

ANR Lands PILOT Program:
Supplemental Report to the Legislature on Annual Payment in Lieu of Taxes
to Towns for Land Owned by the Vermont Agency of Natural Resources

Submitted to the General Assembly
November 30, 2015

Prepared By
Division of Property Valuation and Review
Douglas Farnham, Director
Doug Lay, Supervisor, District Advisors
Brad Jackson, Business Analyst

The Agency of Natural Resources
Mike Fraysier, ANR Lands Director
Ryan Horvath, Lands Administrative and Records Coordinator

Legislative Joint Fiscal Office
Stephanie Barrett, Associate Fiscal Officer

In Consultation with Vermont League of Cities and Towns
Karen Horn, Director, Public Policy & Advocacy

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Executive Summary

The Agency of Natural Resources (ANR) owns 1,025 parcels in 205 towns; the amount of land owned by ANR ranges from 0% to 72% of total land in these towns. The Agency provides payments in lieu of taxes (PILOT) to towns for the State-owned land in that town.

The Legislature placed a moratorium on updated valuations on this land for FY15 and required a study of ANR PILOT which was submitted to the legislature in November 2014. As a result of that report the legislature put Option A into statute to be implemented in FY17, extended the PILOT valuation moratorium to FY16, and required this report as a follow-up to the report required in FY15. The study committee was tasked with reviewing the current PILOT statute and making recommendations for how to best implement it, or recommend another option for calculating the PILOT formula.

The committee reviewed all three options presented in last year's report, with a special focus on Option A which became session law to be enacted in FY17. A key finding from this study which prevented the committee from recommending any of last year's options, including the current statute was that increases in fair market value (FMV) of ANR parcels as reflected by periodic revaluations were the primary driving force behind large increases in the ANR PILOT budget. If Option A were implemented, the ANR PILOT budget would likely approach \$3 million within just a few years.

The committee is recommending a new formula that moves PILOT from a value based model to a payment based model. Under this recommendation, each existing ANR parcel would receive a base payment using the FMV set by the FY15 Property Valuation & Review (PVR) valuation. The base payment for all new parcels acquired by ANR would be the same as the municipal property tax payment made by the previous private landowner. This recommendation also includes a four year phase in as well as transition adjustments to the most impacted towns.

The committee was split on the rate factor to use for the purposes of establishing the base payment for existing ANR parcels. ANR and the Vermont League of Cities & Towns (VLCT) support using a 60% rate. The Joint Fiscal Office (JFO) and PVR support using a 55%. The estimates by town are found in Appendixes I & II of the report. Below is a summary of the overall state budget impacts:

	ANR/VLCT Recommendation – 60% rate	JFO/PVR Recommendation – 55% Rate
FY16 base cost	\$ 2,255,412	\$ 2,255,412
FY17 Projected cost	\$ 2,289,124	\$ 2,251,452
FY18 Projected cost	\$ 2,351,337	\$ 2,261,493
FY19 Projected cost	\$ 2,413,549	\$ 2,271,533
FY20 Projected cost	\$ 2,476,262	\$ 2,281,574
FY21 Projected cost	\$ 2,504,262	\$ 2,295,574

The committee was split on whether or not to apply a mechanism for annually adjusting the PILOT payments to reflect changes in value over time. ANR, PVR and VLCT support the inclusion of an annual adjustment factor in the change to PILOT statute, which would be determined by the rolling three year average of the statewide median municipal tax rate change. JFO could not support any automatic adjustment.

Introduction

The Agency of Natural Resources (ANR) owns over 350,000 acres of land in 205 towns. The State makes a Payment in Lieu of Taxes (PILOT) on land owned by ANR. Until FY15, PILOT payments were determined by either 1% of fair market value (FMV) or current use (CU) value, as specified by Title 32 Chapter 123 Subchapter 004A Section 3708.¹ The Division of Property Valuation & Review (PVR), which is responsible for determining the Fair Market Value for ANR land, updated their valuation model for the FY15 payments. This valuation would have resulted in a 40% increase in General Funds. As a result, the Legislature placed a moratorium on the new valuations for FY15 payments and required ANR, Property Valuation and Review (PVR), and the Joint Fiscal Office (JFO), in consultation with Vermont League of Cities and Towns (VLCT) to review the program and issue a report, specifically to address:

- (1) Recommendations as to the formulas to be used for valuation of ANR lands and ANR PILOT payments in the future, including whether ANR lands should be assessed at full appraised value and not contingent on the current use value.
- (2) If a change is recommended to the formula under subdivision (1) of this subsection, a proposal for implementing the new formula, including a schedule for transition to the new formula.²

While the legislature, in FY16, adopted Option A (rate change from \$1.00 to \$.50) presented in that report, they postponed the implementation until FY17, with a directive to ANR, PVR and JFO in consultation with VLCT, to continue to analyze alternatives and present any additional recommendations. This report serves as a supplement to the November 2014 *Report on Annual Payments In Lieu of Taxes to Towns For Land Owned By the Agency of Natural Resources*.³ The staff committee reviewed the current PILOT formula (Option A), and the other two options in the 2014 report, as well as the new option presented here as the committee recommendation.

Central to the committee's study were several core concepts that needed to be taken into account in any PILOT formula:

- The main cause of the increase in the FY15 General Funding request for ANR PILOT was a result of increases in the fair market value of ANR parcels as reflected in PVR's revaluation. Revaluations reflect market conditions and occur every three to five years.⁴

¹ *Payments in lieu of taxes for lands held by the Agency of Natural Resources*, Title 32 Chapter 123 Subchapter 004A § 3708, <http://legislature.vermont.gov/statutes/section/32/123/03708>.

² *Agency of Natural Resources Payment in Lieu of Taxes*, Sec. E. 701 of Act 179 of 2014.

³ *Report on Annual Payments in Lieu of Taxes to Towns For Land Owned By the Agency of Natural Resources*. (2014) Montpelier, VT. Report prepared for the Vermont General Assembly. <http://legislature.vermont.gov/assets/Legislative-Reports/303274.pdf>.

⁴ Appendix V ANR Acquisition History.

- A bifurcated system of PILOT payments (i.e. FMV vs. CU) cannot logically continue. There is no policy basis for such a system.
- PILOT is an important program that supports ANR's mission of land conservation and is an important revenue source for towns, especially those with a significant portion of land in public ownership. PILOT payments should be consistent and predictable for both state and town budgetary reasons and not subject to dramatic unexpected changes. Any changes made to PILOT should help to insulate the program from future unexpected changes.

2014 PILOT Study

The November 2014 *Report on Annual Payments In Lieu of Taxes to Towns For Land Owned By the Agency of Natural Resources* included the following information:

- Natural Resource Land PILOT Programs in Other States - The review found that roughly 50% of the states make some type of the PILOT payments for state owned lands. There were a variety of methods adopted, the most common being payment equal to the taxes that would otherwise be due, other methods included payment equal to the taxes paid in the year acquired, an amount per acre, a percent of value, or a shared percent of income generated.
- Principles and considerations for making PILOT payments included addressing the impact of state land ownership on municipalities, and compensation for loss of property tax revenue. Considerations related to land conservation, including sustaining agriculture, forestry, and tourism, and regional economic growth and the benefit of having conserved natural resources within the community, including drainage and water management, and recreational opportunities. The limited array of non-property tax revenue sources available to Vermont towns was also a consideration.
- Payment Methodology (prior to FY15) - The prior valuation method was a rate of 1% (or \$1.00/\$100 of value) applied to either a Fair Market Value (FMV) established by PVR or Current Use (CU) value (a fraction FMV) for certain parcels. Actual local municipal tax rates at the time of the report averaged \$0.49 with median rate of \$0.46, significantly lower than the PILOT rate of \$1.00.
- Options for Legislative Consideration – Consensus was reached in the staff work group that if the payment system was to be based on a parcel's value it should be one consistent valuation applied to all parcels. Consensus was not reached regarding the rate so two new rate options were analyzed and compared for their respective impact to the towns as well as state budget impacts.
 - Options A – After a multi-year transition, the payments would be based on current FMV at \$0.50.
 - Option B – after a multi-year transition, the payment would be based on current FMV at the actual local municipal tax rates which range from \$0 to \$1.32

- Option C required additional analysis and would consider a new valuation approach intended to have the PILOT payment (especially for newly acquired parcels) be close to the taxes paid when the land was in private ownership.
- Several other options or variations were briefly summarized in the report, all of which had significant state budget impacts or even greater negative fiscal impacts to the towns.

Charge

This report is required by Sec. E. 701.3 of Act 58 of 2015.

Sec. E.701.3 AGENCY OF NATURAL RESOURCES; REPORT ON PAYMENT IN LIEU OF TAXES

(a) On or before November 30, 2015, the Agency of Natural Resources, the Division of Property Valuation and Review (PVR), and the Joint Fiscal Office, after consultation with the Vermont League of Cities and Towns, shall submit to the House and Senate Committees on Appropriations and on Natural Resources and Energy a report regarding payment in lieu of taxes (PILOT) for lands held by the Agency of Natural Resources (ANR lands). The report shall recommend:

(1) Whether and how the PILOT requirements for ANR lands set forth in 32 V.S.A. § 3708, as amended by section E.701.1 of this act, should be further amended; and

(2) methods to facilitate in the transition of municipalities from the existing funding PILOT formula for ANR lands to the requirements of 32 V.S.A. § 3708, as amended by Sec. E.701.1, or to the alternative PILOT formula recommended under subdivision (1) of this subsection.

(b) In developing the recommendations required of this section, the Agency of Natural Resources may recommend revisions to requirements or criteria for calculation of the PILOT payment for ANR lands, including the definition of “parcel” for ANR lands PILOT purposes, the amount of ANR lands in the municipality in comparison to other municipalities, including the impact of large acquisitions (greater than 1,000 acres) made within the past three years and the degree of public use of the ANR lands in comparison to ANR lands in other municipalities.

(c) Any unexpended appropriations in the ANR lands PILOT program in fiscal years 2016 through 2019 shall be carried forward for expenditure for implementation of transition recommendations resulting from the report required this section.

Current Law - PILOT Formula for FY17

The current (default) PILOT formula was established by Sec. E. 701.1 & Sec. E. 701.2 of Act 58 of 2015 and, unless changed, will determine how PILOT is paid in FY17. The effect of this was changing the rate from 1% to 0.5% and eliminating the CU valuation.

Specifically, Sec. E.701.1 amended 32 V.S.A. § 3708 to read (deleted language is crossed out and

the below is session law):

§ 3708. PAYMENTS IN LIEU OF TAXES FOR LANDS HELD BY THE AGENCY OF NATURAL RESOURCES

(a) All ANR land, excluding buildings or other improvements thereon, shall be appraised at fair market value by the Director of Property Valuation and Review and listed separately in the grand list of the town in which it is located. Annually, the State shall pay to each municipality an amount ~~which is the lesser of:~~

~~(1) one 0.5 percent of the Director's appraisal value for the current year for ANR land; or~~

~~(2) one percent of the current year use value of ANR land enrolled by the Agency of Natural Resources in the Use Value Appraisal Program under chapter 124 of this title before January 1999; except that no municipality shall receive in any taxable year a State payment in lieu of property taxes for ANR land in an amount less than it received in the fiscal year 1980.~~

* * *

Sec. E.701.2 PAYMENT IN LIEU OF TAXES FOR AGENCY OF NATURAL RESOURCES LANDS IN FISCAL YEARS 2017 AND 2018

(a) Notwithstanding the requirements of 32 V.S.A. § 3708 to the contrary, for purposes of payment in lieu of taxes (PILOT) for lands held by the Agency of Natural Resources, the State shall pay to each municipality:

(1) in fiscal year 2017, the PILOT amount received by the municipality in fiscal year 2016 plus or minus one-third of the difference between the PILOT amount the municipality received in fiscal year 2016 and the PILOT amount the municipality would receive under 32 V.S.A. § 3708, as amended by Sec. E.701.1 of this act; and

(2) in fiscal year 2018, the PILOT amount received by the municipality in fiscal year 2016 plus or minus two-thirds of the difference between the PILOT amount the municipality received in fiscal year 2016 and the PILOT amount the municipality would receive under 32 V.S.A. § 3708, as amended by Sec. E.701.1 of this act.

(b) If the Agency of Natural Resources acquires land in a municipality after April 1, 2015, the State shall make a PILOT payment on the newly acquired land to the municipality under Sec. E.701.1 of this act, and the newly acquired land shall not be subject to this section.

Study Committee and Meetings

Staff of ANR, JFO, PVR and VLCT initially met in July 2015 to discuss committee responsibilities, goals, and to establish a timeline for the study. Further research into the three options from last year's study and one new option was also assigned. A second meeting occurred in late

August to discuss the results of the research. The following week a third meeting was held to further discuss research that was presented at the last meeting and to winnow out options that were shown to be ineffective.

At our fourth meeting in October, a fully fleshed out version of the option that the committee would ultimately recommend was presented and the committee unanimously accepted the framework as the recommendation. At this meeting job duties were established for the creation of this report. A final meeting occurred in mid-November to finalize the recommendation & report.

Key Findings

The impetus for the review of the program in 2014 stemmed from the significant budget impact of implementing the increase in fair market values (FMV) of ANR parcels as determined by market forces, and established by PVR. This put into stark relief the contrast for payments on current use value (CU) parcels that were an artifact of budget history. The conflicting pressures are summarized below:

- Program cost impact for the updated FMVs.
- Program cost impact of updating parcels at CU value to FMV.
- Fiscal impacts to towns.
- Subsequent impact on the ANR land acquisition program.
- Long term program cost growth in the current and foreseeable constrained state budget.

Additionally the committee felt that it was important that some discussion of the values and benefits of state-owned conservation lands be included in this supplemental PILOT report.

