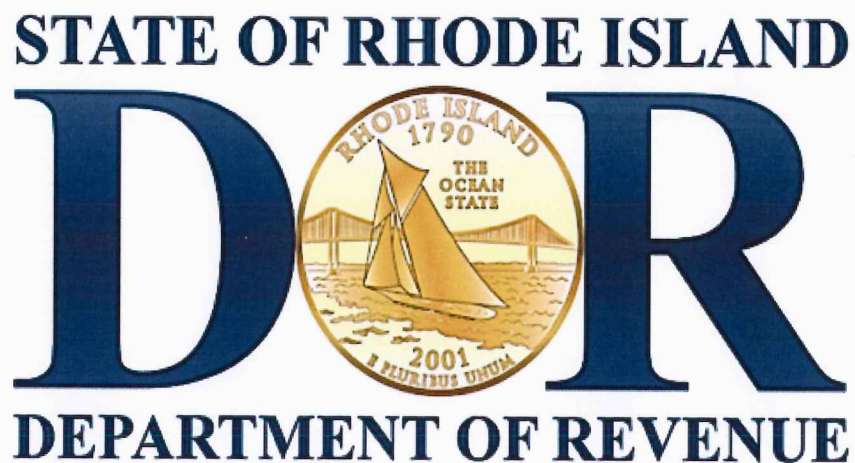


**State Aid
FY 2016 Revised and FY 2017 Proposed
State Budget**



Governor Gina M. Raimondo

**Prepared by:
Department of Revenue
Division of Municipal Finance**

Municipal Aid

Formula Aid to Cities and Towns

The **Payment-in-Lieu-of-Taxes (PILOT)** program reimburses communities for up to 27.0 percent of what they would have collected in property taxes from certain designated tax exempt property (subject to appropriation). The FY 2016 revised budget is funded at \$40.1 million and the FY 2017 proposed budget at \$42.0 million which fully funds the aid program at 27.00% in FY 2017. Data used to determine distribution amounts is updated annually to reflect the most recent data.

The **Distressed Communities Relief Fund** provides state assistance to municipalities with the highest property tax burdens relative to the wealth of taxpayers. Municipalities are eligible that meet the statutorily determined distressed test in three of four categories. The program is level funded at \$10.4 million in FY 2016 revised and FY 2017 proposed. The City of Cranston is qualifying for the Distressed Communities Relief Fund in FY 2017. In a year that a municipality newly enters the aid program, it receives 50 percent of current law requirements the first year it qualifies. The City of East Providence is falling out of program for FY 2017. When any community falls out of the Distressed Communities Relief Fund, it shall receive a one-time payment of 50 percent of the prior year requirement exclusive of any reduction for first year qualification.

Municipal Incentive Aid provided a new category of state assistance with the purpose of encouraging municipalities to improve the sustainability of their retirement plans and to reduce unfunded liabilities. For FY 2015 and each fiscal year thereafter that municipal incentive aid is distributed to eligible municipalities under chapter 45-13.2 of the Rhode Island General Laws, municipalities would be eligible to receive aid if: (1) the municipality has no locally-administered pension plan(s); or (2) transitioned all locally-administered pension plans into MERS by June 30, 2014; or (3) the municipality notified plan participants, beneficiaries and others pursuant to RIGL §45-65 and had submitted to the Department of Revenue a Funding Improvement Plan ("FIP") pursuant to chapter 45-65, for every locally-administered pension plan and each submitted FIP meets the guidelines of the Study Commission on Locally-Administered Pension plans created pursuant to section 45-65-8 or otherwise applicable guidelines or regulations and each FIP has been approved by the plan sponsor and the governing body; or (4) the municipality has implemented the original recommended FIP or an amended FIP pursuant to chapter 45-65 within one month after the close of the fiscal year and made the required funding payment (formerly referred to as Annually Required Contribution, in compliance with the municipality's adopted FIP(s) and the funding guidelines established by the Pension Study Commission and the FIPs are approved by the plan sponsor and the local governing body; or (5) there exists a locally-administered pension plan(s) in the municipality, but either (i) no FIP was required per RIGL 45-65 and either: (A) the municipality is funding 100 percent of its required funding payment; or (B) the municipality has a funded ratio of 100 percent or greater; or (ii) a FIP is required, but the due date for submission of the FIP is after the March payment of incentive aid. The aid is provided at \$5.0 million for FY 2015 and FY 2016.

The FY 2017 proposed budget continues to provide funding for the **Property Valuation Statistical Update Program**, which reimburses cities and towns for legislatively mandated property valuation statistical updates on a per parcel basis. Funding for FY 2016 revised is estimated at \$1.4 million. The proposed FY 2017 funding is \$559,901 for the estimated actual cost of reimbursement. Funding for FY 2017 will be updated as communities contract for statistical update services.

Funding for **Aid to Local Libraries** is at \$8.8 million in FY 2016 and FY 2017. In addition, funding for library construction aid is provided at \$2.7 million in FY 2016 and \$2.2 million in FY 2017 to finance anticipated debt service or construction reimbursement obligations under this program.

The 1998 General Assembly enacted the **Motor Vehicle Excise Tax Phase-Out** legislation to phase out the excise tax on motor vehicles and trailers over an original seven year period. There have been various legislative changes to the legislation since its inception. For FY 2011 and thereafter, the General Assembly

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enacted legislation that mandates a \$500 exemption for which the State will reimburse municipalities an amount subject to appropriation. The legislation further allows municipalities to provide an additional exemption; however, that additional exemption will not be subject to reimbursement. The Assembly removed the provision that restricted municipalities from taxing the difference in the event that the value of a vehicle is higher than the prior fiscal year. It also allowed for rates and ratios of assessment to be lowered from the current frozen levels. Total funding in the FY 2016 revised and FY 2017 proposed budgets to support this program is \$10.0 million. Data used to determine distribution amounts for FY 2017 proposed budget is an estimate based on FY 2016 data and will change once finalized December 31, 2015 motor vehicle tax rolls are received and processed in the fall of 2016.

The **Public Service Corporation Tax** is for certain tangible personal property of telegraph, cable and telecommunications corporations and express corporations that is exempt from local taxation, and instead is subject to taxation by the State. The revenue from this tax flows through the State (it is not appropriated by the State). The revenues (apart from some administrative expenses) are apportioned to the cities and towns based on the ratio of each municipality's population relative to the total population of the State. The disbursements for FY 2017 proposed total \$13.0 million which is an estimate based on the FY 2016 distribution and will be updated in the spring of 2017 once finalized tax returns are received and processed. Data used to determine distribution amounts is updated annually to reflect the most recent data.

The 1986 General Assembly enacted the **Hotel Local Tax**, a five percent hotel tax upon the total consideration charged for occupancy of any space furnished by any hotel of the state. Twenty-five percent of the revenues generated from the 5.0 percent state hotel tax are distributed to the municipalities where the individual hotels are located. Furthermore, the 2004 General Assembly enacted a one percent gross receipts tax on the total consideration charged for occupancy of any space furnished by a hotel of the state. The taxes are collected by the Division of Taxation and distributed at least quarterly to the city or town where the hotel was located. For FY 2016 revised, a combined amount is provided at \$9.7 million. For the FY 2017 proposed budget, the amount is estimated to be \$9.9 million and includes the Governor's recommended lodging tax initiatives.

The 2003 General Assembly enacted the **Local Meals and Beverage Tax**, a one percent additional tax on gross receipts from the sale of food and beverages sold in or on eating and drinking establishments. The tax is collected by the Division of Taxation and then distributed back to the city or town in which the meals and beverages were delivered. Distributions under this tax are projected to total \$25.2 million in FY 2016 revised and \$26.0 million in FY 2017 proposed .

