

**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 July 20, 2009 Revenue Estimating Conference.

	Maximum PECO Appropriations	Estimated PECO Bonding
FY 2009-10	359.3	155.1
FY 2010-11	161.9	10.1
FY 2011-12	464.3	268.5
FY 2012-13	793.4	574.8
FY 2013-14	1162.6	917.5
FY 2014-15	1016.7	745.0
FY 2015-16	929.1	650.0
FY 2016-17	991.2	696.1
FY 2017-18	1022.7	715.0
FY 2018-19	872.3	591.5

The Revenue Estimating Conference reduced the forecast of the maximum amount available for appropriation from the PECO Trust Fund for FY 2010-11 by \$210.2 million, to \$161.9 million in total.

Of this total amount, \$10.1 million is from the sale of bonds, a reduction of \$182.7 million from the March 2009 estimate. Nearly all of this revision is due to the lower forecast for the Gross Receipts Tax, which funds the debt service on the bonds. The reduction in the Gross Receipts Tax estimate continues to dampen bonding capacity in FY 2011-12, before rising to more normal levels in the subsequent fiscal years.

The amount available as cash is projected to be \$151.8 million in FY2010-11, lower by \$27.5 million from the March forecast. The amount available as cash is reduced because of the lower tax forecast and also because of lower interest earnings on trust fund balances.

The lower Gross Receipts Tax forecast is derived in large part from a lower estimate of collections reflecting reduced consumption of electricity as a result of the recession and a near term reduction in expected price increases. Additionally, the portion of the Communications Services Tax that is used to fund PECO bonds was reduced.

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

		March '09 REC <u>Estimate</u>	July '09 <u>Estimate</u>	<u>Change</u>
FY 09-10	Appropriation	359.3	359.3	0.0
	Bonded Projects	155.1	155.1	0.0
	Non-bonded Projects	204.2	204.2	0.0
FY 10-11	Maximum Available	372.1	161.9	-210.2
	Bonded Projects	192.8	10.1	-182.7
	Non-bonded Projects	179.3	151.8	-27.5
FY 11-12	Maximum Available	569.1	464.3	-104.9
	Bonded Projects	360.1	268.5	-91.6
	Non-bonded Projects	209.0	195.8	-13.3
FY 12-13	Maximum Available	749.8	793.4	43.6
	Bonded Projects	525.8	574.8	49.0
	Non-bonded Projects	224.0	218.6	-5.4
FY 13-14	Maximum Available	1155.7	1162.6	6.9
	Bonded Projects	904.1	917.5	13.4
	Non-bonded Projects	251.6	245.1	-6.5
FY 14-15	Maximum Available	1022.6	1016.7	-5.9
	Bonded Projects	756.7	745.0	-11.7
	Non-bonded Projects	265.9	271.7	5.8
FY 15-16	Maximum Available	843.6	929.1	85.5
	Bonded Projects	580.4	650.0	69.6
	Non-bonded Projects	263.2	279.1	15.9
FY 16-17	Maximum Available	779.6	991.2	211.6
	Bonded Projects	520.6	696.1	175.5
	Non-bonded Projects	259.0	295.1	36.1
FY 17-18	Maximum Available	783.5	1022.7	239.2
	Bonded Projects	519.5	715.0	195.5
	Non-bonded Projects	264.0	307.7	43.7
FY 18-19	Maximum Available	N/A	872.3	N/A
	Bonded Projects	N/A	591.5	N/A
	Non-bonded Projects	N/A	280.8	N/A

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

	<u>FY 09-10</u>	<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>
Maximum Available for Appropriation	359.3	161.9	464.3	793.4	1162.6	1016.7	929.1	991.2	1022.7	872.3
Bonded Projects	155.1	10.1	268.5	574.8	917.5	745.0	650.0	696.1	715.0	591.5
Non-bonded Projects	204.2	151.8	195.8	218.6	245.1	271.7	279.1	295.1	307.7	280.8
Summary of Bond Issues										
Bond Sale	155.1	10.1	268.5	574.8	917.5	745.0	650.0	696.1	715.0	591.5
Bond Proceeds	154.3	10.0	267.2	571.9	912.9	741.3	646.8	692.6	711.4	588.5
Bond Interest Rate	5.13%	5.25%	5.75%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
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	966.4	998.7	1004.8	1039.6	1078.4	1115.7	1164.7	1214.7	1241.5	1310.4
Sources of Revenue										
Gross Receipts Tax	1090.80	1126.41	1177.20	1228.21	1278.45	1331.67	1386.55	1452.87	1491.43	1528.74
Interest Earnings	40.9	32.0	27.4	35.6	52.3	62.2	63.3	63.2	64.1	68.2

