

**ANALYSIS OF SCHOOL FINANCES IN
NEW YORK STATE SCHOOL DISTRICTS
2010-11**

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PREFACE

The "Analysis of School Finances in New York State School Districts" is an annual publication providing a meaningful perspective to staff in the Division of the Budget, the Legislature, the Education Department, and school officials concerning school expenditures, State Aid, and local support. This edition of the Analysis summarizes the finances of major school districts in school year 2010-11, as well as public school expenditures and State Aid since 1992-93.

In summarizing school district expenditures, the Analysis compares various percentiles of operating expenditures per pupil and describes the magnitude of the disparity in approved operating expenditures per pupil between districts in the 10th and 90th percentiles for each year. Also provided are decile tables ranked by wealth, expenditure per pupil and a need/resource index. These decile tables provide comparisons of school districts' expenditures per pupil, tax rates, and wealth per pupil.

Another feature of the Analysis is its presentation of five-year trend data on full value, expenditures, State Aid, tax rates, and local revenue. These items are displayed on a per pupil basis for the entire State, New York City and the rest of State (school districts outside New York City).

In terms of data collection, the total revenue from State sources displayed in the tables from 1992-93 through 2010-11 is the State Aid reported in the Annual Financial Report (Form ST-3) submitted by school districts. It should be noted that this data item may include prior year State Aid adjustment payments. Data for 2011-12 is based on State Aid payments to school districts and does not include some grants, prior year adjustments, and miscellaneous revenues from State sources. Total expenditures for 2011-12 are based on estimates provided by school districts. The 2010 Income data are as of October 2012. Other items contained in the Analysis are as of May 2012. School Tax Relief (STAR) revenue is also addressed in the report.

As in past years, an historical perspective of school finances in New York State is presented. Table 1 displays State Aid and total expenditures since 1992-93 and Appendix B contains data for school years 1944-45 through 1991-92.

To assist the reader less familiar with the technical terms used in the Analysis, a glossary of terms is provided at the end of the report.

CONTENTS

<i>Section</i>	<i>Page</i>
Preface.....	iii
List of Tables	vi
List of Figures	vii
I The Financing of Public Education in New York State.....	1
II Comparisons of Per Pupil Expenditures and Wealth by Contiguous Metropolitan Statistical Areas (MSAs).....	8
III Comparisons of Per Pupil Expenditures and Wealth by District Rank.....	13
IV Four-Year Changes in School Finances, 2006-07 to 2010-11.....	21
Glossary: Definitions Used in this Report	28
Appendix A: Historic Changes in Pupil Units	33
Appendix B: Revenues from State Sources Compared to Total Expenditures for Public Elementary and Secondary Schools 1940-41 to 1991-92.....	36
Appendix C: Counties by Contiguous Metropolitan Statistical Areas (MSAs) -- 2000 Census	38
Appendix D: District Type Groupings -- 2000 Census	39
Appendix E: New York State County Map	40

LIST OF TABLES

<u>Table</u>	<u>Page</u>
1 Revenues from State Sources Compared to Total General and Special Aid Fund Expenditures, New York State Public School Districts, 1992-93 to 2011-12	3
2 State Revenue Per Enrolled Pupil and Total General and Special Aid Fund Expenditures Per Enrolled Pupil, New York State Public School Districts, 1992-93 to 2011-12	5
3 Total Revenues, Elementary and Secondary Education, New York State Public School Districts, 1992-93 to 2011-12 (In Thousands)	7
4 2010-11 Average Wealth, Expenditure, Revenue and Aid Data for Districts, by Contiguous MSA (2000 Census), All Major Districts Including New York City.....	9
5 Changes in Wealth Per Pupil and Wealth Pupils by Contiguous MSA (2000).....	11
6 Changes in Approved Operating Expenditures and Tax Revenues Per TAPU for Expense and Tax Rate by Contiguous MSA (2000 Census).....	11
7 Number of School Districts Statewide Below the 25th and Above the 75th Percentile of 2010-11 AOE/TAPU for Expense	12
8 Distribution of Approved Operating Expenditures Per Weighted Pupil, Major School Districts, 1992-93 to 2010-11	14
9 2010-11 Wealth, Expenditure, Revenue and Aid Data, Ranked by AOE Per TAPU for Expense, Deciles for All Major Districts Excluding New York City	16
10 2010-11 Wealth, Expenditure, Revenue and Aid Data, Ranked by Actual Valuation Per TWPU, Deciles for All Major Districts Excluding New York City	17
11 2010-11 Wealth, Expenditure, Revenue and Aid Data, Ranked by Income Per TWPU, Deciles for All Major Districts Excluding New York City	18
12 2010-11 Wealth, Expenditure, Revenue and Aid Data, Ranked by Need/Resource Index, Deciles for All Major Districts Excluding New York City	20
13 Selected Pupil Counts Used in School Aid Formulas – New York State Major School Districts, 2006-07 to 2010-11	22
14 Selected Fiscal Data – New York State Major School Districts, 2006-07 to 2010-11	23
15 Average Expenditures, State Revenue, and Local Tax and Other Revenues Per Duplicated Combined Adjusted Average Daily Membership (DCAADM), New York State Major School Districts, 2006-07 to 2010-11	26
16 Income and Actual Valuation Per TWPU, Actual Valuation Per RWADA, Actual Value Tax Rates, Approved Operating Expense per TAPU for Expense and Local Tax and Other Revenues per TWPU, New York State Major School Districts, 2006-07 to 2010-11	27

LIST OF FIGURES

<u>Figure</u>		<u>Page</u>
Figure 1:	Revenues from State Sources as a Percent of Total Expenditures	2
Figure 2:	Revenues from State Sources and Total Expenditures per Enrolled Pupil	4
Figure 3:	Total Revenues by Source, Elementary and Secondary Education	6

I

THE FINANCING OF PUBLIC EDUCATION IN NEW YORK STATE

Introduction

The New York State commitment to elementary and secondary education, as measured by revenues to school districts from State sources, has increased by \$1.47 billion or 6.8 percent, from \$21.59 billion in 2006-07 to \$23.06 billion in 2010-11. While this was occurring at the State level, school districts increased local tax revenue support by \$4.28 billion, a 17.1 percent increase over the same period. This overall revenue commitment by State and local governments (combined with a \$1.92 billion or 69.8 percent increase in federal aid) contributed to a total expenditure increase of \$8.22 billion or 16.9 percent during the period. The State's percentage of participation, presently at 40.5 percent (Table 1) for 2010-11, in the expenditures of school districts over the past 60 years has varied from a 2001-02 peak of 48.2 percent to a low of 31.5 percent in 1944-45.

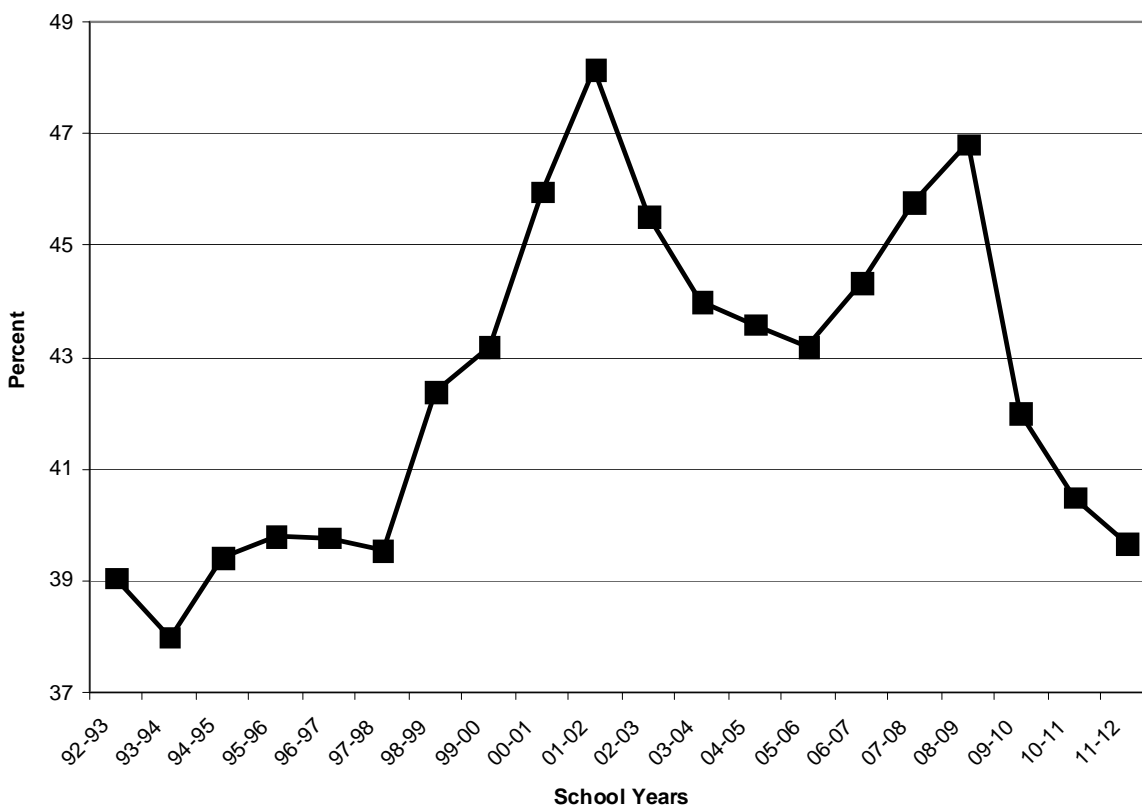
New York State's capacity to fund education has fluctuated over the years depending on State or national economic prosperity. A review of Table 1 (and Appendix B) reveals that State revenue has paralleled the State's economic climate. In the latter 1970's, the State provided relatively modest aid increases to schools caused in part by the economic adjustment to higher energy costs and inflation. As energy costs declined and economic activity within the State and nation rebounded, the State moved to incorporate new initiatives and continue support for excellence in education. Between 1983-84 and 1988-89, the State's economic climate was improving. This resulted in large increases in State revenue, about 10.7 percent annually. As a result, the State revenue portion of Total General and Special Aid Fund Expenditures rose to 44.2 percent for 1988-89. Due to a restructuring of the New York State Teachers' Retirement System (TRS) payments, this percentage declined to 41.6 percent for 1989-90. Even with \$257 million in reductions to local districts (1990-91 State Aid to school districts was initially reduced \$67 million due to restructuring of TRS and Employees' Retirement System payments and further reduced \$190 million due to the December 1990 Deficit Reduction Assessment), the 1990-91 percentage rose to 42.9 percent.

As a result of the State's \$6 billion budget deficit in 1991-92 and the imposition of \$926 million deficit reduction assessments against school aid the proportionate share of public school expenditures funded from State sources declined to 40.4 percent. The continuing poor economic climate in 1992-93 also resulted in a \$1.03 billion deficit reduction assessment against school aid, with the result that the State's share of public school expenditures declined to 39.1 percent in 1992-93. The State's share of public school expenditures continued to decline, to 38.0 percent, in 1993-94 with a -\$167 million net transition adjustment. Since then, steady increases in State revenue have resulted in the State's share of total expenditures rising nearly every year through 2001-02. State revenue increased only slightly from 2001-02 to 2002-03 resulting in a drop in the State's share of expenditures from 48.2 percent in 2001-02 to 45.5 percent in 2002-03. The State's share of expenditures continued to decline through 2005-06 (see Figure 1). Phase-in to a new foundation aid formula (replacing operating aid) began in 2007-08, providing districts with an increase of \$1.1 billion and an increase in the State's share to 45.8 percent. The phase-in continued in 2008-09 with

a \$1.2 billion increase in foundation aid and an increase in the State's share to 46.8 percent, well above the 19-year average (1992-93 to 2010-11) of 43.1 percent.

School aid changed dramatically in 2009-10 with a downturn in the economy. As a result, 2009-10 foundation aid was held to 2008-09 amounts and a deficit reduction assessment of \$1,489 million was deducted from aid allocations. This continued, with 2010-11 and 2011-12 foundation aid held to 2008-09 amounts and gap elimination adjustments (GEA) of \$2,138 million for 2010-11, \$2,556 million for 2011-12 and \$2,156 million for 2012-13 further reducing the State's share of expenditures. Due to federal passage of the American Recovery and Reinvestment Act (ARRA) in 2009, New York State received \$3 billion over two years to help stabilize State and local budgets and ameliorate reductions in education. For 2009-10, the \$1,489 million reduction in State funding was entirely offset with ARRA state fiscal stabilization funds. For 2010-11, the GEA reductions were partially restored through the remaining ARRA funds of \$726 million and a new federal Education Jobs Program (passed in August, 2010) provided another \$607.6 million. After the school year began, 2010-11 aid payments to districts were further reduced by \$131.5 million.

**Figure 1: Revenues from State Sources as a Percent of Total Expenditures
Total State**



Although final data for 2011-12 will not be available until next Summer, preliminary information in Table 1 shows that Total General and Special Aid Fund Expenditures for public elementary and secondary schools are expected to increase \$1.1 billion for 2011-12 to \$58.0 billion, a 1.9 percent increase over 2010-11. However, total State revenue including STAR in the same period is likely to decrease by about \$0.06 billion, or 0.26 percent, to \$23.0 billion, resulting in a State share of 39.7 percent.

Table 1

REVENUES FROM STATE SOURCES COMPARED TO TOTAL
GENERAL AND SPECIAL AID FUND EXPENDITURES
NEW YORK STATE PUBLIC SCHOOL DISTRICTS

1992-93 TO 2011-12*

School Year	School Tax Relief (STAR)	Other Revenue from State Sources**	Total General and Special Aid Fund Expenditures***	as Percent of Total Exp. STAR	Other State Rev.
2011-12 ****	\$3,200,000,000	\$19,800,000,000	\$58,000,000,000	5.5 %	34.1 %
2010-11	3,126,984,085	19,932,775,228	56,938,461,436	5.5	35.0
2009-10	3,208,332,714	20,191,035,404	55,710,402,445	5.8	36.2
2008-09	3,526,919,338	21,782,826,310	54,056,211,419	6.5	40.3
2007-08	3,711,368,299	19,890,048,582	51,558,636,211	7.2	38.6
2006-07	3,553,834,853	18,039,821,863	48,713,637,422	7.3	37.0
2005-06	3,215,197,535	16,605,805,901	45,904,234,450	7.0	36.2
2004-05	3,058,781,067	15,666,489,776	42,957,729,750	7.1	36.5
2003-04	2,819,756,904	14,700,831,875	39,809,145,006	7.1	36.9
2002-03	2,664,251,588	14,514,842,689	37,741,721,437	7.1	38.5
2001-02	2,507,313,532	14,585,910,355	35,488,090,183	7.1	41.1
2000-01	1,846,150,742	13,882,104,712	34,215,829,764	5.4	40.6
1999-00	1,191,615,221	12,499,522,343	31,704,767,501	3.8	39.4
1998-99	582,156,138	11,956,301,295	29,590,606,985	2.0	40.4
1997-98		10,964,334,068	27,717,505,209		39.6
1996-97		10,401,325,791	26,151,872,531		39.8
1995-96		10,188,856,301	25,603,561,680		39.8
1994-95		9,832,200,501	24,945,606,690		39.4
1993-94		9,065,208,519	23,860,073,256		38.0
1992-93		8,817,919,324	22,575,881,781		39.1

* For comparisons prior to the 1992-93 school year, the reader is referred to Appendix B of this report.