Fiscal Year 2016 Enacted State Aid to Cities and Towns

City or Town	Payment In Lieu of Tax Exempt Property	Distressed Community Relief Fund	Municipal Incentive Aid ⁽¹⁾	State Library Aid	Motor Vehicle Excise Tax Reimbursement Value of Exemption ⁽²⁾	FY 2016 Total Appropriated State Aid
Barrington	14,638		77,484	337,167	230,537	659,826
Bristol	784,361		107,118	168,505	95,718	1,155,701
Burrillville	127,468		76,139	144,949	201,655	550,211
Central Falls	21,411	211,123	92,170	26,046	94,066	444,816
Charlestown			37,183	46,654	44,361	128,197
Coventry			166,346	217,150	246,097	629,593
Cranston	5,645,800		382,573	553,271	1,006,431	7,588,074
Cumberland	119		160,241	266,665	247,431	674,456
East Greenwich	341,085		62,395	121,208	81,789	606,476
East Providence	218,245	685,142	223,919	354,339	505,623	1,987,269
Exeter			31,773	45,910	92,010	169,692
Foster	415		22,003	30,796	57,184	110,397
Glocester			46,596	70,625	103,123	220,344
Hopkinton			38,737	31,101	69,637	139,475
Jamestown			25,782	87,375	22,069	135,227
Johnston			137,340	116,751	422,956	677,047
Lincoln			100,680	195,339	197,861	493,880
Little Compton			16,592	30,355	12,978	59,925
Middletown			76,771	135,162	69,136	281,069
Narragansett			75,160	120,040	60,561	255,760
Newport	1,250,492		115,718	380,016	77,876	1,824,103
New Shoreham			3,975	80,325	6,564	90,864
North Kingstown	1,494		125,293	266,128	184,758	577,673
North Providence	713,714	989,710	152,777	175,272	393,578	2,425,052
North Smithfield			57,141	65,478	181,773	304,392
Pawtucket	508,302	1,430,131	338,325	336,605	792,999	3,406,362
Portsmouth			82,434	101,476	78,523	262,432
Providence	28,087,311	5,332,583	846,519	1,138,890	1,868,582	37,273,885
Richmond			36,403	26,246	66,715	129,364
Scituate			49,249	94,694	69,579	213,521
Smithfield	600,901		101,997	269,640	253,182	1,225,721
South Kingstown	173,566		145,475	201,734	138,803	659,578
Tiverton			75,141	100,382	58,977	234,499
Warren			50,381	54,101	91,943	196,424
Warwick	1,453,550		391,644	673,157	964,785	3,483,136
Westerly	137,538		108,016	274,847	208,608	729,009
West Greenwich			29,010	29,133	59,278	117,421
West Warwick		835,708	138,039	152,016	233,530	1,359,293
Woonsocket		900,062	195,461	178,865	408,725	1,683,112
Subtotal	\$40,080,409	\$10,384,458	\$5,000,000	\$7,698,411	\$10,000,000	\$73,163,278

Reappropriation of FY 2015

Funds to be distributed in FY

2016

Johnston ⁽³⁾

Statewide Reference Library Resource Grant

Grant-In-Aid to Institutional Libraries

Library Construction Reimbursement

136,438

1,012,378

62,609

2,663,300

136,438

1,012,378

62,609

2,663,300

Total

\$40,080,409

\$10,384,458

\$5,136,438

\$11,436,698

\$10,000,000

\$77,038,003

(1) Estimate and subject to change once updated Census Population is released.

(2) Estimate as of 12/9/14. Subject to change once finalized motor vehicle tax rolls are received from cities and towns.

(3) For FY 2014, and in any year thereafter that a municipality is not eligible to receive a distribution under chapter 45-13.2, the distribution that said municipality would have received had it been eligible shall be reappropriated to the immediately following fiscal year, at which time the amount reappropriated shall be distributed to said municipality provided that said municipality has satisfied the eligibility requirements of both the prior fiscal year and the then current fiscal year. In the event that said municipality fails to satisfy the eligibility requirements for the prior and the then current fiscal year by the time that eligibility to receive distributions in the next fiscal year is determined, then the amount that would have been distributed to the municipality for said prior year will be distributed in the month of May among the municipalities that received a distribution in the prior fiscal year, with the share to be received by each municipality calculated in the same manner as distributions were calculated in the prior fiscal year.

Fiscal Year 2016 Enacted Pass Through Aid to Cities & Towns

City or Town	Public Service Corporation Tax	Hotel Tax ⁽¹⁾⁽³⁾	Meals and Beverage Tax ⁽³⁾	FY 2016 Total Shared Taxes State Aid	FY 2016 Total Shared & Appropriated Aid
Barrington	201,686	4,840	162,111	368,638	1,028,464
Bristol	278,819	56,246	377,506	712,571	1,868,271
Burrillville	198,184	1,543	203,076	402,803	953,014
Central Falls	239,912	1,029	117,130	358,071	802,887
Charlestown	96,784	92,261	139,438	328,483	456,680
Coventry	432,985	89,853	398,643	921,481	1,551,074
Cranston	995,808	16,367	1,688,939	2,701,114	10,289,188
Cumberland	417,096	-	429,643	846,739	1,521,196
East Greenwich	162,408	4,748	584,810	751,966	1,358,442
East Providence	582,845	50,607	917,015	1,550,467	3,537,736
Exeter	82,701	514	89,236	172,452	342,144
Foster	57,271	263	16,779	74,313	184,709
Glocester	121,286	4,372	78,615	204,274	424,617
Hopkinton	100,831	953	52,656	154,439	293,914
Jamestown	67,109	55,323	88,914	211,345	346,572
Johnston	357,486	8,524	514,948	880,958	1,558,004
Lincoln	262,063	111,019	811,193	1,184,276	1,678,156
Little Compton	43,188	44,706	39,787	127,682	187,607
Middletown	199,830	768,103	702,013	1,669,946	1,951,016
Narragansett	195,635	358,306	565,173	1,119,113	1,374,874
Newport	301,205	2,229,881	1,996,556	4,527,643	6,351,746
New Shoreham	10,345	374,713	309,919	694,977	785,841
North Kingstown	326,128	104,669	510,313	941,110	1,518,783
North Providence	397,667	1,029	339,375	738,071	3,163,123
North Smithfield	148,734	3,763	247,337	399,834	704,226
Pawtucket	880,635	58,948	763,503	1,703,086	5,109,448
Portsmouth	214,568	30,349	189,138	434,055	696,487
Providence	2,203,425	2,182,600	5,117,433	9,503,458	46,777,343
Richmond	94,755	4,214	130,980	229,949	359,313
Scituate	128,192	5,210	68,954	202,356	415,877
Smithfield	265,491	167,744	701,051	1,134,286	2,360,007
South Kingstown	378,660	217,045	761,377	1,357,082	2,016,660
Tiverton	195,585	9,739	214,872	420,196	654,695
Warren	131,137	6,384	268,762	406,282	602,706
Warwick	1,019,420	1,098,511	2,699,564	4,817,494	8,300,630
Westerly	281,158	560,026	806,342	1,647,526	2,376,534
West Greenwich	75,512	102,422	134,626	312,560	429,981
West Warwick	359,305	105,972	346,809	812,086	2,171,379
Woonsocket	508,769	55,548	507,239	1,071,556	2,754,668
Subtotal	\$13,014,620	\$8,988,342	\$24,091,776	\$46,094,738	\$119,258,015

Reappropriation of FY 2015

Funds to be distributed in FY 2016

Johnston ⁽²⁾	136,438
Statewide Reference Library Resource Grant (Providence)	1,012,378
Grant-In-Aid to Institutional Libraries	62,609
Library Construction Reimbursement	2,663,300

Total	\$13,014,620	\$8,988,342	\$24,091,776	\$46,094,738	\$123,132,740
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(1) Amount includes 1.0% local tax and 25.0% local share of state 5.0% tax on traditional lodging rentals and the lodging tax initiatives enacted by the General Assembly.

(2) For FY 2014, and in any year thereafter that a municipality is not eligible to receive a distribution under chapter 45-13.2, the distribution that said municipality would have received had it been eligible shall be reappropriated to the immediately following fiscal year, at which time the amount reappropriated shall be distributed to said municipality provided that said municipality has satisfied the eligibility requirements of both the prior fiscal year and the then current fiscal year. In the event that said municipality fails to satisfy the eligibility requirements for the prior and the then current fiscal year by the time that eligibility to receive distributions in the next fiscal year is determined, then the amount that would have been distributed to the municipality for said prior year will be distributed in the month of May among the municipalities that received a distribution in the prior fiscal year, with the share to be received by each municipality calculated in the same manner as distributions were calculated in the prior fiscal year.

(3) Hotel Tax and Meals & Beverage Tax are estimated and subject to change.

