

Preliminary Education Fund Outlook for FY 2025 - House FY24 BAA, Gov Rec. FY25 Budget, Updated School Budget Data (2/27/24)

a	b	c	d			f	g	h	i	
			Previously presented							
(millions of dollars)			FY2024	FY2025	FY2025	FY2025	FY2025	FY2025	FY2025	
			BAA	Dec. 1 Outlook	Modeling 02/15/24 (Including H.850)	Modeling with H.850 transition and data updates (budget updates 02/27/24)	Parameters from column f, and cloud tax (budget updates 02/27/24)	Parameters from column g, and PTC adj. increase 10% (budget updates 02/27/24)	Parameters from column g, and PTC adj. increase 17.6% (budget updates 02/27/24)	
a	Average Homestead Property Tax Rate		\$1.311	\$1.359	\$1.376	\$1.365	\$1.349	\$1.349	\$1.349	
b	Average Tax Rate on Household Income		2.33%	2.67%	2.70%	2.68%	2.65%	2.65%	2.65%	
c	Uniform Non-Homestead Property Tax Rate		\$1.391	\$1.442	\$1.460	\$1.448	\$1.431	\$1.455	\$1.474	
d	Property Yield Per Pupil ¹		\$15,443	\$9,452	\$9,775	\$9,785	\$9,899	\$9,899	\$9,899	
e	Income Yield Per Pupil ¹		\$17,537	\$10,300	\$10,191	\$9,946	\$10,062	\$10,062	\$10,062	
f	Total Long Term Average Daily Membership (LTADM)		84,009	83,433	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	142,810	
h	Average Percentage Bill Change Compared to Prior Year (HS/Inc/NHS)		Uniform 4.27%	Uniform 18.50%	Uniform 19.99%	Uniform 19.00%	Uniform 17.60%	HS, Inc: 17.60%, NHS: 19.58%	HS, Inc: 17.60%, NHS: 21.14%	
i	Statewide Education Spending Growth		8.0%	12.0%	14.8%	13.5%	13.5%	13.5%	13.5%	
j	Statewide Education Grand List Growth		9.7%	14.3%	14.3%	14.3%	14.3%	14.3%	14.3%	
Sources										
1a	Homestead Education Property Tax		668.2	789.3	805.7	797.1	787.5	787.5	787.5	
	<i>S.160 - State education property tax abatement</i>		(1.1)	-	-	-	-	-	-	
1b	Property Tax Credit		(155.0)	(158.3)	(158.3)	(158.3)	(158.3)	(158.3)	(158.3)	
1c	One-time Property Tax Credit Increase		-	-	-	-	-	(15.8)	(27.9)	
2	Non-Homestead Education Property Tax		792.2	924.9	936.4	928.7	917.8	933.2	945.4	
3	Sales & Use Tax		593.6	597.4	606.9	606.9	606.9	606.9	606.9	
3b	Cloud Tax		-	-	-	-	20.4	20.4	20.4	
4	Purchase & Use Tax - one-third of total		47.2	50.9	49.1	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	61.5	
6	Lottery Transfer		34.9	33.0	35.7	35.7	35.7	35.7	35.7	
7	Medicaid Transfer		10.8	11.2	11.2	11.2	11.2	11.2	11.2	
8	Other Sources (Wind & Solar, Fund Interest)		10.2	8.9	8.5	8.5	8.5	8.5	8.5	
9	Total Sources		2,060.9	2,319.5	2,356.8	2,340.4	2,340.4	2,339.9	2,340.1	
Appropriations										
10	Education Payment		1,711.1	1,916.0	1,954.4	1,941.8	1,941.8	1,941.8	1,941.8	
11	Special Education Aid		229.8	249.1	264.6	264.6	264.6	264.6	264.6	
11a.	BAA - One-time Census Block Grant Adjustment		1.9	-	-	-	-	-	-	
12	State-Placed Students		19.0	20.0	20.0	20.0	20.0	20.0	20.0	
13	Transportation Aid		23.5	25.3	25.3	25.3	25.3	25.3	25.3	
14	Technical Education Aid		17.0	17.1	17.1	17.1	17.1	17.1	17.1	
15	Small School Support		8.3	3.0	1.8	1.8	1.8	1.8	1.8	
16	Essential Early Education Aid		8.4	8.7	8.7	8.7	8.7	8.7	8.7	
17	Flexible Pathways		9.3	8.6	8.6	8.6	8.6	8.6	8.6	
18	Universal School Meals		24.0	26.5	24.0	24.0	24.0	24.0	24.0	
19	English Learners Services		-	3.0	2.3	2.3	2.3	2.3	2.3	
20	Afterschool grants ⁴		4.0	-	8.1	8.1	8.1	8.1	8.1	
21	PCB Remediation Grants		29.7	-	-	-	-	-	-	
22	VSTRS Pension Normal Cost		33.1	37.8	36.0	36.0	36.0	36.0	36.0	
22a.	Modifications made to the postretirement adjustments		9.3	-	-	-	-	-	-	
23	VSTRS OPEB Normal Cost		15.4	21.6	19.1	19.1	19.1	19.1	19.1	
24	One-time COLA payment		3.0	-	-	-	-	-	-	
25	Other Uses (Accounting & Auditing, CMF transfer, Financial Systems)		4.8	3.5	4.9	4.9	4.9	4.9	4.9	
26	Total Uses		2,151.8	2,347.0	2,395.0	2,382.4	2,382.4	2,382.4	2,382.4	
Allocation of Revenue										
27	Revenue Surplus/(Deficit)		(90.9)	(27.5)	(38.2)	(42.0)	(42.0)	(42.4)	(42.3)	
28	Prior-Year Reversions		9.7	-	-	-	-	-	-	
29	Transfer (to)/from Stabilization Reserve		(5.2)	(8.6)	(9.0)	(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	13.0	
31	BAA - One-time transfer to afterschool special fund ²		(2.8)	-	-	-	-	-	-	
32	Transfer (to)/from Unreserved/Unallocated		102.2	23.1	34.3	34.3	34.3	34.7	34.6	
Stabilization Reserve										
33	Prior-Year Stabilization Reserve		41.8	47.0	47.0	47.0	47.0	47.0	47.0	
34	Current-Year Stabilization Reserve		47.0	55.6	56.1	52.3	52.3	52.3	52.3	
35	Percent of Prior-Year Net Appropriations		5%	5%	5%	5%	5%	5%	5%	
36	Reserve Target		47.0	55.6	56.1	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	13.0	
38a.	Use of Tax Rate Offset Reserve towards FY25 tax rates		-	(13.0)	(13.0)	(13.0)	(13.0)	(13.0)	(13.0)	
Available Funds										
39	Prior-Year Unreserved/Unallocated		137.25	23.82	35.04	35.04	35.04	35.04	35.04	
40	Current-Year Unreserved/Unallocated		35.04	0.76	0.78	0.76	0.75	0.31	0.46	

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.
2.) The HAC Rec. BAA does not include the transfer of cannabis revenues and afterschool appropriation to a special fund. This outlook reflects the House Rec BAA for afterschool and does not reflect Gov Rec BAA for afterschool.