** Other than 1998-99 STAR, all revenues from State sources are as reported on the Annual Financial Report by school districts. Depending on local accounting methods, this may include prior year adjustments.

*** Total Expenditures include expenditures made from the Federal Aid Fund from 1965-66 to 1973-74 and from the Special Aid Fund since 1974-75. Includes expenditures from the Debt Service Fund, which was established in 1978-79. Beginning in 1983-84, some districts including New York City reported negative interfund transfers to the General Fund, tending to reduce actual expenditures.

**** Estimated.

The impact of the State revenue and total expenditure increases experienced during the last 20 years was further enhanced by enrollment declines which continued without interruption from 1973-74 until 1988-89. Enrollment increased steadily from 1989-90 until 2001-02 and has generally declined since then.

Table 2 accounts for these enrollment changes by depicting total expenditures and State revenues on a per enrolled pupil basis for school years 1992-93 to 2011-12. As Table 2 and Figure 2 illustrate, Total General and Special Aid Fund Expenditures per pupil increased from \$8,502 in 1992-93 to \$20,419 in 2010-11, a 140 percent increase over the entire period and an annual percentage increase per pupil of 5.0 percent. Increases in State revenue (including STAR starting in 1998-99) per pupil reflected a similar trend, increasing from \$3,321 in 1992-93 to \$8,270 in 2010-11, a 149 percent increase over the same time span, and an annual percentage increase of 5.2 percent.

The estimated 2011-12 Total General and Special Aid Fund Expenditures per enrolled pupil are \$20,997, an increase of \$578 (2.8 percent) over the 2010-11 school year. During this same period, State revenue including School Tax Relief (STAR) is expected to increase by \$57 per enrolled pupil to \$8,327, a 0.7 percent increase from the 2010-11 school year.

Figure 2: Revenues from State Sources and Total Expenditures per Enrolled Pupil
Total State

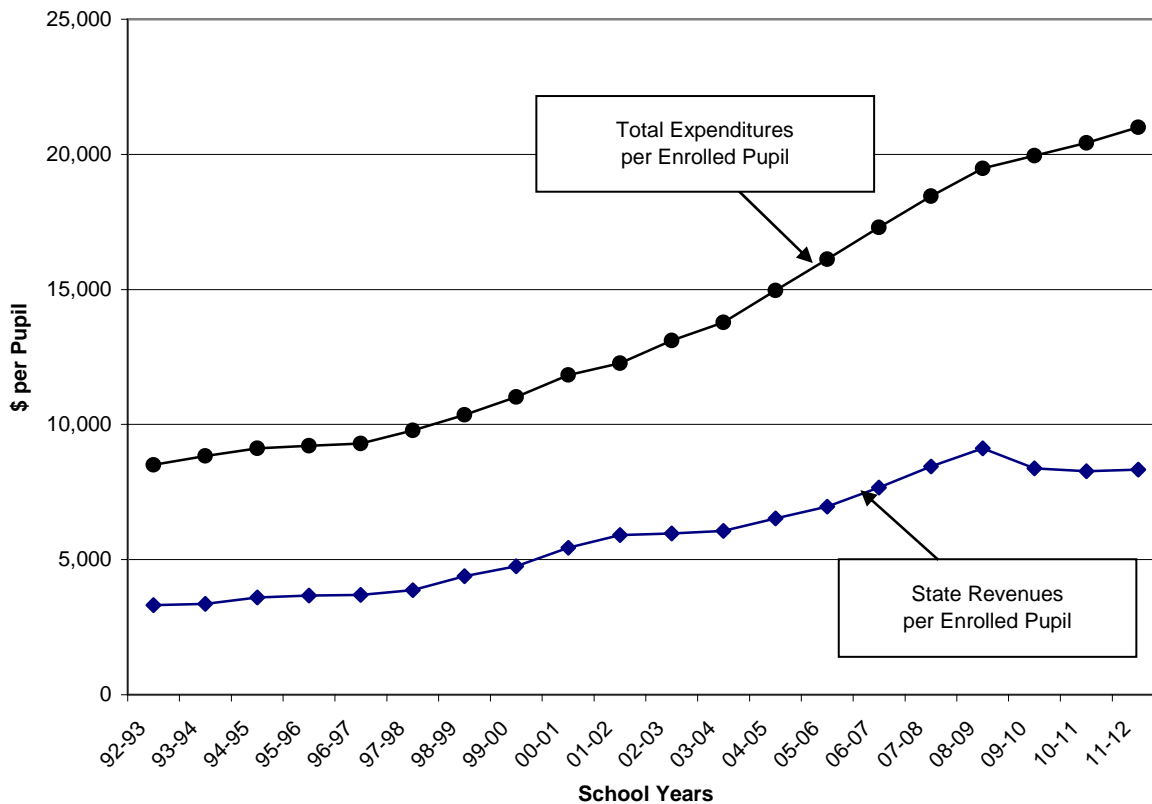


Table 2

STATE REVENUE PER ENROLLED PUPIL AND TOTAL GENERAL AND SPECIAL
AID FUND EXPENDITURES PER ENROLLED PUPIL*
NEW YORK STATE PUBLIC SCHOOL DISTRICTS
1992-93 TO 2011-12

School Year	State Revenue** Per Enrolled Pupil	Percent Increase in State Revenue Per Enrolled Pupil Over Prior Year	Total General*** and Special Aid Fund Expenditures Per Enrolled Pupil	Percent Increase in Total Exp. Per Enrolled Pupil Over Prior Year
2011-12 ****	\$8,327	0.7 %	\$20,997	2.8 %
2010-11	8,270	-1.3	20,419	2.3
2009-10	8,380	-8.1	19,952	2.4
2008-09	9,120	8.0	19,478	5.5
2007-08	8,448	10.2	18,455	6.7
2006-07	7,667	10.2	17,296	7.3
2005-06	6,959	6.7	16,115	7.7
2004-05	6,522	7.5	14,963	8.6
2003-04	6,065	1.6	13,779	5.1
2002-03	5,966	1.0	13,108	6.9
2001-02	5,908	8.6	12,267	3.6
2000-01	5,441	14.3	11,836	7.4
1999-00	4,759	8.5	11,020	6.4
1998-99	4,388	13.5	10,356	5.9
1997-98	3,867	4.6	9,776	5.2
1996-97	3,697	0.8	9,295	0.9
1995-96	3,667	2.0	9,215	1.1
1994-95	3,594	7.0	9,118	3.1
1993-94	3,359	1.1	8,842	4.0
1992-93	3,321	--	8,502	--

* See Glossary for definition.

** Includes School Tax Relief (STAR) starting in 1998-99.

*** Includes Debt Service Fund, which was established in 1978-79.

**** Estimated.

Table 3 contains a breakdown of total revenues and includes General and Special Aid Fund Revenues by funding source. State revenue, Federal revenue and local tax and other revenues are listed over the past 20 years. As noted in the table, State revenue includes School Tax Relief (STAR) which began in 1998-99. Revenues come primarily from local taxes and other revenues (51.4 percent in 2010-11) and State revenue (40.4 percent of total in 2010-11); Federal revenue was \$4.67 billion in 2010-11, which amounted to 8.2 percent of total revenues.

Table 3 and Figure 3 also show that Total General and Special Aid Fund Revenues increased from \$22.27 billion in 1992-93 to \$57.11 billion in 2010-11, an increase of 157 percent, while State revenue increased from \$8.82 billion to \$23.06 billion, or 162 percent over the same period. At the same time, local and other revenues increased from \$12.46 billion to \$29.38 billion, a 136 percent increase; Federal revenues increased from \$0.99 billion to \$4.67 billion, a 371 percent increase over this period.

Current estimates indicate that, due to the end of ARRA funding, Federal revenue will be approximately \$3.0 billion in 2011-12 and will comprise 5.2 percent of total revenues. It is estimated that the proportion of total revenues from State sources including School Tax Relief (STAR) will decrease to 39.7 percent for the 2011-12 school year while amounting to \$23.0 billion. Local tax and other revenues are expected to increase by about \$2.6 billion to \$31.97 billion, and their proportionate share of total revenues will increase by 3.7 percentage point to 55.1 percent.

**Figure 3: Total Revenues by Source, Elementary and Secondary Education
Total State**

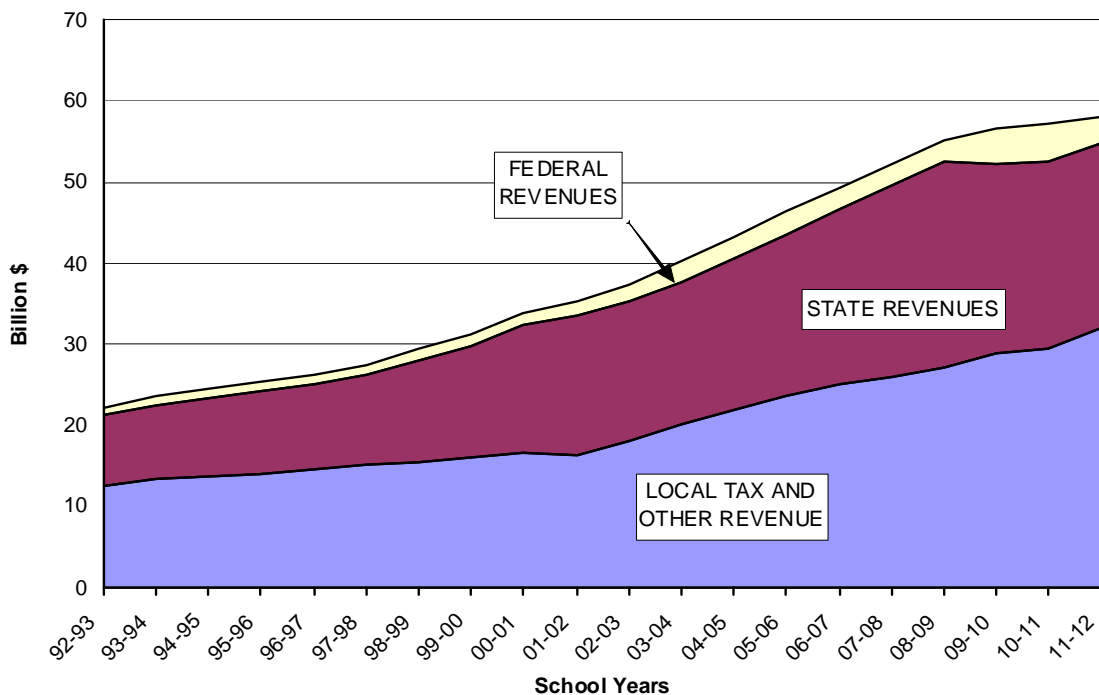


Table 3

TOTAL REVENUES, ELEMENTARY AND SECONDARY EDUCATION
NEW YORK STATE PUBLIC SCHOOL DISTRICTS
1992-93 TO 2011-12
(In Thousands)

School Year	Total General** & Special Aid Fund Revenues	STATE REVENUE*		FEDERAL REVENUE		LOCAL TAX & OTHER REVENUES	
		Amount	Percent of Total Revenues	Amount	Percent of Total Revenues	Amount	Percent of Total Revenues
2011-12 ***	\$57,969,590	\$23,000,000	39.7 %	\$3,000,000	5.2 %	\$31,969,590	55.1 %
2010-11	57,112,897	23,059,759	40.4	4,673,844	8.2	29,379,294	51.4
2009-10	56,677,395	23,399,368	41.3	4,480,382	7.9	28,797,645	50.8
2008-09	55,056,998	25,309,746	46.0	2,614,226	4.7	27,133,026	49.3
2007-08	52,293,190	23,601,417	45.1	2,587,422	4.9	26,104,351	49.9
2006-07	49,437,635	21,593,657	43.7	2,746,120	5.6	25,097,858	50.8
2005-06	46,306,624	19,821,003	42.8	2,837,247	6.1	23,648,374	51.1
2004-05	43,185,271	18,725,271	43.4	2,674,224	6.2	21,785,776	50.4
2003-04	40,151,547	17,520,589	43.6	2,593,597	6.5	20,037,361	49.9
2002-03	37,470,378	17,179,094	45.8	2,149,320	5.7	18,141,964	48.4
2001-02	35,179,401	17,093,224	48.6	1,771,551	5.0	16,314,626	46.4
2000-01	33,816,802	15,728,255	46.5	1,488,430	4.4	16,600,117	49.1
1999-00	31,197,395	13,691,138	43.9	1,429,909	4.6	16,076,348	51.5
1998-99	29,437,657	12,538,457	42.6	1,350,041	4.6	15,549,159	52.8
1997-98	27,363,011	10,964,334	40.1	1,095,722	4.0	15,302,954	55.9
1996-97	26,132,515	10,401,326	39.8	1,049,139	4.0	14,682,050	56.2
1995-96	25,408,873	10,188,856	40.1	1,134,569	4.5	14,085,448	55.4
1994-95	24,488,976	9,832,201	40.1	1,047,208	4.3	13,609,567	55.6
1993-94	23,497,040	9,065,209	38.6	1,086,491	4.6	13,345,340	56.8
1992-93	22,266,332	8,817,919	39.6	992,456	4.5	12,455,957	55.9

* Includes School Tax Relief (STAR) starting in 1998-99.