Values of State Land Conservation

Consideration of the ANR Land PILOT program should be based in part on an understanding of the Agency's land acquisition program and the many values and benefits provided by state-owned conservation and recreation lands. ANR, primarily through its departments of Forests, Parks and Recreation and Fish and Wildlife, has a long history of state land acquisition spanning more than a century. Collectively, ANR lands total over 350,000 acres and include some of Vermont's most beloved and iconic landscapes (see Appendix V of this report for a summary of new parcels acquired by the Agency over the past five years).

ANR lands provide substantial economic and environmental benefits and contribute greatly to Vermont's high quality of life. The Agency continues to see a high level of public support and demand for targeted new state land acquisition. A fair and just Payment in Lieu of Taxes to

Vermont communities for state lands within their borders is essential for maintaining community support for continued state land acquisition and is an important component of maintaining a viable state land conservation program.

At the same time, the benefits of state-owned conservation lands extend well beyond ANR PILOT payments to communities and enrich all Vermonters. An understanding of the many values and benefits of state lands provides important context from which to consider various options for PILOT.

Direct Economic Benefits and Impacts of ANR Lands

State lands are an integral part of Vermont's scenic landscape and natural, cultural and outdoor recreation heritage. Vermont's state parks, wildlife management areas, state forests, and other ANR land holdings directly contribute to Vermont's economy in many ways. Several examples are cited below, some of which are attributable to a broader forested working landscape of which state lands are an important component, while others are more directly related to a subset of state lands.

- Forest-related recreation and tourism and forest-based manufacturing contributes \$3.4 billion annually to Vermont. Of this amount, more than half (\$1.9 billion) is generated by forest-based recreation and tourism, a portion of which occurs on or is supported by ANR lands. The economic impact of tourism in Vermont now approaches a half a billion dollars annually.⁵
- The gross annual direct economic value of Vermont's State Parks was estimated to approach \$60 million in 2002.⁶
- It is estimated that hunting, fishing, and wildlife viewing generated \$685 million in Vermont in 2012.⁷ A significant portion of this use occurs on state-owned conservation lands.
- Vermont's many state parks, forests, and wildlife management areas are a major component of the state's outdoor recreation resources. The Outdoor Industry Foundation in 2006 estimated that Vermont's outdoor recreation economy supported 35,000 jobs, generated \$187 million in annual state tax revenue, produced \$2.5 billion annually in retail sales and services across Vermont, and accounted for 12% of the gross state product.⁸

⁵ Vermont Department of Forests, Parks and Recreation 2015. Vermont Forest Fragmentation Report, Agency of Natural Resources, <http://fpr.vermont.gov/node/1300>.

⁶ Gilbert, A.H., Manning, R.E. 2002. Economic and Social Values of Vermont State Parks, University of Vermont, School of Natural Resources.

⁷ U.S. Fish and Wildlife Service. 2012. 2011 National Survey of Fishing, Hunting, and Wildlife-associated Recreation. Washington, DC.

⁸ Vermont Department of Forests, Parks and Recreation 2014. Vermont State Comprehensive Outdoor Recreation Plan.

Other Values and Benefits of ANR Lands.

State conservation and recreation lands also provide many additional values and services that may not always readily translate into dollars and cents, but are tangible and important nonetheless. A partial list of some of the most important ecosystem services and other values provided by conserved lands, including state-owned conservation and recreation lands include:

- Enhanced flood retention and flood resiliency. Research by the University of Vermont's Gund Institute found that Middlebury suffered \$500,000 in flood damage after Tropical Storm Irene. Without the wetlands associated with Otter Creek located upstream (much of which are located within several state-owned Wildlife Management Areas) to soak up the excess surface water and then slowly release it, estimates suggest the flood damage in Middlebury would have been \$2.5 million.
- Protection and enhancement of water quality. Undeveloped state lands, including both forested uplands and lowland floodplains and wetlands reduce phosphorus and nitrogen runoff and contribute greatly to Vermont's high level of water quality. As efforts to improve water quality as required under Act 64 of 205 (An Act Relating to Improving the Quality of State Waters) continue and expand, the role of Vermont state lands will become increasingly important.
- Reduced impacts of forest fragmentation. The *2015 Vermont Forest Fragmentation Report* required by Act 118 of 2014 cites forest fragmentation as perhaps the greatest threat to Vermont's forests. Forest fragmentation results in significant ecological and economic impacts, including threats to wildlife habitat, natural communities, forest health, and a reduction in outdoor recreation opportunities and scenic values. State lands include many large blocks of unfragmented forestland that help to mitigate these impacts.
- Protection of threatened and endangered species and important wildlife habitat. State lands provide invaluable refuge for numerous threatened and endangered species and provide necessary wildlife habitat and connectivity for wildlife species. Vermonters value the state's wildlife. According to a 2011 survey by the U.S. Fish and Wildlife Service, Vermont ranks second in nation only to Alaska in terms of the percentage of residents that participate in hunting, fishing, wildlife viewing and leads the nation in percentage of residents who enjoy bird watching.
- Preservation of Vermont's scenic values. Vermont's tourism economy depends heavily on Vermont's scenic landscape, of which its state lands are a prominent and integral component. The 2015 Vermont Forest Fragmentation Report notes that nearly a quarter of Vermont's annual tourism dollars (nearly \$500 million) accrue during the few brief weeks of foliage season.
- Climate change mitigation and improved resilience to climate change. Vermont's state lands and other forested areas of Vermont annually sequester an estimated 8 million metric tons of CO₂ equivalents per year, nearly equaling Vermont's annual emissions (Vermont Forest Fragmentation Report). Undeveloped state lands also can assist with climate change adaptation by serving as refugia for vulnerable species and natural communities and are key components of

a climate-resilient landscape.⁹

- Provision of outdoor recreation opportunities and improved public health. Outdoor recreation opportunities, quality of life, and public health are closely linked. Research has shown that those that live in close proximity to parks and other public open spaces are more likely to engage in physical activity and that public investment in such resources contributes to stronger and healthier communities.¹⁰

Maintaining Support for the Agency of Natural Resources Land Acquisition Program

Vermont's state lands offer a substantial return on investment. Targeted state acquisition of additional conservation lands by the State provides significant public benefits and continues to be in the public interest. Vermonters cherish existing state lands and are supportive of the Agency acquiring strategic additions to its holdings. State land acquisition is recommended or supported by several Agency plans including the *2015 Wildlife Action Plan* draft, the *2015 Vermont Forest Fragmentation Report*, the *2015 Vermont Conservation Design – Maintaining and Enhancing an Ecologically Functional Landscape*, the *2014 Vermont State Comprehensive Outdoor Recreation Plan*, the *2010 Forest Action Plan*, and the *1999 Lands Conservation Plan*.

As a major landowner, it's important for the Agency to establish and maintain a positive relationship with towns. Securing local support for proposed new state land acquisitions has long been a requirement of the Agency of Natural Resources. To date, Vermont communities have largely been supportive of state land acquisition efforts, in part because the Agency has been able to demonstrate that PILOT generally makes up for any loss in local tax revenue. Any changes to the ANR PILOT program should continue to provide a fair and equitable payment to Vermont communities so that new state land acquisition proposals can be considered by towns on their relative merit instead of focusing on tax revenue impact.

Program Growth Drivers

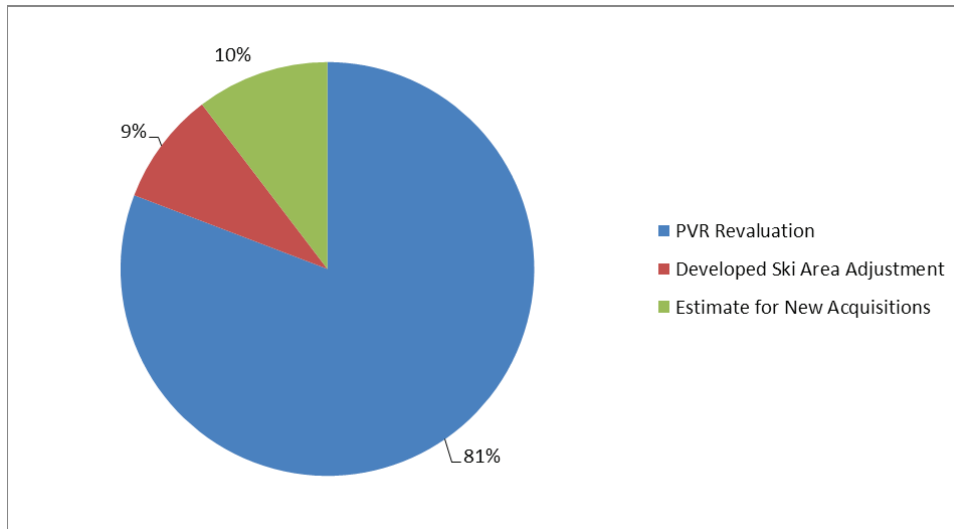
The biggest driving force in increasing the ANR PILOT budget is the change in FMV of ANR lands. The committee had concerns that in all three of the options presented in the 2014 report on PILOT, future significant increases in the PILOT budget would likely continue due primarily to periodic PVR revaluations of ANR lands.

Analysis of the increase in the FY15 General Fund request shows that the large majority of the increase was due to PVR's revaluation. The Administration's FY14 PILOT budget request was for \$2,153,733 and the FY15 budget request was for \$2,851,821. This represents an increase in the PILOT budget request of \$698,088, a 32% increase. The PVR revaluation amounted to an increase of \$564,033, or 81% of the total change from FY14 to FY15.

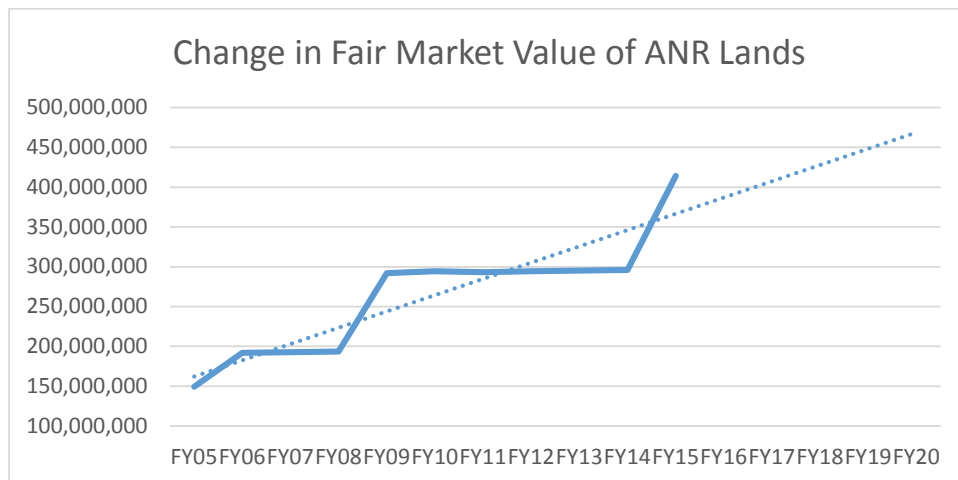
⁹ Vermont Department of Forests, Parks and Recreation 2015. *Creating and Maintaining Resilient Forests in Vermont: Adapting Forests to Climate Change*.

¹⁰ National Recreation and Park Association 2010. *The Benefits of Physical Activity Provide by Park and Recreation Services: The Scientific Evidence*.

The other change that affected FMV was the correction to the developed ski area acres for ANR lands. The acreage that was identified in PILOT as developed ski areas under lease to ski areas was out of date and, at the request of the State Auditor, was updated. Developed parcels are valued higher than undeveloped parcels, so the increase in reported developed acres caused an increase \$61,668 or 9% of the total change. The remaining increase was from ANR’s estimation of that year’s new acquisitions, which amounted to a \$72,387 or 10% of the total change.



Research shows that the ANR PILOT payment increased by an average of 31.1% at each valuation.¹¹ However, this increase is artificially depressed as a result of the use of CU valuation. The true increase in FMV as a result of revaluations was a 39.9% increase. Revaluations occur every 3 to 6 years and conservatively this means that the annual growth of the FMV is 6.65%.



This data is draw from the historic changes in FMV for ANR lands since FY05. The dotted line is the linear trend line for FMV growth.

¹¹ Appendix VII Estimated Option Cost Growth Cost growth.

The most recent revaluations occurred in FY06, FY09 and FY15. The chart above shows the effect of each of those valuations to the overall ANR FMV. There are also increases in between the revaluations that are due to other factors including the acquisition of new ANR lands and adjustments to acreage. On years where these last two factors were the only factors affecting FMV the average increase to FMV was 0.30%.

Recommendation

The committee was able to agree on an alternative method to the current law (2014 Report Option A) for ANR PILOT payments and agreed that Option A would have a significant adverse effect on some towns, could jeopardize ANR's land acquisition program and would still be subject to increases in FMV over time. Given the legislative decisions in 2014 and 2015, local governments agree that a system that is predictable, transparent and based initially on value is the most equitable option for municipalities.

Recommendation – Full Replacement of Private Landowner Tax

This recommendation moves PILOT from a value based model to a payment based model where each parcel will have a base payment determined by a one-time calculation. This formula is a significant departure from how PILOT has been traditionally calculated. It will increase transparency and greatly simplify the program to administer and understand from both the state agency perspective and the town perspective once fully implemented.

There are two aspects of this recommendation where the committee has not reached consensus; the first regarding the rate to use to establish base payments, the second is the inclusion of a statutory index or inflation factor after transition to the new payment method is complete. The divergence among the staff work group in both cases relates to program cost implications, specifically whether out year increases should be a statutory funding requirement or a discretionary budget decision for the legislature. All options are presented for legislative consideration.