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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	161.9	10.1	151.8	
FY 2011-12	464.3	268.5	195.8	
FY 2012-13	793.4	574.8	218.6	
FY 2013-14	1162.6	917.5	245.1	
FY 2014-15	1016.7	745.0	271.7	
FY 2015-16	929.1	650.0	279.1	
FY 2016-17	991.2	696.1	295.1	
FY 2017-18	1022.7	715.0	307.7	
FY 2018-19	872.3	591.5	280.8	

* 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 - July 2009

STUDENT STATION COST FACTORS

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	Consumer Price Index - REC National Economic Forecast of July 2009	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	213.3	1.0719	19,242	20,779	26,990
Aug-2009	213.5	1.0729	19,260	20,799	27,016
Sep-2009	213.7	1.0739	19,278	20,818	27,041
Oct-2009	214.2	1.0764	19,323	20,867	27,104
Nov-2009	214.5	1.0779	19,350	20,896	27,142
Dec-2009	214.7	1.0789	19,368	20,915	27,168
Jan-2010	214.7	1.0789	19,368	20,915	27,168
Feb-2010	214.9	1.0799	19,386	20,935	27,193
Mar-2010	215.2	1.0814	19,413	20,964	27,231
Apr-2010	215.7	1.0839	19,459	21,013	27,294
May-2010	216.1	1.0859	19,495	21,052	27,345
Jun-2010	216.5	1.0879	19,531	21,091	27,395
Jul-2010	216.8	1.0894	19,558	21,120	27,433
Aug-2010	217.3	1.0920	19,603	21,169	27,497
Sep-2010	217.8	1.0945	19,648	21,217	27,560
Oct-2010	218.3	1.0970	19,693	21,266	27,623
Nov-2010	218.8	1.0995	19,738	21,315	27,686
Dec-2010	219.5	1.1030	19,801	21,383	27,775
Jan-2011	220.2	1.1065	19,864	21,451	27,864
Feb-2011	220.8	1.1095	19,919	21,510	27,940
Mar-2011	221.4	1.1126	19,973	21,568	28,015
Apr-2011	221.9	1.1151	20,018	21,617	28,079
May-2011	222.4	1.1176	20,063	21,666	28,142
Jun-2011	223.0	1.1206	20,117	21,724	28,218
Jul-2011	223.6	1.1236	20,171	21,782	28,294
Aug-2011	224.2	1.1266	20,225	21,841	28,370
Sep-2011	224.8	1.1296	20,279	21,899	28,446
Oct-2011	225.4	1.1327	20,334	21,958	28,522
Nov-2011	226.0	1.1357	20,388	22,016	28,598
Dec-2011	226.5	1.1382	20,433	22,065	28,661

