

**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 5, 2007 Revenue Estimating Conference.

	Maximum PECO Appropriations	Estimated PECO Bonding
FY 2006-07	1853.8	1436.6
FY 2007-08	1841.0	1418.3
FY 2008-09	834.0	573.9
FY 2009-10	680.5	448.1
FY 2010-11	701.6	484.9
FY 2011-12	710.4	495.1
FY 2012-13	590.3	380.8
FY 2013-14	897.0	663.3
FY 2014-15	776.2	534.7
FY 2015-16	647.5	405.0

2006 Legislative session action- The 2006 appropriations act fully allocated the amount estimated to be available from the March conference. However, vetoes reduced the effective appropriation by \$26.2 million, to \$1853.8 million. Of this amount, cash funds will be used for projects totaling \$417.2 million, leaving \$1436.6 million required from bond sales to fully fund the appropriation.

March 2007 Estimating Conference- The Revenue Estimating Conference increased the forecast of the maximum amount available for the PECO program in the upcoming fiscal year by \$252.9 million, to \$1841.0 million in total. Of this total amount, \$1418.3 million is from the sale of bonds, up from \$1247.0 million in the old forecast, and \$422.7 million will be available as cash. Almost the entire increase in the bond sale is due to the new Gross Receipts Tax forecast, which was increased by \$18.9 million this year and \$22.8 million next year.

Senate Bill 360- Senate Bill 360 (2005), directs that a portion of Documentary Stamp Tax collections be redirected to the PECO Trust Fund. Total cash available for appropriation in FY 2007-08 will be \$273.25 million. These cash funds are in addition to the amount discussed above.

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

		<u>Nov-06</u> <u>Estimate</u>	<u>Mar-07</u> <u>Estimate</u>	<u>Change</u>
FY 06-07	Appropriation	1853.8	1853.8	0.0
	Bonded Projects	1436.6	1436.6	0.0
	Non-bonded Projects	417.2	417.2	0.0
FY 07-08	Maximum Available	1588.1	1841.0	252.9
	Bonded Projects	1247.0	1418.3	171.3
	Non-bonded Projects	341.1	422.7	81.6
FY 08-09	Maximum Available	740.6	834.0	93.4
	Bonded Projects	494.5	573.9	79.4
	Non-bonded Projects	246.1	260.1	14.0
FY 09-10	Maximum Available	772.8	680.5	-92.3
	Bonded Projects	536.5	448.1	-88.4
	Non-bonded Projects	236.3	232.4	-3.9
FY 10-11	Maximum Available	824.1	701.6	-122.5
	Bonded Projects	599.4	484.9	-114.5
	Non-bonded Projects	224.7	216.7	-8.0
FY 11-12	Maximum Available	727.0	710.4	-16.6
	Bonded Projects	512.8	495.1	-17.7
	Non-bonded Projects	214.2	215.3	1.1
FY 12-13	Maximum Available	505.1	590.3	85.2
	Bonded Projects	305.7	380.8	75.1
	Non-bonded Projects	199.4	209.5	10.1
FY 13-14	Maximum Available	734.5	897.0	162.5
	Bonded Projects	526.1	663.3	137.2
	Non-bonded Projects	208.4	233.7	25.3
FY 14-15	Maximum Available	574.9	776.2	201.3
	Bonded Projects	350.6	534.7	184.1
	Non-bonded Projects	224.3	241.5	17.2
FY 15-16	Maximum Available	502.7	647.5	144.8
	Bonded Projects	277.0	405.0	128.0
	Non-bonded Projects	225.7	242.5	16.8

