allocation with private donations. These funds pay for the critical programs that contribute toward a literate and engaged citizenry and vital, healthy communities.

In 2008 VHC sponsored nearly 1,400 programs for both targeted literacy audiences and the general public; they occurred in 155 Vermont towns, including communities in every county.

VHC promoted literacy for Vermonters of all ages in a variety of ways:

- ☐ *Adult literacy students* were served through 93 *Connections* sessions (26 multi-part programs), of which 68 were at prisons or probation sites. 574 adults participated, including 245 at correctional sites. Ten correctional sites participated in Vermont Reads, VHC's statewide one-book community reading program, so that these men and women on the inside felt part of a statewide program for the general public, helping them make connections to the local community when they are released. Beginning in 2008, VHC's adult literacy initiatives included:
 - ☐ programs at the Vermont State Hospital in Waterbury.
 - ☐ a pilot program on restorative justice hosted by the Brattleboro Community Justice Center for ex-offenders, volunteers on the reparative board, and community members; it featured three reading discussions with two author visits.
 - ☐ a reading and discussion project that reached 188 women who are striving to rise out of poverty and who are served by eight social service and educational organizations in the Burlington area; the women read Mary Childers's powerful childhood memoir *Welfare Brat*, met and talked with the author, and then reflected on and wrote about their own experiences.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Humanities Council

- 150 *at-risk middle-school students* took part in 10 theme-based, week-long humanities summer camps. Humanities Camp is the first time that many students have met with academically-related success and literally the first time that they have known the joy of reading or learning. Camps introduce them to the world of ideas and foster self-expression and confidence in a nurturing environment. Many come to see themselves differently and to set higher academic and career goals for themselves. For a significant number of these students, their Humanities Camp experience is identified by them, their parents, and their teachers as *the* factor that causes them, upon graduating from high school, to be the first member of their family to go on to college.
- 600 different *child care providers* and 455 different *parents* (including incarcerated men and women) took part in 375 VHC early literacy training workshops.
- Staff and students at the State's network of *Adult Education and Literacy Centers* benefited from 25 VHC literacy programs. VHC professional development programs equipped 47 State of Vermont adult educators to lead reading and discussion programs, and they, in turn, led 18 multi-session reading and discussion programs that reached 331 adult students, including many refugee and immigrant English Language learners. Nine adult education sites participated in our statewide Vermont Reads program in 2008.
- 18 literacy *mini-grants* totaling \$5,000 were awarded to other organizations to support literacy projects where a little help could make a big difference.

These various humanities-based literacy programs, conducted in partnership with the Department of Education, Department of Children and Families, Department of Corrections, Adult Essential Skills Centers, local parent-child centers, and other service providers, serve low-income adults and families struggling with literacy. They foster a deeper appreciation for reading and ideas, and increase participants' abilities and insights in order to facilitate their personal and economic well-being.

VHC also ran hundreds of events and other projects that engaged tens of thousands of the general public statewide.

- VHC's *statewide one-book community program, Vermont Reads*, continues to be enormously successful at promoting literacy, encouraging life-long learning, and strengthening community. Again in 2008, the program engaged almost 10,000 students and adults (confident and fragile readers alike) from 58 towns in reading and discussing a young-adult-level novel and participating in events related to the book. In 2008 schools, libraries, after-school programs, businesses and scores of other groups participated -- as well as adult literacy students at AEL centers and prisons. They read *A Restless Spirit*, Natalie Bober's insightful and beautifully written biography of Vermont's iconic poet, Robert Frost. As part of Vermont Reads, almost 300 public programs occurred statewide as part of Vermont Reads, and more than 400 people heard the author speak at special programs in Woodstock, Brattleboro, and Middlebury. In addition, an estimated 30,000 people heard five VPR programs featuring Frost saying his own poems and interviews with Bober, other Frost scholars, and Frost's grand daughter.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Humanities Council

- VHC hosted 203 *free public lectures* or living history performances in libraries, schools, museums, and other community centers in 94 Vermont different towns. These include programs of the VHC *Speakers Bureau*, a VHC-sponsored Farmers' Night presentation by "Eleanor Roosevelt," and talks that are part of VHC's "*First Wednesdays*" series - now held monthly, October through May, in the public libraries in nine different regions of the state -- Brattleboro, Burlington, Manchester, Middlebury, Montpelier, Newport, Norwich, Rutland, and St. Johnsbury. All these events promoted life-long learning, reading, and vital libraries, fostered community building, and contributed to Vermont's "creative economy," cultural tourism, and our state's attractive quality of life.
- Fiction and nonfiction *book discussion series*, led by VHC scholar-discussion leaders, were held in the libraries and other community centers of 35 Vermont towns. VHC sponsored 208 such gatherings. These programs, like *First Wednesdays* and *Speakers Bureau* events, strengthen Vermont's communities not only by their character and design, but also by happening in the facilities of key town organizations such as libraries, museums, community centers, and schools.
- *Health care professionals* in 10 of Vermont's 15 hospitals, including the VA Hospital, took part in "*Literature and Medicine: Humanities at the Heart of Health Care*," a national award-winning reading and discussion program that, as one participant writes, "renews the heart and soul of health care." *Lit & Med* discussions have helped health care professionals improve their communication and interpersonal skills while increasing their job satisfaction, cultural awareness, and empathy for patients.
- VHC's *grants program* provided 16 general humanities grants totaling \$48,974 to schools, museums, historical and other community organizations to support their humanities programs and nearly 100 events, including several multi-day events.
- VHC initiated a project to identify and interpret Vermont's *Civil War home front history*. With support from the National Endowment for the Humanities, we encouraged Vermonters to identify the places in their communities affected by the Civil War, where troops assembled, uniforms were sewn, money raised, and memorials erected. Through lectures, workshops, a symposium on the Civil War home front, and distribution of our Civil War Research Kit, we've sparked the interest of hundreds of Vermonters and initiated more than forty community research projects. Though VHC's formal role in the project ended in January 2009, we have created an array of permanently available resources for Civil War research, including our research kit, and templates and a Civil War Places logo for towns, schools, individuals, and historical societies to use in creating Civil War brochures, walking tour maps, and other materials.
- VHC's 2008 *annual autumn conference*, "Delight & Wisdom: The Life and Poetry of Robert Frost," drew more than 190 people. Presented in partnership with Middlebury College, the conference brought together some of the most distinguished Frost scholars with Vermonters from

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Humanities Council

a broad range of ages and backgrounds.

- In 2008 VHC published its second book, *A Guide to Fiction Set in Vermont for Children and Young Readers*. It is a companion volume to *A Guide to Fiction Set in Vermont*, published in 2005. The book's descriptions of hundreds of novels set in Vermont from 1835 to the present invite readers to discover what stories were set in their favorite Vermont towns and to learn how the idea of Vermont has changed over the decades. These two books are celebrations of Vermont and Vermont towns that promote reading and life-long learning.
- The VHC participated in and helped promote the annual *Poetry Out Loud* program, a statewide program that encourages high school students to memorize and recite poetry from memory. It continues to be one of three sponsors of the *statewide middle school spelling bee*, the winner of which represents Vermont in the national championship. And it has been active in the *State's Council on Civics Education*, headed by the Social Studies Coordinator for the State Department of Education, the *Quadricentennial Commission*, *Vermont's Lincoln Bicentennial Committee*, and the planning for the upcoming *sesquicentennial of the Civil War*.

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 its commitment to literacy, lifelong learning, and community engagement, and to enriching the lives of all Vermonters through the humanities.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Humanities Council

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Vermont Humanities Council	0	0	0	172,670	172,670	172,670	172,670
TOTAL	0	0	0	172,670	172,670	172,670	172,670
FUND TYPE							
General Fund				172,670	172,670	172,670	172,670
TOTAL				172,670	172,670	172,670	172,670

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Humanities Council**

Description of Appropriations, Divisions, & Programs

The state allocation has and will continue to advance the work of leading Vermont toward full literacy. Vermont state participation is an essential component which complements federal funds and private donations. These appropriated funds not only pay for the material programs that we provide but demonstrate the State's commitment to a literate, well-read citizenry.

Examples of program successes:

1. Last year we were able to support over 2,500 humanities programs reaching Vermonters from every county.
2. In partnership with the Agency of Human Services, the Department of Health, local parent-child centers, and other service providers, we were able to furnish books through more than 100 Connections programs, the adult literacy student conference, and fifteen humanities camps which serve low-income families to develop a love of reading for all family members.
3. The Council's grants program, mini-grants, and Creating Communities of Readers grants provided over \$250,000 to historical societies, community groups for literacy, museums, adult basic education centers and other service organizations.
4. Lectures and performances through our Speakers Bureau in more than 100 Vermont towns and the autumn conference challenged participants to learn about history, literature, philosophy, and other humanities ideas that foster community building.
5. Our Never Too Early program furnished approximately 500 childcare providers with books and training to learn how to stimulate the love of reading in young children.
6. The Council sponsored over 275 book discussion programs for general audiences throughout the state.

We firmly believe it is critical to Vermont's future that every citizen be able to read, write and discuss ideas. The Vermont Council on the Humanities will continue our commitment to literacy for all Vermonters and to the enrichment by the humanities in the personal lives and public discourse of our State.

Appropriation Key Budget Issues

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Humanities Council

In 2007, the most recent year for which complete financial information is available, VHC was pleased that its budget of \$1,220,473 was balanced.