** Includes the Debt Service Fund, which was established in 1978-79.

*** Estimated.

II

COMPARISONS OF PER PUPIL EXPENDITURES AND WEALTH BY CONTIGUOUS METROPOLITAN STATISTICAL AREAS (MSAs)

This section describes the variation in expenditures and resources among the contiguous Metropolitan Statistical Areas (MSAs) of the State and among school districts of different types, based on definitions from the 2000 Census. Appendix C depicts the counties in each contiguous MSA and Appendix D the district type classification of school district. While the variation in statewide expenditure and revenue per pupil has been substantial over time, dramatic differences in expenditure and resource data also exist among the different geographic regions at any given point in time.

Table 4 (based on the 2000 definition of MSAs) shows that the New York – Suffolk – Nassau area has by far the highest average Actual Value/TWPU (Total Wealth Pupil Units), AOE/TAPU (Approved Operating Expense/Total Aidable Pupil Units) for Expense, Total Expenditure/TAPU for Expense and Tax Revenue (excluding STAR)/TAPU for Expense of the contiguous MSAs. This region also has the highest Income/TWPU and Income/Tax Return and the third lowest average Tax Rate (excluding STAR) per \$1,000 Actual Value. The non-MSA districts are lowest on STAR Revenue/TAPU for Expense, Income/TWPU, Income/Tax Return and Tax Rate (excluding STAR) per \$1,000 Actual Value. Accordingly, they have the highest average among the regions on Other State Revenue/TAPU for Expense. The Syracuse – Utica – Rome region has the lowest average AV/TWPU, AOE/TAPU for Expense and Total Expenditure/TAPU for Expense. The Binghamton – Elmira - Ithaca region has the highest average STAR Revenue/TAPU for Expense and the lowest enrollment. The Buffalo – Cheektowaga – Tonawanda – Rochester region has the highest average Tax Rate (excluding STAR) per \$1,000 Actual Value.

Table 4 also displays wealth, expenditure, and aid data in another fashion -- on the basis of pupil weighted averages for districts grouped by type. These type groupings are: 1) All Major Districts; 2) New York City; 3) Other Big 5 City School Districts; 4) Small City School Districts; 5) Suburban Districts; and, 6) Other School Districts. By comparing individual districts to both the decile groupings in Section III as well as the classification groups listed, a larger picture of the district's relative status can be gained.

As Table 4 reveals, the mean AOE/TAPU for Expense for all 676 major districts is \$12,350. New York City spends \$11,731 per pupil. The other Big 5 City School Districts have an average AOE/TAPU for Expense of \$11,286 (district spending per pupil ranges from \$10,628 in Syracuse to \$12,432 in Yonkers). The Small City Districts have an average AOE/TAPU for Expense of \$11,769 with the 50 Upstate districts averaging \$10,906 per pupil and the 7 Downstate districts averaging \$16,147 per pupil. The Suburban Districts have an average expenditure of \$13,261 per pupil with the 250 Upstate districts and the 167 Downstate districts spending \$10,747 and \$15,595 per pupil, respectively. The 197 Other districts have an average AOE/TAPU for Expense of \$11,084.

Table 4

2010-11 AVERAGE WEALTH, EXPENDITURE, REVENUE AND AID DATA FOR DISTRICTS, BY CONTIGUOUS MSA (2000 CENSUS),
ALL MAJOR DISTRICTS INCLUDING NEW YORK CITY

2000 Census Contiguous MSAs	METROPOLITAN STATISTICAL AREA AVERAGE									2010-11 Enrollment
	Actual Valuation per TWPU	AOE per TAPU for Exp.	Total Exp.* per TAPU for Exp.	STAR Revenue per TAPU for Exp.	Other Revenue from State** per TAPU for Exp.	Income per TWPU	Income per Return	Tax Rev. (excl. STAR) per TAPU for Exp.	Tax Rate (excl. STAR) per \$1,000 Full Value	
Albany-Sch-Troy-Glens F	\$495,954	\$10,954	\$14,793	\$857	\$5,523	\$134,288	\$50,595	\$6,807	\$13.80	144,777
Binghamton-Elmira-Ithaca	321,293	10,525	15,020	1,014	7,061	115,010	44,290	5,134	16.01	61,899
Buffalo-Cheek-Ton-Rochester	300,150	10,493	14,774	957	7,089	121,470	46,983	5,073	16.92	327,465
New York-Suffolk-Nassau	664,976	13,152	17,533	913	5,204	200,072	75,633	9,083	13.78	1,737,532
Poughkeepsie-Newburgh-Middletown	545,427	12,253	16,119	997	5,399	128,481	56,503	8,250	15.15	135,154
Syracuse-Utica-Rome	288,246	10,378	14,494	945	7,106	105,427	45,223	4,749	16.52	151,658
Non-MSA	403,073	10,865	15,998	849	8,621	94,397	39,508	4,789	11.95	227,986
All Major Districts Avg.(including NYC)	\$560,900	\$12,350	\$16,676	\$918	\$5,853	\$169,100	\$65,500	\$7,819	\$14.03	2,786,471
New York City	537,666	11,731	16,512	529	5,920	189,327	68,253	7,197	13.52	1,064,088
Other Big 5	230,895	11,286	16,605	503	10,780	83,834	37,784	2,700	11.68	125,267
Small City Districts	404,165	11,769	15,867	1,008	6,749	128,051	48,623	5,927	15.46	245,468
Upstate	311,323	10,906	15,024	856	7,367	101,364	39,660	4,850	15.62	205,272
Downstate	877,004	16,147	20,144	1,779	3,616	263,969	87,135	13,219	15.17	40,196
Suburban Districts	666,185	13,261	17,030	1,324	4,648	178,214	72,340	9,349	14.59	1,174,867
Upstate	427,564	10,747	14,621	1,081	5,475	135,611	53,036	6,716	15.75	567,806
Downstate	887,613	15,595	19,266	1,549	3,881	217,747	91,611	12,409	14.08	607,061
Other Districts	445,007	11,084	16,502	845	8,907	94,150	39,975	5,076	11.48	176,781

* Total Expenditure includes Debt Service and Special Aid Fund.

** Other State Revenue does not include STAR.

Table 5 compares contiguous MSAs on changes from 2006-07 to 2010-11 in Total Wealth Pupil Units (TWPU), Actual Value per TWPU, and Income per TWPU. The non-MSA districts MSA had the largest percent increase in AV/TWPU. The New York – Suffolk – Nassau region experienced the only percent decrease in AV/TWPU and Income/TWPU and was the only region with an increase in TWPU. The non-MSA districts had the largest decline in TWPU. The Binghamton – Elmira - Ithaca MSA had the largest increase in Income/TWPU. Statewide, AV/TWPU increased 5.59 percent and Income/TWPU increased 2.61 percent. Statewide, TWPU decreased 0.66 percent. In terms of the currency of the Market Value Standard used to convert locally assessed property values to a uniform full value standard during the reporting period: the 2006 standard was set at July 2005 (no gap) and the 2010 standard is July 2009 (no gap).

Table 6 compares contiguous MSAs on changes in AOE/TAPU for Expense, Tax Revenue/TAPU for Expense and Tax Rate per \$1,000 of Actual Value for the 2006-07 to 2010-11 period. Tax Revenue and Tax Rate data from 1998-99 onward exclude STAR Revenue. Statewide, the Tax Rate increased 11.88 percent with the largest decrease in the non-MSA districts. Statewide, over the four-year period AOE/TAPU for Expense increased 15.96 percent and Tax Revenue per TAPU for Expense increased 18.13 percent. The Poughkeepsie – Newburgh – Middletown - Kingston had the largest percent increase in AOE/TAPU for Expense. The smallest percent increase in AOE/TAPU for Expense was in the New York – Suffolk – Nassau MSA. The largest percent increase in Tax Revenue per TAPU was in the non-MSA districts. The smallest increase in Tax Revenue per TAPU for Expense was in the New York – Suffolk - Nassau MSA. As shown in Table 16, New York City had a 10.9 percent increase in AOE/TAPU for Expense, a 19.1 percent increase in Tax Revenue/TWPU and a 7.4 percent increase in Tax Rate. Table 14 shows that New York City had an 18.0 percent increase in Actual Value for this same time period.

Table 7 shows the wide range in school district expenditure patterns based on AOE/TAPU for Expense among the contiguous MSAs when compared to the statewide 25th percentile (\$10,350) and 75th percentile (\$14,899). The New York - Suffolk - Nassau MSA contains by far the largest number and percent of school districts with AOE/TAPU for Expense above the 75th percentile; 125 of the 176 school districts in the region, or 71 percent, had expenditures above the 75th percentile. This contiguous MSA had no school district below the 25th percentile of spending. In most of the other contiguous MSAs and in non-MSA districts, the number of districts in excess of the 75th percentile was extremely small. Each of these contiguous MSAs and the non-MSA districts had substantially higher numbers of districts with AOE/TAPU for Expense less than the 25th percentile.

Table 5

CHANGES IN WEALTH PER PUPIL AND WEALTH PUPILS
BY CONTIGUOUS MSA (2000 Census)

2000 Census Contiguous MSAs	<u>Actual Value Per TWPU</u>			<u>Income Per TWPU</u>			<u>Total Wealth Pupil Units</u>		
	2006-07	2010-11	Percent Change	2006-07	2010-11	Percent Change	2006-07	2010-11	Percent Change
Albany-Sch-Troy-Glens Fal	\$409,183	\$495,954	21.21%	\$122,129	\$134,288	9.96%	181,716	172,859	-4.87%
Binghamton-Elmira-Ithaca	243,305	321,293	32.05%	100,303	115,010	14.66%	78,785	72,573	-7.88%
Buffalo-Cheek-Ton-Roches	250,779	300,150	19.69%	108,795	121,470	11.65%	412,166	385,999	-6.35%
New York-Suffolk-Nassau	665,205	664,976	-0.03%	202,990	200,072	-1.44%	2,079,879	2,143,771	3.07%
<i>without NYC</i>	<i>949,332</i>	<i>874,368</i>	<i>-7.90%</i>	<i>223,793</i>	<i>217,744</i>	<i>-2.70%</i>	<i>817,689</i>	<i>810,580</i>	<i>-0.87%</i>
Poughkeepsie-Newb-Midd-	529,694	545,427	2.97%	118,908	128,481	8.05%	173,279	164,695	-4.95%
Syracuse-Utica-Rome	234,880	288,246	22.72%	94,323	105,427	11.77%	191,280	180,137	-5.83%
Non-MSA	300,855	403,073	33.98%	82,786	94,397	14.03%	291,790	266,295	-8.74%
Average (incl. NYC)	\$531,200	\$560,900	5.59%	\$164,800	\$169,100	2.61%	3,408,895	3,386,329	-0.66%

Table 6

CHANGES IN APPROVED OPERATING EXPENDITURES AND TAX REVENUES PER TAPU FOR EXPENSE AND TAX RATE
BY CONTIGUOUS MSA (2000 Census)

2000 Census Contiguous MSAs	<u>AOE/TAPU For Expense</u>			<u>Tax Revenue* Per TAPU For Expense</u>			<u>Tax Rate* Per \$1,000 of Actual Value</u>		
	2006-07	2010-11	Percent Change	2006-07	2010-11	Percent Change	2006-07	2010-11	Percent Change
Albany-Sch-Troy-Glens Fal	\$9,278	\$10,954	18.06%	\$5,613	\$6,807	21.27%	\$13.79	\$13.80	0.07%
Binghamton-Elmira-Ithaca	8,885	10,525	18.46%	4,076	5,134	25.96%	16.79	16.01	-4.65%
Buffalo-Cheek-Ton-Roches	8,774	10,493	19.59%	4,278	5,073	18.58%	17.06	16.92	-0.82%
New York-Suffolk-Nassau	11,597	13,152	13.41%	7,883	9,083	15.22%	11.95	13.78	15.31%
<i>without NYC</i>	<i>13,306</i>	<i>15,507</i>	<i>16.54%</i>	<i>10,458</i>	<i>12,207</i>	<i>16.72%</i>	<i>11.11</i>	<i>14.05</i>	<i>26.46%</i>
Poughkeepsie-Newb-Midd-	10,041	12,253	22.03%	6,618	8,250	24.66%	12.56	15.15	20.62%
Syracuse-Utica-Rome	8,834	10,378	17.48%	3,807	4,749	24.74%	16.23	16.52	1.79%
Non-MSA	9,142	10,865	18.85%	3,788	4,789	26.43%	12.67	11.95	-5.68%
Average (incl. NYC)	\$10,650	\$12,350	15.96%	\$6,619	\$7,819	18.13%	\$12.54	\$14.03	11.88%

* In both 2006-07 and 2010-11, the Tax Revenue and Tax Rate exclude STAR revenue.

Table 7

NUMBER OF SCHOOL DISTRICTS STATEWIDE
BELOW THE 25TH AND ABOVE THE 75TH
PERCENTILE OF 2010-11 AOE/TAPU FOR EXPENSE

2000 Census Contiguous MSAs	Number of Districts	# Below 25th %ile	# Above 75th %ile
Albany-Schenectady-Troy-Glens Falls	67	20	7
Binghamton-Elmira-Ithaca	27	12	0
Buffalo-Cheektowaga-Tonawanda-Rochester	89	43	0
New York-Suffolk-Nassau	176	0	125
Poughkeepsie-Newburgh-Middletown-Kingston	39	3	9
Syracuse-Utica-Rome	63	25	3
Non-MSA	<u>215</u>	<u>66</u>	<u>25</u>
Number of Districts	676	169	169

Statewide 25th percentile is \$10,350

Statewide 75th percentile is \$14,899

III

COMPARISONS OF PER PUPIL EXPENDITURES AND WEALTH BY DISTRICT RANK

Section III is designed to highlight the relationship between school district wealth and expenditure per pupil. A useful technique for portraying this relationship is first to rank order all districts in terms of their Approved Operating Expenditures per Total Aidable Pupil Unit for Expense (AOE/TAPU for Expense) from the lowest to the highest spending district. This array can then be split into 10 equally numbered groups, or deciles, and each of the expenditure deciles thus created can be described in terms of selected measures of district wealth as determined by Actual Value per Total Wealth Pupil Unit (AV/TWPU) and Income per Total Wealth Pupil Unit (Income/TWPU). The resulting decile tables (Tables 9 through 12) provide a quick comparison of school districts with similar approved operating expenditures per pupil and the degree to which changes in wealth are associated with changes in expenditure per TAPU.

