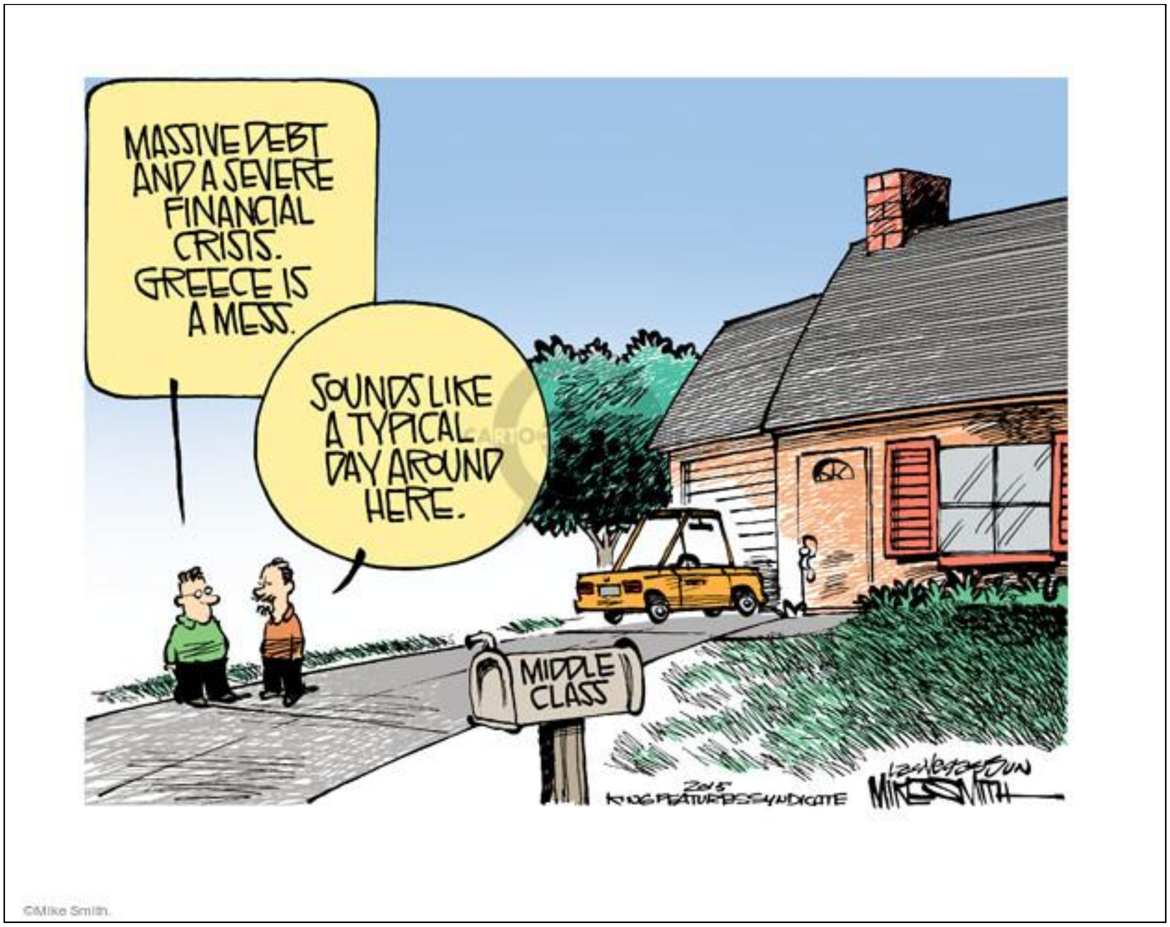
The Revised Fiscal 2016-17 Revenue Outlook

General Fund, Transportation Fund, and Education Fund [Partial]

Prepared for the Vermont Emergency Board



July 29, 2015

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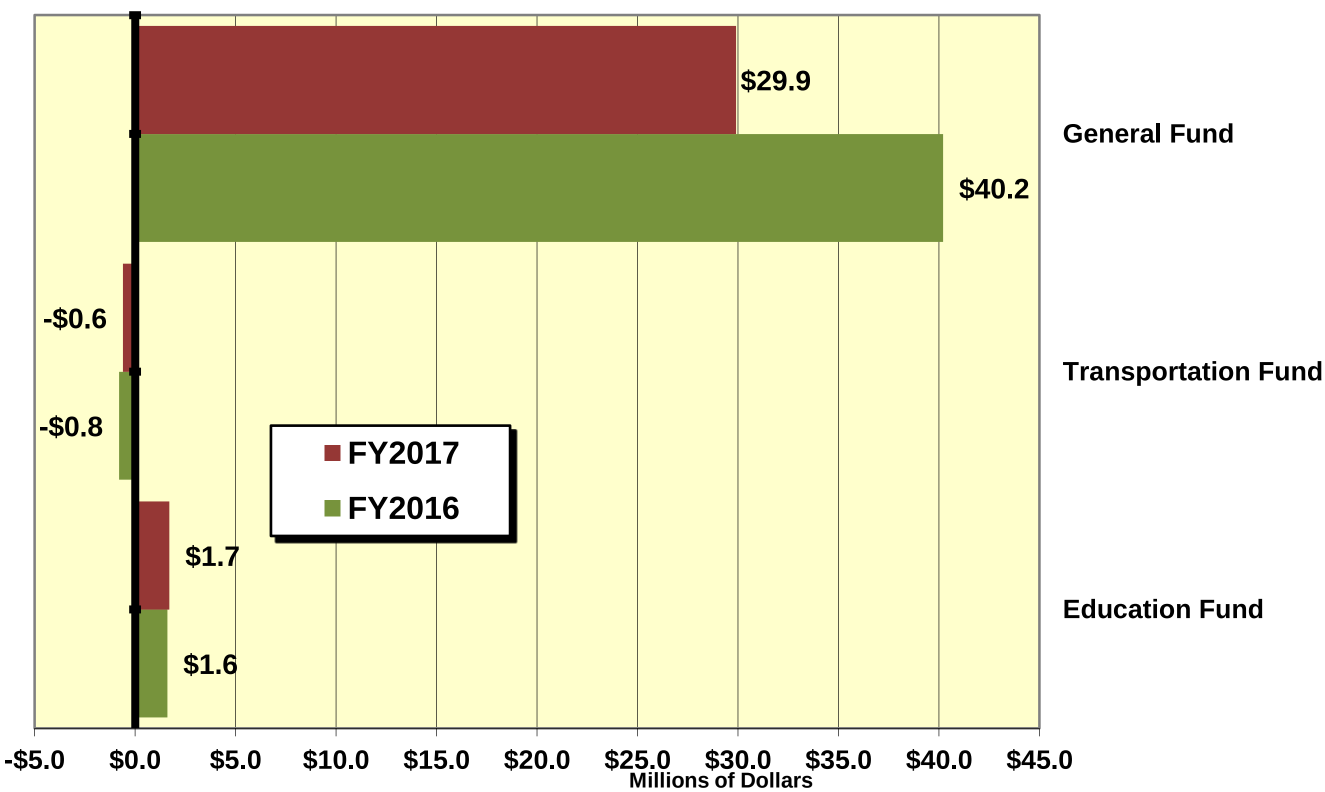
A. Staff Consensus Forecast Update Recommendation

- Following yet another mid-Winter softening in domestic production, the U.S. and Vermont economies continue to make forward progress toward more "normal" state of affairs for output, job, and income growth. The staff recommended consensus forecast update for July 2015 reflects a mix of: (1) technical adjustments and re-specifications across all three funds (including the results of this past year's "April Surprise" in the Personal Income Tax), (2) the revenue effects the tax and fee changes as passed during the 2015 Vermont General Assembly, (3) the on-going effects of structural changes in key revenues sources in each fund aggregate (e.g. the Personal Income Tax, the Sales & Use Tax, the Corporate Income Tax, and the principal fuel taxes).

  - The staff recommended consensus revenue forecast update (see Figure 1 below) for July 2015 includes a significant tax change-aided increase in the G-Fund of $40.2 million in fiscal 2016 (or +3.2% versus the January 2015 consensus forecast). The updated consensus forecast for fiscal year 2017 includes a $29.9 million increase for the G-Fund (or +2.1% versus the January 2015 consensus forecast).

Staff Recommended Change vs. January 2015 Consensus Forecast[1]



[1] All forecasted dollar value changes reflect receipts that are "Available to" the various fund aggregates as indicated.

- The staff consensus revenue forecast recommendation for the T-Fund for fiscal year 2016 calls for a modest decline in receipts at -$0.8 million (or -0.3%) versus the January 2015 consensus revenue forecast. For fiscal year 2017, the revised consensus forecast expects receipts will also decline modestly by -$0.6 million (or -0.2%) versus the January 2015 consensus revenue forecast).

    - The staff recommended consensus forecast update reflects what has become a fundamentally altered (and lowered) energy price situation and outlook where ongoing global supply and demand imbalances will likely keep prices low throughout the forecast time frame. Oil prices currently (in calendar year 2015) are nearly 50% below where they were expected to be at this time just 18 months ago, with U.S. benchmark oil prices remaining at historically low levels (or between 30% and 40% below what they were forecasted to be for the fiscal years 2016 and 2017 also as recently as December of 2013.

- For the E-Fund [Partial], the staff recommended consensus forecast for fiscal year 2016 includes a $1.6 million upgrade (corresponding to a +0.8% increase versus the January 2015 consensus forecast), with a staff recommended consensus forecast for fiscal year 2017 of +1.7 million (or +0.9% relative to the January 2015 consensus forecast).

    - Year-to-year dollar changes in the staff recommended consensus forecast update reflect current law, and the latest information and analysis pertaining to the state's various tax and fee sources for this fund aggregate.

- For TIB revenues in the T-Fund, the staff recommended forecast update reflects the above-referenced fossil fuel price levels and the updated oil price outlook. Within the continuing lowered oil price environment, the staff recommended consensus forecast for fiscal year 2016 Gas TIB revenues includes a $0.8 million downgrade (corresponding to a 6.0% decline versus the January 2015 consensus forecast). The staff recommended consensus forecast for fiscal year 2017 Gas TIB revenues includes a -$2.2 million decline (corresponding to a 14.1% decline relative to the January 2015 consensus forecast).

