

Education Fund Outlook - H.911 Conference

Preliminary estimates - subject to change - see notes below

(millions of dollars)

FY2019 education spending data as of April 18, 2018 (93% of budgets submitted to AOE)

	FY2017 Final	FY2018 Before Year-End Closeout	FY2019 Conference Committee Report
a Base Homestead Property Tax Rate	\$1.00	\$1.00	\$1.00
a Average Homestead Property Tax Rate	\$1.527	\$1.500	\$1.526
b Average Tax Rate on Household Income	2.70%	2.55%	2.53%
c Uniform Non-Homestead Property Tax Rate	\$1.535	\$1.535	\$1.590
d Property Yield Per Equalized Pupil	\$9,701	\$10,160	\$10,032
d Income Yield Per Equalized Pupil	\$10,870	\$11,990	\$12,135
e Total Equalized Pupil Count	88,982	Recount	88,359
f Statewide Education Grand List Growth Rate	1.4%	1.4%	1.4%
g Statewide Education Spending Growth Rate	1.4%	3.1%	1.8%

Sources (actual)

1 Homestead Education Tax	586.8	584.5	608.1 ¹
Property Tax Adjustment	(170.1)	(173.0)	(163.0)
2 Non-Homestead Education Tax	632.8	646.3	677.1
3 Sales & Use Tax	131.8	136.9	403.9 ²
4 Purchase & Use Tax	34.4	35.8	37.3
5 Meals & Rooms Tax			44.6
6 General Fund Transfer (including one-time appropriations)	305.9	318.0	NA
One-Time GF Transfer to EF -H.924 C.1000(d)(4)	-	9.8	-
7 Lottery Transfer	25.5	25.2	25.6
8 Medicaid Transfer	10.6	8.6	9.6
9 Other Sources (Wind & Solar, Other)	1.4	1.5	1.6
10 Total Sources	1,559.1	1,593.6	1,644.8

Uses (appropriations)

11 Education Payment	1,311.0	1,352.2	1,375.0
Recapture of VEHI Teachers' Health Care Savings	-	(8.4)	(4.5)
12 Special Education Aid	180.7	188.7	197.2
13 State-Placed Students	16.7	14.7	15.7
14 Transportation Aid	18.2	18.7	19.2
15 Technical Education Aid	13.5	13.6	13.9
16 Small School Support	7.7	7.6	7.6
17 Essential Early Education Aid	6.4	6.4	6.6
18 Adult Education & Literacy	1.8	2.7	Moved to GF
19 Flexible Pathways	6.1	7.2	7.4
20 Community HS of Vermont (Corrections)	3.1	3.2	Moved to GF
21 Renter Rebate (General Government) - EF share only	8.0	7.7	Moved to GF
22 Reappraisal & Listing (General Government)	3.4	3.5	Moved to GF
23 Teachers' Pensions (normal cost only)	-	7.9	7.7
24 Other Uses (Accounting & Auditing, Other)	1.1	1.4	1.1
25 Total Uses	1,577.7	1,627.0	1,646.9

Allocation of Revenue Surplus/(Deficit)

26 Revenue Surplus/(Deficit)	(18.6)	(33.38)	(2.0)
27 Prior-Year Reversions (adjusted)	(12.0)	(8.5)	(2.0)
28 Transfer to/(from) Stabilization Reserve	0.9	0.6	0.9
29 Transfer to/(from) Unreserved/Unallocated	(7.5)	(26.4)	(0.9)

Stabilization Reserve

30 Prior-Year Stabilization Reserve	32.6	33.5	34.1
31 Current-Year Stabilization Reserve	33.5	34.1	35.0
32 Percent of Prior-Year Net Appropriations	5.0%	5.0%	5.0%
33 Maximum Reserve Target @ 5.0%	33.5	34.1	35.0
34 Minimum Reserve Target @ 3.5%	23.4	23.9	24.5

Available Funds

35 Prior-Year Unreserved/Unallocated	33.9	26.4	0.9
36 Current-Year Unreserved/Unallocated	26.4	0.9	-

¹ Act 46 merger incentives lower homestead taxes in eligible school districts by \$2.5 million in FY2017, \$10.1 million in FY2018, and \$14.3 million in FY2019. The forgone homestead tax revenue is offset by lowering the yields, which raises education tax rates.

² Revenue upgrade or additional \$3M from GF reserves