Table 8 provides a comparison of AOE/TAPU for Expense, by selected district percentiles. As noted, Total Aidable Pupil Units (TAPU) was used for school years 1973-74 through 1979-80; and since 1980-81, TAPU for Expense, which includes weightings for students with disabilities, has been the pupil measure. The percentile values displayed (10th, 25th, 50th, 75th and 90th) are for all major school districts excluding New York City. New York City data are shown separately. Table 8 also displays the difference between the 90th and 10th percentiles, and the resulting expenditure gap expressed as a percent of the 10th percentile value. This expenditure gap measure can be viewed as a simple equality measure, with high values indicative of greater spending inequality among districts. As the last column of this table indicates, this expenditure gap generally decreased from 1992-93 until 1999-00, and, except for 2007-08, 2009-10 and 2010-11, has generally been increasing since the 2001-02 school year. At 84.4 percent, the 2001-02 expenditure gap is the smallest of the 19 years displayed.

Between the 2009-10 and 2010-11 school years, the median (50th percentile) district AOE per TAPU for Expense increased 3.6 percent or \$406. For the 10th percentile district, the change was an increase of \$222 or 2.4 percent; for the 90th percentile district, the per-pupil change was an increase of \$350 or 2.0 percent.

Over the 19-year period, the median approved operating expenditure per weighted pupil has increased by about 125 percent; however, the expenditure gap over the same period has increased by 97 percent.

In 1980-81, the method of computing the pupil count was changed to include weighted students with disabilities. Since there are a relatively large number of students with disabilities in New York City, this method of calculation has served to inflate New York City's pupil count, thus lowering their AOE per weighted pupil figures. New York City's AOE per pupil has been below the median from 1992-93 through 1999-00 and fell below the 25th percentile in 1996-97. Since 2002-03, New York City's AOE per pupil is above the 50th percentile.

Table 8

DISTRIBUTION OF APPROVED OPERATING EXPENDITURES PER WEIGHTED PUPIL*
 MAJOR SCHOOL DISTRICTS
 1992-93 TO 2010-11

School Year	New York City	District Percentiles** All Major Districts (Excluding New York City)					Difference 10th & 90th Percentiles	Difference as a Percent of 10th Percentile
		10	25	50	75	90		
2010-11	\$11,731	\$9,494	\$10,350	\$11,689	\$14,899	\$18,164	\$8,670	91.3 %
2009-10	11,920	9,272	10,055	11,283	14,255	17,814	8,542	92.1
2008-09	12,100	9,068	9,702	11,023	14,007	17,545	8,477	93.5
2007-08	11,545	8,630	9,242	10,407	13,122	16,174	7,544	87.4
2006-07	10,581	8,096	8,662	9,761	12,377	15,558	7,462	92.2
2005-06	9,578	7,614	8,206	9,228	11,594	14,573	6,959	91.4
2004-05	8,776	7,100	7,668	8,630	10,781	13,681	6,581	92.7
2003-04	8,025	6,554	7,130	7,974	9,870	12,350	5,796	88.4
2002-03	7,639	6,313	6,784	7,555	9,391	11,769	5,456	86.4
2001-02	7,052	6,043	6,508	7,202	9,013	11,141	5,098	84.4
2000-01	6,927	5,739	6,164	6,916	8,712	10,714	4,975	86.7
1999-00	6,181	5,489	5,854	6,564	8,286	10,129	4,640	84.5
1998-99	5,847	5,219	5,594	6,227	7,964	9,832	4,613	88.4
1997-98	5,465	5,025	5,361	5,993	7,742	9,429	4,404	87.6
1996-97	5,118	4,875	5,201	5,906	7,616	9,443	4,568	93.7
1995-96	5,320	4,723	5,073	5,700	7,510	9,226	4,503	95.3
1994-95	5,256	4,609	4,977	5,638	7,359	9,200	4,591	99.6
1993-94	5,118	4,443	4,797	5,413	7,114	8,878	4,435	99.8
1992-93	4,966	4,224	4,594	5,187	6,816	8,626	4,402	104.2

* Weighted pupil count from 1973-74 to 1979-80, was TAPU; 1980-81 to present, TAPU for Expense (See Glossary for definitions).

** The value of the district at the percentile shown below is listed.

For Tables 9 through 12, districts were ranked respectively on Expenditure (AOE/TAPU for Expense), Property Wealth (AV/TWPU), Income Wealth (Income/TWPU) and a Need/Resource Index. Based on the ranking value for a given table, the State's 675 major districts (excluding New York City) were divided into ten decile groupings. (A district could conceivably be in a different decile group on each table.) Each table displays the highest value for each decile group on the ranking measure as well as the decile average for the ranking measure and eight other data measures, plus the 2010-11 enrollment (see Glossary for definition). State averages and New York City values for each data measure are also described at the bottom of each table.

The decile rankings of Tables 9, 10 and 11 permit the reader to compare individual school district information in a number of ways; it can be compared to other districts within its decile group, to other decile groups, or to the State average. For example, referring to Table 9, a district with a 2010-11 AOE/TAPU for Expense of \$12,350 would fall in the sixth expenditure decile (between \$11,689 and \$12,592). A district at or below \$9,494 would fall in the lowest spending first decile. With an AOE/TAPU for Expense of \$11,731, New York City would fall in the sixth decile, if the deciles had included New York City. The average AV/TWPU for the third AOE/TAPU for Expense decile grouping was \$365,761 and the average Total Expenditure/TAPU for Expense was \$14,402 for this same group of districts.

In a review of the three decile tables, attention should be drawn to the fact that all three ranking measures are positively skewed, since their respective State averages are heavily influenced by the extremely high values associated with districts in the ninth and tenth deciles. Thus, for example, the pupil weighted State average AOE/TAPU for Expense (including NYC) of \$12,350 shown in Table 9 falls into the sixth decile of expense, above the AOE/TAPU for Expense of the district at the 50th percentile of expense (\$11,689 per pupil). This is due to the pronounced effect of the more extreme per pupil spending patterns in the highest spending decile. This phenomenon is particularly pronounced in the case of Income/TWPU (shown in Table 11) since the statewide average of \$169,100 per pupil is well above the 50th percentile maximum value of \$115,514. Once again, this is attributable to the unusually high per pupil income of school districts in the tenth decile of income wealth where the average income per pupil (\$411,219) is 2.4 times the statewide average.

The School Tax Relief (STAR) program started in 1998-99. Tables 9, 10 and 11 show State revenue to school districts under the STAR program on a per-pupil basis. Generally, lower spending and lower wealth districts receive less STAR/TAPU for Expense, however this pattern is most pronounced in Table 11, which ranks districts based on Income/TWPU. Consistent with past issues of this report, Other Revenue from State/TAPU for Expense does not include State revenue for STAR.

For Table 12, districts are ranked using a Need/Resource Index. The need/resource index is designed to measure each district's (or decile's) student need in relation to its capacity to raise local revenues, indexed to State averages.

Table 9

2010-11 WEALTH, EXPENDITURE, REVENUE AND AID DATA
RANKED BY AOE PER TAPU FOR EXPENSE
DECILES FOR ALL MAJOR DISTRICTS EXCLUDING NEW YORK CITY

		DECILE AVERAGE*									2010-11 Enrollment
		AOE per TAPU for Exp.	Actual Valuation per TWPU	Total Exp.** per TAPU for Exp.	STAR Revenue per TAPU for Exp.	Other Revenue from State*** per TAPU for Exp.	Income per TWPU	Income (excl. STAR) per Return	Tax Rev. (excl. STAR) per TAPU for Exp.	Tax Rate (excl. STAR) per \$1,000 Full Value	
AOE/TAPU Deciles (upper limit shown)											
1=	\$9,494	\$8,812	\$287,431	\$12,861	\$851	\$6,586	\$104,929	\$44,384	\$4,077	\$14.25	165,335
2=	10,143	9,887	343,281	13,892	1,052	6,172	123,898	48,726	5,386	15.76	150,841
3=	10,563	10,334	365,761	14,402	984	6,570	120,229	48,381	5,464	14.98	149,009
4=	11,045	10,758	286,936	14,947	767	7,784	101,436	43,521	4,531	15.84	190,740
5=	11,689	11,368	374,206	16,032	933	7,622	117,498	47,474	5,553	14.87	192,488
6=	12,592	12,139	462,342	16,425	1,079	6,730	126,627	50,819	6,921	14.72	166,256
7=	13,942	13,105	576,628	16,702	1,244	5,418	137,155	56,717	8,677	14.91	185,637
8=	15,555	14,817	682,367	18,731	1,576	4,779	166,889	68,285	10,759	15.87	232,668
9=	18,164	16,664	864,718	20,202	1,694	3,482	219,256	86,989	13,617	15.78	185,075
10=	168,808	20,437	1,900,331	25,505	1,490	1,750	426,965	164,547	20,423	10.53	104,334
All Major Districts Avg. (excluding NYC)		12,691	576,064	16,783	1,173	5,810	155,974	63,429	8,226	14.35	1,722,383
New York City		11,731	537,666	16,512	529	5,920	189,327	68,253	7,197	13.52	1,064,088
All Major Districts Avg. (including NYC)		\$12,350	\$560,900	\$16,676	\$918	\$5,853	\$169,100	\$65,500	\$7,819	\$14.03	2,786,471
Decile Rank		6	7	6	4	5	8	8	6	5	

* Values shown are the weighted averages for all 67 or 68 districts with an AOE/TAPU for Exp. less than or equal to the upper limit for the decile.

** Total Expenditure includes Debt Service and Special Aid Fund.

*** Other State Revenue does not include STAR.

Table 10

2010-11 WEALTH, EXPENDITURE, REVENUE AND AID DATA
RANKED BY ACTUAL VALUATION PER TWPU
DECILES FOR ALL MAJOR DISTRICTS EXCLUDING NEW YORK CITY

Actual Valuation/TWPU Deciles (upper limit shown)	DECILE AVERAGE*									
	Actual Valuation per TWPU	AOE per TAPU for Exp.	Total Exp.** per TAPU for Exp.	STAR Revenue per TAPU for Exp.	Other Revenue from State*** per TAPU for Exp.	Income per TWPU	Income (excl. STAR) per Return	Tax Rev. per TAPU for Exp.	Tax Rate (excl. STAR) per \$1,000 Full Value	2010-11 Enrollment
1= \$221,800	\$165,969	\$10,391	\$15,682	\$613	\$10,334	\$71,192	\$33,583	\$2,379	\$14.35	231,216
2= 259,259	240,949	10,145	14,782	991	8,435	92,643	39,247	3,775	15.75	91,569
3= 306,666	281,458	10,723	14,908	969	7,871	98,198	40,275	4,685	16.66	143,351
4= 355,881	330,116	11,052	15,064	1,077	6,953	110,985	43,961	5,484	16.64	166,247
5= 435,143	395,611	11,089	14,806	1,049	5,670	131,572	50,162	6,634	16.86	166,286
6= 530,544	481,005	12,246	15,739	1,261	5,065	145,076	57,989	8,034	16.91	225,309
7= 623,091	561,407	13,087	16,727	1,365	5,166	142,272	58,424	8,854	15.65	234,840
8= 848,109	739,333	14,450	18,248	1,571	3,454	190,676	75,354	11,687	15.93	234,481
9= 1,329,064	1,059,785	16,664	20,520	1,526	2,375	260,863	104,730	15,282	14.52	144,583
10= 45,212,956	2,397,660	19,709	24,874	1,143	1,690	475,291	173,365	20,249	8.48	84,501
All Major Districts Avg. (excluding NYC)	576,064	12,691	16,783	1,173	5,810	155,974	63,429	8,226	14.35	1,722,383
New York City	537,666	11,731	16,512	529	5,920	189,327	68,253	7,197	13.52	1,064,088
All Major Districts Avg. (including NYC)	\$560,900	\$12,350	\$16,676	\$918	\$5,853	\$169,100	\$65,500	\$7,819	\$14.03	2,786,471
Decile Rank	7	6	6	4	5	8	8	6	5	

* Values shown are the weighted averages for all 67 or 68 districts with AV/TWPU less than or equal to the upper limit for the decile.

** Total Expenditure includes Debt Service and Special Aid Fund.

*** Other State Revenue does not include STAR.

Table 11

2010-11 WEALTH, EXPENDITURE, REVENUE AND AID DATA
RANKED BY INCOME PER TWPU
DECILES FOR ALL MAJOR DISTRICTS EXCLUDING NEW YORK CITY

Income/TWPU Deciles (upper limit shown)	DECILE AVERAGE*									
	Income per TWPU	AOE per TAPU for Exp.	Total Exp.** per TAPU for Exp.	STAR Revenue per TAPU for Exp.	Other Revenue from State*** per TAPU for Exp.	Actual Valuation per TWPU	Income per Return	Tax Rev. (excl. STAR) per TAPU for Exp.	Tax Rate (excl. STAR) per \$1,000 Full Value	2010-11 Enrollment
1= \$76,270	\$63,703	\$10,733	\$15,650	\$548	\$9,928	\$195,467	\$32,001	\$3,014	\$15.41	180,188
2= 85,144	79,753	11,346	16,894	688	11,069	245,868	36,054	2,905	11.85	116,670
3= 93,879	89,344	11,056	15,728	938	8,853	301,452	38,063	4,415	14.72	114,809
4= 103,430	99,371	11,644	15,751	967	7,346	381,557	41,864	6,012	15.79	122,933
5= 115,514	109,785	10,893	15,152	1,028	6,696	381,262	43,099	5,651	14.88	112,444
6= 129,540	122,930	11,852	15,613	1,227	5,630	441,349	46,598	7,209	16.42	209,062
7= 146,396	136,991	12,322	16,014	1,363	5,009	521,089	53,540	8,282	16.06	224,688
8= 178,147	160,347	12,939	16,424	1,369	4,255	635,803	61,828	9,518	14.93	242,240
9= 236,995	203,969	13,749	17,330	1,486	2,921	788,516	80,019	11,514	14.76	226,346
10= 969,358	411,219	18,356	22,604	1,527	1,722	1,504,819	162,499	17,864	11.94	173,003
All Major Districts Avg. (excluding NYC)	155,974	12,691	16,783	1,173	5,810	576,064	63,429	8,226	14.35	1,722,383
New York City	189,327	11,731	16,512	529	5,920	537,666	68,253	7,197	13.52	1,064,088
All Major Districts Avg. (including NYC)	\$169,100	\$12,350	\$16,676	\$918	\$5,853	\$560,900	\$65,500	\$7,819	\$14.03	2,786,471
Decile Rank	8	6	6	4	5	7	8	6	5	

* Values shown are the weighted averages for all 67 or 68 districts with Income/TWPU less than or equal to the upper limit for the decile.