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Vermont Humanities Council**

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	172,670	172,670	172,670	172,670
TOTAL	172,670	172,670	172,670	172,670
FUND TYPE				
General Fund	172,670	172,670	172,670	172,670
TOTAL	172,670	172,670	172,670	172,670

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agency of Transportation

Agency Mission Statement

The Vermont Agency of Transportation's vision is a safe, efficient and fully integrated transportation system that promotes Vermont's quality of life and economic wellbeing.

VTrans' mission is to provide for the movement of people and commerce in a safe, reliable, cost-effective, environmentally responsible manner.

The Agency of Transportation is committed to developing and maintaining a seamless, integrated transportation network that includes all modes of travel, for freight as well as passengers.

Achieving that objective requires a blend of connections between and among modes that is safe, reliable and produces a seamless transition with minimal disruptions or delays. Establishing such integration across the state requires an annual investment based on the optimal allocation of resources. 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 in a way that is both safe and environmentally sound.

Investment in transportation infrastructure brings lasting and substantial economic benefits through the ability to grow the state's economy, create and retain jobs, and maintain a high quality of life. VTrans continues to be committed to providing a balanced and integrated intermodal transportation system that meets the diverse needs of the state's citizens while preserving the significant investment Vermont has made in its existing transportation infrastructure.

To meet these various objectives, VTrans has established a set of four goals that act as guiding principals in everything the Agency does. These goals are:

SAFETY: Make safety a critical component in the development, implementation and maintenance of the transportation system.

EXCELLENCE: Cultivate and continually pursue excellence in financial stewardship, performance accountability, and customer service.

PLANNING: Optimize the future movement of people and goods with corridor and natural resource management, balanced modal alternatives, and sustainable financing.

PRESERVATION: Protect the state's investment in its transportation system.

The Agency is organized in four divisions and one department: Operations; Policy, Outreach, and

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agency of Transportation

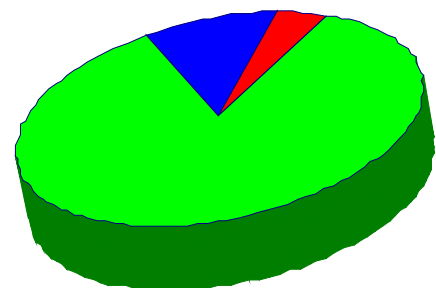
Community Affairs; Finance and Administration; Program Development; and the Department of Motor Vehicles. VTrans also provides assistance to Vermont municipalities through several Town Highway programs.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Agency of Transportation

AGENCY SUMMARY BY DEPARTMENT

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
AOT Division Approps and Programs	1,060	1,042	1,010	297,479,744	478,323,093	476,696,778	470,247,925
AOT Department of Motor Vehicles	250	249	249	22,292,141	25,080,315	24,523,197	24,300,470
AOT Town Highway Programs	0	0	0	62,427,422	64,201,158	64,721,158	60,721,082
TOTAL	1,310	1,291	1,259	382,199,307	567,604,566	565,941,133	555,269,477
FUND TYPE							
Transportation Fund				170,285,985	182,905,468	178,331,450	185,099,226
Special Fund				1,157,223	12,565,818	15,140,377	16,555,766
American Recovery & Reinvestment Act				12,697,285	117,197,648	117,197,648	54,524,670
Federal Revenue Fund				179,805,660	227,842,664	228,178,690	275,428,087
Internal Service Fund				13,525,649	16,848,075	16,848,075	17,477,863
Transportation: Local Match				1,546,652	2,993,800	2,993,800	2,193,885
Interdepartmental Transfer				3,180,853	7,251,093	7,251,093	3,989,980
TOTAL				382,199,307	567,604,566	565,941,133	555,269,477

■	AOT Department of Motor Vehicles (4.38%)
■	AOT Division Approps and Programs (84.69%)
■	AOT Town Highway Programs (10.94%)



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Division Approps and Programs

Department Mission Statement

Description of Appropriations, Divisions, & Programs

The Vermont Agency of Transportation (VTrans) continues to implement asset management and create performance measures that will evaluate the impact of asset management. Asset management is a systematic process of operating, maintaining and upgrading the Agency's physical assets in a cost-effective way. The process combines engineering and mathematical analyses with sound business practices and economic theory. Like the traditional planning process, asset management includes data collection, strategy evaluation, program development, and feedback. It is a strategic approach that takes both a global and long-term view of infrastructure performance and cost. Asset management is a tool which allows VTrans to consider options in a comprehensive, well informed, and 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 cost-efficient manner.
- To provide customers the best value for the public tax dollar.
- To enhance the credibility and accountability of the Agency of Transportation.

VTrans provides a number of services through four divisions: Operations, Program Development, Planning Outreach & Community Affairs and Finance and Administration, plus the Department of Motor Vehicles. These five organizational areas play an integral role in supporting VTrans' mission.

OPERATIONS DIVISION

The Operations Division, with over 560 employees, operates and maintains Vermont's highways, railways, airports, and public transit systems. Our Division includes the Maintenance Section, the Aviation Program, the Rail Program, the Public Transit Program, the Central Garage, and the Technical Services Section, with support from our own IT Section and Business Office. The Division's mission is to maintain a safe, efficient and reliable transportation system for the movement of people and goods through Vermont.

The nine maintenance districts are responsible for the maintenance of Vermont's infrastructure. Their primary mission is to keep Vermont state highways and airports open and safe for the transportation network users, while managing the system in a cost-effective and environmentally-sensitive manner.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Division Approps and Programs

The Maintenance Section's Traffic Shop maintains the State's signs, traffic signals, and roadway center and edge lines from its headquarters in Berlin, as well as outpost garages in Colchester and Mendon.

The Central Garage maintains a safe and reliable fleet of vehicles and equipment which allow the Agency to fulfill its mission. From its location in Berlin, the Central Garage coordinates the purchase, preparation, service, repair, and replacement of over 650 vehicles and pieces of equipment, including more than 250 plow trucks.

The Aviation Program provides a safe environment for users of the system, preserving the aviation infrastructure, promoting aviation-related activities and education programs, and expanding travel opportunities at the 17 public use airports located throughout Vermont.

The Rail Program assists in the development of rail transportation for shippers and passengers, and provides support to improve the freight and passenger infrastructure with recognition of the social, economic, and environmental importance of rail as a major component of the state's transportation system.

The Public Transit Program encourages and promotes statewide public transportation by coordinating transit services to support common sense 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 services.

The Operations Division also oversees the State's Occupational Health and Safety Program, Hazardous Waste and Materials Program, Maintenance Programs, Intelligent Transportation Systems and Roadside Vegetation Management. In addition to routine maintenance activities, the Division 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.

PROGRAM DEVELOPMENT

The Program Development Division is responsible for the design, permitting, Right of Way, and construction of all capital projects undertaken by VTrans.

The Paving Program is responsible for maintaining the surfaces of approximately 3,200 miles of two-lane 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 preventative maintenance and rehabilitation strategies, preparing plans and specifications, and providing technical assistance during construction.

Bridges and culverts 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 responsible for inspecting 2,690 long-span bridges (greater than 20 foot spans) on both the State and local highway systems. The program is also responsible for 1,292 short structures (between six and 20 foot spans) on the State system. Inspections are typically performed on a two-year cycle for long-span

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Division Approps and Programs

structures and on a five-year cycle for short structures, but inspections are performed more frequently when deemed necessary. The Structures Program is responsible for programming and design of bridge maintenance, rehabilitation and reconstruction projects from project inception through the project development process, and then on to construction for any state or local bridge that qualifies for funding. The Structures Section also provides both project management and engineering for structures selected by the Operations Division for replacement or rehabilitation including railroad structures. The Section is also responsible for the inventory and inspection of state-owned railroad structures, pedestrian bridges, retaining walls, and overhead sign supports.

The Roadway Program addresses 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. New highways or capacity additions to existing highways are also considered within this program.

The Traffic and Safety Program implements highway operational and safety improvements. Projects include traffic signals, roundabouts, flashing beacons and non-signalized intersections installation; management and replacement of signs and pavement markings; the identification, evaluation and correction of hazardous locations on the public highway system; and upgrades to public rail-highway crossings.

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 Right-of-Way and Environmental Services Sections are 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, utility coordination and highway access permitting, environmental permitting, and right-of-way acquisition of real property needed for transportation projects.

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 located in Burlington, St. Johnsbury, White River Junction

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Division Approps and Programs

and Rutland. 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. The Construction Finals group in Montpelier performs a review to ensure all quantities are verified before final payments are made to the contractor.

POLICY, OUTREACH & COMMUNITY AFFAIRS

The Planning, Outreach & Community Affairs Division works with all of VTrans as well as 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 five-year intervals, and serves on various inter-agency task forces and committees related to smart growth initiatives, intelligent transportation systems, and environmental policy.

The Systems Planning 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 section also provides systems analysis and planning, statewide transportation modeling, and both modal and inter-modal operational planning.

Data services are provided by three sections. The Traffic Research section reviews all Act 250 applications for impacts on the transportation system and consistency with Agency plans or policies as well as compiles the Agency response or recommendations to the district environmental commissions. The section is responsible for both traffic monitoring and data analysis.

The Highway Research Section monitors highway system conditions, collects highway video logs, reports highway sufficiency rating data, and manages the Crash (highway accident) data base. The Mapping Section provides town mapping, maintenance of the GIS database and the routelog system.