Fiscal Year 2016 Revised State Aid to Cities and Towns

City or Town	Payment In Lieu of Tax Exempt Property	Distressed Community Relief Fund	Municipal Incentive Aid	State Library Aid	Motor Vehicle Excise Tax Reimbursement Value of Exemption	FY 2016 Total Appropriated State Aid
Barrington	14,638		77,484	337,167	217,477	646,766.15
Bristol	784,361		107,118	168,505	94,294	1,154,277
Burrillville	127,468		76,139	144,949	200,798	549,354
Central Falls	21,411	211,123	92,170	26,046	96,208	446,958
Charlestown			37,183	46,654	44,097	127,934
Coventry ⁽¹⁾			-	217,150	244,791	461,942
Cranston	5,645,800		382,573	553,271	1,005,084	7,586,728
Cumberland	119		160,241	266,665	247,485	674,511
East Greenwich	341,085		62,395	121,208	81,417	606,105
East Providence	218,245	685,142	223,919	354,339	501,297	1,982,943
Exeter			31,773	45,910	92,110	169,792
Foster	415		22,003	30,796	72,955	126,168
Glocester			46,596	70,625	102,420	219,640
Hopkinton			38,737	31,101	69,295	139,133
Jamestown			25,782	87,375	22,042	135,199
Johnston ⁽¹⁾			-	116,751	422,637	539,387
Lincoln			100,680	195,339	198,583	494,603
Little Compton			16,592	30,355	12,896	59,843
Middletown			76,771	135,162	63,006	274,939
Narragansett			75,160	120,040	60,810	256,009
Newport	1,250,492		115,718	380,016	77,989	1,824,216
New Shoreham			3,975	80,325	6,714	91,014
North Kingstown	1,494		125,293	266,128	185,691	578,606
North Providence	713,714	989,710	152,777	175,272	389,770	2,421,244
North Smithfield			57,141	65,478	177,990	300,610
Pawtucket	508,302	1,430,131	338,325	336,605	794,500	3,407,863
Portsmouth			82,434	101,476	84,669	268,579
Providence	28,087,311	5,332,583	846,519	1,138,890	1,882,415	37,287,718
Richmond			36,403	26,246	65,687	128,336
Scituate ⁽¹⁾			-	94,694	68,633	163,327
Smithfield	600,901		101,997	269,640	255,759	1,228,298
South Kingstown	173,566		145,475	201,734	139,730	660,505
Tiverton			75,141	100,382	59,170	234,693
Warren			50,381	54,101	92,183	196,664
Warwick	1,453,550		391,644	673,157	964,536	3,482,888
Westerly	137,538		108,016	274,847	216,507	736,907
West Greenwich			29,010	29,133	54,390	112,533
West Warwick		835,708	138,039	152,016	231,779	1,357,542
Woonsocket		900,062	195,461	178,865	402,183	1,676,570.17
Subtotal	\$40,080,409	\$10,384,458	\$4,647,065	\$7,698,411	\$10,000,000	\$72,810,343
Reappropriation of FY 2015						
Funds to be distributed in FY 2016						
Johnston ⁽²⁾			136,438			136,438
Reappropriation of FY 2016						
Funds to be distributed in FY 2017						
Coventry ⁽²⁾			166,346			166,346
Johnston ⁽²⁾			137,340			137,340
Scituate ⁽²⁾			49,249			49,249
Statewide Reference Library Resource Grant				1,012,378		1,012,378
Grant-In-Aid to Institutional Libraries				62,609		62,609
Library Construction Reimbursement				2,663,300		2,663,300
Total	\$40,080,409	\$10,384,458	\$5,136,438	\$11,436,698	\$10,000,000	\$77,038,003

(1) Coventry, Johnston and Scituate do not meet eligibility criteria in FY 2016. Aid will be reappropriated to FY 2017 based on current law.

(2) For FY 2014, and in any year thereafter that a municipality is not eligible to receive a distribution under chapter 45-13.2, the distribution that said municipality would have received had it been eligible shall be reappropriated to the immediately following fiscal year, at which time the amount reappropriated shall be distributed to said municipality provided that said municipality has satisfied the eligibility requirements of both the prior fiscal year and the then current fiscal year. In the event that said municipality fails to satisfy the eligibility requirements for the prior and the then current fiscal year by the time that eligibility to receive distributions in the next fiscal year is determined, then the amount that would have been distributed to the municipality for said prior year will be distributed in the month of May among the municipalities that received a distribution in the prior fiscal year, with the share to be received by each municipality calculated in the same manner as distributions were calculated in the prior fiscal year.

Fiscal Year 2016 Revised Pass Through Aid to Cities & Towns

City or Town	Public Service Corporation Tax	Hotel Tax ⁽¹⁾⁽²⁾	Meals and Beverage Tax ⁽²⁾	FY 2016 Total Shared Taxes State Aid	FY 2016 Total Shared & Appropriated Aid
Barrington	201,686	4,840	169,571	376,098	1,022,864
Bristol	278,819	57,754	414,142	750,714	1,904,991
Burrillville	198,184	1,543	208,483	408,210	957,565
Central Falls	239,912	1,029	124,660	365,601	812,559
Charlestown	96,784	90,814	154,035	341,633	469,566
Coventry	432,985	105,225	413,426	951,636	1,413,578
Cranston	995,808	17,187	1,803,082	2,816,077	10,402,805
Cumberland	417,096	-	473,373	890,469	1,564,979
East Greenwich	162,408	4,451	636,056	802,915	1,409,020
East Providence	582,845	55,426	948,454	1,586,726	3,569,669
Exeter	82,701	514	96,201	179,416	349,208
Foster	57,271	237	16,700	74,208	200,376
Glocester	121,286	3,768	75,671	200,724	420,365
Hopkinton	100,831	953	50,748	152,532	291,664
Jamestown	67,109	57,465	98,430	223,004	358,204
Johnston	357,486	10,986	572,813	941,285	1,480,672
Lincoln	262,063	119,020	850,190	1,231,273	1,725,875
Little Compton	43,188	40,619	46,683	130,490	190,333
Middletown	199,830	870,392	685,478	1,755,700	2,030,639
Narragansett	195,635	362,759	614,542	1,172,936	1,428,945
Newport	301,205	2,346,221	2,179,413	4,826,839	6,651,056
New Shoreham	10,345	369,208	333,706	713,260	804,273
North Kingstown	326,128	113,977	534,560	974,666	1,553,272
North Providence	397,667	1,029	343,541	742,237	3,163,481
North Smithfield	148,734	4,158	255,353	408,244	708,854
Pawtucket	880,635	61,949	795,988	1,738,572	5,146,435
Portsmouth	214,568	38,729	188,709	442,006	710,585
Providence	2,203,425	2,370,595	5,190,931	9,764,951	47,052,669
Richmond	94,755	4,884	145,123	244,761	373,097
Scituate	128,192	7,085	72,034	207,311	370,638
Smithfield	265,491	174,905	714,442	1,154,838	2,383,136
South Kingstown	378,660	226,374	803,415	1,408,448	2,068,953
Tiverton	195,585	9,739	222,678	428,002	662,695
Warren	131,137	6,384	284,751	422,271	618,936
Warwick	1,019,420	1,200,354	2,799,504	5,019,277	8,502,165
Westerly	281,158	636,069	839,303	1,756,530	2,493,438
West Greenwich	75,512	104,408	144,141	324,061	436,594
West Warwick	359,305	126,423	355,931	841,659	2,199,201
Woonsocket	508,769	60,387	520,869	1,090,026	2,766,596
Subtotal	\$13,014,620	\$9,667,861	\$25,177,125	\$47,859,606	\$120,669,949
Reappropriation of FY 2015					
Funds to be distributed in FY 2016					
Johnston ⁽³⁾					136,438
Reappropriation of FY 2016					
Funds to be distributed in FY 2017					
Coventry ⁽³⁾					166,346
Johnston ⁽³⁾					137,340
Scituate ⁽³⁾					49,249
Statewide Reference Library Resource Grant (Providence)					1,012,378
Grant-In-Aid to Institutional Libraries					62,609
Library Construction Reimbursement					2,663,300
Total	\$13,014,620	\$9,667,861	\$25,177,125	\$47,859,606	\$124,897,609

(1) Amount includes 1.0% local tax and 25.0% local share of state 5.0% tax on traditional lodging rentals and the lodging tax initiatives enacted by the General Assembly.

(2) Hotel Tax and Meals & Beverage Tax are estimated and subject to change.

(3) For FY 2014, and in any year thereafter that a municipality is not eligible to receive a distribution under chapter 45-13.2, the distribution that said municipality would have received had it been eligible shall be reappropriated to the immediately following fiscal year, at which time the amount reappropriated shall be distributed to said municipality provided that said municipality has satisfied the eligibility requirements of both the prior fiscal year and the then current fiscal year. In the event that said municipality fails to satisfy the eligibility requirements for the prior and the then current fiscal year by the time that eligibility to receive distributions in the next fiscal year is determined, then the amount that would have been distributed to the municipality for said prior year will be distributed in the month of May among the municipalities that received a distribution in the prior fiscal year, with the share to be received by each municipality calculated in the same manner as distributions were calculated in the prior fiscal year.

