

The Education Fund Outlook (EF Outlook) is a summary sheet used to track the revenues, expenditures, and balances within Vermont's statewide Education Fund (EF).

| EF Outlook (millions of dollars) <div style="border: 1px solid black; padding: 2px; font-size: small; margin-left: 20px;"> With the exception of the summary lines (a - i), all amounts are in the EF Outlook are reported in </div> | | | Fiscal Years | | |
|--|---|---|---|---|---|
| | | | FY20XX | FY20XX | |
| Line # | Actual Row in EF Outlook | Relevant Notes and Description | Actual | Projected | |
| Summary lines (Lines a - i) | a | Average Homestead Property Tax Rate | These are <u>statewide</u> average tax rates. Towns' tax rates differ from these averages because they are adjusted based on local spending decisions. | | |
| | b | Average Tax Rate on Household Income | | | |
| | c | Uniform Non-Homestead Property Tax Rate | These are set annually by the General Assembly. | | |
| | d | Property Yield Per Pupil | This is the equalized, uniform nonhomestead property tax rate | | |
| | e | Income Yield Per Pupil | The higher the statewide property yield, the lower homestead property tax rates | | |
| | f | Total Long Term Weighted Average Daily Membership (LTWADM) | The higher the statewide income yield, the lower the income tax rate used to calculate the property tax credit | | |
| | g | Average Percentage Bill Change Compared to Prior Year | Total Long Term Weighted Average Daily Membership (LTWADM) reflects the number of students after incorporating the pupil weights introduced under Act 127 (2022). | | |
| | h | Statewide Education Spending Growth | This reflects the estimated statewide average percentage change in tax bills. | | |
| | i | Statewide Education Grand List Growth | This reflects the statewide growth in education spending compared to the prior year (see line 10). | | |
| Sources | | | Lines 1a - 9 reflect all revenue sources for the Education Fund in a given fiscal year | | |
| Property Tax Revenues (Lines 1-2) | 1a | Homestead Education Property Tax | Total amount raised from the Homestead Property Tax | | |
| | 1b | Property Tax Credit | Total Property Tax Credits received statewide. Property Tax Credits are considered a negative revenue | | |
| Non-property Tax Revenues (Lines 3-9) | 2 | Nonhomestead Education Property Tax | Total amount raised from nonhomestead property tax. | | |
| | 3 | Sales & Use Tax | All revenue from statewide Sales & Use Tax is deposited into EF. | | |
| | 4 | Purchase & Use Tax (33.3%) | One third of statewide Purchase & Use Tax is deposited into EF. | | |
| | 5 | Meals & Rooms Tax (25%) | One quarter of statewide Meals & Rooms Tax is deposited into EF, as well as 100% of the short-term rental surcharge (3%) introduced under H.887 | | |
| | 6 | Lottery Transfer | All net proceeds from State lotteries and multi-jurisdictional lottery games is deposited into EF | | |
| | 7 | Medicaid Transfer | Earned federal receipts for qualified services provided to Medicaid enrolled students. | | |
| | 8 | One-time General Fund (GF) transfer | A one-time transfer of funds from the GF to the EF. Does not occur regularly. | | |
| | 9 | Other Sources (Wind & Solar, Fund Interest) | Other revenue sources that reflect less than 1% of EF revenues. | | |
| 10 Total Sources | | | The sum of lines 1a through line 9 | | |
| Appropriations | | | Lines 11 - 25 reflect all appropriations from the Education Fund in a given fiscal year | | |
| Categorical Aid (Lines 12 - 21) | 11 | Education Payment | Total education spending for all school districts statewide. Calculated as the sum of all school district budgets less all offsetting revenues. | | |
| | 12 | Special Education Aid | Aid for special education costs from a census block grant model and other special education support. | | |
| | 13 | State Placed Students | Aid to provide education for students placed outside of guardians' district of residence | | |
| | 14 | Transportation Aid | Aid to provide 50% cost share of prior year transportation costs for school districts. | | |
| | 15 | Technical Education Aid | Aid to CTE centers based on statutory formulas and policy decisions | | |
