

**Revenue Estimating Conference for Maximum Appropriation
from the Public Education Capital Outlay Trust Fund**

Executive Summary

The table below shows the estimated amount available for appropriation to the Public Education Capital Outlay (PECO) program. These amounts reflect the results of the March 7, 2011 Revenue Estimating Conference, with adjustment for legislative action during the 2011 session and executive vetoes.

	Maximum PECO Appropriations	Estimated PECO Bonding
FY 2010-11	731.3	304.8
FY 2011-12	119.7	0.0
FY 2012-13	380.8	206.7
FY 2013-14	903.6	684.0
FY 2014-15	904.8	650.9
FY 2015-16	827.1	559.1
FY 2016-17	818.2	544.8
FY 2017-18	844.0	544.3
FY 2018-19	821.8	527.8
FY 2019-20	822.9	518.8

At the March conference, the Revenue Estimating Conference reduced the forecast of the maximum amount available for appropriation from the PECO Trust Fund for FY 2011-12 by 236.0 million, to \$120.3 million in total. The total amount available for appropriation is from the cash, as the new Gross Receipts Tax forecast is reduced to a level which does not provide sufficient capacity to issue new bonds in FY 2011-12. Lower projections for the Gross Receipts Taxes in the recently revised estimate also resulted in a significant reduction in the bonding capacity in FY 2012-13.

This forecast recognizes the impact of a large pending gross receipts tax refund request in the amount of \$26.15 million. This amount was noted in the December 2010 forecast, but at that time there was insufficient information to incorporate the effect of the refund on the calculation of debt service capacity.

2011 Session action- Legislation was passed into law which provided for the exclusion of the refund request mentioned in the prior paragraph from the bonding calculation. This action, in combination with project vetoes in the amount of \$129.6 million from the 2011 General Appropriations Act, results in moving bonding capacity from FY 2013-14 and FY 2011-12 into FY 2012-13. Final appropriations after vetoes for the upcoming fiscal year amounted to \$119.7 million. The estimated maximum available for appropriation for FY 2012-13 is \$380.8 million, or \$157.9 million more than the March 2011 forecast.

**PUBLIC EDUCATION CAPITAL OUTLAY (PECO) ESTIMATING CONFERENCE
MAXIMUM POSSIBLE PECO TRUST FUND APPROPRIATION**

March 2011 Revenue Estimate adjusted for Legislative Action and Vetoes

		December 2010 <u>Estimate</u>	March 2011 <u>Estimate</u>	<u>Change</u>	2011 Postsession <u>Estimate</u>	<u>Change</u>
FY 10-11	Appropriation	731.3	731.3	0.0	731.3	0.0
	Bonded Projects	304.8	304.8	0.0	304.8	0.0
	Non-bonded Projects	426.5	426.5	0.0	426.5	0.0
FY 11-12	Maximum Available	356.3	120.3	-236.0	119.7	-0.6
	Bonded Projects	180.1	0.0	-180.1	0.0	0.0
	Non-bonded Projects	176.2	120.3	-55.9	119.7	-0.6
FY 12-13	Maximum Available	364.2	222.9	-141.3	380.8	157.9
	Bonded Projects	175.6	44.8	-130.8	206.7	161.9
	Non-bonded Projects	188.6	178.1	-10.5	174.1	-4.0
FY 13-14	Maximum Available	957.5	1068.0	110.5	903.6	-164.4
	Bonded Projects	736.1	845.9	109.8	684.0	-161.9
	Non-bonded Projects	221.4	222.1	0.7	219.6	-2.5
FY 14-15	Maximum Available	941.2	907.1	-34.1	904.8	-2.3
	Bonded Projects	691.7	650.9	-40.8	650.9	0.0
	Non-bonded Projects	249.5	256.2	6.7	253.9	-2.3
FY 15-16	Maximum Available	831.0	828.8	-2.2	827.1	-1.7
	Bonded Projects	576.1	559.1	-17.0	559.1	0.0
	Non-bonded Projects	254.9	269.7	14.8	268.0	-1.7
FY 16-17	Maximum Available	821.8	819.1	-2.7	818.2	-0.9
	Bonded Projects	564.5	544.8	-19.7	544.8	0.0
	Non-bonded Projects	257.3	274.3	17.0	273.4	-0.9
FY 17-18	Maximum Available	829.9	844.2	14.3	844.0	-0.2
	Bonded Projects	546.7	544.3	-2.4	544.3	0.0
	Non-bonded Projects	283.2	299.9	16.7	299.7	-0.2
FY 18-19	Maximum Available	805.9	822.0	16.1	821.8	-0.2
	Bonded Projects	529.8	527.8	-2.0	527.8	0.0
	Non-bonded Projects	276.1	294.2	18.1	294.0	-0.2
FY 19-20	Maximum Available	799.7	823.0	23.3	822.9	-0.1
	Bonded Projects	515.4	518.8	3.4	518.8	0.0
	Non-bonded Projects	284.3	304.2	19.9	304.1	-0.1