Changes in Formula Aid - FY 2016 Revised vs. FY 2016 Enacted

City or Town	Payment In Lieu of Tax Exempt Property	Distressed Community Relief Fund	Municipal Incentive Aid	State Library Aid	Motor Vehicle Excise Tax Reimbursement Value of Exemption	Total Appropriated Difference
Barrington	-	-	-	-	(13,060)	(13,060)
Bristol	-	-	-	-	(1,424)	(1,424)
Burrillville	-	-	-	-	(856)	(856)
Central Falls	-	-	-	-	2,142	2,142
Charlestown	-	-	-	-	(263)	(263)
Coventry ⁽¹⁾	-	-	(166,346)	-	(1,306)	(167,651)
Cranston	-	-	-	-	(1,347)	(1,347)
Cumberland	-	-	-	-	54	54
East Greenwich	-	-	-	-	(371)	(371)
East Providence	-	-	-	-	(4,326)	(4,326)
Exeter	-	-	-	-	100	100
Foster	-	-	-	-	15,771	15,771
Glocester	-	-	-	-	(703)	(703)
Hopkinton	-	-	-	-	(342)	(342)
Jamestown	-	-	-	-	(27)	(27)
Johnston ⁽¹⁾	-	-	(137,340)	-	(319)	(137,659)
Lincoln	-	-	-	-	723	723
Little Compton	-	-	-	-	(82)	(82)
Middletown	-	-	-	-	(6,131)	(6,131)
Narragansett	-	-	-	-	249	249
Newport	-	-	-	-	113	113
New Shoreham	-	-	-	-	149	149
North Kingstown	-	-	-	-	933	933
North Providence	-	-	-	-	(3,808)	(3,808)
North Smithfield	-	-	-	-	(3,782)	(3,782)
Pawtucket	-	-	-	-	1,501	1,501
Portsmouth	-	-	-	-	6,146	6,146
Providence	-	-	-	-	13,833	13,833
Richmond	-	-	-	-	(1,028)	(1,028)
Scituate ⁽¹⁾	-	-	(49,249)	-	(945)	(50,194)
Smithfield	-	-	-	-	2,577	2,577
South Kingstown	-	-	-	-	927	927
Tiverton	-	-	-	-	193	193
Warren	-	-	-	-	240	240
Warwick	-	-	-	-	(249)	(249)
Westerly	-	-	-	-	7,899	7,899
West Greenwich	-	-	-	-	(4,889)	(4,889)
West Warwick	-	-	-	-	(1,751)	(1,751)
Woonsocket	-	-	-	-	(6,541)	(6,541)
Subtotal	\$0	\$0	(\$352,935)	\$0	\$0	(352,935)
Reappropriation of FY 2015						
Funds to be distributed in FY 2016						
Johnston ⁽²⁾			-			-
Reappropriation of FY 2016						
Funds to be distributed in FY 2017						
Coventry ⁽²⁾			166,346			166,346
Johnston ⁽²⁾			137,340			137,340
Scituate ⁽²⁾			49,249			49,249
Statewide Reference Library Resource Grant				-		-
Grant-In-Aid to Institutional Libraries				-		-
Library Construction Reimbursement				-		-
Total	\$0	\$0	\$0	\$0	\$0	0

(1) Coventry, Johnston and Scituate do not meet eligibility criteria in FY 2016. Aid will be reappropriated to FY 2017 based on current law.

(2) For FY 2014, and in any year thereafter that a municipality is not eligible to receive a distribution under chapter 45-13.2, the distribution that said municipality would have received had it been eligible shall be reappropriated to the immediately following fiscal year, at which time the amount reappropriated shall be distributed to said municipality provided that said municipality has satisfied the eligibility requirements of both the prior fiscal year and the then current fiscal year. In the event that said municipality fails to satisfy the eligibility requirements for the prior and the then current fiscal year by the time that eligibility to receive distributions in the next fiscal year is determined, then the amount that would have been distributed to the municipality for said prior year will be distributed in the month of May among the municipalities that received a distribution in the prior fiscal year, with the share to be received by each municipality calculated in the same manner as distributions were calculated in the prior fiscal year.

Changes in Pass Through and All Aid - FY 2016 Revised vs. FY 2016 Enacted

City or Town	Public Service Corporation Tax	Hotel Tax ⁽¹⁾	Meals and Beverage Tax	Total Pass Through State Aid Difference	Total All State Aid Difference
Barrington	-	0	7,460	7,460	(5,600)
Bristol	-	1,508	36,636	38,144	36,720
Burrillville	-	(0)	5,407	5,407	4,551
Central Falls	-	0	7,530	7,530	9,671
Charlestown	-	(1,448)	14,597	13,149	12,886
Coventry	-	15,373	14,783	30,155	(137,496)
Cranston	-	820	114,143	114,963	113,617
Cumberland	-	-	43,730	43,730	43,784
East Greenwich	-	(296)	51,246	50,950	50,579
East Providence	-	4,819	31,440	36,259	31,933
Exeter	-	-	6,964	6,964	7,064
Foster	-	(26)	(79)	(105)	15,666
Glocester	-	(604)	(2,945)	(3,549)	(4,253)
Hopkinton	-	-	(1,908)	(1,908)	(2,250)
Jamestown	-	2,143	9,516	11,659	11,631
Johnston	-	2,462	57,865	60,327	(77,332)
Lincoln	-	8,000	38,996	46,997	47,719
Little Compton	-	(4,087)	6,895	2,808	2,726
Middletown	-	102,289	(16,535)	85,754	79,623
Narragansett	-	4,454	49,369	53,823	54,072
Newport	-	116,340	182,857	299,197	299,310
New Shoreham	-	(5,504)	23,787	18,283	18,433
North Kingstown	-	9,309	24,247	33,556	34,489
North Providence	-	0	4,166	4,166	358
North Smithfield	-	394	8,016	8,410	4,628
Pawtucket	-	3,002	32,484	35,486	36,987
Portsmouth	-	8,380	(429)	7,951	14,097
Providence	-	187,995	73,498	261,493	275,326
Richmond	-	669	14,143	14,812	13,784
Scituate	-	1,875	3,080	4,955	(45,239)
Smithfield	-	7,162	13,390	20,552	23,129
South Kingstown	-	9,329	42,037	51,366	52,293
Tiverton	-	-	7,806	7,806	7,999
Warren	-	-	15,989	15,989	16,229
Warwick	-	101,843	99,940	201,783	201,535
Westerly	-	76,044	32,961	109,005	116,903
West Greenwich	-	1,986	9,515	11,501	6,612
West Warwick	-	20,451	9,122	29,573	27,821
Woonsocket	-	4,839	13,631	18,470	11,928
Subtotal	\$0	\$679,519	\$1,085,350	\$1,764,869	\$1,411,934
Reappropriation of FY 2015 Funds to be distributed in FY 2016					
Johnston ⁽²⁾					-
Reappropriation of FY 2016 Funds to be distributed in FY 2017					
Coventry ⁽²⁾					166,346
Johnston ⁽²⁾					137,340
Scituate ⁽²⁾					49,249
Statewide Reference Library Resource Grant (Providence)					-
Grant-In-Aid to Institutional Libraries					-
Library Construction Reimbursement					-
Total	\$0	\$679,519	\$1,085,350	\$1,764,869	\$1,764,869

(1) Amount includes 1.0% local tax and 25.0% local share of state 5.0% tax.

(2) For FY 2014, and in any year thereafter that a municipality is not eligible to receive a distribution under chapter 45-13.2, the distribution that said municipality would have received had it been eligible shall be reappropriated to the immediately following fiscal year, at which time the amount reappropriated shall be distributed to said municipality provided that said municipality has satisfied the eligibility requirements of both the prior fiscal year and the then current fiscal year. In the event that said municipality fails to satisfy the eligibility requirements for the prior and the then current fiscal year by the time that eligibility to receive distributions in the next fiscal year is determined, then the amount that would have been distributed to the municipality for said prior year will be distributed in the month of May among the municipalities that received a distribution in the prior fiscal year, with the share to be received by each municipality calculated in the same manner as distributions were calculated in the prior fiscal year.

Fiscal Year 2017 Proposed State Aid to Cities and Towns

City or Town	Payment In Lieu of Tax Exempt Property	Distressed Community Relief Fund	State Library Aid	Motor Vehicle Excise Tax Reimbursement Value of Exemption ⁽¹⁾	FY 2017 Total Appropriated State Aid
Barrington	15,995		335,108	217,477	568,579.85
Bristol	954,792		166,405	94,294	1,215,491
Burrillville	145,198		148,100	200,798	494,096
Central Falls	24,507	187,737	27,329	96,208	335,780
Charlestown			45,860	44,097	89,958
Coventry			218,795	244,791	463,586
Cranston	5,322,139	1,124,439	532,966	1,005,084	7,984,629
Cumberland	135		257,539	247,485	505,160
East Greenwich	434,980		120,238	81,417	636,635
East Providence	248,601	685,142	378,230	501,297	1,813,270
Exeter			46,635	92,110	138,745
Foster			30,855	72,955	103,809
Glocester			70,519	102,420	172,939
Hopkinton			32,498	69,295	101,793
Jamestown			103,012	22,042	125,054
Johnston			109,419	422,637	532,055
Lincoln			188,503	198,583	387,086
Little Compton			32,587	12,896	45,483
Middletown			132,148	63,006	195,154
Narragansett			137,056	60,810	197,866
Newport	1,357,719		373,835	77,989	1,809,543
New Shoreham			79,074	6,714	85,788
North Kingstown	1,737		262,939	185,691	450,367
North Providence		866,171	172,113	389,770	1,428,054
North Smithfield			70,542	177,990	248,533
Pawtucket	554,958	1,277,831	344,226	794,500	2,971,515
Portsmouth			104,692	84,669	189,361
Providence	30,137,743	4,699,234	1,149,685	1,882,415	37,869,078
Richmond			24,414	65,687	90,101
Scituate			93,578	68,633	162,211
Smithfield	710,097		267,699	255,759	1,233,555
South Kingstown	198,218		202,034	139,730	539,982
Tiverton			103,934	59,170	163,104
Warren			51,736	92,183	143,919
Warwick	1,712,951		662,405	964,536	3,339,892
Westerly	159,333		284,845	216,507	660,685
West Greenwich			28,930	54,390	83,320
West Warwick		747,878	145,607	231,779	1,125,264
Woonsocket		796,025	162,323	402,183	1,360,532
Subtotal	\$41,979,103	\$10,384,458	\$7,698,411	\$10,000,000	\$70,061,972
Reappropriation of FY 2016					
Funds to be distributed in FY					
2017					
Coventry ⁽²⁾					166,346
Johnston ⁽²⁾					137,340
Scituate ⁽²⁾					49,249
Statewide Reference Library Resource Grant			1,012,378		1,012,378
Grant-In-Aid to Institutional Libraries			62,609		62,609
Library Construction Reimbursement			2,223,220		2,223,220
Total	\$41,979,103	\$10,384,458	\$10,996,618	\$10,000,000	\$73,713,114

