

## MONEY, MONEY – WHO HAS THE MONEY? HOW DOES NEW YORK STATE CURRENTLY FINANCE EDUCATION

### I. OVERVIEW

Historically, New York State (NYS) has depended on a mix of federal, state, and local funds to finance its schools. The funding mix has varied over time, often as a result of the fiscal health of the various funding units. In the recent past, the breakdown has been as follows.<sup>1</sup> All figures are in billions of dollars.

Year	Total	State Amount	%	Federal Amount	%	Local + Other Amount	%
2003/04 <sup>2</sup>	\$39.157	\$17.44	44.5	\$2.575	6.6	\$19.142	48.9
2002/03	\$37.470	\$17.179	45.8	\$2.149	5.7	\$18.142	48.4
2001/02	\$35.179	\$17.093	48.6	\$1.772	5.0	\$16.315	46.4
2000/01	\$33.817	\$15.728	46.5	\$1.488	4.4	\$16.6	49.1
1999/00	\$31.197	\$13.691	43.9	\$1.430	4.6	\$16.076	51.5

From 1998/99 to 2002/03, total education revenues increased by 27.3%, or 15.1% after adjusting for inflation. This represented an increase per pupil of 13.8%, after adjusting for inflation.<sup>3</sup>

In fiscal year 2002 /03, 16% of state revenue was used to fund the STAR program, 73% came from the General Fund, composed primarily of sales and income tax, and approximately 11% came from a Special Fund supported by the lottery.<sup>4</sup> Property taxes accounted for 91% of local revenues.

### II. FIGURES FOR INDIVIDUAL SCHOOL DISTRICTS

Revenue figures for individual school districts for the 2002/03 school year may be found at [www.oms.nysed.gov/faru/Profiles/MASTERFILE%20forweb.xls](http://www.oms.nysed.gov/faru/Profiles/MASTERFILE%20forweb.xls) . Of particular interest in reviewing the finances of individual districts are:

Column	Heading	Description
F	ST REV	State aid revenue (excluding STAR)
G	STAR	STAR revenue
H	TOT STATE	Total state revenue (Columns F + G)

<sup>1</sup> *Analysis of School Finances in New York State School Districts*, (hereafter *Analysis*), NYS Education Department, Fiscal Analysis and Research Unit, at [www.oms.nysed.gov/faru/Analysis/2004%20Analysis.pdf](http://www.oms.nysed.gov/faru/Analysis/2004%20Analysis.pdf) (2004), p. 7.

<sup>2</sup> Estimated

<sup>3</sup> *Overview of the Statewide Fiscal Profile of New York State School Districts* (hereafter *Overview*) at [www.oms.nysed.gov/faru/Profiles/16th/statewide\\_fiscal.htm](http://www.oms.nysed.gov/faru/Profiles/16th/statewide_fiscal.htm) .

<sup>4</sup> *State Aid to Schools, A Primer* (hereafter *Primer*), NYS Education Department, Fiscal Analysis and Research Unit, at [www.oms.nysed.gov/faru/Primer/Primer04-05A.pdf](http://www.oms.nysed.gov/faru/Primer/Primer04-05A.pdf) (2004), p.2.

I	LREV	Local revenue
J	FREV	Federal revenue
K	TOT REV	Total revenue (Columns H,I,J)
AH	DCAADM	Duplicated combined adjusted average daily membership – student count, based on attendance, used to compute state aid
AI	REV/PUPIL	Expenditure per pupil
AK	AV/TWPU	Actual Value per total weighted pupil unit – property wealth per pupil
AL	INC/TWPU	Income per total weighted pupil unit – income per pupil
AM	CWR	Combined wealth ratio – a reflection of the district's wealth, as measured by AK and AI
AR	LOC EFF Rate	Local revenue effort rate - tax dollars assessed per \$1,000 true value

### III. STATE AID

New York State has four methods of distributing state aid for education:

- Flat grant per pupil. This aid goes to each district within the state on a per capita basis and is not wealth-equalized. This is used for textbook aid, gifted and talented aid, and flat grant operating aid.
- Wealth-equalized fixed amount of state aid per pupil. Aid is distributed as an allowance amount per pupil equalized in relation to district fiscal capacity. Poorer districts receive more of this type of aid. Formula Operating Aid is distributed in this fashion.
- Effort or expense-based aid. This aid equals the State Share, a wealth equalized percentage reimbursement for expenses previously approved by the state. It includes Transportation Aid, Building and BOCES Aids, and a portion of Formula Operating Aid.
- Tax relief in the form of the STAR program, which is used to reduce local property taxes.

