

Preliminary Education Fund Outlook for FY2021 - Updated Revenue Forecast May 18, 2020

(millions of dollars)	FY2020	FY2021		
	Updated revenue forecast - May 18th	Current law tax rates based on voted spending	"pre-COVID" Tax Rates	Example - with use of CRF/ESSER funds to cover \$100M of education payment
a Average Homestead Property Tax Rate	\$1.510	\$1.716	\$1.542	\$1.542
b Average Tax Rate on Household Income	2.47%	2.78%	2.51%	2.51%
c Uniform Non-Homestead Property Tax Rate	\$1.594	\$1.811	\$1.628	\$1.628
e Property Yield Per Equalized Pupil	\$10,648	\$9,872	\$10,998	\$10,998
f Income Yield Per Equalized Pupil	\$13,081	\$12,114	\$13,535	\$13,535
g Total Equalized Pupil Count	87,839	87,303	87,303	87,303

Sources

1a Homestead Education Property Tax	609.1	712.9	640.4	640.4
1b Property Tax Credit	(168.0)	(171.5)	(171.5)	(171.5)
2 Non-Homestead Education Tax	700.0	815.1	732.6	732.6
4 Sales & Use Tax	407.2	384.3	384.3	384.3
5 Purchase & Use Tax - one-third of total	32.5	31.6	31.6	31.6
6 Meals & Rooms Tax - one-quarter of total	39.6	32.7	32.7	32.7
7 Lottery Transfer	22.9	25.2	25.2	25.2
8 Medicaid Transfer	9.2	10.0	10.0	10.0
9 Other Sources (Wind & Solar, Fund Interest)	4.9	2.6	2.6	2.6
10 Total Sources	1,657.4	1,842.9	1,687.9	1,687.9

Appropriations

11 Education Payment	1,428.8	1,489.5	1,489.5	1,489.5
11a COVID CRF/ESSER Adjustment				(100.0)
12 Special Education Aid	213.0	223.7	223.7	223.7
13 State-Placed Students	18.0	18.0	18.0	18.0
14 Transportation Aid	19.8	20.5	20.5	20.5
15 Technical Education Aid	14.2	14.8	14.8	14.8
16 Small School Support	8.4	8.2	8.2	8.2
17 Essential Early Education Aid	6.8	7.0	7.0	7.0
18 Flexible Pathways	7.7	8.3	8.3	8.3
19 Teachers' Pensions (Normal Cost Only)	6.8	6.9	6.9	6.9
20 Other Uses (Accounting & Auditing, Financial Systems)	3.4	3.4	3.4	3.4
21 Total Uses	1,726.7	1,800.3	1,800.3	1,700.3

22 Revenue Surplus/(Deficit)	(69.3)	42.6	(112.4)	(12.4)
23 Prior-Year Reversions	(8.3)	0.0	0.0	0.0
24 Transfer to/(from) Stabilization Reserve	(41.6)	42.6	42.6	19.8
25 Transfer to/(from) Unreserved/Unallocated	(19.4)	(0.0)	(155.0)	(32.2)

26 Prior-Year Stabilization Reserve	37.0	(4.6)	(4.6)	(4.6)
27 Current-Year Stabilization Reserve	(4.6)	38.0	38.0	15.2
28 Percent of Prior-Year Net Appropriations	-0.6%	5.0%	5.0%	2.0%
29 Reserve Target	36.4	38.0	38.0	38.0

Available Funds

30 Prior-Year Unreserved/Unallocated	19.4	0.0	0.0	0.0
31 Current-Year Unreserved/Unallocated	0.0	0.0	(155.0)	(32.2)

* Businesses may defer sales & use and meals & rooms taxes until May 25th. This analysis assumes that all of this deferred revenue is collected and remitted to the State in FY20.

** Under the recently enacted Elementary & Secondary Emergency Education Relief Fund, Supervisory Unions will receive an estimated \$27.1 million in Federal COVID-19 support. These funds are not included in this analysis.