

Preliminary Education Fund Outlook - H.509 DRAFT

(millions)

	FY2017 After BAA	FY2018 Projections		
		House-Passed	SAC-Passed	
a Base Homestead Property Tax Rate	\$1.000	\$1.000	\$1.000	
<i>Average Homestead Property Tax Rate</i>	\$1.527	\$1.520	\$1.527	<i>Includes Act 46 incentives</i>
b Uniform Non-Residential Property Tax Rate	\$1.535	\$1.555	\$1.563	
c Base Tax Rate on Household Income	2.00%	2.00%	2.00%	
<i>Average Tax Rate on Household Income</i>	2.70%	2.60%	2.60%	
e Property Yield Per Equalized Pupil	\$9,701	\$10,077	\$10,015	<i>Lower yields increase</i>
Income Yield Per Equalized Pupil	\$10,870	\$11,851	\$11,820	<i>homestead tax rates</i>
f Total Equalized Pupil Count	88,982	87,684	87,684	
g Statewide Education Grand List Growth Rate	1.4%	1.4%	1.4%	
h Actual Statewide Education Spending Growth Rate	1.4%	3.4%	3.4%	

Sources

1 Homestead Education Tax ¹	586.3	593.1	596.0
1a Income Sensitivity Adjustment	(164.2)	(164.1)	(164.1)
1b Homeowner Rebate - EF share only*	(7.3)	(7.2)	(7.2)
2 Non-Homestead Education Tax	634.5	649.6	652.9
3 Sales & Use Tax	133.7	138.8	138.8
4 Purchase & Use Tax (see note)	34.4	35.6	35.6
5 General Fund Transfer	303.6	314.7	314.7
5a Supplemental Property Tax Relief	2.3	-	-
6 Lottery Transfer	24.6	24.8	24.8
7 Medicaid Transfer	9.6	9.6	6.6
8 Other Sources (Wind & Solar, Fund Interest, Other)	1.1	1.6	1.6
9 Total Sources	1,558.6	1,596.5	1,599.7

Uses (appropriations)

10 Education Payment ²	1,311.0	1,352.2	1,352.2	
11 Special Education	180.7	180.7	180.7	
12 State-Placed Students	16.7	16.7	16.7	
13 Transportation	18.2	18.7	18.7	
14 Technical Education	13.5	13.6	13.6	
15 Small Schools	7.7	7.6	7.6	
16 Essential Early Education	6.4	6.4	6.4	
17 Adult Education & Literacy	1.8	3.1	2.7	<i>Adult Diploma Program</i>
18 Flexible Pathways	6.1	7.2	7.2	
19 Community HS of Vermont (Corrections)	3.1	3.4	3.4	
20 Renter Rebate (General Gov't) - EF share only**	8.0	7.4	7.4	
21 Reappraisal & Listing (General Gov't)	3.4	3.5	3.5	
22 Teachers' Pensions	-	-	7.9	<i>Transferred from GF</i>
23 Other Uses (Accounting & Auditing, Other)	1.1	1.1	1.1	
24 Total Uses	1,577.7	1,621.8	1,629.3	

Allocation of Revenue Surplus/(Deficit)

25 Revenue Surplus/(Deficit)	(19.1)	(25.3)	(29.5)	
26 Prior-Year Reversions	(12.0)	-	(4.2)	<i>Anticipated - estimate only</i>
27 Transfer to/(from) Stabilization Reserve	0.8	0.8	0.8	
28 Transfer to/(from) Unreserved/Unallocated	(7.8)	(26.1)	(26.1)	<i>Uses one-time funds</i>

Stabilization Reserve

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

Available Funds

34 Prior-Year Unreserved/Unallocated	33.9	26.1	26.1
35 Current-Year Unreserved/Unallocated	26.1	-	-

¹ Act 46 merger incentives lower homestead tax revenues by \$10.1 million; the average homestead tax rates reflect these incentives.

² FY2018 education payment is estimated based on board-approved budgets in 199 school districts.

Foregone education tax revenue due to Tax Increment Financing; FY2017 - \$6.3M; FY2018 - \$7.4M.