** Total Expenditure includes Debt Service and Special Aid Fund.

*** Other State Revenue does not include STAR.

Need is based on the Extraordinary Needs (EN) percent compared to the State average EN percent. The EN percent is a ratio of the poverty count, sparsity count and limited English proficient pupils to the district enrollment. The EN percent was used to calculate Extraordinary Needs Aid from 1993-94 until 2006-07. Starting in 2007-08, a census poverty measure was added to the poverty count which had been based on free and reduced price lunch. The Resource measure is based on the Combined Wealth Ratio (CWR), used in the calculation of Formula Operating Aid since 1984-85 and in the calculation of Foundation Aid starting in 2007-08. The CWR is based equally on property wealth per pupil compared to the State average and income wealth per pupil compared to the State average.

In order to measure each district's extraordinary student need relative to its wealth, the EN percent, compared to the State average, was divided by the Combined Wealth Ratio. The resulting index value was then used to array the 675 major districts in the State (excluding NYC) into the ten ascending decile groups in the table. Districts with relatively low needs and high resources will fall in the first decile (pages 13 and 15 describe the use of deciles). Districts (or district decile groups) that serve relatively high percentages of students with Extraordinary Needs but have limited resources available to address the need (a low Combined Wealth Ratio) would have a very high need/resource index. Had New York City been included in the ranking, with an index of 1.477, it would fall into the sixth decile.

A review of the table indicates that high Need/Resource Index districts generally have lower property and income wealth than the State average. They generally spend (AOE and Total Expenditures per pupil) less than the State average and raise less per pupil in local tax revenue. High Need/Resource Index districts tend to receive less STAR revenue per pupil than low need districts. They receive more Other State Revenue per pupil than low need districts. Although the average Tax Rate of districts in the tenth decile is 96 percent of the State average, the average Tax Revenue per pupil raised by those districts is about 29 percent of the State average. Conversely, districts in the first decile tax at 84 percent of the State average but, on average, raise over twice as much Tax Revenue per pupil as the State average.

Table 12

2010-11 WEALTH, EXPENDITURE, REVENUE AND AID DATA
RANKED BY NEED/RESOURCE INDEX
DECILES FOR ALL MAJOR DISTRICTS EXCLUDING NEW YORK CITY

Need/Resource Index Deciles (upper limit shown) (decile 1 = low need)	DECILE AVERAGE*									
	AOE per TAPU for Exp.	Actual Valuation per TWPU	Total Exp.** per TAPU for Exp.	STAR Revenue per TAPU for Exp.	Other Revenue from State*** per TAPU for Exp.	Income per TWPU	Income per Return	Tax Rev. (excl. STAR) per TAPU for Exp.	Tax Rate (excl. STAR) per \$1,000 Full Value	2010-11 Enrollment
1= 0.088	\$17,286	\$1,402,472	\$21,059	\$1,514	\$2,032	\$351,587	\$158,131	\$16,273	\$11.79	181,390
2= 0.200	13,966	732,112	17,438	1,445	3,180	207,632	86,307	11,586	15.82	232,394
3= 0.409	12,518	621,046	15,915	1,377	3,966	167,790	65,166	9,387	15.16	241,561
4= 0.709	12,448	576,187	16,212	1,318	4,681	147,268	55,247	8,643	15.13	227,491
5= 1.017	12,035	480,277	16,114	1,238	5,597	127,109	45,850	7,564	15.82	168,294
6= 1.400	12,061	459,792	16,454	1,156	6,969	118,986	45,143	6,493	14.15	147,103
7= 1.938	11,355	350,179	15,604	954	7,593	102,199	39,924	5,456	15.63	138,518
8= 2.445	11,627	315,004	16,385	950	9,052	89,749	38,071	4,831	15.47	92,371
9= 3.186	11,204	272,121	15,864	733	9,768	79,087	35,985	3,775	13.91	99,042
10= 8.956	10,551	165,261	16,057	520	10,817	66,805	32,608	2,232	13.50	194,219
All Major Districts Avg. (excluding NYC)	12,691	576,064	16,783	1,173	5,810	155,974	63,429	8,226	14.35	1,722,383
New York City (1.477)	11,731	537,666	16,512	529	5,920	189,327	68,253	7,197	13.52	1,064,088
All Major Districts Avg.(including NYC)	\$12,350	\$560,900	\$16,676	\$918	\$5,853	\$169,100	\$65,500	\$7,819	\$14.03	2,786,471
Decile Rank	6	7	6	4	5	8	8	6	5	

* Values shown are the weighted averages for all 67 or 68 districts with a Need/Resource Index less than or equal to the upper limit for the decile.

** Includes Debt Service and Special Aid Fund.

*** Other State Revenue does not include STAR.

IV

FOUR-YEAR CHANGES IN SCHOOL FINANCES 2006-07 to 2010-11

This section contains longitudinal information concerning total pupils, key expenditure categories, school district taxes and other revenues, actual valuation and personal income. Each of these items of information is presented by Total State, New York City and Rest of State. Percent changes for year-to-year increments, as well as over the four-year period, are shown also. Table 13 contains five pupil counts. Table 14 contains gross financial amounts, which are then presented on a per-pupil basis in Tables 15 and 16. In this fashion, trends can be reviewed; State totals are analyzed including and excluding New York City. Data in Tables 13 through 16 include major districts only.

Over the four-year period, the Total Aidable Pupil Units (TAPU) for Expense, displayed in Table 13, have decreased 0.3 percent in the State. Although consistent in recent years, changes in the definition of TAPU make year-to-year comparisons of TAPU with enrollment difficult unless the changes in definition and their impact are reviewed (See Glossary for changes in definition). For example, a significant change in the 1992-93 pupil counts was the legislated change in definition to exclude students with disabilities attending private and State operated schools. All of New York City's pupil counts increased over the four-year period with the largest increases in TAPU for Expense and TWPU. Statewide, all five pupil counts decreased each year except for 2009-10. All pupil counts for Rest of State districts decreased over the four-year period.

Total General and Special Aid Fund Expenditures shown in Table 14 have increased by at least 2.1 percent every year for both Rest of State districts and New York City. In 2010-11, total expenditures increased 2.2 percent statewide. Over the four-year period, total expenditures increased 16.9 percent statewide and 22.2 percent in New York City.

Approved operating expenditures (AOE) over the four-year period increased 18.2 percent in New York City, and 13.3 percent in the Rest of State school districts. Statewide, approved operating expenditures increased only 1.0 percent in 2009-10 and in 2010-11.

Similar to total expenditures and AOE, instructional expenses increased in each year. In 2007-08 (the first year of Foundation Aid), New York City's instructional expenses increased 8.7 percent over 2006-07. Statewide, instructional expenses increased 19.8 percent over the four-year period.

Statewide, debt service increased 17.0 percent over the past four years. Over the past four years debt service for New York City decreased 1.0 percent, while Rest of State increased 25.8 percent.

From 2006-07 to 2010-11, Total Revenue from State sources (including STAR Revenue starting in 1998-99) increased by 6.3 percent for Rest of State districts and by 7.5 percent for New York City.

Table 13

SELECTED PUPIL COUNTS USED IN SCHOOL AID FORMULAS
NEW YORK STATE MAJOR SCHOOL DISTRICTS
2006-07 TO 2010-11

	2006-07	2007-08	Prcnt Chng	2008-09	Prcnt Chng	2009-10	Prcnt Chng	2010-11	Prcnt Chng	4-Yr Prcnt Chng
I. Total Aidable Pupil Units (TAPU) for Expense**										
New York City	1,262,682	1,277,558	1.2 %	1,301,550	1.9 %	1,329,632	2.2 %	1,346,273	1.3 %	6.6 %
Rest of State	2,152,940	2,131,286	-1.0	2,102,077	-1.4	2,081,810	-1.0	2,058,895	-1.1	-4.4
Total State	3,415,622	3,408,844	-0.2	3,403,627	-0.2	3,411,442	0.2	3,405,168	-0.2	-0.3
II. Total Enrolled Pupils										
New York City	1,034,261	1,027,904	-0.6 %	1,035,819	0.8 %	1,051,189	1.5 %	1,064,088	1.2 %	2.9 %
Rest of State	1,781,907	1,762,743	-1.1	1,752,461	-0.6	1,738,186	-0.8	1,722,383	-0.9	-3.3
Total State	2,816,168	2,790,647	-0.9	2,788,280	-0.1	2,789,375	0.0	2,786,471	-0.1	-1.1
III. Total Wealth Pupil Units (TWPU)										
New York City	1,252,804	1,269,684	1.3 %	1,293,732	1.9 %	1,323,008	2.3 %	1,333,191	0.8 %	6.4 %
Rest of State	2,145,079	2,123,144	-1.0	2,093,696	-1.4	2,074,300	-0.9	2,053,138	-1.0	-4.3
Total State	3,397,883	3,392,828	-0.1	3,387,428	-0.2	3,397,308	0.3	3,386,329	-0.3	-0.3
IV. Resident Weighted Average Daily Attendance (RWADA)***										
New York City	990,175	990,521	0.0 %	995,489	0.5 %	1,015,963	2.1 %	1,025,796	1.0 %	3.6 %
Rest of State	1,853,352	1,835,076	-1.0	1,811,849	-1.3	1,795,592	-0.9	1,779,765	-0.9	-4.0
Total State	2,843,527	2,825,597	-0.6	2,807,338	-0.6	2,811,555	0.2	2,805,561	-0.2	-1.3
V. Duplicated Combined Adjusted Average Daily Membership (DCAADM)****										
New York City	1,018,959	1,024,062	0.5 %	1,027,178	0.3 %	1,044,163	1.7 %	1,057,023	1.2 %	3.7 %
Rest of State	1,780,459	1,771,573	-0.5	1,755,798	-0.9	1,744,219	-0.7	1,727,579	-1.0	-3.0
Total State	2,799,418	2,795,635	-0.1	2,782,976	-0.5	2,788,382	0.2	2,784,602	-0.1	-0.5

* Starting in 1992-93, all counts except DCAADM exclude students with disabilities attending private schools.

** TAPU for Expense is the one year TAPU with the weights prescribed in law for each year.

*** RWADA for 1988-89 and thereafter uses all attendance periods.

**** DCAADM, starting in 1990-91, includes resident students attending other public school districts. Starting in 2007-08, full-day pre-K enrollment is weighted at 1.0.

Table 14

SELECTED FISCAL DATA - NEW YORK STATE MAJOR SCHOOL DISTRICTS
2006-07 TO 2010-11

	2006-07	2007-08	Prct Chng	2008-09	Prct Chng	2009-10	Prct Chng	2010-11	Prct Chng	4-Yr Prct Chng
I. Total General and Special Aid Fund Expenditures, in thousands										
New York City	\$18,195,451	\$19,530,164	7.3 %	\$20,803,240	6.5 %	\$21,705,342	4.3 %	\$22,229,441	2.4 %	22.2 %
Rest of State	30,371,135	31,873,906	4.9	33,099,512	3.8	33,849,525	2.3	34,554,385	2.1	13.8
Total State	48,566,586	51,404,070	5.8	53,902,752	4.9	55,554,867	3.1	56,783,826	2.2	16.9
II. Approved Operating Expenditures, in thousands										
New York City	\$13,360,617	\$14,749,266	10.4 %	\$15,749,181	6.8 %	\$15,849,392	0.6 %	\$15,793,349	-0.4 %	18.2 %
Rest of State	23,059,660	24,465,556	6.1	25,337,294	3.6	25,641,002	1.2	26,129,687	1.9	13.3
Total State	36,420,277	39,214,822	7.7	41,086,475	4.8	41,490,394	1.0	41,923,036	1.0	15.1
III. Instructional Expenses, in thousands										
New York City	\$14,043,716	\$15,261,393	8.7 %	\$15,666,618	2.7 %	\$16,870,608	7.7 %	\$17,384,344	3.0 %	23.8 %
Rest of State	22,136,032	23,302,552	5.3	24,224,735	4.0	24,866,360	2.6	25,972,194	4.4	17.3
Total State	36,179,748	38,563,945	6.6	39,891,353	3.4	41,736,968	4.6	43,356,538	3.9	19.8
IV. Total Debt Service, in thousands										
New York City	\$915,972	\$804,349	-12.2 %	\$843,769	4.9 %	\$927,334	9.9 %	\$907,226	-2.2 %	-1.0 %
Rest of State	1,863,136	1,962,721	5.3	2,079,677	6.0	2,244,628	7.9	2,343,981	4.4	25.8
Total State	2,779,108	2,767,070	-0.4	2,923,446	5.7	3,171,962	8.5	3,251,207	2.5	17.0
V. Total Revenue from State Sources, in thousands (including STAR starting in 1998-99)										
New York City	\$8,073,019	\$9,030,628	11.9 %	\$9,811,367	8.6 %	\$8,893,415	-9.4 %	\$8,681,747	-2.4 %	7.5 %
Rest of State	13,518,215	14,568,664	7.8	15,496,178	6.4	14,504,185	-6.4	14,376,529	-0.9	6.3
Total State	21,591,234	23,599,292	9.3	25,307,545	7.2	23,397,600	-7.5	23,058,276	-1.5	6.8
VI. Local Tax and Other Revenues, in thousands (excluding STAR)										
New York City	\$8,536,341	\$9,037,216	5.9 %	\$9,505,091	5.2 %	\$10,769,609	13.3 %	\$10,819,416	0.5 %	26.7 %
Rest of State	16,429,472	16,929,776	3.0	17,482,407	3.3	17,883,004	2.3	18,415,560	3.0	12.1
Total State	24,965,813	25,966,992	4.0	26,987,498	3.9	28,652,613	6.2	29,234,976	2.0	17.1
VII. Total Personal Income, in millions										
New York City	\$239,201	\$292,028	22.1 %	\$262,884	-10.0 %	\$232,993	-11.4 %	\$252,409	8.3 %	5.5 %
Rest of State	320,772	350,030	9.1	324,072	-7.4	303,762	-6.3	320,235	5.4	-0.2
Total State	559,973	642,058	14.7	586,956	-8.6	536,755	-8.6	572,644	6.7	2.3
VIII. Actual Valuation of Real Property, in millions										
New York City	\$607,288	\$722,858	19.0 %	\$737,073	2.0 %	\$723,545	-1.8 %	\$716,812	-0.9 %	18.0 %
Rest of State	1,197,593	1,301,559	8.7	1,301,598	0.0	1,275,675	-2.0	1,182,740	-7.3	-1.2
Total State	1,804,881	2,024,417	12.2	2,038,671	0.7	1,999,220	-1.9	1,899,552	-5.0	5.2

During the same 2006-07 to 2010-11 period, school district local tax and other revenues (excluding STAR starting in 1998-99) for non-New York City districts increased 12.1 percent, a total increase of approximately \$1.99 billion. Local tax and other revenues in New York City increased by 26.7 percent, or \$2.28 billion, over the same period.

