

Preliminary Education Fund Outlook for FY 2025 - Updated School Budget Data (4/9/24)

a		b		c		d		e	
(millions of dollars)				FY2024		Previously presented		FY2025	
				BAA		FY2025		FY2025	
						Dec. 1 Outlook		Ways and Means	
								Modeling with data updates as of 4/9/24, cloud tax, and one-time PTC increase of 15.54%	
a	Average Homestead Property Tax Rate			\$1,311		\$1,359		\$1,330	
b	Average Tax Rate on Household Income			2.33%		2.67%		2.60%	
c	Uniform Non-Homestead Property Tax Rate			\$1,391		\$1,442		\$1,449	
d	Property Yield Per Pupil ¹			\$15,443		\$9,452		\$9,806	
e	Income Yield Per Pupil ¹			\$17,537		\$10,300		\$10,018	
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: 15.46%, NHS: 18.57%	
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		762.9	
	<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			-		-		(24.5)	
2	Non-Homestead Education Property Tax			793.5		924.9		934.7	
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	
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		2,300.0	
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)		(37.9)	
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		30.2	
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		0.86	

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.