Preliminary Education Fund Outlook for FY 2025 - H.887 Constructs
Modeling using updated School Budget Data (5/2/24)

(millions of dollars)	FY2024 BAA	FY2025 Dec. 1 Outlook	FY2025 H.887 - As passed by the House (4/24/24)	FY2025 H.887 - As passed by the Senate (5/8/24)	FY2025 H.887 - House further proposal of amendment (5/10/24, 10am)	H.887 - Modeling request w/ updated data Uniform bill increase of 13.8%, increase in PTC of 13.0%
a Average Homestead Property Tax Rate	$1.311	$1.359	$1.318	$1.296	$1.313	$1.311
b Average Tax Rate on Household Income	2.33%	2.67%	2.58%	2.54%	2.57%	2.56%
c Uniform Non-Homestead Property Tax Rate	$1.391	$1.442	$1.442	$1.375	$1.394	$1.391
d Property Yield Per Pupil[1]	$15,443	$9,452	$9,846	$10,005	$9,877	$9,893
e Income Yield Per Pupil[1]	$17,537	$10,300	$10,060	$10,226	$10,094	$10,110
f Total Long Term Average Daily Membership (LTADM)	84,009	83,433	83,433	83,433	83,433	83,433
g Total Long Term Weighted Average Daily Membership (LTWADM)	-	141,190	142,810	142,810	142,810	142,810
h Average Percentage Bill Change Compared to Prior Year (HS/Inc/NHS)	Uniform: 4.3%	Uniform: 18.50%	HS, Inc: 14.4%, NHS: 18.0%	Uniform: 12.5%	Uniform: 14.1%	Uniform: 13.8%
i Statewide Education Spending Growth	8.0%	12.0%	10.7%	10.7%	10.7%	10.7%
j Statewide Education Grand List Growth	9.7%	14.3%	14.3%	14.3%	14.3%	14.3%
Sources						
1a Homestead Education Property Tax	662.9	789.3	755.1	742.6	752.6	751.3
S.160 - State education property tax abatement	(1.1)	-	-	-	-	-
1b Property Tax Credit	(155.0)	(158.3)	(158.3)	(158.3)	(158.3)	(158.3)
1c One-time Property Tax Credit Increase	-	-	(23.7)	-	(22.3)	(20.6)
2 Non-Homestead Education Property Tax	793.5	924.9	930.2	887.0	899.2	897.3
3 Sales & Use Tax	593.6	597.4	598.8	598.8	598.8	598.8
3b Cloud Tax	-	-	20.4	14.7	14.7	14.7
4 Purchase & Use Tax - *one-third of total*	47.2	50.9	49.1	49.1	49.1	49.1
5 Meals & Rooms Tax - *one-quarter of total*	59.9	62.2	61.5	61.5	61.5	61.5
5a. Short term rental surcharge of 1.5% - fully dedicated to EF	-	-	6.5	-	-	-
5b. Short term rental surcharge of 3% - fully dedicated to EF	-	-	-	11.8	11.8	11.8
6 Lottery Transfer	34.9	33.0	35.7	35.7	35.7	35.7
7 Medicaid Transfer	10.8	11.2	11.2	11.2	11.2	11.2
8 One-time GF transfer	-	-	-	25.0	25.0	25.0
9 Other Sources (Wind & Solar, Fund Interest)	10.2	8.9	8.5	8.5	8.5	8.5
10 **Total Sources**	**2,056.9**	**2,319.5**	**2,294.9**	**2,287.1**	**2,287.5**	**2,286.0**
Appropriations						
11 Education Payment	1,711.1	1,916.0	1,893.3	1,893.3	1,893.3	1,892.3
12 Special Education Aid	231.7	249.1	264.6	264.6	264.6	264.6
13 State-Placed Students	19.0	20.0	20.0	20.0	20.0	20.0
14 Transportation Aid	23.5	25.3	25.3	25.3	25.3	25.3
15 Technical Education Aid	17.0	17.1	17.9	17.9	17.9	17.9
16 Small School Support	8.3	3.0	1.8	1.8	1.8	1.8
17 Essential Early Education Aid	8.4	8.7	8.7	8.7	8.7	8.7
18 Flexible Pathways	9.3	8.6	10.4	10.4	10.4	10.4
19 Universal School Meals	24.0	26.5	20.4	20.4	20.4	20.4
20 English Learners Services	-	3.0	2.3	2.3	2.3	2.3
20 PCB Remediation Grants	29.7	-	-	-	-	-
21 VSTRS Pension Normal Cost	42.5	37.8	36.0	36.0	36.0	36.0
22 VSTRS OPEB Normal Cost	15.4	21.6	19.1	19.1	19.1	19.1
23 One-time COLA payment	3.0	-	-	-	-	-
24 H.874 - Community Schools	-	-	1.0	1.0	1.0	1.0
25 Other Uses (Accounting & Auditing, CMF transfer, Financial Systems)	4.8	3.5	4.9	4.9	4.9	4.9
26 **Total Uses**	**2,151.8**	**2,347.0**	**2,325.7**	**2,325.7**	**2,325.7**	**2,324.7**
Allocation of Revenue						
27 Revenue Surplus/(Deficit)	(94.8)	(27.5)	(30.7)	(38.6)	(38.2)	(38.6)
28 Prior-Year Reversions	9.7	-	-	-	-	-
29 Transfer (to)/from Stabilization Reserve	(5.2)	(8.6)	(5.3)	(5.3)	(5.3)	(5.3)
30 Transfer (to)/from Additional Reserves	(13.0)	13.0	13.0	13.0	13.0	13.0
31 BAA - One-time transfer to afterschool special fund[2]	(2.8)	-	-	-	-	-
32 Transfer (to)/from Unreserved/Unallocated	**106.2**	**23.1**	**23.1**	**30.9**	**30.5**	**31.0**
Stabilization Reserve						
33 Prior-Year Stabilization Reserve	41.8	47.0	47.0	47.0	47.0	47.0
34 Current-Year Stabilization Reserve	47.0	55.6	52.3	52.3	52.3	52.3
35 Percent of Prior-Year Net Appropriations	5%	5%	5%	5%	5%	5%
36 Reserve Target	47.0	55.6	52.3	52.3	52.3	52.3
Additional Reserve						
37 Current-Year Reserve for Future COLA provisions	9.1	9.1	-	-	-	-
37a. Use of Current-Year Reserve for Future COLA provisions	(9.1)	-	-	-	-	-
38 Current-Year Tax Rate Offset Reserve	13.0	13.0	13.0	13.0	13.0	13.0
38a. Use of Tax Rate Offset Reserve towards FY25 tax rates	-	(13.0)	(13.0)	(13.0)	(13.0)	(13.0)
Available Funds						
39 Prior-Year Unreserved/Unallocated	137.25	23.82	31.06	31.06	31.06	31.06
40 Current-Year Unreserved/Unallocated	31.06	0.76	8.01	0.13	0.56	0.11

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