

## MEMORANDUM

**TO:** The Legislative Joint Fiscal Committee  
**CC:** Administration Secretary Job Spaulding, Administration Deputy Secretary  
Michael Clasen; Sue Zeller and Matt Riven  
**FROM:** Jim Reardon, Commissioner Finance & Management  
**RE:** Fiscal Year 2012 Base Reduction  
**DATE:** November 21, 2011

During the 2011 legislative session, a \$12 million reduction in FY 2012 base General Fund (GF) appropriations was enacted in 2011 Act 63 § B.110(a) (the Act). In accordance with the reporting requirements included in the Act language, a summary of how the reductions were or were not achieved is provided below.

On behalf of the Secretary of Administration, we hereby report that, of the total \$12 million, \$8.164 million in GF appropriation reductions were distributed; \$1.254 million in appropriation reductions were made in funds other than GF - the savings from which were transferred (direct applications) to GF; and \$2.582 million in savings were not achieved.

Allocation of Saving Reduction Achieved per 2011 Act 63 Sec. B.1101	Retirement Savings	Furlough Days	Health plan savings	Hiring Freeze	Total Savings Allocated
General Fund Appropriation Reductions	(2,000,000)	(57,570)	(2,519,982)	(3,586,000)	(8,163,552)
Other Funds Appropriation Reductions (direct applications to GF)	-	-	-	(1,254,000)	(1,254,000)
Net Savings Achieved/Allocated	(2,000,000)	(57,570)	(2,519,982)	(4,840,000)	(9,417,552)
Original Savings Target					(12,000,000)
<b>Grand Total Net General Fund - 2011 Act 63 Sec. B.1101 (Savings Not Achieved/Allocated)</b>					<b>2,582,448</b>

A detailed list of reductions by department and fund is attached. Should you require additional information, I will be happy to provide it.



