

Preliminary Education Fund Outlook for FY 2025 - Updated School Budget Data (4/10/24)

a		b	c	d	g
(millions of dollars)			FY2024	Previously presented FY2025	Previously presented FY2025
			BAA	Dec. 1 Outlook	Ways and Means Modeling with data updates as of 4/9/24, cloud tax, 1.5% SRT surcharge, one-time PTC increase of 14.97%
a	Average Homestead Property Tax Rate		\$1.311	\$1.359	\$1.324
b	Average Tax Rate on Household Income		2.33%	2.67%	2.59%
c	Uniform Non-Homestead Property Tax Rate		\$1.391	\$1.442	\$1.442
d	Property Yield Per Pupil ¹		\$15,443	\$9,452	\$9,846
e	Income Yield Per Pupil ¹		\$17,537	\$10,300	\$10,060
f	Total Long Term Average Daily Membership (LTADM)		84,009	83,433	83,433
g	Total Long Term Weighted Average Daily Membership (LTWADM)		-	141,190	142,810
h	Average Percentage Bill Change Compared to Prior Year (HS/Inc/NHS)		Uniform: 4.27%	Uniform: 18.50%	HS, Inc: 14.97%, NHS: 17.99%
i	Statewide Education Spending Growth		8.0%	12.0%	11.5%
j	Statewide Education Grand List Growth		9.7%	14.3%	14.3%
Sources					
1a	Homestead Education Property Tax		662.9	789.3	759.6
	<i>S.160 - State education property tax abatement</i>		(1.1)	-	-
1b	Property Tax Credit		(155.0)	(158.3)	(158.3)
1c	One-time Property Tax Credit Increase		-	-	(23.7)
2	Non-Homestead Education Property Tax		793.5	924.9	930.2
3	Sales & Use Tax		593.6	597.4	598.8
3b	Cloud Tax		-	-	20.4
4	Purchase & Use Tax - one-third of total		47.2	50.9	49.1
5	Meals & Rooms Tax - one-quarter of total		59.9	62.2	61.5
5a.	Short term rental surcharge of 1.5% - fully dedicated to EF		-	-	6.5
6	Lottery Transfer		34.9	33.0	35.7
7	Medicaid Transfer		10.8	11.2	11.2
8	Other Sources (Wind & Solar, Fund Interest)		10.2	8.9	8.5
9	Total Sources		2,056.9	2,319.5	2,299.5
Appropriations					
10	Education Payment		1,711.1	1,916.0	1,902.9
11	Special Education Aid		229.8	249.1	264.6
11a.	BAA - One-time Census Block Grant Adjustment		1.9	-	-
12	State-Placed Students		19.0	20.0	20.0
13	Transportation Aid		23.5	25.3	25.3
14	Technical Education Aid		17.0	17.1	17.9
15	Small School Support		8.3	3.0	1.8
16	Essential Early Education Aid		8.4	8.7	8.7
17	Flexible Pathways		9.3	8.6	10.4
18	Universal School Meals		24.0	26.5	24.0
19	English Learners Services		-	3.0	2.3
20	PCB Remediation Grants		29.7	-	-
21	VSTRS Pension Normal Cost		33.1	37.8	36.0
21a.	Modifications made to the postretirement adjustments		9.3	-	-
22	VSTRS OPEB Normal Cost		15.4	21.6	19.1
23	One-time COLA payment		3.0	-	-
24	Other Uses (Accounting & Auditing, CMF transfer, Financial Systems)		4.8	3.5	4.9
25	Total Uses		2,151.8	2,347.0	2,337.9
Allocation of Revenue					
26	Revenue Surplus/(Deficit)		(94.8)	(27.5)	(38.3)
27	Prior-Year Reversions		9.7	-	-
28	Transfer (to)/from Stabilization Reserve		(5.2)	(8.6)	(5.3)
29	Transfer (to)/from Additional Reserves		(13.0)	13.0	13.0
30	BAA - One-time transfer to afterschool special fund ²		(2.8)	-	-
31	Transfer (to)/from Unreserved/Unallocated		106.2	23.1	30.7
Stabilization Reserve					
32	Prior-Year Stabilization Reserve		41.8	47.0	47.0
33	Current-Year Stabilization Reserve		47.0	55.6	52.3
34	Percent of Prior-Year Net Appropriations		5%	5%	5%
35	Reserve Target		47.0	55.6	52.3
Additional Reserve					
36	Current-Year Reserve for Future COLA provisions		9.1	9.1	-
37a.	Use of Current-Year Reserve for Future COLA provisions		(9.1)	-	-
37	Current-Year Tax Rate Offset Reserve		13.0	13.0	13.0
38a.	Use of Tax Rate Offset Reserve towards FY25 tax rates		-	(13.0)	(13.0)
Available Funds					
38	Prior-Year Unreserved/Unallocated		137.25	23.82	31.06
39	Current-Year Unreserved/Unallocated		31.06	0.76	0.41

Notes: 1) FY 2025 will be the first year with the elimination of the equalization ratio from Act 127. As such, the FY 2025 property yield and income yield cannot be directly compared to prior years' yields.