

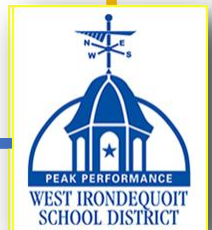
# Foundation Aid

*New focus now that GEA has been restored*

GEA = Gap Elimination Adjustment

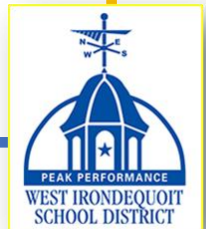
---

December 2, 2016

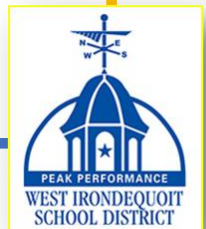
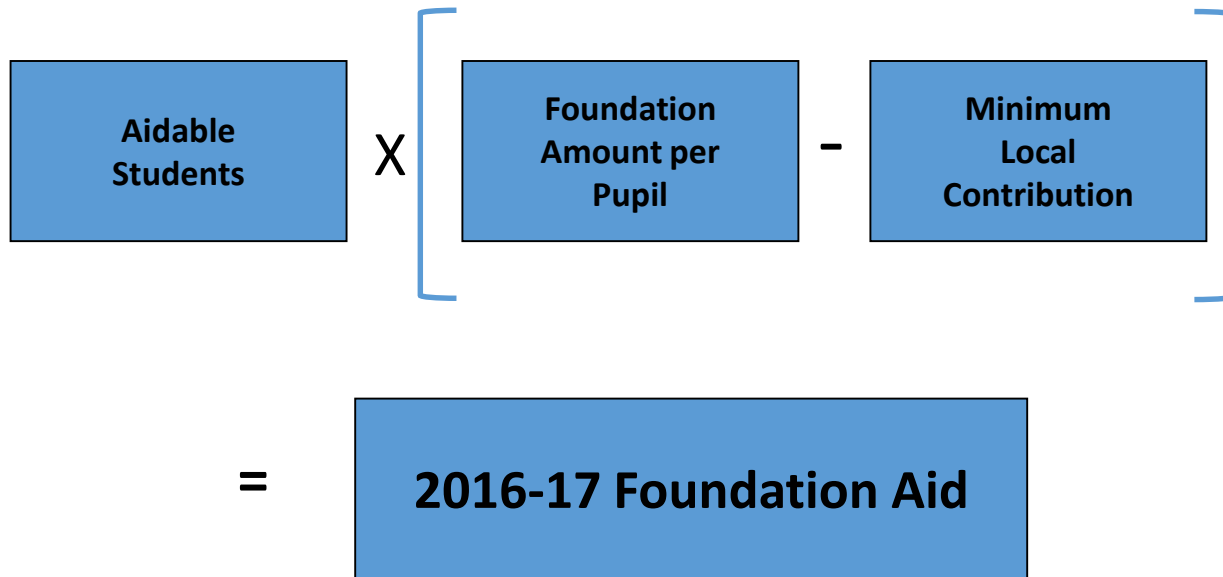


# Foundation Aid - Background

- Resolved Campaign for Fiscal Equity lawsuit by addressing “adequacy”
- Consolidated 17 categories of aid into a single unrestricted aid category
- Based on enrollment, wealth, regional cost, and local effort
  - 2000 census poverty numbers
  - 3 year average of Free and Reduced Numbers
  - Sparsity and ELL



# Formula in Simple Terms

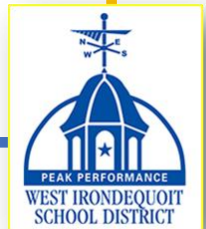


# Year to Year Changes

- Goal was to establish predictable levels of aid for future years to enhance State and district financial planning – original plan guaranteed a 3% increase every year.

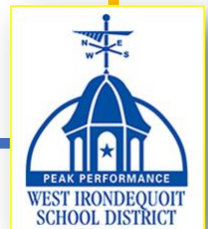
However ....

- In 2007-08, the original plan was to fully fund Foundation Aid by 2010-11
- 2009-10 Foundation Aid was frozen and phase-in was extended until 2013-14
- 2010-11, 2011-12 Foundation Aid was frozen and phase-in extended to 2016-17
- 2012-13: 0.6% to 1.7% increase
- 2013-14: 5.23% increase for NYC, **0.3% for all others**, 0.176% for Big 4
- 2014-15 minimum of 0.85% increase
- 2015-16 minimum of 0.37% increase
- 2016-17 minimum of 0.47% increase



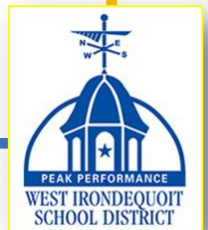
# West Irondequoit Data

School Year	Foundation Aid		Difference
	Aid Received	Full Phase-In Level	
2007-08	12,720,926	17,874,218	5,153,292
2008-09	13,981,619	18,229,981	4,248,362
2009-10	13,989,470	21,711,035	7,721,565
2010-11	13,989,470	21,590,937	7,601,467
2011-12	13,989,470	20,110,344	6,120,874
2012-13	14,082,728	19,475,276	5,392,548
2013-14	14,125,305	18,761,032	4,635,727
2014-15	14,325,250	18,764,422	4,439,172
2015-16	14,380,275	19,147,567	4,767,292
2016-17	14,523,219	19,705,152	5,181,933
<b>TOTAL</b>			<b>55,262,232</b>



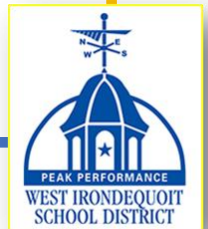
# What is this worth?