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PUBLIC EDUCATION CAPITAL OUTLAY (PECO) ESTIMATING CONFERENCE
FORECAST SUMMARY BY FISCAL YEAR
(\$ Millions)

	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>FY 13-14</u>	<u>FY 14-15</u>	<u>FY 15-16</u>	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>FY 18-19</u>	<u>FY 19-20</u>
Maximum Available for Appropriation	761.6	119.7	380.8	903.6	904.8	827.1	818.2	844.0	821.8	822.9
Bonded Projects	304.8	0.0	206.7	684.0	650.9	559.1	544.8	544.3	527.8	518.8
Non-bonded Projects	456.8	119.7	174.1	219.6	253.9	268.0	273.4	299.7	294.0	304.1
Summary of Bond Issues										
Bond Sale	304.8	0.0	206.7	684.0	650.9	559.1	544.8	544.3	527.8	518.8
Bond Proceeds	303.3	0.0	205.7	680.6	647.6	556.3	542.1	541.6	525.2	516.2
Bond Interest Rate	5.50%	5.75%	6.00%	6.00%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
Term of Bond Issue	30 years	30 years	30 years	30 years	30 years	30 years	30 years	30 years	30 years	30 years
Transfers to Sinking Fund	966.5	982.1	996.5	1015.5	1044.0	1087.5	1128.8	1144.8	1194.6	1227.1
Sources of Revenue										
Gross Receipts Tax	1087.2	1085.9	1150.6	1199.5	1244.0	1289.5	1335.1	1377.5	1421.1	1463.4
Interest Earnings	25.1	19.0	20.8	41.7	59.9	71.6	72.6	72.4	73.0	73.2

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PUBLIC EDUCATION CAPITAL OUTLAY (PECO) ESTIMATING CONFERENCE
CASH FUND BY FISCAL YEAR
(\$ Millions)

	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>FY 13-14</u>	<u>FY 14-15</u>	<u>FY 15-16</u>	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>FY 18-19</u>	<u>FY 19-20</u>
Beginning Balance	896.77	987.21	436.39	419.50	801.23	1019.20	1050.72	1032.83	1035.91	1026.58
Inflows										
Gross Receipts Tax	1087.17	1085.93	1150.61	1199.53	1243.99	1289.49	1335.05	1377.50	1421.05	1463.39
Federal Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Earnings	25.10	18.97	20.84	41.75	59.94	71.60	72.60	72.43	73.02	73.18
Net Bond Proceeds	877.41	0.00	205.67	680.58	647.65	556.30	542.08	541.58	525.16	516.21
Miscellaneous Receipts	0.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Outflows										
Project disbursements	930.87	670.85	394.80	521.85	686.85	795.62	836.08	840.86	831.16	827.10
Transfers to sinking funds	966.51	982.12	996.45	1015.53	1044.01	1087.50	1128.78	1144.82	1194.65	1227.14
Expenses	2.45	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Miscellaneous disbursements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ending Balance	987.21	436.39	419.50	801.23	1019.20	1050.72	1032.83	1035.91	1026.58	1022.38
Appropriation	761.57	119.68	380.80	903.60	904.80	827.10	818.20	844.00	821.80	822.90
<u>End of Fiscal Year Cash Position</u>										
Ending Balance	987.21	436.39	419.50	801.23	1019.20	1050.72	1032.83	1035.91	1026.58	1022.38
Adjustments to										
Prior Year Appropriations	9.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Appropriated but undisbursed	984.64	433.47	419.47	801.22	1019.17	1050.65	1032.76	1035.90	1026.54	1022.34
Surplus/(Deficit)	2.57	2.92	0.03	0.01	0.03	0.07	0.07	0.01	0.04	0.03