FINANCE AND ADMINISTRATION

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Division Approps and Programs

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, and balanced transportation system for the State of Vermont. The Division's goal is to maximize financial and human resources, and improve the Agency's business practices to meet the needs of its internal and external customers. The division consists of the following sections: Audit, Contract Administration, Information Technology, Budget and Financial Operations, Human Resources and the Office of Civil Rights and Labor Compliance.

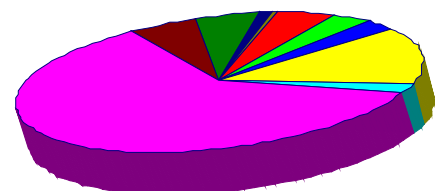
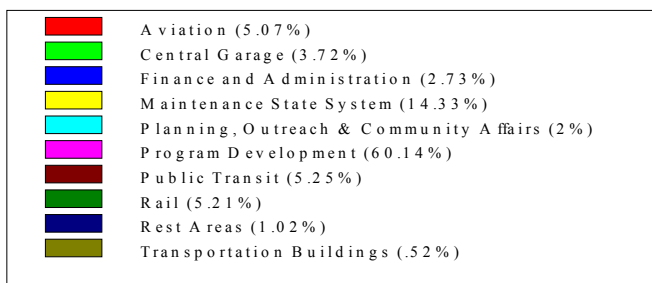
Audit provides audit assistance to VTrans' management and audit assurance about VTrans' administration of public funds. Contract Administration is responsible for the performance of various contracting functions. Information Technology is responsible for assessing and supporting VTrans' information technology requirements. Budget and Financial Operations oversees the development and control of VTrans' budget and processes all financial and related transactions. Human Resources provides the Agency with all personnel-related activities including training, recruitment, benefits administration, and labor relations.

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 not only the Agency but 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.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Division Approps and Programs

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
Department	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Finance and Administration	132	129	121	11,110,682	12,509,399	11,657,003	12,842,977
Aviation	8	8	8	10,333,414	21,642,075	21,577,170	23,834,742
Transportation Buildings	0	0	0	1,602,795	1,311,500	1,311,500	2,467,500
Program Development	318	309	297	148,382,278	265,742,791	265,993,936	282,814,949
Rest Areas	0	0	0	1,490,265	2,950,000	2,950,000	4,820,000
Maintenance State System	500	499	497	59,055,831	66,318,309	65,679,221	67,381,887
Planning, Outreach & Community Affairs	48	41	32	8,892,340	10,293,841	10,088,777	9,400,266
Rail	8	10	10	13,684,368	20,395,924	20,309,638	24,498,037
Bridge Maintenance Program	0	0	0	7,615,351	34,051,340	34,051,340	0
Public Transit	6	7	7	21,786,771	26,259,839	26,230,118	24,709,704
Central Garage	40	39	38	13,525,649	16,848,075	16,848,075	17,477,863
TOTAL	1,060	1,042	1,010	297,479,744	478,323,093	476,696,778	470,247,925
FUND TYPE							
Transportation Fund				112,311,949	122,880,905	118,344,005	121,917,530
Special Fund				3,839	10,689,842	13,264,401	14,939,752
American Recovery & Reinvestment Act				12,472,457	107,755,614	107,755,614	50,534,600
Federal Revenue Fund				155,291,405	211,297,134	211,633,160	259,960,946
Internal Service Fund				13,525,649	16,848,075	16,848,075	17,477,863
Transportation: Local Match				751,013	1,600,430	1,600,430	1,427,254
Interdepartmental Transfer				3,123,432	7,251,093	7,251,093	3,989,980
TOTAL				297,479,744	478,323,093	476,696,778	470,247,925



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Finance and Administration

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	8,933,615	9,971,137	9,118,741	9,737,904
Operating Expenses	2,177,067	2,538,262	2,538,262	2,720,073
Grants	0	0	0	385,000
<hr/> TOTAL	<hr/> 11,110,682	<hr/> 12,509,399	<hr/> 11,657,003	<hr/> 12,842,977
FUND TYPE				
Transportation Fund	10,744,747	12,009,399	11,157,003	11,883,975
Special Fund	3,839	0	0	0
Federal Revenue Fund	362,096	500,000	500,000	959,002
<hr/> TOTAL	<hr/> 11,110,682	<hr/> 12,509,399	<hr/> 11,657,003	<hr/> 12,842,977

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Aviation

Appropriation Key Budget Issues

Vermont's aviation assets (essential infrastructure including runways) remain in relatively stable, good condition. The focus in FY11 needs to be on a continuing, modest level of investment to maintain the current infrastructure as well as upgrading assets when it makes sense for economic development, safety, and security purposes.

The proposed FY11 budget includes a modest investment, as well as continued support for Vermont's major commercial service airport - Burlington International Airport - which is municipally owned. With FAA Reauthorization still undecided, federal funding participation is currently planned at 90 percent (10 percent match) in FY11 from the current 95 percent (5 percent match) in FY10. With major runway reconstruction projects on the horizon, there will be challenges in future years to identify funding for the Aviation Program to continue to maintain the condition level of its assets. Completion of the \$6.5 million ARRA runway project at the E.F. Knapp State Airport will be a priority for the Aviation Program. Burlington International will also complete their ARRA taxiway project. Public/private runway extension efforts are planned for Newport and Middlebury with initial planning efforts underway in FY11. A major runway safety area project at the Rutland Southern Vermont Regional will meet new FAA safety criteria and compliance standards. A proposed Civil Air Patrol Wing HQ facility will help provide critical emergency response for statewide assistance.

Land-side infrastructure is also starting to show its age, and the Aviation Program is seeing an increase in emergency repair work to heating systems, roofs and other mechanical systems associated with its terminal buildings and hangars. The Airport System Plan identified shortcomings in the overall system of airports which will need to be addressed and incorporated into future planning and budgets. Aviation will finalize airport business plan development for all state-owned airports to provide baseline financials, revenue enhancement strategies, and economic development opportunities.

Convenient air service is an integral component of moving people and goods, and has been determined to be among those criteria reviewed by businesses evaluating Vermont. Cape Air, which provides commercial passenger service from the Rutland Southern Regional Airport to Boston, continues with strong passenger numbers while providing a critical service to the region. In addition to the two commercial service options (Burlington and Rutland), airports must be able to accommodate corporate and business travelers in all weather conditions with 24-hour access. Appropriate runway length, good instrument approach capability (navigational aids), and lighting facilities are key components for providing a safe environment for business, recreational, and emergency responders. There will be a focus on utilizing new technologies to enhance efficiencies and safety throughout the system, such as solar powered hazard beacons, energy efficient LED lighting applications, continued improvements in GPS approaches and runway lighting systems to enhance safety and efficiency. Further development of security projects, such as two security fencing projects in FY11, will also be a priority in providing a safe and secure environment for our airport system

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Aviation

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,838,178	1,448,274	1,383,369	2,643,444
Operating Expenses	8,303,989	20,033,801	20,033,801	21,031,298
Grants	191,247	160,000	160,000	160,000
<hr/> TOTAL	<hr/> 10,333,414	<hr/> 21,642,075	<hr/> 21,577,170	<hr/> 23,834,742
FUND TYPE				
Transportation Fund	1,846,780	2,226,575	2,161,670	2,965,242
American Recovery & Reinvestment Act	0	4,000,000	4,000,000	3,500,000
Federal Revenue Fund	8,486,634	15,415,500	15,415,500	17,369,500
<hr/> TOTAL	<hr/> 10,333,414	<hr/> 21,642,075	<hr/> 21,577,170	<hr/> 23,834,742

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Transportation Buildings

Appropriation Key Budget Issues

Transportation Buildings work includes:

- A systematic replacement cycle for facility components such as roofs, heating plants, and fuel storage tanks.
- New salt and sand sheds (to address environmental and operational efficiency issues).
- Major renovations when required (heating, new bays for additional trucks, connections to municipal sewer systems, energy efficiency upgrades such as lighting, insulation, and windows).
- New garages to replace those which due to their poor condition are beyond rehabilitation or repair.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Transportation Buildings

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	245,516	0	0	0
Operating Expenses	1,357,279	1,311,500	1,311,500	2,467,500
<hr/> TOTAL	<hr/> 1,602,795	<hr/> 1,311,500	<hr/> 1,311,500	<hr/> 2,467,500
FUND TYPE				
Transportation Fund	1,602,795	1,311,500	1,311,500	1,517,500
Special Fund	0	0	0	190,000
Federal Revenue Fund	0	0	0	760,000
<hr/> TOTAL	<hr/> 1,602,795	<hr/> 1,311,500	<hr/> 1,311,500	<hr/> 2,467,500

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Program Development

Appropriation Key Budget Issues

The core appropriations within Program Development are Bridge, Paving, Roadway, Traffic Safety, and Local Transportation Facilities. The downturn in state revenues, volatility in fuel and material costs, and anticipated rollout of a massive federal stimulus package has made project estimating and scheduling a significant challenge during this budget year.

Even so, as in previous years the primary focus for Program Managers in developing the FY11 budget is to apply asset management principles in consort with continued use of VTrans' Project Prioritization Systems that was initiated in FY07. Through this effort, the Agency has a clear and transparent method for choosing which projects move forward in the project-development process.

