

## Education Funding Proposal

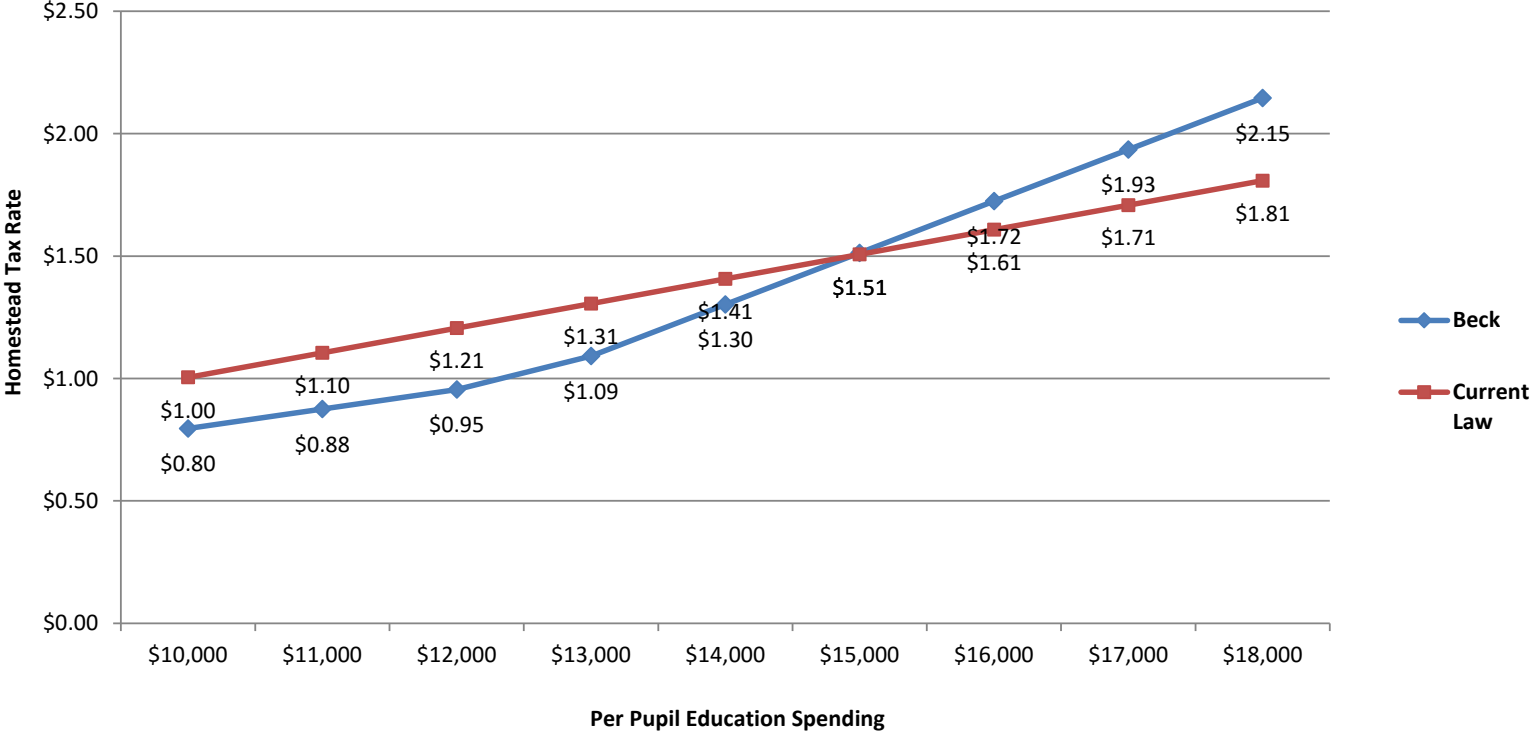
In FY2019, eliminate the excess spending threshold, and calculate each district's homestead tax rate as if every other district spent the same amount per equalized pupil.