The pupil counts used for determining state aid are average daily attendance, adjusted with additional weighting for disabled students, secondary students, and pupils in summer school.

The State share of education funding has varied over time from a high of 48.1% for the 1968-69 school year to a low of 31.5% for the 1944-45 school year.<sup>5</sup> The 1980s were a time of relative prosperity for the state, occasioning substantial increases in state aid.<sup>6</sup> These increases represented an even greater per capita increase in state funding, as the result of declining enrollment during this decade. At the end of that decade, the state's fiscal health declined as the decrease in enrollment halted. From 1991/92 to 1994/95, state aid increased by \$82 million, an average annual increase of

<sup>5</sup> *Primer*, p. 10.

<sup>6</sup> Unless otherwise noted, the historical data in this section is drawn from, *Overview at [www.oms.nysed.gov/faru/Profiles/16th/statewide\\_fiscal.htm](http://www.oms.nysed.gov/faru/Profiles/16th/statewide_fiscal.htm)*.

\$27.3 million, compared to the average annual increase of \$576 million in the mid to late 1980s. With improving state finances, aid for education again increased in the late 1990s. Between 1998/99 and 2002/03, revenues from state sources increased over \$ 4.6 billion, with the STAR program accounting for 44.8% of the increase.

The breakdown of state aid as a percentage of all aid to education in the recent past has been as follows.

	STAR	OTHER STATE AID	TOTAL
• 2003/04 <sup>7</sup>	7.2%	37.1%	44.3%
• 2002/03	7.1%	38.5%	45.6%
• 2001/02	7.1%	41.1%	48.2% <sup>8</sup>

It is estimated<sup>9</sup> that for the 2004-05 school year school districts spent a total of \$41 Billion for education, with \$18.4 Billion, or 44.7% coming from state funding.<sup>10</sup> The remaining funds are estimated to be broken down as follows.<sup>11</sup>

• Comprehensive Operating Aid	\$6,965 Billion
• Special Education Aid	\$2,492 Billion
• Building Aid, including Reorganization Incentive	\$1,399 Billion
• Transportation Aid	\$1,160 Billion
• Extraordinary Needs Aid	\$ 974 Billion
• BOCES and Special Services Aid	\$ 658 Billion
Subtotal	\$13,649 Billion
• Other	\$1,617 Billion
• General Support for Public Schools	\$15,265 Billion <sup>12</sup>

#### IV. LOCAL AID<sup>13</sup>

Local Boards of Education in all but the Big 5 school districts (New York, Yonkers, Buffalo, Rochester, Syracuse), levy property taxes on residential and commercial property, subject to voter approval.

The finances of the Big 5 school districts, which in 2002-03 educated approximately 42% of the state's students, are part of the cities' municipal budgets, so residents do not approve local school tax rates. Each of the Big

<sup>7</sup> Estimated.

<sup>8</sup> *Analysis*, p. 3.

<sup>9</sup> Precise figures are not available until after the final audit, a delay of approximately eighteen months.

<sup>10</sup> This figure and percentage include the money spent on the STAR program.

<sup>11</sup> Unfortunately, these figures lump together flat grant and wealth equalized aids, so it is not possible to determine what portions of these aids are distributed on a wealth-equalized basis.

<sup>12</sup> *Primer*, p. 12.

<sup>13</sup> Unless otherwise noted, information in this section is drawn from *Primer*, pp. 2-3.

5 districts has a constitutional limit on its total municipal budget. The Regents have recommended that the education budgets of the Big 5 districts be made independent of their municipal budgets. Alternatively, the Regents have suggested a maintenance of educational effort provision in the municipal budgets. New York City imposes a modified local income tax on residents, a business and financial tax, and a tax on commercial rents. Yonkers imposes an income tax on non-resident commuters.

The New York State rate of sales tax is currently 4.25%. Localities are able to levy a sales tax of up to 4%. Eight counties share their sales tax with schools and are legally able to share other taxes. In 2002-03 150 districts received a total of \$225 million in revenues from non-property tax revenues.

Small city school districts can impose a utility tax of up to 3%, and approximately ¼ of these districts do.

Districts whose tax bases are affected by Industrial Development Agencies (IDAs), business development corporations that are exempt from real property, sales, and mortgage taxes, are entitled to a pro-rata portion of PILOTS (Payments in Lieu of Taxes) paid by these organizations.