5-Mar-07
9:46 AM

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

	<u>TOTAL</u>	<u>BONDS</u>	<u>CASH</u>	<u>OTHER</u>	<u>TAX RATE</u>	<u>COMMENT</u>
FY 1988-89	385.3	34.6	101.1	249.6	1.50%	See NOTE 1
FY 1989-90	490.2	133.5	156.8	199.9	1.50%	See NOTE 2
FY 1990-91	621.1	322.7	298.4		2.00%	See NOTE 3
FY 1991-92	857.5	643.7	213.8		2.25%	See NOTE 4
FY 1992-93	1070.6	886.6	184.0		2.50%	See NOTE 4
FY 1993-94	869.1	642.3	226.8		2.50%	See NOTE 4
FY 1994-95	981.5	805.4	176.1		2.50%	See NOTE 5
FY 1995-96	635.4	417.0	218.4		2.50%	
FY 1996-97	601.5	441.6	159.9		2.50%	
FY 1997-98	634.9	490.2	144.7		2.50%	
FY 1998-99	627.3	447.9	179.4		2.50%	
FY 1999-00	511.3	367.2	144.1		2.50%	
FY 2000-01	631.7	428.3	203.4		2.50%	
FY 2001-02	1188.8	887.6	287.6	13.6	2.50%	See NOTE 6
FY 2002-03	807.0	613.4	193.6		2.50%	
FY 2003-04	752.4	516.3	236.1		2.50%	
FY 2004-05	761.9	473.4	288.5		2.50%	
FY 2005-06	844.4	616.3	228.1		2.50%	See NOTE 7
FY 2006-07	1853.8	1436.6	417.2		2.50%	See NOTE 7
FY 2007-08	1841.0	1418.3	422.7		2.50%	See NOTE 7
FY 2008-09	834.0	573.9	260.1		2.50%	See NOTE 7
FY 2009-10	680.5	448.1	232.4		2.50%	See NOTE 7
FY 2010-11	701.6	484.9	216.7		2.50%	See NOTE 7
FY 2011-12	710.4	495.1	215.3		2.50%	See NOTE 7
FY 2012-13	590.3	380.8	209.5		2.50%	See NOTE 7
FY 2013-14	897.0	663.3	233.7		2.50%	See NOTE 7
FY 2014-15	776.2	534.7	241.5		2.50%	See NOTE 7
FY 2015-16	647.5	405.0	242.5		2.50%	See NOTE 8

NOTE 1 : According to statute, the share of General Revenue tax collections going to the State Infrastructure Fund was to increase from \$200 million to \$500 million in FY 1988-89. The PECO Trust Fund was supplemented by a \$255.2 million transfer from the State Infrastructure Fund.

NOTE 2 : Again, the State Infrastructure Fund provided \$150 million for the PECO trust fund. Additionally, a large balance forward in the Educational Enhancement (Lottery) trust fund allowed the transfer of \$49.9 million. A speedup in tax collections added about \$35 million in cash.

NOTE 3 : Taxes were increased effective July 1, 1990, 1991, and 1992. While bonding the new tax collections could not be done until the following fiscal year, the tax increase did provide about \$78 million in cash. Also, lower interest rates allowed a large PECO debt restructuring to occur, saving \$110 million in cash payments for the year in interest and sinking fund obligations (most of which was nonrecurring). The original estimate of funds available was \$221.0 million before the refinancing and tax law change.

NOTE 4 : High bonding levels are attributable to the increases in the Gross Receipts tax rate.

NOTE 5 : High bonding levels are attributable in part to the tax increase. In addition, further debt restructuring due to declining interest rates gave a boost to bonding capacity by lowering outstanding debt service.

NOTE 6 : General Revenue was used to supplement the regular PECO trust fund appropriation. In addition, in Special Session "C" an additional \$260.7 million was appropriated, of which \$192.6 million was funded from the sale of bonds and \$68.1 million from available cash.

NOTE 7 : Additional cash distributions from the Documentary Stamp Tax to the trust fund and subsequent disbursements as established in Senate Bill 360 are not included in these figures.