    - The staff recommended forecast for Diesel TIB revenues calls for only minor changes to the Diesel Tax TIB component of less than $50,000 per year.

- It should be noted that this consensus forecast update is being presented at a very uncertain time. This uncertainty includes aspects of both the macroeconomic environment, and recent and on-going structural developments within many of the key revenue sources on which the State depends. While it is true there are always uncertainties in any forecast, foreign economic and political developments pose a greater than normal level of risk to this consensus forecast. Most notably, the situation in the

Euro Zone with respect to the situation in Greece is a particular cause for concern, even though recent developments seem to have moved the "Grexit Watch" past the immediate crisis phase—although this situation is not entirely "out of the woods." The uncertain global situation also includes recent developments in China—the world's second largest economy—which continues to deal with the effects of high levels of debt, weakening property values, and volatility in its financial and equity markets. Further, energy prices remain well below where they were a year ago. While this has been helpful in reducing the energy cost bills of many businesses and households and has also had at least a mild uplifting effect on the state's consumption taxes, this lower energy price environment has also adversely impacted state revenue receipts in the State's fuel taxes and the TIB Fund—to the detriment of the spending power of the State's Transportation Fund.

- On the structural revenue impact side of the ledger, the continued under-performance of the PI Withholding Tax sub-component remains a concern going forward, as does the current structural changes in the Corporate Tax from merger and acquisition activity. The erosion the State's current Sales & Use Tax base by e-commerce activity and cross-border activity with New Hampshire also remains a worry, and it is this unease about the state's apparently eroding Sales & Use Tax base compelled the legislature to ask for a study of this issue during the last legislative session around a list of potential Sales & Use Tax base changes. The Estate Tax also continues to demonstrate a very high degree of "volatility," with receipts declining from over $35.5 million in fiscal year 2014 to just under $9.9 million in fiscal year 2015—a year-to-year decline of 72.2%.[2] In addition, the full revenue reducing effect of the sun-setting of the Electrical Energy Tax will be felt in fiscal year 2016 since the VY station ceased all taxable electricity generation in December of 2014. As recently as in fiscal year 2014, Electric Energy Tax receipts totaled $13.1 million. In fiscal year 2016, receipts in this former tax source will decline from fiscal year 2015's total of $9.4 million in receipts to "zero" in fiscal year 2016.[3]

[2] The $35.5 million in fiscal year 2014 receipts represented a 131.0% increase over fiscal year 2013 receipts—which had increased by 15.4% over fiscal year 2012 receipts in their own right.

[3] In addition, in fiscal year 2015 and beyond, the G-Fund also experienced a loss of more than $6 million in business license, fees and other service revenues to a new special fund dedicated to the Office of the Secretary of State. These revenues will no longer be recorded as a General Fund revenue source on the Schedule 2 and instead

- The results for fiscal year 2015 versus the earlier consensus forecasts for that year are presented in Table 1 (below).

  - For the G-Fund, the actual fiscal 2015 results versus forecast were +$17.9 million or +1.3% relative to the January 2015 consensus forecast and +$7.9 million or +0.6% relative to the July 2014 consensus forecast.

  - For the T-Fund, the actual results versus forecast were +$0.9 million or +0.3% relative to the January 2015 consensus forecast and +$0.9 million or +0.3% relative to the July 2014 consensus forecast (TIB was lower than forecasted by roughly $1.0 million versus the January 2015 consensus forecast and lower by $1.9 million versus the July 2014 consensus forecast).

  - For the E-Fund [Partial], the actual results versus forecast were -$0.4 million or -0.2% relative to the January 2015 consensus forecast and +$1.2 million or +0.7% relative to the July 2014 consensus forecast.

Table 1: Comparison of Fiscal Year 2015 Results versus Forecast [Preliminary]

G-Fund Revenues by Component ($Thousands)	Actual as of June 2015	July 2014 Forecast	Diff.	%	January 2015 Forecast	Diff.	%
Personal Income	$ 705,886.6	$ 716,400.0	$ (10,513.4)	-1.5%	$ 701,800.0	$ 4,086.6	0.6%
Sales & Use	$ 236,995.1	$ 235,430.0	$ 1,565.1	0.7%	$ 237,770.0	$ (774.9)	-0.3%
Meals & Rooms	$ 150,811.7	$ 146,900.0	$ 3,911.7	2.7%	$ 149,100.0	$ 1,711.7	1.1%
Corporate Income	$ 121,902.1	$ 89,900.0	$ 32,002.1	35.6%	$ 102,600.0	$ 19,302.1	18.8%
G-Fund Other	$ 160,202.2	$ 179,270.0	$ (19,067.8)	-10.6%	$ 166,630.0	$ (6,427.8)	-3.9%
Total	**$ 1,375,797.8**	**$ 1,367,900.0**	**$ 7,897.8**	**0.6%**	**$ 1,357,900.0**	**$ 17,897.8**	**1.3%**
T-Fund Revenues by Component ($Thousands)							
Gasoline	$ 77,627.8	$ 77,800.0	$ (172.2)	-0.2%	$ 76,700.0	$ 927.8	1.2%
Diesel	$ 19,145.9	$ 18,300.0	$ 845.9	4.6%	$ 18,200.0	$ 945.9	5.2%
MvP&U	$ 64,850.0	$ 64,400.0	$ 450.0	0.7%	$ 65,133.2	$ (283.2)	-0.4%
MvFees	$ 80,110.0	$ 80,200.0	$ (90.0)	-0.1%	$ 80,400.0	$ (290.0)	-0.4%
Other Fees	$ 19,656.0	$ 19,800.0	$ (144.0)	-0.7%	$ 20,100.0	$ (444.0)	-2.2%
Gasoline TIB	$ 18,190.1	$ 20,000.0	$ (1,809.9)	-9.0%	$ 19,200.0	$ (1,009.9)	-5.3%
Diesel TIB	$ 2,047.3	$ 1,900.0	$ 147.3	7.8%	$ 2,050.2	$ (2.9)	-0.1%
Total [No TIB]	**$ 261,389.8**	**$ 260,500.0**	**$ 889.8**	**0.3%**	**$ 260,533.2**	**$ 856.6**	**0.3%**
E-Fund Revenues by Component ($Thousands)							
Sales&Use	$ 127,615.1	$ 126,770.0	$ 845.07	0.7%	$ 128,030	$ (414.93)	-0.3%
MvP&U	$ 32,425.0	$ 32,200.0	$ 224.99	0.7%	$ 32,567	$ (141.81)	-0.4%
Lottery	$ 22,751.5	$ 22,600.0	$ 151.46	0.7%	$ 22,600	$ 151.46	0.7%
Interest	$ 79.0	$ 100.0	$ (21.04)	-21.0%	$ 74	$ 4.86	6.6%
Total	**$ 182,870.5**	**$ 181,670.0**	**$ 1,200.48**	**0.7%**	**$ 183,270.9**	**$ (400.42)**	**-0.2%**

Basic Data Source: VT Agency of Administration

will go directly to the Special Fund.

B. Comparison Table Associated with the Updated Staff Recommended Consensus Revenue Forecast

- The staff recommended consensus forecast update for July 2015 relative to the consensus forecast approved by the Emergency Board last January by major fund category is summarized in Table 2 below. Changes are expressed in dollar and percentage terms.

Table 2: Staff Recommended Consensus Forecast Update-Difference from January 2015 Forecast				
	2016		2017	
	Dollars	Percent	Dollars	Percent
General Fund *[Available to the General Fund]*	$40.2	2.9%	$29.9	2.1%
Transportation Fund *[Available to the Transportation Fund]*	($0.8)	-0.3%	($0.6)	-0.2%
Education Fund *[Partial]*	$1.6	0.8%	$1.7	0.9%
Total--"Big 3 Funds"	$41.0	2.2%	$31.1	1.6%
MEMO #1: TIB: [1]				
Gasoline	($0.8)	-6.0%	($2.2)	-14.1%
Diesel	$0.0	2.3%	$0.0	2.3%
Total TIB	($0.8)	-4.9%	($2.2)	-12.3%
Note: [1] Totals in the TIB may not add due to rounding.				
Prepared by: Economic & Policy Resources, Inc.				

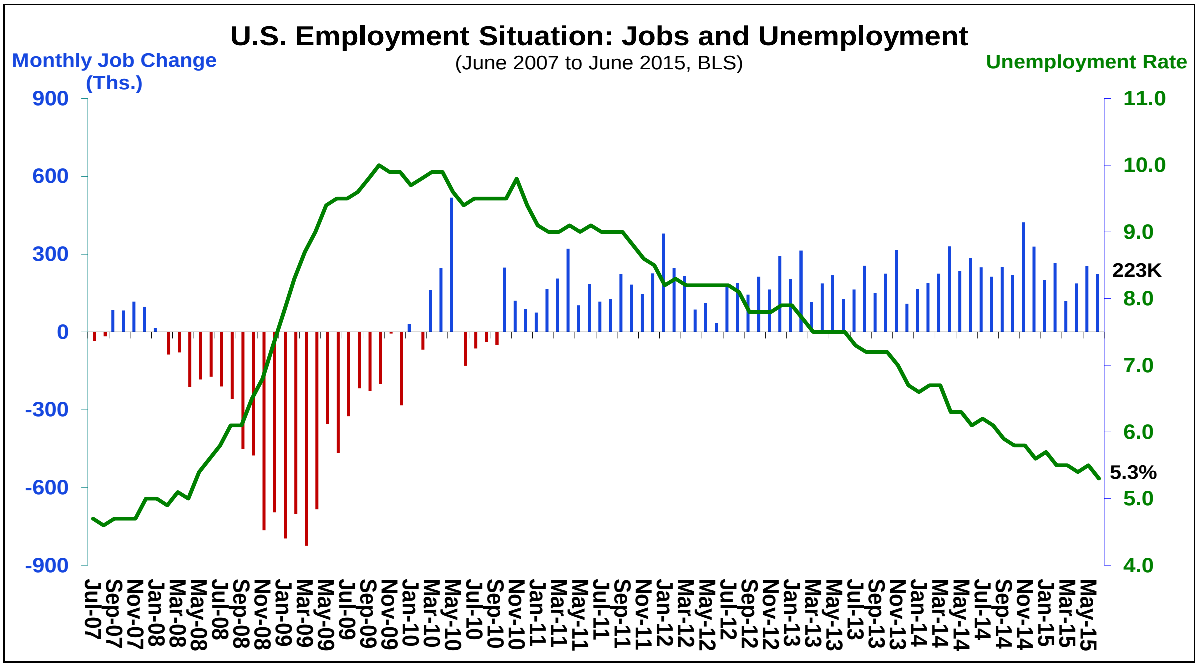
C. Discussion of Recent U.S. Economic Trends and the Short-Term Outlook

- Despite another mid-Winter stall in output growth and consumption, the U.S. economy continues to make forward progress. As of this Summer, the economy once again seems poised to move onto a higher growth plane over the first half of fiscal year 2016 (or over the second half of calendar year 2015).