General highlights for each of the core appropriations are as follows:

Bridge Program: Preservation and enhancement of existing bridges and large culverts remains the primary focus. The report meeting the requirements of Section 29 last year highlights the significant challenge before us. The project selections and program emphasis areas are geared to optimize the rate of return on any state, federal, and local dollars applied to this need.

Paving: Paving remains one of the primary areas of focus for Program Development as it is recognized as a key activity to ensuring a safe and mobile transportation system. This year's budget for paving has increased due to the availability of ARRA funding. The additional funding available allows for a sizeable increase in the number of miles of highway addressed by the program. Preservation and rehabilitation of our Interstate, State, and Class 1 Town Highways through innovative practices allow an optimization of the dollars available. .

Roadway: The Roadway aligns this year's budget with the priorities laid out in the Road to Affordability initiative. The program is directing resources toward system preservation strategies such as ledge and slope repairs as well as small culvert and drainage system repairs. In addition several significant highway reconstruction projects will be under construction, such as the Bennington Bypass, US 7 in Brandon, US 2 in Danville and the first phase of Main Street reconstruction in Barre City.

Traffic & Safety: Highway safety activities for this program are identified through the Highway Safety Improvement Program and the Strategic Highway Safety Plan. This year the focus remains the same for this program with increases in funding in the areas of rail-highway crossings and low cost safety improvements.

Local Transportation Facilities: The Agency remains committed in offering municipalities the

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Program Development

opportunity to manage projects at the local level, and the Agency continues to leverage federal and state funds so that communities can deliver transportation infrastructure improvements on the local level. The FY11 Bicycle and Pedestrian Facilities and Enhancement Programs have increased over last year's budget due in large part to American Recovery and Reinvestment Act projects and progress on earmark projects.

Park & Rides: The Park & Ride program is recognized as a critical area of investment considering the number of Vermonters that make significant daily commutes to work coupled with the trend towards gasoline price increases and global climate change. As a result, FY11 funding for this program remains fairly stable, and important projects in Enosburg, Hartland, Putney, Royalton, Waterbury and a statewide signing project are slated for construction funding.

The Agency goals of Safety, Planning, Preservation, and Excellence are the guiding principles in the FY11 Program Development budget.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Program Development

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	31,555,224	36,275,422	35,596,495	36,339,478
Operating Expenses	107,895,803	203,632,747	204,562,819	219,656,050
Grants	8,930,651	25,834,622	25,834,622	26,819,421
Non Operating Exp Budget	600	0	0	0
TOTAL	148,382,278	265,742,791	265,993,936	282,814,949
FUND TYPE				
Transportation Fund	23,232,145	20,940,808	18,281,368	21,017,243
Special Fund	0	10,455,822	13,030,381	12,856,952
American Recovery & Reinvestment Act	10,616,757	93,584,644	93,584,644	45,034,600
Federal Revenue Fund	110,953,994	132,384,837	132,720,863	198,836,920
Transportation: Local Match	712,924	1,600,430	1,600,430	1,427,254
Interdepartmental Transfer	2,866,458	6,776,250	6,776,250	3,641,980
TOTAL	148,382,278	265,742,791	265,993,936	282,814,949

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Rest Areas

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	350,535	100,000	100,000	270,000
Operating Expenses	1,139,730	2,850,000	2,850,000	4,550,000
<hr/> TOTAL	<hr/> 1,490,265	<hr/> 2,950,000	<hr/> 2,950,000	<hr/> 4,820,000
FUND TYPE				
Transportation Fund	145,792	379,740	379,740	405,144
Special Fund	0	0	0	283,800
Federal Revenue Fund	1,306,435	2,570,260	2,570,260	4,131,056
Transportation: Local Match	38,038	0	0	0
<hr/> TOTAL	<hr/> 1,490,265	<hr/> 2,950,000	<hr/> 2,950,000	<hr/> 4,820,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Maintenance State System

Appropriation Key Budget Issues

Our ability to address the maintenance needs of Vermont's aging infrastructure are still hampered by limited financial resources. Vermont continues to experience failures in its systems' components. A number of bridges, culverts and pavements have exhausted their useful life. We recognize the critical importance of our transportation assets and continue to pursue funds to specifically address those needs.

Despite the ongoing fiscal constraints, the Maintenance Section was able to continue to focus on the areas of culvert repair, culvert replacement, and slope stabilization. We have continued to see a modest increase in infrastructure investment, and that has allowed us to expand our focus into other needed areas such as major structural repairs for bridges and roadway surfaces. Our increased emphasis on preventive maintenance for bridges will extend their useful life and lessen the need for more costly repairs and replacements in the future.

The traveling public continues to demand more from its transportation system. Commuting hours have expanded, travel patterns are changing, and there continues to be an increase in vehicle miles traveled. We are challenged to meet winter service needs with our limited resources. Fuel costs, operational costs, and the volatile cost of materials influence how we address these needs. Through experience and analysis, we are modifying the way we do business to work smarter to continue to meet the public's expectations. VTrans will continue its emphasis on developing and using asset management. Inventory and condition rating of small culverts is underway and will allow for targeted investment. Exploration and experimenting with methodology and equipment to decrease salt and sand usage is underway. Better coordination with other parts of the Agency will result in shared efforts to improve systems and react to problems.

Vermont has made great strides in attaining real-time information for its transportation users. However, additional efforts are still necessary to better allow users of the network to make informed decisions when they travel. ITS systems such as 511 and Road Weather Information Systems (RWIS) continue to be enhanced to provide better information, and disseminate it to the traveling public. A journey without an incident is a journey that does not divert our staff and require other state resources including emergency services. In addition to real time traveler information, ITS services provide our staff with timely and appropriate information about weather events for their use in performing snow and ice control activities. VTrans continues to pursue the installation of fiber optic cable to provide better connectivity with State highway garages and the various ITS system components that will serve not only VTrans but the traveling public as well.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Maintenance State System

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	32,312,357	34,028,928	33,389,840	34,530,658
Operating Expenses	26,454,925	32,011,361	32,011,361	32,821,229
Grants	286,549	278,020	278,020	30,000
Non Operating Exp Budget	2,000	0	0	0
<hr/> TOTAL	<hr/> 59,055,831	<hr/> 66,318,309	<hr/> 65,679,221	<hr/> 67,381,887
FUND TYPE				
Transportation Fund	55,228,170	63,335,237	62,696,149	65,552,943
Federal Revenue Fund	3,820,338	2,883,072	2,883,072	1,728,944
Interdepartmental Transfer	7,323	100,000	100,000	100,000
<hr/> TOTAL	<hr/> 59,055,831	<hr/> 66,318,309	<hr/> 65,679,221	<hr/> 67,381,887

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Planning, Outreach & Community Affairs

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,479,425	4,099,519	3,894,455	3,080,461
Operating Expenses	809,825	1,169,550	1,169,550	1,350,317
Grants	4,603,090	5,024,772	5,024,772	4,969,488
<hr/> TOTAL	<hr/> 8,892,340	<hr/> 10,293,841	<hr/> 10,088,777	<hr/> 9,400,266
FUND TYPE				
Transportation Fund	1,852,964	2,295,512	2,090,448	1,986,265
Federal Revenue Fund	6,789,725	7,623,486	7,623,486	7,166,001
Interdepartmental Transfer	249,651	374,843	374,843	248,000
<hr/> TOTAL	<hr/> 8,892,340	<hr/> 10,293,841	<hr/> 10,088,777	<hr/> 9,400,266

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Rail

Appropriation Key Budget Issues

Vermont is unique in that about two thirds of the active rail lines are state-owned, whereas most rail lines in the US are privately owned. VTrans primary focus is on the preservation and improvement of Vermont's rail infrastructure, both publicly owned and private, and encouraging increased use of rail for moving freight efficiently.

Vermont's rail infrastructure, especially bridges, must eventually meet the national standard of handling 286,000 pound rail cars in order for Railroads in Vermont to compete and be compatible with the National network. Achieving this standard will be essential to the support of future economic growth and will also provide the means for decreased truck traffic on Vermont highways.

In addition to bringing the rail infrastructure to the 286,000 standard, Vermont must continue to work to improve rail clearances to accommodate both high and wide loads such as double stack containers and tri level autoracks. Preserving and improving our rail infrastructure also provides opportunities for passenger and/or intercity rail transport that is economically feasible and optimizes services. One of our major clearance projects, the Bellows Falls Tunnel, has been completed. Enlarging the tunnel eliminated restriction for modern autoracks and modified double stack container trains, and opened up opportunities for further development of freight traffic on Vermont railroads.

Major work needs to be done on a significant number of state owned rail bridges to bring them to the 286,000 standard. VTrans is inspecting those bridges biannually and has developed a process to identify and prioritize work on these structures. We have a number of bridges in the pipeline for rehabilitation/replacement, and in the coming years we will work toward bringing the Bellows Falls-Florence-Rutland-Hoosick Junction corridor to the 286,000 standard.

SAFTEA-LU also provided an earmark to VTrans for improvements on the Western Corridor rail system. The Environmental Impact Study for the Middlebury Rail Spur project has been completed with the Record of Decision eminent. The Rutland Rail Yard Relocation Environmental Assessment has been released for public review and comment. In addition to the SAFTEA-LU earmark, VTrans is utilizing FRA funds to upgrade portions of the Vermont Railway between Bennington and Burlington to provide an improved infrastructure for increased freight usage and future passenger usage.