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Public Education Capital Outlay (PECO) Program, Sources Of Revenue (\$ Millions)

	TOTAL	BONDS	CASH	OTHER
FY 1992-93	1070.6	886.6	184.0	
FY 1993-94	869.1	642.3	226.8	
FY 1994-95	981.5	805.4	176.1	
FY 1995-96	635.4	417.0	218.4	
FY 1996-97	601.5	441.6	159.9	
FY 1997-98	634.9	490.2	144.7	
FY 1998-99	627.3	447.9	179.4	
FY 1999-00	511.3	367.2	144.1	
FY 2000-01	631.7	428.3	203.4	
FY 2001-02	1188.8	887.6	287.6	13.6
FY 2002-03	807.0	613.4	193.6	
FY 2003-04	752.4	516.3	236.1	
FY 2004-05	761.9	473.4	288.5	
FY 2005-06 *	844.4	616.3	228.1	
FY 2006-07 *	1853.8	1436.6	417.2	
FY 2007-08 *	1799.3	1317.2	482.1	
FY 2008-09	1216.1	924.2	291.9	
FY 2009-10	359.3	155.1	204.2	
FY 2010-11	731.3	304.8	426.5	
FY 2011-12	119.7	0.0	119.7	
FY 2012-13	380.8	206.7	174.1	
FY 2013-14	903.6	684.0	219.6	
FY 2014-15	904.8	650.9	253.9	
FY 2015-16	827.1	559.1	268.0	
FY 2016-17	818.2	544.8	273.4	
FY 2017-18	844.0	544.3	299.7	
FY 2018-19	821.8	527.8	294.0	
FY 2019-20	822.9	518.8	304.1	

* Additional cash distributions from the Documentary Stamp Tax to the trust fund and subsequent disbursements as established in Senate Bill 360 (2005) are not included in these figures.