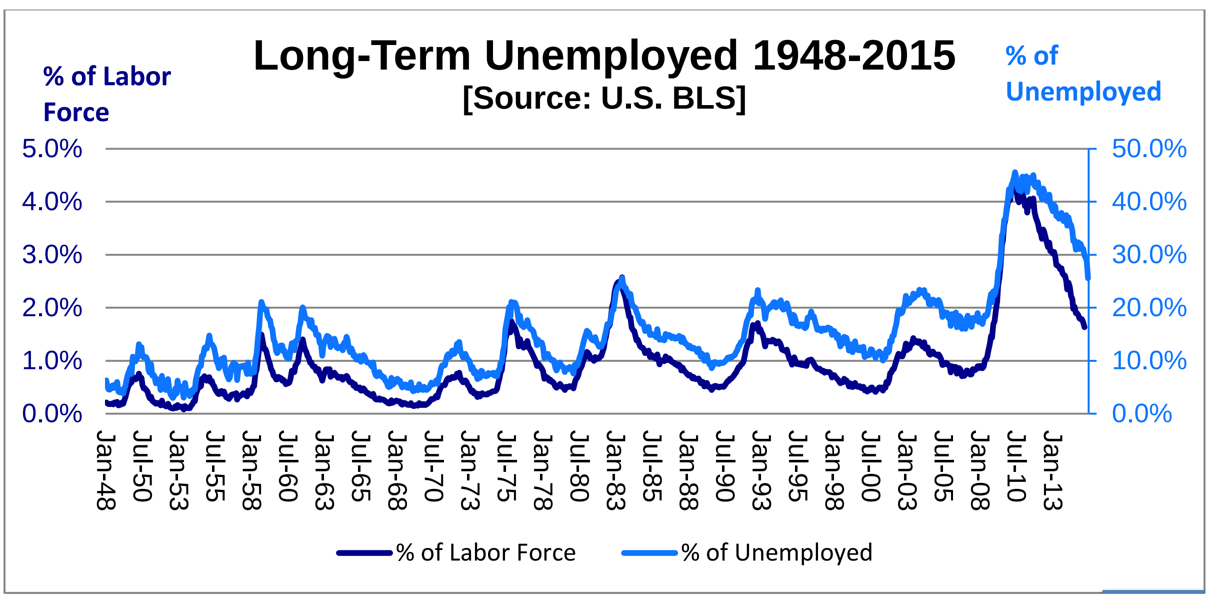
  - Key developments in the labor market include payroll job gains over the second half of fiscal year 2015 (or the first half of calendar year 2015) averaged a relatively healthy 210,000 now jobs per month.

  - Although lower than the more than 250,000 per month job addition average for all of calendar year 2014, job gains since the tough of the "Great Recession" have seen more than 12 million jobs added to the payrolls of U.S. businesses.

  - Another key development in the national labor market includes is a U.S. unemployment rate that is now at 5.5%—slightly below the level of last year and more than 4½ percentage points below its recessionary peak in late 2009.



- In addition to the above, progress is also being made in other areas of the labor market. For example, there has been a significant decline in the number of workers that are among the ranks of the long-term unemployed (e.g. those unemployed 6 months or longer), and there also has been a decline in the number of part-time workers who would otherwise prefer to be working full-time as evidenced by a narrowing in the gap of the U-3 and U-6 unemployment rates.

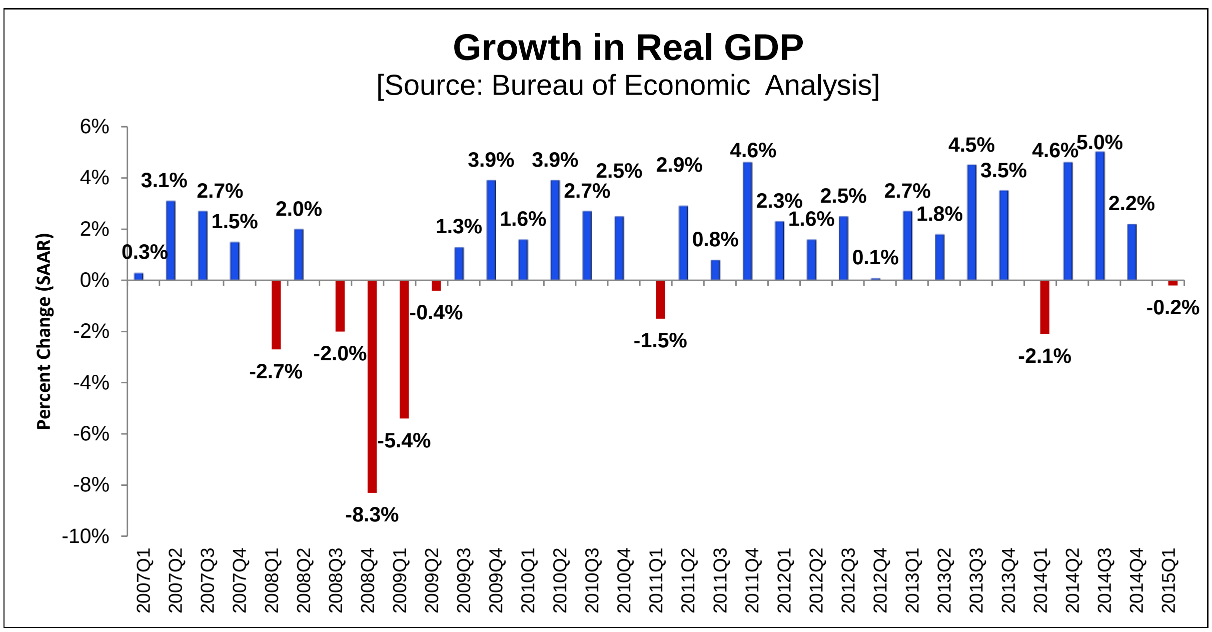


- Even so, there are still too many people who have left the labor force because of difficulty in finding work, and the unemployment rate—even at 5.5%—remains too high to declare that the labor market has completely "healed." Further, although there are some early signs of a pick-up in wage growth, wage increases remain "subdued"—indicating the continued presence of "slack in labor markets."

- It is because of this apparent slack in labor markets (among other factors) that the Federal Reserve has not moved more aggressively to "tighten" monetary policy (e.g. raise short-term interest rates). While a tightening in monetary policy remains very likely over the course of the consensus forecast update timeframe (or through fiscal 2017), there is no evidence that the Federal Reserve is "late" in tightening policy—as inflation by most measures remains firmly under control.

- At present, there are few signs that the U.S economy has developed any imbalances that might undermine the current economic expansion. In fact, the restrained nature of the current U.S. recovery-expansion to-date may have had the positive effect of extending the length of the current upturn vis-à-vis a more typical recovery-expansion that, if it had been "average[4]" would have possibly ended by now.

- As the labor market has made progress, the U.S economy this Winter again experienced a notable softening in production, following a period where U.S. output increased by roughly 3½ percent over the July 2014 to December 2014 period (corresponding to the second half of calendar year 2014). **Although the strike at West Coast ports and severe Winter weather explain a part of this slowdown, the production data again appeared to have fallen out of line with the generally improving trends observed in most other major macro indicators.**



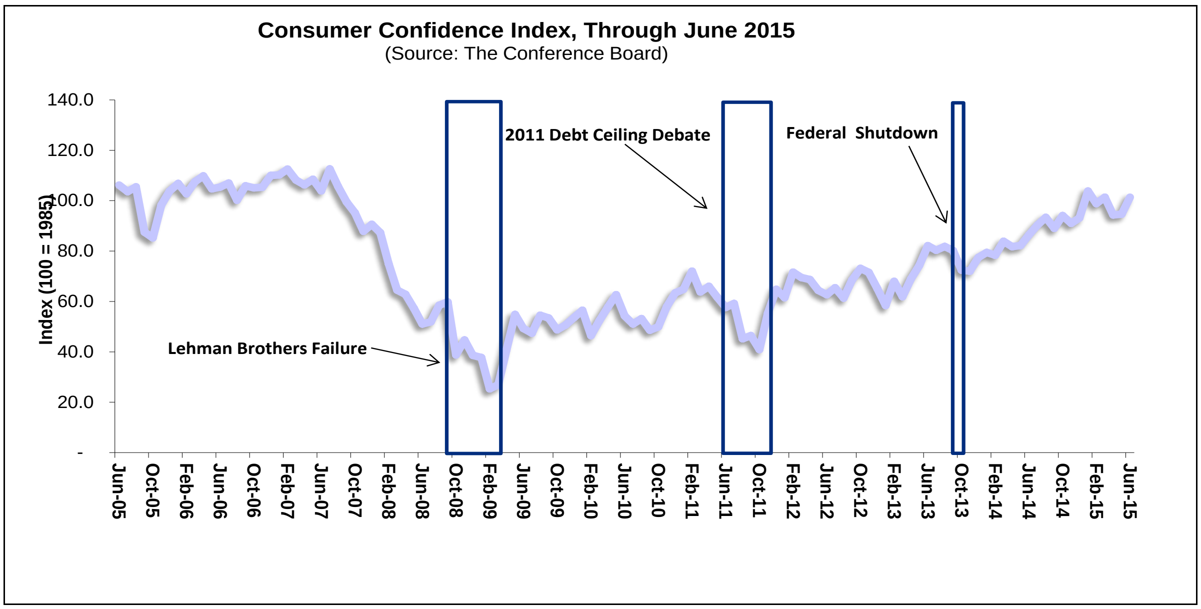
- Beyond the statistics of the labor market and output, the Conference Board's Consumer Confidence Index (CCI) increased 6.8 points during the month of June, from 94.6 to a

[4] Post World War II expansions (trough to peak) have lasted just less than 6 years on average (5 years and 11 months) before the return of recession.

new reading of 101.4. The reading for the Consumer Confidence Index in June represents the eighth time out of the past 12 monthly readings where the index showed upward movement.

