RESOLUTION CALLING ON THE STATE ADMINISTRATION AND LEGISLATURE TO INCREASE EDUCATION FUND PAYMENTS TO SCHOOL DISTRICTS TO REDUCE PROPERTY TAXES

Resolved by the SELECT BOHRD of the GRAFTON, as follows:

That WHEREAS, Act 60 created a State Education Fund with revenues principally coming from the property tax supplemented with State General Fund revenues; and

WHEREAS, the inflationary growth in the value of real property in Vermont has resulted in significant growth in revenues from the property tax in the Education Fund while State General Fund resources for education have not increased to match the growth in education spending; and

WHEREAS, under Act 60 the state contribution to local education funding is principally derived from the statewide education tax rate, set at \$1.10 since adoption. However, the education block grant to local school districts has grown at a rate considerably less than the inflationary growth in statewide property values; and

WHEREAS, local school districts are highly dependent upon the property tax, while the State General Fund has at least 17 major broad-based taxes at is disposal; and

WHEREAS, the State annually sets for all municipalities an Equalized Education Grand List which is adjusted for the inflationary growth in local property values and said adjustment is represented, in part, by a measure known as the Common Level of Appraisal; and

WHEREAS, the single largest contributor to the estimated increase in many FY 2004 local school tax rates, as it was in the FY 2003 school tax rates, is estimated to be the adjustment for the Common Level of Appraisal; and

WHEREAS, it appears that the additional property tax revenue received by the State through the annual adjustment to the Equalized Education Grand List when coupled with the more modest growth in the education block grant will result in continued growth in surpluses in the Education Fund and will not result in an equitable distribution of funds to offset the growth in local education tax rates;

NOW, THEREFORE, BE IT RESOLVED that the

calls on

the Governor and the members of the Vermont Legislature to take the necessary action to increase the education block grant or reduce the statewide property tax rate in an effort to reverse the trend of increasing school property taxes.

Date: Feb. 14, 2003

Signed:

A resolution opposing the proposed cuts in funding for local highway aid programs

Whereas, transportation infrastructure serves as the backbone not only of Vermont's economy, but also Vermonters' very lives, and

Whereas, local governments are mandated by state law to keep "in good and sufficient repair during all seasons of the year" 80 percent of all road miles in Vermont, and

Whereas, local governments are similarly mandated to serve the public by maintaining the vast majority of the bridges spanning 20' or greater to the same level, and

Whereas, local governments also own and are obligated to maintain thousands of bridges spanning less than 20' as well as an equivalent or greater number of large and small culverts, and

Whereas, despite being responsible for the overwhelming majority of Vermont's highway miles, bridges and culverts, funding for the state aid programs for local government have shrunk to just 15.5% of the state's transportation expenditures over the course of the past decade, and

Whereas, the legislative Joint Fiscal Office estimates that Vermont currently has an estimated gap of \$200 million annually between what it spends on transportation infrastructure and what it should spend, and

Whereas, the 2009 VLCT Municipal Policy, adopted by local officials, calls for a mixture of increased state revenue sources, bonding, and the cessation of the transfer of transportation monies to the state General Fund for non-transportation purposes to start closing that infrastructure spending gap, and

Whereas, any cuts in state funding for the local highway aid programs means that property taxes will have to be raised, and

Whereas, the administration has proposed and the Joint Fiscal Committee of the Vermont Legislature will decide in November whether or not to cut nearly \$3 million from the local highway aid programs, including \$1.85 million from Town Highway State Aid, \$700,000 from Class 2 Paving and Rehabilitation and \$350,000 from the Town Highway Structures Program; now therefore be it

Resolved by the Town/City of Gafton:

That the town/city specifically opposes the nearly \$3 million in cuts to town highway aid under consideration by the Joint Fiscal Committee, and be it further

<u>Resolved</u>: That the town/city respectfully requests that the legislature not make up for the state's ailing transportation revenues and budget shortfalls by cutting funding for local highway aid programs and shifting the burden to local government and property taxpayers, and *be it further*

Resolved: That the town/city calls upon the state administration and legislature to return in January and make its top priority the resolution of Vermont's transportation funding crisis in a comprehensive and strategic manner after consideration of all potential remedies.

Chair of the Gafm Selectboard/City Council