**Allocation of FY 2012 Saving Reduction, per 2011 Act 63 Sec. B.1101**

	<b>Retirement Savings</b>	<b>Furlough Days</b>	<b>Health plan savings</b>	<b>Hiring Freeze</b>	<b>Total Savings Allocated</b>
<b>GENERAL FUND</b>					
<b>Appropriation Changes</b>					
<b>GENERAL GOVERNMENT</b>					
Administration - secretary's office	(3,786)	-	(5,906)	-	(9,692)
Information and innovation	-	-	(109)	-	(109)
Finance and management	(3,926)	-	(5,325)	(25,000)	(34,251)
Human resources	(37,343)	(1,046)	(16,616)	(55,000)	(110,005)
Libraries	(13,478)	(3,130)	(13,870)	(20,000)	(50,478)
Tax	(80,966)	-	(108,582)	(250,000)	(439,548)
Buildings and general services	(4,802)	(9,617)	(25,213)	-	(39,632)
<b>Sub-total Agency of Administration</b>	<b>(144,301)</b>	<b>(13,793)</b>	<b>(175,621)</b>	<b>(350,000)</b>	<b>(683,715)</b>
Executive office - governor's office	-	-	(5,781)	(10,000)	(15,781)
Legislative council	(11,855)	-	(21,509)	(15,000)	(48,364)
Legislature	(5,005)	-	(9,742)	-	(14,747)
Legislative information technology	(2,286)	-	(4,803)	-	(7,089)
Joint fiscal committee	(6,135)	-	(10,046)	(10,000)	(26,181)
Sergeant at arms	(1,732)	-	(4,224)	-	(5,956)
Lieutenant governor	(812)	-	(74)	-	(886)
Auditor of accounts	(1,708)	-	(1,101)	(15,000)	(17,809)
State treasurer	(5,560)	-	(9,486)	(25,000)	(40,046)
State labor relations board	(1,015)	-	(2,276)	-	(3,291)
VOSHA review board	-	-	(7)	-	(7)
Homeowner rebate	-	-	-	-	-
Renter rebate	-	-	-	-	-
Use tax reimbursement fund - municipal current use	-	-	-	-	-
<b>Sub-total General Government</b>	<b>(180,409)</b>	<b>(13,793)</b>	<b>(244,670)</b>	<b>(425,000)</b>	<b>(863,872)</b>
<b>PROTECTION OF PERSONS &amp; PROPERTY</b>					
Attorney general	(41,365)	(3,094)	(32,533)	(35,000)	(111,992)
Vermont court diversion	-	-	-	-	-
Defender general	(32,384)	-	(58,399)	(25,000)	(115,783)
Judiciary	(157,451)	-	(214,058)	-	(371,509)
State's attorneys	(58,209)	-	(79,639)	(65,000)	(202,848)
Special investigative units	-	-	-	-	-
Sheriffs	(18,605)	-	(35,719)	(25,000)	(79,324)
Public safety	(344,739)	(1,546)	(378,697)	(446,000)	(1,170,982)
Military	(14,130)	-	(21,918)	(50,000)	(86,048)
Center for crime victims services	-	-	-	-	-
Criminal justice training council	(4,685)	-	(5,745)	-	(10,430)
Agriculture, food and markets	(47,464)	(286)	(28,177)	(25,000)	(100,927)
Secretary of state	(9,148)	(1,786)	(10,198)	(30,000)	(51,132)
Human rights commission	(2,131)	-	(3,044)	-	(5,175)
<b>Sub-total Protection of Persons &amp; Property</b>	<b>(730,311)</b>	<b>(6,712)</b>	<b>(868,127)</b>	<b>(701,000)</b>	<b>(2,306,150)</b>
<b>PROTECTION OF PERSONS &amp; PROPERTY</b>					
AHS - secretary's office	(16,286)	-	(24,032)	-	(40,318)
Secretary's office - Global Commitment	-	-	-	-	-
Department of Vermont health access - administration	(558)	(610)	(2,009)	-	(3,177)
Health	(44,608)	(5,841)	(39,601)	-	(90,050)
Mental health	(105,854)	-	(140,385)	(2,000,000)	(2,246,239)
Department for children and families	(186,644)	(4,071)	(217,924)	-	(408,639)
Disabilities, aging and independent living	(36,741)	(3,865)	(49,121)	-	(89,727)
Corrections	(513,016)	(3,014)	(722,519)	-	(1,238,549)
<b>Sub-total Agency of Human Services</b>	<b>(903,707)</b>	<b>(17,401)</b>	<b>(1,195,591)</b>	<b>(2,000,000)</b>	<b>(4,116,699)</b>
Commission on women	(1,776)	-	(2,380)	-	(4,156)
Retired senior volunteer program	-	-	-	-	-
<b>Sub-total Human Services</b>	<b>(905,483)</b>	<b>(17,401)</b>	<b>(1,197,971)</b>	<b>(2,000,000)</b>	<b>(4,120,855)</b>
<b>LABOR</b>					
Labor - administration	(10,851)	(2,556)	(11,428)	(50,000)	(74,835)
<b>Sub-Total Labor</b>	<b>(10,851)</b>	<b>(2,556)</b>	<b>(11,428)</b>	<b>(50,000)</b>	<b>(74,835)</b>

