

**Preliminary Education Fund Outlook for FY 2026 - H.491**

Modeling using updated school budget data (3/10/25).

a.		b.	c.	d.	e.	f.	g.
(millions of dollars)		FY2025	FY2026	FY2026	FY2026	FY2026	FY2026
		Projected, Including Budget	December 1 Letter	H.491 - As passed by the House	Senate Finance All one-time \$77.2M GF transfer to reserve, Uniform avg bill change	Senate Finance One-time \$77.2M GF transfer w/ half to additional reserve, Uniform avg bill change	Senate Finance One-time \$77.2M GF transfer w/ half to additional reserve, All GF used applied to HS
a	Average Homestead Property Tax Rate <sup>1</sup>	\$1.303	\$1.677	\$1.595	\$1.669	\$1.631	\$1.588
b	Average Tax Rate on Household Income	2.33%	2.38%	2.27%	2.38%	2.32%	2.26%
c	Uniform Non-Homestead Property Tax Rate <sup>1</sup>	\$1.391	\$1.791	\$1.703	\$1.782	\$1.742	\$1.782
d	Property Yield Per Pupil <sup>1,2</sup>	\$9,893	\$8,553	\$8,596	\$8,224	\$8,408	\$8,630
e	Income Yield Per Pupil <sup>1,2</sup>	\$10,110	\$12,260	\$12,172	\$11,584	\$11,869	\$12,227
f	Total Long Term Weighted Average Daily Membership (LTWADM)	142,810	141,596	142,564	142,564	142,564	142,564
g	Average Percentage Bill Change Compared to Prior Year (HS/Inc/NHS)	Uniform : 13.8%	Uniform : 5.9%	Uniform : 1.1%	Uniform: 5.8%	Uniform: 3.4%	HS, Inc: 0.8%, NHS: 5.8%
h	Statewide Education Spending Growth	10.7%	6.2%	5.5%	5.5%	5.5%	5.5%
i	Statewide Education Grand List Growth	14.3%	14.7%	14.1%	14.1%	14.1%	14.1%
j	Statewide Adjustment	100%	71.7%	72.4%	72.4%	72.4%	72.4%
<b>Sources</b>							
1a	Homestead Education Property Tax	762.2	809.0	762.7	798.4	780.3	759.6
1b	Property Tax Credit	(140.0)	(153.0)	(153.0)	(153.0)	(153.0)	(153.0)
2	Non-Homestead Education Property Tax	894.5	948.3	908.4	950.6	929.2	950.6
3	Sales & Use Tax	601.9	622.5	619.0	619.0	619.0	619.0
4	Purchase & Use Tax - one-third of total	50.7	51.1	52.5	52.5	52.5	52.5
5	Meals & Rooms Tax - one-quarter of total	71.2	76.1	75.0	75.0	75.0	75.0
6	Lottery Transfer	35.6	37.4	36.7	36.7	36.7	36.7
7	Medicaid Transfer	9.0	9.0	9.0	9.0	9.0	9.0
8	One-time GF transfer	25.0	-	77.2	77.2	77.2	77.2
9	Other Sources (Wind & Solar, Fund Interest)	6.7	7.5	6.3	6.3	6.3	6.3
10	<b>Total Sources</b>	<b>2,288.9</b>	<b>2,408.0</b>	<b>2,393.8</b>	<b>2,471.6</b>	<b>2,432.2</b>	<b>2,432.8</b>
<b>Appropriations</b>							
11	Education Payment	1,882.3	1,996.2	1,991.2	1,991.2	1,991.2	1,991.2
12	Special Education Aid	264.6	270.7	270.7	270.7	270.7	270.7
13	State-Placed Students	19.0	17.2	17.2	17.2	17.2	17.2
14	Transportation Aid	25.3	26.1	26.1	26.1	26.1	26.1
15	Technical Education Aid	17.9	18.7	18.7	18.7	18.7	18.7
16	Small School Support/Merger Support	1.8	1.8	1.8	1.8	1.8	1.8
17	Essential Early Education Aid	8.7	9.0	9.0	9.0	9.0	9.0
18	Flexible Pathways	10.7	10.4	10.4	10.4	10.4	10.4
19	Universal School Meals	17.5	18.5	18.5	18.5	18.5	18.5
20	English Learners Services	2.3	2.3	2.3	2.3	2.3	2.3
21	PCB Remediation Grants	-	-	0.0	0.0	0.0	0.0
22	VSTRS Pension Normal Cost	36.0	38.3	38.8	38.8	38.8	38.8
23	VSTRS OPEB Normal Cost	19.1	22.3	22.0	22.0	22.0	22.0
24	One-time COLA payment	-	-	0.0	0.0	0.0	0.0
25	Other Uses (Accounting & Auditing, CMF transfer, Financial Systems)	6.0	5.0	5.1	5.1	5.1	5.1
26	<b>Total Uses</b>	<b>2,311.1</b>	<b>2,436.6</b>	<b>2,431.8</b>	<b>2,431.8</b>	<b>2,431.8</b>	<b>2,431.8</b>
<b>Allocation of Revenue</b>							
27	Revenue Surplus/(Deficit)	(22.3)	(28.6)	(38.1)	(37.4)	0.4	1.0
28	Prior-Year Reversions	24.3	-	-	-	-	-
29	Transfer (to)/from Stabilization Reserve	(5.0)	(3.5)	(2.8)	(2.8)	(2.8)	(2.8)
30	Transfer (to)/from Additional Reserves	13.0	-	-	(77.2)	(38.6)	(38.6)
31	BAA - One-time transfer to afterschool special fund	-	-	-	-	-	-
32	Transfer (to)/from Unreserved/Unallocated	(10.0)	32.1	40.9	40.3	41.0	40.5
<b>Stabilization Reserve</b>							
33	Prior-Year Stabilization Reserve	47.0	52.1	52.1	52.1	52.1	52.1
34	Current-Year Stabilization Reserve	52.1	55.6	54.9	54.9	54.9	54.9
35	Percent of Prior-Year Net Appropriations	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
36	Reserve Target	52.1	55.6	54.9	54.9	54.9	54.9
<b>Additional Reserve</b>							
37	Current-Year Reserve for Future COLA provisions	-	-	-	-	-	-
37a.	Use of Current-Year Reserve for Future COLA provisions	-	-	-	-	-	-
38	Current-Year Tax Rate Offset Reserve	13.0	-	-	-	-	-
38a.	Use of Tax Rate Offset Reserve towards FY25 tax rates	(13.0)	-	-	-	-	-
39	Education Transformation Transition Reserve	-	-	-	77.2	38.6	38.6
<b>Available Funds</b>							
40	Prior-Year Unreserved/Unallocated	31.09	33.04	41.07	41.07	41.07	41.07
41	Current-Year Unreserved/Unallocated	41.07	0.93	0.16	0.79	0.05	0.59

Notes: 1) FY 2026 is the first year with the Statewide Adjustment CLA, so the FY 2025 property rates and yields cannot be directly compared to the prior years' property tax rates and yields.

2) FY 2025 was the first year with the elimination of the equalization ratio from Act 127. As such, the FY 2025 and FY2026 property yields and income yields cannot be directly compared to the yields prior to FY2025.