STUDENT STATION COST FACTORS REVISED TO CONFORM WITH HB 5005(2006)

5-Mar-07

	Consumer Price Index REC National Forecast of February 2007	Student Station Cost Factors	Cost of Elementary School Student Station (\$)	Cost of Middle School Student Station (\$)	Cost of High School Student Station (\$)
Jan-2006	198.3	1.0000	17,952	19,386	25,181
Feb-2006	198.7	1.0020	17,988	19,425	25,232
Mar-2006	199.8	1.0076	18,088	19,533	25,371
Apr-2006	201.5	1.0161	18,242	19,699	25,587
May-2006	202.5	1.0212	18,332	19,797	25,714
Jun-2006	202.9	1.0232	18,368	19,836	25,765
Jul-2006	203.5	1.0262	18,423	19,894	25,841
Aug-2006	203.9	1.0282	18,459	19,933	25,892
Sep-2006	202.9	1.0232	18,368	19,836	25,765
Oct-2006	201.8	1.0177	18,269	19,728	25,625
Nov-2006	201.5	1.0161	18,242	19,699	25,587
Dec-2006	201.8	1.0177	18,269	19,728	25,625
Jan-2007	202.4	1.0207	18,323	19,787	25,702
Feb-2007	202.9	1.0232	18,368	19,836	25,765
Mar-2007	203.2	1.0247	18,396	19,865	25,803
Apr-2007	203.6	1.0267	18,432	19,904	25,854
May-2007	204.0	1.0287	18,468	19,943	25,905
Jun-2007	204.5	1.0313	18,513	19,992	25,968
Jul-2007	204.9	1.0333	18,549	20,031	26,019
Aug-2007	205.4	1.0358	18,595	20,080	26,083
Sep-2007	205.7	1.0373	18,622	20,109	26,121
Oct-2007	206.0	1.0388	18,649	20,139	26,159
Nov-2007	206.4	1.0408	18,685	20,178	26,210
Dec-2007	206.8	1.0429	18,722	20,217	26,260
Jan-2008	207.3	1.0454	18,767	20,266	26,324
Feb-2008	207.7	1.0474	18,803	20,305	26,375
Mar-2008	208.1	1.0494	18,839	20,344	26,425
Apr-2008	208.4	1.0509	18,866	20,373	26,464
May-2008	208.7	1.0524	18,894	20,403	26,502
Jun-2008	209.1	1.0545	18,930	20,442	26,552
Jul-2008	209.5	1.0565	18,966	20,481	26,603
Aug-2008	209.8	1.0580	18,993	20,510	26,641
Sep-2008	210.2	1.0600	19,029	20,549	26,692

Oct-2008	210.5	1.0615	19,056	20,579	26,730
Nov-2008	210.9	1.0635	19,093	20,618	26,781
Dec-2008	211.3	1.0656	19,129	20,657	26,832
Jan-2009	211.8	1.0681	19,174	20,706	26,895
Feb-2009	212.2	1.0701	19,210	20,745	26,946
Mar-2009	212.5	1.0716	19,238	20,774	26,984
Apr-2009	212.8	1.0731	19,265	20,804	27,022
May-2009	213.1	1.0746	19,292	20,833	27,060
Jun-2009	213.4	1.0761	19,319	20,862	27,098
Jul-2009	213.8	1.0782	19,355	20,901	27,149
Aug-2009	214.1	1.0797	19,382	20,931	27,187
Sep-2009	214.5	1.0817	19,419	20,970	27,238
Oct-2009	214.8	1.0832	19,446	20,999	27,276
Nov-2009	215.2	1.0852	19,482	21,038	27,327
Dec-2009	215.5	1.0867	19,509	21,067	27,365
Jan-2010	215.9	1.0888	19,545	21,107	27,416
Feb-2010	216.2	1.0903	19,572	21,136	27,454
Mar-2010	216.6	1.0923	19,609	21,175	27,505
Apr-2010	216.8	1.0933	19,627	21,195	27,530
May-2010	217.1	1.0948	19,654	21,224	27,568
Jun-2010	217.5	1.0968	19,690	21,263	27,619
Jul-2010	217.8	1.0983	19,717	21,292	27,657
Aug-2010	218.2	1.1004	19,754	21,331	27,708
Sep-2010	218.5	1.1019	19,781	21,361	27,746
Oct-2010	218.9	1.1039	19,817	21,400	27,797
Nov-2010	219.2	1.1054	19,844	21,429	27,835
Dec-2010	219.6	1.1074	19,880	21,468	27,886
Jan-2011	220.0	1.1094	19,916	21,507	27,937
Feb-2011	220.4	1.1114	19,953	21,547	27,987
Mar-2011	220.7	1.1130	19,980	21,576	28,025
Apr-2011	221.1	1.1150	20,016	21,615	28,076
May-2011	221.5	1.1170	20,052	21,654	28,127
Jun-2011	221.8	1.1185	20,079	21,683	28,165
Jul-2011	222.2	1.1205	20,116	21,722	28,216
Aug-2011	222.5	1.1220	20,143	21,752	28,254
Sep-2011	222.9	1.1241	20,179	21,791	28,305
Oct-2011	223.3	1.1261	20,215	21,830	28,356
Nov-2011	223.6	1.1276	20,242	21,859	28,394
Dec-2011	224.0	1.1296	20,279	21,898	28,444
Jan-2012	224.3	1.1311	20,306	21,928	28,483
Feb-2012	224.7	1.1331	20,342	21,967	28,533
Mar-2012	225.0	1.1346	20,369	21,996	28,571
Apr-2012	225.3	1.1362	20,396	22,026	28,610
May-2012	225.7	1.1382	20,433	22,065	28,660