(1) Estimate as of 12/8/15. Subject to change once finalized motor vehicle tax rolls are received from cities and towns and processed in the fall of 2016.

(2) For FY 2014, and in any year thereafter that a municipality is not eligible to receive a distribution under chapter 45-13.2, the distribution that said municipality would have received had it been eligible shall be reappropriated to the immediately following fiscal year, at which time the amount reappropriated shall be distributed to said municipality provided that said municipality has satisfied the eligibility requirements of both the prior fiscal year and the then current fiscal year. In the event that said municipality fails to satisfy the eligibility requirements for the prior and the then current fiscal year by the time that eligibility to receive distributions in the next fiscal year is determined, then the amount that would have been distributed to the municipality for said prior year will be distributed in the month of May among the municipalities that received a distribution in the prior fiscal year, with the share to be received by each municipality calculated in the same manner as distributions were calculated in the prior fiscal year.

Fiscal Year 2017 Proposed Pass Through Aid to Cities & Towns

City or Town	Public Service Corporation Tax (1)	Hotel Tax (2)(3)	Meals and Beverage Tax (3)	FY 2017 Total Shared Taxes State Aid	FY 2017 Total Shared & Appropriated Aid
Barrington	201,686	4,950	175,404	382,040	950,620
Bristol	278,819	59,062	428,388	766,269	1,981,760
Burrillville	198,184	1,578	215,655	415,417	909,513
Central Falls	239,912	1,052	128,948	369,913	705,693
Charlestown	96,784	92,870	159,334	348,988	438,946
Coventry	432,985	107,608	427,647	968,241	1,431,827
Cranston	995,808	17,576	1,865,108	2,878,492	10,863,121
Cumberland	417,096	-	489,657	906,753	1,411,912
East Greenwich	162,408	4,552	657,936	824,897	1,461,532
East Providence	582,845	56,682	981,081	1,620,608	3,433,877
Exeter	82,701	526	99,510	182,737	321,482
Foster	57,271	242	17,275	74,788	178,597
Glocester	121,286	3,853	78,274	203,413	376,351
Hopkinton	100,831	974	52,494	154,299	256,092
Jamestown	67,109	58,767	101,816	227,692	352,746
Johnston	357,486	11,234	592,518	961,238	1,493,294
Lincoln	262,063	121,715	879,436	1,263,215	1,650,301
Little Compton	43,188	41,539	48,288	133,016	178,499
Middletown	199,830	890,104	709,058	1,798,993	1,994,147
Narragansett	195,635	370,975	635,682	1,202,292	1,400,158
Newport	301,205	2,399,358	2,254,385	4,954,947	6,764,491
New Shoreham	10,345	377,570	345,185	733,101	818,888
North Kingstown	326,128	116,559	552,949	995,636	1,446,003
North Providence	397,667	1,052	355,358	754,078	2,182,132
North Smithfield	148,734	4,252	264,137	417,122	665,655
Pawtucket	880,635	63,352	823,370	1,767,357	4,738,872
Portsmouth	214,568	39,606	195,200	449,375	638,735
Providence	2,203,425	2,424,283	5,369,499	9,997,207	47,866,285
Richmond	94,755	4,994	150,115	249,864	339,965
Scituate	128,192	7,246	74,511	209,949	372,160
Smithfield	265,491	178,866	739,019	1,183,376	2,416,931
South Kingstown	378,660	231,501	831,052	1,441,212	1,981,194
Tiverton	195,585	9,959	230,338	435,883	598,987
Warren	131,137	6,528	294,546	432,211	576,130
Warwick	1,019,420	1,227,539	2,895,806	5,142,765	8,482,657
Westerly	281,158	650,475	868,175	1,799,808	2,460,492
West Greenwich	75,512	106,772	149,100	331,384	414,703
West Warwick	359,305	129,286	368,175	856,766	1,982,030
Woonsocket	508,769	61,755	538,787	1,109,312	2,469,843
Subtotal	\$13,014,620	\$9,886,814	\$26,043,218	\$48,944,652	\$119,006,624
Reappropriation of FY 2016					
Funds to be distributed in FY					
2017					
Coventry (4)					166,346
Johnston (4)					137,340
Scituate (4)					49,249
Statewide Reference Library Resource Grant (Providence)					1,012,378
Grant-In-Aid to Institutional Libraries					62,609
Library Construction Reimbursement					2,223,220
Total	\$13,014,620	\$9,886,814	\$26,043,218	\$48,944,652	\$122,657,766

(1) Estimate as of 12/8/15 based on FY 2016 data and will change once 12/31/15 data is received in the spring of 2016.

(2) Amount includes 1.0% local tax and 25.0% local share of state 5.0% tax on traditional lodging rentals and the lodging tax initiatives enacted by the General Assembly.

(3) Hotel Tax and Meals & Beverage Tax are estimated and subject to change.

(4) For FY 2014, and in any year thereafter that a municipality is not eligible to receive a distribution under chapter 45-13.2, the distribution that said municipality would have received had it been eligible shall be reappropriated to the immediately following fiscal year, at which time the amount reappropriated shall be distributed to said municipality provided that said municipality has satisfied the eligibility requirements of both the prior fiscal year and the then current fiscal year. In the event that said municipality fails to satisfy the eligibility requirements for the prior and the then current fiscal year by the time that eligibility to receive distributions in the next fiscal year is determined, then the amount that would have been distributed to the municipality for said prior year will be distributed in the month of May among the municipalities that received a distribution in the prior fiscal year, with the share to be received by each municipality calculated in the same manner as distributions were calculated in the prior fiscal year.