| | 16 | Small School Support/Merger Support | Aid to small schools based on statutory provisions and merger decisions. | | |
| | 17 | Essential Early Education Aid | Aid for preschool special education services based on a statutory formula | | |
| | 18 | Flexible Pathways | Aid for programs including Dual Enrollment and Early College. | | |
| | 19 | Universal School Meals | Aid for the funding of breakfast and lunch meals to all publicly-funded students | | |
| | 20 | English Learners Services | Aid for the funding of English Learners (EL) and related services. | | |
| Retirement Costs (Lines 22-25) | 21 | PCB Remediation Grants | Grants to cover the costs of investigation, remediation, and removal of polychlorinated biphenyls (PCBs) in schools | | |
| | 22 | VSTRS Pension Normal Cost | Normal cost of teachers' pension system. | | |
| | 23 | VSTRS OPEB Normal Cost | Normal cost of teachers' Other Post Employment Benefits (OPEB) - subsidized retirement health care | | |
| | 24 | One-time COLA payment | A one-time payment to assist in covering school employees' Cost of Living Adjustment to their retirement | | |
| | 25 | Other Uses (Accounting & Auditing, CMF transfer, Financial Systems) | Administrative costs associated with managing the Education Fund | | |
| | 26 | Total Uses | The sum of line 11 through line 25. | | |
| Allocation of Revenue Surplus/(Deficit) | | | Lines 27 - 31 provide an overview of how the Education Fund comes into balance through transfers to/(from) reserves and unallocated funds | | |
| 27 | Revenue Surplus/(Deficit) | Net revenue, calculated as line 10 minus line 26. | | Amounts reflect actuals for the relevant fiscal year. | Amounts reflect current estimates, forecasts, and policy decisions. |
| 28 | Prior Year Reversions | Unspent/unobligated balances from prior fiscal years that revert back to the Education Fund | | | |
| 29 | Transfer to/(from) Stabilization Reserve | Funds transferred to line 33 to ensure Stabilization Reserve meets statutory requirement | | | |
| 30 | Transfer to/(from) Additional Reserves | Funds transferred to Additional Reserves (lines 36 through 38). | | | |
| 31 | Transfer to/(from) Unreserved/Unallocated | Funds transferred to line 40. Calculated as net revenue and reversions (lines 27 and 28) minus transfers to reserves (lines 29 and 30) | | | |
| Stabilization Reserve | | | | | |
| 32 | Prior Year Stabilization Reserve | Funds in Stabilization Reserve in the prior fiscal year. | | Amounts reflect actuals for the relevant fiscal year. | Amounts reflect current estimates, forecasts, and policy decisions. |
| 33 | Current Year Stabilization Reserve | Funds in Stabilization Reserve in the current fiscal year (reflects funds transferred in line 29) | | | |
| 34 | Percent of Prior Year Net Appropriations | Stabilization Reserve funding generally equals 5% of prior year EF appropriations minus funds distributed from municipalities to school districts. | | | |
| 35 | Reserve Target | Amount required in stabilization reserve to meet the 5% target | | | |
| Additional Reserves | | | | | |
| 36 | Current Year Reserve for Future Cost of Living Adjustment (COLA) Provisions | Sometimes the General Assembly will establish dedicated reserves for specific purposes. These reserves are often restricted for specific use at a later date. These reserves are carried on the EF Outlook until they are liquidated. | | | |
| 37 | Current Year PCB Reserve | | | | |
| 38 | Current Year Tax Rate Offset Reserve | | | | |
| Available Funds | | | | | |
| 39 | Prior Year Unreserved/Unallocated | Balance in the EF at the close of the prior fiscal year. Carried forward into the next year as available funds. | | Amounts reflect actuals. | Amounts reflect current estimates. |
| 40 | Current Year Unreserved/Unallocated | Funds available in the Education Fund after accounting for all else. Calculated as line 31 plus line 39. | | | |

Notes:

- Line numbers will change to reflect policy changes. While line numbers change, the layout of the EF Outlook stays consistent with the layout presented in this document.