

Fiscal Year 2006-2007 State Aid Changes

1. Above Average Enrollment Growth - \$5.575m increase to \$17.575m

Non Abbott districts with more than 100 resident students that experience at least 2.5 percent growth, based on their October 2005 and projected October 2006 resident enrollment, will receive aid in this category. A district's share of the aid is the same as its enrollment's share of the total increase in enrollment.

2. Education Opportunity Aid

Education Opportunity Aid is funded at the level of the final EOA payments in 2005-06 for most of the Abbott districts. Districts that received only formula EOA (Garfield, Harrison, Perth Amboy, Union City) in 2005-06 may receive a different amount based on their 2006-07 formula EOA. The only exception will be eight districts that will be required to raise their general fund tax levy by amounts that will not result in more than a \$125 increase in the average household tax levy, nor a total equalized tax levy for the district that is greater than 110 percent of the state average.

3. Abbott Border District Aid – \$1.9m increase to \$21.9m

The five districts that received this aid in 2005-06 will receive the same amount of aid in 2006-07. One additional district, Kearny, will receive aid in 2006-07, but calculated at the 2005-06 level.

4. Higher Expectations for Learning and Proficiency - \$5m decrease to \$10m

All of the aid in this category will be directed to low income districts with per-pupil equalized property valuations below \$750,000, or to county vocational schools with more than 51 percent of their enrollment from an Abbott district.

5. Consolidated Aid - \$0.44m decrease to \$129.7m

Consolidated Aid awards to districts will decline by a small amount in districts that have declining enrollment either in five consecutive years between 2001 and 2005, or four consecutive years between 2002 and 2005. In each case, the decrease in aid is the product of the decrease in enrollment and the cost factor for distance learning network aid in 2001-02.

6. Additional Formula Aid - \$3.23m decrease to \$86.8m

Additional Formula Aid awards will decline for districts that have declining enrollment either in five consecutive years between 2001 and 2005, or four consecutive years between 2002 and 2005. In addition, districts with overall enrollment decline that also experience a decline in special education enrollment will lose Additional Formula Aid.

7. Choice Aid - \$1.66m decrease to \$8.31m

Choice Districts will experience a decline in Choice Aid if their October 2005 enrollment is less than the projected 2005 enrollment used in awarding aid in 2005-06.

8. Aid-in-Lieu - \$794.00

The Aid-in-Lieu reimbursement amount for nonpublic transportation expenditures will be fixed at the 2005-06 level per pupil amount. There will be no automatic CPI increase.