

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	Amounts reflect actual summaries for the relevant fiscal year.	Amounts are projected based on the latest forecasts and estimates.
	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	Total Long Term Weighted Average Daily Membership (LTWADM)	Total Long Term Weighted Average Daily Membership (LTWADM) reflects the number of students after incorporating the pupil weights introduced under Act 127 (2022).		
	h	Average Percentage Bill Change Compared to Prior Year	This is the estimated statewide average percentage change in tax bills.		
	i	Statewide Education Spending Growth	This reflects the statewide growth in education spending compared to the prior year (see line 10).		
	Statewide Education Grand List Growth	This reflects the statewide growth in Grand List values compared to the prior year			
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	Non-property tax revenue sources	Amounts reflect actual revenues for the relevant fiscal year.	
	4	Purchase & Use Tax (33.3%)			All revenue from statewide Sales & Use Tax is deposited into EF.
	5	Meals & Rooms Tax (25%)			One third of statewide Purchase & Use Tax is deposited into EF.
	6	Lottery Transfer			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
	7	Medicaid Transfer			All net proceeds from State lotteries and multi-jurisdictional lottery games is deposited into EF
	8	One-time General Fund (GF) transfer			Earned federal receipts for qualified services provided to Medicaid enrolled students.
	9	Other Sources (Wind & Solar, Fund Interest)			A one-time transfer of funds from the GF to the EF. Does not occur regularly.
10	Total Sources	Other revenue sources that reflect less than 1% of EF revenues.			
			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	Categorical aid is determined at the State level and is generally calculated from statutory requirements	Amounts reflect actual appropriations for the relevant fiscal year.	
	13	State Placed Students			Aid for special education costs from a census block grant model and other special education support.
	14	Transportation Aid			Aid to provide education for students placed outside of guardians' district of residence
	15	Technical Education Aid			Aid to provide 50% cost share of prior year transportation costs for school districts.
	16	Small School Support/Merger Support			Aid to CTE centers based on statutory formulas and policy decisions
	17	Essential Early Education Aid			Aid to small schools based on statutory provisions and merger decisions.
	18	Flexible Pathways			Aid for preschool special education services based on a statutory formula
	19	Universal School Meals			Aid for programs including Dual Enrollment and Early College.
	20	English Learners Services			Aid for the funding of breakfast and lunch meals to all publicly-funded students
21	PCB Remediation Grants	Aid for the funding of English Learners (EL) and related services.			
Retirement Costs (Lines 22-25)	22	VSTRS Pension Normal Cost	Grants to cover the costs of investigation, remediation, and removal of polychlorinated biphenyls (PCBs) in schools		
	23	VSTRS OPEB Normal Cost	Normal cost of teachers' pension system.		
	24	One-time COLA payment	Normal cost of teachers' Other Post Employment Benefits (OPEB) - subsidized retirement health care		
	25	Other Uses (Accounting & Auditing, CMF transfer, Financial Systems)	A one-time payment to assist in covering school employees' Cost of Living Adjustment to their retirement		
	26	Total Uses	Administrative costs associated with managing the Education Fund		
			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.	
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.	
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		Amounts reflect current estimates, forecasts, and policy decisions.	
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.	
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.