1. Base amount per equalized pupil will be set based on all Ed Fund revenues (including \$1.00 homestead base tax rate), minus non-ed spending, and statutory reserve requirements with the difference divided by the number of state equalized pupils. **This is \$12,566 in FY17**, using figures from Dec. 2016.
2. Each district's additional homestead tax rate will be determined by calculating the amount per equalized pupil a district requests **in excess of the base amount**, multiplying it by the number of state equalized pupils (88,179 in FY17), and then dividing by the statewide homestead grand list (\$382M in FY17).

$$\text{District homestead tax rate} = \frac{(\text{spending per equalized pupil in excess of base amount}) * (\text{state equalized pupils})}{\text{state homestead grand list}}$$

3. In districts spending below the base amount the homestead tax rate will be determined by multiplying \$1.00 by the ratio of the district's spending per equalized pupil to the base amount per equalized pupil.
4. Each income payer's % will be determined by multiplying their district's homestead tax rate by 2.0%
5. Using assigned district homestead tax rates and associated district homestead grand lists, calculate whether sufficient revenues will be received from homestead payers and income payers to make the Ed Fund whole.
6. If necessary, adjust the base amount to make the Ed fund whole.

### Proposal versus Current Law Tax Rates



	Beck	Current Law
10,000	0.80	1.00
11,000	0.88	1.10
12,000	0.95	1.21
13,000	1.09	1.31
14,000	1.30	1.41
15,000	1.51	1.51
16,000	1.72	1.61
17,000	1.93	1.71
18,000	2.15	1.81
19,000	2.36	1.91
20,000	2.57	2.01

	Current Law		Proposal		
<b>High Spender</b>					
	Base homestead tax rate	\$1.00	Base homestead tax rate		\$1.00
	Per-pupil education spending	<b>\$14,000</b>	Per-pupil education spending	<b>\$14,000</b>	
	Yield	<u>\$9,955</u>	Base amount	<u>\$12,566</u>	
	Multiplier	1.41	Spending over base amount	\$1,434	
			Yield	\$4,744	
			Multiplier	0.30	<u>\$0.30</u>
	Spending adjusted homestead tax rate	<b>\$1.41</b>	Spending adjusted homestead tax rate		<b>\$1.30</b>
<b>Break Even Point</b>					
	Base homestead tax rate	\$1.00	Base homestead tax rate		\$1.00
	Per-pupil education spending	<b>\$12,566</b>	Per-pupil education spending	<b>\$12,566</b>	
	Yield	<u>\$9,955</u>	Base amount	<u>\$12,566</u>	
	Multiplier	1.26	Spending over base amount	\$0	
			Yield	\$4,744	
			Multiplier	-	<u>\$0.00</u>
	Spending adjusted homestead tax rate	<b>\$1.26</b>	Spending adjusted homestead tax rate		<b>\$1.00</b>
<b>Low Spender</b>					
	Base homestead tax rate	\$1.00	Base homestead tax rate	\$1.00	--
	Per-pupil education spending	<b>\$12,000</b>	Per-pupil education spending	<b>\$12,000</b>	
	Yield	<u>\$9,955</u>	Base amount	\$12,566	
	Multiplier	1.21	Multiplier (spending/base amount)	0.95	
	Spending adjusted homestead tax rate	<b>\$1.21</b>	Spending adjusted homestead tax rate		<b>\$0.95</b>