STUDENT STATION COST FACTORS

8/23/2011

	Consumer Price Index - REC National Economic Forecast of August 2011	Student Station Cost Factors	Cost of Elementary School Student Station (\$)	Cost of Middle School Student Station (\$)	Cost of High School Student Station (\$)
Jan-2006	199.0	1.0000	17,952	19,386	25,181
Feb-2006	199.1	1.0005	17,961	19,396	25,194
Mar-2006	199.6	1.0030	18,006	19,444	25,257
Apr-2006	200.8	1.0090	18,114	19,561	25,409
May-2006	201.9	1.0146	18,214	19,669	25,548
Jun-2006	202.4	1.0171	18,259	19,717	25,611
Jul-2006	203.2	1.0211	18,331	19,795	25,712
Aug-2006	203.8	1.0241	18,385	19,854	25,788
Sep-2006	202.7	1.0186	18,286	19,746	25,649
Oct-2006	201.8	1.0141	18,205	19,659	25,535
Nov-2006	201.9	1.0146	18,214	19,669	25,548
Dec-2006	202.8	1.0191	18,295	19,756	25,662
Jan-2007	203.2	1.0211	18,331	19,795	25,712
Feb-2007	203.9	1.0246	18,394	19,863	25,801
Mar-2007	205.1	1.0307	18,502	19,980	25,953
Apr-2007	206.0	1.0352	18,583	20,068	26,067
May-2007	207.4	1.0422	18,710	20,204	26,244
Jun-2007	207.8	1.0442	18,746	20,243	26,295
Jul-2007	208.0	1.0452	18,764	20,263	26,320
Aug-2007	207.7	1.0437	18,737	20,234	26,282
Sep-2007	208.3	1.0467	18,791	20,292	26,358
Oct-2007	209.1	1.0508	18,863	20,370	26,459
Nov-2007	210.9	1.0598	19,026	20,545	26,687
Dec-2007	211.7	1.0638	19,098	20,623	26,788
Jan-2008	212.5	1.0678	19,169	20,701	26,889
Feb-2008	212.9	1.0696	19,202	20,736	26,935
Mar-2008	213.7	1.0737	19,275	20,815	27,037
Apr-2008	214.0	1.0754	19,305	20,847	27,079
May-2008	215.0	1.0806	19,399	20,949	27,211
Jun-2008	217.0	1.0906	19,579	21,143	27,463
Jul-2008	218.6	1.0985	19,721	21,296	27,662
Aug-2008	218.6	1.0984	19,718	21,293	27,658
Sep-2008	218.7	1.0989	19,727	21,303	27,671
Oct-2008	216.9	1.0899	19,566	21,129	27,445
Nov-2008	213.3	1.0717	19,239	20,775	26,986
Dec-2008	211.6	1.0632	19,087	20,611	26,772
Jan-2009	212.2	1.0662	19,140	20,669	26,848
Feb-2009	213.0	1.0704	19,216	20,751	26,953
Mar-2009	212.7	1.0689	19,189	20,722	26,916
Apr-2009	212.7	1.0687	19,185	20,718	26,911
May-2009	212.9	1.0697	19,204	20,738	26,937
Jun-2009	214.5	1.0777	19,347	20,892	27,137
Jul-2009	214.5	1.0779	19,350	20,896	27,142
Aug-2009	215.4	1.0824	19,431	20,984	27,256
Sep-2009	215.8	1.0844	19,468	21,023	27,307

STUDENT STATION COST FACTORS

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	Consumer Price Index - REC National Economic Forecast of August 2011	Student Station Cost Factors	Cost of Elementary School Student Station (\$)	Cost of Middle School Student Station (\$)	Cost of High School Student Station (\$)
Oct-2009	216.4	1.0874	19,522	21,081	27,383
Nov-2009	217.3	1.0920	19,603	21,169	27,497
Dec-2009	217.5	1.0930	19,621	21,188	27,522
Jan-2010	217.6	1.0935	19,630	21,198	27,535
Feb-2010	217.6	1.0935	19,630	21,198	27,535
Mar-2010	217.7	1.0940	19,639	21,208	27,547
Apr-2010	217.6	1.0935	19,630	21,198	27,535
May-2010	217.2	1.0915	19,594	21,159	27,484
Jun-2010	216.9	1.0899	19,567	21,130	27,446
Jul-2010	217.6	1.0935	19,630	21,198	27,535
Aug-2010	218.2	1.0965	19,684	21,256	27,611
Sep-2010	218.4	1.0975	19,702	21,276	27,636
Oct-2010	218.9	1.1000	19,747	21,325	27,699
Nov-2010	219.4	1.1025	19,792	21,373	27,762
Dec-2010	220.0	1.1055	19,846	21,432	27,838
Jan-2011	221.1	1.1111	19,946	21,539	27,977
Feb-2011	222.3	1.1171	20,054	21,656	28,129
Mar-2011	223.5	1.1231	20,162	21,773	28,281
Apr-2011	224.4	1.1276	20,243	21,860	28,395
May-2011	224.8	1.1296	20,279	21,899	28,446
Jun-2011	224.3	1.1271	20,234	21,851	28,382
Jul-2011	225.4	1.1327	20,334	21,958	28,522
Aug-2011	225.3	1.1322	20,325	21,948	28,509
Sep-2011	225.6	1.1337	20,352	21,977	28,547
Oct-2011	226.0	1.1357	20,388	22,016	28,598
Nov-2011	226.3	1.1372	20,415	22,045	28,635
Dec-2011	226.6	1.1387	20,442	22,075	28,673
Jan-2012	227.0	1.1407	20,478	22,114	28,724
Feb-2012	227.3	1.1422	20,505	22,143	28,762
Mar-2012	227.5	1.1432	20,523	22,162	28,787
Apr-2012	227.6	1.1437	20,532	22,172	28,800
May-2012	227.9	1.1452	20,559	22,201	28,838
Jun-2012	228.2	1.1467	20,586	22,231	28,876
Jul-2012	228.8	1.1497	20,640	22,289	28,952
Aug-2012	229.2	1.1518	20,676	22,328	29,002
Sep-2012	229.6	1.1538	20,712	22,367	29,053
Oct-2012	229.9	1.1553	20,740	22,396	29,091
Nov-2012	230.2	1.1568	20,767	22,425	29,129
Dec-2012	230.6	1.1588	20,803	22,464	29,180
Jan-2013	231.0	1.1608	20,839	22,503	29,230
Feb-2013	231.3	1.1623	20,866	22,533	29,268
Mar-2013	231.7	1.1643	20,902	22,572	29,319
Apr-2013	232.0	1.1658	20,929	22,601	29,357
May-2013	232.4	1.1678	20,965	22,640	29,407
Jun-2013	232.8	1.1698	21,001	22,679	29,458