Changes in Formula Aid - FY 2017 Proposed vs. FY 2016 Revised

City or Town	Payment In Lieu of Tax Exempt Property	Distressed Community Relief Fund	Municipal Incentive Aid	State Library Aid	Motor Vehicle Excise Tax Reimbursement Value of Exemption	Total Appropriated Difference
Barrington	1,357	-	(77,484)	(2,059)	-	(78,186)
Bristol	170,431	-	(107,118)	(2,099)	-	61,214
Burrillville	17,730	-	(76,139)	3,151	-	(55,258)
Central Falls	3,096	(23,386)	(92,170)	1,282	-	(111,178)
Charlestown	-	-	(37,183)	(793)	-	(37,976)
Coventry	-	-	-	1,644	-	1,644
Cranston	(323,661)	1,124,439	(382,573)	(20,305)	-	397,901
Cumberland	16	-	(160,241)	(9,126)	-	(169,351)
East Greenwich	93,895	-	(62,395)	(970)	-	30,531
East Providence	30,356	(0)	(223,919)	23,890	-	(169,674)
Exeter	-	-	(31,773)	725	-	(31,047)
Foster	(415)	-	(22,003)	59	-	(22,358)
Glocester	-	-	(46,596)	(106)	-	(46,702)
Hopkinton	-	-	(38,737)	1,398	-	(37,340)
Jamestown	-	-	(25,782)	15,637	-	(10,145)
Johnston ⁽¹⁾	-	-	-	(7,332)	-	(7,332)
Lincoln	-	-	(100,680)	(6,836)	-	(107,516)
Little Compton	-	-	(16,592)	2,233	-	(14,360)
Middletown	-	-	(76,771)	(3,014)	-	(79,785)
Narragansett	-	-	(75,160)	17,016	-	(58,143)
Newport	107,227	-	(115,718)	(6,181)	-	(14,673)
New Shoreham	-	-	(3,975)	(1,251)	-	(5,226)
North Kingstown	243	-	(125,293)	(3,189)	-	(128,239)
North Providence	(713,714)	(123,540)	(152,777)	(3,159)	-	(993,190)
North Smithfield	-	-	(57,141)	5,064	-	(52,077)
Pawtucket	46,656	(152,299)	(338,325)	7,621	-	(436,348)
Portsmouth	-	-	(82,434)	3,216	-	(79,218)
Providence	2,050,432	(633,349)	(846,519)	10,795	-	581,359
Richmond	-	-	(36,403)	(1,832)	-	(38,235)
Scituate	-	-	-	(1,116)	-	(1,116)
Smithfield	109,196	-	(101,997)	(1,941)	-	5,257
South Kingstown	24,652	-	(145,475)	299	-	(120,523)
Tiverton	-	-	(75,141)	3,553	-	(71,588)
Warren	-	-	(50,381)	(2,365)	-	(52,746)
Warwick	259,401	-	(391,644)	(10,753)	-	(142,996)
Westerly	21,795	-	(108,016)	9,998	-	(76,223)
West Greenwich	-	-	(29,010)	(203)	-	(29,213)
West Warwick	-	(87,829)	(138,039)	(6,409)	-	(232,277)
Woonsocket	-	(104,036)	(195,461)	(16,542)	-	(316,039)
Subtotal	1,898,694	\$0	(\$4,647,065)	\$0	\$0	(2,748,371)
Reappropriation of FY 2015						
Funds to be distributed in FY						
2016						
Johnston ⁽²⁾			(136,438)			(136,438)
Reappropriation of FY 2016						
Funds to be distributed in FY						
2017						
Coventry ⁽²⁾			(166,346)			(166,346)
Johnston ⁽²⁾			(137,340)			(137,340)
Scituate ⁽²⁾			(49,249)			(49,249)
Statewide Reference Library Resource Grant				-		-
Grant-In-Aid to Institutional Libraries				-		-
Library Construction Reimbursement				(440,080)		(440,080)
Total	\$1,898,694	\$0	(\$5,136,438)	(\$440,080)	\$0	(\$3,677,824)

(1) Johnston does not meet eligibility criteria in FY 2016. Aid will be reappropriated to FY 2017 based on current law.

(2) For FY 2014, and in any year thereafter that a municipality is not eligible to receive a distribution under chapter 45-13.2, the distribution that said municipality would have received had it been eligible shall be reappropriated to the immediately following fiscal year, at which time the amount reappropriated shall be distributed to said municipality provided that said municipality has satisfied the eligibility requirements of both the prior fiscal year and the then current fiscal year. In the event that said municipality fails to satisfy the eligibility requirements for the prior and the then current fiscal year by the time that eligibility to receive distributions in the next fiscal year is determined, then the amount that would have been distributed to the municipality for said prior year will be distributed in the month of May among the municipalities that received a distribution in the prior fiscal year, with the share to be received by each municipality calculated in the same manner as distributions were calculated in the prior fiscal year.

Changes in Pass Through and All Aid - FY 2017 Proposed vs. FY 2016 Rev.

City or Town	Public Service Corporation Tax	Hotel Tax ⁽¹⁾	Meals and Beverage Tax	Total Pass Through State Aid Difference	Total All State Aid Difference
Barrington	-	110	5,833	5,943	(72,243)
Bristol	-	1,308	14,246	15,554	76,769
Burrillville	-	35	7,172	7,207	(48,052)
Central Falls	-	23	4,288	4,312	(106,866)
Charlestown	-	2,057	5,299	7,356	(30,621)
Coventry	-	2,383	14,222	16,605	18,249
Cranston	-	389	62,026	62,415	460,317
Cumberland	-	-	16,284	16,284	(153,067)
East Greenwich	-	101	21,880	21,981	52,512
East Providence	-	1,255	32,627	33,882	(135,792)
Exeter	-	12	3,309	3,321	(27,726)
Foster	-	5	574	580	(21,779)
Glocester	-	85	2,603	2,688	(44,013)
Hopkinton	-	22	1,746	1,767	(35,572)
Jamestown	-	1,301	3,386	4,687	(5,458)
Johnston	-	249	19,705	19,954	12,622
Lincoln	-	2,696	29,247	31,942	(75,574)
Little Compton	-	920	1,606	2,526	(11,834)
Middletown	-	19,712	23,580	43,293	(36,492)
Narragansett	-	8,216	21,140	29,356	(28,787)
Newport	-	53,136	74,972	128,108	113,435
New Shoreham	-	8,362	11,479	19,841	14,615
North Kingstown	-	2,581	18,389	20,970	(107,269)
North Providence	-	23	11,818	11,841	(981,349)
North Smithfield	-	94	8,784	8,878	(43,199)
Pawtucket	-	1,403	27,382	28,785	(407,563)
Portsmouth	-	877	6,492	7,369	(71,849)
Providence	-	53,688	178,568	232,256	813,615
Richmond	-	111	4,992	5,103	(33,132)
Scituate	-	160	2,478	2,638	1,523
Smithfield	-	3,961	24,577	28,538	33,795
South Kingstown	-	5,127	27,637	32,764	(87,759)
Tiverton	-	221	7,660	7,881	(63,707)
Warren	-	145	9,795	9,940	(42,806)
Warwick	-	27,185	96,303	123,488	(19,508)
Westerly	-	14,405	28,872	43,277	(32,945)
West Greenwich	-	2,365	4,958	7,323	(21,890)
West Warwick	-	2,863	12,244	15,107	(217,170)
Woonsocket	-	1,368	17,918	19,286	(296,753)
Subtotal	\$0	\$218,953	\$866,092	\$1,085,046	(1,663,325)
Reappropriation of FY 2015 Funds to be distributed in FY 2016					
Johnston ⁽²⁾					(136,438)
Reappropriation of FY 2016 Funds to be distributed in FY 2017					
Coventry ⁽²⁾					(166,346)
Johnston ⁽²⁾					(137,340)
Scituate ⁽²⁾					(49,249)
Statewide Reference Library Resource Grant (Providence)					-
Grant-In-Aid to Institutional Libraries					-
Library Construction Reimbursement					(440,080)
Total	\$0	\$218,953	\$866,092	\$1,085,046	(\$2,592,778)

(1) Amount includes 1.0% local tax and 25.0% local share of state 5.0% tax on traditional lodging rentals and the lodging tax initiatives enacted by the General Assembly.

(2) For FY 2014, and in any year thereafter that a municipality is not eligible to receive a distribution under chapter 45-13.2, the distribution that said municipality would have received had it been eligible shall be reappropriated to the immediately following fiscal year, at which time the amount reappropriated shall be distributed to said municipality provided that said municipality has satisfied the eligibility requirements of both the prior fiscal year and the then current fiscal year. In the event that said municipality fails to satisfy the eligibility requirements for the prior and the then current fiscal year by the time that eligibility to receive distributions in the next fiscal year is determined, then the amount that would have been distributed to the municipality for said prior year will be distributed in the month of May among the municipalities that received a distribution in the prior fiscal year, with the share to be received by each municipality calculated in the same manner as distributions were calculated in the prior fiscal year.

Education Aid

Data compiled by the Rhode Island Department of Education

Education Aid to Local Governments

Education Aid to Local Governments totals \$1.113 billion from all sources of funds, of which \$1.084 billion is from general revenue, in the recommended FY 2017 Budget. Total general revenue financed education aid increases by \$37.1 million from the revised FY 2016 Budget, or 3.5 percent. Total Education Aid is defined to include local public schools, School for the Deaf, Davies Career and Technical School, charter schools, Central Falls School District, the Metropolitan Career and Technical School, support for the State's share of Teacher Retirement and School Housing Aid programs, the textbook expansion program, school breakfast program, and state support for the E-Rate program.

Fiscal year 2017 represents year six of the education aid funding formula. As of July 1, 2011, education aid to all districts, charter schools, and state schools (Davies and the Met) is formula based. The School for the Deaf is a special education program and the funding method has not changed since it already has a state, federal, and local share. Based on the principle that the money follows the student, the formula was developed with the following guiding principles: (1) build a strong foundation for all children; (2) improve equity among districts and schools; (3) be transparent; and (4) be financially responsible.

The funding formula has been designed to distribute aid based on three key components:

- Core Instructional Amount – (\$8,979 per student in FY 2017) Derived from a regional average of the National Center for Education Statistics (NCES) expenditure data, the core instructional amount is based on cost studies from states that have been deemed by education researchers to be best practice financial models or states. In order to be informed, objective, and geographically sensitive, the formula uses a New England average cost to provide a balanced perspective on what Rhode Island should be spending to provide a high quality of education. The core instruction amount accounts for costs that have the greatest impact on a child's ability to learn, including instruction, instructional support, and leadership costs.
- Student Success Factor – (\$3,592 per student in FY 2017) Provides additional funding to support student needs beyond the core services listed above with the ultimate goal of closing student achievement gaps. Within the formula, each student is entitled to a 40.0 percent student success factor, which is applied to the core instructional amount. This factor is also applied to PK-12 students who are eligible for free and reduced price lunch.
- State Share Ratio – After the core components have been determined, a state share ratio formula is applied to address two key questions: How to account for differences in the revenue-generation capacity of communities and how to allocate funding to communities based on the supports that students need. The state share ratio is dependent on district property values weighted for median family income and students eligible for free and reduced price lunch.