Jun-2012	226.0	1.1397	20,460	22,094	28,698
Jul-2012	226.4	1.1417	20,496	22,133	28,749
Aug-2012	226.7	1.1432	20,523	22,162	28,787
Sep-2012	227.1	1.1452	20,559	22,202	28,838
Oct-2012	227.4	1.1467	20,586	22,231	28,876
Nov-2012	227.8	1.1488	20,623	22,270	28,927
Dec-2012	228.2	1.1508	20,659	22,309	28,978
Jan-2013	228.5	1.1523	20,686	22,338	29,016
Feb-2013	228.9	1.1543	20,722	22,377	29,067
Mar-2013	229.2	1.1558	20,749	22,407	29,105
Apr-2013	229.6	1.1578	20,786	22,446	29,156
May-2013	229.9	1.1594	20,813	22,475	29,194
Jun-2013	230.3	1.1614	20,849	22,514	29,244
Jul-2013	230.6	1.1629	20,876	22,544	29,283
Aug-2013	231.0	1.1649	20,912	22,583	29,333
Sep-2013	231.3	1.1664	20,939	22,612	29,371
Oct-2013	231.7	1.1684	20,976	22,651	29,422
Nov-2013	232.0	1.1699	21,003	22,681	29,460
Dec-2013	232.4	1.1720	21,039	22,720	29,511
Jan-2014	232.8	1.1740	21,075	22,759	29,562
Feb-2014	233.1	1.1755	21,102	22,788	29,600
Mar-2014	233.5	1.1775	21,139	22,827	29,651
Apr-2014	233.8	1.1790	21,166	22,857	29,689
May-2014	234.2	1.1810	21,202	22,896	29,740
Jun-2014	234.5	1.1826	21,229	22,925	29,778
Jul-2014	234.9	1.1846	21,265	22,964	29,829
Aug-2014	235.3	1.1866	21,302	23,003	29,879
Sep-2014	235.6	1.1881	21,329	23,032	29,918
Oct-2014	236.0	1.1901	21,365	23,072	29,968
Nov-2014	236.4	1.1921	21,401	23,111	30,019
Dec-2014	236.8	1.1942	21,437	23,150	30,070
Jan-2015	237.1	1.1957	21,465	23,179	30,108
Feb-2015	237.5	1.1977	21,501	23,218	30,159
Mar-2015	237.9	1.1997	21,537	23,257	30,210
Apr-2015	238.3	1.2017	21,573	23,296	30,260
May-2015	238.6	1.2032	21,600	23,326	30,298
Jun-2015	239.0	1.2052	21,637	23,365	30,349
Jul-2015	239.4	1.2073	21,673	23,404	30,400
Aug-2015	239.8	1.2093	21,709	23,443	30,451
Sep-2015	240.1	1.2108	21,736	23,472	30,489
Oct-2015	240.5	1.2128	21,772	23,512	30,540
Nov-2015	240.9	1.2148	21,809	23,551	30,591
Dec-2015	241.3	1.2168	21,845	23,590	30,641
Jan-2016	241.4	1.2173	21,854	23,599	30,654