## FY2016 Education Spending

1	T239	Weybridge	928,207	20,200
2	T065	East Montpelier	3,649,628	19,728
3	T153	Pittsfield	1,394,468	18,688
4	T205	Thetford	7,286,161	18,214
5	T091	Hancock	848,997	17,817
6	T242	Whitingham	3,531,646	17,728
7	T130	Moretown	1,786,875	17,605
8	U003	Middlebury UHSD	17,025,624	17,594
9	T133	Mt. Holly	1,266,806	17,396
10	T245	Wilmington	4,400,529	17,324
11	T167	Ripton	583,564	17,301
12	T125	Middletown Springs	2,103,100	17,285
13	T145	Norwich	10,943,366	17,260
14	T163	Reading	874,870	17,208
15	U006	Brattleboro UHSD	19,363,593	17,168
16	T188	Killington	752,675	17,153
17	T061	Dummerston	2,652,507	17,105
18	T141	North Bennington ID	2,120,794	17,102
19	T014	Belvidere	516,448	16,977
20	T161	Putney	3,006,235	16,952
21	T056	Danby	2,021,197	16,948
22	T055	Craftsbury	2,552,775	16,934
23	T251	Woodbury	815,140	16,908
24	T049	Clarendon	2,806,590	16,887
25	U146	Rivendell Interstate USD	4,939,886	16,852
26	T208	Townshend	1,275,770	16,811
27	T066	Eden	1,948,913	16,756
28	U043	Lakeview UESD	1,244,881	16,750
29	U019	Harwood UHSD	11,815,395	16,721
30	U004	Woodstock UHSD	7,827,765	16,685
31	T067	Elmore	2,053,800	16,650
32	U039	Black River UHSD	3,256,924	16,649
33	T020	Bethel	4,781,582	16,570
34	T124	Middlesex	2,591,565	16,548
35	T094	Hartland	7,491,871	16,533
36	T115	Ludlow	1,818,425	16,531
37	U005	Vergennes UHSD	9,458,275	16,519
38	T201	Sudbury	450,154	16,507
39	T195	Stannard	464,220	16,503
40	T178	St. George	1,922,524	16,494
41	T189	Shoreham	1,237,267	16,479

42	T029	Bridport	1,332,745	16,472
43	T156	Plymouth	886,687	16,460
44	U048	Bellows Free Academy UHSD	12,515,303	16,442
45	U034	Leland & Gray UHSD	5,078,918	16,417
46	T051	Concord	3,590,906	16,413
47	T238	West Windsor	2,172,511	16,369
48	T169	Rockingham	8,915,190	16,276
49	T053	Cornwall	1,297,545	16,274
50	T193	Springfield	21,660,941	16,265
51	T151	Peacham	1,505,547	16,255
52	T180	Salisbury	1,429,973	16,140
53	T219	Wallingford	2,035,665	16,138
54	U037	Millers Run UESD	3,273,599	16,132
55	T226	Waterville	784,800	16,128
56	T214	Vernon	3,619,775	16,122
57	T154	Pittsford	3,275,946	16,112
58	U046	Essex Comm. Ed. Ctr. UHSD	18,483,246	16,098
59	U032	U-32 UHSD	12,189,961	16,097
60	T120	Marlboro	2,139,318	16,062
61	T038	Cabot	3,014,278	16,049
62	U301	Mountain Towns RED	7,336,566	16,012
63	U026	Hazen UHSD	5,706,749	16,008
64	T234	Westminster	4,043,153	15,889
65	T043	Cavendish	1,519,798	15,795
66	T045	Charlotte	6,413,973	15,746
67	T248	Winhall	2,165,580	15,737
68	T127	Monkton	2,357,048	15,724
69	T019	Berlin	2,812,154	15,685
70	T227	Weathersfield	5,208,601	15,649
71	T089	Guilford	2,386,860	15,627
72	T084	Grand Isle	4,662,434	15,603
73	U047	Mettawee Community Sch UESD	2,710,834	15,577
74	T027	Brattleboro	12,788,409	15,573
75	U021	Blue Mountain USD	6,279,226	15,571
76	T103	Isle La Motte	894,256	15,550
77	T216	Victory	159,942	15,543
78	T253	Woodstock	2,424,627	15,541
79	T076	Ferrisburgh	3,015,116	15,533
80	T135	Newark	1,203,271	15,512
81	T196	Starksboro	2,450,147	15,485
82	U028	Mt. Abraham UHSD	12,313,211	15,480
83	U045	Duxbury-Waterbury UESD	10,114,800	15,473
84	T005	Arlington	5,834,114	15,456