Under the recommendation, the base payment would be calculated as follows:

The base payment of any existing parcel would be:

$$\text{BASE PAYMENT} = \text{FY15 FMV DETERMINED BY PVR} * \text{RATE FACTOR}$$

The base payment of any parcel acquired by ANR after April 1st, 2016 would be:

$$\text{BASE PAYMENT} = \text{TOWN ASSESSED VALUE} * \text{MUNICIPAL TAX RATE}$$

The base payment for any parcel that ANR would acquire that is enrolled in Use Value Appraisal (UVA or as it is commonly known Current Use Value) would be determined using the town full assessed value of the parcel, not the UVA value.

The most recent PVR valuation was in FY15, which has not been implemented. This valuation would be used to determine the PILOT base payments for existing parcels. All base payments would be calculated using the FMV, so parcels that have been historically valued at CU would be brought up to the FMV for the purposes of establishing the base payment.

There are two opinions in the committee on what Rate Factor should be applied for establishing the base payment for existing parcels as follows:

- ANR and VLCT recommend 60% (or \$0.60/\$100 of value).
- JFO and PVR recommend 55% (or \$0.55/\$100 of value).
- The program cost implications and the specific town impacts are included below and in Appendix I & II.

Regardless of the Rate Factor adopted the work group recommends:

- The new payments are phased in over a four year period.
- Allow for a 1 year period to appeal the updated FMVs which have been held in abeyance in FY15 and FY16.
- Include a specific provision to address future changes in acreage such as a result of the disposition of ANR land, or corrections to or the identification of the acreage of any parcel. The specific formulas for the basis of changes to the payment for these issues is:

PAYMENT OF CHANGED ANR ACRES = (TOTAL PARCEL PAYMENT / TOTAL PARCEL ACRES) * CHANGED ACRES

For example:

10 acres of ANR land are sold off of a 100 acre parcel. The base PILOT payment for the 100 acre parcel is \$10,000. The reduced payment for the 10 acres sold would be \$1,000, so the adjusted base payment would be \$9,000 (a decrease in base payment of \$1,000).

$$\$1,000 = (\$10,000 / 100 \text{ acres}) * 10 \text{ acres}$$

$$\$9,000 = \$10,000 - \$1,000$$

A new survey is conducted and it identifies that the acreage of the parcel was under reported by 10 acres. The payment for the 100 acre parcel is \$10,000. The payment for the 10 acres would be \$1,000, so the adjusted base payment would be \$11,000.

$$\$1,000 = (\$10,000 / 100 \text{ acres}) * 10 \text{ acres}$$

$$\$11,000 = \$10,000 + \$1,000$$

- Include modest payment adjustments for five years to allow more gradual adaptation by the towns that are most fiscally impacted, both negatively and positively. These payment adjustments would apply to towns where the annual payment impact once fully implemented would be greater than \$5,000 above or below the FY16 payment level excluding any payment

related to any newly acquired land. It will also allow more time for towns to adjust to their new PILOT payment and adjust their municipal tax rate as needed over the phase in period. This payment adjustment will extend into FY22. The recommended adjustments follow a 'staircase' approach as outlined in the following table:

ANR PILOT - TRANSITION PERIOD PAYMENT ADJUSTMENTS		
Compared to FY16 Payment Level	Adjustment if Total PILOT Payment is less than	Adjustment if Total PILOT Payment is greater than
\$25,000	\$3,000	(\$3,000)
\$20,000 - \$24,999	\$2,500	(\$2,500)
\$15,000 - \$19,999	\$2,000	(\$2,000)
\$10,000 - \$14,999	\$1,500	(\$1,500)
\$7,500 - \$9,999	\$1,000	(\$1,000)
\$5,000 - \$7,499	\$500	(\$500)
\$0 - \$4,999	\$0	\$0

The benefits of this approach are:

- Ease of administration and the ability to calculate the exact PILOT payment for any new acquisition. Land Acquisition staff at ANR will be able to show that the town will get the same revenue for that parcel as if it was still in private ownership.
- All current state owned parcels are treated equally to establish the base payment.
- Both the 60% and the 55% rate factor have a lower negative impact on town payments than the 50% rate under Option A, the current law.

Some savings would be realized by the discontinuation of the PVR valuation of ANR lands for PILOT purposes. PVR will continue to value ANR land as the database has significant historical and ongoing value to PVR. PVR uses the ANR database to assist in the development of municipal land schedules and factors and to track statewide sales of woodland, cropland, conserved land and special sales. The database serves as a way to verify Current Use values and also in producing Equalization Study appraisals and contains useful records of Vermont land sales that include site descriptions, land features and grading factors. It also serves as a research tool when providing information to towns regarding their ANR-owned properties.

Even with continuing to maintain the PVR valuation, cost savings to the department would clearly be realized from an administrative perspective. The proposed valuation method would abolish town appeals after the 1 year appeal period. The elimination of appeals would provide cost savings in the form of attorney time and that of other key personnel involved in the process. More time savings would be represented by general correspondence, research, procedural and data entry tasks related to the valuation process that would no longer be necessary.

Time and resource savings could translate to a workload shift to other tasks – thereby diminishing PVR’s current workload by a substantial number of hours per year. This time savings could be a key factor in PVR’s ability to keep up with the ever-increasing challenges and changes PVR faces on an annual basis.

This recommendation also significantly slows program growth. Under the old system and the current law that will take effect in FY17, the growth of the program is tied to the changes in valuations that occurred on a 3-6 year cycle, which have historically increased the FMV of ANR lands by 39.9%, as shown in the Key Findings section.¹² Newly acquired land will remain a secondary cost driver. Transition year growth will depend on the adoption of the rate factor for the base payment discussed above and under this proposal. Program cost growth after the transition will be a function of statutory or discretionary funding decisions.

The table below summarizes the options and costs over the five year period. For town specific data see Appendixes I, II, & III:

PILOT PAYMENT OPTIONS				
	ANR/VLCT Recommend	JFO/PVR Recommend	Option A Current Law	Old Statutory Method
Method	base payment	base payment	FMV	FMV & CU
Rate	60% Rate	55% Rate	\$0.50	\$1.00
FY16 base cost millions	2.255	2.255	2.255	2.255
FY17 Projected cost	2.289	2.251	2.199	2.808
FY18 Projected cost	2.351	2.261	2.413	2.808
FY19 Projected cost	2.413	2.272	2.086	2.808
FY20 Projected cost	2.476	2.282	2.920 ¹³	3.929 ¹⁴
FY21 Projected cost	2.504	2.296	2.920	3.929
#Towns negative	144	154	159	NA
>\$25k	0	0	1	CU remains
\$20k-25k	1	2	2	impacts
\$15k-20k	2	1	3	depend on
\$10k-15k	4	7	9	FMV change
#Towns positive	61	51	46	NA
Payments related to New Acquisitions	=private ownership	=private ownership	FMV x Rate	FMV x Rate
Base Growth Drivers Excl. new acquisitions	inflation factor	budget request	periodic new FMVs	periodic new FMVs

¹² Appendix VI Changes in FMV.

¹³ This is based on the projection in Appendix VI based on simple trend analysis of historical information. Valuations could significantly deviate based on future market conditions. The average growth of FMV due to a PVR valuation is 39.9%.

¹⁴ This is based on the projection in Appendix VI based on simple trend analysis of historical information. Valuations could significantly deviate based on future market conditions. The average growth of FMV due to a PVR valuation is 39.9%.

Annual Adjustment Factor – ANR, PVR & VLCT Recommendation

One major concern about this change was that without periodic revaluations the payments will become stagnant over time. The committee was not able to reach a unanimous consensus on a solution to this problem. The recommendation that is presented below is supported by ANR, PVR and VLCT but not by JFO.

In order to keep base payments from becoming stale, the majority of the committee recommends that after the phase in an annual adjustment factor would be added to each parcel the year after acquisition. The adjustment would be tied to rolling three year average of the statewide median municipal tax rate change. Inflated payment would become the new base payment for the next year. This automatic annual adjustment would take effect for the first time in FY22 after the new formula is fully implemented and the transition payment adjustments are completed.

The base payment for each parcel would be multiplied by the rolling three year average of the statewide median municipal tax rate change. The formula for this calculation shall be:

NEW BASE PAYMENT = PRIOR YEAR BASE PAYMENT * (1 + ROLLING 3 YEAR AVERAGE OF THE STATEWIDE MEDIAN MUNICIPAL TAX RATE CHANGE)

The annual percent change in the rolling three year average of the statewide median municipal tax rate change since 2010 is 1.8%. The majority of the committee felt that tying PILOT program growth to the rolling three year average of the statewide median municipal tax rate change was a fair compromise between slowing state budget growth and allowing for parcels to increase in value over time. This modest growth is still significantly slower than the estimated growth of the current PILOT formula.

Tax Year	Median	Yearly Median Change	Rolling 3 Year Median	Rolling 3 Year Median Change
2010	0.4387			
2011	0.4363	-0.56%		
2012	0.4531	3.86%	0.4437	
2013	0.4532	0.01%	0.4485	1.07%
2014	0.4718	4.10%	0.4612	2.83%
2015	0.4788	1.49%	0.4682	1.53%

The Joint Fiscal Office does not recommend a statutory annual adjustment factor. This does not preclude the Agency from seeking increases in future budget submissions with funding dependent on the priority setting and discretionary funding decisions inherent in the annual budget process. This is an option for legislative consideration but is not a recommendation from JFO.

Appendix I – Recommendation - 60% Rate Factor

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Addison	40,260	38,670	35,579	32,488	29,397	1,500	27,897	(12,363)	
Albany	598	539	479	420	361		361	(237)	
Alburgh	32,293	31,009	28,725	26,442	24,158	1,000	23,158	(9,136)	
Andover	10,947	10,703	10,459	10,216	9,972		9,972	(975)	
Arlington	1,747	1,767	1,787	1,807	1,827		1,827		80
Athens	1,954	1,787	1,620	1,452	1,285		1,285	(669)	
Averill	1,028	969	909	850	791		791	(237)	
Baltimore	203	205	207	210	212		212		9
Barnard	25,838	25,027	23,716	22,405	21,094	500	20,594	(5,244)	
Barnet	8,388	8,144	7,899	7,654	7,409		7,409	(979)	
Barre Town	592	542	493	444	394		394	(197)	
Barton	18,142	17,062	15,483	13,904	12,325	500	11,825	(6,317)	
Belvidere	18,327	17,704	17,080	16,456	15,832		15,832	(2,495)	
Bennington	6,728	6,107	5,486	4,865	4,244		4,244	(2,484)	
Benson	20,073	19,278	17,984	16,690	15,396	500	14,896	(5,177)	
Berlin	6,921	6,190	5,460	4,729	3,999		3,999	(2,922)	
Bethel	2,777	2,516	2,255	1,994	1,733		1,733	(1,045)	
Bloomfield	518	466	414	363	311		311	(207)	
Bolton	80,934	79,876	78,818	77,760	76,702		76,702	(4,233)	
Braintree	119	106	92	79	65		65	(54)	
Brandon	498	441	385	328	272		272	(226)	
Brattleboro	687	623	559	495	431		431	(257)	
Bridgewater	5,622	5,793	5,963	6,133	6,304		6,304		681
Bridport	2,780	2,398	2,016	1,635	1,253		1,253	(1,526)	
Brighton	10,975	10,149	9,324	8,498	7,672		7,672	(3,303)	
Bristol	917	790	664	537	411		411	(506)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Brookfield	8,519	8,124	7,729	7,334	6,940		6,940	(1,579)	
Brownington	2,455	2,223	1,991	1,759	1,528		1,528	(928)	
Brunswick	36,264	35,885	35,507	35,128	34,749		34,749	(1,515)	
Buels Gore	7,436	8,565	9,693	10,822	11,950		11,950		4,514
Burke	15,373	14,690	14,007	13,324	12,641		12,641	(2,732)	
Cabot	1,844	1,604	1,363	1,123	882		882	(962)	
Calais	2,151	1,901	1,651	1,401	1,151		1,151	(1,000)	
Cambridge	32,351	33,199	34,046	34,893	35,740		35,740		3,389
Canaan	1,888	1,675	1,462	1,249	1,036		1,036	(852)	
Castleton	18,003	18,065	18,128	18,191	18,254		18,254		251
Cavendish	24,228	25,647	28,066	30,484	32,903	(1,000)	33,903		9,675
Charleston	1,858	1,659	1,460	1,261	1,061		1,061	(797)	
Charlotte	19,811	18,587	16,362	14,137	11,912	1,000	10,912	(8,899)	
Chelsea	115	102	89	76	63		63	(52)	
Chester	1,056	1,131	1,205	1,279	1,353		1,353		297
Chittenden	425	537	650	763	875		875		451
Clarendon	1,843	1,658	1,472	1,287	1,101		1,101	(742)	
Colchester	45,214	43,455	39,697	35,939	32,181	2,000	30,181	(15,033)	
Concord	2,690	2,446	2,202	1,958	1,714		1,714	(976)	
Cornwall	6,420	6,043	5,667	5,290	4,914		4,914	(1,506)	
Coventry	6,039	5,682	5,325	4,968	4,611		4,611	(1,428)	
Craftsbury	1,098	966	835	703	572		572	(526)	
Danby	650	614	577	541	505		505	(145)	
Danville	1,816	1,728	1,641	1,554	1,467		1,467	(349)	
Derby	2,383	2,172	1,962	1,751	1,541		1,541	(842)	
Dorset	23,645	22,614	21,083	19,552	18,021	500	17,521	(6,124)	
Dummerston	1,734	1,561	1,389	1,216	1,043		1,043	(691)	
Duxbury	42,109	41,547	40,985	40,422	39,860		39,860	(2,248)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
East Montpelier	1,294	1,129	965	800	635		635	(660)	
Eden	37,111	36,477	35,842	35,208	34,573		34,573	(2,538)	
Elmore	18,871	18,264	17,658	17,052	16,446		16,446	(2,425)	
Essex Jct.	2,997	2,674	2,351	2,028	1,705		1,705	(1,292)	
Fair Haven	2,208	3,185	4,663	6,140	7,618	(500)	8,118		5,910
Fairfax	30	28	26	25	23		23	(6)	
Fairfield	3,395	3,083	2,772	2,461	2,150		2,150	(1,245)	
Fairlee	1,056	926	797	667	538		538	(518)	
Fayston	16,389	16,140	15,891	15,642	15,394		15,394	(995)	
Ferdinand	65,003	65,737	66,471	67,205	67,939		67,939		2,936
Ferrisburgh	47,556	44,711	39,366	34,021	28,676	2,500	26,176	(21,380)	
Franklin	13,322	12,535	11,248	9,960	8,673	500	8,173	(5,149)	
Georgia	975	861	748	634	520		520	(455)	
Glover	4,369	3,975	3,582	3,189	2,795		2,795	(1,573)	
Grafton	1,164	1,889	2,614	3,339	4,064		4,064		2,900
Granby	538	556	574	592	610		610		72
Grand Isle	21,379	20,131	17,884	15,636	13,388	1,000	12,388	(8,991)	
Granville	7,699	7,425	7,150	6,876	6,602		6,602	(1,097)	
Greensboro	2,129	1,895	1,661	1,427	1,193		1,193	(936)	
Groton	54,512	60,188	68,864	77,539	86,215	(3,000)	89,215		34,703
Guilford	8,627	7,761	6,894	6,028	5,162		5,162	(3,465)	
Hardwick	1,511	1,323	1,135	947	759		759	(752)	
Hartford	4,107	3,742	3,377	3,012	2,648		2,648	(1,459)	
Hartland	1,259	1,931	2,604	3,276	3,949		3,949		2,690
Highgate	6,493	5,641	4,788	3,936	3,083		3,083	(3,410)	
Hinesburg	7,520	6,865	6,210	5,554	4,899		4,899	(2,621)	
Holland	9,003	12,022	17,541	23,060	28,579	(2,500)	31,079		22,076

