

Funding for M&O, Local and State

Table 1

FY	v	State M&O with Recapture	State M&O without Recapture	State ISD M&O
2011	17,138,057,824	18,088,933,644	17,050,671,840	15,991,179,344
2014	19,500,257,647	19,366,218,808	18,161,491,891	16,601,200,969
2015	21,136,136,754	20,019,421,578	18,536,225,134	16,731,376,372
2016	22,047,561,601	20,900,659,937	19,325,528,789	17,293,700,439
2017	23,246,916,605	20,525,823,991	18,826,912,350	16,568,528,458
2018	25,012,555,875	20,577,591,693	18,572,740,007	16,018,850,414
2019	27,321,199,874	20,679,639,493	17,992,842,807	15,133,968,936
2020	27,786,269,344	23,356,915,143	20,800,296,809	17,563,544,321
2021	28,759,972,178	23,922,655,091	20,957,677,089	17,276,950,212
2022	29,386,428,848	23,786,252,566	20,779,918,233	16,997,745,271
2023	32,870,163,696	23,069,113,595	18,527,729,587	14,494,064,169
2024*	27,506,054,552	29,231,429,700	26,555,554,594	22,130,645,711
2025**	28,255,541,139	28,172,569,192	25,286,264,795	20,681,347,390

All numbers from Statewide Summaries of Finance and Charter School Summaries as of 2/21/2025

* 2024 numbers are near final

**2025 numbers are preliminary

Funding for Facilities, Local and State

Table 2

FY	State IFA/EDA	ASAHE	Local I&S Revenue	IFA +EDA	ASAHE
2011	604,492,329	0	4,226,207,066	12.5%	0.0%
2014	638,910,570	0	4,888,131,592	11.6%	0.0%
2015	580,580,755	0	5,365,961,886	9.8%	0.0%
2016	579,266,344	88,400,496	5,706,719,728	9.1%	1.4%
2017	497,869,254	84,415,613	6,123,977,041	7.4%	1.3%
2018	451,968,271	85,677,520	6,565,369,294	6.4%	1.2%
2019	410,541,677	80,735,246	6,917,525,526	5.5%	1.1%
2020	335,676,849	81,225,673	7,820,084,386	4.1%	1.0%
2021	286,672,034	78,777,551	8,307,140,490	3.3%	0.9%
2022	221,566,818	76,991,394	8,814,824,691	2.4%	0.8%
2023	142,774,518	243,817,653	10,123,916,574	1.4%	2.3%
2024*	143,243,984	978,331,371	10,841,594,594	1.2%	8.2%
2025**	128,816,575	969,776,033	11,148,439,025	1.1%	7.9%

All numbers from Statewide Summaries of Finance and Charter School Summaries as of 2/21/25

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ISD Funding per ADA, Total and State

Table 3

FY	ISD M&O per ADA	ISD State per ADA		ISD Total per ADA	ISD State per ADA
2011	7,461	3,601		8,549	3,738
2014	7,853	3,611		9,056	3,750
2015	8,146	3,599		9,425	3,724
2016	8,374	3,681		9,731	3,823
2017	8,433	3,509		9,854	3,633
2018	8,669	3,384		10,169	3,498
2019	8,975	3,199		10,541	3,303
2020	9,837	3,810		11,624	3,900
2021	9,887	3,711		11,750	3,789
2022	10,028	3,675		11,998	3,739
2023	10,248	3,136		12,522	3,220
2024*	10,708	4,774		13,288	5,016
2025**	10,432	4,409		13,043	4,643

All numbers from Statewide Summaries of Finance and Charter School Summaries as of 2/21/25

**2024 numbers are near final*

***2025 numbers are preliminary*

ISD and Charter Funding per ADA

Table 4

FY	ISD ADA	Charter ADA		ISD M&O per ADA	Charter per ADA
2011	4,440,217	116,758		7,461	9,074
2014	4,596,910	183,089		7,853	8,522
2015	4,648,553	206,765		8,146	8,729
2016	4,698,062	226,728		8,374	8,962
2017	4,721,320	250,420		8,433	9,018
2018	4,733,334	271,651		8,669	9,401
2019	4,730,360	289,902		8,975	9,655
2020	4,610,081	298,710		9,837	10,635
2021	4,656,173	337,590		9,887	10,725
2022	4,625,441	343,618		10,028	10,832
2023	4,621,681	360,639		10,248	11,018
2024*	4,635,686	379,702		10,708	11,496
2025**	4,690,862	397,244		10,432	11,441