85	T059	Dorset	4,630,067	15,452
86	T036	Burke	4,373,490	15,421
87	T098	Hubbardton	419,784	15,388
88	T199	Strafford	2,702,155	15,346
89	T009	Barnard	861,675	15,335
90	T138	New Haven	1,427,341	15,323
91	T001	Addison	1,178,271	15,304
92	T233	West Haven	370,105	15,275
93	T075	Fayston	1,483,531	15,260
94	T210	Tunbridge	2,731,881	15,216
95	U401A	Mt. Mansfield Modified USD	12,311,149	15,206
96	U008	Otter Valley UHSD	9,065,183	15,163
97	U027	Bellows Falls UHSD	6,342,686	15,127
98	T246	Windham	297,284	15,098
99	U030	Oxbow UHSD	5,202,087	15,090
100	T046	Chelsea	2,707,259	15,089
101	U022A	North Country Jr UHSD	3,670,731	15,082
102	T217	Waitsfield	2,050,052	15,075
103	T197	Stockbridge	1,575,050	15,065
104	T206	Tinmouth	1,172,799	15,053
105	T225	Waterford	3,515,949	15,051
106	T060	Dover	2,526,836	14,946
107	T160	Proctor	4,469,503	14,945
108	T111	Lemington	218,808	14,926
109	T191	South Burlington	35,815,214	14,923
110	T039	Calais	1,727,548	14,918
111	T112	Lincoln	1,808,179	14,904
112	T093	Hartford	22,479,035	14,883
113	U033	Twinfield USD	6,028,143	14,882
114	T129	Montpelier	14,749,328	14,863
115	T002	Albany	1,323,308	14,859
116	U024	Lake Region UHSD	5,397,357	14,823
117	T232	Westford	4,553,697	14,815
118	T003	Alburgh	4,614,956	14,797
119	U018	Lamoille UHSD	12,633,206	14,793
120	T221	Wardsboro	1,876,256	14,733
121	T006	Athens	748,272	14,712
122	T159	Pownal	3,758,100	14,685
123	T231	Westfield	579,025	14,681
124	T200	Stratton	444,477	14,679
125	T184	Sharon	3,596,612	14,639
126	T192	South Hero	2,955,519	14,633
127	T119	Manchester	9,108,557	14,555

128	T158	Poultney	5,943,954	14,549
129	U401B	Mt. Mansfield Modified USD	24,104,152	14,546
130	U023	Currier Memorial UESD	1,430,444	14,544
131	T143	North Hero	1,358,381	14,530
132	U029	Chester-Andover UESD	2,932,723	14,516
133	T140	Newport Town	2,137,113	14,512
134	T031	Bristol	4,078,679	14,504
135	T123	Middlebury ID	6,018,517	14,498
136	T171	Royalton	4,588,211	14,498
137	T096	Hinesburg	7,666,206	14,490
138	T254	Worcester	1,018,768	14,459
139	T069	Essex Junction ID	15,576,843	14,448
140	T104	Jamaica	905,384	14,435
141	T250	Wolcott	4,068,733	14,413
142	U002	Randolph UHSD	7,179,970	14,389
143	T181	Sandgate	687,640	14,374
144	T010	Barnet	4,029,939	14,357
145	T170	Roxbury	1,234,366	14,350
146	T070	Essex Town	17,363,268	14,314
147	T198	Stowe	10,059,425	14,307
148	T173	Rutland City	30,593,695	14,208
149	U015	Champlain Valley UHSD	18,354,985	14,191
150	T057	Danville	4,398,860	14,161
151	T168	Rochester	1,961,809	14,159
152	T100	Hyde Park	3,179,897	14,142
153	T080	Glover	1,771,465	14,129
154	T092	Hardwick	3,618,079	14,123
155	T110	Leicester	925,750	14,119
156	U040	Mill River UHSD	5,766,939	14,111
157	T072	Fairfield	4,571,493	14,102
158	T126	Milton	23,107,898	14,100
159	T108	Kirby	1,266,926	14,057
160	T186	Shelburne	10,841,138	13,973
161	T237	West Rutland	4,663,635	13,913
162	T142	Northfield	8,272,905	13,909
163	T099	Huntington	1,890,384	13,899
164	T117	Lyndon	10,164,307	13,898
165	U035	Green Mountain UHSD	4,760,082	13,896
166	T241	Whiting	516,863	13,890
167	T032	Brookfield	940,436	13,869
168	T023	Bradford ID	3,101,184	13,840
169	T037	Burlington	57,985,840	13,838
170	T203	Sutton	2,235,500	13,818



