

Administration's Balance Sheet May 7, 2018

FY18-FY23 EF Outlook Projections
(millions of dollars)

Projected Annual Growth in education Spending ----->

2.238%

	FY2019 April 25th Update	FY2020	FY2021	FY2022	FY2023	FY2024	Growth Assumptions
a Average Homestead Property Tax Rate	\$1.500	\$1.502	\$1.502	\$1.500	\$1.498		Consensus JFO, Admin GL Forecast: 2.1%, 2.9%, 3.6%, 4.4%
b Average Tax Rate on Household Income	2.58%	2.51%	2.43%	2.36%	2.29%		3% Income Growth, AVG bill increase matches HS
c Uniform Non-Homestead Property Tax Rate	\$1.535	\$1.538	\$1.537	\$1.536	\$1.534		Consensus JFO, Admin GL Forecast: 2.1%, 2.9%, 3.6%, 4.4%
d Base Homestead Property Tax Rate	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00		<i>Current Law</i>
e Base Homestead Income Tax Rate	2.00%	2.00%	2.00%	2.00%	2.00%		<i>Current Law</i>
f Property Yield Per Equalized Pupil	\$9,832	\$10,037	\$10,267	\$10,504	\$10,755		Produces average HS rate
g Income Yield Per Equalized Pupil	\$11,880	\$12,021	\$12,665	\$13,346	\$14,075		Produces AVG Income Rate

Sources (actual)

1 Homestead Education Property Tax	598.1	611.6	629.0	651.2	678.8		YoY Growth in Total Uses
2 Property Tax Adjustment (EF Portion)	(176.4)	(183.4)	(190.6)	(198.1)	(205.9)		FY15-FY19 CAGR (3.946%)
3 Non-Homestead Education Tax	653.7	668.7	687.8	712.0	742.2		YoY Growth in Total Uses
4 Purchase & Use Tax	37.3	38.7	39.6	40.7	41.9		Jan. 18 Consensus Forecast
5 General Fund Transfer (including any supps)	322.9	331.7	340.8	350.2	359.8		Statute with NIPA at 2.74%
6 Sales & Use Tax	144.3	147.4	150.1	153.6	157.8		Jan. 18 Consensus Forecast
7 Lottery Transfer	25.6	25.8	26.0	26.1	26.2		Jan. 18 Consensus Forecast
8 Medicaid Transfer	8.6	8.6	8.6	8.6	8.6		FLAT from FY19
9 Other Sources (Wind & Solar, Other)	1.6	1.7	1.8	1.9	2.0		\$.1M per year
10 Total Sources	1,615.7	1,650.9	1,693.2	1,746.2	1,811.4		

Uses (appropriations)

11 Education Payment	1,375.0	1,405.8	1,437.2	1,469.4	1,502.3		FY15-FY19 CAGR (2.238%). Adjust up or down in cell K1
12 <i>Recapture of Teachers' Health Care Savings</i>	(4.5)	-	-	-	-		<i>none after FY19</i>
13 Special Education Aid	197.2	201.6	206.1	206.1	206.1		Same CAGR as line 11, then level fund after FY21 (H.897)
14 State-Placed Students	15.7	16.7	16.7	16.7	16.7		FLAT from FY19
15 Transportation Aid	19.2	19.7	20.3	20.9	21.4		FY15-FY19 CAGR (2.788%)
16 Technical Education Aid	13.9	13.9	13.9	13.9	13.9		FLAT from FY19
17 Small School Support	7.6	7.6	7.6	7.6	7.6		FLAT from FY19
18 Essential Early Education Aid	6.6	6.7	6.8	6.9	7.1		FY15-FY19 CAGR (1.170%)
19 Adult Education & Literacy	3.0	3.0	3.0	3.0	3.0		FLAT from FY19
20 Flexible Pathways	7.3	7.9	8.5	9.1	9.7		FY17-FY19 AVG Growth = \$.6M
21 Community HS of Vermont (Corrections)	3.3	3.3	3.3	3.3	3.3		FLAT from FY19
22 Renter Rebate (General Govt) - EF share	7.9	8.0	8.0	8.0	8.0		FLAT from FY17
23 Reappraisal & Listing (General Govt)	3.3	3.4	3.4	3.4	3.4		FLAT from FY17
24 Teachers' Pensions - normal cost	7.7	7.8	7.8	7.8	7.8		FY18, FY19 AVG Amount = \$7.8M
25 Other Uses (Accounting fees, Other)	1.1	1.1	1.1	1.1	1.1		FLAT from FY19
26 Total Uses	1,664.3	1,706.5	1,743.8	1,777.2	1,811.4		

Operating Result

27 Operating Surplus/Deficit	(48.6)	(55.6)	(50.6)	(31.0)	0.0		Line 10 - Line 26
28 Transfer (to)/from Stabilization Reserve	(9.5)	-	-	-			
29 One Time - Transfers	27.1	-	0.0	0.0	(14.0)	(13.1)	
28 Inter Fund Investment From GF to Ed. Fund	27.0	-	(13.0)	(14.0)	0.0		
31 Admin Initiatives/Savings	4.0	46.0	71.0	95.0	117.0	141.0	
32 Funding for new investments	(0.0)	(9.6)	7.4	50.0	103.0	127.9	