Feb-2016	241.8	1.2194	21,890	23,639	30,705
Mar-2016	242.2	1.2214	21,926	23,678	30,756
Apr-2016	242.6	1.2234	21,962	23,717	30,806
May-2016	242.9	1.2249	21,990	23,746	30,845
Jun-2016	243.3	1.2269	22,026	23,785	30,895
Jul-2016	243.7	1.2289	22,062	23,824	30,946
Aug-2016	244.1	1.2310	22,098	23,863	30,997
Sep-2016	244.4	1.2325	22,125	23,893	31,035
Oct-2016	244.8	1.2345	22,162	23,932	31,086
Nov-2016	245.2	1.2365	22,198	23,971	31,137
Dec-2016	245.6	1.2385	22,234	24,010	31,187

Gross Receipts Tax

Results of Revenue Estimating Conference of February 28, 2007

Total Collections

YEAR	Old Forecast		New Forecast		Diff.
	\$ Mil	%chg	\$ Mil	%chg	
FY87-88	217.85	6.6%			
FY88-89	227.62	4.5%			
FY89-90	290.02	27.4%			
FY90-91	333.57	15.0%			
FY91-92	391.38	17.3%			
FY92-93	447.83	14.4%			
FY93-94	459.38	2.6%			
FY94-95	506.84	10.3%			
FY95-96	543.13	7.2%			
FY96-97	572.11	5.3%			
FY97-98	593.39	3.7%			
FY98-99	639.27	7.7%			
FY99-00	669.18	4.7%			
FY00-01	722.91	8.0%			
FY01-02	779.49	7.8%			
FY02-03	786.03	0.8%			
FY03-04	826.59	5.2%			
FY04-05	882.15	6.7%			
FY05-06	975.79	10.6%	975.79	10.6%	0.00
FY06-07	1050.78	7.7%	1069.64	9.6%	18.86
FY07-08	1074.16	2.2%	1096.93	2.6%	22.77
FY08-09	1126.60	4.9%	1133.75	3.4%	7.15
FY09-10	1166.67	3.6%	1165.45	2.8%	-1.22
FY10-11	1197.06	2.6%	1196.33	2.6%	-0.73
FY11-12	1219.27	1.9%	1227.84	2.6%	8.57
FY12-13	1235.93	1.4%	1254.05	2.1%	18.12
FY13-14	1257.88	1.8%	1296.57	3.4%	38.69
FY14-15	1283.68	2.1%	1321.51	1.9%	37.83
FY15-16	1309.97	2.0%	1356.20	2.6%	46.23
FY16-17	#N/A	#N/A	1389.09	2.4%	#N/A

Gross Receipts Tax
Results of Revenue Estimating Conference of February 28, 2007

Collections on Electricity

YEAR	Old Forecast		New Forecast**		Diff.
	\$ Mil	%chg	\$ Mil	%chg	
FY87-88	130.56	5.1%			
FY88-89	136.57	4.6%			
FY89-90	169.14	23.8%			
FY90-91	190.58	12.7%			
FY91-92	230.52	21.0%			
FY92-93	258.67	12.2%			
FY93-94	259.29	0.2%			
FY94-95	274.09	5.7%			
FY95-96	296.01	8.0%			
FY96-97	294.31	-0.6%			
FY97-98	308.67	4.9%			
FY98-99	324.50	5.1%			
FY99-00	309.42	-4.6%			
FY00-01	353.54	14.3%			
FY01-02	374.08	5.8%			
FY02-03	388.60	3.9%			
FY03-04	425.00	9.4%			
FY04-05	453.25	6.6%			
FY05-06	524.33	15.7%	524.33	15.7%	0.00
FY06-07	584.63	11.5%	599.84	14.4%	15.21
FY07-08	589.75	0.9%	605.84	1.0%	16.09
FY08-09	626.31	6.2%	625.66	3.3%	-0.65
FY09-10	652.48	4.2%	643.43	2.8%	-9.05
FY10-11	671.78	3.0%	660.89	2.7%	-10.89
FY11-12	683.85	1.8%	680.38	2.9%	-3.47
FY12-13	690.23	0.9%	694.00	2.0%	3.77
FY13-14	702.26	1.7%	723.78	4.3%	21.52
FY14-15	717.68	2.2%	736.00	1.7%	18.31
FY15-16	732.75	2.1%	757.40	2.9%	24.64
FY16-17	747.41	2.0%	777.29	2.6%	29.88

