

Preliminary Education Fund Outlook for FY 2025 - House FY24 BAA, Gov Rec. FY25 Budget, Updated School Budget Data

a	b	c	d	e	f			g	h
					Various modeling scenarios				
(millions of dollars)		FY2023	FY2024	FY2025	FY2025	FY2025	FY2025	FY2025	FY2025
		Actual	House BAA	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
				Incl. Gov. Rec. FY25 Budget and updated ed spending estimates	Incl. Gov. Rec. FY25 Budget and updated ed spending estimates NO CAP	Incl. Gov. Rec. FY25 Budget and updated ed spending estimates Maintain FY24 avg HS rate	Incl. Gov. Rec. FY25 Budget and updated ed spending estimates Maintain FY24 NHS rate + NO CAP		
a	Average Homestead Property Tax Rate ¹	\$1.386	\$1.311	\$1.383	\$1.383	\$1.311	\$1.466		
b	Average Tax Rate on Household Income ²	2.32%	2.33%	2.72%	2.72%	2.58%	2.88%		
c	Uniform Non-Homestead Property Tax Rate	1.466	1.391	1.493	1.467	1.546	1.391		
d	Property Yield Per Pupil ³	\$13,314	\$15,443	\$7,103	\$10,009	\$10,250	\$9,442		
e	Income Yield Per Pupil ³	\$15,948	\$17,537	\$10,140	\$10,142	\$10,709	\$9,568		
f	Total Long Term Average Daily Membership (LTADM)	85,806	84,009	83,433	83,433	83,433	83,433		
g	Total Long Term Weighted Average Daily Membership (LTWADM)	-	-	142,810	142,810	142,810	142,810		
h	Average Percentage Bill Change Compared to Prior Year (HS/Inc/NHS)	-	Uniform 4.27%	HS, Inc: 20.59%, NHS: 22.70%	Uniform 20.56%	HS, Inc: 14.30%, NHS: 27.05%	HS, Inc: 27.79%, NHS: 14.32%		
i	Statewide Education Spending Growth	6.2%	8.0%	14.8%	14.8%	14.8%	14.8%		
j	Statewide Education Grand List Growth	7.5%	9.7%	14.3%	14.3%	14.3%	14.3%		
Sources									
1a	Homestead Education Property Tax ³	628.3	668.2	799.9	816.3	766.2	865.3		
1b	Property Tax Credit	(163.7)	(155.0)	(158.3)	(158.3)	(158.3)	(158.3)		
1c	H.541 - State education property tax abatement	-	(1.1)	-	(1.1)	-	-		
2	Non-Homestead Education Property Tax	738.9	792.2	957.6	940.9	991.6	892.2		
3	Sales & Use Tax ⁴	584.0	593.6	606.9	606.9	606.9	606.9		
4	Purchase & Use Tax - one-third of total	47.4	47.2	49.1	49.1	49.1	49.1		
5	Meals & Rooms Tax - one-quarter of total	59.4	59.9	61.5	61.5	61.5	61.5		
6	Lottery Transfer	32.1	34.9	35.7	35.7	35.7	35.7		
7	Medicaid Transfer	10.3	10.8	11.2	11.2	11.2	11.2		
8	Other Sources (Wind & Solar, Fund Interest)	9.0	10.2	8.5	8.5	8.5	8.5		
9	Total Sources	1,945.9	2,060.9	2,372.1	2,371.9	2,372.4	2,372.1		
Appropriations									
10	Education Payment	1,576.5	1,711.1	1,954.4	1,954.4	1,954.4	1,954.4		
11	Special Education Aid	208.1	229.8	264.6	264.6	264.6	264.6		
11a	BAA - One-time Census Block Grant Adjustment	-	1.9	-	-	-	-		
12	State-Placed Students	17.5	19.0	20.0	20.0	20.0	20.0		
13	Transportation Aid	21.8	23.5	25.3	25.3	25.3	25.3		
14	Technical Education Aid	31.3	17.0	17.9	17.9	17.9	17.9		
15	Small School Support	8.2	8.3	3.0	3.0	3.0	3.0		
16	Essential Early Education Aid	7.5	8.4	8.7	8.7	8.7	8.7		
17	Flexible Pathways	8.3	9.3	9.8	9.8	9.8	9.8		
18	Universal School Meals	29.0	29.0	24.0	24.0	24.0	24.0		
19	English Learners Services	-	-	3.0	3.0	3.0	3.0		
20	Afterschool grants ⁴	-	4.0	8.1	8.1	8.1	8.1		
21	PCB Remediation Grants	-	29.7	-	-	-	-		
22	VSTRS Pension Normal Cost	33.4	33.1	36.0	36.0	36.0	36.0		
22a	Modifications made to the postretirement adjustments	-	9.3	-	-	-	-		
23	VSTRS OPEB Normal Cost	15.1	15.4	19.1	19.1	19.1	19.1		
24	One-time COLA payment	-	3.0	-	-	-	-		
25	Other Uses (Accounting & Auditing, CMF transfer, Financial Systems)	3.4	4.8	4.9	4.9	4.9	4.9		
26	Total Uses	1,961.2	2,156.8	2,398.9	2,398.9	2,398.9	2,398.9		
Allocation of Revenue									
27	Revenue Surplus/(Deficit)	(15.3)	(95.9)	(26.8)	(27.0)	(26.5)	(26.8)		
28	Prior-Year Reversions	45.5	2.9	-	-	-	-		
29	Transfer (to)/from Stabilization Reserve	(2.5)	(5.2)	(9.0)	(9.0)	(9.0)	(9.0)		
30	Transfer (to)/from Additional Reserves	32.0	(13.0)	13.0	13.0	13.0	13.0		
31	BAA - One-time transfer to afterschool special fund	-	(2.8)	-	-	-	-		
32	Transfer (to)/from Unreserved/Unallocated	(59.7)	114.0	22.8	23.1	22.6	22.8		
Stabilization Reserve									
33	Prior-Year Stabilization Reserve	39.3	41.8	47.0	47.0	47.0	47.0		
34	Current-Year Stabilization Reserve	41.8	47.0	56.1	56.1	56.1	56.1		
35	Percent of Prior-Year Net Appropriations	5%	5%	5%	5%	5%	5%		
36	Reserve Target	41.8	47.0	56.1	56.1	56.1	56.1		
Additional Reserve									
37	Current-Year Reserve for Future COLA provisions	-	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		
38a	Use of Tax Rate Offset Reserve towards FY25 tax rates	-	-	(13.0)	(13.0)	(13.0)	(13.0)		
Available Funds									
39	Prior-Year Unreserved/Unallocated	77.58	137.25	23.22	23.22	23.22	23.22		
40	Current-Year Unreserved/Unallocated	137.25	23.22	0.37	0.17	0.64	0.40		

Notes: 1.) Homestead rates have been capped to reflect the 5% district level cap limitation in Act 127.
 2.) Income yield and rates are calculated without the 5% rate cap limitation in Act 127.
 3.) 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.
 4.) 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.