#### V. DO NEW YORK STATE DISTRICTS SPEND COMPARABLE AMOUNTS TO EDUCATE THEIR CHILDREN?

In general, there is a tremendous disparity in the amount NYS districts spend to educate their children. For the 2002-03 fiscal year, those districts in the lowest-spending decile spent on average \$6,313 in operating expenses (all funds, excluding transportation aid, building aid, and limited additional expenses) to educate each student<sup>14</sup>, while districts in the ninth decile (90%) spent an average of \$11,769, a difference of 86%.<sup>15</sup> Although the percentage disparity between the first and ninth decile districts in terms of spending has decreased over the past twenty years, it has held relatively constant over the past six years at between 84 and 88%.<sup>16</sup>

#### VI. IS THE DISPARITY IN SPENDING RELATED TO THE OVERALL WEALTH OF THE DISTRICT?

Wealthier districts, as measured by the value of taxable property per student within the district and income per student within the district, generally spend more money educating each child. For the 2002-03 school year, the districts with per student spending in the lowest decile (\$6,004) had average actual

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<sup>14</sup> This figure is computed by dividing Average Operating Expense (AOE) / Total Aidable Pupil Unit for Expense (TAPU for Expense). See Glossary at Appendix I for definition of terms..

<sup>15</sup> *Analysis*, p. 14.

<sup>16</sup> *Ibid.* See Appendix 2 for the operating expense differential from the 1984-85 school year through the 2002-03 school year.

valuation per student of \$158,319 and average income per student of \$67,113. The districts in the ninth decile (\$10,833) had actual valuation per student of \$604,151 and income per student of \$299,657.<sup>17</sup>

## VII. DIFFERENCES IN STATE AID

There is an inverse relation between the state aid districts receive and their wealth, with poorer districts receiving more aid, as is shown on the following charts.<sup>18</sup>

### Districts Listed By Income Per Pupil

Decile	Income/TWPU <sup>19</sup>	Non-STAR NYS Aid	Total NYS Aid	AOE per Student
1	\$47,676	\$6,976	\$7398	\$6,980 <sup>20</sup>
9	\$157,527	\$2,309	\$3521	\$9,373

### Districts Listed By Property Value Per Pupil

Decile	Value/TWPU	Non-STAR NYS Aid	Total NYS Aid	AOE per Student
1	\$108,972	\$6,764	\$7218	\$6,847
9	\$673,507	\$1,910	\$3197	\$10,538

### Districts Listed By Need/Resource Index<sup>21</sup>

Decile	Non-STAR NYS Aid	Total NYS Aid	AOE per Student
1	\$6,967	\$7378	\$7,216
9	\$2,435	\$3549	\$9,425

## VIII. DIFFERENCES IN STATE AID – THE STAR PROGRAM

There is a direct relationship between the wealth of the district and the amount of state money it receives through the STAR program. In 2002/03 the STAR program, which accounts for approximately 7% of state aid to education, paid on average \$411 per pupil to the poorest ten percent of school districts and \$1,114 to districts in the ninth decile of wealth, 271 % of the STAR aid received by the poorest districts.<sup>22</sup>

## IX. DIFFERENCES IN DISTRICT ABILITY TO RAISE LOCAL FUNDS

<sup>17</sup> *Id.*, p.16. See Appendix 3.

<sup>18</sup> *Id.*, pp. 17, 18, 20. See Appendices 4-6..

<sup>19</sup> TWPU is Total Wealth Pupil Unit, a student count weighted for pupils with special education needs, students with disabilities, and secondary school students. See Appendix 1.

<sup>20</sup> Total state aid is greater than AOE because AOE does not include expense-based aid such as transportation and building aid.

<sup>21</sup> The Need/Resource Index is defined in Appendix 1. For purposes of this chart, we have reversed the deciles in the Need/Resource Index to correspond with the methodology used in the other charts. Thus, for purposes of this chart, those districts in the first decile are the poorest.

<sup>22</sup> *Analysis*, p.20. See Appendix 6.

The spending differential is intimately tied to districts' differences in property wealth and income wealth per pupil, with the highest spending districts having considerably greater wealth per pupil and being able to tax themselves at lower rates than the poorer districts.<sup>23</sup>

For the 2002/03 school year, the average value of property per pupil for districts in the highest need was \$158,319, while the average value of property per pupil for districts in the ninth decile was \$604,151.<sup>24</sup> The wealthier districts are able to raise more school taxes while taxing themselves at a lower rate. In 2002/03, the districts in the bottom decile taxed themselves on average at a rate of 14.63 mills and raised on average \$1,754 per pupil. Thus districts at the top taxed themselves at an average rate of 13.32 mills and raised \$7,500 per pupil<sup>25</sup>. Thus, wealthiest (9<sup>th</sup> decile) districts are able to tax themselves at a rate 91% of that of the poorest districts and raise 333% more in taxes per pupil. If anything, these figures understate the disparity between rich and poor districts because they do not take into account the greater cost to educate children with special needs, which are often represented in substantially greater proportions in the poorest districts.<sup>26</sup>

