

# Education Fund Outlook - HWM Committee

(millions of dollars)

	FY2014	FY2015	
	As Passed with BAA	As Recommended - December 1st	HWM Committee - March 25th
a Base Homestead Property Tax Rate	\$0.94	\$1.01	\$0.98
<i>Average Homestead Property Tax Rate</i>	<i>\$1.41</i>	<i>\$1.54</i>	<i>\$1.49</i>
b Uniform Non-Residential Property Tax Rate	\$1.44	\$1.51	\$1.52
c Base Tax Rate on Household Income	1.80%	1.84%	1.90%
d Base Education Amount Per Equalized Pupil	\$9,151	\$9,382	\$9,382
e Total Equalized Pupil Count	89,938	89,257	89,257
f Statewide Education Grand List Growth Rate	-1.5%	-0.4%	-0.4%
g Statewide Education Spending Growth Rate <sup>1</sup>	5.1%	3.8%	3.0%

## Sources

1 Homestead Education Tax	567.4	591.9	574.3
1a Homestead Property Tax Adjustment <sup>2</sup>	(145.8)	(158.6)	(157.6)
2 Non-Homestead Education Tax	545.8	593.3	597.2
3 Sales & Use Tax <sup>3</sup>	125.4	128.6	128.6
4 Purchase & Use Tax	29.4	32.1	32.1
5 General Fund Transfer	288.9	295.8	295.8
5a Supplemental Property Tax Relief Fund Transfer <sup>4</sup>	1.3	-	6.0
6 Lottery Transfer	22.9	23.4	23.4
7 Medicaid Transfer	6.9	6.2	6.2
8 Other Sources	0.1	0.1	0.1
<b>9 Total Sources</b>	<b>1,442.3</b>	<b>1,512.7</b>	<b>1,506.1</b>

## Uses

10 Education Payment <sup>5</sup>	1,220.4	1,258.0	1,258.1
11 Special Education	163.5	174.5	174.5
12 State-Placed Students	16.7	16.9	16.9
13 Transportation	16.7	17.2	17.2
14 Technical Education	13.3	13.7	13.7
15 Small Schools	7.5	7.7	7.7
16 Essential Early Education	6.1	6.3	6.3
17 Adult Education & Literacy	5.8	5.8	5.8
18 Community High School of Vermont (Human Services)	3.9	3.9	3.9
19 Renter Rebate (General Gov't) - <i>EF share only</i>	6.2	6.2	4.8
20 Reappraisal & Listing (General Gov't)	3.3	3.3	3.3
21 Other Uses	1.0	1.0	1.0
<b>22 Total Uses</b>	<b>1,464.3</b>	<b>1,514.5</b>	<b>1,513.2</b>

## Allocation of Revenue Surplus/(Deficit)

<b>23 Revenue Surplus/(Deficit)</b>	<b>(22.0)</b>	<b>(1.8)</b>	<b>(7.2)</b>
24 Prior-Year Reversions	(4.2)	-	-
25 Transfer to/(from) Stabilization Reserve	(1.0)	0.0	(4.7)
26 Transfer to/(from) Unreserved/Unallocated	(16.8)	(1.8)	(2.5)

## Stabilization Reserve

27 Prior-Year Stabilization Reserve	29.3	28.3	28.3
28 Stabilization Reserve	28.3	28.3	23.6
29 <i>Percent of Prior-Year Net Appropriations</i>	<i>5.0%</i>	<i>4.7%</i>	<i>4.0%</i>
30 Maximum Reserve Target @ 5.0%	28.3	29.8	29.8
31 Minimum Reserve Target @ 3.5%	19.8	20.9	20.9

## Available Funds

32 Prior-Year Unreserved/Unallocated	19.3	2.5	2.5
33 Current-Year Unreserved/Unallocated	2.5	0.7	-

<sup>1</sup> Uses board-approved budgets in the 35 school districts that failed to pass their FY2015 budgets in March.

<sup>2</sup> Extends the partial property tax adjustment for homesteads with household income over \$90,000 and caps the property tax adjustment at \$6,000 except for homesteads owned by taxpayers over the age of 65 in FY2015.

<sup>3</sup> Adds \$0.4 million 2014 from the Tax Department's compliance program in FY2014.

<sup>4</sup> Uses \$6.0 million of the \$11.8 million balance in the Supplemental Property Tax Relief Fund in FY2015.

<sup>5</sup> Appropriates \$0.1 million to Thetford to correct reporting error in FY2014.