

April 6, 2023

Education Fund Outlook for FY 2024 - April 2023

(millions of dollars)		FY2022	FY2023	FY2024
		Actual	Projected	H.492 - As passed by the House of Representatives With updated data as of April 6, 2023
a	Average Homestead Property Tax Rate	\$1.523	\$1.386	\$1.308
b	Average Tax Rate on Household Income	2.50%	2.32%	2.31%
c	Uniform Non-Homestead Property Tax Rate	1.612	\$1.466	\$1.388
d	Property Yield Per Equalized Pupil	\$11,317	\$13,314	\$15,477
e	Income Yield Per Equalized Pupil	\$13,770	\$15,948	\$17,577
f	Equalized Pupil Count	86,944	85,806	84,415
g	Average Percentage Bill Change Compared to Prior Year			3.84%
h	Statewide Education Spending Growth	1.3%	6.2%	8.0%
i	Statewide Education Grand List Growth	3.0%	7.5%	9.7%
Sources				
1a	Homestead Education Property Tax	648.7	628.0	666.8
1b	Property Tax Credit	(172.3)	(164.0)	(151.0)
2	Non-Homestead Education Property Tax	752.3	739.1	781.1
3	Sales & Use Tax	545.2	589.3	576.0
3a.	Cannabis portion of sales tax to be dedicated to afterschool	-	(2.0)	(4.2)
4	Purchase & Use Tax - one-third of total	45.7	48.6	49.4
5	Meals & Rooms Tax - one-quarter of total	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	Total Sources	1,919.7	1,942.2	2,024.0
Appropriations				
10	Education Payment	1,502.1	1,577.6	1,703.3
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	17.0
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	9.3
18	H.494 - Universal School Meals	-	29.0	29.0
19	Teachers' Pensions (Normal Cost Only)	37.6	33.4	33.1
20	On-going Normal Cost of Teacher's OPEB	-	15.1	15.4
21	H.494 - One-time COLA payment	-	-	3.0
22	Other Uses (Accounting & Auditing, Financial Systems)	3.4	3.4	3.5
23	Total Uses	1,850.1	1,961.2	2,099.0
Allocation of Revenue Surplus/(Deficit)				
24	Revenue Surplus/(Deficit)	69.6	(19.0)	(75.0)
25	Prior-Year Reversions	(11.7)	(45.5)	0.0
26	Transfer to/(from) Stabilization Reserve	1.1	2.5	4.9
27	Transfer to/(from) additional Reserve	32.0	-	22.0
28	Transfer to/(from) Unreserved/Unallocated	48.3	24.0	(101.9)
Stabilization Reserve				
29	Prior-Year Stabilization Reserve	38.2	39.3	41.8
30	Current-Year Stabilization Reserve	39.3	41.8	46.7
31	Percent of Prior-Year Net Appropriations	5%	5%	5%
32	Reserve Target	39.3	41.8	46.7
Additional Reserve				
33	Additional Reserve for Other Post Employment Benefits	14.0	-	-
33 a.	Prefund of Normal Cost of Teacher's OPEB using reserved funds	(13.3)	-	-
34	PCB Reserve	32.0	32.0	29.5
34 a.	Disbursement of PCB funds by the Emergency Board	-	(2.5)	-
34 b.	H.486 - Appropriation of PCB funds to AOE for grants	-	-	(29.5)
35	Cannabis funds to be dedicated for afterschool (Per line 3a.)	-	2.0	4.2
36	H.492 - Tax Rate Offset Reserve	-	-	22.0
Available Funds				
37	Prior-Year Unreserved/Unallocated	28.7	76.9	100.93
38	Current-Year Unreserved/Unallocated	76.9	100.9	(1.0)

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

4/6/2023