

H.633

FY 2018 Budget Adjustment Summary – Senate Recommend

	<u>All Funds</u>	<u>%</u>	<u>State Fds</u>	<u>%</u>	<u>Gen'l Fd</u>	<u>%</u>
FY17 final	\$5.755	2.3%	\$2.455	2.9%	\$1.540	4.2%
FY18 as passed	\$5.825	1.3%	\$2.478	0.7%	\$1.561	1.5%
FY18 BAA	\$5.769	0.2%	\$2.462	0.3%	\$1.549	0.6%

Overview: Budget Adjustment Context

The BAA is the mid fiscal year process that 'trues up' the estimates and projections made in developing the budget with actual experience in spending and revenues to date. Since the spring, July brought a \$28.8m gap in revenues which was addressed through a \$16.3m Corp Tax Refund plan and a \$12.6m Rescission plan, parts of which are finalized in the BAA process. The \$8.1m FY18 revenue upgrade last week means that the use of \$5.19m of rainy day fund in the Corp. Tax Refund plan is not needed and these funds can remain in the reserve.

Increased Revenues and Underspending:

- Additional direct applications and reversions of \$590k
- Debt Service funding not utilized due to timing of bond issuance at \$6.17m
- Homeowner Rebate and Current Use programs underspent due to timing by \$1.41m
- Medicaid Consensus Trend Reduction of \$31.8m gross funds since the bill passed
- Childcare subsidy program is underspent by \$515k on a onetime basis
- Children's Integrated Services \$1m underspend accepted on a one-time basis
- Rental Subsidy is underspent by \$200k on a onetime basis
- LIHEAP caseload and new median income allowed \$1.79m SF savings to convert to GF

Increased Appropriations

- \$90k EF for Grand List - Hydro Dam valuation defense
- \$375k GF one-time funds for Household Health insurance Survey (3yr cycle)
- \$871k GF for Temporary Housing Pressures in GA
- \$449k GF for Veterans' Home for over-time and nursing contract
- \$80k GF for DA based community driven mobile crisis and outreach workers
- Subsidized adoption increase offset by substitute care reduction
- Maintains \$300k GF onetime funding for shelter development in communities with need
- \$3.3m GF required backfill for FY18 Cigarette/Tobacco tax forecast reduction in January.
- \$1.9m TF and TIB increased across project development, rail and town highway structures to partially restore the carryforward reductions that resulted from the FY17 TF closeout

Management Savings and Operations Improvement

- \$412k Savings from restructuring DCF District Supervisors from 15 to 6
- Supports continued Tax Systems Modernization efforts for better scanning operations
- Maintains the development of a Uniform Chart of Accounts for all SUs/School Districts

All remaining unallocated GF is held in a Temporary GF Reserve of \$4.81 million for discussion in the context of the FY 2019 budget. Deposits into this temporary reserve include monies the administration had allocated for one time uses.

Other GF Reserves	FY18 proj.
Stabilization Reserve	77.0
27/53 Reserve	9.0
HS Caseload Reserve	22.0
Rainy Day Fund Reserve	12.5
	120.5