The Regents found in their 2005 assessment of local funding effort in New York State<sup>27</sup> that a majority of districts in the bottom decile of wealth, as measured by the ratio of need to fiscal capacity, and majorities of those in the top two deciles failed to tax themselves at the statewide median tax rate. The poorest districts failed, presumably because they could not and the wealthiest because they did not have to, as is shown by the table below.<sup>28</sup>

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<sup>23</sup> The rate of real property taxation is described in mills, the dollars in taxes paid per \$1,000 of assessed valuation. Thus, a house valued at \$100,000, paying school taxes at a rate of 12 mills would pay \$12 times 100, for a total of \$1,200 in school taxes.

<sup>24</sup> See Appendix 6. The poorest districts are listed as decile 10 in this chart. Those in the ninth decile of wealth are listed as decile 2.

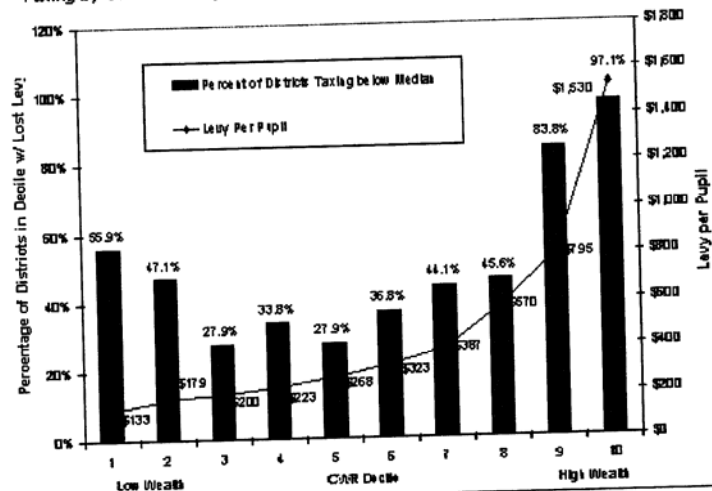
<sup>25</sup> *Ibid.*

<sup>26</sup> For purposes of this discussion, children with special needs are defined as those who are eligible for free or reduced price lunch, those who are classified as having limited English proficiency (LEP) and those who are classified as disabled. In *CFE v. State* the Court of Appeals recognized that all the State's children have a State constitutional right to receive a sound basic education and the State has a duty to assure that funds are available to enable all children to learn, with the eventual goal of progressing to high school graduation and becoming productive members of society, capable of work, voting, and serving on a jury.

<sup>27</sup> *2004 Analysis of Local Effort in New York State School Districts*, NYS Education Department, Fiscal Analysis and Research Unit, at [www.oms.nysed.gov/faru/Local%20Effort%202004/2004AnalysisofLocalEffort.htm](http://www.oms.nysed.gov/faru/Local%20Effort%202004/2004AnalysisofLocalEffort.htm) (2005)

<sup>28</sup> *Ibid.*

Chart 2  
 Median Additional Levy per Pupil Associated with a One Dollar per Thousand  
 (Actual Value) Increase in Tax Effort and Percent of Districts Found to Be Low  
 Taxing by CWR Decile (2002-2003)



#### X. GEOGRAPHY MATTERS – THE UPSTATE/DOWNSTATE DILEMMA AND THE URBAN/SUBURBAN DICHOTOMY

New York State is one of extremes. A review of school wealth data, broken down by Metropolitan Statistical Areas (MSAs) shows that the downstate counties (New York, Suffolk, Nassau area) are by far the wealthiest in the state, with the mid Hudson region second, the Capital District third, and the remaining upstate districts clumped at the bottom.<sup>29</sup> In the metropolitan NY MSA, an average tax rate of \$13.24 per \$1,000 of actual value raised \$5,566 per student in taxes. In the Syracuse/Utica/Rome MSA, one of the poorest in the state, a tax rate of \$16.05 raised \$2,798 per student in taxes.<sup>30</sup>

Thus, the wealthier counties spend more on educating their children, while generally paying a lower rate of school taxes.

However, this data does not tell the whole story. Within all MSAs except metropolitan NY there are wealthy and poor districts, measured as those in the wealthiest 25% and those in the poorest 25%.<sup>31</sup>

A breakdown of finance according to district type helps to round out the picture within the state.

