

Education Fund Outlook for FY 2027**February 2, 2026****Ways and Means modeling scenarios with updated data**

		a.	b.	c.	d.	e.	f.	g.
		FY 2026	FY 2027	FY 2027	FY 2027	FY 2027	FY 2027	FY 2027
<i>(millions of dollars)</i>		<i>Preliminary - BAA</i>	<i>Updated GL and LTWADM data, Dec. 1 assumptions</i>	<i>Applying \$104.9M of one-time GF to uniformly lower property taxes</i>	<i>Applying \$104.9M of one-time GF to homestead</i>	<i>Applying \$104.9M of one-time GF to nonhomestead</i>	<i>Applying \$104.9M of one-time GF to increase PTC by 78%</i>	<i>Applying 1/3 of \$104.9M of one-time GF to uniformly lower property taxes, and reserving the remainder</i>
a	Average Homestead Property Tax Rate ¹	\$1.593	\$1.662	\$1.568	\$1.458	\$1.662	\$1.662	\$1.631
b	Average Tax Rate on Household Income	2.27%	2.43%	2.29%	2.13%	2.43%	2.43%	2.38%
c	Uniform Nonhomestead Property Tax Rate ¹	\$1.703	\$1.776	\$1.676	\$1.776	\$1.592	\$1.776	\$1.743
d	Property Yield Per Pupil ¹	\$8,596	\$8,896	\$9,415	\$10,112	\$8,896	\$8,896	\$9,060
e	Income Yield Per Pupil ¹	\$12,172	\$12,168	\$12,959	\$14,270	\$12,168	\$12,168	\$12,406
f	Total Long Term Weighted Average Daily Membership (LTWADM)	142,564	141,298	141,298	141,298	141,298	141,298	141,298
g	Average Percentage Bill Change Compared to Prior Year (HS/Inc/NHS)	Uniform: 1.1%	Uniform: 11.9%	Uniform: 5.8%	HS, Inc: -1.8%; NHS: 11.9%	HS, Inc: 11.9%; NHS: 0.3%	Uniform: 11.9%; PTC 78% higher	Uniform: 9.8%
h	Statewide Education Spending Growth	5.5%	5.8%	5.8%	5.8%	5.8%	5.8%	5.8%
i	Statewide Education Grand List Growth	14.1%	10.4%	10.4%	10.4%	10.4%	10.4%	10.4%
j	Statewide Adjustment	72.4%	70.3%	70.3%	70.3%	70.3%	70.3%	70.3%
Sources								
1a	Homestead Education Property Tax ²	765.4	850.1	802.0	745.3	850.1	850.1	834.3
1b	Property Tax Credit	(141.1)	(134.2)	(134.2)	(134.2)	(134.2)	(239.1)	(134.2)
2	Nonhomestead Education Property Tax ²	903.3	1015.0	957.8	1,015.0	909.8	1,015.0	996.1
3	Sales & Use Tax	625.0	640.9	640.9	640.9	640.9	640.9	640.9
4	Purchase & Use Tax - one-third of total	50.0	51.9	51.9	51.9	51.9	51.9	51.9
5	Meals & Rooms Tax - one-quarter of total	73.6	76.0	76.0	76.0	76.0	76.0	76.0
6	Lottery Transfer	32.0	33.4	33.4	33.4	33.4	33.4	33.4
7	Medicaid Transfer	9.0	9.5	9.5	9.5	9.5	9.5	9.5
8	One-time GF transfer	77.8	-	104.9	104.9	104.9	104.9	104.9
9	Other Sources (Wind & Solar, Fund Interest)	5.0	4.3	4.3	4.3	4.3	4.3	4.3
10	Total Sources	2,400.0	2,546.9	2,546.6	2,547.0	2,546.7	2,546.9	2,617.2
Appropriations								
11	Education Payment	1,991.1	2,104.7	2,104.7	2,104.7	2,104.7	2,104.7	2,104.7
12	Special Education Aid	270.7	276.7	276.7	276.7	276.7	276.7	276.7
13	State-Placed Students	17.2	18.3	18.3	18.3	18.3	18.3	18.3
14	Transportation Aid	26.1	26.9	26.9	26.9	26.9	26.9	26.9
15	Technical Education Aid	18.7	19.6	19.6	19.6	19.6	19.6	19.6
16	Small School Support/Merger Support	1.8	1.8	1.8	1.8	1.8	1.8	1.8
17	Essential Early Education Aid	9.0	9.6	9.6	9.6	9.6	9.6	9.6
18	Flexible Pathways	10.6	10.8	10.8	10.8	10.8	10.8	10.8
19	Universal School Meals	17.5	18.3	18.3	18.3	18.3	18.3	18.3
20	English Learners Services	2.3	2.5	2.5	2.5	2.5	2.5	2.5
21	VSTRS Pension Normal Cost	38.8	42.2	42.2	42.2	42.2	42.2	42.2
23	VSTRS OPEB Normal Cost	22.0	28.2	28.2	28.2	28.2	28.2	28.2
24	Other Uses (Accounting & Auditing, CMF transfer, Financial Systems)	5.7	5.4	5.4	5.4	5.4	5.4	5.4
25	Total Uses	2,431.5	2,565.0	2,565.0	2,565.0	2,565.0	2,565.0	2,565.0
Allocation of Revenue								
26	Revenue Surplus/(Deficit)	(31.5)	(18.1)	(18.4)	(18.0)	(18.3)	(18.1)	52.2
27	Prior-year Reversions	13.2	0.0	0.0	-	-	-	-
28	Transfer (to)/from Stabilization Reserve	(2.5)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)	(3.7)
29	Transfer (to)/from Additional Reserves	-	-	-	-	-	-	(69.9)
30	Transfer (to)/from Unreserved/Unallocated	20.7	21.8	22.2	21.8	22.1	21.8	21.5
Stabilization Reserve								
31	Prior-year Stabilization Reserve	52.1	54.5	54.5	54.5	54.5	54.5	54.5
32	Current-year Stabilization Reserve	54.5	58.3	58.3	58.3	58.3	58.3	58.3
33	Percent of Prior-year Net Appropriations	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
34	Reserve Target	54.5	58.3	58.3	58.3	58.3	58.3	58.3
Additional Reserve								
35	Tax Rate Offset Reserve	-	-	-	-	-	-	69.9
Available Funds								
36	Prior-year Unreserved/Unallocated	43.07	22.33	22.33	22.33	22.33	22.33	22.33
37	Current-year Unreserved/Unallocated	22.33	0.52	0.18	0.58	0.26	0.52	0.84

Notes: 1) FY 2026 is the first year with the Statewide Adjustment CLA, so FY 2025 property rates and yields are not directly comparable to prior years.
2) Property tax amounts for FY 2025 and FY 2026 reflect amounts in the year they were collected.
3) The Outlook assumes a technical correction in the FY 2026 BAA to unreserve the \$13 million of the Tax Rate Offset Reserve within the Education Fund.

February 2, 2026
Prepared by JFO