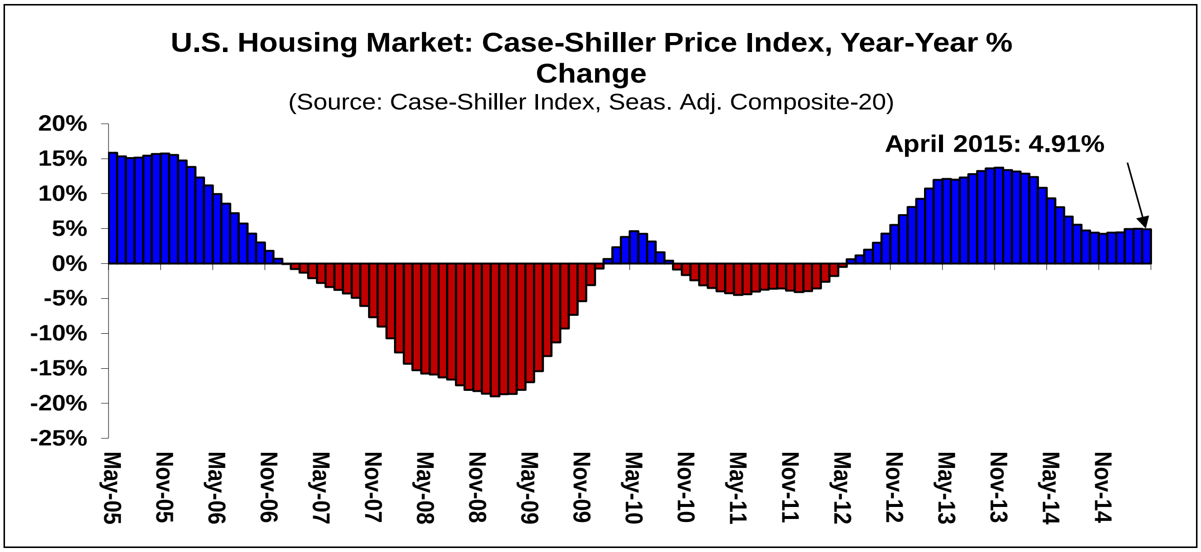
- In addition, June 2015's reading was a total of 15.0 points higher than at the same time last year.

- The decline in fossil fuel prices and the absence of additional manufactured fiscal crises at the federal government level in recent times has been seen as a positive.



- Because consumer confidence is an important indicator of future household consumption, the recent upswing in consumer confidence is seen as a somewhat positive indicator of consumption activity by households going forward. Moreover, the fact that the CCI now is at a reading of above 100.0 could indeed be a positive indicator for the future—as long as we can avoid the type of "manufactured crises" that over the longer term can undermine the household sectors willingness to spend.

▪ Turing to U.S. housing data, the April increase in the Case-Shiller Index of housing prices shows that existing house prices appreciated steadily on a year-over-year basis during the 3-month period of February through April of calendar year 2015. This appreciation followed the acceleration in house price growth during the previous three months ending in January. The data show that the 20-city composite index up by 4.9% over last year, compared with 5.0% in March.



- The more positive price news comes at a time when the news on starts and house sales has also taken on a brighter hue. Sales of new houses rose to an annual rate of 546,000 in May—a level of sales that was the highest since February 2008.

- Existing home sales in May, which account for 90% of all home sales, also reached its highest level since late 2009. **The improving sales numbers indicate inventory is tightening which will likely continue to place upward pressure on housing prices in the future.**

- As this forecast update report has indicated in the past, it is difficult to imagine the U.S. economy (or the Vermont economy) sustaining a more typical expansionary pace **without the full participation of the housing sector. These numbers suggest that national residential construction industry, which had previously been somewhat sluggish in the past, is now making some genuine progress towards a real recovery and full participation in the U.S. expansion.**

- Looking ahead, the U.S. economic landscape looks to be favorable for further improvement overall. Continued low oil prices, on-going job gains, and a favorable trend in consumer sentiment will likely underpin higher consumer spending. Financial market conditions remain supportive of future growth, and monetary policy remains accommodative—both

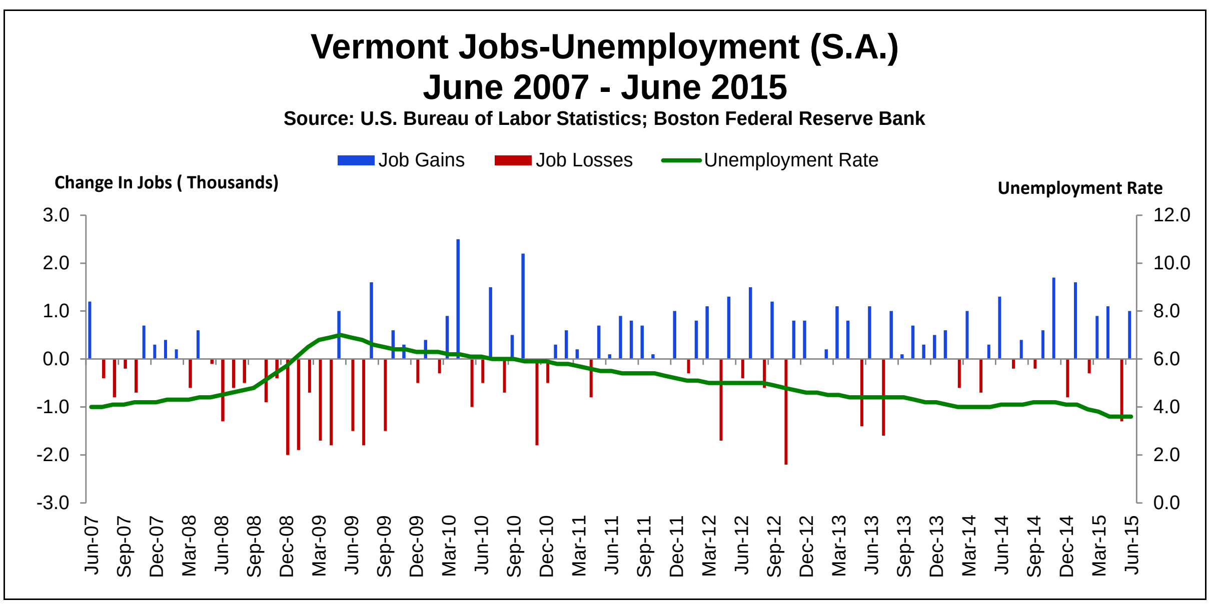
domestically and abroad. Further, the adverse impact on U.S. trade by the strengthening U.S. dollar and the effect of lower oil prices on capital investment appear transitory in nature and should diminish over time. With the continued improvement in the underlying fundamentals of the U.S. economy, the expectation that economic activity will pick up and register "more typical rates of activity" as the economy moves through the middle of this decade remains unchanged from the consensus forecast update presented last January.

D. Discussion of Recent Vermont Economic Trends and the Short-Term Outlook

- Recent developments regarding the Vermont economy continue to exhibit an "up and down" character. Seasonally adjusted payroll job changes in the state over the first half of calendar year 2015 (corresponding the second half of fiscal year 2015) continued to experience this now well-established "saw-toothed pattern." Month-to-month seasonally adjusted job changes overall have in fact made forward progress, but it is very difficult to know at the end of any single month just exactly what the status of Vermont's labor market really is. This persistent "up and down" trend strongly suggests that labor market conditions are never really as "good" as they appear during the "up" months and they likewise are never really as "bad" as they appear during the "down" months.

  - Consistent with that view, the data how over the last year that Vermont has in fact made modest forward progress in its labor markets by adding 4,000 private sector jobs (and a total of 4,200 payroll jobs including the governmental sector) across many sectors of the economy.

  - Over that time, the state's unemployment rate has declined by roughly ½ of a percentage point to 3.6% (seasonally adjusted). That rate, along with the increase of 2,000 employed Vermonters and a small amount of growth in the state labor force over the last year, indicates that Vermont labor markets continue to make forward progress—albeit somewhat slow.



- Looking at the non-seasonally adjusted jobs data on a year-over-year basis, the nonfarm payroll job changes state-by-state are compared in Tables 3 and 4 below.

  - From the table, Total Payroll jobs overall in Vermont registered a 1.4% gain over the June 2014 through June 2015 period, while Private Sector jobs rose 1.6% over the same timeframe.

  - Those readings rank Vermont around the middle of the pack nationally and in the bottom third of the pack among Vermont's five sister states in the New England region.[5]

- Sector-by-sector, Vermont's best year-over-year performance is found in the Leisure and Hospitality sector, with job additions on a year-over-year basis of +4.6%. That performance corresponds to a ranking of 12th ranking among the 50 states in terms of job growth within the Leisure and Hospitality sector.[6]

  - Among the six New England states, Vermont ranks 1st in year-over-year job change in this NAICS super-sector.

Table 3: Year-Over-Year Job Change by State
Total Payroll Jobs (June 2014-June 2015)

Rank	State	% Change
1	Utah	4.5%
2	Washington	3.7%
3	Florida	3.5%
4	Oregon	3.4%
5	Nevada	3.4%
7	California	3.1%
12	Texas	2.4%
17	Massachusetts	2.2%
22	New York	1.9%
26	Connecticut	1.7%
30	New Hampshire	1.5%
33	Vermont	1.4%
34	Rhode Island	1.2%
46	Alaska	0.4%
47	North Dakota	0.4%
48	Maine	0.3%
49	Wyoming	-0.1%
50	West Virginia	-0.6%
Source: U.S. Department of Labor, BLS		

Table 4: Year-Over-Year Job Change by State
Private Sector Payroll Jobs (June 2014-June 2015)

Rank	State	% Change
1	Utah	5.2%
2	Washington	4.0%
3	Florida	3.9%
4	Oregon	3.6%
5	Nevada	3.6%
7	California	3.4%
17	Texas	2.6%
19	New York	2.3%
21	Massachusetts	2.1%
25	Connecticut	1.9%
26	New Hampshire	1.9%
33	Rhode Island	1.6%
34	Vermont	1.6%
35	Pennsylvania	1.4%
45	Maine	0.7%
46	Alaska	0.7%
47	Nebraska	0.4%
48	North Dakota	0.3%
49	Wyoming	-0.2%
50	West Virginia	-1.2%
Source: U.S. Department of Labor, BLS		

[5] The reader should be reminded that the month of June (seasonally-adjusted) looks to be one of those down-months in Vermont recurring saw-toothed, month-to-month job change pattern.
[6] In percentage terms and for its highest national ranking, Vermont's Information sector is ranked highest nationally (at 7th highest) and in New England (1st among the New England states).

