

Consensus Education Fund Outlook for FY2020 Based on Current Law

December 1, 2018

(millions of dollars)

	FY2018 Actual	FY2019 Anticipated BAA	FY2020 Projections
a Average Homestead Property Tax Rate	\$1.500	\$1.499	\$1.499
b Average Tax Rate on Household Income	2.55%	2.48%	2.45%
c Uniform Non-Homestead Property Tax Rate	\$1.535	\$1.580	\$1.580
d Property Yield Per Equalized Pupil	\$10,160	\$10,220	\$10,666
e Income Yield Per Equalized Pupil	\$11,990	\$12,380	\$13,104
f Total Equalized Pupil Count	87,744.8	88,359.0	87,620.6
g Statewide Education Grand List Growth Rate	1.40%	1.40%	2.25%
h Statewide Education Spending Growth Rate	3.40%	1.70%	3.24%

Sources

1a Homestead Education Tax	586.7	597.8	610.8
1b Property Tax Adjustment	(172.2)	(165.3)	(168.0)
2 Non-Homestead Education Tax	644.4	672.8	687.9
3 Sales & Use Tax	139.2	415.6	428.1
4 Purchase & Use Tax	36.5	38.4	39.6
5 Meals & Rooms Tax - 25%		45.1	46.7
6 Base General Fund Transfer	314.7		
6a Additional GF Transfer - 2017 Act 85	3.3		
6b Additional GF Transfers - 2018 Act 11*	30.2		
7 Lottery Transfer	27.1	26.3	26.6
8 Medicaid Transfer	10.2	9.6	9.2
9 Other Sources (Wind & Solar Taxes, Fund Interest)	2.7	2.7	2.7
10 Total Sources	1,622.9	1,643.0	1,683.6

Appropriations

11 Education Payment	1,352.2	1,372.9	1,417.5
12 Special Education Aid	188.7	198.5	205.4
13 State-Placed Students	14.7	15.7	16.5
14 Transportation Aid	18.7	19.2	19.8
15 Technical Education Aid	13.6	13.9	14.2
16 Small School Support	7.6	7.6	8.2
17 Essential Early Education Aid	6.4	6.6	6.8
18 Flexible Pathways	7.2	7.3	7.7
19 Teachers' Pensions (Normal Cost Only)	7.9	7.7	7.1
20 Other Uses (Accounting & Auditing, Other)	1.4	1.0	1.0
21 Adult Education & Literacy	2.7		
22 Community HS of Vermont	3.2		
23 Renter Rebate	7.7		
24 Reappraisal & Listing	3.5		
25 Total Uses	1,635.4	1,650.5	1,704.2

Allocation of Revenue Surplus/(Deficit)

26 Revenue Surplus/(Deficit)	(12.6)	(7.5)	(20.6)
27 Prior-Year Reversions (<i>adjusted</i>)	(8.5)	(10.9)	
28 Transfer to/(from) Stabilization Reserve	1.2	2.4	0.5
29 Transfer to/(from) Unreserved/Unallocated	(5.2)	1.0	(21.1)

Stabilization Reserve

30 Prior-Year Stabilization Reserve	33.5	34.6	37.0
31 Current-Year Stabilization Reserve	34.6	37.0	37.5
32 Percent of Prior-Year Net Appropriations	5.0%	5.0%	5.0%
33 Reserve Target	34.6	37.0	37.5

Available Funds

34 Prior-Year Unreserved/Unallocated	26.5	21.2	22.3
35 Current-Year Unreserved/Unallocated	21.2	22.3	1.2

* At the end of the 2018 legislative session, \$20.4 million of this additional \$30.2 million transfer from the General Fund was carried on the Education Fund Outlook in FY2019. This correction has no impact on the estimated amount of current-year unreserved/unallocated funds available in FY2019 (see line 35).