All numbers from Statewide Summaries of Finance and Charter School Summaries as of 2/21/25

**2025 numbers are near final*

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Net M&O Revenue Increase Above Tax Relief Revenue Replacement

Although ISDs received a large state revenue increase between FY 2023 and 2024 (\$7.637 billion), a large portion of it did not increase revenue available to the school districts. A large majority merely replaced funds that had previously replaced local revenues that were reduced by a combination of compression, the homestead exemption increase and their respective impacts on the tax freeze for the elderly and disabled. At the very least, the amount of the revenue swap was the difference between the FY 2023 and FY 2024 local M&O revenues, which was \$5.364 billion. In other words, the maximum amount of new net revenue for the districts from the actions of the 88th Legislature was \$2.272 billion.

Add that amount to the M&O revenue for ISDs from state sources for FY 2023 and the maximum total net revenue would be \$16.767 billion, or about the same districts received in FY 2015. These are **actual** dollars, unadjusted for any impact of inflation. However, local M&O revenue would not have stayed flat in FY 2024 if there had been no relief. Therefore, some of that \$2.272 billion was not really net revenue – it merely replaced the revenues that would have been generated from property value growth and the small number of TRE rate increases that were passed. Table 5 provides the annual rates of revenue growth from those sources:

Table 5

FY	Local M&O	% Δ		FY	Local M&O	% Δ
2014	19,500,257,647			2020	27,786,269,344	1.70%
2015	21,136,136,754	8.39%		2021	28,759,972,178	3.50%
2016	22,047,561,601	4.31%		2022	29,386,428,848	2.18%
2017	23,246,916,605	5.44%		2023	32,870,163,696	11.85%
2018	25,012,555,875	7.60%		2024*	27,506,054,552	
2019	27,321,199,874	9.23%		2025**	28,255,541,139	
Avg Increase 2015-23		6.02%		Avg Increase 2015-22		5.29%

If you exclude the big jump in FY 2023, the 5.29% average increase would have generated \$1.74 billion. That would leave a net increase of \$532 million. Add that to the FY 2023 revenue and districts were at just over \$15 billion, much less than FY 2011 revenue. Even at the lowest increase during those years, 1.7%, districts would have generated \$560 million locally. The resulting \$1.7 billion net would put them at \$16.2 billion.

Net M&O Revenue Increase per ADA Above Tax Relief Revenue Replacement

A similar result occurs when comparing ISDs' M&O revenue per ADA from Table 3. State and local M&O revenue that districts received per ADA increased dramatically, from \$7,461 in FY 2011 to \$10,248 in FY 2023 and then to \$10,708 in FY 2024. However, all of that increase and more up to FY 2023 came from local revenue because M&O revenue from state revenue sources **declined by \$465/ADA**, from \$3,601 to \$3,136. There was an extremely large increase – \$1,636 – to \$4,774 in FY 2024, but again most of that was merely replacement of lost local revenue. Since total M&O revenue per ADA only increased \$460 (from \$10,248 to \$10,708), ISDs fell \$5/ADA short of just getting back to the net state M&O revenue they received per ADA in 2011.

Again, districts would have gained local revenue in 2024 without the required tax reductions, so the amount that represents a mere tax swap was larger. Table 6 shows you the gains and percent increases in local M&O revenue from FY 2014 to FY 2023:

FY	Local M&O per ADA	% Δ	FY	Local M&O per ADA	% Δ	FY	Local M&O per ADA	% Δ
2014	\$4,242		2018	\$5,284	7.32%	2022	\$6,353	2.86%
2015	\$4,547	7.18%	2019	\$5,776	9.30%	2023	\$7,112	11.95%
2016	\$4,693	3.21%	2020	\$6,027	4.36%	2024	\$5,934	
2017	\$4,924	4.92%	2021	\$6,177	2.48%	2025	\$6,024	
Avg revenue gain		5.20%				Lowest gain		2.48%

Based on the average local revenue gain of 5.2%, ISDs could have expected a gain of \$331/ADA. That would make the net increase only \$129/ADA. Even at the lowest gain since 2014 – 2.48% – districts could have expected a gain of \$158, leaving a net increase of \$302/ADA. Add that gain to the FY 2023 \$3,136 M&O revenue from state revenue sources and in FY 2024, ISDs received net M&O revenue from state revenue sources of \$3,438/ADA, **\$163 less than the state provided in FY 2011.**

Of course, these are all in actual dollars unadjusted for inflation.