- Growth in Vermont's Education and Health Services sector, at +2.4% year-over-year, is ranked 29th in the U.S. overall and 1st in the New England region . Vermont ranked highest in New England for these two sectors in terms of year-over-year job growth.

- Jobs in the Construction expanded by +1.3%, ranking the state 38th nationally and 4th in New England region.

Table 5: Payroll Job Performance By NAICS Supersector June 2014 vs.June 2015

Industry Supersector	% Change in VT	VT Rank in New England	VT Rank in U.S.	Highest Ranked New England State	# of States Reporting Job Losses
Total Nonfarm	**1.4%**	**4**	**33**	**MA (17)**	**2**
Total Private	**1.6%**	**5**	**34**	**MA (21)**	**2**
Construction	1.3%	4	36	CT (7)	9
Manufacturing	-1.0%	5	41	RI (13)	17
Information	4.1%	2	7	NH (6)	19
Financial Activities	0.0%	6	46	ME (21)	4
Trade, Transportation, Utilities	0.5%	3	39	NH (14)	3
Leisure and Hospitality	4.6%	1	12	VT (12)	3
Education and Health Services	2.4%	1	29	VT (29)	1
Professional and Business Services	0.7%	5	43	RI (7)	4
Government	0.4%	2	26	MA (3)	14

Notes: NAICS means North American Industry Classification System

Source: U.S. Bureau of Labor Statistics

- Sector-by-sector, the weakest year-over-year job changes for Vermont was found in the Manufacturing sector in June (with a -1.0% change from June of 2014 to June of 2015).

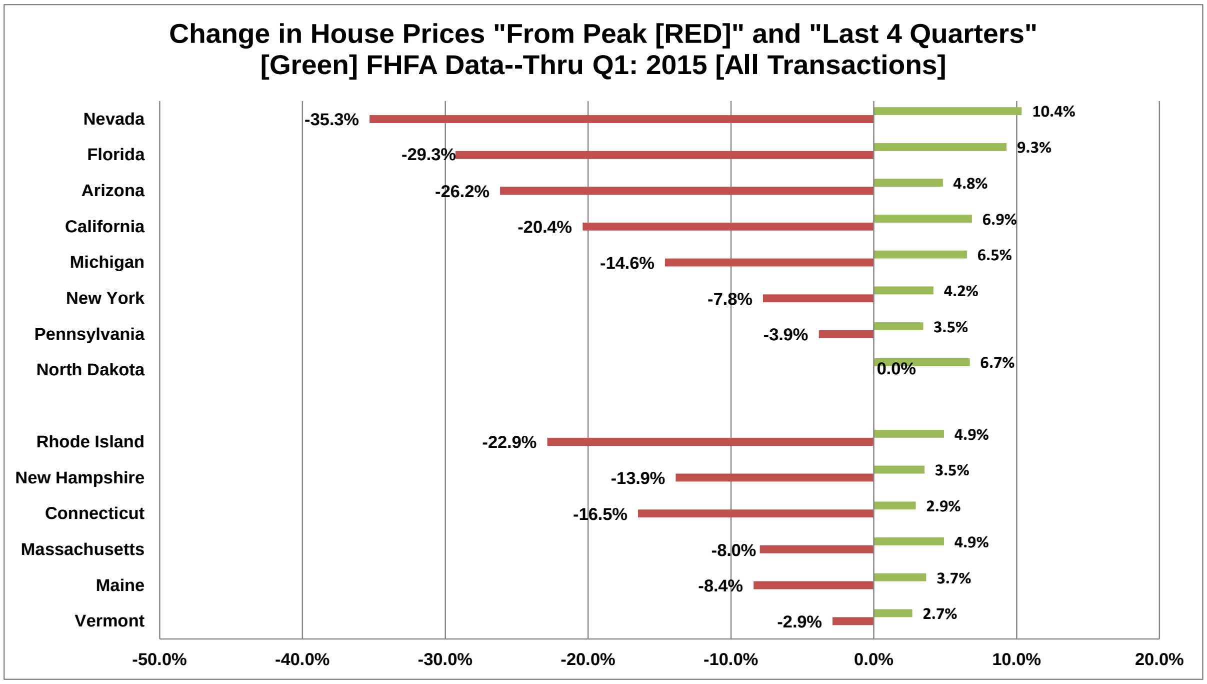
  - Vermont's Professional and Business Services sector only added jobs year-over-year at a rate of 0.7% from June 2014 to June 2015, ranking the state 43rd in the U.S. and 5th in the New England region.

  - Only the manufacturing sector among all Vermont's employment sectors experienced a job decrease from June 2014 to June 2015. This is understandable, given the structural shifts occurring in the state's factory sector.

- Vermont housing prices, as measured by the FHFA Home Price Index, have increased by a 2.7% for the four quarters ended January to March quarter of calendar year 2015.

  - That rate of increase puts Vermont's cumulative price position only 2.9% below its pre-"Great Recession" peak level.

  - That cumulative price erosion position since the mid-2000s price peak ranks well below the cumulative price loss experienced by all of Vermont's sister states in the New England region.



- The state's price change performance puts Vermont among a select few of other states around the country (mostly oil patch states whose economic fortunes are turning somewhat sour given the recent oil price declines) where prices have not eroded to a level anywhere near that which has occurred in states such as Nevada, Arizona, Florida, and California.

- Those "hard-hit" states were "ground zero" (or close to "ground zero") where many house owners in those "hard-hit" states experienced sharp declines in their real estate equity.

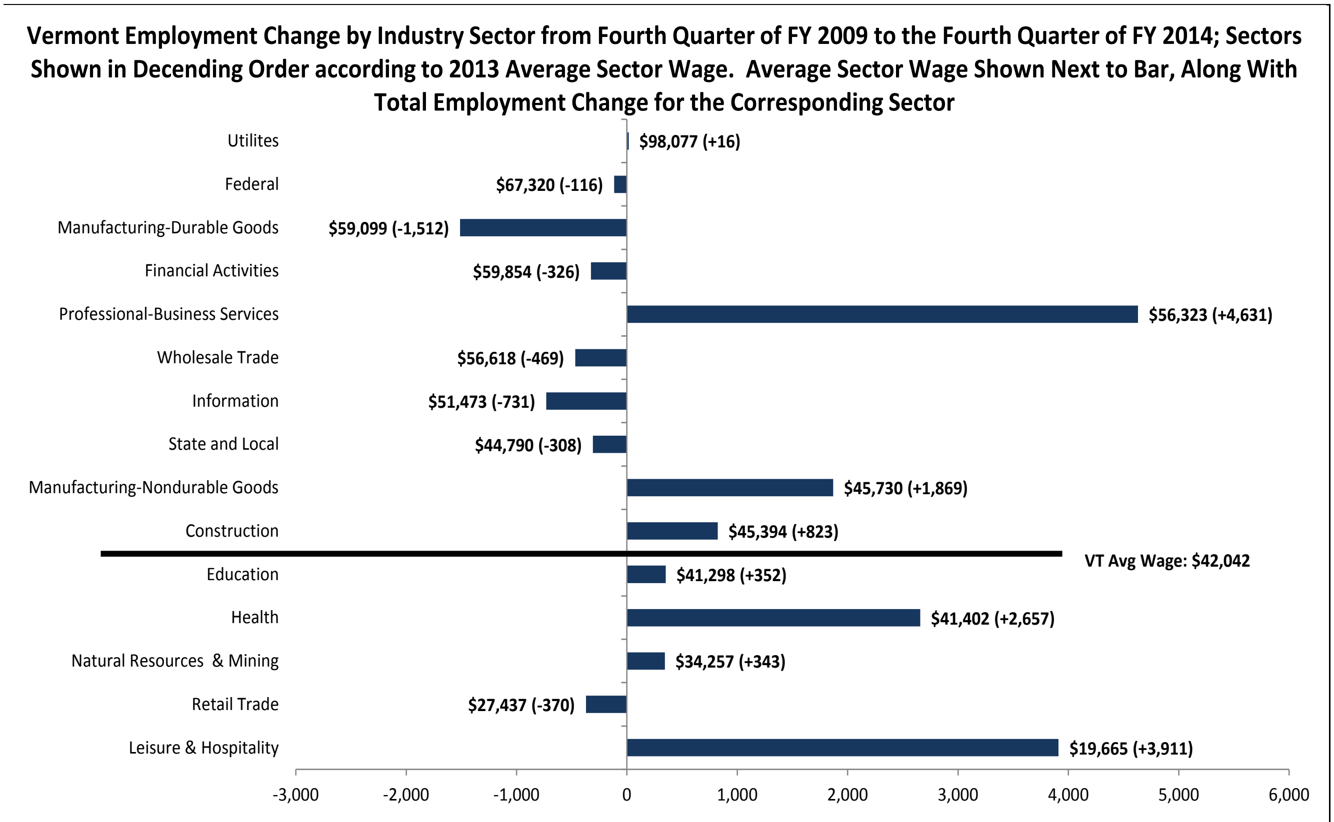
▪ Finally, in recent times there has been much in the recent political-economic discourse on the matter of lack of wage growth in the economy and the increasing disparity of economic and wealth gains among the various household and individual income classes.

▪ One possible window into what is happening in this regard in the State of Vermont can be seen through an examination of sector-by-sector wage gains in Vermont over the first five years of the state's recovery from the "Great Recession."