STUDENT STATION COST FACTORS

8/23/2011

	Consumer Price Index - REC National Economic Forecast of August 2011	Student Station Cost Factors	Cost of Elementary School Student Station (\$)	Cost of Middle School Student Station (\$)	Cost of High School Student Station (\$)
Jul-2013	233.1	1.1714	21,028	22,708	29,496
Aug-2013	233.5	1.1734	21,064	22,747	29,547
Sep-2013	233.9	1.1754	21,100	22,786	29,597
Oct-2013	234.3	1.1774	21,136	22,825	29,648
Nov-2013	234.7	1.1794	21,173	22,864	29,698
Dec-2013	235.1	1.1814	21,209	22,903	29,749
Jan-2014	235.5	1.1834	21,245	22,942	29,800
Feb-2014	235.9	1.1854	21,281	22,981	29,850
Mar-2014	236.2	1.1869	21,308	23,010	29,888
Apr-2014	236.6	1.1889	21,344	23,049	29,939
May-2014	237.0	1.1910	21,380	23,088	29,989
Jun-2014	237.3	1.1925	21,407	23,117	30,027
Jul-2014	237.7	1.1945	21,443	23,156	30,078
Aug-2014	238.1	1.1965	21,479	23,195	30,129
Sep-2014	238.4	1.1980	21,506	23,224	30,167
Oct-2014	238.8	1.2000	21,542	23,263	30,217
Nov-2014	239.2	1.2020	21,578	23,302	30,268
Dec-2014	239.6	1.2040	21,615	23,341	30,318
Jan-2015	240.0	1.2060	21,651	23,380	30,369
Feb-2015	240.4	1.2080	21,687	23,419	30,420
Mar-2015	240.8	1.2101	21,723	23,458	30,470
Apr-2015	241.3	1.2126	21,768	23,507	30,534
May-2015	241.7	1.2146	21,804	23,546	30,584
Jun-2015	242.2	1.2171	21,849	23,594	30,647
Jul-2015	242.6	1.2191	21,885	23,633	30,698
Aug-2015	243.0	1.2211	21,921	23,672	30,749
Sep-2015	243.5	1.2236	21,966	23,721	30,812
Oct-2015	243.9	1.2256	22,002	23,760	30,863
Nov-2015	244.4	1.2281	22,048	23,809	30,926
Dec-2015	244.8	1.2302	22,084	23,848	30,976
Jan-2016	245.2	1.2322	22,120	23,887	31,027
Feb-2016	245.6	1.2342	22,156	23,926	31,078
Mar-2016	246.1	1.2367	22,201	23,974	31,141
Apr-2016	246.5	1.2387	22,237	24,013	31,192
May-2016	246.9	1.2407	22,273	24,052	31,242
Jun-2016	247.4	1.2432	22,318	24,101	31,305
Jul-2016	247.8	1.2452	22,354	24,140	31,356
Aug-2016	248.2	1.2472	22,390	24,179	31,407
Sep-2016	248.6	1.2492	22,426	24,218	31,457
Oct-2016	249.0	1.2513	22,463	24,257	31,508
Nov-2016	249.5	1.2538	22,508	24,306	31,571
Dec-2016	249.9	1.2558	22,544	24,345	31,622
Jan-2017	250.3	1.2578	22,580	24,383	31,672
Feb-2017	250.8	1.2603	22,625	24,432	31,736
Mar-2017	251.2	1.2623	22,661	24,471	31,786