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Hubbardton	20,392	20,901	21,411	21,920	22,430		22,430		2,038
Huntington	21,327	22,448	24,569	26,689	28,810	(1,000)	29,810		8,484
Hyde Park	30,672	29,629	28,586	27,543	26,500		26,500	(4,172)	
Ira	2,172	2,183	2,194	2,206	2,217		2,217		45
Irasburg	1,256	1,115	975	834	694		694	(562)	
Isle LaMotte	4,372	3,902	3,431	2,961	2,491		2,491	(1,881)	
Jamaica	10,513	9,749	8,984	8,220	7,456		7,456	(3,058)	
Jay	20,925	19,923	18,921	17,918	16,916		16,916	(4,010)	
Jericho	1,638	1,430	1,222	1,014	806		806	(832)	
Johnson	14,734	16,212	18,690	21,168	23,646	(1,000)	24,646		9,912
Killington	60,951	59,905	57,358	54,811	52,265	1,500	50,765	(10,186)	
Kirby	1,900	1,833	1,765	1,698	1,631		1,631	(269)	
Leicester	546	471	396	321	246		246	(300)	
Lemington	228	203	177	151	125		125	(103)	
Londonderry	12,337	11,178	10,019	8,860	7,700		7,700	(4,637)	
Lowell	3,765	3,635	3,505	3,375	3,245		3,245	(519)	
Ludlow	44,295	43,191	41,587	39,983	38,379	500	37,879	(6,416)	
Lunenburg	8,710	8,535	8,359	8,184	8,009		8,009	(701)	
Lyndon	95	211	328	445	562		562		468
Maidstone	46,978	46,210	45,442	44,674	43,906		43,906	(3,073)	
Manchester	5,595	4,905	4,215	3,525	2,836		2,836	(2,759)	
Marlboro	106	93	79	66	52		52	(54)	
Marshfield	10,222	12,445	16,168	19,891	23,614	(1,500)	25,114		14,893
Mendon	14,613	18,373	25,133	31,893	38,653	(3,000)	41,653		27,040
Middlesex	15,815	15,248	14,681	14,114	13,547		13,547	(2,268)	
Milton	16,207	15,289	14,372	13,455	12,538		12,538	(3,669)	
Monkton	2,298	2,012	1,726	1,440	1,154		1,154	(1,144)	
Montgomery	16,847	16,819	16,792	16,764	16,736		16,736	(111)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Montpelier	725	637	549	461	373		373	(352)	
Moretown	721	640	558	477	395		395	(326)	
Morgan	4,219	3,821	3,423	3,025	2,627		2,627	(1,591)	
Morristown	16,861	19,001	22,641	26,281	29,921	(1,500)	31,421		14,560
Mount Holly	13,140	12,885	12,630	12,376	12,121		12,121	(1,018)	
Mount Tabor	8,223	7,656	7,088	6,520	5,953		5,953	(2,271)	
Newark	2,296	2,872	3,448	4,024	4,600		4,600		2,304
Newbury	1,801	1,974	2,147	2,320	2,492		2,492		692
Newport City	458	403	349	294	239		239	(219)	
Newport Town	3,622	3,222	2,822	2,422	2,023		2,023	(1,599)	
North Hero	43,262	40,713	36,164	31,615	27,066	2,000	25,066	(18,196)	
Norton	10,415	13,006	17,597	22,188	26,779	(2,000)	28,779		18,364
Norwich	3,874	3,504	3,135	2,765	2,396		2,396	(1,478)	
Orange	4,497	5,732	7,467	9,201	10,936	(500)	11,436		6,939
Orwell	10,639	9,698	8,756	7,815	6,874		6,874	(3,765)	
Panton	2,606	2,350	2,095	1,839	1,583		1,583	(1,023)	
Peacham	16,688	19,346	24,505	29,663	34,821	(2,500)	37,321		20,633
Peru	6,221	5,540	4,860	4,179	3,499		3,499	(2,722)	
Pittsford	3,870	3,564	3,259	2,953	2,647		2,647	(1,223)	
Plainfield	4,377	4,999	5,622	6,244	6,866		6,866		2,489
Plymouth	43,476	49,633	58,790	67,947	77,104	(3,000)	80,104		36,628
Pomfret	4,255	3,843	3,430	3,017	2,604		2,604	(1,651)	
Poultney	28,079	26,583	23,588	20,593	17,597	1,500	16,097	(11,981)	
Pownal	528	479	430	380	331		331	(197)	
Putney	24	22	20	18	16		16	(9)	
Randolph	554	504	453	403	353		353	(201)	
Reading	43,568	44,038	44,509	44,979	45,449		45,449		1,882

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Readsboro	129	115	101	87	73		73	(56)	
Richford	13,155	12,948	12,740	12,533	12,326		12,326	(829)	
Richmond	482	1,581	2,680	3,779	4,879		4,879		4,397
Rochester	5,093	5,207	5,322	5,437	5,552		5,552		459
Rockingham	1,592	1,900	2,207	2,514	2,822		2,822		1,229
Roxbury	8,314	12,037	18,260	24,483	30,706	(2,500)	33,206		24,891
Royalton	2,087	1,839	1,590	1,342	1,094		1,094	(993)	
Rupert	2,862	2,617	2,372	2,128	1,883		1,883	(979)	
Ryegate	1,590	1,815	2,039	2,264	2,488		2,488		898
Salisbury	15,627	14,622	12,616	10,610	8,604	1,000	7,604	(8,023)	
Searsburg	54	47	41	34	27		27	(27)	
Shaftsbury	18,231	16,921	14,611	12,301	9,991	1,000	8,991	(9,240)	
Sharon	8,129	8,092	8,055	8,019	7,982		7,982	(147)	
Sheffield	3,591	3,235	2,879	2,523	2,168		2,168	(1,423)	
Shelburne	396	341	287	233	178		178	(218)	
Shoreham	4,535	3,968	3,401	2,834	2,267		2,267	(2,268)	
Shrewsbury	19,292	20,613	23,434	26,255	29,075	(1,500)	30,575		11,283
South Hero	13,698	12,648	11,099	9,550	8,001	500	7,501	(6,197)	
Springfield	2,915	2,595	2,276	1,956	1,636		1,636	(1,279)	
St. Albans Town	25,893	24,323	21,253	18,184	15,114	1,500	13,614	(12,279)	
Stannard	17,296	17,137	16,977	16,818	16,658		16,658	(638)	
Starksboro	11,163	11,862	12,561	13,260	13,959		13,959		2,796
Stockbridge	28,591	27,489	25,887	24,285	22,683	500	22,183	(6,408)	
Stowe	55,528	61,115	69,703	78,291	86,878	(3,000)	89,878		34,351
Strafford	6,358	7,194	8,530	9,865	11,201	(500)	11,701		5,343
Sudbury	1,072	984	895	807	719		719	(353)	
Sunderland	991	864	736	608	481		481	(511)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Sutton	11,702	15,132	21,562	27,993	34,423	(3,000)	37,423		25,720
Swanton	11,868	11,069	9,770	8,471	7,172	500	6,672	(5,196)	
Thetford	3,573	4,199	4,826	5,452	6,078		6,078		2,505
Tinmouth	6,139	5,958	5,777	5,596	5,415		5,415	(724)	
Topsham	12,047	12,159	12,271	12,383	12,496		12,496		449
Townshend	2,458	3,390	4,822	6,253	7,685	(500)	8,185		5,726
Troy	420	381	342	303	264		264	(156)	
Tunbridge	372	331	290	248	207		207	(165)	
Underhill	16,433	18,404	22,376	26,347	30,318	(2,000)	32,318		15,886
Vernon	8,309	8,276	8,244	8,211	8,179		8,179	(130)	
Victory	84,071	90,311	99,551	108,790	118,030	(3,000)	121,030		36,959
Waitsfield	4,647	4,364	4,080	3,797	3,514		3,514	(1,134)	
Walden	10,039	14,308	21,577	28,846	36,115	(3,000)	39,115		29,075
Warners Grant	723	1,207	1,691	2,175	2,659		2,659		1,936
Warren Gore	2,244	2,682	3,119	3,557	3,994		3,994		1,750
Washington	2,593	2,857	3,121	3,385	3,649		3,649		1,056
Waterbury	19,196	34,223	52,251	70,279	88,306	(3,000)	91,306		72,110
Waterville	1,002	1,034	1,066	1,099	1,131		1,131		129
Weathersfield	11,709	10,982	10,254	9,526	8,798		8,798	(2,911)	
Wells	1,108	1,035	962	888	815		815	(292)	
West Fairlee	558	632	706	781	855		855		297
West Haven	1,847	1,718	1,589	1,459	1,330		1,330	(517)	
West Rutland	1,552	1,932	2,312	2,692	3,071		3,071		1,519
West Windsor	90	87	84	81	79		79	(11)	
Westfield	24,511	24,326	24,142	23,958	23,773		23,773	(737)	
Westminster	263	231	199	167	136		136	(128)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Westmore	16,520	17,657	19,794	21,932	24,069	(1,000)	25,069		8,550
Weston	5,258	5,052	4,846	4,640	4,435		4,435	(824)	
Weybridge	9,705	9,058	8,411	7,763	7,116		7,116	(2,589)	
Wheelock	14,729	14,812	14,896	14,979	15,063		15,063		334
Whiting	385	333	280	228	176		176	(208)	
Whitingham	13,648	12,568	11,489	10,409	9,330		9,330	(4,318)	
Williamstown	4,973	4,735	4,497	4,260	4,022		4,022	(950)	
Williston	2,445	2,188	1,932	1,675	1,418		1,418	(1,027)	
Wilmington	2,018	1,838	1,658	1,478	1,298		1,298	(719)	
Windsor	11,721	12,739	14,258	15,776	17,295	(500)	17,795		6,074
Winhall	9,449	8,706	7,963	7,221	6,478		6,478	(2,972)	
Wolcott	5,044	5,102	5,160	5,218	5,276		5,276		232
Woodbury	11,746	10,896	9,545	8,194	6,843	500	6,343	(5,403)	
Woodford	6,532	5,896	5,260	4,624	3,988		3,988	(2,544)	
Woodstock	2,396	3,391	5,386	7,381	9,376	(1,000)	10,376		7,980
Worcester	12,399	20,565	31,730	42,895	54,061	(3,000)	57,061		44,661
Grand Total	2,255,412	2,289,624	2,351,837	2,414,049	2,476,262	(28,000)	2,504,262		

