

May 8, 2023

Education Fund Outlook for FY 2024 - May 2023

(millions of dollars)		FY2023	FY2024	FY2024
		Projected	H.492 - As passed by the House of Representatives	H.492 - As passed in concurrence with proposal of amendment by the Senate
a	Average Homestead Property Tax Rate	\$1.386	\$1.308	\$1.311
b	Average Tax Rate on Household Income	2.32%	2.31%	2.32%
c	Uniform Non-Homestead Property Tax Rate	\$1.466	\$1.388	\$1.391
d	Property Yield Per Equalized Pupil	\$13,314	\$15,477	\$15,443
e	Income Yield Per Equalized Pupil	\$15,948	\$17,577	\$17,537
f	Equalized Pupil Count	85,806	84,415	84,415
g	Average Percentage Bill Change Compared to Prior Year		3.84%	4.06%
h	Statewide Education Spending Growth	6.2%	8.0%	8.0%
i	Statewide Education Grand List Growth	7.5%	9.7%	9.7%
<b>Sources</b>				
1a	Homestead Education Property Tax	628.0	666.8	668.2
1b	Property Tax Credit	(164.0)	(151.0)	(151.0)
2	Non-Homestead Education Property Tax	739.1	781.1	782.7
3	Sales & Use Tax	589.3	576.0	576.0
3a.	Cannabis portion of sales tax to be dedicated to afterschool	-	(6.2)	-
4	Purchase & Use Tax - one-third of total	48.6	49.4	49.4
5	Meals & Rooms Tax - one-quarter of total	58.1	58.9	58.9
6	Lottery Transfer	31.1	32.1	32.1
7	Medicaid Transfer	10.2	10.8	10.8
8	Other Sources (Wind & Solar, Fund Interest)	3.8	4.2	4.2
9	<b>Total Sources</b>	<b>1,944.2</b>	<b>2,022.0</b>	<b>2,031.3</b>
<b>Appropriations</b>				
10	Education Payment	1,577.6	1,703.3	1,703.3
11	Special Education Aid	208.1	226.2	226.2
12	State-Placed Students	17.5	19.0	19.0
13	Transportation Aid	21.8	23.5	23.5
14	Technical Education Aid	31.3	17.0	17.0
15	Small School Support	8.2	8.3	8.3
16	Essential Early Education Aid	7.5	8.4	8.4
17	Flexible Pathways	8.3	9.3	9.3
18	H.165 - Universal School Meals	29.0	29.0	29.0
19	H.494 as passed Senate - Afterschool grants	-	-	6.0
20	Teachers' Pensions (Normal Cost Only)	33.4	33.1	33.1
21	On-going Normal Cost of Teacher's OPEB	15.1	15.4	15.4
22	One-time COLA payment	-	3.0	3.0
23	Other Uses (Accounting & Auditing, Financial Systems)	3.4	3.5	3.5
23 a.	Transfer for Tax Department IT Fund Maintenance	-	-	1.1
24	<b>Total Uses</b>	<b>1,961.2</b>	<b>2,099.0</b>	<b>2,106.1</b>
<b>Allocation of Revenue Surplus/(Deficit)</b>				
25	Revenue Surplus/(Deficit)	(17.0)	(77.0)	(74.8)
26	Prior-Year Reversions	(45.5)	0.0	0.0
27	Transfer to/(from) Stabilization Reserve	2.5	4.9	4.9
28	Transfer to/(from) Additional Reserves	-	22.0	22.1
29	Transfer to/(from) Unreserved/Unallocated	26.0	(103.9)	(101.8)
<b>Stabilization Reserve</b>				
30	Prior-Year Stabilization Reserve	39.3	41.8	41.8
31	Current-Year Stabilization Reserve	41.8	46.7	46.7
32	Percent of Prior-Year Net Appropriations	5%	5%	5%
33	Reserve Target	41.8	46.7	46.7
<b>Additional Reserve</b>				
34	Additional Reserve for Other Post Employment Benefits	-	-	-
34 a.	Prefund of Normal Cost of Teacher's OPEB using reserved funds	-	-	-
35	Reserve for Future COLA provisions	-	-	9.1
36	PCB Reserve	32.0	29.5	29.5
36 a.	Disbursement of PCB funds by the Emergency Board	(2.5)	-	-
36 b.	H.486 - Appropriation of PCB funds to AOE for grants	-	(29.5)	(29.5)
37	Cannabis funds to be dedicated for afterschool	-	6.2	-
38	H.492 - Tax Rate Offset Reserve	-	22.0	13.0
<b>Available Funds</b>				
39	Prior-Year Unreserved/Unallocated	76.9	102.9	102.9
40	Current-Year Unreserved/Unallocated	102.9	(1.0)	1.2

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) Shaded purple italicized lines reflect new lines and/or policy proposals for FY 2024.

Prepared by JFO

5/8/2023