VTrans continues to make infrastructure improvements to the Washington County Railroad's Connecticut River line between White River Junction and Newport. These improvements allow freight trains to move more efficiently and safely, and allow for the introduction of passenger excursion trains along various portions of the line.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Rail

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,383,968	3,625,048	3,538,762	3,344,027
Operating Expenses	10,300,400	16,770,876	16,770,876	21,154,010
<hr/> TOTAL	<hr/> 13,684,368	<hr/> 20,395,924	<hr/> 20,309,638	<hr/> 24,498,037
FUND TYPE				
Transportation Fund	8,833,701	10,042,149	9,955,863	9,776,291
Special Fund	0	0	0	1,609,000
Federal Revenue Fund	4,850,667	10,353,775	10,353,775	13,112,746
<hr/> TOTAL	<hr/> 13,684,368	<hr/> 20,395,924	<hr/> 20,309,638	<hr/> 24,498,037

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Bridge Maintenance Program

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	1,778,169	0	0	0
Operating Expenses	5,832,193	34,051,340	34,051,340	0
Grants	4,989	0	0	0
<hr/> TOTAL	<hr/> 7,615,351	<hr/> 34,051,340	<hr/> 34,051,340	<hr/> 0
FUND TYPE				
Transportation Fund	1,032,213	4,011,751	4,011,751	0
Special Fund	0	234,020	234,020	0
American Recovery & Reinvestment Act	1,855,700	6,244,047	6,244,047	0
Federal Revenue Fund	4,727,387	23,561,522	23,561,522	0
Transportation: Local Match	51	0	0	0
<hr/> TOTAL	<hr/> 7,615,351	<hr/> 34,051,340	<hr/> 34,051,340	<hr/> 0

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Transit

Appropriation Key Budget Issues

The FY11 Public Transit budget is geared towards continuing efforts to create a statewide, integrated public transit system to meet general public and human-service transportation needs as mandated by the Federal Transit Administration through the United We Ride initiative. (The United We Ride initiative is aimed at coordinating all of the various Transportation funding sources and services to achieve maximum service and utility.)

There are only two direct recipients of FTA Public Transit funding in Vermont, Chittenden County Transit Authority (CCTA) and the Vermont Agency of Transportation. While CCTA is a direct recipient and service provider, VTTrans sub-contracts transportation service as well. Actual transportation services are provided primarily through 10 regional, not-for-profit transportation organizations, including CCTA. Funding is provided under the terms and conditions of annual grant agreements. Potential fund sources include:

The Congestion Mitigation and Air Quality Program enables transportation agencies (for-profit and not-for-profit) to apply for funding in non-attainment and maintenance areas which reduce transportation-related emissions. Public transportation is one of the identified transportation control measures identified as eligible projects through the Clean Air Act. However, not all public transportation improvements are eligible under the CMAQ program. The general guideline for determining eligibility is whether an increase in public transportation ridership can reasonably be expected to result from the project. This expectation must be supported by a quantified estimate of the effects on emissions as a result of the project. The federal share for eligible projects is 80 percent. The local match (non federal or state funds) requirement is 20 percent (under federal programs as of this writing) during the 3-year demonstration period, and must be sustained after the demonstration period.

Non-Urbanized Transportation & Marketing Funds assist non-urbanized areas (population less than 50,000) with transportation that is open to the general public. The federal funding share for eligible project administration and preventive maintenance is 80 percent. The federal share for eligible operating assistance is 50 percent. The local match requirement is 20 percent and 50 percent respectively, which is derived from Vermont state public transportation funds. Marketing program funds awarded to each sub-recipient are for development of marketing and outreach materials within their respective region. Outreach material includes the creation and maintenance of a website, producing a schedule of routes and services, and the creation of brochures or other materials to promote municipal funding support. This funding is eligible for 80 percent federal recovery, with the remaining 20 percent derived from local funds (non federal or state funds).

Urban Assistance is for urbanized regions (at least 50,000 in population). Chittenden County is the only urbanized area in Vermont. The federal funding share is 80 percent. The local match is 20 percent, which is derived from Vermont state public transportation funds. CCTA applies directly to the Federal Transit Administration for this funding.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Transit

Vermont Rural Preventive Maintenance Program funds are for eligible preventive maintenance items for vehicle maintenance functions and non-vehicle maintenance functions (i.e. administration; repair of buildings, grounds and equipment, etc). The federal share is 80 percent. The local match (non federal or state funds) is 20 percent.

Rural Technical Assistance Program funds are restricted to Federal Transit Administration approved training and technical assistance expenses in non-urbanized areas through a scholarship of \$3,000 to each subrecipient provided by VTrans' Public Transit Section. In addition, the Public Transit Section administers a statewide training program developed in consultation with the Public Transit Advisory Committee. The federal share is 100 percent.

Elders and Persons with Disabilities Program funds are restricted to providing door-to-door human service transportation. Specifically, funds support transportation for elders (age 60+) and persons with disabilities as defined by the Americans with Disabilities Act (ADA). Service is provided for non-Medicaid transportation, transit to senior meal sites, adult day programs, essential shopping trips to the grocery store or pharmacy, and employment trips.

VTrans allocates E&D funds regionally via a formula which assesses three demographic indicators of need. These factors are; elder population (30 percent), disabled population (30 percent), and population density (40 percent).

Regional allocations are then further distributed by a Regional Elderly and Disabled Advisory Committee (REDAC). There are currently 9 REDACs statewide. REDAC representatives include the involved public transit providers, area agencies on aging, adult day services, community mental health centers or designated agencies, community action councils, all Agency of Human Services Field Services Directors in each planning region, consumer representatives, chambers of commerce, statewide advocacy groups, local human service agencies, and other concerned parties. REDACs meet at least quarterly to review eligibility approval, current service levels, service quality concerns, budget balances, funding issues, and matters that will improve services to consumers. Reviews of current service levels include verifying that services are the most cost effective and appropriate to meeting consumer needs, and use only authorized and appropriate modes of transportation. The federal funding share is 80 percent. The local match requirement is 20 percent, which is derived from local human service organizations participating in the REDACs or through volunteer, in-kind donations.

Job Access Reverse Commute Program funding assists individuals to help them successfully transition from welfare to work by reaching needed employment support services such as childcare and job-training activities. With the passage of SAFETEA-LU, JARC funding is allocated by population-based formula versus Congressional earmark. Prior to SAFETEA-LU, Vermont received \$800,000 in earmark funds. In FY08, Vermont received \$196,980 in federal JARC funds. The federal share is 50 percent. The local match requirement is 50 percent, which is derived from state funds. TANF funds would be the only other option to match the federal funds received from the Federal Transit

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Transit

Administration. In addition, SAFETEA-LU mandates each state to prepare local Human Service Transportation Plans to continue funding allocations, which VTrans completed in state FY08. The only JARC-identified route in Vermont is Williston to Burlington.

New Freedom Program was established in SAFETEA-LU to further enhance the federal mandate of United We Ride by funding projects that enhance transportation to persons with disabilities and go beyond mandates associated with the American with Disabilities Act. Identified projects from FTA include mobility management, door-to-door transportation outside of the $\frac{3}{4}$ mile Complementary ADA Paratransit mandate of a fixed route, installation of lifts beyond 600 pounds, etc. The federal funding share for operating services is 50 percent with 50 percent local match. The federal share for capital projects is 80 percent with 20 percent local match. SAFETEA-LU mandated this program to be included in the local Human Service Transportation Plan to be able to drawdown the federal funding. In addition, a portion of this funding is eligible for urbanized areas only.

GoVermont (previously known as Vermont RideShare) Program's mission is to inform and encourage Vermonters to examine their travel options by providing services designed to assist Vermonters in making educated transportation choices, including the use of carpools and vanpools. The GoVermont Program's commitment to the economic well-being and quality of life for all Vermonters is demonstrated by the program's positive impacts such as the reduction of energy consumption, the reduction of traffic volume and improved air quality. Other services provided through the GoVermont program include ride match and emergency ride home services, as well as program development and marketing assistance to Vermont employers.

Beginning in FY09, VTrans' Public Transit Section has administered this program in-house. VTrans has worked with Maine and New Hampshire to pursue a Tri-State GoVermont Program. Also, VTrans entered into a contract with a vanpool management firm to increase our efforts in this area. During FY10, VTrans has launched an enhanced database system to assist the general public with ride match possibilities and is implementing an intensive statewide marketing plan promoting the program.

Capital Assistance funding is provided within two programs: elders and persons with disabilities, and the general public. Elders and persons with disabilities capital program is for 15 passenger (or fewer) lift-equipped vehicles, and must be Altoona-tested for eligibility. General public capital is for lift-equipped vehicles which are also Altoona-tested; maintenance and administrative equipment; shelters; schedule holders and bike/ski racks. The federal share for all capital assistance projects is 80 percent. The local match requirement is 10 percent, while the remaining 10 percent is derived from state funds.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Public Transit

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	745,630	717,809	688,088	707,567
Operating Expenses	79,943	51,301	51,301	168,602
Grants	20,961,198	25,490,729	25,490,729	23,833,535
<hr/> TOTAL	<hr/> 21,786,771	<hr/> 26,259,839	<hr/> 26,230,118	<hr/> 24,709,704
FUND TYPE				
Transportation Fund	7,792,642	6,328,234	6,298,513	6,812,927
American Recovery & Reinvestment Act	0	3,926,923	3,926,923	2,000,000
Federal Revenue Fund	13,994,129	16,004,682	16,004,682	15,896,777
<hr/> TOTAL	<hr/> 21,786,771	<hr/> 26,259,839	<hr/> 26,230,118	<hr/> 24,709,704

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Central Garage

Appropriation Key Budget Issues

The VTrans Central Garage purchases, maintains, and administers the Agency's fleet of vehicles and equipment using an internal service fund. Vehicles and equipment are rented to the maintenance districts, DMV, and other VTrans' divisions. Rental income from those customers covers depreciation, fuel, service, and overhead.