Appendix II – Recommendation - 55% Rate Factor

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Addison	40,260	38,088	34,416	30,744	27,072	1,500	25,572	(14,688)	
Albany	598	531	464	398	331		331	(267)	
Alburgh	32,293	31,027	28,261	25,494	22,728	1,500	21,228	(11,065)	
Andover	10,947	10,495	10,044	9,592	9,141		9,141	(1,806)	
Arlington	1,747	1,729	1,711	1,693	1,675		1,675	(72)	
Athens	1,954	1,760	1,566	1,372	1,178		1,178	(776)	
Averill	1,028	952	877	801	725		725	(303)	
Baltimore	203	201	199	196	194		194	(9)	
Barnard	25,838	24,598	22,858	21,118	19,378	500	18,878	(6,960)	
Barnet	8,388	7,989	7,590	7,191	6,792		6,792	(1,597)	
Barre Town	592	534	476	419	361		361	(230)	
Barton	18,142	16,816	14,991	13,165	11,339	500	10,839	(7,302)	
Belvidere	18,327	17,374	16,420	15,466	14,513		14,513	(3,815)	
Bennington	6,728	6,018	5,309	4,600	3,890		3,890	(2,838)	
Benson	20,073	18,968	17,363	15,759	14,154	500	13,654	(6,418)	
Berlin	6,921	6,107	5,293	4,479	3,666		3,666	(3,255)	
Bethel	2,777	2,480	2,183	1,886	1,588		1,588	(1,189)	
Bloomfield	518	460	402	343	285		285	(233)	
Bolton	80,934	79,778	77,122	74,466	71,810	1,500	70,310	(10,625)	
Braintree	119	104	90	75	60		60	(59)	
Brandon	498	436	373	311	249		249	(249)	
Brattleboro	687	614	541	468	395		395	(293)	
Bridgewater	5,622	5,661	5,700	5,739	5,778		5,778		156
Bridport	2,780	2,372	1,964	1,557	1,149		1,149	(1,631)	
Brighton	10,975	9,990	9,004	8,018	7,033		7,033	(3,942)	
Bristol	917	782	647	512	377		377	(540)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Brookfield	8,519	7,980	7,440	6,901	6,361		6,361	(2,158)	
Brownington	2,455	2,191	1,928	1,664	1,400		1,400	(1,055)	
Brunswick	36,264	35,161	34,059	32,956	31,853		31,853	(4,411)	
Buels Gore	7,436	8,316	9,195	10,075	10,954		10,954		3,518
Burke	15,373	14,427	13,481	12,534	11,588		11,588	(3,785)	
Cabot	1,844	1,585	1,326	1,067	809		809	(1,036)	
Calais	2,151	1,877	1,603	1,329	1,055		1,055	(1,096)	
Cambridge	32,351	32,454	32,557	32,659	32,762		32,762		410
Canaan	1,888	1,653	1,419	1,184	950		950	(938)	
Castleton	18,003	17,685	17,368	17,050	16,733		16,733	(1,270)	
Cavendish	24,228	25,440	27,153	28,865	30,578	(500)	31,078		6,850
Charleston	1,858	1,637	1,416	1,194	973		973	(885)	
Charlotte	19,811	18,359	15,907	13,455	11,003	1,000	10,003	(9,809)	
Chelsea	115	101	87	72	58		58	(58)	
Chester	1,056	1,102	1,148	1,194	1,240		1,240		184
Chittenden	425	519	614	708	802		802		378
Clarendon	1,843	1,635	1,426	1,218	1,009		1,009	(834)	
Colchester	45,214	42,827	38,440	34,053	29,666	2,000	27,666	(17,548)	
Concord	2,690	2,410	2,130	1,851	1,571		1,571	(1,119)	
Cornwall	6,420	5,941	5,462	4,983	4,505		4,505	(1,915)	
Coventry	6,039	5,586	5,133	4,680	4,227		4,227	(1,813)	
Craftsbury	1,098	954	811	667	524		524	(573)	
Danby	650	603	556	510	463		463	(187)	
Danville	1,816	1,698	1,580	1,462	1,345		1,345	(471)	
Derby	2,383	2,140	1,898	1,655	1,412		1,412	(970)	
Dorset	23,645	22,749	20,853	18,957	17,061	1,000	16,061	(7,584)	
Dummerston	1,734	1,540	1,345	1,151	956		956	(778)	
Duxbury	42,109	41,216	39,824	38,431	37,039	500	36,539	(5,570)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
East Montpelier	1,294	1,116	938	760	582		582	(712)	
Eden	37,111	36,256	34,902	33,547	32,192	500	31,692	(5,419)	
Elmore	18,871	17,922	16,973	16,024	15,076		15,076	(3,795)	
Essex Jct.	2,997	2,638	2,280	1,922	1,563		1,563	(1,434)	
Fair Haven	2,208	3,016	4,325	5,633	6,942	(500)	7,442		5,234
Fairfax	30	28	26	23	21		21	(8)	
Fairfield	3,395	3,039	2,683	2,327	1,971		1,971	(1,424)	
Fairlee	1,056	915	774	634	493		493	(563)	
Fayston	16,389	15,819	15,250	14,680	14,111		14,111	(2,278)	
Ferdinand	65,003	64,322	63,640	62,959	62,278		62,278	(2,726)	
Ferrisburgh	47,556	44,165	38,275	32,385	26,494	2,500	23,994	(23,561)	
Franklin	13,322	12,365	10,907	9,450	7,992	500	7,492	(5,830)	
Georgia	975	851	726	601	477		477	(498)	
Glover	4,369	3,917	3,466	3,014	2,562		2,562	(1,806)	
Grafton	1,164	1,804	2,445	3,085	3,726		3,726		2,562
Granby	538	543	548	553	559		559		21
Grand Isle	21,379	20,373	17,868	15,362	12,856	1,500	11,356	(10,023)	
Granville	7,699	7,287	6,875	6,463	6,052		6,052	(1,647)	
Greensboro	2,129	1,870	1,611	1,352	1,093		1,093	(1,035)	
Groton	54,512	58,329	65,146	71,963	78,781	(3,000)	81,781		27,269
Guilford	8,627	7,653	6,679	5,706	4,732		4,732	(3,896)	
Hardwick	1,511	1,307	1,103	899	696		696	(815)	
Hartford	4,107	3,687	3,267	2,847	2,427		2,427	(1,679)	
Hartland	1,259	1,849	2,439	3,029	3,620		3,620		2,361
Highgate	6,493	5,577	4,660	3,743	2,826		2,826	(3,667)	
Hinesburg	7,520	6,763	6,006	5,248	4,491		4,491	(3,030)	
Holland	9,003	11,875	16,746	21,618	26,489	(2,000)	28,489		19,486
Hubbardton	20,392	20,434	20,476	20,518	20,561		20,561		169

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Huntington	21,327	22,327	23,826	25,326	26,826	(500)	27,326		5,999
Hyde Park	30,672	29,577	27,982	26,387	24,792	500	24,292	(6,381)	
Ira	2,172	2,137	2,102	2,067	2,032		2,032	(140)	
Irasburg	1,256	1,101	946	791	636		636	(620)	
Isle LaMotte	4,372	3,850	3,328	2,806	2,284		2,284	(2,088)	
Jamaica	10,513	9,593	8,674	7,754	6,834		6,834	(3,679)	
Jay	20,925	20,071	18,716	17,361	16,006	500	15,506	(5,419)	
Jericho	1,638	1,413	1,189	964	739		739	(899)	
Johnson	14,734	15,699	17,663	19,627	21,592	(1,000)	22,592		7,858
Killington	60,951	58,847	55,243	51,639	48,034	1,500	46,534	(14,417)	
Kirby	1,900	1,799	1,697	1,596	1,495		1,495	(405)	
Leicester	546	466	386	306	226		226	(320)	
Lemington	228	200	172	143	115		115	(114)	
Londonderry	12,337	11,517	10,198	8,878	7,559	500	7,059	(5,278)	
Lowell	3,765	3,567	3,370	3,172	2,975		2,975	(790)	
Ludlow	44,295	42,901	40,508	38,115	35,722	1,000	34,722	(9,572)	
Lunenburg	8,710	8,368	8,026	7,683	7,341		7,341	(1,368)	
Lyndon	95	200	305	410	515		515		421
Maidstone	46,978	45,795	44,112	42,430	40,747	500	40,247	(6,731)	
Manchester	5,595	4,846	4,097	3,348	2,599		2,599	(2,995)	
Marlboro	106	92	77	62	48		48	(58)	
Marshfield	10,222	11,922	15,122	18,321	21,521	(1,500)	23,021		12,800
Mendon	14,613	18,005	23,897	29,789	35,682	(2,500)	38,182		23,569
Middlesex	15,815	14,966	14,117	13,267	12,418		12,418	(3,397)	
Milton	16,207	15,028	13,850	12,671	11,493		11,493	(4,714)	
Monkton	2,298	1,988	1,678	1,368	1,058		1,058	(1,240)	
Montgomery	16,847	16,471	16,094	15,718	15,342		15,342	(1,505)	
Montpelier	725	629	533	437	342		342	(383)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Moretown	721	631	542	452	362		362	(359)	
Morgan	4,219	3,766	3,314	2,861	2,408		2,408	(1,810)	
Morristown	16,861	18,346	21,332	24,317	27,302	(1,500)	28,802		11,941
Mount Holly	13,140	12,633	12,125	11,618	11,111		11,111	(2,029)	
Mount Tabor	8,223	7,532	6,840	6,148	5,457		5,457	(2,767)	
Newark	2,296	2,776	3,256	3,737	4,217		4,217		1,921
Newbury	1,801	1,922	2,043	2,164	2,285		2,285		484
Newport City	458	398	339	279	219		219	(239)	
Newport Town	3,622	3,180	2,738	2,296	1,854		1,854	(1,768)	
North Hero	43,262	40,691	35,620	30,549	25,477	2,500	22,977	(20,285)	
Norton	10,415	12,407	16,398	20,389	24,381	(2,000)	26,381		15,965
Norwich	3,874	3,455	3,035	2,616	2,196		2,196	(1,678)	
Orange	4,497	5,494	6,990	8,487	9,983	(500)	10,483		5,986
Orwell	10,639	9,554	8,470	7,385	6,301		6,301	(4,338)	
Panton	2,606	2,317	2,029	1,740	1,451		1,451	(1,155)	
Peacham	16,688	19,069	23,450	27,830	32,211	(2,000)	34,211		17,523
Peru	6,221	5,467	4,714	3,961	3,207		3,207	(3,014)	
Pittsford	3,870	3,509	3,148	2,787	2,427		2,427	(1,443)	
Plainfield	4,377	4,856	5,335	5,815	6,294		6,294		1,916
Plymouth	43,476	47,965	55,453	62,941	70,429	(3,000)	73,429		29,952
Pomfret	4,255	3,788	3,321	2,854	2,387		2,387	(1,868)	
Poultney	28,079	26,248	22,917	19,587	16,256	1,500	14,756	(13,323)	
Pownal	528	472	416	360	304		304	(225)	
Putney	24	22	19	17	14		14	(10)	
Randolph	554	496	439	381	323		323	(230)	
Reading	43,568	43,091	42,615	42,138	41,662		41,662	(1,906)	
Readsboro	129	113	98	82	67		67	(62)	
Richford	13,155	12,691	12,227	11,763	11,299		11,299	(1,856)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Richmond	482	1,480	2,477	3,475	4,472		4,472		3,990
Rochester	5,093	5,092	5,091	5,090	5,089		5,089	(4)	
Rockingham	1,592	1,841	2,090	2,338	2,587		2,587		994
Roxbury	8,314	11,345	16,876	22,408	27,939	(2,500)	30,439		22,124
Royalton	2,087	1,816	1,545	1,274	1,003		1,003	(1,084)	
Rupert	2,862	2,578	2,294	2,010	1,726		1,726	(1,136)	
Ryegate	1,590	1,763	1,936	2,108	2,281		2,281		691
Salisbury	15,627	14,463	12,299	10,135	7,971	1,000	6,971	(8,657)	
Searsburg	54	47	39	32	25		25	(29)	
Shaftsbury	18,231	16,734	14,237	11,739	9,242	1,000	8,242	(9,990)	
Sharon	8,129	7,926	7,723	7,520	7,317		7,317	(812)	
Sheffield	3,591	3,190	2,789	2,388	1,987		1,987	(1,603)	
Shelburne	396	338	280	221	163		163	(232)	
Shoreham	4,535	3,921	3,307	2,693	2,078		2,078	(2,456)	
Shrewsbury	19,292	20,476	22,660	24,844	27,027	(1,000)	28,027		8,735
South Hero	13,698	12,492	10,787	9,081	7,376	500	6,876	(6,822)	
Springfield	2,915	2,561	2,208	1,854	1,500		1,500	(1,415)	
St. Albans Town	25,893	24,039	20,686	17,333	13,980	1,500	12,480	(13,413)	
Stannard	17,296	16,790	16,283	15,777	15,270		15,270	(2,026)	
Starksboro	11,163	11,571	11,979	12,388	12,796		12,796		1,633
Stockbridge	28,591	27,526	25,462	23,398	21,334	1,000	20,334	(8,257)	
Stowe	55,528	59,243	65,958	72,673	79,388	(3,000)	82,388		26,861
Strafford	6,358	7,450	8,542	9,634	10,726		10,726		4,368
Sudbury	1,072	969	865	762	659		659	(413)	
Sunderland	991	854	716	578	441		441	(551)	
Sutton	11,702	14,853	20,503	26,154	31,804	(2,500)	34,304		22,602
Swanton	11,868	10,930	9,492	8,054	6,616	500	6,116	(5,752)	
Thetford	3,573	4,073	4,572	5,072	5,572		5,572		1,998