Data plays a crucial role in how education aid is distributed to districts, charter schools, Davies, and the Met. The funding formula incorporates annual data updates including student counts, the core instruction per pupil, and the most recently assessed community property values and median family income data in order to ensure aid distribution uses the best available data. The formula establishes a platform for creating horizontal equity. It attempts to get a like amount of funding to children who have similar characteristics regardless of where they sit, which in turn gradually rebalances education funding to provide all districts a common level of purchasing power.

In addition, specific categorical funds for certain high-cost items were established outside the formula distribution: high cost special education, career and technical education, early childhood education, transportation for non-public and regional districts, regional district bonuses, and in FY 2017 a new English learner categorical. A Central Falls Stabilization Fund was also created to assure that appropriate funding is available to support the district, due to concerns regarding local capacity. According to law, state stabilization funds are only paid upon transfer of a matching amount to the school district by the city. If Central Falls is unable to pay its share, the State will not provide funding under the stabilization

Education Aid to Local Governments

fund. In addition, in FY 2017 the Governor recommends the creation of supplemental funding for both Davies Career and Technical High School and the Met School, also discussed in further detail below.

Lastly, funding allocations will be phased in over ten years based on a transition model where overfunded districts shall have a level decrease period, while underfunded districts will have a quicker transition of seven years. In FY 2017, the sixth year of formula implementation, the transition periods will be seven years for overfunded districts and two years for underfunded districts.

Working Group to Review the Permanent Education Foundation Aid Formula

On October 22, 2015 Governor Gina M. Raimondo issued Executive Order 15-16, establishing the Funding Formula Working Group. The group organized its deliberations around three areas of review: (1) the degree to which the funding formula is meeting the needs of all students and schools, (2) ensuring formula fairness between school types, and (3) the degree to which the formula incorporates best practices in educational funding, efficiency, and innovation. The group issued a draft report on January 14, 2016, including 20 consensus recommendations, with some that would affect the amount of education aid distributed by the state and others that would affect how the local payment of education aid (which is remitted by sending districts to public schools of choice) is calculated.

Based on the recommendations of the working group, the Governor's FY 2017 Budget incorporates the following changes into the funding formula and categorical funds:

English Learners. The working group found that English Learners (ELs) have unique needs and their services are more extensive than general education ones. Further, the group found that while ELs will benefit from additional support through the funding formula, this support should not come at the expense of other educational programs. Towards this end, the Governor recommends the creation of an EL categorical fund, calculated at the level of 0.1 of the Core Instruction Amount, applied to students in the most intensive ELs programs. The funds may only be used on evidence-based programs that benefit ELs and its usage will be monitored by RIDE. The FY 2017 cost of this categorical is \$2.5 million, which is approximately one-half of the estimated full funding amount.

Density Aid. The working group found that "fixed and marginal costs" are real issues for all schools. Enrollment change affects marginal costs; precipitous or sustained enrollment decline can make this effect significant." Further, the working group found that student movement to public schools of choice has an effect on school budgets because it results in the transfer of both the state and local funding from the sending school to the new school. The working group recommended that Rhode Island consider providing additional support to traditional districts with high percentages of students enrolled in public schools of choice. Towards this end, the Governor recommends the creation of an additional factor to the funding formula which will provide density aid to districts with greater than or equal to 5 percent public school of choice enrollment. The total cost of this additional aid is \$2.6 million in FY 2017, which will provide a net gain of that same amount to six traditional districts.

High Cost Special Education Categorical. The working group found that "there are wide differences in students' special education needs and an associated variability in the costs." Further, the group found that "high-cost special education services have a significant impact on school budgets" and that Rhode Island should consider providing additional support for districts with high-cost special education students. Towards this end, the Governor recommends that the threshold for qualifying for the High Cost Special Education categorical be lowered from five times the core foundation amount (core instruction amount plus student success factor) to four times. The Governor further recommends that the fund be increased from \$2.5 million in FY 2016 to \$4.5 million in FY 2017, an increase of \$2.0 million from general revenue.

Education Aid to Local Governments

Innovation & Empowerment Fund. The working group found that “there is a need for innovation and the promotion of best practices in education” and recommended that Rhode Island investigate the use of state funding to promote innovation, flexibility, and best practices and to encourage building-level autonomy. Towards this end, the Governor recommends the creation of an Innovation & Empowerment Fund, seeded with an initial appropriation of \$1.0 million in FY 2017. This Fund will be used to provide both planning grants and implementation grants directly to schools. As part of a strategic focus on building-level innovation and empowerment, the planning grants will be the first step toward the establishment of a statewide cohort of innovation and empowerment schools. Planning grants would likely range from \$25,000 - \$50,000 per school and would be used to start community and faculty-wide conversations relating to innovation, autonomy, and empowerment. During the planning period, the school applicants would prepare applications to support larger awards in subsequent years. The innovation and empowerment fund would ultimately deliver funding through a competitive process that results in more significant grants operating on a 3 to 5-year cycle. Once funded, schools would agree to expanded accountability including setting targets for both short-cycle and lagging indicators. Initiatives would be evaluated on criteria that include sustainability, connection to state priorities, commitment to addressing problems related to poverty and the achievement gap, and evidence of willingness to engage in dramatic changes in educational conditions. Chronically underperforming schools may be given a competitive advantage.

In addition to the changes above that affect the total amount of education aid distributed by the state, the Governor’s FY 2017 Budget incorporates changes that affect how the local funding that follows students from traditional districts to public schools of choice is calculated. Changes to the local funding calculation contained within the Governor’s FY 2017 Budget include:

Calculation of Local Funding for Public Schools of Choice. Currently the Department of Elementary and Secondary Education excludes tuition remitted to public schools of choice from the local funding calculation. The result of this exclusion is a reduction to the amount of local funding that follows students to public schools of choice. This does not affect state aid, but instead affects the amount of local funding that follows students from traditional districts to public schools of choice. The Governor recommends that the Department of Elementary and Secondary Education continue this practice while also ensuring that public schools of choice experience no further loss of funds by holding the tuition exclusion at the FY 2015 expenditure level to be utilized for the FY 2017 calculation.

Differences in Expense Profiles of Traditional Districts and Public Schools of Choice. The working group found that “the differences in expenses between charter public schools and traditional districts are largely the result of differences in fundamental nature, regulations, or statute. The differences, in and of themselves, cannot be used as a basis for qualitative judgment of practice.” Further, the group concurred “with the House Study Commission in finding that the critical categories that require adjustment are: (1) pre-school screening and services; (2) ages 18-to-21 pupil services; (3) nonpublic-school services; (4) career & technical education costs; (5) expenses associated with out-of-district placement; (6) retiree health expenses; (7) debt service; and (8) rental costs. The latter two are associated almost exclusively with charter public schools while the preceding six are associated almost exclusively with traditional districts.” Accordingly, the Governor recommends an adjustment to the local funding calculation for the net effect of all categories 1-8 listed above. On balance, this calculation results in a gain to traditional districts of \$3.6 million in FY 2017.

Other Proposed Changes that Would Affect the Distribution of Funding: The working group also recommended several proposed changes to statute that would affect the administration of the funding formula. The Governor recommends that as part of the FY 2017 formula revisions the following recommendations should be included in statute:

Education Aid to Local Governments

1. *Maintenance-of-Effort Language Revisions*: Strengthening the maintenance-of-effort language to account for reasonable factors such as inflation and enrollment increases. The working group found that “In the last five years, some communities have maintained low levels of investment in public education”, and that current maintenance-of-effort language has not required local districts to maintain sufficient local aid appropriations. In certain communities, this lack of maintenance-of-effort has resulted in an erosion of funding for educational programs.

2. *Regular Review of the Formula*: Language regarding the funding formula should be reviewed on a standard interval to ensure that it is performing as intended and at optimum levels. The working group found that regular and public review of the funding formula is necessary to include in statute to ensure that it is functioning as intended. Towards this end, the Governor recommends that the formula be reviewed at a regular interval of no longer than every five years.

3. *William M. Davies Career and Technical High School and the Metropolitan Regional Career and Technical Center*: The working group found that “expenditure data indicate that free-standing career & technical education centers unaffiliated with a district are one of the most expensive delivery models. Though more expensive, these centers can provide unique benefits to students.” Towards this end, the Governor recommends categorical Stabilization Funds for the William M. Davies Career and Technical High School and the Metropolitan Regional Career and Technical Center. In FY 2017, the Governor recommends \$2.0 million in stabilization funding for Davies and \$297,135 in stabilization funding for the Met.