After FY '09's deferral of plow truck chassis purchases, the critical plow truck fleet is returning to regularly scheduled replacements. The minimum equipment necessary to fulfill the Agency's mission, and the means to maintain it at minimal cost, are under scrutiny

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Central Garage

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,301,198	3,454,724	3,454,724	3,347,147
Operating Expenses	10,224,451	13,393,351	13,393,351	14,130,716
<hr/> TOTAL	<hr/> 13,525,649	<hr/> 16,848,075	<hr/> 16,848,075	<hr/> 17,477,863
FUND TYPE				
Internal Service Fund	13,525,649	16,848,075	16,848,075	17,477,863
<hr/> TOTAL	<hr/> 13,525,649	<hr/> 16,848,075	<hr/> 16,848,075	<hr/> 17,477,863

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Department of Motor Vehicles

Department Mission Statement

The Department of Motor Vehicles' mission is to administer motor vehicle transactions and related laws, promote highway safety, and collect transportation revenues, while doing so in a timely and cost-effective manner that provides a high level of customer service and satisfaction.

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, enforcement of motor-vehicle related laws, and collecting motor fuel revenue for the State of Vermont. The department also manages several safety programs. The Vermont DMV serves a resident population of over 621,000 as well as a significant number of nonresidents.

The Department's key performance indicators are:

- ☐ Wait time for counter services: within 30 minutes.
- ☐ Telephone queue time: three minutes maximum.
- ☐ Mail processing backlogs: 3 days or less 90% of all workdays.
- ☐ Registration renewals processed by electronic means: 15% of all registration renewals mailed.
- ☐ Vermont Rider Education Program (VREP) student satisfaction rating: 4 (Above Average) or higher.
- ☐ Reduce unsafe drivers and vehicles by identifying federal Motor Carrier Safety Assistance Program (MCSAP) Out of Service (OOS) violations through inspections.
- ☐ Assure compliance with the provisions of the federally mandated State Size and Weight Plan: % over Overweight violations detected.
- ☐ Classify all revenue by the end of the month in which it was collected: 100% of the time.
- ☐ Design, develop and implement an EDL program to be rolled out to the general public to ensure compliance by the federal government's June 2009 effective date.
- ☐ Meet VTDrives key project milestone dates for system design, user acceptance testing and user training, and go live with the new system in December 2009.

The Department is comprised of three divisions: Enforcement & Safety, Operations, and Support Services.

The Enforcement & Safety Division is comprised of a contingency of sworn law enforcement officers

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Department of Motor Vehicles

and non-sworn civilian staff. The Division has four sections - the Commercial Vehicle Enforcement Section, the Investigations Section, the Administrative Support Section and the New Motor Vehicle Arbitration Board.

Commercial Vehicle Enforcement Section:

Sworn law enforcement officers staff this section, whose primary mission is enforcement of laws and regulations pertaining to commercial-vehicle safety. Their duties include assuring that commercial drivers have proper credentials that vehicles meet state and federal equipment standards, and that vehicles fall within acceptable standards concerning length and weight restrictions.

The Commercial Vehicle Enforcement Program consists of the federally sponsored Motor Carrier Safety Assistance Program (MCSAP) as well as the Size and Weight program.

Investigations Section:

This section is comprised of a Criminal Investigative Unit, an Administrative Investigative Unit, and the Education & Safety Unit.

The primary focus of the Criminal and Administrative Investigative Unit is to regulate, monitor and investigate illegal or questionable activities relating to licensing, registration and title fraud; dealer and inspection regulations; and provide general law enforcement support services. The Education & Safety Unit is responsible for regulating, licensing and monitoring commercial driver training schools; third party testing programs; training and licensing school bus driver training instructors; Pupil Transportation Safety laws and issues; and the Vermont Motorcycle Awareness Program.

Administrative Support Section:

The Administrative Support Section provides support to all units within the Enforcement & Safety Division. The section is responsible for support functions relating to dealer licensing, inspection station licensing, mechanic certifications, junkyard licensing, abandoned vehicles, Vermont Rider Education Program information, and the Federal Motor Carrier Safety Administration, which consists of Driver/Vehicle Inspection Reports for motor carriers.

New Motor Vehicle Arbitration Board:

The Department administers the lemon law program for this Board, which hears lemon law claims for motor vehicles. A consumer may file a Demand for Arbitration after demonstrating a reasonable number of repair attempts, with at least one occurring within the manufacturer's express warranty. The Board determines whether the consumer is entitled to a pro-rated refund, comparable replacement vehicle, or the manufacturer demonstrates that the vehicle's repair history does not substantially impair the vehicle's use, market value or safety.

The Operations Division is DMV's largest division, encompassing 68 percent of total Department resources. It is responsible for all customer-service functions (Montpelier counter, branch offices, mobile van operations and telephone information services); mail processing; license suspension and

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Department of Motor Vehicles

reinstatement; crash reporting; the International Registration Plan; oversize permitting; commercial vehicle operations (including the collection and distribution of fuel taxes, maintenance of accurate and reliable records, tracking delinquent accounts, and suspension initiation on accounts that are in arrears); and all backroom operations (including mail processing, data entry, quality control, and imaging and retrieval of departmental records functions).

The Support Services Division is responsible for facility management for DMV office locations, budget planning and financial services, revenue collection, human resources, training, project management and implementation, stockroom and mailroom operations, and general support functions.

DMV Performance:

Providing quality customer service is a central component to the Department's mission. DMV has engaged in an annual strategic-planning initiative within the three Divisions. DMV's primary objective is to look at issues that can:

- a) Improve internal operational efficiency.
- b) Improve or enhance the level of service we provide to our customers.

Specific accomplishments in each of DMV's key performance indicators include:

Counter Services

FY 09 Results: The percentage of customers receiving service within 30 minutes or less at all offices dropped below 87% which has been the lowest level in the past three years. The major influence has been the implementation of the Enhanced Driver License (EDL) Program. Since its implementation in February 2009, the EDL Program has had a dramatic impact on customer wait times at the Montpelier Office, the only office that issues the EDLs at this point in time. This is due to the stringent security processes required by Department of Homeland Security, which include providing proof of citizenship, identity, and residency, and being interviewed by specially trained DMV employees.

When examining the percentage of customers waited on within 30 minutes at each office, it is clear that all offices except the Montpelier office exceeded the 90% benchmark over the past three years. The factors impacting the Montpelier Office statistics include:

1. Montpelier is the only office that processed driver license reinstatements. These transactions require more time to verify that the individual has satisfied all license reinstatement requirements and are, in fact, eligible for a driver license reinstatement.
2. Three positions were taken from the Montpelier General Services counter in FY 09 to staff the new EDL counter operation, which resulted in a decrease of 2.65% in the customers served within 30 minutes.

Telephone Wait Time

FY 09 Results: The average telephone wait time to speak with a Customer Service Specialist decreased by 12 seconds in FY 09. This decrease can be attributed to a number of factors:

- 1) Better "in-queue" messages that provide the public with information to several frequently

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Department of Motor Vehicles**

asked questions, thereby eliminating the need to speak directly to a Customer Service Specialist.

- 2) Increased use of the DMV website that provides information the customer needs without having to contact the Department directly.
- 3) Decrease in the number of telephone calls received overall due to the state of the economy. When the economy is bad, fewer people purchase vehicles and recreational vehicles.

Mail Processing

FY 09 Results: The percentage of days that mail processing backlogs were at 3 days or less was well above the performance benchmark of 90% for the third consecutive year. The primary reasons for success are:

1. Increased use of the web for registration renewals
2. An overall decrease in mail transactions due to the impact of the economic recession.
3. The positive impact on production resulting from the employee incentive plan.

The establishment of a full-time Tiger Team, who are deployed to units most in need of assistance, plus support from Montpelier counter staff and Quality Control unit staff, has also been contributing factors to this success.

Registration Renewals Processed By Electronic Means

FY 09 results: In FY 09, 20.4% of all registration renewals were processed by web, kiosk, or interactive voice response (IVR). This is the third consecutive fiscal year in which we have surpassed the established performance benchmark of 15% for electronic processing of registration renewals.

Vermont Rider Education Program (VREP) Student Satisfaction

FY 09 Results: Student satisfaction with the Vermont Rider Education Program has remained constant at a rating 4.8 (Above Average) for the sixth consecutive year. The first year that student satisfaction was measured (2003) the overall satisfaction rating was 4.7.

The popularity and success of the program is demonstrated by the increasing number of students attending the program each year and the number of courses provided to accommodate them. During the past two years, the number of students attending the Vermont Rider Education Program increased by an average of 13.6%. Student attendance increased by 14.9% (193 students) in FY 08 and 12.3% (184 students) in FY 09. During this same period the number of courses increased by 8.9% (13 courses) in FY 08 and 14.1% (19 courses) in FY 09.