<sup>29</sup> *Analysis*, p. 9. See Appendix 7.

<sup>30</sup> *Ibid.*

<sup>31</sup> *Analysis*, p. 12. See Appendix 8.

Wealth, Revenue, and Expenditure Data for Districts by MSA<sup>32</sup>

Type	Valuation/TWPU	Income/TWPU	AOE/TAPU For Exp.	Tax Revenue (Excl. STAR)	Tax Rate (per 1,000)
All	\$343,700	\$117,800	\$8,050	\$4,718	\$13.85
NYC	\$306,700	\$125,810	\$7,639	\$4,205	\$13.91
Other Big 5	\$168,095	\$65,181	\$7,485	\$1,818	\$10.89
Small City	\$250,282	\$94,487	\$7,743	\$3,741	\$14.99
Upstate	\$180,235	\$75,890	\$7,201	\$2,972	\$16.50
Downstate	\$639,195	\$198,396	\$10,718	\$7,963	\$12.61
Suburban	\$435,778	\$130,429	\$8,738	\$6,005	\$13.87
Upstate	\$252,114	\$97,736	\$7,183	\$4,114	\$16.36
Downstate	\$620,842	\$163,371	\$10,302	\$7,908	\$12.85
Other	\$214,904	\$62,811	\$7,118	\$2,800	\$13.11

A review of these figures allows one to conclude the following. There is an upstate/downstate split in the amount districts spend to educate their students. This split occurs among districts of all kinds, with the exception of the Big 5, where New York City schools do not spend appreciably more to educate their students than do the other urban districts. All the Big 5 districts spend less than the statewide average to educate their students. Upstate districts also spend less than the statewide average, regardless of type, with downstate suburban and small city districts spending more. In general, the metropolitan NY districts tax at under \$13 per \$1,000 of full valuation, while the upstate MSA districts tax at over \$16. The exception to this is NYC, which taxes at \$13.91, more than the statewide average of \$13.85.<sup>33</sup>

One further note should be made about the upstate/downstate dichotomy. Because of the wealth of the districts in the top two deciles, New York State's averages are skewed upward. Thus, if one looks at AOE for the 2002/03 school year, the statewide average is \$8,050, above the average of \$7,555 spent by districts in the fifth or middle decile of spending, and in keeping with districts in the seventh decile of spending.<sup>34</sup>

New York State's education funding problems are a function of not only the disparity of wealth, but also of the range of wealth within various areas of the state. The poorest districts are widely dispersed geographically, while the wealthiest tend to be clustered in the metropolitan NYC area. Although the disparity between richest and poorest districts is greatest in the metropolitan New York area, with a disparity of \$9,387,000 property wealth per pupil between the richest and poorest district, as compared to a per pupil disparity

<sup>32</sup> *Id.* at 9.

<sup>33</sup> *Ibid.*

<sup>34</sup> See Appendix 3.

of \$244,000 in the Finger Lakes region,<sup>35</sup> the range affects all areas of the state, making it impossible for the poorer districts to compete with wealthier districts in terms of quality of teachers hired or programs offered to their students.

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<sup>35</sup> *Wealth Indicators by the Department of Labor Regions 2001 – 02 School Year*, NYS Education Department, Fiscal Analysis and Research Unit, at [www.oms.nysed.gov/faru/Articles/Regional%20Differences%20In%20Wealth.htm](http://www.oms.nysed.gov/faru/Articles/Regional%20Differences%20In%20Wealth.htm) (2004)

## APPENDIX 1. GLOSSARY

**ACTUAL VALUATION OF TAXABLE REAL PROPERTY (AV):** Total assessed valuation of real property on the tax rolls within the district adjusted by the state equalization rate for the district.

**AV / TWPU:** The actual value (AV) of real property within the district divided by the weighted number of students within the district to obtain the value of property per student. This is one measure of district wealth.

**AOE/TAPU FOR EXPENSE:** Approved operating expenditure divided by a weighted number of students within the district to obtain the operating expense per student, or the annual cost per student, excluding monies spent on transportation and capital costs.

**APPROVED OPERATING EXPENDITURE (AOE):** Operating expenses for the day-to-day operation of the school. This figure does not include transportation or capital expenses.

**COMBINED WEALTH RATIO:** A measure of district wealth, based on the property wealth per student and income per student, compared to the state average.

**INCOME/TWPU:** The income per weighted student within the district. This is one measure of district wealth.

**NEED/RESOURCE INDEX:** This figure is designed to measure a district's student need relative to its ability to raise local revenues, indexed to state averages. Need is measured by the number of students eligible for free and reduced price lunch, students with limited English proficiency, and sparsity count. Resources are measured by the Combined Wealth Ratio, a measure based in equal shares on income and property wealth per pupil, compared to the state average.