Property value and income data form the basis upon which most State Aid to school districts is distributed. School districts having increases in actual value per pupil or income per pupil in excess of the State average would receive less formula operating aid per pupil. Between 1986-87 and 1991-92, the yearly percent increases in actual value registered in double digits. This steep increase was due to a general rise in property values and was also due in part to steps taken by the NYS Office of Real Property Tax Services to reduce the lag between the full value standard date and the assessment roll date that had been allowed to develop during the early 1980's. The lag was reduced incrementally from 54 months (in 1985) to 12 months (starting in 1993). The lag increased to 24 months for the 1996 actual value and dropped to 12 months for the 1997 actual value. Beginning with 1999 equalization rates, the lag drops to 0 months. There is an additional lag between the assessment roll date and the use of valuation data for school aid. For example, the 2007 assessment roll data converted to actual value on the basis of a July 2006 equalization rate standard were used in the calculation of 2010-11 aid, a 3.5 year lag from the full value standard of the rate to the aid year (2006 to 2010-11). Income data is more current, with 2007 calendar year income used for 2010-11 school aid. The 1996 legislation specified the use of 1994 actual value and income for 1997-98 aid in order to allow for the use of more final data for the State's budgeting purposes. This added one more year to the lag starting with 1997-98 school aid.

In 2010-11, actual value decreased an average of 5.0 percent for the year, while personal income increased 6.7 percent. In 2010-11, New York City's actual value decreased 0.9 percent compared to a 7.3 percent decrease for Rest of State. Over the four-year period, personal income increased by 2.3 percent for the State, while actual value increased by 5.2 percent. For New York City, over the four-year period, personal income increased by 5.5 percent while actual value increased by 18.0 percent.

Table 15 displays per pupil (Duplicated Combined Adjusted Average Daily Membership) averages of the first six data elements contained in Table 14. Total General and Special Aid Fund Expenditures per Pupil, Approved Operating Expenditures per Pupil and Instructional Expense per Pupil roughly parallel each other since 2006-07 with annual percentage increases in New York City higher than those for the Rest of State until 2008-09. Debt service per pupil decreased in New York City in 2007-08 and 2010-11 while, in the Rest of State, debt service increased each year. The percentage increase (or decrease) in total revenue from State sources (including STAR starting in 1998-99) per pupil for New York City outpaced the Rest of State each year. The 7.7 percent decrease in 2009-10 reflects the \$1,489 million deficit reduction assessment. On a statewide-basis, over the four-year period, total State revenues per pupil increased 7.4 percent while Total Expenditures per pupil increased 17.5 percent.

Local tax and other revenues (excluding STAR starting in 1998-99) per pupil increased each year. Over the four-year period, local tax and other revenues per pupil increased 22.2 percent for New York City and 15.5 percent for Rest of State.

Table 16 also displays yearly per pupil averages based on the data elements contained in Table 14, but in this instance, by using pupil counts traditionally used for State Aid purposes. Personal income per TWPU increased by 2.6 percent over the four-year period. Since 2006-07, the percent changes for New York City and Rest of State generally reflect the percent changes in personal income. Since 2006-07, New York City's average income per TWPU is higher than the State average.

New York City's average actual value per TWPU was lower than the State average each year. New York City's average actual value per RWADA also was higher than the State average in each year except 2006-07. Over the four-year period, the State average actual value per TWPU and actual value per RWADA have increased 5.6 percent and 6.7 percent, respectively.

The New York City and Rest of State tax rate increased every year except 2007-08. New York City's tax rate was lower than the State average except for 2006-07 and 2009-10. The State average tax rate increased 11.3 percent over the four-year period.

The percent increases in Approved Operating Expense per TAPU for Expense generally follow the trend in Approved Operating Expense per DCAADM shown in Table 15. New York City spends less than the State average in every year except for 2007-08 and 2008-09.

Local tax and other revenues (excluding STAR starting in 1998-99) per TWPU increased 19.1 percent in New York City for the four-year period while Rest of State increased 17.1 percent. New York City's per pupil average was lower than the State average in each year.

Table 15

AVERAGE EXPENDITURES, STATE REVENUE, AND LOCAL TAX AND OTHER REVENUES
 PER DUPLICATED COMBINED ADJUSTED AVERAGE DAILY MEMBERSHIP (DCAADM)
 NEW YORK STATE MAJOR SCHOOL DISTRICTS
 2006-07 TO 2010-11

	2006-07	2007-08	Prcnt Chng	2008-09	Prcnt Chng	2009-10	Prcnt Chng	2010-11	Prcnt Chng	4-Yr Prcnt Chng
I. Total General and Special Aid Fund Expenditures per DCAADM										
New York City	\$17,857	\$19,071	6.8 %	\$20,253	6.2 %	\$20,787	2.6 %	\$21,030	1.2 %	17.8 %
Rest of State	17,058	17,992	5.5	18,852	4.8	19,407	2.9	20,002	3.1	17.3
Total State	17,349	18,387	6.0	19,369	5.3	19,924	2.9	20,392	2.4	17.5
II. Approved Operating Expenditures per DCAADM										
New York City	\$13,112	\$14,403	9.8 %	\$15,332	6.5 %	\$15,179	-1.0 %	\$14,941	-1.6 %	14.0 %
Rest of State	12,952	13,810	6.6	14,431	4.5	14,701	1.9	15,125	2.9	16.8
Total State	13,010	14,027	7.8	14,764	5.2	14,880	0.8	15,055	1.2	15.7
III. Instructional Expenses per DCAADM										
New York City	\$13,782	\$14,903	8.1 %	\$15,252	2.3 %	\$16,157	5.9 %	\$16,447	1.8 %	19.3 %
Rest of State	12,433	13,154	5.8	13,797	4.9	14,256	3.3	15,034	5.5	20.9
Total State	12,924	13,794	6.7	14,334	3.9	14,968	4.4	15,570	4.0	20.5
IV. Total Debt Service per DCAADM										
New York City	\$899	\$785	-12.6 %	\$821	4.6 %	\$888	8.1 %	\$858	-3.4 %	-4.5 %
Rest of State	1,046	1,108	5.9	1,184	6.9	1,287	8.6	1,357	5.4	29.7
Total State	993	990	-0.3	1,050	6.1	1,138	8.3	1,168	2.6	17.6
V. Total Revenue from State Sources (including STAR starting in 1998-99) per DCAADM										
New York City	\$7,923	\$8,818	11.3 %	\$9,552	8.3 %	\$8,517	-10.8 %	\$8,213	-3.6 %	3.7 %
Rest of State	7,593	8,224	8.3	8,826	7.3	8,316	-5.8	8,322	0.1	9.6
Total State	7,713	8,441	9.4	9,094	7.7	8,391	-7.7	8,281	-1.3	7.4
VI. Local Tax and Other Revenues (excluding STAR) per DCAADM										
New York City	\$8,378	\$8,825	5.3 %	\$9,254	4.9 %	\$10,314	11.5 %	\$10,236	-0.8 %	22.2 %
Rest of State	9,228	9,556	3.6	9,957	4.2	10,253	3.0	10,660	4.0	15.5
Total State	8,918	9,288	4.2	9,697	4.4	10,276	6.0	10,499	2.2	17.7

Table 16

INCOME AND ACTUAL VALUATION PER TWPU,
ACTUAL VALUATION PER RWADA, ACTUAL VALUE TAX RATES,
APPROVED OPERATING EXPENSE PER TAPU FOR EXPENSE AND
LOCAL TAX AND OTHER REVENUES PER TWPU
NEW YORK STATE MAJOR SCHOOL DISTRICTS
2006-07 TO 2010-11

	2006-07	2007-08	Prcnt Chng	2008-09	Prcnt Chng	2009-10	Prcnt Chng	2010-11	Prcnt Chng	4-Yr Prcnt Chng
I. Income per Total Wealth Pupil Units, in thousands										
New York City	\$190.9	\$230.0	20.5 %	\$203.2	-11.7 %	\$176.1	-13.3 %	\$189.3	7.5 %	-0.8 %
Rest of State	149.5	164.9	10.2	154.8	-6.1	146.4	-5.4	156.0	6.5	4.3
Total State	164.8	189.2	14.8	173.3	-8.4	158.0	-8.8	169.1	7.0	2.6
II. Actual Valuation of Taxable Real Property per Total Wealth Pupil Units, in thousands										
New York City	\$484.7	\$569.3	17.4 %	\$569.7	0.1 %	\$546.9	-4.0 %	\$537.7	-1.7 %	10.9 %
Rest of State	558.3	613.0	9.8	621.7	1.4	615.0	-1.1	576.1	-6.3	3.2
Total State	531.2	596.7	12.3	601.8	0.9	588.5	-2.2	560.9	-4.7	5.6
III. Actual Valuation of Taxable Real Property per Resident Weighted Average Daily Attendance (RWADA), in thousands										
New York City	\$613.3	\$729.8	19.0 %	\$740.4	1.5 %	\$712.2	-3.8 %	\$698.8	-1.9 %	13.9 %
Rest of State	646.2	709.3	9.8	718.4	1.3	710.4	-1.1	664.5	-6.5	2.8
Total State	634.7	716.5	12.9	726.2	1.4	711.1	-2.1	677.1	-4.8	6.7
IV. Tax Rate (Local Tax and Other Tax Revenues (excluding STAR)) per \$1,000 Actual Valuation										
New York City	\$14.06	\$12.50	-11.1 %	\$12.90	3.1 %	\$14.88	15.4 %	\$15.09	1.4 %	7.4 %
Rest of State	13.72	13.01	-5.2	13.43	3.3	14.02	4.4	15.57	11.1	13.5
Total State	13.83	12.83	-7.3	13.24	3.2	14.33	8.3	15.39	7.4	11.3
V. Approved Operating Expenditures per TAPU for Expense										
New York City	\$10,581	\$11,545	9.1 %	\$12,100	4.8 %	\$11,920	-1.5 %	\$11,731	-1.6 %	10.9 %
Rest of State	10,711	11,479	7.2	12,053	5.0	12,317	2.2	\$12,691	3.0	18.5
Total State	10,650	11,500	8.0	\$12,050	4.8	\$12,150	0.8	\$12,350	1.6	16.0
VI. Local Tax and Other Revenues (excluding STAR) per TWPU										
New York City	\$6,814	\$7,118	4.5 %	\$7,347	3.2 %	\$8,140	10.8 %	\$8,115	-0.3 %	19.1 %
Rest of State	7,659	7,974	4.1	8,350	4.7	8,621	3.2	8,969	4.0	17.1
Total State	7,347	7,653	4.2	7,967	4.1	8,434	5.9	8,633	2.4	17.5

GLOSSARY

Definitions Used in This Report

Actual Valuation of Taxable Real Property (AV): Total assessed valuation of property on the tax rolls within the district adjusted by the State equalization rate determined for such rolls. Data are obtained from the NYS Office of Real Property Tax Services, through the Office of the State Comptroller.

Adjusted Average Daily Attendance (AADA): Adjusted Average Daily Attendance is the same as Average Daily Attendance (ADA) except half-day kindergarten ADA is weighted at .50 and is an average for the school year. Unadjusted ADA is the unweighted ADA for the school year.

Approved Operating Expenditures (AOE): Approved Operating Expenditures (AOE) are the operating expenditures for the day-to-day operation of the school as defined in Education Law. Not included are expenditures for building construction, transportation of pupils, some expenditures made to purchase services from a Board of Cooperative Educational Services or County Vocational Education and Extension Board, tuition payments to other districts, and expenditures for programs which do not conform to law or regulation. Money received as Federal aid revenue, proceeds of borrowing, and State aid for special programs are first deducted from total annual expenditures when approved operating expenditures are computed. For 1989-90, AOE was adjusted to include the TRS expense that would have been incurred without restructuring. Starting with 1992-93, AOE excludes expenditures for students with disabilities in private and State operated (Rome and Batavia) schools.

Average Daily Attendance (ADA): This pupil count is the average number of pupils present on each regular school day in a given period, an average determined by dividing the total number of attendance days of all pupils by the number of days school was in session. ADA for a group of classes or schools in session for varying numbers of days is obtained by adding together the ADA for each group. In addition, adjustments are made for the adverse effects of religious holidays on attendance. Equivalent secondary attendance of students under 21 years of age who are not on a regular day school register is added to adjusted ADA in calculating TAPU and TWPU beginning in school year 1984-85. For students 21 years of age and older, refer to the definition of Employment Preparation Education Aid. Starting in 1992-93, the attendance of pupils attending private and State operated (Rome and Batavia) schools for students with disabilities is excluded from ADA. Starting in 1999-00, charter school pupils are added to ADA.

Contiguous MSAs: Contain two adjacent MSAs (See Metropolitan Statistical Areas and Appendix C).

Debt Service: Debt Service is a combination of principal and interest on approved building projects, transportation issues and other debt instruments, both short- and long-term.

Deciles: Deciles are composed of 10 percent of the major school districts in New York State (for 2010-11, 67 or 68 school districts). The deciles exclude New York City. For example, decile 1 would contain the lowest 68 districts in a category; the value listed as the upper limit is the maximum value (10th percentile) for the group.

Duplicated Combined Adjusted Average Daily Membership (DCAADM): This pupil count consists of the average number of students receiving their educational program at district expense. It is the sum of: students enrolled in district programs (half-day kindergarten pupil weighted at 0.5); students with disabilities educated in BOCES full-time; students with disabilities educated in nonpublic schools including the State operated schools at Rome and Batavia; equivalent attendance; and prekindergarten enrollment weighted at 0.5. Since 1990-91, it includes resident students attending another public school. Since 1997-98, it includes incarcerated youth. Starting in 2007-08, full-day prekindergarten enrollment is weighted at 1.0 and half-day at 0.5.

Employment Preparation Education (EPE) Aid: Pupils 21 years of age and older who have not received a high school diploma or a high school equivalency diploma and attend employment education programs leading to a high school diploma or high school equivalency are eligible for aid under Employment Preparation Education (EPE). Aid is provided on a current year basis and is calculated based on the statewide average per pupil expenditure and an actual value aid ratio.