Gross Receipts Tax
Results of Revenue Estimating Conference of February 28, 2007

Collections on Gas Fuels

YEAR	Old Forecast		New Forecast		Diff.
	\$ Mil	%chg	\$ Mil	%chg	
FY87-88	6.51	15.8%			
FY88-89	5.69	-12.6%			
FY89-90	10.38	82.4%			
FY90-91	12.31	18.6%			
FY91-92	11.97	-2.8%			
FY92-93	12.74	6.4%			
FY93-94	10.92	-14.3%			
FY94-95	11.03	1.0%			
FY95-96	13.68	24.0%			
FY96-97	11.97	-12.5%			
FY97-98	12.41	3.7%			
FY98-99	10.17	-18.0%			
FY99-00	10.71	5.3%			
FY00-01	16.65	55.5%			
FY01-02	13.74	-17.5%			
FY02-03	14.39	4.7%			
FY03-04	18.52	28.7%			
FY04-05	23.21	25.3%			
FY05-06	28.55	23.0%	28.55	23.0%	0.00
FY06-07	26.25	-8.1%	28.40	-0.5%	2.15
FY07-08	27.11	3.3%	28.60	0.7%	1.49
FY08-09	27.19	0.3%	29.30	2.4%	2.11
FY09-10	26.99	-0.7%	28.60	-2.4%	1.61
FY10-11	26.18	-3.0%	28.50	-0.3%	2.32
FY11-12	25.42	-2.9%	28.50	0.0%	3.08
FY12-13	25.80	1.5%	28.70	0.7%	2.90
FY13-14	26.32	2.0%	29.20	1.7%	2.88
FY14-15	26.80	1.8%	30.00	2.7%	3.20
FY15-16	27.82	3.8%	31.20	4.0%	3.38
FY16-17	#N/A	#N/A	32.00	0.03	#N/A

Gross Receipts Tax

Results of Revenue Estimating Conference of February 28, 2007

Transfer from Communications Services Tax

YEAR	Old Forecast		New Forecast		Diff.
	\$ Mil	%chg	\$ Mil	%chg	
FY87-88	80.78	8.4%			
FY88-89	85.35	5.7%			
FY89-90	110.50	29.5%			
FY90-91	130.68	18.3%			
FY91-92	148.89	13.9%			
FY92-93	176.41	18.5%			
FY93-94	189.17	7.2%			
FY94-95	221.72	17.2%			
FY95-96	233.44	5.3%			
FY96-97	265.83	13.9%			
FY97-98	272.31	2.4%			
FY98-99	304.60	11.9%			
FY99-00	349.05	14.6%			
FY00-01	352.72	1.1%			
FY01-02	391.67	11.0%			
FY02-03	383.04	-2.2%			
FY03-04	383.07	0.0%			
FY04-05	405.69	5.9%			
FY05-06	422.91	4.2%	422.91	4.2%	0.00
FY06-07	439.90	4.0%	441.40	4.4%	1.50
FY07-08	457.30	4.0%	462.49	4.8%	5.19
FY08-09	473.10	3.5%	478.79	3.5%	5.69
FY09-10	487.20	3.0%	493.42	3.1%	6.22
FY10-11	499.10	2.4%	506.93	2.7%	7.83
FY11-12	510.00	2.2%	518.96	2.4%	8.96
FY12-13	519.90	1.9%	531.35	2.4%	11.45
FY13-14	529.30	1.8%	543.58	2.3%	14.28
FY14-15	539.20	1.9%	555.51	2.2%	16.31
FY15-16	549.40	1.9%	567.60	2.2%	18.20
FY16-17	#N/A	#N/A	579.81	2.2%	#N/A