

Preliminary Education Fund Outlook - Town Meeting Update
(millions of dollars)

	FY2016 Final	FY2017 After BAA	FY2018 Projections
a Base Homestead Property Tax Rate	\$0.99	\$1.00	\$1.00
<i>Average Homestead Property Tax Rate</i>	\$1.525	\$1.527	\$1.520
b Uniform Non-Residential Property Tax Rate	\$1.535	\$1.535	\$1.555
c Base Tax Rate on Household Income	1.80%	2.00%	2.00%
<i>Average Tax Rate on Household Income</i>	2.74%	2.70%	2.60%
d Base Education Amount Per Equalized Pupil	\$9,459		
e Property Yield Per Equalized Pupil		\$9,701	\$10,077
Income Yield Per Equalized Pupil		\$10,870	\$11,851
f Total Equalized Pupil Count	89,163	88,982	87,684
g Statewide Education Grand List Growth Rate	0.8%	1.4%	1.4%
h Actual Statewide Education Spending Growth Rate	2.8%	1.4%	3.4%

Sources

1 Homestead Education Tax ¹	578.6	586.3	593.1
1a Income Sensitivity Adjustment	(157.8)	(164.2)	(164.1)
1b Homeowner Rebate - EF share only*	<i>Included in line 1a</i>	(7.3)	(7.2)
2 Non-Homestead Education Tax	630.7	634.5	649.6
3 Sales & Use Tax	129.8	133.7	138.8
4 Purchase & Use Tax (see note)	33.4	34.4	35.6
5 General Fund Transfer	303.3	303.6	314.7
5a Supplemental Property Tax Relief	-	2.3	-
6 Lottery Transfer	26.4	24.6	24.8
7 Medicaid Transfer	9.6	9.6	9.6
8 Other Sources (Wind & Solar, Fund Interest, Other)	1.3	1.1	1.6
9 Total Sources	1,555.3	1,558.6	1,596.5

Uses (appropriations)

10 Education Payment ²	1,290.5	1,311.0	1,352.2
11 Special Education	179.8	180.7	180.7
12 State-Placed Students	16.4	16.7	16.7
13 Transportation	17.7	18.2	18.7
14 Technical Education	13.3	13.5	13.6
15 Small Schools	7.6	7.7	7.6
16 Essential Early Education	6.4	6.4	6.4
17 Adult Education & Literacy	5.8	1.8	3.1
18 Flexible Pathways		6.1	7.2
19 Community HS of Vermont (Corrections)	3.9	3.1	3.4
20 Renter Rebate (General Gov't) - EF share only**	6.5	8.0	7.4
21 Reappraisal & Listing (General Gov't)	3.7	3.4	3.5
22 Other Uses (Accounting & Auditing, Other)	1.1	1.1	1.1
23 Total Uses	1,552.7	1,577.7	1,621.8

Allocation of Revenue Surplus/(Deficit)

24 Revenue Surplus/(Deficit)	2.6	(19.1)	(25.3)
25 Prior-Year Reversions	(16.8)	(12.0)	-
26 Transfer to/(from) Stabilization Reserve	0.6	0.8	0.8
27 Transfer to/(from) Unreserved/Unallocated	18.8	(7.8)	(26.1)

Stabilization Reserve

28 Prior-Year Stabilization Reserve	32.0	32.6	33.3
29 Current-Year Stabilization Reserve	32.6	33.3	34.1
30 Percent of Prior-Year Net Appropriations	5.0%	5.0%	5.0%
31 Maximum Reserve Target @ 5.0%	32.6	33.3	34.1
32 Minimum Reserve Target @ 3.5%	22.8	23.3	23.9

Available Funds

33 Prior-Year Unreserved/Unallocated	15.1	33.9	26.1
34 Current-Year Unreserved/Unallocated	33.9	26.1	(0.0)

* GF share of homeowner rebate: 16.9 16.2 16.9

** GF share of renter rebate: 2.9 3.4 3.1

² Act 46 merger incentives lower homestead tax revenues by \$10.1 million.

³ FY2018 education payment is estimated based on board-approved budgets in 199 school districts.