Enrollment/Enrolled Pupils: The total number of students entered on the roll as of the date in the fall on which data for the Basic Educational Data System are collected for the current year, including equivalent attendance and students attending full-time programs for the disabled in BOCES or nonpublic schools. In addition, prekindergarten and half-day kindergarten enrollments are weighted at 0.5. Since 1992-93, it excludes students attending private and State operated (Rome and Batavia) schools for students with disabilities. Starting in 1999-00, charter school pupils are added to enrollment. Starting in 2008-09, full-day prekindergarten enrollment is weighted at 1.0 and half-day at 0.5.

Evening School ADA: Evening School ADA was the ADA generated by half-day equivalent attendance in an approved program during the evening hours in school years prior to 1984-85 by individuals who were sixteen years of age or older. Such programs were approved by the Commissioner and lead to a high school diploma or its equivalent. The additional weighting for evening school pupils of .50 was in effect through 1984-85. (See the Average Daily Attendance definition above for attendance not on a regular day school register.)

Federal Revenue: All revenues received from the Federal Government directly or through the State Education Department in the Special Aid Fund and includes Job Training Partnership Act (JTPA) and other Federal revenues received in the General Fund. Federal revenues also include funding from: the 2009 American Recovery and Reinvestment Act; and, the 2010 Education Jobs Program (revenues from each may be recorded over more than one year).

Instructional Expense (IE): The calculation of IE, defined in subdivision 11-a of Section 3602 of Education Law and enumerated in Commissioner's Regulations 175.39 (revised 9/92), requires the summation of school district expenses which are identified in the Commissioner's Regulations as instructional plus a prorated share of fringe benefit expenses. Examples of the expenses included are: teachers' salaries, other instructional salaries, fringe benefits related to instruction, tuition expenditures, Special Aid Fund instructional expenditures, and other expenditures related to instruction, including BOCES instructional expenditures.

Local Tax and Other Revenues: Tax revenues are described below. Other revenues are any local funds other than real property taxes or non-property taxes such as a sales tax or utility tax; they may include interest income, fees, tuition, etc. Starting in 1998-99, STAR revenue is excluded.

Major School Districts: Major School Districts are school districts having eight or more teachers, exclusive of institutional (special act) school districts.

Metropolitan Statistical Area (MSA): A MSA has one or more central counties containing the area's main population concentration: an urbanized area with at least 50,000 inhabitants. A MSA may also include outlying counties which have close economic and social relationships with the central counties. The outlying counties must have a specified level of commuting to the central counties and must also meet certain standards regarding metropolitan character, such as population density, urban population and population growth. The MSAs are designated and defined by the Federal government's Office of Management and Budget (OMB). (Material for the 2000 definitions was obtained from Metropolitan Statistical Areas 2003, Bulletin No. 04-03, OMB, Office of Information and Regulatory Affairs, Statistical and Science Policy Branch, December 2003.)

Minor School Districts: Minor School Districts are school districts with fewer than eight teachers, including those districts contracting 100 percent with other districts for the education of all their students, and institutional (special act) districts.

Pupils with Special Educational Needs (PSEN): The ADA of Pupils with Special Educational Needs is determined by multiplying the composite percentage of pupils scoring below minimum competence on the third- and sixth-grade reading and mathematics Pupil Evaluation Program tests by the district's combined adjusted ADA to produce the number of pupils for weighting. Prior to 1978-79, the average was based on the 1971 and 1972 sixth-grade reading and mathematics tests. From 1978-79 through 1984-85, the average was based on the 1974 and 1975 third- and sixth-grade reading and mathematics tests. Beginning in school year 1984-85, the average was based on tests administered in 1977, 1978, 1979 and 1980. Beginning in school year 1986-87, the average was based on tests administered in the Spring of 1983 and 1984. Beginning in school year 1988-89, the average was based on tests administered in the Spring of 1985 and 1986. The weighting for eligible pupils is .25 pupil units.

Resident Weighted Average Daily Attendance (RWADA): RWADA is calculated by subtracting the WADA of non-resident pupils attending public school in the district from the district's WADA and adding the WADA of pupils resident in the district but attending full-time a school operated by a Board of Cooperative Educational Services or a county vocational education and extension board, or another public school district.

Secondary School Pupil Weighting: Secondary school ADA not otherwise weighted are eligible for an additional weight of .25. Secondary PSEN ADA (pupils with special educational needs) are eligible for an additional weight of .15 beginning in 1978-79 and a weighting of .25 beginning in 1980-81. Beginning in school year 1988-89 (aid year), Big Five occupational education pupils are no longer excluded from the additional .25 weighting for secondary.

Small City Districts: Small Cities School Districts are fiscally independent school districts located entirely or mainly within a city which had a population of less than 125,000. Prior to 1986-87 these districts had tax limits of 1.25 percent, 1.50 percent, 1.75 percent, or 2.00 percent of the five-year average Full Value. A Constitutional Amendment enacted in 1985 eliminated, as of the 1986-87 school year, the tax limits for school districts in cities with less than 125,000 population. Legislation enacted in 1997 allowed residents to vote on their school budgets.

Special Aid Fund: Since 1974-75, expenditures in this fund are for the majority of a school district's Federal funds for specific programs. Beginning with the 1987-88 school year, it also includes expenditures for certain State aid or grant programs. It includes expenditures for students with disabilities and for prekindergarten programs.

Students with Disabilities: Pupils resident of the district and attending special services or programs in public schools and BOCES, with additional weightings assigned as follows: pupils attending special services or programs 60 percent or more of the school day, 1.7; pupils in special services or programs 20 percent or more of the school week, .9; and pupils in special services or programs two periods or more of the school week, .13. Beginning with school year 1988-89 (aid year), pupils receiving direct and indirect consultant teacher services are assigned an additional .8 weighting; beginning in 1994-95 (aid year), their weighting is increased to .9. In 1998-99 (aid year), the .13 weighting was eliminated.

Summer School ADA: This is the ADA of pupils attending approved programs of instruction operated by the district during the months of July and August of the base year in accordance with the Commissioner's Regulations. The summer school weighting is .12.

Tax Rate: The tax revenue or local tax and other revenue divided by the actual valuation of real property, expressed as a rate per \$1,000 of actual valuation. Starting in 1998-99, STAR revenue is excluded.

Tax Revenues: Local revenues raised by taxation for school purposes, including property and non-property tax revenues. For the Big 5 City School Districts in the decile and contiguous MSA tables, and for New York City in general, tax revenue is Total General Fund Expenditures minus non-tax revenues. Starting in 1998-99, STAR revenue is excluded.

Total Aidable Pupil Units (TAPU): The pupil measure for Formula Operating Aid through the 2006-07 aid year. It includes combined adjusted ADA (weighted for half-day kindergarten), weighted pupils with special educational needs, weighted summer school pupils, dual enrollment pupils, and additional pupils weighted for secondary school. Aidable evening school pupils were included in TAPU through the 1984-85 school year. For Operating Aid from 1997-98 through 2006-07, one year older ADA, adjusted by an enrollment index, is used.

Total Aidable Pupil Units for Expense (TAPU for Expense): TAPU for Expense is used to compute the approved operating expense per pupil. This is the same definition as TAPU except it includes additional weightings for students with disabilities and does not use enrollment index-adjusted ADA.

Total General and Special Aid Fund Expenditures (Total Expenditures): These are the expenditures and transfers for the total school program from a district's Total General, Debt Service, and Special Aid Funds. For 1990-91 and 1991-92, the State aid withheld as a State share of local Teachers' Retirement System and Employees' Retirement System savings was excluded.

Total Personal Income: The adjusted gross personal income, including results from the school district income verification process, as reported by the Department of Taxation and Finance.

Total Revenue from State Sources: The sum total of all State aid paid to school districts pursuant to State Education Law, principally Sections 3602, 1950, 701, 711, 751 and 3609, and to related portions of the unconsolidated laws as reported on the Annual Financial Report (ST-3) by school districts. For 1990-91 and 1991-92, the State aid withheld as a State share of local Teachers' Retirement System and Employees' Retirement System savings was included. Starting in 1998-99, State revenues include School Tax Relief (STAR).

Total Wealth Pupil Units (TWPU): TWPU is based upon the AADA of pupils resident in the district plus additional weightings for PSEN, students with disabilities and secondary school pupils.

Wealth: School district wealth is determined by Actual Value per TWPU and/or Income per TWPU. Relative wealth can be calculated by dividing district Actual Value per TWPU by the State average and Income per TWPU by the State average. Wealth for computing Building, BOCES, Hardware and Transportation Aids is based on Actual Value per RWADA.

Weighted Average Daily Attendance (WADA): WADA is determined by applying the following weightings to the average daily attendance: half-day kindergarten, .50; full day kindergarten and grades one through six, 1.00; grades seven through twelve, 1.25. Beginning with 1988-89 data, the selection of best attendance periods (4 of 8, or 5 of 10) was eliminated.

APPENDIX A HISTORIC CHANGES IN PUPIL UNITS

Pupil Units to Determine Expenditures Per Pupil: Pupil units used to compute expenditures per pupil have changed over the last decades.

Use of WADA Prior to 1974-75: Prior to school year 1974-75, expenditure per pupil was based on Weighted Average Daily Attendance (WADA) computed using full-time attendance in the best 4 of 8 or 5 of 10 attendance periods with half-day kindergarten weighted at .5 and secondary pupils at an additional .25.

TAPU Definitions from 1974-75 Through 1979-80: From 1974-75 to 1977-78, the pupil count was Total Aidable Pupil Units (TAPU) based on full year attendance plus half-day kindergarten weighted at .5; pupils with special educational needs (PSEN) at an additional .25; summer school pupils at an additional .12; evening school at an additional .50; students with disabilities weighted at an additional 1.0; and secondary pupils not weighted as PSEN or students with disabilities at an additional .25. Pupils with special educational needs are determined based on third and sixth grade math and reading PEP tests. (See Glossary for year of test.)

In school years 1978-79 and 1979-80, pupil counts were based on TAPU except secondary school PSEN which had not previously received the secondary weighting including the PSEN, received an additional .15 secondary weighting. The PSEN weightings were based on 1974 and 1975 third- and sixth-grade math and reading PEP tests.

The 1980-81 school year was the first year of the new and separate formula for providing State aid for students with disabilities. Therefore, TAPU for payment of operating aid in school year 1980-81 did not contain a weighting for students with disabilities while the newly defined TAPU for Expense equaled TAPU plus the new weightings for students with disabilities. Secondary school PSEN received the PSEN weighting plus an additional .25 for secondary attendance.

Beginning in school year 1988-89, TAPU for payment was computed with occupational education pupils in Big 5 city school districts eligible for the additional .25 secondary weighting.

TAPU For Expense: Used since 1980-81 for measuring expense per pupil, a district's TAPU for Expense equals the sum of TAPU for payment of formula operating aid (which includes additional weightings as follows: PSEN at .25; secondary at .25; evening school at .5; summer school at .12); plus weighted students with disabilities (60 percent of the day, an additional 1.7; 20 percent of the week, an additional .9; 2 periods per week, an additional .13). TAPU for Expense is a one year pupil count even though TAPU for payment of operating aid may be a two-year average. For aid payable in 1984-85, TAPU and TAPU for Expense were computed based on PSEN weightings for third- and sixth-grade reading and mathematics PEP tests in the years 1977 through 1980.

For the 1984-85 school year, the additional .5 evening school weighting was applied to evening school pupils counted as contact hours/1,000. Thereafter, the evening school weighting was eliminated. Beginning with the 1984-85 school year, pupils under age 21 who were not on a regular day school register were counted as secondary pupils in the computation of ADA, based on contact hours/1,000. The contact hours of individuals 21 years old and over attending programs

leading to a high school diploma or equivalency diploma would be aided based on the new Employment Preparation Education Aid.

Beginning with school year 1988-89 (aid year), pupils receiving direct and indirect consultant teacher services are assigned an additional .8 weighting. Beginning in school year 1994-95 (aid year), their weighting is increased to .9.

PSEN weightings for school years 1986-87 and 1987-88 were based on third- and sixth-grade reading and mathematics PEP test scores, averaged for the years 1984-85 and 1984-85. These scores were used to determine weightings to be included in TAPU and TAPU for Expense. Beginning in school year 1988-89, the average was based on tests administered in the Spring of 1985 and 1986. The weighting for eligible pupils is .25 additional pupil units.

Beginning with school year 1993-94 (aid year), the attendance of pupils attending private and State operated (Rome and Batavia) schools for students with disabilities is excluded from Average Daily Attendance. Also, pupils attending private and State operated schools are excluded from receiving the additional 1.7 weighting.

For six years, beginning with school year 1997-98 (aid year), the TAPUs for the Rome, Plattsburgh and Peru school districts (districts experiencing pupil losses due to federal military base closings) are limited to decreases of no more than 2.5 percent from the prior year. The Laws of 2002, 2007 and 2012 extended this provision until June 30, 2007, June 30, 2012 and June 30, 2017, respectively.

In 1997-98 (aid year), the .13 weighting for students with disabilities was eliminated.

Charter schools were first allowed in 1999-00. To avoid negatively impacting TAPU and TAPU for Expense, charter school pupils are added to the basic pupil count (ADA).

Pupil Units to Compute District Wealth Per Pupil: The pupil units used to compute school district wealth prior to school year 1978-79 were based on Resident Weighted Average Daily Attendance (RWADA) computed based on the best 4 of 8 or 5 of 10 attendance periods of the district. Beginning with the 1990-91 aid year (1988-89 attendance), all attendance periods are used. This pupil count is based upon resident pupils with half-day kindergarten pupils weighted at .5 and secondary pupils weighted at 1.25. The difference between RWADA and WADA is: RWADA is resident pupils attending public school and WADA is based on attendance of resident and non-resident pupils. RWADA continues to be used to calculate Building, Hardware, Transportation and BOCES Aids.

In 1978-79, the pupil units used to compute wealth were Resident Total Aidable Pupil Units (RTAPU). This computation was like TAPU except that it was adjusted for residency by adding the full-time equivalent attendance of pupils residing in the district and attending other public schools, and subtracting such attendance for non-resident pupils attending district schools. Pupil weightings included were as follows: half-day kindergarten at .5; secondary at an additional .25; PSEN at an additional .25; students with disabilities at an additional 1.00; and, PSEN secondary at an additional .15. The PSEN weightings were based on third- and sixth-grade reading and mathematics PEP test score averages for 1974-75 and 1975-76.

In school year 1979-80, the RTAPU was changed to Total Wealth Pupil Units (TWPU) by using the best 7 of 8 or 9 of 10 attendance periods. Pupil weightings used in calculating RTAPU were continued in the calculation of TWPU.