  - This was made possible with the publication of second quarter (of calendar year 2014) job and wage data from the Quarterly Census of Employment and wages (or the QCEW data) for the state of Vermont. This data became available last January. Quarterly business unit counts, jobs and wages data from the QCEW is published roughly 5 months after the end of the quarter. This data was made available last January by the Vermont Department of Labor.

- The data show that Vermont's labor market recovery progress over the first five years of the state's recovery from the "Great Recession" has occurred in both higher paying and lower paying job categories.

- However, the larger portion (roughly two-thirds or 64%) of the Vermont economy's recovered jobs over that period has occurred in lower than average-paying job categories.



E. Comparison of Recent Consensus Economic Forecasts (U.S.-Vermont)

The following tables present the updated consensus forecast for key economic variables used in the consensus revenue forecast update--showing comparisons back to December 2013.

TABLE 6
Comparison of Recent Consensus U.S. Macroeconomic Forecasts
December 2013 through June 2015, Selected Variables, Calendar Year Basis

	2009	2010	2011	2012	2013	2014	2015	2016	2017
Real GDP Growth									
December-13	-2.8	2.5	1.8	2.8	1.8	3.1	4.0	2.9	2.6
June-14	-2.8	2.5	1.8	2.8	1.9	2.8	3.9	3.2	2.8
December-14	-2.8	2.5	1.6	2.3	2.2	2.2	3.6	3.8	3.1
June-2015	-2.8	2.5	1.6	2.3	2.2	2.4	2.6	3.2	3.0
S&P 500 Growth (Annual Avg.)									
December-13	-22.5	20.3	11.4	8.7	19.2	9.6	-0.1	0.4	3.4
June-14	-22.5	20.3	11.4	8.7	19.1	13.1	3.4	-5.5	4.8
December-14	-22.5	20.3	11.4	8.7	19.1	17.5	7.1	1.3	2.2
June-15	-22.5	20.3	11.4	8.7	19.1	17.5	7.8	1.9	2.3
Employment Growth (Non-Ag)									
December-13	-4.4	-0.7	1.2	1.7	1.6	1.7	2.2	2.1	1.2
June-14	-4.3	-0.7	1.2	1.7	1.7	1.8	2.4	2.4	1.9
December-14	-4.3	-0.7	1.2	1.7	1.7	2.0	2.4	2.6	1.7
June-15	-4.4	-0.7	1.2	1.7	1.7	1.9	2.2	2.2	2.3
Unemployment Rate									
December-13	9.3	9.6	8.9	8.1	7.4	6.6	6.1	5.8	5.5
June-14	9.3	9.6	8.9	8.1	7.4	6.3	6.0	5.7	5.2
December-14	9.3	9.6	8.9	8.1	7.4	6.2	5.4	5.1	4.8
June-15	9.3	9.6	8.9	8.1	7.4	6.1	5.3	4.9	4.7
West Texas Int. Crude Oil $/Bbl									
December-13	62	79	95	94	98	100	112	115	117
June-14	62	79	95	94	98	100	103	104	105
December-14	62	79	95	94	98	94	63	76	81
June-15	62	79	95	94	98	94	58	70	79
Prime Rate									
December-13	3.25	3.25	3.25	3.25	3.25	3.25	3.38	5.31	6.63
June-14	3.25	3.25	3.25	3.25	3.25	3.25	3.37	5.00	6.30
December-14	3.25	3.25	3.25	3.25	3.25	3.25	3.37	5.12	6.52
June-15	3.25	3.25	3.25	3.25	3.25	3.25	3.30	4.70	6.20
Consumer Price Index Growth									
December-13	-0.3	1.6	3.1	2.1	1.5	1.7	2.1	2.4	2.5
June-14	-0.3	1.6	3.1	2.1	1.5	1.9	2.2	2.5	2.6
December-14	-0.3	1.6	3.1	2.1	1.5	1.6	1.5	2.3	2.6
June-15	-0.3	1.6	3.1	2.1	1.5	1.6	0.5	2.5	2.6
Avg. Home Price Growth									
December-13	-5.4	-4.0	-3.7	0.0	4.1	6.2	2.2	0.3	1.2
June-14	-5.5	-4.0	-3.7	-0.1	4.1	4.9	5.6	6.4	5.8
December-14	-5.5	-4.0	-3.7	-0.1	4.1	5.7	5.0	5.4	5.7
June-15	-5.5	-4.1	-3.7	-0.1	4.1	5.7	4.7	5.1	5.5

TABLE 7
Comparison of Consensus Administration and JFO Vermont State Forecasts
December 2012 through June 2015, Selected Variables, Calendar Year Basis

	2009	2010	2011	2012	2013	2014	2015	2016	2017
Real GSP Growth									
December-12	-3.6	4.1	0.5	2.0	2.2	3.7	4.0	3.1	
June-13	-2.9	5.6	1.3	1.2	1.3	3.0	4.2	2.9	
December-13	-2.9	5.6	1.3	1.2	1.4	3.1	4.1	2.9	2.2
June-14	-2.9	5.6	1.3	1.2	0.5	2.9	4.0	3.2	2.4
December-14	-2.5	4.4	2.2	1.1	1.9	1.0	3.3	3.6	2.8
June-15	-2.5	4.4	2.2	1.1	1.9	1.2	2.4	3.0	2.6
Population Growth									
December-12	0.1	0.2	0.1	0.3	0.3	0.3	0.4	0.5	
June-13	0.1	0.2	0.1	-0.1	0.3	0.3	0.3	0.4	
December-13	0.1	0.2	0.1	-0.1	0.1	0.1	0.1	0.2	0.2
June-14	0.1	0.2	0.1	-0.1	0.1	0.1	0.1	0.2	0.2
December-14	0.1	0.2	0.1	0.0	0.1	0.0	0.1	0.2	0.3
June-15	0.1	0.2	0.1	0.0	0.1	-0.0	0.1	0.2	0.3
Employment Growth									
December-12	-3.3	0.2	0.7	1.1	0.9	1.8	2.3	1.8	
June-13	-3.3	-0.2	0.7	1.2	1.0	0.9	2.2	1.9	
December-13	-3.3	-0.2	0.7	1.2	1.0	1.3	2.2	1.9	1.4
June-14	-3.3	0.3	0.8	1.3	0.5	1.4	2.0	1.8	1.6
December-14	-3.3	0.3	0.8	1.3	0.5	1.0	1.6	1.9	1.3
June-15	-3.3	0.3	0.9	1.3	0.8	1.0	1.7	1.9	1.8
Unemployment Rate									
December-12	6.9	6.4	5.6	5.0	5.0	4.4	3.9	3.5	
June-13	6.9	6.4	6.6	5.0	4.4	4.1	3.6	3.3	
December-13	6.9	6.4	5.6	5.0	4.4	4.1	3.6	3.3	3.0
June-14	6.9	6.4	5.6	4.9	4.4	3.9	3.6	3.3	3.0
December-14	6.9	6.4	5.6	4.9	4.4	3.7	3.5	3.2	2.9
June-15	6.6	6.1	5.5	4.9	4.4	4.1	3.6	3.2	2.9
Personal Income Growth									
December-12	-2.2	3.3	4.7	3.2	3.4	5.6	6.3	5.2	
June-13	-2.2	3.3	4.7	3.4	1.0	2.8	4.2	3.7	
December-13	-2.2	3.3	4.7	3.4	3.8	5.7	6.2	5.1	4.5
June-14	-1.4	1.7	7.1	3.7	2.9	4.9	5.6	5.0	4.6
December-14	1.4	1.7	7.1	3.7	2.9	3.8	5.1	5.4	4.7
June-15	-1.4	1.6	7.2	3.4	2.5	4.0	4.8	5.2	4.7
Home Price Growth (JFO*)									
December-12	-1.9	-1.0	-0.4	0.5	1.0	1.5	2.0	3.1	
June-13	-2.0	-1.1	-0.5	0.5	0.7	1.5	2.0	3.2	
December-13	-2.0	-1.2	-0.6	0.5	0.5	1.5	2.1	3.1	3.7
June-14	-2.1	-1.2	-0.6	0.5	0.2	0.4	1.7	2.9	3.7
December-14	-2.1	-1.2	-0.6	0.5	0.2	0.9	2.1	2.7	3.4
June-15	-2.1	-1.2	-0.7	0.4	0.2	0.7	2.3	2.8	3.4

E. Notes and Comments on Methods:

- All figures presented above are presented as described, including current law "net" revenues for the respective funds listed in the consensus forecast estimate for fiscal years 2016 and 2017 that are part of the official Emergency Board motion. All tax changes amounts were developed through a cooperative effort of the Legislative Joint Fiscal Office and the Vermont Department of Taxes. These analyses were reviewed and incorporated into the consensus revenue forecast to arrive at the "current law" estimates.

- The revenue forecasting process overall is a collaborative one involving the staff of the Vermont Department of Taxes, VTrans, the Legislative Joint Fiscal Office, Kavet Rockler & Associates, LLC, and many others throughout state government and the staff of Economic & Policy Resources. Special thanks are due to Sharon Asay, Rebecca Sameroff, Mary Cox, Victor Gauto, Doug Farnham, and Terry Edwards (all of the Vermont Department of Taxes), Lenny LeBlanc of VTrans), Sara Teachout, Stephanie Barrett, Catherine Benham, Neil Strickner, Theresa Utton-Jerman, and Mark Perrault (all of the JFO), and many others in both the Administration and the JFO. All contributed time and energy to assembling data, providing analysis, or technical assistance that was crucial to completing these forecasts.

- The consensus forecasting process involves the discussion and agreement of two independent forecasts completed by Thomas E. Kavet of the JFO and the staff at Economic & Policy Resources. Agreement on the consensus forecast occurs after a complete discussion-vetting and reconciliation of these independent forecasts.