Jan-2012	227.0	1.1407	20,478	22,114	28,724
Feb-2012	227.5	1.1432	20,523	22,162	28,787
Mar-2012	228.0	1.1457	20,568	22,211	28,851
Apr-2012	228.4	1.1477	20,604	22,250	28,901
May-2012	228.9	1.1503	20,649	22,299	28,964
Jun-2012	229.4	1.1528	20,694	22,347	29,028
Jul-2012	229.9	1.1553	20,740	22,396	29,091
Aug-2012	230.4	1.1578	20,785	22,445	29,154
Sep-2012	230.9	1.1603	20,830	22,494	29,218
Oct-2012	231.4	1.1628	20,875	22,542	29,281
Nov-2012	231.9	1.1653	20,920	22,591	29,344
Dec-2012	232.4	1.1678	20,965	22,640	29,407
Jan-2013	232.9	1.1704	21,010	22,688	29,471
Feb-2013	233.4	1.1729	21,055	22,737	29,534
Mar-2013	233.9	1.1754	21,100	22,786	29,597
Apr-2013	234.3	1.1774	21,136	22,825	29,648
May-2013	234.8	1.1799	21,182	22,874	29,711
Jun-2013	235.2	1.1819	21,218	22,912	29,762
Jul-2013	235.8	1.1849	21,272	22,971	29,838
Aug-2013	236.3	1.1874	21,317	23,020	29,901
Sep-2013	236.7	1.1894	21,353	23,059	29,951
Oct-2013	237.2	1.1920	21,398	23,107	30,015
Nov-2013	237.6	1.1940	21,434	23,146	30,065
Dec-2013	238.1	1.1965	21,479	23,195	30,129
Jan-2014	238.6	1.1990	21,524	23,244	30,192
Feb-2014	239.0	1.2010	21,560	23,283	30,243
Mar-2014	239.5	1.2035	21,606	23,331	30,306
Apr-2014	240.0	1.2060	21,651	23,380	30,369
May-2014	240.5	1.2085	21,696	23,429	30,432
Jun-2014	241.0	1.2111	21,741	23,478	30,496
Jul-2014	241.5	1.2136	21,786	23,526	30,559
Aug-2014	241.9	1.2156	21,822	23,565	30,609
Sep-2014	242.4	1.2181	21,867	23,614	30,673
Oct-2014	242.9	1.2206	21,912	23,663	30,736
Nov-2014	243.3	1.2226	21,948	23,702	30,787
Dec-2014	243.8	1.2251	21,993	23,750	30,850
Jan-2015	244.4	1.2281	22,048	23,809	30,926
Feb-2015	244.8	1.2302	22,084	23,848	30,976
Mar-2015	245.3	1.2327	22,129	23,896	31,040
Apr-2015	245.7	1.2347	22,165	23,935	31,090
May-2015	246.2	1.2372	22,210	23,984	31,154
Jun-2015	246.7	1.2397	22,255	24,033	31,217
Jul-2015	247.1	1.2417	22,291	24,072	31,267

Aug-2015	247.6	1.2442	22,336	24,120	31,331
Sep-2015	248.1	1.2467	22,381	24,169	31,394
Oct-2015	248.6	1.2492	22,426	24,218	31,457
Nov-2015	249.1	1.2518	22,472	24,267	31,521
Dec-2015	249.6	1.2543	22,517	24,315	31,584
Jan-2016	250.1	1.2568	22,562	24,364	31,647
Feb-2016	250.6	1.2593	22,607	24,413	31,710
Mar-2016	251.0	1.2613	22,643	24,452	31,761
Apr-2016	251.5	1.2638	22,688	24,500	31,824
May-2016	252.0	1.2663	22,733	24,549	31,887
Jun-2016	252.4	1.2683	22,769	24,588	31,938
Jul-2016	252.9	1.2709	22,814	24,637	32,001
Aug-2016	253.4	1.2734	22,859	24,685	32,065
Sep-2016	253.9	1.2759	22,905	24,734	32,128
Oct-2016	254.4	1.2784	22,950	24,783	32,191
Nov-2016	254.9	1.2809	22,995	24,832	32,254
Dec-2016	255.4	1.2834	23,040	24,880	32,318
Jan-2017	255.9	1.2859	23,085	24,929	32,381
Feb-2017	256.4	1.2884	23,130	24,978	32,444
Mar-2017	256.9	1.2910	23,175	25,026	32,508
Apr-2017	257.4	1.2935	23,220	25,075	32,571
May-2017	257.9	1.2960	23,265	25,124	32,634
Jun-2017	258.3	1.2980	23,302	25,163	32,685
Jul-2017	258.8	1.3005	23,347	25,212	32,748
Aug-2017	259.3	1.3030	23,392	25,260	32,811
Sep-2017	259.9	1.3060	23,446	25,319	32,887
Oct-2017	260.4	1.3085	23,491	25,367	32,950
Nov-2017	260.9	1.3111	23,536	25,416	33,014
Dec-2017	261.4	1.3136	23,581	25,465	33,077
Jan-2018	262.0	1.3166	23,635	25,523	33,153
Feb-2018	262.5	1.3191	23,680	25,572	33,216
Mar-2018	263.1	1.3221	23,735	25,630	33,292
Apr-2018	263.6	1.3246	23,780	25,679	33,355
May-2018	264.1	1.3271	23,825	25,728	33,419
Jun-2018	264.7	1.3302	23,879	25,786	33,495