**TAPU FOR EXPENSE:** A measure of the number of students in the district, weighted for students with disabilities, pupils with special education needs, summer school students, and secondary school students. This measure has been used in place of TAPU since 1981/82.

**TOTAL AIDABLE PUPIL UNITS (TAPU):** A measure of the number of students within the district, weighted for pupils with special education needs (PSEN), summer school students, and secondary school students. This figure was occasionally used for the school years prior to 1981/82.

TOTAL WEALTH PUPIL UNITS (TWPU): A measure of students within the district, weighted for pupils with special education needs (PSEN), disabled students, and secondary school students.

## APPENDIX 2

**Table 8**  
DISTRIBUTION OF APPROVED OPERATING EXPENDITURES PER WEIGHTED PUPIL\*  
MAJOR SCHOOL DISTRICTS  
1984-85 TO 2002-03

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		
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	6,161	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	5,381	5,993	7,742	9,429	4,404	87.6
1996-97	5,118	4,875	5,201	5,906	7,610	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	8,876	4,435	99.8
1992-93	4,966	4,224	4,594	5,187	6,816	8,626	4,402	104.2
1991-92	4,674	4,123	4,441	5,031	6,628	8,506	4,383	105.3
1990-91	5,121	4,124	4,438	4,991	6,659	8,473	4,349	105.5
1989-90	5,093	3,953	4,221	4,740	6,282	8,218	4,265	107.9
1988-89	4,783	3,687	3,902	4,374	5,837	7,580	3,913	106.7
1987-88	4,437	3,357	3,587	3,961	5,433	6,952	3,605	107.4
1986-87	4,125	3,025	3,237	3,628	4,673	6,236	3,211	106.1
1985-86	3,802	2,762	2,940	3,287	4,309	5,811	3,049	110.4
1984-85	3,386	2,482	2,680	2,989	3,974	5,211	2,729	110.0

\* 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.

## APPENDIX 3

**Table 9**  
2002-03 WEALTH, EXPENDITURE, REVENUE AND AID DATA  
RANKED BY AOE PER TAPU FOR EXPENSE  
DECILES FOR ALL MAJOR DISTRICTS EXCLUDING NEW YORK CITY

AOE/TAPU Deciles (upper limit shown)	DECILE AVERAGE*										2002-03 Enrollment
	AOE per TAPU for Exp.	Actual Valuation per TWP	Total Exp.** per TAPU for Exp.	STAR Revenue per TAPU for Exp.	Other Revenue from State*** per TAPU for Exp.	Income per TWP	Income per Return	Tax Rev. (excl. STAR) per TAPU for Exp.	Tax Rate (excl. STAR) per \$1,000 Full Value		
1=	\$6,313										
2=	6,642	\$6,004	\$158,319	\$8,541	\$949	\$5,217	\$67,113	\$34,099	\$2,114	\$13.49	136,500
3=	6,824	6,488	184,331	9,042	695	4,851	74,706	37,026	2,783	15.15	169,857
4=	7,236	6,793	190,578	9,310	834	4,872	80,704	38,412	2,972	15.65	155,179
5=	7,555	7,079	238,288	9,644	653	4,493	94,501	44,477	3,751	16.02	164,126
6=	7,930	7,415	196,424	10,242	676	5,800	78,952	38,943	3,020	15.27	235,067
7=	8,795	7,747	239,352	10,118	792	4,705	83,052	38,308	3,889	18.12	203,167
8=	10,150	8,375	336,816	11,152	950	4,370	106,745	45,417	4,974	14.82	186,070
9=	11,789	9,475	474,142	11,771	1,163	3,408	128,035	57,510	6,818	14.02	252,382
10=	38,554	10,833	604,151	13,210	1,237	2,787	160,450	68,311	8,412	14.08	193,329
		13,480	1,200,109	16,415	1,243	1,484	289,657	112,894	12,932	10.70	123,719
All Major Districts Avg. (excluding NYC)		8,325	385,529	10,876	910	4,221	113,081	51,310	5,023	13.83	1,819,386
New York City		7,639	306,700	10,412	503	3,978	125,810	50,366	4,205	13.91	1,058,427
All Major Districts Avg. (including NYC)		\$8,050	\$343,700	\$10,703	\$758	\$4,130	\$117,800	\$50,900	\$4,718	\$13.85	2,877,813
Decile Rank		7	7	8	5	5	8	8	6		

\* Values shown are the weighted averages for all 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.