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Tinmouth	6,139	5,845	5,552	5,258	4,964		4,964	(1,176)	
Topsham	12,047	11,899	11,750	11,602	11,454		11,454	(592)	
Townshend	2,458	3,219	4,480	5,742	7,003	(500)	7,503		5,044
Troy	420	376	331	287	242		242	(178)	
Tunbridge	372	327	281	235	190		190	(183)	
Underhill	16,433	18,231	21,529	24,827	28,125	(1,500)	29,625		13,192
Vernon	8,309	8,106	7,903	7,700	7,497		7,497	(812)	
Victory	84,071	87,789	94,508	101,226	107,944	(3,000)	110,944		26,874
Waitsfield	4,647	4,291	3,934	3,577	3,221		3,221	(1,426)	
Walden	10,039	13,493	19,947	26,401	32,855	(3,000)	35,855		25,816
Warners Grant	723	1,152	1,580	2,009	2,438		2,438		1,714
Warren Gore	2,244	2,598	2,953	3,307	3,661		3,661		1,417
Washington	2,593	2,781	2,969	3,157	3,345		3,345		752
Waterbury	19,196	32,321	48,447	64,572	80,697	(3,000)	83,697		64,501
Waterville	1,002	1,010	1,019	1,028	1,037		1,037		35
Weathersfield	11,709	10,798	9,887	8,976	8,065		8,065	(3,644)	
Wells	1,108	1,018	928	838	747		747	(360)	
West Fairlee	558	614	671	727	784		784		226
West Haven	1,847	1,690	1,533	1,376	1,219		1,219	(628)	
West Rutland	1,552	1,868	2,184	2,500	2,815		2,815		1,263
West Windsor	90	85	81	76	72		72	(18)	
Westfield	24,511	23,831	23,151	22,472	21,792		21,792	(2,719)	
Westminster	263	228	194	159	124		124	(139)	
Westmore	16,520	17,635	19,250	20,865	22,480	(500)	22,980		6,460
Weston	5,258	4,960	4,662	4,363	4,065		4,065	(1,193)	
Weybridge	9,705	8,910	8,114	7,319	6,523		6,523	(3,182)	
Wheelock	14,729	14,499	14,268	14,038	13,808		13,808	(921)	
Whiting	385	329	273	217	162		162	(223)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	FY20 Est. Payment	Transition Adjustment	FY21 Est. Payment	Chg. (-)	Chg. (+)
Whitingham	13,648	12,874	11,600	10,326	9,053	500	8,553	(5,095)	
Williamstown	4,973	4,651	4,330	4,009	3,687		3,687	(1,285)	
Williston	2,445	2,159	1,873	1,586	1,300		1,300	(1,145)	
Wilmington	2,018	1,811	1,604	1,397	1,190		1,190	(827)	
Windsor	11,721	12,868	14,016	15,164	16,312		16,312		4,591
Winhall	9,449	8,571	7,694	6,816	5,938		5,938	(3,511)	
Wolcott	5,044	4,992	4,940	4,888	4,836		4,836	(208)	
Woodbury	11,746	10,763	9,280	7,798	6,315	500	5,815	(5,932)	
Woodford	6,532	5,813	5,094	4,374	3,655		3,655	(2,877)	
Woodstock	2,396	3,675	5,454	7,233	9,012	(500)	9,512		7,115
Worcester	12,399	19,376	29,352	39,329	49,306	(3,000)	52,306		39,906
Grand Total	2,255,412	2,251,452	2,261,493	2,271,533	2,281,574	(14,000)	2,295,574		

Appendix III – Current Statute – Estimated Payments by Town

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	Chg. (-)	Chg. (+)
Addison	40,260	34,589	28,918	23,248	(17,013)	
Albany	598	499	400	301	(297)	
Alburgh	32,293	27,961	23,630	19,298	(12,995)	
Andover	10,947	10,068	9,189	8,310	(2,637)	
Arlington	1,747	1,672	1,597	1,523	(224)	
Athens	1,954	1,660	1,365	1,071	(883)	
Averill	1,028	905	782	659	(369)	
Baltimore	203	194	185	177	(26)	
Barnard	25,838	22,946	20,054	17,162	(8,676)	
Barnet	8,388	7,650	6,912	6,175	(2,214)	
Barre Town	592	504	416	329	(263)	
Barton	18,142	15,379	12,617	9,854	(8,288)	
Belvidere	18,327	16,616	14,905	13,194	(5,134)	
Bennington	6,728	5,664	4,600	3,537	(3,191)	
Benson	20,073	17,519	14,966	12,413	(7,660)	
Berlin	6,921	5,725	4,529	3,333	(3,588)	
Bethel	2,777	2,333	1,888	1,444	(1,333)	
Bloomfield	518	432	345	259	(259)	
Bolton	80,934	75,262	69,590	63,918	(17,016)	
Braintree	119	98	76	55	(65)	
Brandon	498	407	317	227	(271)	
Brattleboro	687	578	468	359	(328)	
Bridgewater	5,622	5,499	5,376	5,253	(369)	
Bridport	2,780	2,201	1,623	1,045	(1,735)	
Brighton	10,975	9,448	7,921	6,394	(4,582)	
Bristol	917	725	534	343	(574)	
Brookfield	8,519	7,607	6,695	5,783	(2,736)	
Brownington	2,455	2,061	1,667	1,273	(1,182)	
Brunswick	36,264	33,829	31,393	28,958	(7,307)	
Buels Gore	7,436	8,277	9,118	9,959		2,522
Burke	15,373	13,760	12,147	10,535	(4,839)	
Cabot	1,844	1,474	1,105	735	(1,109)	
Calais	2,151	1,754	1,357	960	(1,192)	
Cambridge	32,351	31,495	30,639	29,784	(2,568)	
Canaan	1,888	1,547	1,205	864	(1,025)	
Castleton	18,003	17,072	16,142	15,212	(2,791)	
Cavendish	24,228	25,570	26,911	28,253		4,024
Charleston	1,858	1,534	1,209	885	(974)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	Chg. (-)	Chg. (+)
Charlotte	19,811	16,239	12,666	9,094	(10,718)	
Chelsea	115	94	73	53	(63)	
Chester	1,056	1,080	1,104	1,128		71
Chittenden	425	526	628	730		305
Clarendon	1,843	1,535	1,226	918	(926)	
Colchester	45,214	38,526	31,838	25,151	(20,063)	
Concord	2,690	2,269	1,849	1,428	(1,262)	
Cornwall	6,420	5,645	4,870	4,095	(2,325)	
Coventry	6,039	5,307	4,575	3,843	(2,197)	
Craftsbury	1,098	891	684	477	(621)	
Danby	650	573	497	421	(229)	
Danville	1,816	1,618	1,420	1,223	(593)	
Derby	2,383	2,016	1,650	1,284	(1,099)	
Dorset	23,645	20,630	17,615	14,601	(9,044)	
Dummerston	1,734	1,446	1,158	870	(865)	
Duxbury	42,109	39,145	36,181	33,217	(8,892)	
East Montpelier	1,294	1,039	784	529	(765)	
Eden	37,111	34,344	31,578	28,811	(8,300)	
Elmore	18,871	17,149	15,427	13,705	(5,166)	
Essex Jct.	2,997	2,472	1,946	1,421	(1,576)	
Fair Haven	2,208	3,727	5,246	6,765		4,557
Fairfax	30	26	23	20	(10)	
Fairfield	3,395	2,860	2,326	1,792	(1,603)	
Fairlee	1,056	853	651	448	(608)	
Fayston	16,389	15,202	14,015	12,828	(3,561)	
Ferdinand	65,003	62,207	59,412	56,616	(8,387)	
Ferrisburgh	47,556	38,975	30,394	21,813	(25,743)	
Franklin	13,322	11,152	8,981	6,811	(6,511)	
Georgia	975	795	614	434	(542)	
Glover	4,369	3,689	3,009	2,330	(2,039)	
Grafton	1,164	1,905	2,646	3,387		2,223
Granby	538	528	518	508	(30)	
Grand Isle	21,379	17,694	14,009	10,324	(11,056)	
Granville	7,699	6,966	6,234	5,502	(2,197)	
Greensboro	2,129	1,750	1,372	994	(1,135)	
Groton	54,512	61,123	67,735	74,346		19,834
Guilford	8,627	7,185	5,743	4,302	(4,326)	
Hardwick	1,511	1,218	925	633	(878)	
Hartford	4,107	3,473	2,840	2,207	(1,900)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	Chg. (-)	Chg. (+)
Hartland	1,259	1,936	2,613	3,291		2,032
Highgate	6,493	5,185	3,877	2,570	(3,924)	
Hinesburg	7,520	6,374	5,228	4,083	(3,438)	
Holland	9,003	14,635	20,267	25,900		16,896
Hubbardton	20,392	19,825	19,258	18,692	(1,700)	
Huntington	21,327	22,499	23,670	24,842		3,515
Hyde Park	30,672	27,809	24,946	22,084	(8,589)	
Ira	2,172	2,064	1,956	1,848	(324)	
Irasburg	1,256	1,030	804	578	(678)	
Isle LaMotte	4,372	3,606	2,841	2,076	(2,296)	
Jamaica	10,513	9,080	7,646	6,213	(4,300)	
Jay	20,925	18,649	16,373	14,097	(6,829)	
Jericho	1,638	1,316	994	672	(966)	
Johnson	14,734	16,669	18,603	20,538		5,804
Killington	60,951	54,735	48,520	42,304	(18,647)	
Kirby	1,900	1,720	1,539	1,359	(541)	
Leicester	546	432	319	205	(341)	
Lemington	228	187	146	105	(124)	
Londonderry	12,337	10,364	8,390	6,417	(5,920)	
Lowell	3,765	3,411	3,058	2,705	(1,060)	
Ludlow	44,295	40,052	35,809	31,566	(12,729)	
Lunenburg	8,710	8,031	7,353	6,674	(2,036)	
Lyndon	95	219	344	469		374
Maidstone	46,978	43,515	40,051	36,588	(10,390)	
Manchester	5,595	4,517	3,440	2,363	(3,232)	
Marlboro	106	85	64	44	(63)	
Marshfield	10,222	13,791	17,360	20,929		10,707
Mendon	14,613	21,312	28,011	34,711		20,098
Middlesex	15,815	14,306	12,798	11,289	(4,526)	
Milton	16,207	14,287	12,368	10,448	(5,759)	
Monkton	2,298	1,853	1,407	962	(1,337)	
Montgomery	16,847	15,880	14,914	13,947	(2,900)	
Montpelier	725	587	449	311	(415)	
Moretown	721	591	460	330	(392)	
Morgan	4,219	3,542	2,866	2,190	(2,029)	
Morristown	16,861	19,969	23,076	26,184		9,323
Mount Holly	13,140	12,127	11,114	10,101	(3,039)	
Mount Tabor	8,223	7,136	6,048	4,961	(3,263)	
Newark	2,296	2,808	3,321	3,834		1,538

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	Chg. (-)	Chg. (+)
Newbury	1,801	1,893	1,985	2,077		276
Newport City	458	372	286	200	(258)	
Newport Town	3,622	2,977	2,331	1,686	(1,937)	
North Hero	43,262	35,804	28,346	20,889	(22,374)	
Norton	10,415	14,938	19,460	23,983		13,567
Norwich	3,874	3,248	2,622	1,997	(1,877)	
Orange	4,497	6,175	7,852	9,530		5,033
Orwell	10,639	9,002	7,365	5,728	(4,911)	
Panton	2,606	2,177	1,748	1,320	(1,287)	
Peacham	16,688	21,492	26,297	31,101		14,413
Peru	6,221	5,119	4,017	2,916	(3,305)	
Pittsford	3,870	3,315	2,761	2,206	(1,664)	
Plainfield	4,377	4,825	5,273	5,722		1,344
Plymouth	43,476	51,235	58,994	66,754		23,277
Pomfret	4,255	3,560	2,865	2,170	(2,085)	
Poultney	28,079	23,191	18,303	13,415	(14,664)	
Pownal	528	444	360	276	(252)	
Putney	24	21	17	13	(11)	
Randolph	554	467	381	294	(260)	
Reading	43,568	41,670	39,772	37,875	(5,693)	
Readsboro	129	106	83	61	(68)	
Richford	13,155	12,194	11,233	10,272	(2,883)	
Richmond	482	1,677	2,871	4,066		3,583
Rochester	5,093	4,937	4,782	4,627	(466)	
Rockingham	1,592	1,845	2,098	2,352		759
Roxbury	8,314	14,767	21,219	27,672		19,357
Royalton	2,087	1,695	1,303	912	(1,175)	
Rupert	2,862	2,431	2,000	1,569	(1,293)	
Ryegate	1,590	1,751	1,912	2,074		483
Salisbury	15,627	12,531	9,434	6,337	(9,290)	
Searsburg	54	44	33	23	(32)	
Shaftsbury	18,231	14,652	11,072	7,493	(10,739)	
Sharon	8,129	7,636	7,144	6,652	(1,477)	
Sheffield	3,591	2,996	2,401	1,807	(1,784)	
Shelburne	396	313	231	149	(247)	
Shoreham	4,535	3,653	2,771	1,890	(2,645)	
Shrewsbury	19,292	21,355	23,417	25,480		6,188
South Hero	13,698	11,215	8,733	6,251	(7,447)	
Springfield	2,915	2,398	1,881	1,364	(1,552)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	Chg. (-)	Chg. (+)
St. Albans Town	25,893	21,043	16,194	11,345	(14,548)	
Stannard	17,296	16,158	15,020	13,882	(3,414)	
Starksboro	11,163	11,320	11,476	11,633		469
Stockbridge	28,591	25,222	21,854	18,486	(10,105)	
Stowe	55,528	61,985	68,442	74,899		19,371
Strafford	6,358	7,489	8,620	9,751		3,393
Sudbury	1,072	914	757	599	(473)	
Sunderland	991	794	597	401	(591)	
Sutton	11,702	18,197	24,691	31,186		19,483
Swanton	11,868	9,765	7,663	5,560	(6,308)	
Thetford	3,573	4,071	4,568	5,065		1,492
Tinmouth	6,139	5,597	5,055	4,513	(1,627)	
Topsham	12,047	11,502	10,958	10,413	(1,634)	
Townshend	2,458	3,912	5,366	6,821		4,362
Troy	420	353	287	220	(200)	
Tunbridge	372	306	239	173	(200)	
Underhill	16,433	19,932	23,432	26,932		10,499
Vernon	8,309	7,811	7,313	6,816	(1,493)	
Victory	84,071	89,667	95,263	100,859		16,788
Waitsfield	4,647	4,074	3,501	2,928	(1,719)	
Walden	10,039	17,558	25,077	32,596		22,556
Warners Grant	723	1,221	1,718	2,216		1,493
Warren Gore	2,244	2,606	2,967	3,329		1,084
Washington	2,593	2,742	2,891	3,041		448
Waterbury	19,196	38,160	57,124	76,089		56,893
Waterville	1,002	982	962	943	(59)	
Weathersfield	11,709	10,250	8,791	7,332	(4,377)	
Wells	1,108	965	822	680	(428)	
West Fairlee	558	609	661	713		155
West Haven	1,847	1,601	1,355	1,109	(739)	
West Rutland	1,552	1,888	2,224	2,560		1,007
West Windsor	90	82	74	66	(24)	
Westfield	24,511	22,944	21,378	19,811	(4,700)	
Westminster	263	213	163	113	(150)	
Westmore	16,520	17,977	19,434	20,891		4,371
Weston	5,258	4,737	4,216	3,696	(1,563)	
Weybridge	9,705	8,447	7,188	5,930	(3,775)	
Wheelock	14,729	14,003	13,278	12,553	(2,176)	
Whiting	385	305	226	147	(238)	