STUDENT STATION COST FACTORS

8/23/2011

	Consumer Price Index - REC National Economic Forecast of August 2011	Student Station Cost Factors	Cost of Elementary School Student Station (\$)	Cost of Middle School Student Station (\$)	Cost of High School Student Station (\$)
Apr-2017	251.6	1.2643	22,697	24,510	31,837
May-2017	252.0	1.2663	22,733	24,549	31,887
Jun-2017	252.4	1.2683	22,769	24,588	31,938
Jul-2017	252.8	1.2704	22,805	24,627	31,989
Aug-2017	253.2	1.2724	22,841	24,666	32,039
Sep-2017	253.7	1.2749	22,887	24,715	32,103
Oct-2017	254.0	1.2764	22,914	24,744	32,141
Nov-2017	254.4	1.2784	22,950	24,783	32,191
Dec-2017	254.9	1.2809	22,995	24,832	32,254
Jan-2018	255.4	1.2834	23,040	24,880	32,318
Feb-2018	255.8	1.2854	23,076	24,919	32,368
Mar-2018	256.2	1.2874	23,112	24,958	32,419
Apr-2018	256.6	1.2894	23,148	24,997	32,470
May-2018	257.0	1.2915	23,184	25,036	32,520
Jun-2018	257.4	1.2935	23,220	25,075	32,571
Jul-2018	257.9	1.2960	23,265	25,124	32,634
Aug-2018	258.3	1.2980	23,302	25,163	32,685
Sep-2018	258.7	1.3000	23,338	25,202	32,735
Oct-2018	259.1	1.3020	23,374	25,241	32,786
Nov-2018	259.5	1.3040	23,410	25,280	32,837
Dec-2018	259.9	1.3060	23,446	25,319	32,887
Jan-2019	260.3	1.3080	23,482	25,358	32,938
Feb-2019	260.8	1.3106	23,527	25,406	33,001
Mar-2019	261.1	1.3121	23,554	25,436	33,039
Apr-2019	261.5	1.3141	23,590	25,475	33,090
May-2019	261.9	1.3161	23,626	25,514	33,140
Jun-2019	262.3	1.3181	23,662	25,553	33,191
Jul-2019	262.6	1.3196	23,689	25,582	33,229
Aug-2019	263.0	1.3216	23,726	25,621	33,279
Sep-2019	263.4	1.3236	23,762	25,660	33,330
Oct-2019	263.7	1.3251	23,789	25,689	33,368
Nov-2019	264.1	1.3271	23,825	25,728	33,419
Dec-2019	264.5	1.3291	23,861	25,767	33,469
Jan-2020	265.0	1.3317	23,906	25,816	33,532
Feb-2020	265.4	1.3337	23,942	25,854	33,583
Mar-2020	265.8	1.3357	23,978	25,893	33,634
Apr-2020	266.2	1.3377	24,014	25,932	33,684
May-2020	266.5	1.3392	24,041	25,962	33,722
Jun-2020	266.9	1.3412	24,077	26,001	33,773