In school year 1980-81, TWPU was adjusted by changing the PSEN secondary weighting to .25. Beginning with school year 1981-82, TWPU was further changed by adjusting the weighting for students with disabilities based on time in special services or programs as follows: 60 percent of the school day, an additional 1.7; 20 percent of the school week, an additional .9; and, two periods per week, an additional .13. Students with disabilities attending private schools were included and weighted at an additional 1.7. Beginning with school year 1988-89 (aid year), pupils receiving direct and indirect consultant teacher services are assigned an additional .8 weighting; beginning in 1994-95 (aid year), their weighting is increased to .9.

Beginning with school year 1984-85, PSEN weightings were based on third- and sixth-grade reading and mathematics PEP test scores averaged for the years 1977 through 1980. The definition of TWPU was also changed to include the equivalent secondary attendance of students under age 21 who are not on a regular day school register.

Beginning with the 1985-86 school year, TWPU was based on full year attendance.

For the 1986-87 and 1987-88 school years, PSEN weightings were based on third- and sixth-grade reading and mathematics PEP test scores, averaged for Spring 1983 and Spring 1984. These scores were used to determine weightings to be included in TWPU.

Beginning with the 1988-89 school year, PSEN weightings are based on third- and sixth-grade reading and mathematics PEP test scores, averaged for Spring 1985 and Spring 1986. These scores are used to determine weightings to be included in TWPU. Beginning with the 1988-89 school year, Big Five occupational education pupils are duplicated for secondary weighting.

Beginning with school year 1993-94 (aid year), the attendance of pupils attending private and State operated (Rome and Batavia) schools for students with disabilities is excluded from Average Daily Attendance. Also, pupils attending private and State operated schools are excluded from receiving the additional 1.7 weighting.

For six years, beginning with school year 1997-98 (aid year), the TWPU and RWADAs for the Rome, Plattsburgh and Peru school districts (districts experiencing pupil losses due to federal military base closings) are limited to decreases of no more than 2.5 percent from the prior year. The Laws of 2002, 2007 and 2012 extended this provision until June 30, 2007, June 30, 2012 and June 30, 2017, respectively.

In 1997-98 (aid year), the .13 weighting for students with disabilities was eliminated.

Charter schools were first allowed in 1999-00. To avoid negatively impacting TWPU and RWADA, charter school pupils are added to the basic pupil count (ADA).

In 2007-08 (aid year), enactment of the new Foundation Aid required creation of another wealth count, Total Wealth Foundation Pupil Units (TWFPFU). TWFPFU is based on resident adjusted Average Daily Membership (ADM) which weights half-day kindergarten ADM at .5 and eliminates additional weightings.

APPENDIX B

REVENUES FROM STATE SOURCES COMPARED TO TOTAL EXPENDITURES
FOR PUBLIC ELEMENTARY AND SECONDARY SCHOOLS
1940-41 TO 1991-92

School Year	Revenues from State Sources*	Total Expenditures**	Percent from State Sources
1991-92 ***	\$8,659,401,410	\$21,412,274,440	40.4 %
1990-91 ***	8,982,872,311	20,933,527,589	42.9
1989-90 ****	8,036,519,519	19,333,012,175	41.6
1988-89	8,095,692,650	18,317,487,868	44.2
1987-88	7,391,573,034	16,885,749,512	43.8
1986-87	6,663,866,747	15,461,097,106	43.1
1985-86	6,001,342,481	14,456,668,228	41.5
1984-85	5,483,139,256	13,224,994,555	41.5
1983-84	4,876,658,568	12,414,761,000	39.3
1982-83	4,644,807,892	11,549,609,412	40.2
1981-82	4,272,493,491	10,879,138,373	39.3
1980-81	3,957,793,730	9,969,092,216	39.7
1979-80	3,595,146,853	9,239,986,028	38.9
1978-79	3,367,330,294	8,687,679,124	38.8
1977-78	3,142,598,229	8,353,194,633	37.6
1976-77	3,094,496,700	7,901,601,390	39.2
1975-76	3,069,968,464	7,624,134,286	40.3
1974-75	2,922,894,314	7,392,525,957	39.5
1973-74	2,551,036,661	6,675,066,632	38.2
1972-73	2,439,706,794	5,969,276,199	40.9
1971-72	2,373,770,523	5,571,103,406	42.6
1970-71	2,325,327,909	5,253,769,955	44.3
1969-70	2,047,705,263	4,549,830,449	45.0
1968-69	1,997,898,769	4,155,247,592	48.1
1967-68	1,638,346,054 *****	3,622,486,588	45.2
1966-67	1,461,332,593	3,285,027,751	44.5
1965-66	1,272,117,831	2,799,355,786	45.4
1964-65	1,078,501,941	2,538,791,834	42.5
1963-64	1,016,065,918	2,333,788,895	43.5
1962-63	953,579,515	2,146,273,214	44.4
1961-62	800,834,961	1,915,199,813	41.8
1960-61	747,807,022	1,750,175,348	42.7
1959-60	639,233,653	1,596,411,569	40.0
1958-59	593,554,985	1,459,752,597	40.7
1957-58	514,202,929	1,328,651,873	38.7
1956-57	464,965,442	1,187,779,753	39.1
1955-56	374,038,629	1,031,370,877	36.3

APPENDIX B (con't.)

**REVENUES FROM STATE SOURCES COMPARED TO TOTAL EXPENDITURES
FOR PUBLIC ELEMENTARY AND SECONDARY SCHOOLS
1940-41 TO 1991-92**

School Year	Revenues from State Sources*	Total Expenditures**	Percent from State Sources
1954-55	342,111,458	925,362,728	37.0
1953-54	300,616,864	821,271,032	36.6
1952-53	283,792,717	754,721,654	37.6
1951-52	271,893,281	686,883,519	39.6
1950-51	249,978,815	616,183,761	40.6
1949-50	239,305,992	563,376,271	42.5
1948-49	180,313,480	528,719,498	34.1
1947-48	154,718,759	477,887,493	32.4
1946-47	137,329,874	425,614,877	32.3
1945-46	120,916,352	378,143,894	32.0
1944-45	110,877,648	352,480,890	31.5
1943-44	111,813,743	347,016,624	32.2
1942-43	117,769,828	348,833,575	33.8
1941-42	118,765,954	356,183,375	33.3
1940-41	121,563,209	357,923,285	34.0

* Includes aid to New York City on a five-borough basis since 1968-69.

** Total Expenditures include expenditures made from the Federal Aid Fund from 1965-66 to 1973-74 and from the Special Aid Fund since 1974-75. Includes expenditures from the Debt Service Fund, which was established in 1978-79. Beginning in 1983-84, some districts including New York City reported negative interfund transfers to the General Fund, tending to reduce actual expenditures.

*** Annual Financial Report data was used; however, the State aid withheld as a State share of local Teachers' Retirement System and Employees' Retirement System savings, which resulted from the restructuring noted below, was charged against revenues rather than expenditures.

**** Legislation for 1989-90 reduced State aid by approximately \$684 million due to a restructuring of Teachers' Retirement System (TRS) payments for 1988-89 salaries. However, differences among districts in both accounting method used and payment schedule for the 1988-89 TRS salaries resulted in a total expenditure amount which includes about \$306 million in TRS expenditures.

***** Includes an additional one-half year's payment of \$51,857,477 to New York City for aid on a five-borough basis.

NOTE: Expenditures made from the Federal Aid fund are included in total expenditures from 1965-66 to 1973-74. State aid figures revised to exclude School Lunch and Breakfast aid since 1964-65 when the School Lunch expenditures and revenues were established as a separate fund.

SOURCE: Table 1, "State Aid to New York State School Districts, 1965-66," January 1967. School years 1963-64 through 1966-67 have been updated, and school years since 1966-67 have been added.

APPENDIX C

COUNTIES BY CONTIGUOUS METROPOLITAN STATISTICAL AREAS (MSAs) -- 2000 Census

A district was classified as belonging to a specific MSA grouping based on the county in which its central office is located. Counties assigned to each regional grouping are shown below.

Albany-Schenectady-Troy-Glens Falls

Albany
Rensselaer
Saratoga
Schenectady
Schoharie
Warren
Washington

Binghamton-Elmira

Broome
Chemung
Tioga
Tompkins

Buffalo-Rochester-Jamestown

Erie
Livingston
Monroe
Niagara
Ontario
Orleans
Wayne

New York Metro-Long Island

Nassau
New York City
Putnam
Rockland
Suffolk
Westchester

Poughkeepsie-Newburgh

Dutchess
Orange
Ulster

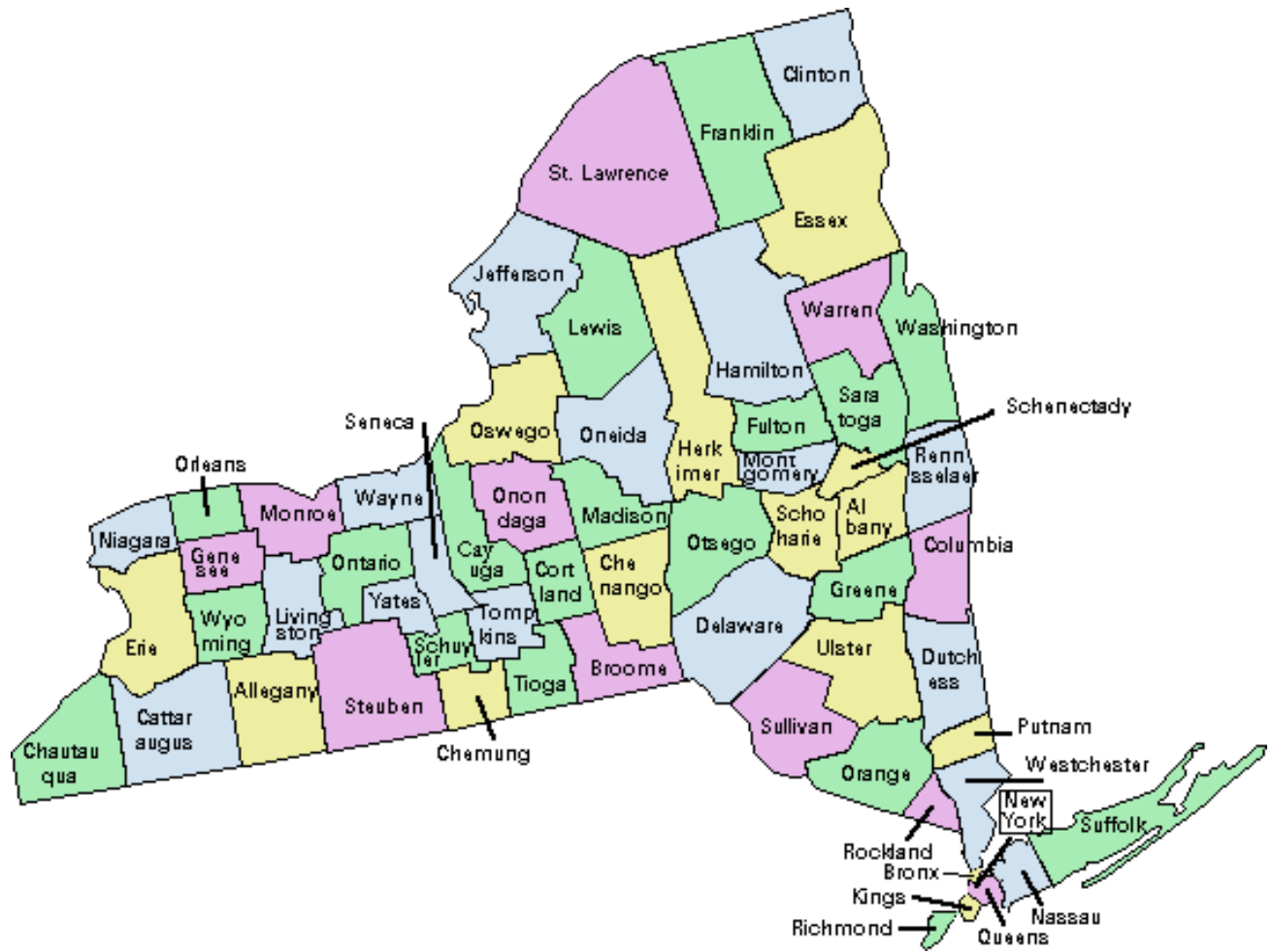
Syracuse-Utica-Rome

Herkimer
Madison
Oneida
Onondaga
Oswego

Non-MSA Counties

Allegany
Cattaraugus
Cayuga
Chautauqua
Chenango
Clinton
Columbia
Cortland
Delaware
Essex
Franklin
Fulton
Genesee
Greene
Hamilton
Jefferson
Lewis
Montgomery
Otsego
St. Lawrence
Schuyler
Seneca
Steuben
Sullivan
Wyoming
Yates

Appendix E: New York State Counties



FROM: Fiscal Analysis & Research Unit, New York State Education Department,
Room 301 EB, Albany, New York 12234 (Fax #: 518/474-5214)

RE: Analysis of School Finances in New York State School Districts Report

Introduction: As you know, the purpose of the Analysis report is to accurately summarize major trends in school district finances over time and by major aggregation groups of interest to school district officials, policy makers and legislators. In order to improve the quality of this product, we have prepared a brief (1-page) survey, which we would ask you to complete. It should take no more than 5 minutes to complete. Won't you please take a moment or two to share your thoughts with us? Should you have any questions about the survey, do not hesitate to contact Ms. Darlene Tegza (518/473-8299).

Survey Questions:

1. **Have you or other members of your staff made use of the information contained in this report?** (Check appropriate box)

NO --->And why is that? (Describe Briefly): _____

YES --->And how did you make use of the report's information? (Describe Briefly):

2. **Are there any specific sections of the report which you found especially helpful or useful?** (Describe):

3. **Thinking now about the enclosed report overall, how would you rate it on a 1-5 scale (where "1" = excellent and "5"= very poor) in terms of the following dimensions? Circle the scale value that best reflects your judgement about each aspect of the report.**

	Excellent			Very Poor	
<input type="checkbox"/> Clarity	1	2	3	4	5
<input type="checkbox"/> Utility	1	2	3	4	5
<input type="checkbox"/> Ease of Understanding	1	2	3	4	5
<input type="checkbox"/> Level of Detail	1	2	3	4	5
<input type="checkbox"/> Overall Quality	1	2	3	4	5

NOTE: Please return (or fax) the survey form to the address (Fax #) shown above.
Thank you.