# APPENDIX 4

Table 11

2002-03 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*										2002-03 Enrollment
	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		
1= \$51,858	\$47,676	\$6,980	\$10,219	\$422	\$6,976	\$120,706	\$27,893	\$1,712	\$14.25	145,185	
2= 55,319	55,011	7,078	10,121	530	6,536	137,871	29,354	1,830	13.35	140,159	
3= 64,777	61,345	7,066	9,881	718	5,819	178,289	32,451	2,691	14.60	102,396	
4= 71,799	68,466	7,556	10,283	721	5,840	187,594	33,429	3,066	16.37	153,674	
5= 80,214	78,010	7,317	9,770	799	4,682	231,825	35,719	3,637	15.77	125,402	
6= 90,767	85,987	7,404	9,873	884	4,428	242,214	36,960	3,819	16.84	197,116	
7= 106,302	97,523	7,884	10,124	1,008	3,787	299,842	41,805	4,790	16.13	258,180	
8= 134,523	120,265	8,678	11,045	1,082	3,548	401,395	51,517	5,840	14.58	284,802	
9= 185,906	157,527	9,373	11,842	1,212	2,309	551,084	84,896	7,515	13.68	242,837	
10= 724,595	300,200	12,431	15,028	1,185	1,398	1,070,813	118,182	11,694	11.10	169,835	
All Major Districts Avg. (excluding NYC)	113,091	8,325	10,876	910	4,221	365,529	51,310	5,023	13.83	1,819,386	
New York City	125,810	7,839	10,412	503	3,978	306,700	50,366	4,205	13.91	1,058,427	
All Major Districts Avg. (including NYC) Decile Rank	\$117,800 8	\$8,050 7	\$10,703 6	\$758 5	\$4,130 5	\$343,700 7	\$50,900 8	\$4,718 6	\$13.85 5	2,877,813	

\* Values shown are the weighted averages for all 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.

# APPENDIX 5

Table 10

2002-03 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*										2002-03 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		
1= \$128,577	\$108,972	\$6,847	\$10,028	\$454	\$6,764	\$51,893	\$28,567	\$1,480	\$13.64	228,245	
2= 151,866	139,570	6,857	9,720	745	6,070	83,363	31,622	2,166	15.55	108,214	
3= 171,212	163,245	7,104	9,718	756	5,984	68,565	33,115	2,588	15.92	137,485	
4= 200,097	187,162	7,131	9,586	821	5,091	78,434	37,598	3,033	16.27	166,454	
5= 235,047	218,058	7,351	9,760	915	4,541	84,860	37,288	3,705	17.06	174,070	
6= 300,843	267,789	7,815	9,850	866	3,863	101,960	44,280	4,581	17.06	212,124	
7= 388,037	341,977	8,343	10,658	968	3,380	114,060	51,321	5,342	15.78	251,188	
8= 533,727	452,413	9,213	11,097	1,144	3,802	125,481	53,267	6,610	14.83	229,913	
9= 808,757	673,507	10,538	12,919	1,287	3,380	177,497	72,371	8,928	13.32	202,304	
10= 15,825,942	1,373,934	13,114	15,968	1,040	1,198	320,759	126,130	12,974	9.49	111,389	
All Major Districts Avg. (excluding NYC)	365,529	8,325	10,876	910	4,221	113,091	51,310	5,023	13.83	1,819,386	
New York City	306,700	7,839	10,412	503	3,978	125,810	50,366	4,205	13.91	1,058,427	
All Major Districts Avg. (including NYC) Decile Rank	\$343,700 7	\$8,050 7	\$10,703 6	\$758 5	\$4,130 5	\$117,800 8	\$50,900 8	\$4,718 6	\$13.85 5	2,877,813	

\* Values shown are the weighted averages for all 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.