Driver and Vehicle Violations

FY 09 Results: The total number of commercial motor vehicle inspections conducted by DMV Commercial Vehicle Enforcement (CVE) Inspectors has increased by 52% (3,056) over the past three state fiscal years. This significant increase was due in part to the addition of a four person Border Enforcement Team. The four limited permanent employees were hired and trained with grant funding from the Federal Motor Carrier Safety Administration. The CVE unit saw a 50% increase in inspections

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Department of Motor Vehicles

conducted between SFY 07-08. CVE inspectors increased activities by another 2% for SFY 08-09.

CVE Inspectors averaged a .31% OOS rate per vehicle inspection for the last three state fiscal years.

Trucks selected for inspection over this three-year period were found to have an average of 2.25 violations per vehicle. This tells us, per vehicle inspection, the more serious offenses that put a vehicle and/or driver out-of-service has increased at a much slower rate than the number of less serious safety offenses. Therefore, the vehicle inspections are doing what they are intended to do - decreasing the number of unsafe drivers and vehicles on the road.

Commercial Motor Vehicle Size and Weight Program

FY 09 Results: The total number of weigh details has decreased over the past three years from 21,626 in FY 07 to 12,690 in FY 09. However, while weigh details at fixed weigh stations were down, CVE Inspectors were able to show an increase in overweight violations detected away from fixed weigh stations through increased directed mobile patrol activities. In FY 09 the percentage of overweight violations detected was 3.80%, an increase of 10.8% from FY 08's figure of 3.43%.

Revenue Classification

FY 09 Results: The Department achieved this measure as all revenue was properly classified by the end of the month 100% of the time.

Enhanced Driver License (EDL) Program

FY 09 Results: The EDL program was implemented in mid- February 2009. The Department had issued 6,225 EDLs through June 30, 2009.

VTDrives Project

FY 09 Results: Due to contractor performance and project management issues this project has fallen behind schedule. System design work is wrapping up in the fall of 2009 with User Acceptance Testing set to begin in December and continue for approximately five months. Implementation is now set for the summer of 2010.

Note: The new system will fundamentally change how DMV conducts its business. From a batch processing environment we will move to a real time one. This will necessitate the movement of staff from back office functions such as Data Entry to more customer service focused ones at our service counter locations and mail processing units. Employees in these positions will now be doing all facets of a transactions processing where it now may go through multiple hands/units before the process is completed. As a result the change management activities associated with transitioning to this new system, not to mention the time to test, train and convert data, are extensive and will have a significant impact on DMV's operations in 2010.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Department of Motor Vehicles

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Department of Motor Vehicles	250	249	249	22,292,141	25,080,315	24,523,197	24,300,470
<hr/> TOTAL	<hr/> 250	<hr/> 249	<hr/> 249	<hr/> 22,292,141	<hr/> 25,080,315	<hr/> 24,523,197	<hr/> 24,300,470
FUND TYPE							
Transportation Fund				20,473,043	23,597,821	23,040,703	23,096,730
Federal Revenue Fund				1,761,677	1,482,494	1,482,494	1,203,740
Interdepartmental Transfer				57,421	0	0	0
<hr/> TOTAL				<hr/> 22,292,141	<hr/> 25,080,315	<hr/> 24,523,197	<hr/> 24,300,470

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Department of Motor Vehicles

Appropriation Key Budget Issues

The Department of Motor Vehicles' (DMV) mission is to administer motor vehicle and related laws, promote highway safety, and collect transportation revenues, while providing a high level of both customer service and satisfaction as well as to perform these tasks in a timely and cost-effective manner.

1) DMV's FY 11 budget includes \$800,000 for project expenditures for DMV's System Modernization project (VTDRIVES). The FY 10 budget included \$1.7 million dollars for VTDRIVES development. DMV's base budget was reduced by that amount prior to FY 11 budget development due to the planned implementation of the project in FY 10.

2) The VTDRIVES project delay caused DMV staff to devise an interim method of issuing Enhanced Driver Licenses and IDs (EDL/IDs). DMV began issuing EDL/ID cards to the general public in February 2009, utilizing the interim solution well ahead of the June 1st deadline. With the full implementation of VT DRIVES in early FY11, the EDL process will become more automated, greatly reducing the work presently required by DMV staff, and anticipated to lessen the processing time for each customer.

The FY 2011 state dollar request is 1% less than the FY10 budget as passed. When position cuts that occurred during FY10 are considered, the state dollars requested are 1.4% more than the FY10 estimated figures based on those cuts. The key budget drivers in the FY11 budget are:

1. VTDRIVES Project Contract Change Requests and implementation.
2. Increased photo costs associated with the issuance of EDLs.
3. Rapidly expanding use of online DMV transactions that are paid for by credit card, with those costs reflected in the Bank Service Charges line item.
4. Postage increase due to EDL mailing costs and postal rate increase in May 2009.

It is important to note that the largest items on the operating expense side of DMV's budget are customer driven. The FY11 budget for the most part is built based on reduced business levels experienced over the past 18 months.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Department of Motor Vehicles

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	14,532,528	16,913,642	16,356,524	15,786,441
Operating Expenses	7,591,499	8,116,673	8,116,673	8,377,553
Grants	168,114	50,000	50,000	136,476
<hr/> TOTAL	<hr/> 22,292,141	<hr/> 25,080,315	<hr/> 24,523,197	<hr/> 24,300,470
FUND TYPE				
Transportation Fund	20,473,043	23,597,821	23,040,703	23,096,730
Federal Revenue Fund	1,761,677	1,482,494	1,482,494	1,203,740
Interdepartmental Transfer	57,421	0	0	0
<hr/> TOTAL	<hr/> 22,292,141	<hr/> 25,080,315	<hr/> 24,523,197	<hr/> 24,300,470

**STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Town Highway Programs**

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, and roadway maintenance. Program success can be demonstrated in terms of funding availability and use by towns that 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 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 aid to maintain and construct bridges having a span of six feet or more on Class 1, Class 2, and Class 3 town highways. Projects are offered to towns based on bridge condition and funding availability. 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 land parcels 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, Class 2 and Class 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

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Town Highway Programs

Class 1, Class 2 or Class 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.

The 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, Class 2, and Class 3 highway mileage in each of the 264 municipalities. Funds may be used for town highway construction, improvement, maintenance, 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 information, training and technical assistance to towns in the area of roads and bridges.

The Municipal Mitigation Grant Program provides grants to municipalities for assistance in mitigating/reducing water pollution associated with existing roads and road-maintenance activities. This appropriation includes funding for programs such as the Better Backroads Program, the Clean and Clear Program, and the two stormwater mitigation federal earmarks.

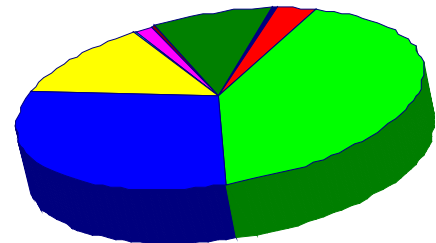
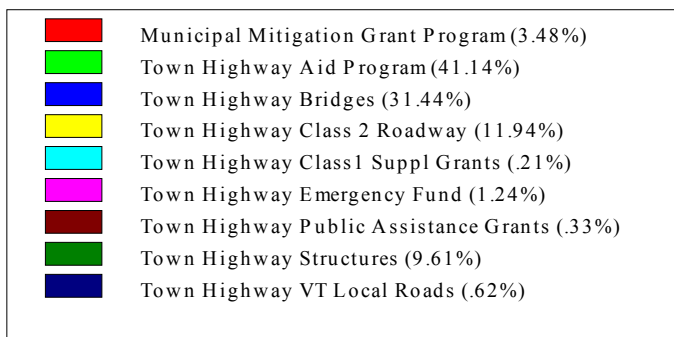
The Public Assistance Program provides supplemental aid to state and town efforts in recovery from federally declared disasters.

General assistance is provided by VTrans' maintenance Districts to towns as time/conditions permit for road and bridge concerns, associated grants, and disaster recovery efforts.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
AOT Town Highway Programs

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Town Highway Structures	0	0	0	3,843,759	3,833,500	3,833,500	5,833,500
Town Highway Emergency Fund	0	0	0	1,234,852	750,000	1,270,000	750,000
Town Highway VT Local Roads	0	0	0	349,357	375,000	375,000	375,000
Town Highway Class 2 Roadway	0	0	0	5,479,625	5,748,750	5,748,750	7,248,750
Town Highway Bridges	0	0	0	16,563,807	26,069,416	26,069,416	19,089,340
Town Highway Aid Program	0	0	0	24,057,744	24,982,744	24,982,744	24,982,744
Town Highway Class1 Suppl Grants	0	0	0	128,750	128,750	128,750	128,750
Town Highway Public Assistance Grants	0	0	0	9,133,804	200,000	200,000	200,000
Municipal Mitigation Grant Program	0	0	0	1,635,724	2,112,998	2,112,998	2,112,998
TOTAL	0	0	0	62,427,422	64,201,158	64,721,158	60,721,082
FUND TYPE							
Transportation Fund				37,500,993	36,426,742	36,946,742	40,084,966
Special Fund				1,153,384	1,875,976	1,875,976	1,616,014
American Recovery & Reinvestment Act				224,828	9,442,034	9,442,034	3,990,070
Federal Revenue Fund				22,752,578	15,063,036	15,063,036	14,263,401
Transportation: Local Match				795,639	1,393,370	1,393,370	766,631
TOTAL				62,427,422	64,201,158	64,721,158	60,721,082



STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Town Highway Structures

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	3,843,759	3,833,500	3,833,500	5,833,500
<hr/> TOTAL	<hr/> 3,843,759	<hr/> 3,833,500	<hr/> 3,833,500	<hr/> 5,833,500
FUND TYPE				
Transportation Fund	3,843,759	3,833,500	3,833,500	5,833,500
<hr/> TOTAL	<hr/> 3,843,759	<hr/> 3,833,500	<hr/> 3,833,500	<hr/> 5,833,500

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Town Highway Emergency Fund

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	1,234,852	750,000	1,270,000	750,000
<hr/> TOTAL	<hr/> 1,234,852	<hr/> 750,000	<hr/> 1,270,000	<hr/> 750,000
FUND TYPE				
Transportation Fund	1,234,852	750,000	1,270,000	750,000
<hr/> TOTAL	<hr/> 1,234,852	<hr/> 750,000	<hr/> 1,270,000	<hr/> 750,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Town Highway VT Local Roads

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	349,357	375,000	375,000	375,000
<hr/> TOTAL	<hr/> 349,357	<hr/> 375,000	<hr/> 375,000	<hr/> 375,000
FUND TYPE				
Transportation Fund	153,590	235,000	235,000	235,000
Federal Revenue Fund	195,767	140,000	140,000	140,000
<hr/> TOTAL	<hr/> 349,357	<hr/> 375,000	<hr/> 375,000	<hr/> 375,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Town Highway Class 2 Roadway

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	5,479,625	5,748,750	5,748,750	7,248,750
TOTAL	5,479,625	5,748,750	5,748,750	7,248,750
FUND TYPE				
Transportation Fund	5,479,625	5,748,750	5,748,750	7,248,750
TOTAL	5,479,625	5,748,750	5,748,750	7,248,750

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Town Highway Bridges

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	3,515,960	3,570,000	3,570,000	3,600,000
Operating Expenses	12,759,847	22,499,416	22,499,416	15,489,340
Grants	288,000	0	0	0
<hr/> TOTAL	<hr/> 16,563,807	<hr/> 26,069,416	<hr/> 26,069,416	<hr/> 19,089,340
FUND TYPE				
Transportation Fund	2,354,675	500,000	500,000	658,224
Special Fund	0	1,875,976	1,875,976	1,616,014
American Recovery & Reinvestment Act	224,828	9,442,034	9,442,034	3,990,070
Federal Revenue Fund	13,188,665	12,858,036	12,858,036	12,058,401
Transportation: Local Match	795,639	1,393,370	1,393,370	766,631
<hr/> TOTAL	<hr/> 16,563,807	<hr/> 26,069,416	<hr/> 26,069,416	<hr/> 19,089,340

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Town Highway Aid Program

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	24,057,744	24,982,744	24,982,744	24,982,744
<hr/> TOTAL	<hr/> 24,057,744	<hr/> 24,982,744	<hr/> 24,982,744	<hr/> 24,982,744
FUND TYPE				
Transportation Fund	24,057,744	24,982,744	24,982,744	24,982,744
<hr/> TOTAL	<hr/> 24,057,744	<hr/> 24,982,744	<hr/> 24,982,744	<hr/> 24,982,744

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Town Highway Class1 Suppl Grants

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
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 2011 BUDGET RECOMMENDATIONS
Town Highway Public Assistance Grants

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	113,281	0	0	0
Operating Expenses	154,477	0	0	0
Grants	8,866,046	200,000	200,000	200,000
<hr/> TOTAL	<hr/> 9,133,804	<hr/> 200,000	<hr/> 200,000	<hr/> 200,000
FUND TYPE				
Special Fund	1,153,384	0	0	0
Federal Revenue Fund	7,980,420	200,000	200,000	200,000
<hr/> TOTAL	<hr/> 9,133,804	<hr/> 200,000	<hr/> 200,000	<hr/> 200,000

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Municipal Mitigation Grant Program

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Grants	1,635,724	2,112,998	2,112,998	2,112,998
<hr/> TOTAL	<hr/> 1,635,724	<hr/> 2,112,998	<hr/> 2,112,998	<hr/> 2,112,998
FUND TYPE				
Transportation Fund	247,998	247,998	247,998	247,998
Federal Revenue Fund	1,387,726	1,865,000	1,865,000	1,865,000
<hr/> TOTAL	<hr/> 1,635,724	<hr/> 2,112,998	<hr/> 2,112,998	<hr/> 2,112,998

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Transportation Board

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 Highways (19 V.S.A.); Aeronautics and Surface Transportation (5 V.S.A.); Scenery Preservation Council construction criteria (10 V.S.A. § 425); Scenic Roads (25 V.S.A., §§ 2501-2502); Eminent Domain (29 V.S.A., §§ 792-4; 30 V.S.A. §§ 113, 114, 117), and, as of the 2009 adjourned legislative session, disputes between manufacturers and Vermont dealers of new automobiles (9 V.S.A., §§ 4083-4100; 19 VSA § 3).

Description of Appropriations, Divisions, & Programs

The Transportation Board performs regulatory and quasi-judicial functions related to transportation. Responsibilities include hearing:

1. Appeals from agency decisions regarding measurement, description or reclassification of town highways. [V.S.A.19 § 305].
2. Small (less than \$2,000)-claims appeals of agency decisions [V.S.A. 19 § 20].
3. Appeals, when requested in writing, of highway decisions by the secretary of transportation when assuming powers and duties of a selectboard in unorganized towns and gores [19 V.S.A. § 16].
4. Appeals, when requested in writing, regarding legal disputes over agency contracts and certain highway access permits.
5. 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.
6. 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 Class 3 town highway during the winter.
7. 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.
8. Conduct compensation hearings and make damage awards where the Agency of Transportation and affected landowners are unable to agree on the amount of compensation.
9. Designate state scenic roads and corridors (19 V.S.A. Section 2501(a)).
10. Approve new highway or public ways opening into or connecting with established limited-access highways.
11. Issues regarding rail-highway grade crossings, farm crossings and other railroad-related responsibilities outlined in Title 5.

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Transportation Board

- 12. Requests for airports and restricted landing areas pursuant to Title 5, Section 207 (a-h).
- 13. Hear disputes involving new-car manufacturers and Vermont new-car dealers (9 V.S.A. Sections 4083-4100;
3 V.S.A. Section 3)

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Transportation Board

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Department							
Transportation Board	1	1	1	82,910	86,891	86,891	86,544
TOTAL	1	1	1	82,910	86,891	86,891	86,544
FUND TYPE							
Transportation Fund				82,910	86,891	86,891	86,544
TOTAL				82,910	86,891	86,891	86,544

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Transportation Board

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Personal Services	73,713	73,502	73,502	75,633
Operating Expenses	9,197	13,389	13,389	10,911
<hr/> TOTAL	<hr/> 82,910	<hr/> 86,891	<hr/> 86,891	<hr/> 86,544
FUND TYPE				
Transportation Fund	82,910	86,891	86,891	86,544
<hr/> TOTAL	<hr/> 82,910	<hr/> 86,891	<hr/> 86,891	<hr/> 86,544

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Debt Service

DEPARTMENT SUMMARY BY APPROPRIATION

	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010		FY 2011
Department	Pos. #	Pos. #	Pos. #	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Interest - Temporary Borrowing	0	0	0	0	1,176,792	700,000	0
Debt Service - Principal	0	0	0	71,459,051	70,804,150	70,746,672	71,881,335
TOTAL	0	0	0	71,459,051	71,980,942	71,446,672	71,881,335
FUND TYPE							
General Fund				67,048,726	65,920,712	65,391,180	67,372,470
Transportation Fund				1,914,650	3,560,515	3,555,777	3,482,640
Special Fund				2,495,675	2,499,715	2,499,715	1,026,225
TOTAL				71,459,051	71,980,942	71,446,672	71,881,335

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Interest - Temporary Borrowing

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Operating Expenses	0	1,176,792	700,000	0
<hr/> TOTAL	<hr/> 0	<hr/> 1,176,792	<hr/> 700,000	<hr/> 0
FUND TYPE				
General Fund	0	1,176,792	700,000	0
<hr/> TOTAL	<hr/> 0	<hr/> 1,176,792	<hr/> 700,000	<hr/> 0

STATE OF VERMONT
FISCAL YEAR 2011 BUDGET RECOMMENDATIONS
Debt Service - Principal

APPROPRIATION SUMMARY BY MAJOR OBJECT

	FY 2009	FY 2010		FY 2011
	FY09 Actual	FY10 Budget As Passed	FY10 Estimated	FY11 Governor Proposed
Major Object				
Operating Expenses	71,459,051	70,804,150	70,746,672	71,881,335
<hr/> TOTAL	<hr/> 71,459,051	<hr/> 70,804,150	<hr/> 70,746,672	<hr/> 71,881,335
FUND TYPE				
General Fund	67,048,726	64,743,920	64,691,180	67,372,470
Transportation Fund	1,914,650	3,560,515	3,555,777	3,482,640
Special Fund	2,495,675	2,499,715	2,499,715	1,026,225
<hr/> TOTAL	<hr/> 71,459,051	<hr/> 70,804,150	<hr/> 70,746,672	<hr/> 71,881,335