Town	FY16 Payment	FY17 Est. Payment	FY18 Est. Payment	FY19 Est. Payment	Chg. (-)	Chg. (+)
Whitingham	13,648	11,690	9,733	7,775	(5,873)	
Williamstown	4,973	4,432	3,892	3,352	(1,621)	
Williston	2,445	2,024	1,603	1,182	(1,263)	
Wilmington	2,018	1,706	1,394	1,082	(936)	
Windsor	11,721	12,757	13,793	14,829		3,109
Winhall	9,449	8,099	6,748	5,398	(4,051)	
Wolcott	5,044	4,828	4,612	4,397	(648)	
Woodbury	11,746	9,593	7,439	5,286	(6,460)	
Woodford	6,532	5,462	4,393	3,323	(3,209)	
Woodstock	2,396	4,480	6,563	8,647		6,251
Worcester	12,399	24,116	35,833	47,551		35,151
Grand Total	2,255,412	2,199,236	2,143,061	2,086,885		

Appendix IV – Significantly Impacted Towns

JFO/PVR Recommendation @ 55%				ANR/VLCT Recommendation @ 60%				Current Statute			
Town	FY16	FY21	Total Change	Town	FY16	FY21	Total Change	Town	FY16	FY19	Total Change
Ferrisburgh	47,556	23,994	(23,561)	Ferrisburgh	47,556	26,176	(21,380)	Ferrisburgh	47,556	21,813	(25,743)
North Hero	43,262	22,977	(20,285)	North Hero	43,262	25,066	(18,196)	North Hero	43,262	20,889	(22,374)
Colchester	45,214	27,666	(17,548)	Colchester	45,214	30,181	(15,033)	Colchester	45,214	25,151	(20,063)
Addison	40,260	25,572	(14,688)	Addison	40,260	27,897	(12,363)	Killington	60,951	42,304	(18,647)
Killington	60,951	46,534	(14,417)	St. Albans Town	25,893	13,614	(12,279)	Bolton	80,934	63,918	(17,016)
St. Albans Town	25,893	12,480	(13,413)	Poultney	28,079	16,097	(11,981)	Addison	40,260	23,248	(17,013)
Poultney	28,079	14,756	(13,323)	Killington	60,951	50,765	(10,186)	Poultney	28,079	13,415	(14,664)
Alburgh	32,293	21,228	(11,065)	Shaftsbury	18,231	8,991	(9,240)	St. Albans Town	25,893	11,345	(14,548)
Bolton	80,934	70,310	(10,625)	Alburgh	32,293	23,158	(9,136)	Alburgh	32,293	19,298	(12,995)
Grand Isle	21,379	11,356	(10,023)	Grand Isle	21,379	12,388	(8,991)	Ludlow	44,295	31,566	(12,729)
Shaftsbury	18,231	8,242	(9,990)	Charlotte	19,811	10,912	(8,899)	Grand Isle	21,379	10,324	(11,056)
Charlotte	19,811	10,003	(9,809)	Salisbury	15,627	7,604	(8,023)	Shaftsbury	18,231	7,493	(10,739)
Ludlow	44,295	34,722	(9,572)	Ludlow	44,295	37,879	(6,416)	Charlotte	19,811	9,094	(10,718)
Salisbury	15,627	6,971	(8,657)	Stockbridge	28,591	22,183	(6,408)	Maidstone	46,978	36,588	(10,390)
Stockbridge	28,591	20,334	(8,257)	Barton	18,142	11,825	(6,317)	Stockbridge	28,591	18,486	(10,105)
Dorset	23,645	16,061	(7,584)	South Hero	13,698	7,501	(6,197)	Salisbury	15,627	6,337	(9,290)
Barton	18,142	10,839	(7,302)	Dorset	23,645	17,521	(6,124)	Dorset	23,645	14,601	(9,044)
Barnard	25,838	18,878	(6,960)	Woodbury	11,746	6,343	(5,403)	Duxbury	42,109	33,217	(8,892)
South Hero	13,698	6,876	(6,822)	Barnard	25,838	20,594	(5,244)	Barnard	25,838	17,162	(8,676)
Maidstone	46,978	40,247	(6,731)	Swanton	11,868	6,672	(5,196)	Hyde Park	30,672	22,084	(8,589)
Benson	20,073	13,654	(6,418)	Benson	20,073	14,896	(5,177)	Ferdinand	65,003	56,616	(8,387)
Hyde Park	30,672	24,292	(6,381)	Franklin	13,322	8,173	(5,149)	Eden	37,111	28,811	(8,300)
Woodbury	11,746	5,815	(5,932)	Strafford	6,358	11,701	5,343	Barton	18,142	9,854	(8,288)
Franklin	13,322	7,492	(5,830)	Townshend	2,458	8,185	5,726	Benson	20,073	12,413	(7,660)
Swanton	11,868	6,116	(5,752)	Fair Haven	2,208	8,118	5,910	South Hero	13,698	6,251	(7,447)
Duxbury	42,109	36,539	(5,570)	Windsor	11,721	17,795	6,074	Brunswick	36,264	28,958	(7,307)
Jay	20,925	15,506	(5,419)	Orange	4,497	11,436	6,939	Jay	20,925	14,097	(6,829)

Eden	37,111	31,692	(5,419)
Londonderry	12,337	7,059	(5,278)
Whitingham	13,648	8,553	(5,095)
Townshend	2,458	7,503	5,044
Fair Haven	2,208	7,442	5,234
Orange	4,497	10,483	5,986
Huntington	21,327	27,326	5,999
Westmore	16,520	22,980	6,460
Cavendish	24,228	31,078	6,850
Woodstock	2,396	9,512	7,115
Johnson	14,734	22,592	7,858
Shrewsbury	19,292	28,027	8,735
Morristown	16,861	28,802	11,941
Marshfield	10,222	23,021	12,800
Underhill	16,433	29,625	13,192
Norton	10,415	26,381	15,965
Peacham	16,688	34,211	17,523
Holland	9,003	28,489	19,486
Roxbury	8,314	30,439	22,124
Sutton	11,702	34,304	22,602
Mendon	14,613	38,182	23,569
Walden	10,039	35,855	25,816
Stowe	55,528	82,388	26,861
Victory	84,071	110,944	26,874
Groton	54,512	81,781	27,269
Plymouth	43,476	73,429	29,952
Worcester	12,399	52,306	39,906
Waterbury	19,196	83,697	64,501

Woodstock	2,396	10,376	7,980
Huntington	21,327	29,810	8,484
Westmore	16,520	25,069	8,550
Cavendish	24,228	33,903	9,675
Johnson	14,734	24,646	9,912
Shrewsbury	19,292	30,575	11,283
Morristown	16,861	31,421	14,560
Marshfield	10,222	25,114	14,893
Underhill	16,433	32,318	15,886
Norton	10,415	28,779	18,364
Peacham	16,688	37,321	20,633
Holland	9,003	31,079	22,076
Roxbury	8,314	33,206	24,891
Sutton	11,702	37,423	25,720
Mendon	14,613	41,653	27,040
Walden	10,039	39,115	29,075
Stowe	55,528	89,878	34,351
Groton	54,512	89,215	34,703
Plymouth	43,476	80,104	36,628
Victory	84,071	121,030	36,959
Worcester	12,399	57,061	44,661
Waterbury	19,196	91,306	72,110

Franklin	13,322	6,811	(6,511)
Woodbury	11,746	5,286	(6,460)
Swanton	11,868	5,560	(6,308)
Londonderry	12,337	6,417	(5,920)
Whitingham	13,648	7,775	(5,873)
Milton	16,207	10,448	(5,759)
Reading	43,568	37,875	(5,693)
Elmore	18,871	13,705	(5,166)
Belvidere	18,327	13,194	(5,134)
Orange	4,497	9,530	5,033
Johnson	14,734	20,538	5,804
Shrewsbury	19,292	25,480	6,188
Woodstock	2,396	8,647	6,251
Morristown	16,861	26,184	9,323
Underhill	16,433	26,932	10,499
Marshfield	10,222	20,929	10,707
Norton	10,415	23,983	13,567
Peacham	16,688	31,101	14,413
Victory	84,071	100,859	16,788
Holland	9,003	25,900	16,896
Roxbury	8,314	27,672	19,357
Stowe	55,528	74,899	19,371
Sutton	11,702	31,186	19,483
Groton	54,512	74,346	19,834
Mendon	14,613	34,711	20,098
Walden	10,039	32,596	22,556
Plymouth	43,476	66,754	23,277
Worcester	12,399	47,551	35,151
Waterbury	19,196	76,089	56,893

Appendix V – ANR Acquisition History

Town	Acres FY12	Acres FY13	Acres FY14	Acres FY15	Acres FY16	% Change
Addison	3,152	3,362	3,362	3,362	3,362	7%
Albany	78	78	78	78	78	0%
Alburgh	1,808	1,808	1,956	1,956	1,956	8%
Andover	1,436	1,436	1,436	1,436	1,436	0%
Arlington	251	252	252	252	252	1%
Athens		79	536	536	536	n/a
Averill	1	1	1	1	1	0%
Baltimore	30	30	30	30	30	0%
Barnard	2,664	2,664	2,664	2,664	2,664	0%
Barnet	1,185	1,185	1,185	1,185	1,185	0%
Barre Town	92	92	92	92	92	0%
Barton	966	966	966	966	966	0%
Belvidere	2,400	2,400	2,400	2,400	2,400	0%
Bennington	567	567	567	567	567	0%
Benson	1,811	1,811	1,811	1,811	1,811	0%
Berlin	370	370	370	380	380	3%
Bethel	68	68	68	68	68	0%
Bloomfield	36	36	36	36	36	0%
Bolton	9,047	9,224	9,224	10,368	10,491	16%
Braintree	8	8	8	8	8	0%
Brandon	184	184	184	184	184	0%
Brattleboro	5	5	5	5	5	0%
Bridgewater	719	719	719	719	719	0%
Bridport	327	327	400	400	400	22%
Brighton	624	624	624	624	624	0%
Bristol	216	216	216	216	216	0%
Brookfield	882	882	882	882	882	0%
Brownington	241	241	241	241	241	0%
Brunswick	5,261	5,261	5,261	5,261	5,261	0%
Buels Gore	2,021	2,021	2,021	2,021	2,021	0%
Burke	1,566	1,566	1,566	1,566	1,566	0%
Cabot	29	29	29	29	29	0%
Calais	1	1	1	1	1	0%
Cambridge	4,357	4,357	4,357	4,357	4,357	0%
Canaan	2	2	247	247	247	15557%

Town	Acres FY12	Acres FY13	Acres FY14	Acres FY15	Acres FY16	% Change
Castleton	1,889	1,889	1,889	1,889	1,889	0%
Cavendish	4,550	4,550	4,550	4,550	4,550	0%
Charleston	9	9	9	9	9	0%
Charlotte	240	240	240	240	240	0%
Chelsea	1	1	1	1	1	0%
Chester	116	116	116	116	116	0%
Chittenden	264	264	264	264	264	0%
Clarendon	75	75	75	75	75	0%
Colchester	909	1,019	1,019	1,050	1,050	16%
Concord	180	180	180	180	180	0%
Cornwall	1,714	1,714	1,714	1,714	1,714	0%
Coventry	1,689	1,689	1,734	1,704	1,734	3%
Craftsbury	18	18	18	18	18	2%
Danby	107	107	107	107	107	0%
Danville	177	177	177	177	177	0%
Derby	57	57	57	57	57	0%
Dorset	770	770	770	794	878	14%
Dummerston	35	35	35	35	35	0%
Duxbury	8,362	8,420	8,420	8,420	8,362	0%
East Montpelier	43	43	43	43	43	0%
Eden	5,194	5,194	5,194	5,194	5,194	0%
Elmore	1,703	1,703	1,703	1,703	1,703	0%
Essex Jct.	29	29	29	29	29	0%
Fair Haven	1,084	1,084	1,084	1,084	1,084	0%
Fairfax	12	12	12	12	12	0%
Fairfield	904	904	904	904	904	0%
Fairlee	28	28	28	28	28	0%
Fayston	3,172	3,172	3,172	3,172	3,172	0%
Ferdinand	14,428	14,838	14,838	14,838	14,838	3%
Ferrisburgh	2,730	2,730	2,730	2,730	2,805	3%
Franklin	593	593	593	593	593	0%
Georgia	35	35	35	35	35	0%
Glover	111	111	111	111	111	0%
Grafton	532	532	596	596	596	12%
Granby	200	200	200	200	200	0%
Grand Isle	394	394	394	394	371	-6%
Granville	1,171	1,171	1,171	1,171	1,171	0%

