

Education Fund Outlook - Base Spending Amount

(millions of dollars)

Preliminary estimates - subject to change - not for general distribution
FY2019 education spending data as of April 18, 2018 (93% of budgets submitted to AOE)

	FY2017 <i>Actual</i>	FY2018 <i>Before Year-End Closeout</i>	FY2019 Projections	
			Conference Committee	Incorporating "Base Spending Amount"
a Base Homestead Property Tax Rate	\$1.000	\$1.000	\$1.000	\$1.000
<i>Average Homestead Property Tax Rate</i>	\$1.527	\$1.500	\$1.526	\$1.526
b Base Tax Rate on Household Income	2.00%	2.00%	2.00%	1.66%
<i>Average Tax Rate on Household Income</i>	2.70%	2.55%	2.53%	2.49%
c Uniform Non-Homestead Property Tax Rate	\$1.535	\$1.535	\$1.590	\$1.590
d Property Yield Per Equalized Pupil	\$9,701	\$10,160	\$10,032	\$10,040
Income Yield Per Equalized Pupil	\$10,870	\$11,990	\$12,135	\$10,040
e Base Spending Amount	-	-	-	\$10,000
f Total Equalized Pupil Count	88,982	<i>Recount</i>	88,359	88,359
g Statewide Education Grand List Growth Rate	1.4%	1.4%	1.4%	1.4%
h Statewide Education Spending Growth Rate	1.4%	3.1%	1.8%	1.8%

Sources (actual)

1a Homestead Education Tax Raised on Yield	586.8	584.5	608.1	211.6
1b Base Homestead Property Tax Rate	-	-	-	396.6
Property Tax Adjustment	(170.1)	(173.0)	(163.0)	(163.0)
2 Non-Homestead Education Tax	632.8	646.3	677.1	677.1
3 Sales & Use Tax	131.8	136.9	403.9	403.9
4 Purchase & Use Tax	34.4	35.8	37.3	37.3
5 Meals & Rooms Tax	-	-	44.6	44.6
6 General Fund Transfer	303.6	314.7	<i>Repealed</i>	<i>Repealed</i>
6a One-Time Additional GF Transfer	2.3	3.3	-	-
6b One-Time GF Transfer	-	9.8	-	-
7 Lottery Transfer	25.5	25.2	25.6	25.6
6 Medicaid Transfer	10.6	8.6	9.6	9.6
11 Other Sources (Wind & Solar, Other)	1.4	1.5	1.6	1.6
12 Total Sources	1,559.1	1,593.6	1,644.9	1,644.9

Uses (appropriations)

13 Education Payment	1,311.0	1,352.2	1,375.0	1,375.0
<i>Recapture of VEHI Teachers' Health Care Savings</i>	-	(8.4)	(4.5)	(4.5)
14 Special Education Aid	180.7	188.7	197.2	197.2
15 State-Placed Students	16.7	14.7	15.7	15.7
15 Transportation Aid	18.2	18.7	19.2	19.2
16 Technical Education Aid	13.5	13.6	13.9	13.9
17 Small School Support	7.7	7.6	7.6	7.6
18 Essential Early Education Aid	6.4	6.4	6.6	6.6
19 Adult Education & Literacy	1.8	2.7	<i>Moved to GF</i>	<i>Moved to GF</i>
20 Flexible Pathways	6.1	7.2	7.4	7.4
21 Community HS of Vermont (Corrections)	3.1	3.2	<i>Moved to GF</i>	<i>Moved to GF</i>
22 Renter Rebate (General Government) - EF share only	8.0	7.7	<i>Moved to GF</i>	<i>Moved to GF</i>
23 Reappraisal & Listing (General Government)	3.4	3.5	<i>Moved to GF</i>	<i>Moved to GF</i>
24 Teachers' Pensions - normal cost only	-	7.9	7.7	7.7
25 Other Uses (Accounting & Auditing, Other)	1.1	1.4	1.1	1.1
26 Total Uses	1,577.7	1,627.0	1,646.9	1,646.9

Allocation of Revenue Surplus/(Deficit)

27 Revenue Surplus/(Deficit)	(18.6)	(33.4)	(2.0)	(2.0)
28 Prior-Year Reversions (<i>adjusted</i>)	(12.0)	(8.5)	(2.0)	(2.0)
29 Transfer to/(from) Stabilization Reserve	0.9	0.6	0.9	0.9
30 Transfer to/(from) Unreserved/Unallocated	(7.5)	(25.5)	(0.9)	(0.9)

Stabilization Reserve

31 Prior-Year Stabilization Reserve	32.6	33.5	34.1	34.1
32 Current-Year Stabilization Reserve	33.5	34.1	35.0	35.0
33 Percent of Prior-Year Net Appropriations	5.0%	5.0%	5.0%	5.0%
34 Maximum Reserve Target @ 5.0%	33.5	34.1	35.0	35.0
35 Minimum Reserve Target @ 3.5%	23.4	23.9	24.5	24.5