**Allocation of FY 2012 Saving Reduction, per 2011 Act 63 Sec. B.1101**

	Retirement Savings	Furlough Days	Health plan savings	Hiring Freeze	Total Savings Allocated
<b>GENERAL EDUCATION</b>					
Education - finance/administration/ed services	(29,684)	(7,975)	(31,790)	(100,000)	(169,449)
Appropriation and transfer to education fund	-	-	-	-	-
State teachers' retirement system	-	-	-	-	-
<b>Sub-Total General Education</b>	<b>(29,684)</b>	<b>(7,975)</b>	<b>(31,790)</b>	<b>(100,000)</b>	<b>(169,449)</b>
<b>HIGHER EDUCATION</b>					
University of Vermont	-	-	-	-	-
Vermont public television	-	-	-	-	-
Vermont state colleges	-	-	-	-	-
Vermont state colleges - allied health	-	-	-	-	-
Vermont interactive television	-	-	-	-	-
Vermont student assistance corporation	-	-	-	-	-
New England higher education compact	-	-	-	-	-
University of Vt - Morgan Horse Farm	-	-	-	-	-
<b>Sub-Total Higher Education</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NATURAL RESOURCES</b>					
Agency of natural resources - administration	(16,265)	-	(24,574)	(37,712)	(78,551)
Fish and wildlife - support and field services	-	-	(6,116)	(58,317)	(64,433)
Forests, parks and recreation - administration	(27,296)	(3,110)	(40,023)	-	(70,429)
Environmental conservation - management and support services	(40,329)	(607)	(50,547)	(143,971)	(235,454)
<b>Sub-Total Agency of Natural Resources</b>	<b>(83,890)</b>	<b>(3,717)</b>	<b>(121,260)</b>	<b>(240,000)</b>	<b>(448,867)</b>
Natural resources board	(16,692)	(2,549)	(7,335)	(10,000)	(36,576)
<b>Sub-Total Natural Resources</b>	<b>(100,582)</b>	<b>(6,266)</b>	<b>(128,595)</b>	<b>(250,000)</b>	<b>(485,443)</b>
<b>COMMERCE &amp; COMMUNITY DEVELOPMENT</b>					
Agency of commerce and community development - administration	(12,436)	-	(16,171)	-	(28,607)
Economic, housing, and community development	(18,569)	(2,867)	(14,737)	(60,000)	(96,173)
Tourism and marketing	(11,675)	-	(6,493)	-	(18,168)
<b>Sub-Total Agency of Commerce</b>	<b>(42,680)</b>	<b>(2,867)</b>	<b>(37,401)</b>	<b>(60,000)</b>	<b>(142,948)</b>
Vermont council on the arts	-	-	-	-	-
Vermont symphony orchestra	-	-	-	-	-
Vermont historical society	-	-	-	-	-
Vermont humanities council	-	-	-	-	-
<b>Sub-Total Commerce</b>	<b>(42,680)</b>	<b>(2,867)</b>	<b>(37,401)</b>	<b>(60,000)</b>	<b>(142,948)</b>
<b>TRANSPORTATION</b>					
All Transportation	-	-	-	-	-
<b>Sub-Total Debt Service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEBT SERVICE</b>					
Debt service	-	-	-	-	-
<b>Sub-Total Debt Service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Sub-Total General Fund Appropriation Reductions</b>	<b>(2,000,000)</b>	<b>(57,570)</b>	<b>(2,519,982)</b>	<b>(3,586,000)</b>	<b>(8,163,552)</b>
<b>Direct Applications from Other Funds To GF</b>					
Agency of Transportation - Transportation Fund				(750,000)	(750,000)
Insurance Regulatory and Supervision Fund (BISHCA)				(85,000)	(85,000)
Attorney General Inter-Unit Fund				(25,000)	(25,000)
Public Safety - Fingerprint Fees				(54,000)	(54,000)
Liquor Control Enterprise Fund				(40,000)	(40,000)
BGS Facilities Operations Fund				(300,000)	(300,000)
<b>Sub-Total General Fund Direct Applications from Other Funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,254,000)</b>	<b>(1,254,000)</b>
<b>Net Savings Achieved/Allocated</b>	<b>(2,000,000)</b>	<b>(57,570)</b>	<b>(2,519,982)</b>	<b>(4,840,000)</b>	<b>(9,417,552)</b>
				<b>2011 Act 63 Sec. B.1101 Reduction Target</b>	<b>12,000,000</b>
				<b>Grand Total General Fund - 2011 Act 63 Sec. B.1101 (Savings Not Achieved/Allocated)</b>	<b>2,582,448</b>