- For this forecast, the State is developing an internal State macroeconomic model which may eventually replace the model maintained at Moody's Analytics through the New England Economic Partnership (NEEP). The NEEP forecast for Vermont is managed by Economic & Policy Resources, Inc., who also currently supports the Vermont Agency of Administration with the Administration's part of the consensus forecasting process. Since October of 2001, input and review of initial Vermont NEEP model design and output prior to its release has been provided by KRA, as the State Economist and Principal Economic Advisor to the Vermont Legislature. For the past two years, the NEEP organization did not develop a Vermont macro forecast in what was normally the Spring component of the annual forecasting cycle. Over that period, the normal twice yearly NEEP forecast has been reduced to a single forecast—done in the Fall of each calendar year. As such, the macro forecast employed for the past two July consensus forecasts has employed a macro forecast that was independent of the NEEP forecasting process. Dynamic and other input/output-based models for the State of Vermont, including those from Regional Economic Models, Inc. (REMI), the REDYN input-output model as currently maintained by Economic Analytics, LLC), and IMPLAN are also occasionally employed in the analytic process for completing the consensus economic and revenue forecasts.

G. Detailed Forecast Tables.

TABLE 1A - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE/ADMINISTRATION
SOURCE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2015

SOURCE G-FUND *revenues are prior to all E-Fund allocations and other out-transfers. Used for analytic and comparative purposes only.*	FY 2010 (Actual)	% Change	FY 2011 (Actual)	% Change	FY 2012 (Actual)	% Change	FY 2013 (Actual)	% Change	FY 2014 (Actual)	% Change	FY 2015 (Preliminary)	% Change	FY 2016 (Forecast)	% Change	FY 2017 (Forecast)	% Change
REVENUE SOURCE																
Personal Income	$498.0	-6.1%	$553.3	11.1%	$597.0	7.9%	$660.6	10.7%	$671.1	1.6%	$705.9	5.2%	$763.8	8.2%	$797.8	4.5%
Sales & Use*	$311.1	-3.1%	$325.6	4.7%	$341.8	5.0%	$346.8	1.4%	$353.6	2.0%	$364.6	3.1%	$382.2	4.8%	$394.3	3.2%
Corporate	$62.8	-5.1%	$89.7	42.7%	$85.9	-4.2%	$95.0	10.5%	$94.8	-0.1%	$121.9	28.5%	$98.3	-19.4%	$94.6	-3.8%
Meals and Rooms	$118.0	0.8%	$122.6	4.0%	$126.9	3.5%	$134.8	6.2%	$142.7	5.9%	$150.8	5.7%	$156.8	4.0%	$162.3	3.5%
Cigarette and Tobacco**	$70.1	9.2%	$72.9	4.0%	$80.1	9.9%	$74.3	-7.2%	$71.9	-3.3%	$76.8	6.7%	$77.5	1.0%	$74.7	-3.7%
Liquor and Wine	$14.9	-1.0%	$15.4	3.1%	$16.4	7.0%	$17.0	3.4%	$17.7	4.0%	$18.2	2.9%	$18.7	2.9%	$19.3	3.2%
Insurance	$53.3	-0.9%	$55.0	3.3%	$56.3	2.5%	$55.0	-2.3%	$57.1	3.7%	$55.3	-3.1%	$55.6	0.5%	$56.1	0.9%
Telephone	$7.9	-13.9%	$11.4	44.4%	$9.6	-15.3%	$9.4	-2.6%	$9.1	-2.9%	$7.7	-14.9%	$7.2	-7.1%	$6.7	-6.9%
Beverage	$5.7	0.4%	$5.8	2.2%	$6.0	3.3%	$6.2	3.3%	$6.4	3.6%	$6.7	4.2%	$6.8	2.1%	$7.0	2.9%
Electric***	$2.9	2.5%	$2.9	0.8%	$2.9	0.3%	$8.9	204.5%	$13.1	46.9%	$9.4	-28.2%	$0.0	NM	$0.0	NM
Estate****	$14.2	-39.5%	$35.9	153.3%	$13.3	-62.8%	$15.4	15.4%	$35.5	131.0%	$9.9	-72.2%	$21.2	114.4%	$23.1	9.0%
Property	$23.8	-8.2%	$25.6	7.7%	$24.1	-6.0%	$28.5	18.3%	$30.9	8.5%	$33.6	8.6%	$42.1	25.3%	$45.5	8.2%
Bank	$10.4	-49.7%	$15.4	49.0%	$10.7	-30.9%	$10.7	0.2%	$11.0	2.7%	$10.7	-2.0%	$10.8	0.6%	$10.9	0.5%
Other Tax	$3.7	32.1%	$3.7	1.7%	$1.2	-66.7%	$1.8	42.9%	$1.9	9.6%	$2.0	4.5%	$1.8	-11.1%	$2.5	38.9%
Total Tax Revenue	$1,196.5	-4.9%	$1,335.1	11.6%	$1,372.4	2.8%	$1,464.3	6.7%	$1,517.0	3.6%	$1,573.5	3.7%	$1,642.8	4.4%	$1,694.8	3.2%
Business Licenses	$3.0	-0.2%	$2.9	-1.2%	$3.0	3.4%	$2.8	-8.0%	$1.1	-61.4%	$1.1	0.2%	$0.6	-44.7%	$0.5	-16.7%
Fees	$19.2	0.9%	$20.5	6.4%	$20.9	2.1%	$21.4	2.2%	$20.6	-3.4%	$22.1	7.0%	$23.1	4.7%	$23.8	3.0%
Services	$1.2	-19.9%	$1.1	-8.7%	$2.3	105.8%	$2.5	8.3%	$1.3	-47.3%	$1.5	12.5%	$3.2	114.2%	$3.3	3.1%
Fines	$7.4	-24.8%	$5.7	-22.2%	$7.4	28.7%	$4.7	-35.9%	$3.6	-24.2%	$3.5	-3.1%	$3.7	6.8%	$3.8	2.7%
Interest	$0.6	-57.0%	$0.3	-46.0%	$0.4	32.8%	$0.6	26.3%	$0.2	-59.2%	$0.3	40.4%	$0.4	19.8%	$0.7	81.6%
Lottery	$21.6	3.0%	$21.4	-0.7%	$22.3	4.2%	$22.9	2.7%	$22.6	-1.6%	$22.8	0.8%	$23.2	2.0%	$23.5	1.3%
All Other*****	$0.3	57.4%	$0.7	115.7%	$0.9	19.7%	$1.7	86.8%	$1.3	-24.0%	$1.0	-20.4%	$1.1	8.8%	$1.2	9.1%
Total Other Revenue	$53.3	-4.7%	$52.8	-1.1%	$57.3	8.6%	$56.6	-1.3%	$50.7	-10.4%	$52.2	3.0%	$55.3	5.9%	$56.8	2.7%
TOTAL GENERAL FUND	**$1,249.9**	**-4.9%**	**$1,387.9**	**11.0%**	**$1,429.7**	**3.0%**	**$1,520.9**	**6.4%**	**$1,567.6**	**3.1%**	**$1,625.7**	**3.7%**	**$1,698.1**	**4.5%**	**$1,751.6**	**3.1%**

Notes:

*** Includes Telecommunications Tax; includes $3.76M transfer in FY08 to the T-Fund for prior years Jet Fuel tax processing error.**

**** Includes Cigarette Tax, Tobacco Products Tax and Floor Stock Tax revenues.**

***** Reflects closure of Vermont Yankee in December of 2014. Taxed per Act 143 of 2012 effective in FY 2013. Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and Education Fund.**

****** Excludes transfer to the Higher Education Trust Fund of $2.4M in FY05, $5.2M in FY06 and $11.0 million in FY11.**

****** Excludes $5.0 million payment from Entergy in fiscal year 2015 that is earmarked for a Special Fund.**

TABLE 1 - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE/ADMINISTRATION
AVAILABLE GENERAL FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2015

CURRENT LAW BASIS *including all Education Fund allocations and other out-transfers*	FY 2010 (Actual)	% Change	FY 2011 (Actual)	% Change	FY 2012 (Actual)	% Change	FY 2013 (Actual)	% Change	FY 2014 (Actual)	% Change	FY 2015 (Preliminary)	% Change	FY 2016 (Forecast)	% Change	FY 2017 (Forecast)	% Change
REVENUE SOURCE																
Personal Income	$498.0	-6.1%	$553.3	11.1%	$597.0	7.9%	$660.6	10.7%	$671.1	1.6%	$705.887	5.2%	$763.8	8.2%	$797.8	4.5%
Sales and Use*	$207.4	-3.1%	$217.1	4.7%	$227.9	5.0%	$231.2	1.4%	$229.9	-0.6%	$236.995	3.1%	$248.4	4.8%	$256.3	3.2%
Corporate	$62.8	-5.1%	$89.7	42.7%	$85.9	-4.2%	$95.0	10.5%	$94.8	-0.1%	$121.902	28.5%	$98.3	-19.4%	$94.6	-3.8%
Meals and Rooms	$118.0	0.8%	$122.6	4.0%	$126.9	3.5%	$134.8	6.2%	$142.7	5.9%	$150.812	5.7%	$156.8	4.0%	$162.3	3.5%
Cigarette and Tobacco **	$0.0	NM	$0.0	NM	$0.0	NM	$0.0	NM	$0.0	NM	$0.000	NM	$0.0	NM	$0.0	NM
Liquor	$14.9	-1.0%	$15.4	3.1%	$16.4	7.0%	$17.0	3.4%	$17.7	4.0%	$18.177	2.9%	$18.7	2.9%	$19.3	3.2%
Insurance	$53.3	-0.9%	$55.0	3.3%	$56.3	2.5%	$55.0	-2.3%	$57.1	3.7%	$55.311	-3.1%	$55.6	0.5%	$56.1	0.9%
Telephone	$7.9	-13.9%	$11.4	44.4%	$9.6	-15.3%	$9.4	-2.6%	$9.1	-2.9%	$7.748	-14.9%	$7.2	-7.1%	$6.7	-6.9%
Beverage	$5.7	0.4%	$5.8	2.2%	$6.0	3.3%	$6.2	3.3%	$6.4	3.6%	$6.662	4.2%	$6.8	2.1%	$7.0	2.9%
Electric***	$2.9	2.5%	$2.9	0.8%	$2.9	0.3%	$8.9	204.5%	$13.1	46.9%	$9.406	-28.2%	$0.0	-100.0%	$0.0	NM
Estate****	$14.2	-35.2%	$24.9	75.6%	$13.3	-46.4%	$15.4	15.4%	$35.5	131.0%	$9.890	-72.2%	$21.2	114.4%	$23.1	9.0%
Property	$7.8	-8.2%	$8.4	7.6%	$7.9	-6.1%	$9.2	16.5%	$10.0	9.3%	$10.873	8.7%	$11.9	9.5%	$12.9	8.2%
Bank	$10.4	-49.7%	$15.4	49.0%	$10.7	-30.9%	$10.7	0.2%	$11.0	2.7%	$10.749	-2.0%	$10.8	0.6%	$10.9	0.5%
Other Tax	$3.7	32.1%	$3.7	1.7%	$1.2	-66.7%	$1.8	42.9%	$1.9	9.6%	$2.025	4.5%	$1.8	-11.1%	$2.5	38.9%
Total Tax Revenue	$1,006.7	-5.7%	$1,125.4	11.8%	$1,162.1	3.3%	$1,255.0	8.0%	$1,300.3	3.6%	$1,346.437	3.5%	$1,401.3	4.1%	$1,449.4	3.4%
Business Licenses	$3.0	-0.2%	$2.9	-1.2%	$3.0	3.4%	$2.8	-8.0%	$1.1	-61.4%	$1.084	0.2%	$0.6	-44.7%	$0.5	-16.7%
Fees	$19.2	0.9%	$20.5	6.4%	$20.9	2.1%	$21.4	2.2%	$20.6	-3.4%	$22.069	7.0%	$23.1	4.7%	$23.8	3.0%
Services	$1.2	-19.9%	$1.1	-8.7%	$2.3	105.8%	$2.5	8.3%	$1.3	-47.3%	$1.494	12.5%	$3.2	114.2%	$3.3	3.1%
Fines	$7.4	-24.8%	$5.7	-22.2%	$7.4	28.7%	$4.7	-35.9%	$3.6	-24.2%	$3.464	-3.1%	$3.7	6.8%	$3.8	2.7%
Interest	$0.5	-54.7%	$0.3	-45.9%	$0.4	36.3%	$0.5	20.5%	$0.2	-66.6%	$0.238	51.9%	$0.3	25.9%	$0.6	100.0%
All Other*****	$0.3	57.4%	$0.7	115.7%	$0.9	19.7%	$1.7	86.8%	$1.3	-24.0%	$1.011	-20.4%	$1.1	8.8%	$1.2	9.1%
Total Other Revenue	$31.7	-8.8%	$31.3	-1.2%	$34.9	11.6%	$33.5	-3.9%	$28.0	-16.4%	$29.361	4.7%	$32.0	9.0%	$33.2	3.8%
TOTAL GENERAL FUND	**$1,038.4**	**-5.8%**	**$1,156.7**	**11.4%**	**$1,197.0**	**3.5%**	**$1,288.6**	**7.7%**	**$1,328.4**	**3.1%**	**$1,375.8**	**3.6%**	**$1,433.3**	**4.2%**	**$1,482.6**	**3.4%**