Available Funds

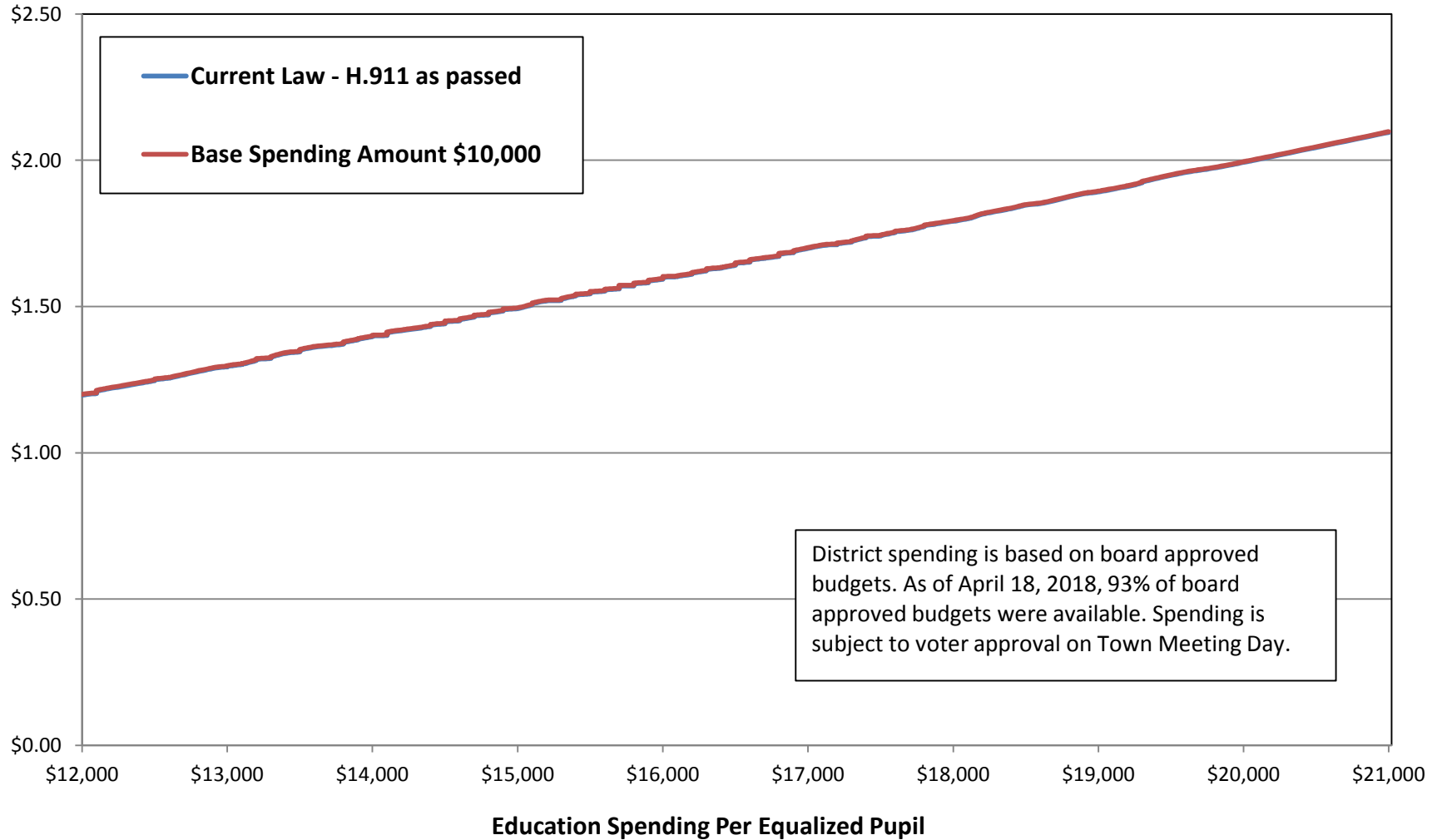
36 Prior-Year Unreserved/Unallocated	33.9	26.4	0.9	0.9
37 Current-Year Unreserved/Unallocated	26.4	0.9	-	-

*Reduced the maximum housesite value eligible for adjustment for incomes under \$90k from \$500,000 to \$450,000.

*Reduced the maximum housesite value eligible for adjustment for incomes over \$90k from \$250,000 to \$200,000.

Estimated Homestead Property Tax Rates FY2019

Incorporates a base spending amount of \$10,000 with a yield of \$10,040.



District spending is based on board approved budgets. As of April 18, 2018, 93% of board approved budgets were available. Spending is subject to voter approval on Town Meeting Day.

**For illustrative purposes only - the base spending amount and equivalent yield for future fiscal years represent percentages of the FY19 base spending amount. In practice the base spending amount will be recalculated each year based on the Education Fund revenues the corresponding fiscal year.*