Town	Acres FY12	Acres FY13	Acres FY14	Acres FY15	Acres FY16	% Change
Greensboro	16	16	16	16	16	0%
Groton	13,174	13,174	13,174	13,174	13,174	0%
Guilford	435	435	435	435	435	0%
Hardwick	67	67	67	67	67	0%
Hartford	118	118	118	118	118	0%
Hartland	279	279	279	279	279	0%
Highgate	340	340	340	340	340	0%
Hinesburg	1,366	1,366	1,366	1,366	1,366	0%
Holland	4,655	4,655	4,655	4,655	4,655	0%
Hubbardton	1,864	1,864	1,864	1,864	1,864	0%
Huntington	6,170	6,170	6,170	6,170	6,170	0%
Hyde Park	2,911	2,911	3,084	3,084	3,084	6%
Ira	521	521	521	521	521	0%
Irasburg	180	180	180	180	180	0%
Isle LaMotte	30	30	30	30	30	0%
Jamaica	1,022	1,022	1,022	1,022	1,022	0%
Jay	2,220	2,161	2,161	2,161	2,161	-3%
Jericho	42	42	42	42	42	0%
Johnson	3,958	3,958	3,958	3,958	3,958	0%
Killington	3,196	3,196	3,196	3,541	3,541	11%
Kirby	432	432	432	432	432	0%
Leicester	74	74	74	74	74	0%
Lemington			37	37	37	n/a
Londonderry	434	434	434	434	434	0%
Lowell	678	678	678	678	678	0%
Ludlow	3,738	3,738	3,738	3,738	3,738	0%
Lunenburg	1,317	1,317	1,317	1,317	1,317	0%
Lyndon	72	72	72	72	72	0%
Maidstone	5,750	5,752	5,752	5,752	5,752	0%
Manchester	127	127	127	127	127	0%
Marlboro	1	1	1	1	1	0%
Marshfield	3,809	3,809	3,809	3,809	3,809	0%
Mendon	7,427	7,427	7,427	7,427	7,427	0%
Middlesex	2,524	2,524	2,524	2,524	2,524	0%
Milton	1,828	1,828	1,828	1,828	1,828	0%
Monkton	15	15	15	83	83	444%
Montgomery	2,679	2,679	2,679	2,679	2,679	0%

Town	Acres FY12	Acres FY13	Acres FY14	Acres FY15	Acres FY16	% Change
Montpelier	49	49	49	49	49	0%
Moretown	3	3	3	3	3	0%
Morgan	7	7	7	7	7	0%
Morristown	4,430	4,430	4,430	4,430	4,430	0%
Mount Holly	2,481	2,481	2,481	2,481	2,481	0%
Mount Tabor	1,036	1,036	1,036	1,036	1,036	0%
Newark	753	753	753	753	753	0%
Newbury	471	471	471	471	471	0%
Newport City	112	112	118	118	118	6%
Newport Town	4	4	4	4	4	0%
North Hero	679	679	679	679	679	0%
Norton	4,747	4,747	4,747	4,747	4,747	0%
Norwich	5	5	5	5	5	0%
Orange	2,791	2,791	2,791	2,791	2,791	0%
Orwell	1,061	1,061	1,061	1,061	1,061	0%
Panton	206	206	206	206	206	0%
Peacham	7,213	7,213	7,213	7,213	7,213	0%
Peru	118	118	118	118	118	0%
Pittsford	627	627	627	647	859	37%
Plainfield	1,033	1,033	1,033	1,033	1,033	0%
Plymouth	10,362	10,362	10,362	10,362	10,362	0%
Pomfret	190	190	190	190	190	0%
Poultney	574	574	574	574	574	0%
Pownal	147	147	147	147	147	0%
Putney	0	0	0	0	0	0%
Randolph	17	17	17	17	17	0%
Reading	6,681	6,681	6,681	6,681	6,681	0%
Readsboro	3	3	3	3	3	0%
Richford	2,195	2,195	2,195	2,195	2,195	0%
Richmond	368	368	368	368	368	0%
Rochester	617	617	617	617	617	0%
Rockingham	470	470	470	470	470	0%
Roxbury	5,577	5,577	5,577	5,577	5,577	0%
Royalton	38	38	38	38	38	0%
Rupert	337	337	337	340	340	1%
Ryegate	478	478	478	478	478	0%
Salisbury	133	133	133	133	133	0%

Town	Acres FY12	Acres FY13	Acres FY14	Acres FY15	Acres FY16	% Change
Searsburg	3	3	3	3	3	0%
Shaftsbury	102	102	102	102	102	0%
Sharon	1,329	1,329	1,329	1,329	1,329	0%
Sheffield	423	423	423	423	423	0%
Shelburne	4	4	4	4	4	0%
Shoreham	164	164	164	164	164	0%
Shrewsbury	5,399	5,399	5,399	5,399	5,399	0%
South Hero	198	202	202	202	202	2%
Springfield	281	281	281	281	281	0%
St. Albans Town	1,042	1,042	1,042	1,042	1,042	0%
Stannard	2,576	2,576	2,576	2,576	2,576	0%
Starksboro	2,332	2,332	2,332	2,332	2,342	0%
Stockbridge	3,405	3,405	3,405	3,405	3,405	0%
Stowe	12,611	12,611	12,611	12,611	12,611	0%
Strafford	1,444	1,444	1,444	1,444	1,444	0%
Sudbury	2	2	2	2	2	0%
Sunderland	108	108	108	108	108	0%
Sutton	5,667	5,667	5,667	5,704	5,704	1%
Swanton	1,176	1,176	1,176	1,176	1,176	0%
Thetford	263	263	263	263	263	0%
Tinmouth	1,261	1,261	1,261	1,261	1,261	0%
Topsham	1,841	1,841	1,841	2,032	2,032	10%
Townshend	1,245	1,245	1,245	1,245	1,245	0%
Troy	17	17	17	17	17	0%
Tunbridge	9	9	9	9	9	0%
Underhill	6,035	6,035	6,035	6,035	6,035	0%
Vernon	1,315	1,315	1,315	1,315	1,315	0%
Victory	19,835	19,825	19,825	19,825	19,825	0%
Waitsfield	554	554	554	554	554	0%
Walden	5,957	5,962	5,961	5,961	5,961	0%
Warners Grant	552	552	552	552	552	0%
Warren Gore	645	645	645	645	645	0%
Washington	690	690	690	690	690	0%
Waterbury	13,096	13,096	13,096	13,096	13,096	0%
Waterville	202	202	202	202	202	0%
Weathersfield	1,300	1,300	1,300	1,300	1,300	0%
Wells	1	1	1	1	1	0%

Town	Acres FY12	Acres FY13	Acres FY14	Acres FY15	Acres FY16	% Change
West Fairlee	101	101	101	101	101	0%
West Haven	510	510	510	510	510	0%
West Rutland	529	529	529	583	583	10%
West Windsor	12	12	12	12	12	0%
Westfield	3,969	3,969	3,969	3,969	3,969	0%
Westminster	51	51	51	51	51	0%
Westmore	3,042	3,042	3,042	3,042	3,042	0%
Weston	655	655	655	655	655	0%
Weybridge	997	997	997	997	997	0%
Wheelock	2,480	2,480	2,480	2,480	2,480	0%
Whiting	24	24	24	30	30	25%
Whitingham	1,005	1,152	1,152	1,152	1,238	23%
Williamstown	568	568	568	568	568	0%
Williston	1	1	1	1	1	0%
Wilmington	169	169	169	169	169	0%
Windsor	2,639	2,639	2,639	2,639	2,639	0%
Winhall	707	707	707	707	707	0%
Wolcott	506	506	733	733	733	45%
Woodbury	278	278	278	278	278	0%
Woodford	416	416	416	416	416	0%
Woodstock	797	797	797	797	797	0%
Worcester	8,372	8,372	8,372	8,372	8,372	0%
Grand Total	346,321	347,455	348,932	350,835	351,377	1%

Appendix VI – Changes in FMV

	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	Average % Change for Revaluations
Actual FMV	149,211,600	192,004,500	192,781,800	193,332,600	292,035,000	294,199,600	293,015,100	294,199,600	295,356,900	296,170,000	414,090,900	
% Change		28.68%	0.40%	0.29%	51.05%	0.74%	-0.40%	0.40%	0.39%	0.28%	39.82%	39.9%
Actual PILOT	1,221,864	1,538,514	1,547,846	1,571,355	2,123,000	2,118,169	2,123,329	2,125,444	2,134,816	2,153,733	2,851,821	
% Change		25.92%	0.61%	1.52%	35.11%	-0.23%	0.24%	0.10%	0.44%	0.89%	32.41%	31.1%

The figures highlighted in yellow represent years in which a PVR valuation occurred.

Appendix VII – Estimated Option Growth Rates

	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Option A	2,255,412	2,199,236	2,143,061	2,086,885	2,919,552	2,919,552	2,919,552	2,919,552	2,919,552	4,084,453
Option B	2,255,412	2,127,806	2,000,200	1,872,595	2,619,760	2,619,760	2,619,760	2,619,760	2,619,760	3,665,044
Option C	2,255,412	2,133,258	2,011,103	1,888,949	2,642,640	2,642,640	2,642,640	2,642,640	2,642,640	3,697,053
Old Method	2,255,412	2,808,218	2,808,218	2,808,218	3,928,697	3,928,697	3,928,697	3,928,697	3,928,697	5,496,247
Recommendation @ 60%	2,255,412	2,289,124	2,351,337	2,413,549	2,476,262	2,504,262	2,549,339	2,595,227	2,641,941	2,689,496
Recommendation @ 55%	2,255,412	2,251,452	2,261,493	2,271,533	2,281,574	2,295,574	2,295,574	2,295,574	2,295,574	2,295,574

The figures highlighted in yellow represent estimated increases in FMV due to a PVR revaluation. PVR revaluations occur every 3-6 years and historically have amounted to a 39.9% increase in FMV, see Appendix VI. All payments are estimates and will change with the acquisition & disposition of ANR lands.

Appendix VIII - Review of the 2014 Options

The committee reviewed the November 2014, *Report on Annual Payments In Lieu of Taxes to Towns For Land Owned By the Agency of Natural Resources*.

In the 2014 report, both Option A, (now current law with implementation to begin in FY17) and Option B proposed that the payment system remain based on periodically updated Fair Market Value (FMV), but also accommodate the movement of Current Use (CU) valued parcels to be updated to FMV while the overall program cost remained within roughly the same budget level. Both options included a three year phase in period for the towns to absorb this change. This left the rate as the factor to change to meet these parameters:

Option A – rate change from \$1.00 to \$0.50

Option B – rate change from \$1.00 to local municipal rate

Option C - The details of this option were not clearly articulated in last year's report. The framework for this formula was created in the initial meeting of the 2015 work group to include:

- FMV as determined by PVR once fully implemented, eliminating the CU valuation and valuing all parcels of ANR land on the same basis.
- Valuing all ANR parcels as distinct and individual parcels. Currently, all tracts that are adjacent to each other are valued as one contiguous unit. This is consistent with appraisal practice for contiguous land under the same ownership be valued as one unit, unless subject to a subdivision plan.
- Payment rate equal to the actual local municipal rate for the town in which the parcel is located once fully implemented.
- Include a 3 year transition plan.

The goal of this approach was to have ANR PILOT payment more closely resemble the tax payment made on the acquired parcel by a private landowner. The working theory was that prior to acquisition by ANR smaller parcels under diverse ownership would likely be valued higher than when they were combined into a larger tract under ANR ownership. This might then result in higher values which would result in less of impact to towns when the payment rate was pegged to the local municipal tax rate.

Once fleshed out and analyzed Option C was ultimately rejected by the 2015 committee for the following reasons:

- The breaking apart of parcels had very little effect on the total FMV of ANR land. The net effect was only a 6% increase in value.
- Some towns have a \$0.0 (Lowell & Coventry) or virtually \$0 local tax rate. The committee felt that this would mean that those towns would need to in some way be held harmless.

- Hold harmless provisions, aside from cost impacts, can result in an inconsistent system and cliffs over time and can be burdensome to administer. A decision would have to be made a cut off for any hold harmless scheme. The committee could not identify an obvious or fundamentally fair basis for the establishment of a hold harmless.
- There were concerns regarding precedent and unintended consequences flowing from this change in appraisal practice for ANR PILOT payment. Would there be a future impact on other property valuation based tax systems?
- Program cost growth related to future updated FMVs.

The cost estimates for these are summarized as follows:

Estimated Program Cost Over a Three Year Phase Period			
Cost estimate in millions	Option A	Option B	Option C
FY16	\$2.25	\$2.25	\$2.25
FY17 est. 1/3 phase in	\$2.20	\$2.13	\$2.13
FY18 est. 2/3 phase in	\$2.14	\$2.00	\$2.01
FY19 est. fully implemented	\$2.09	\$1.87	\$1.89

The new charge required the committee to consider methods to facilitate in the transition of municipalities to the new system of PILOT payments. The committee discussed the potential for limited parallel payments that would help smooth the change for those most impacted under Option A. The committee was not able to identify a fair and consistent basis for such a system, many of the factors discussed were one off, singular issues that would establish ongoing exemptions, contrary to the principle of a consistent and fair payment system.

The committee did agree on two methods to ease the change. First was extension of the transition period from three to four years. Second was to establish a simple staircase system of additional smoothing adjustments over the transition period for the most negatively and positively impacted towns.

The review of 2014 report and the new analytic work on Option C, lead the committee to focus on methods that would enable the program to make payments for newly acquired land that were equal to municipal tax bill when the parcel was under private ownership. This in turn, led to the discussions about stepping away from an annual value basis to some other type of standardized payment and ultimately the Base Payment recommendation method contained in this report.

All three of the options presented in the 2014 report had one piece in common that the group wished to move away from. This was the use of PVR valuations to set PILOT payments. The market forces that drive the PVR valuations are unpredictable and often lead to significant increases to the PILOT budget costs. This was key reason why none of these three options could be recommended.