171	T244	Williston	13,673,647	13,808
172	T137	Newfane	1,192,772	13,802
173	T033	Brookline	651,033	13,799
174	U044	Vergennes UESD	3,886,424	13,753
175	T054	Coventry	2,241,165	13,733
176	T247	Windsor	6,580,755	13,732
177	U022B	North Country Sr UHSD	12,242,199	13,730
178	T132	Morristown	10,453,700	13,724
179	T105	Jay	766,335	13,721
180	T024	Braintree	1,077,518	13,678
181	T107	Johnson	3,271,251	13,651
182	T222	Warren	1,975,211	13,607
183	U042	Castleton-Hubbardton UESD	5,065,583	13,592
184	T228	Wells	1,881,086	13,537
185	T090	Halifax	1,125,428	13,535
186	T050	Colchester	29,232,934	13,535
187	U014	Mt. Anthony UHSD	23,791,075	13,526
188	T223	Washington	1,772,368	13,514
189	T202	Sunderland	1,899,529	13,477
190	U036	Waits River Valley UESD	4,654,199	13,458
191	T082	Grafton	789,476	13,436
192	T040	Cambridge	4,586,786	13,376
193	T148	Orwell	1,539,979	13,374
194	T116	Lunenburg	2,328,631	13,372
195	U007	Missisquoi Valley UHSD	12,256,046	13,354
196	T136	Newbury	1,669,662	13,353
197	T077	Fletcher	2,845,989	13,347
198	T095	Highgate	4,061,553	13,324
199	T007	Bakersfield	2,870,270	13,278
200	T048	Chittenden	2,731,603	13,271
201	U016	Fair Haven UHSD	6,394,244	13,264
202	T243	Williamstown	7,069,488	13,258
203	T147	Orleans ID	1,240,958	13,176
204	T174	Rutland Town	6,853,819	13,176
205	T017	Benson	1,242,501	13,159
206	T008	Baltimore	646,916	13,157
207	T073	Fair Haven	4,222,141	13,019
208	T015	Bennington ID	11,091,754	13,016
209	T162	Randolph	4,024,424	13,003
210	T030	Brighton	1,307,998	12,999
211	T249	Winooski ID	11,929,932	12,897
212	T122	Mendon	2,071,630	12,889
213	T079	Georgia	11,015,115	12,884

214	T018	Berkshire	3,620,890	12,847
215	T182	Searsburg	323,522	12,843
216	T146	Orange	2,098,862	12,791
217	T204	Swanton	6,776,755	12,790
218	T177	St. Albans Town	9,161,401	12,772
219	T131	Morgan	447,525	12,696
220	T144	Norton	204,326	12,675
221	T176	St. Albans City	9,839,465	12,626
222	U041	Spaulding UHSD	10,280,413	12,474
223	T235	Westmore	306,540	12,456
224	T026	Brandon	4,299,100	12,450
225	T139	Newport City	4,319,312	12,335
226	T187	Sheldon	4,740,614	12,311
227	T013	Barton ID	2,312,087	12,274
228	T183	Shaftsbury	2,999,844	12,264
229	T071	Fairfax	9,409,337	12,235
230	T209	Troy	2,295,350	12,205
231	T097	Holland	656,533	12,199
232	T190	Shrewsbury	922,282	12,183
233	T085	Granville	532,416	12,175
234	T179	St. Johnsbury	13,788,240	12,162
235	T088	Guildhall	436,312	12,046
236	T194	Stamford	1,334,860	11,801
237	T218	Walden	1,827,498	11,780
238	T165	Richford	5,287,739	11,746
239	T058	Derby	4,041,760	11,645
240	T012	Barre Town	9,368,015	11,595
241	T068	Enosburgh	5,783,268	11,551
242	T128	Montgomery	2,093,221	11,544
243	T034	Brownington	1,243,750	11,519
244	T011	Barre City	10,134,500	11,496
245	T114	Lowell	1,294,248	11,378
246	T150	Pawlet	1,355,080	11,293
247	T078	Franklin	1,515,497	11,263
248	T164	Readsboro	1,047,219	11,188
249	T044	Charleston	1,337,787	11,123
250	T064	East Haven	556,676	11,067
251	T255	Buel's Gore	61,026	10,801
252	T028	Bridgewater	447,040	10,744
253	T157	Pomfret	589,929	10,744
254	T102	Irasburg	1,529,581	10,710
255	T047	Chester	171,306	10,561
256	T101	Ira	669,173	10,451