Notes:

* Includes $2.5M transfer to the T-Fund in FY08 for prior years Jet Fuel tax processing errors.

** Includes Cigarette Tax, Tobacco Products Tax and Floor Stock Tax revenues.

*** Reflects closure of Vermont Yankee in December of 2014. Taxed per Act 143 of 2012 effective in FY 2013. Stated Electric Energy Tax revenues exclude appropriations to the Clean Energy Development Fund and Education Fund.

**** Excludes transfer to the Higher Education Trust Fund of $2.4M in FY05, $5.2M in FY06 and $11.0 million in FY11.

**** Excludes $5.0 million payment from Entergy in fiscal year 2015 that is earmarked for a Special Fund.

TABLE 2A - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE/ADMINISTRATION
SOURCE TRANSPORTATION FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2015

SOURCE T-FUND *revenues are prior to all E-Fund allocations and other out-transfers. Used for analytic and comparative purposes only.*	**FY 2011** *(Actual)*	% Change	**FY 2012** *(Actual)*	% Change	**FY 2013** *(Actual)*	% Change	**FY 2014** *(Actual)*	% Change	**FY 2015** *(Preliminary)*	% Change	**FY 2016** *(Forecast)*	% Change	**FY 2017** *(Forecast)*	% Change
REVENUE SOURCE														
Gasoline	$60.6	-0.6%	$59.3	-2.2%	$59.9	1.1%	$76.5	27.6%	$77.6	1.5%	$77.8	0.2%	$77.7	-0.1%
Diesel	$15.4	2.0%	$16.0	3.9%	$15.6	-2.2%	$17.2	9.7%	$19.1	11.5%	$18.9	-1.3%	$19.2	1.6%
Purchase and Use*	$77.1	10.5%	$81.9	6.3%	$83.6	2.0%	$91.8	9.9%	$97.3	5.9%	$102.3	5.2%	$106.8	4.4%
Motor Vehicle Fees	$72.3	-0.3%	$73.5	1.7%	$77.9	5.9%	$79.0	1.5%	$80.1	1.4%	$80.7	0.7%	$81.5	1.0%
Other Revenue**	$17.9	-2.0%	$18.3	2.2%	$19.1	4.2%	$19.5	2.3%	$19.7	0.8%	$20.2	2.8%	$20.6	2.0%
TOTAL TRANS. FUND	**$243.3**	**2.8%**	**$249.0**	**2.3%**	**$256.0**	**2.8%**	**$284.0**	**10.9%**	**$293.8**	**3.5%**	**$299.9**	**2.1%**	**$305.8**	**2.0%**

TABLE 2 - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE/ADMINISTRATION
AVAILABLE TRANSPORTATION FUND REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2015

CURRENT LAW BASIS *including all Education Fund allocations and other out-transfers*	**FY 2011** *(Actual)*	% Change	**FY 2012** *(Actual)*	% Change	**FY 2013** *(Actual)*	% Change	**FY 2014** *(Actual)*	% Change	**FY 2015** *(Preliminary)*	% Change	**FY 2016** *(Forecast)*	% Change	**FY 2017** *(Forecast)*	% Change
REVENUE SOURCE														
Gasoline	$60.6	-0.6%	$59.3	-2.2%	$59.9	1.1%	$76.5	27.6%	$77.6	1.5%	$77.8	0.2%	$77.7	-0.1%
Diesel	$15.4	2.0%	$16.0	3.9%	$15.6	-2.2%	$17.2	9.7%	$19.1	11.5%	$18.9	-1.3%	$19.2	1.6%
Purchase and Use*	$51.4	10.5%	$59.6	16.0%	$55.7	-6.5%	$61.2	9.9%	$64.8	5.9%	$68.2	5.2%	$71.2	4.4%
Motor Vehicle Fees	$72.3	-0.3%	$73.5	1.7%	$77.9	5.9%	$79.0	1.5%	$80.1	1.4%	$80.7	0.7%	$81.5	1.0%
Other Revenue**	$17.9	-2.0%	$18.3	2.2%	$19.1	4.2%	$19.5	2.3%	$19.7	0.8%	$20.2	2.8%	$20.6	2.0%
TOTAL TRANS. FUND	**$217.617**	**2.0%**	**$226.688**	**4.2%**	**$228.195**	**0.7%**	**$253.383**	**11.0%**	**$261.4**	**3.2%**	**$265.8**	**1.7%**	**$270.2**	**1.7%**
OTHER														
TIB Gasoline	$16.5	23.6%	$20.9	26.6%	$21.2	1.4%	$19.2	-9.5%	$18.2	-5.2%	$13.2	-27.6%	$13.7	3.7%
TIB Diesel and Other***	$2.0	31.7%	$1.9	-1.7%	$1.8	-8.6%	$1.8	4.5%	$2.1	11.4%	$2.0	-1.4%	$2.1	1.6%
Total TIB	$18.5	24.4%	$22.8	23.6%	$23.0	0.6%	$21.0	-8.4%	$20.2	-3.8%	$15.2	-25.0%	$15.7	3.4%

Notes:

* As of FY04, includes Motor Vehicle Rental tax revenue

** Beginning in FY07, includes Stabilization Reserve interest; FY08 data includes $3.76M transfer from G-Fund for prior Jet Fuel tax processing errors and inclusion of this tax in subsequent years

*** Includes TIB Fund interest income of less than $15,000

TABLE 1A - STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE/ADMINISTRATION
AVAILABLE EDUCATION FUND* REVENUE FORECAST UPDATE
Consensus JFO and Administration Forecast - July 2015

CURRENT LAW BASIS *Source General and Transportation Fund taxes allocated to or associated with the Education Fund only.*	**FY 2010** *(Actual)*	% Change	**FY 2011** *(Actual)*	% Change	**FY 2012** *(Actual)*	% Change	**FY 2013** *(Actual)*	% Change	**FY 2014** *(Actual)*	% Change	**FY 2015** *(Preliminary)*	% Change	**FY 2016** *(Forecast)*	% Change	**FY 2017** *(Forecast)*	% Change
GENERAL FUND																
Sales & Use**	$103.7	-3.1%	$108.5	4.7%	$113.9	5.0%	$115.6	1.4%	$123.8	7.1%	$127.6	3.1%	$133.8	4.8%	$138.0	3.2%
Interest	$0.1	NM	$0.0	NM	$0.0	NM	$0.1	NM	$0.1	NM	$0.1	NM	$0.1	NM	$0.1	NM
Lottery	$21.6	3.0%	$21.4	-0.7%	$22.3	4.2%	$22.9	2.7%	$22.6	-1.6%	$22.8	0.8%	$23.2	2.0%	$23.5	1.3%
TRANSPORTATION FUND																
Purchase and Use***	$23.2	5.7%	$25.7	10.5%	$27.3	6.3%	$27.9	2.0%	$30.6	9.9%	$32.4	5.9%	$34.1	5.2%	$35.6	4.4%
TOTAL	**$148.6**	**-1.1%**	**$155.7**	**4.8%**	**$163.6**	**5.1%**	**$166.5**	**1.7%**	**$177.0**	**6.3%**	**$182.9**	**3.3%**	**$191.2**	**4.5%**	**$197.2**	**3.2%**

Notes:

FY1998 revenues represent partial year allocations prior to Act 60 Technical Corrections

** Includes Telecommunications Tax; Includes $1.25M transfer to T-Fund in FY08 for prior Jet Fuel Tax processing errors

*** Includes Motor Vehicle Rental revenues, restated