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**Agency of Administration**  
**Department of Finance & Management**  
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*Adam Greshin, Commissioner*

**TO:** Senator Andrew Perchlik, Chair, Senate Committee on Appropriations  
**FROM:** Hardy Merrill, Deputy Commissioner, Department of Finance & Management  
**DATE:** April 9, 2026  
**RE:** FY 2027 Judiciary Budget

With respect to the April 7, 2026, memorandum to your office from Teri Corsones, State Court Administrator and Gregg Mousley, Chief, Finance & Administration for the Judiciary, the Department of Finance & Management offers some additional context for your consideration:

**Vacancy savings:** The Judiciary’s April 7 memo asserts that the Governor’s budget recommendation increases the vacancy savings line item by \$285,169. While it is technically true that the FY2027 budget proposal increases the FY2026 vacancy savings account by this amount, at the same time, the FY2027 budget proposal also eliminates the negative \$352,423 amount that was entered in the “Shift Differential” account line in the FY2026 as passed budget.<sup>1</sup> In FY2026, the total budget reduction applied to Salaries and Wages is \$(352,423) + \$(985,683) = \$(1,338,106) in total. In FY2027, the total reduction being applied to Salaries and Wages is \$(1,270,852). Rather than being “effectively a budget cut in the same amount,” the vacancy savings in the FY2027 budget proposal provides an effective budget increase of \$67,254 as compared to the FY2026 budget. See Budget Detail Report snapshot below:

Organization: 02120 - Judiciary

Budget Object Group: 1. PERSONAL SERVICES

	FY2025 Actuals	FY2026 Original As Passed Budget	FY2026 Governor’s BAA Recommended Budget	FY2027 Governor’s Recommended Budget	Difference Between FY2027 Governor’s Recommended and FY2026 As Passed	Percent Change FY2027 Governor’s Recommended and FY2026 As Passed
<b>Salaries and Wages</b>						
<b>Description</b>						
500000 - Salaries	30,143,144	0	0	0	0	0.0%
500010 - Exempt	0	34,228,951	34,228,951	36,011,175	1,782,224	5.2%
500040 - Temporary Employees	0	462,602	462,602	462,602	0	0.0%
500080 - Overtime	606,281	185,780	185,780	185,780	0	0.0%
500070 - Shift Differential	0	-352,423	-352,423	0	352,423	-100.0%
508000 - Vacancy Turnover Savings	0	-985,683	-985,683	-1,270,852	-285,169	28.9%
<b>Total: Salaries and Wages</b>	<b>30,749,425</b>	<b>33,539,227</b>	<b>33,539,227</b>	<b>35,388,705</b>	<b>1,849,478</b>	<b>5.5%</b>

At the time of budget development, out of 418 FTE positions on its Position Summary report, 18 of them were vacant (a vacancy rate of 4.3%). Based on this report’s average salary & benefit cost per employee of \$142k, 18 vacancies for a year would equate to over \$2.5 million in vacancy savings. At one-half this amount, the vacancy savings of \$1.27M recommended in the Governor’s budget is quite conservative, equating to a vacancy rate of about 2%. Note that as of April 8, 2026, of the 418 FTE base budget positions, 22 (5.2%) are currently vacant.

<sup>1</sup>In recent years, during budget entry the Judiciary business office has used the “Shift Differential” account code 500070 to enter a large negative value: \$(373,892) in FY23, \$(360,833) in FY24, \$(352,423) in FY25, and \$(352,423) in FY26. However, for the FY27 budget, the new Adaptive Planning budget system would not permit the entry of a negative number for any account code except Vacancy Savings.



**Fee for Space:**

In the FY27 Budget Instructions, agencies and departments were instructed to assume a 3% increase in internal service funds including fee for space, and to absorb this amount in their 3% initial submission target. When actual internal service fund costs became known, agency and department General Fund budgets (including the Judiciary's) were provided with allotments (increases to their GF targets) for any amounts above 3%. Between the 3% initial GF target increase, and the subsequent additional GF target increase provided for any subsequent ISF increases above 3%, the GF additional spending authority for the Fee for Space increase has already been provided.

**Contracted Security Costs:** Finance & Management agrees with the Judiciary's assessment that the \$5.279M amount for contracted security in the FY27 budget may not be adequate to cover an increase of the sheriff rate to \$57 per hour. However, depending on budget surplus carried forward to FY27, and/or whether actual vacancy rates continue to run at 4-5% versus the 2% budgeted vacancy savings, there is likely to be adequate capacity for this issue if the Senate does not amend the House budget for the Judiciary.

**Fiscal Year-end 2025 General Fund surplus:** The Judiciary ended FY2025 with an unexpended and unencumbered balance of approximately \$930,000 that was carried forward into FY2026.

In FY2026 year to date, the Judiciary has expended \$57.7M of its \$74.3M FY2026 base appropriation, leaving an available balance of \$16.6M. In addition to this \$16.6M balance remaining, the entire balance of the Judiciary's FY2026 Pay Act appropriation of \$2.4M is also available, for a total available balance of \$19M. With slightly less than a quarter remaining in FY2026, the Judiciary has 25% of its General Fund base budget available, suggesting that some amount of the \$930k surplus carried forward from FY2025 may be available to carry forward into FY2027. FY2026 one-time funding of \$139,000 provided in the Budget Adjustment Act for the Chittenden Pilot Court also remains unexpended, while the program it was intended to fund has been completed.

cc: Sen. Patrick Brennan, Vice-Chair, Clerk  
Sen. Richard Westman  
Sen. Virginia Lyons  
Sen. Philip Baruth  
Sen. Anne Watson  
Sen. Robert Norris  
Aimee Pope, Associate Fiscal Officer  
Elle Oille-Stanforth, Committee Assistant