## APPENDIX 6

Table 12

2002-03 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*									2002-03 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 per Return	Tax Rev. (excl. STAR) per TAPU for Exp.	Tax Rate (excl. STAR) per \$1,000 Full Value	
1= 0.053	\$11,493	\$920,651	\$13,889	\$1,224	\$1,680	\$257,336	\$114,916	\$10,366	\$11.37	172,282
2= 0.155	9,425	565,426	11,577	1,114	2,435	160,339	70,902	7,500	13.32	237,280
3= 0.352	8,790	434,983	10,925	1,040	3,090	130,295	53,671	6,305	14.56	234,862
4= 0.635	7,715	292,807	9,919	1,005	3,707	99,307	43,334	4,698	15.68	241,664
5= 0.953	8,105	316,776	10,671	993	3,993	99,801	42,780	4,981	15.83	207,443
6= 1.346	7,312	246,056	9,867	869	4,686	80,205	35,658	3,691	15.05	125,042
7= 1.844	7,735	255,192	10,716	847	5,561	82,975	36,136	3,498	13.81	156,267
8= 2.465	7,389	174,063	10,151	696	5,927	65,063	33,333	2,894	15.60	138,475
9= 3.114	7,104	147,700	10,062	652	6,451	58,342	29,555	2,173	14.66	100,594
10= 7.289	7,216	120,487	10,484	411	6,967	50,788	28,151	1,754	14.63	205,477
All Major Districts Avg. (excluding NYC)	8,325	365,529	10,876	910	4,221	113,091	51,310	5,023	13.83	1,819,366
New York City (1,549)	7,639	306,700	10,412	503	3,978	125,810	50,366	4,205	13.91	1,058,427
All Major Districts Avg. (including NYC)	\$8,050	\$343,700	\$10,703	\$758	\$4,130	\$117,800	\$50,900	\$4,718	\$13.85	2,877,813
Decile Rank	7	7	6	5	5	8	8	6	5	

\* Values shown are the weighted averages for all 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.

## APPENDIX 7

Table 4

2002-03 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									2002-03 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	\$261,435	\$7,362	\$9,881	\$810	\$4,048	\$99,197	\$42,121	\$4,224	\$16.19	149,880
Binghamton-Elmira-Ithaca	185,445	6,879	9,446	881	4,823	79,790	36,457	3,031	16.29	69,084
Buffalo-Cheek-Ton-Roch	200,562	7,182	9,827	782	4,845	87,966	39,382	3,408	17.03	359,462
New York-Suffolk-Nassa	425,772	8,648	11,282	755	3,660	140,518	57,826	5,566	13.24	1,734,223
Poughkeepsie-Newb-Mid	311,378	7,650	10,027	736	4,002	95,806	47,327	4,748	15.33	141,874
Syracuse-Utica-Rome	175,127	6,862	9,341	766	4,911	77,150	37,771	2,798	16.05	165,324
Non-MSA	202,820	7,088	9,958	690	5,777	64,625	32,782	2,704	13.42	257,966
All Major Districts Avg. (including NYC)	\$343,700	\$8,050	\$10,703	\$758	\$4,130	\$117,800	\$50,900	\$4,718	\$13.85	2,877,813
New York City	306,700	7,639	10,412	503	3,978	125,810	50,366	4,205	13.91	1,058,427
Other Big 5	168,095	7,485	11,109	425	7,156	65,181	31,856	1,818	10.89	135,096
Small City Districts	250,282	7,743	10,393	821	4,731	94,587	40,101	3,741	14.99	257,873
Upstate	180,235	7,201	9,793	727	5,004	75,890	33,490	2,972	16.50	217,189
Downstate	638,195	10,718	13,692	1,339	3,236	198,396	89,048	7,963	12.61	40,684
Suburban Districts	435,778	8,738	11,079	1,019	3,512	130,429	58,285	6,005	13.87	1,223,581
Upstate	252,114	7,183	9,544	886	4,047	87,736	44,274	4,114	16.36	614,454
Downstate	620,842	10,302	12,623	1,153	2,974	163,371	72,024	7,908	12.85	609,127
Other Districts	214,904	7,118	10,120	675	5,946	62,811	32,940	2,800	13.11	202,836

\* Total Expenditure includes Debt Service and Special Aid Fund.  
\*\* Other State Revenue does not include STAR.

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 C

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STATISTICAL AREAS (MSAs) -- 2000 Census**

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**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 8

**Table 7**

**NUMBER OF SCHOOL DISTRICTS STATEWIDE  
BELOW THE 25TH AND ABOVE THE 75TH  
PERCENTILE OF 2002-03 AOE/TAPU FOR EXPENSE**

2000 Census Contiguous MSAs	Number of Districts	# Below 25th %ile	# Above 75th %ile
Albany-Schenectady-Troy-Glens Falls	68	14	6
Binghamton-Elmira-Ithaca	27	15	0
Buffalo-Cheektowaga-Tonawanda-Rochester	89	33	1
New York-Suffolk-Nassau	178	0	136
Poughkeepsie-Newburgh-Middletown-Kingston	39	5	8
Syracuse-Utica-Rome	63	26	2
Non-MSA	<u>216</u>	<u>77</u>	<u>17</u>
Number of Districts	680	170	170

Statewide 25th percentile is \$6,784  
Statewide 75th percentile is \$9,391