- Based on the 2016-17 shortage only (\$5,181,933)
  - More than what we pay for pensions, unemployment, worker's compensation ... combined
  - 50% of our annual medical insurance premiums
  - Over 70 additional teachers to reduce class sizes, provide intervention/enrichment and/or add additional course offerings.
  - Represents 13.7% of our tax levy
  - Could reduce our local tax rate by \$3.88 to \$24.32/\$1,000.
  - Savings on a \$110,000 house = \$427



# Other Implications

- Urban-Suburban Transfer Aid is tied to Foundation Aid
  - Funding/student is based on 2007-08.
- UPK Funding
  - Based on the funding you received in 2007-08.
  - If you did not participate then, you are ineligible for UPK funds.
- Tax Cap
  - Historically wealthier districts worried less about “general” state aid
  - If the district wanted a program that the community supported, the district would raise the money through the levy
  - With cap in place, those districts are now fighting for more aid with the less wealthy districts who have historically depended on more aid
- Overfunded vs Underfunded complicates the issue



# West Irondequoit Data (underfunded)

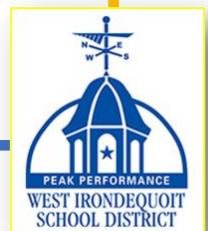
School Year	Foundation Aid		Difference
	Aid Received	Full Phase-In Level	
2007-08	12,720,926	17,874,218	5,153,292
2008-09	13,981,619	18,229,981	4,248,362
2009-10	13,989,470	21,711,035	7,721,565
2010-11	13,989,470	21,590,937	7,601,467
2011-12	13,989,470	20,110,344	6,120,874
2012-13	14,082,728	19,475,276	5,392,548
2013-14	14,125,305	18,761,032	4,635,727
2014-15	14,325,250	18,764,422	4,439,172
2015-16	14,380,275	19,147,567	4,767,292
2016-17	14,523,219	19,705,152	5,181,933
<b>TOTAL</b>			<b>55,262,232</b>



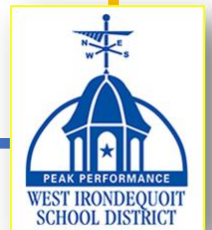


# Local Example

Year	Current Year Aid	Full Phase-in Level	Difference
2007-08	3,859,950	4,217,839	357,889
2008-09	3,961,394	3,945,256	(16,138)
2009-10	3,961,394	3,971,846	10,452
2010-11	3,961,394	3,974,399	13,005
2011-12	3,961,394	4,209,385	247,991
2012-13	3,985,162	4,229,470	244,308
2013-14	3,997,117	4,104,350	107,233
2014-15	4,031,092	4,043,775	12,683
2015-16	4,046,007	3,804,705	(241,302)
2016-17	4,046,007	3,625,157	(420,850)

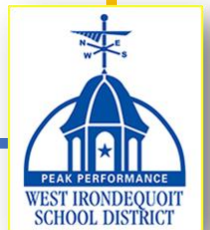


**QUESTIONS?**



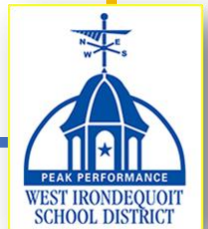
# How Foundation Aid Came About

- Initiated from a 1993 legal challenge regarding state aid to school
  - Claimed inadequate funding denied constitutional right to sound basic education
- Upheld by Court of Appeals in 2003; resolved through 2007 Foundation Aid plan
- Currently in limbo due to deferral of phase-in as a result of NYS fiscal crisis (“Frozen”).



# Foundation Aid

- Based on 2007 Regents Proposal
- Studied spending levels of districts meeting State standards on key assessments
- Averaged per-pupil expenditures of lowest 50% of population
- Established this average as foundation spending to be funded through tax levies and state aid
  - \$6,353 for 2016-17
- Makes up 70% of total aid districts receive



# Impact of Foundation Aid

	<u>Current 2016-17</u>	<u>New 2016-17</u>	<u>Difference</u>	<u>% Change</u>
Penfield	\$21.42	\$12.18	-\$9.24	-43.13%
Webster	\$24.34	\$13.84	-\$10.50	-43.13%
Ontario	\$21.74	\$12.51	-\$9.24	-42.49%
Walworth	\$21.74	\$12.51	-\$9.24	-42.49%
True Tax Value	\$21.42	\$12.18	-\$9.24	-43.13%

