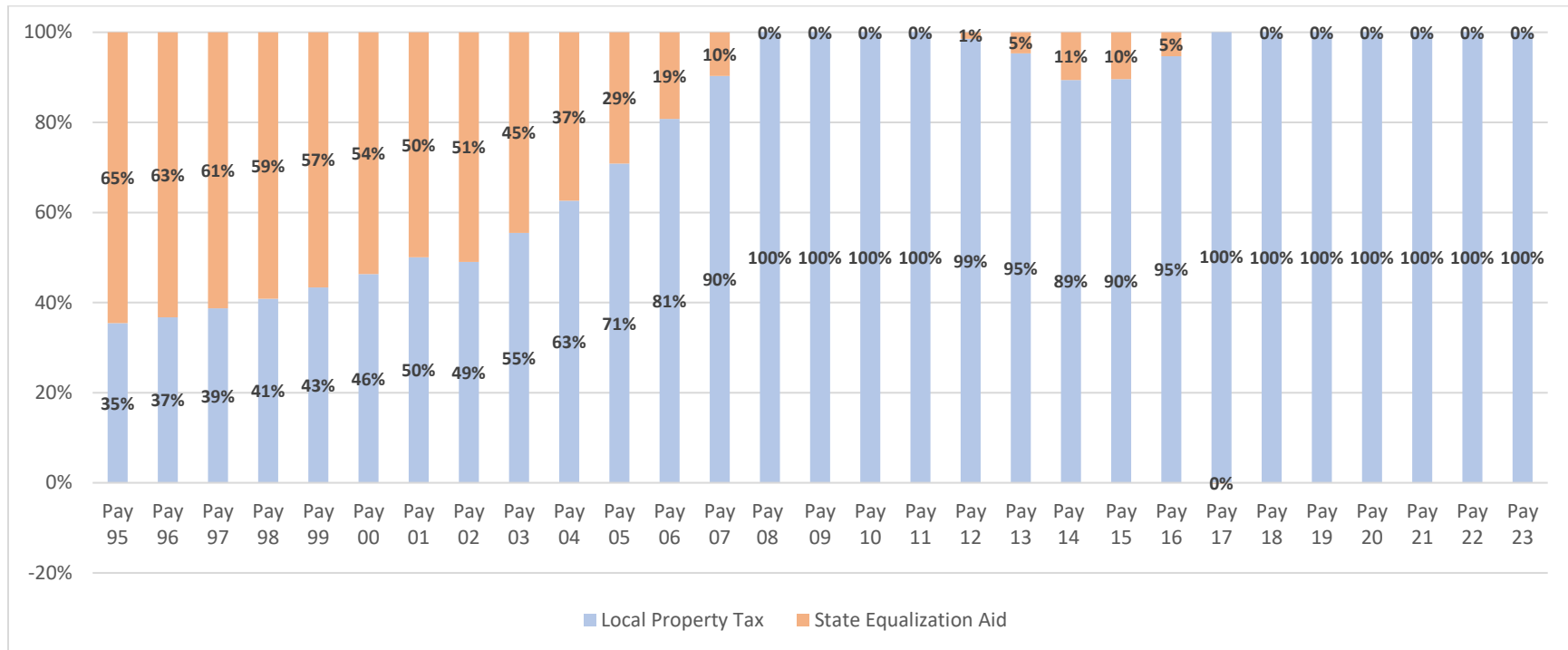




STATEWIDE EROSION OF EQUALIZATION AID



When the referendum equalization program that provided aid based on a district’s referendum market value per resident pupil unit was established for property taxes payable in 1995, a district at the state average referendum market value received 65% aid on its first tier of referendum revenue. Because the equalizing factor is expressed as a constant, the ratio of aid-to-levy decreased as property value grew. Although the equalization factor for the first tier of referendum revenue has been increased twice, it has not kept pace with

property wealth growth statewide which has created considerable disparities in the property tax effort necessary to raise revenue locally.