257	T081	Goshen	146,963	10,364
258	T041	Canaan	1,709,663	10,253
259	T118	Maidstone	225,324	10,191
260	T083	Granby	124,644	10,012
261	T021	Bloomfield	370,066	9,866
262	T172	Rupert	355,566	9,467
263	T134	Mt. Tabor	175,560	9,459
264	T252	Woodford	198,637	9,074
265	T086	Greensboro	33,042	8,302
266	T035	Brunswick	158,375	7,432
267	T004	Andover	15,965	7,002
268	T258	Ferdinand	25,081	4,610
269	T063	Duxbury	22,478	203

**Preliminary Education Fund Outlook - Rep Beck**  
(millions of dollars)

	Current Law	Beck Proposal
a Base Homestead Property Tax Rate	\$1.00	\$1.00
<i>Average Homestead Property Tax Rate</i>	\$1.535	\$1.535
b Uniform Non-Residential Property Tax Rate	\$1.538	\$1.538
c Base Tax Rate on Household Income	2.0%	2.0%
d Property Yield Per Equalized Pupil	\$9,955	\$4,744
Income Yield Per Equalized Pupil	\$11,157	\$4,744
e Total Equalized Pupil Count	88,572	88,572
f Statewide Education Grand List Growth Rate	1.7%	1.7%
g Statewide Education Spending Growth Rate	2.5%	2.5%

**Sources**

1 Homestead Education Tax	599.0	599.0
1a Income Sensitivity Adjustment	(163.9)	(163.9)
1b Homeowner Rebate - <i>EF share only*</i>	(7.3)	(7.3)
2 Non-Homestead Education Tax	624.1	624.1
3 Sales & Use Tax	138.0	138.0
4 Purchase & Use Tax	35.6	35.6
5 General Fund Transfer	303.6	303.6
5a Transfer from Rainy Day Reserve	2.3	2.3
6 Lottery Transfer	23.5	23.5
7 Medicaid Transfer	6.0	6.0
8 Other Sources (Wind & Solar Property Tax, Other)	1.1	1.1
9 <b>Total Sources</b>	<b>1,562.1</b>	<b>1,562.0</b>

**Uses (appropriations)**

10 Education Payment	1,321.3	1,321.3
11 Special Education	177.8	177.8
12 State-Placed Students	16.5	16.5
13 Transportation	18.3	18.3
14 Technical Education	13.5	13.5
15 Small Schools	7.6	7.6
16 Essential Early Education	6.4	6.4
17 Adult Education & Literacy	5.8	5.8
18 Community HS of Vermont (Corrections)	3.6	3.6
19 Renter Rebate (General Gov't) - <i>EF share only**</i>	7.0	7.0
20 Reappraisal & Listing (General Gov't)	3.4	3.4
21 Other Uses (Accounting & Auditing, Other)	1.1	1.1
22 <b>Total Uses</b>	<b>1,582.2</b>	<b>1,582.2</b>

**Allocation of Revenue Surplus/(Deficit)**

23 <b>Revenue Surplus/(Deficit)</b>	<b>(20.2)</b>	<b>(20.2)</b>
24 Prior-Year Reversions	0.0	0.0
25 Transfer to/(from) Stabilization Reserve	0.8	0.8
26 Transfer to/(from) Unreserved/Unallocated	(21.0)	(21.0)

**Stabilization Reserve**

27 Prior-Year Stabilization Reserve	32.5	32.5
28 Current-Year Stabilization Reserve	33.3	33.3
29 <i>Percent of Prior-Year Net Appropriations</i>	5.00%	5.00%
30 Maximum Reserve Target @ 5.0%	33.3	33.3
31 Minimum Reserve Target @ 3.5%	23.3	23.3

**Available Funds**

32 Prior-Year Unreserved/Unallocated	21.0	21.0
33 Current-Year Unreserved/Unallocated	-	(0.0)

\* *GF share of homeowner rebate:* 16.0 16.2

\*\* *GF share of renter rebate:* 3.0 3.0