

Education Fund Outlook

(millions of dollars)	FY2010 Before closeout	FY2011 Appropriations	FY2012 Projections
a Base Homestead Tax Rate	\$0.86	\$0.86	\$0.86
b Uniform Non Homestead Tax Rate	\$1.35	\$1.35	\$1.35
c Base Rate on Household Income	1.80%	1.80%	1.80%
d Household Income Limit	\$90,000	\$90,000	\$90,000
e Housesite Value Limit if Income Over \$90K	\$200,000	\$200,000	\$200,000
f Base Education Amount Per Pupil	\$8,544	\$8,544	\$8,667
g Equalized Pupil Count	94,107	92,569	91,731
h Education Grand List Growth Rate	6.9%	2.2%	-0.9%
i Education Spending Growth Rate	2.0%	-0.1%	-2.0%
Sources			
1 Homestead Education Tax	489.5	520.4	501.4
1a Homestead Property Tax Adjustment	(141.6)	(161.5)	(164.4)
2 Non Homestead Education Tax	558.2	554.5	551.1
3 Sales & Use Tax	103.7	107.0	111.7
4 Purchase & Use Tax	23.3	24.5	26.2
5 General Fund Transfer	259.2	259.2	303.9
a. GF Transfer Reduction	(18.4)	(18.4)	-
b. Challenges for Change GF Savings	-	(6.0)	(14.2)
c. CHSVT & Early Ed Initiative Adjustment	-	-	(4.4)
d. Contingent transfer and repayment	-	3.0	(3.0)
6 Lottery Transfer	21.0	21.4	21.9
7 Medicaid Transfer	0.0	6.9	6.9
8 Vermont Yankee Education Tax	2.0	2.0	1.4
9 Total Sources	1,296.9	1,313.0	1,338.5
Uses			
10 Education Payment (excludes ARRA funds)	1,098.9	1,099.5	1,111.6
11 Special Education	142.5	142.5	149.6
12 State-Placed Students	15.6	15.3	16.1
13 Transportation	15.5	15.8	16.1
14 Technical Education	12.8	12.8	13.2
15 Small Schools	7.0	7.0	7.5
16 EEE Block Grant	5.7	5.7	6.0
17 Early Education Initiative	1.1	1.1	-
18 Capital Debt	0.2	0.2	0.1
19 Adult Education & Literacy	4.8	4.8	4.8
20 Renter Rebate (EF share only)	5.9	5.8	6.1
21 Reappraisal & Listing Payment	3.5	3.2	3.2
22 Other (EF interest; Other)	(0.1)	(0.2)	(0.2)
23 Total Uses	1,313.3	1,313.5	1,334.1
Fund Balance			
24 Current Year Revenue Surplus/(Deficit)	(16.4)	(0.5)	4.4
25 Prior Year Fund Balance	42.4	26.0	25.5
28 Current Year Fund Balance	26.0	25.5	29.9
Stabilization Reserve			
29 Revenue Surplus/(Deficit)	(16.4)	(0.5)	4.4
30 Prior Year Reversions	(3.5)	(0.6)	-
31 Transfer to/(from) Stabilization Reserve	(6.4)	0.1	4.4
32 Transfer to/(from) Unreserved/Unallocated	(6.5)	-	-
33 Stabilization Reserve	24.7	24.8	29.2
34 Percent of Prior Year Net Appropriations	4.1%	4.2%	4.9%
35 Maximum Reserve Target @ 5.0%	29.8	29.6	29.6
36 Minimum Reserve Target @ 3.5%	20.9	20.7	20.7

Taxpayers affected by property tax adjustment changes in FY2011

Total taxpayers affected:	14,400
Repeal of "excess" acreage payment:	33,400
Inclusion of 2X interest and dividends over \$10K in household income:	5,600
Creation of \$500K housesite value cap:	1,400

Source: Vermont Department of Taxes, July 14, 2010.