

## Emergency Board Update

### Education Fund Outlook for FY 2024 - January 2023

<i>(millions of dollars)</i>		FY2022 <i>Actual</i>	FY2023 <i>Projected</i> <i>(incl. BAA technical edits)</i>	FY2024 <i>Forecast</i>
a	Average Homestead Property Tax Rate	\$1.523	\$1.386	\$1.307
b	Average Tax Rate on Household Income	2.50%	2.32%	2.31%
c	Uniform Non-Homestead Property Tax Rate	1.612	\$1.466	\$1.386
d	Property Yield Per Equalized Pupil	\$11,317	\$13,314	\$15,479
e	Income Yield Per Equalized Pupil	\$13,770	\$15,948	\$17,600
f	Equalized Pupil Count	86,944	85,806	84,890
g	Statewide Education Spending Growth	1.3%	6.2%	8.5%
h	Statewide Education Grand List Growth	3.0%	7.5%	9.7%

#### Sources

1a	Homestead Education Property Tax	648.7	635.0	665.7
1b	Property Tax Credit	(172.3)	(164.0)	(151.0)
2	Non-Homestead Education Property Tax	752.3	727.1	780.9
3	Sales & Use Tax	545.2	589.3	576.0
4	Purchase & Use Tax - <i>one-third of total</i>	45.7	48.6	49.4
5	Meals & Rooms Tax - <i>one-quarter of total</i>	54.2	58.1	58.9
6	Lottery Transfer	30.8	31.1	32.1
7	Medicaid Transfer	11.5	10.2	10.8
8	Other Sources (Wind & Solar, Fund Interest)	3.6	3.8	4.2
9	<b>Total Sources</b>	<b>1,919.7</b>	<b>1,939.2</b>	<b>2,026.9</b>

#### Appropriations

10	Education Payment	1,502.0	1,577.6	1,712.0
11	Special Education Aid	229.0	208.1	226.2
12	State-Placed Students	17.0	17.5	19.0
13	Transportation Aid	20.5	21.8	23.5
14	Technical Education Aid	17.2	31.3	16.3
15	Small School Support	8.1	8.2	8.3
16	Essential Early Education Aid	7.1	7.5	8.4
17	Flexible Pathways	8.2	8.3	8.6
18	Teachers' Pensions (Normal Cost Only)	37.6	33.4	34.8
19	On-going Normal Cost of Teacher's OPEB	-	15.1	17.6
20	Universal School Meals	-	29.0	-
21	Other Uses (Accounting & Auditing, Financial Systems)	3.4	3.4	3.4
22	<b>Total Uses</b>	<b>1,850.1</b>	<b>1,961.2</b>	<b>2,078.1</b>

#### Allocation of Revenue Surplus/(Deficit)

23	Revenue Surplus/(Deficit)	69.6	(22.0)	(51.2)
24	Prior-Year Reversions	(11.7)	(45.5)	0.0
25	Transfer to/(from) Stabilization Reserve	1.1	2.5	2.8
26	Transfer to/(from) additional Reserve	32.0	-	-
27	Transfer to/(from) Unreserved/Unallocated	48.2	21.0	(54.0)

#### Stabilization Reserve

28	Prior-Year Stabilization Reserve	38.2	39.3	42.2
29	Current-Year Stabilization Reserve	39.3	42.2	45.0
30	Percent of Prior-Year Net Appropriations	5%	5%	5%
31	Reserve Target	39.3	41.8	45.0

#### Additional Reserve

32	Additional Reserve for Other Post Employment Benefits	14.0	-	-
32 a.	<i>Prefund of Normal Cost of Teacher's OPEB using reserved funds</i>	(13.3)	-	-
33	PCB Reserve	32.0	32.0	29.5
33 a.	<i>Disbursement of PCB funds by the Emergency Board</i>	-	(2.5)	-

#### Available Funds

34	Prior-Year Unreserved/Unallocated	28.7	77.6	98.6
35	Current-Year Unreserved/Unallocated	77.6	98.6	44.7

#### Notes:

- 1) The FY23 special education appropriation does not reflect all special education funds to be expended due to funds that have been carry-forward from AOE.
- 2) The FY23 education payment and the FY23 teacher pension normal cost reflect the BAA request.

*Prepared by JFO*

1/17/2022