Other Proposed Changes that Will Affect the Funding Formula

In addition to the changes described above resulting from the deliberations of the Funding Formula Working Group, the Governor recommends the removal of language enabling “career technical charter public schools” to bill districts of residence for special education costs in addition to the receiving the state and local share. Though not explicitly discussed by the working group, this proposed change will improve the overall fairness and efficiency of the funding formula’s distribution of resources between school types.

The following sections summarize changes to the various aid categories that comprise total FY 2017 Education Aid.

Distributed Aid

Beginning in FY 2012, distributed aid reflects aid to both districts and charter schools as a result of the education aid funding formula. In prior years, charter schools were displayed within the non-distributed aid category of the education aid tables following this section. In FY 2017, total Distributed Education Aid, which includes formula aid to districts, Central Falls, charter schools, and Group Home Aid, increases by \$31.7 million over the revised FY 2016 Budget. Further, the Governor recommends that R.I.G.L. 16-7.2-7c be repealed, which results in cost avoidance totaling \$2.5 million from general revenue in FY 2017. R.I.G.L. 16-7.2-7c requires that increases in aid due to the conversion of kindergarten students from 0.5 full time equivalents to 1.0 full time equivalents be funded at the fully transitioned value of the formula beginning in FY 2017. Repealing this statute will treat all classrooms equally, consistent with the formula transition plan outlined in R.I.G.L. 16-7.2-7. Because FY 2017 would have been the first year this aid would have been required, the repeal results in a cost avoidance and not a reduction from the FY 2016 enacted level. Lastly, the recommended FY 2017 Budget includes a reduction of \$1.3 million in Group Home Aid to reflect updated group home bed census figures as of December, 31 2015.

One of the primary drivers for the growth in formula aid is the expansion of charter schools. Charter school growth is funded in full in the year of growth, while reductions in the sending communities are

Education Aid to Local Governments

spread over the remaining years of transition. Upon full transition, money will follow the student and charter or state school growth will be offset by dollar-for-dollar reductions in the sending communities.

Moreover, the FY 2017 recommendation continues with year four of funding the Urban Collaborative through the funding formula, in accordance with the change made to RIGL §16-3.1-11 in the 2012 Session of the General Assembly. Although this change is revenue neutral to the state, the five current sending communities, Central Falls, Cranston, North Providence, Providence, and Warwick, will see a reduction in state education aid for these 137 students. The Urban Collaborative increases in the Governor's recommendation by \$285,505 to a total of \$1,141,708 in FY 2017. Finally, as required by RIGL 16-7.2-6(d), additional funding for the Central Falls Stabilization Fund is included in the Governor's FY 2017 Budget. In FY 2017 the Governor recommends \$4.6 million for Central Falls Stabilization Fund, an increase of \$912,961 from the revised FY 2016 Budget, to cover costs outside of those calculated by the education aid funding formula. This is the third year that Central Falls receives assistance through this Fund.

State Schools

The State Schools, Davies Career and Technical School, Metropolitan Career and Technical School, and Rhode Island School for the Deaf are collectively financed at \$28.9 million in general revenue for FY 2017 (including the proposed stabilization funds for both Davies and the Met), which constitutes an increase of \$1.1 million from the revised FY 2016 Budget. Only Davies and the Met fall under the funding formula.

Non-Distributed Aid

Non-distributed aid in FY 2017 increases by \$8.9 million from the revised FY 2016 Budget, from \$15.1 million to \$24.1 million. Non-Distributed aid includes the following categories of aid in FY 2017: English learner categorical, density aid, early childhood categorical, transportation categorical, high cost special education categorical, career and technical categorical, nonpublic schools textbook reimbursements, school breakfast funds, and the Telecommunications Access (E-Rate) program.

Density Aid. The Governor recommends the creation of an additional factor to the funding formula which will provide density aid to districts with greater than or equal to 5 percent public school of choice enrollment. The total cost of this additional aid is \$2.6 million in FY 2017, which will provide a net gain of that same amount to six traditional districts.

Categorical Funds – English Learners. The Governor recommends the creation of an EL categorical fund, calculated at the level of 0.1 of the Core Instruction Amount, applied to students in the most intensive ELs programs. The funds may only be used on evidence-based programs that benefit ELs and its usage will be monitored by the Department of Elementary and Secondary Education. The FY 2017 cost of this categorical is \$2.5 million, which is approximately one-half of the estimated full funding amount.

Categorical Funds – High Cost Special Education. The Governor recommends \$4.5 million for the high cost special education categorical fund in FY 2017, \$2.0 million greater than the FY 2016 enacted (and revised) level. The high cost special education categorical provides financial support to districts that are serving students with extraordinary needs. The Governor also recommends that the threshold for qualifying for the High Cost Special Education categorical be lowered from five times the core foundation amount (core instruction amount plus student success factor) to four times the core foundation amount.

Categorical Funds – Early Childhood. The Governor recommends \$5.2 million for the early childhood categorical fund in FY 2017, \$1.2 million greater than the FY 2016 enacted level. The early childhood education categorical is used to increase access to high quality pre-kindergarten programs. Early

Education Aid to Local Governments

childhood categorical funds are distributed through a competitive process for high-quality programs. This increase is part of the overall plan to triple the number of state-sponsored high quality pre-kindergarten classrooms by 2019 and leverages \$5.8 million in federal funds.

Categorical Funds – Transportation. The Governor recommends \$4.4 million for the transportation categorical fund in FY 2017, consistent with the FY 2016 enacted (and revised) level. The transportation categorical is used to reimburse districts for a portion of the cost of transporting students outside their districts. Districts must participate in the statewide transportation system to be eligible. Reimbursement for regional district transportation accounts for approximately half of the categorical.

Categorical Funds – Career and Technical. The Governor recommends \$3.5 million for the career and technical categorical fund in FY 2017, consistent with the FY 2016 enacted (and revised) level. The career and technical categorical fund is used to support start-up for new programs and to offset the higher than average per pupil costs associated with existing career and technical programs. Twenty-one LEAs receive funding from this categorical in varying amounts ranging from an annual average of \$405,000 for free-standing centers to an annual average of \$25,000 for single programs embedded in comprehensive high schools.

E-Rate. The Governor recommends \$900,000 from general revenue for the state E-Rate program in FY 2017, \$500,000 greater than the FY 2016 enacted level in order to prevent LEAs from having to allocate additional local resources towards internet services in order to maintain current services. The additional general revenue requirement is attributable to a projected decline in collections to the restricted receipt account that funds this program, combined with an increased state share of e-rate contract expenses. The E-Rate program is used to bring Wi-Fi and broadband connectivity to schools.

School Breakfast: Per R.I.G.L. 16-8-10.1, all public schools are required to provide a breakfast program and the Department of Education provides a subsidy for each breakfast served to students. The Governor recommends \$270,000 from general revenue for this purpose in FY 2017, consistent with the enacted (and revised) FY 2016 Budget.

Nonpublic Schools -Textbook Reimbursement: Per R.I.G.L. 16-23-3.1, the Department is required to reimburse LEAs for the cost of providing English/language arts and history/social studies textbooks to students in grades K-12 attending nonpublic schools. The Governor recommends \$240,000 from general revenue for this purpose in FY 2017, \$89,291 greater than the revised FY 2016 Budget and consistent with the FY 2016 enacted level.

Other Aid

Other aid in FY 2017 decreases by \$4.6 million from the revised FY 2016 Budget, from \$183.7 million to \$179.1 million. Other aid includes School Construction Aid and contributions to the Teacher Retirement program.

School Construction. Within the School Housing Aid program, the Governor recommends FY 2017 appropriations of \$80.0 million from general revenue, comprised of \$70.9 million for the formal school housing aid program established by R.I.G.L. 16-7-35, and \$9.1 million for the School Building Authority Fund, established by R.I.G.L. 45-38.2-2, \$10.9 million less than the revised FY 2016 Budget.

Teacher Retirement. Within the Teacher Retirement program, the Governor recommends FY 2017 appropriations of \$99.1 million from general revenue, \$6.3 million greater than the FY 2016 enacted level. Per RIGL 16-16-22, the state funds 40 percent of the employer's share of retirement contributions on behalf of teachers who are members of the Teacher's Retirement System.

Education Aid to Local Governments

FY 2017 Education Aid Increases (Decreases) From the Revised FY 2016 Budget (General Revenue)

Formula Aid: \$33,516,048, attributable to the following:

- Formula Aid (Traditional Districts & Charters): \$33,695,184
- Density Aid – Public Schools of Choice: \$2,634,492
- Central Falls School District: (\$1,570,730)
- Metropolitan Career and Technical School: (\$631,672)
- Davies Career and Technical School: (\$611,226)

Categorical Funds: \$5,704,939, attributable to the following:

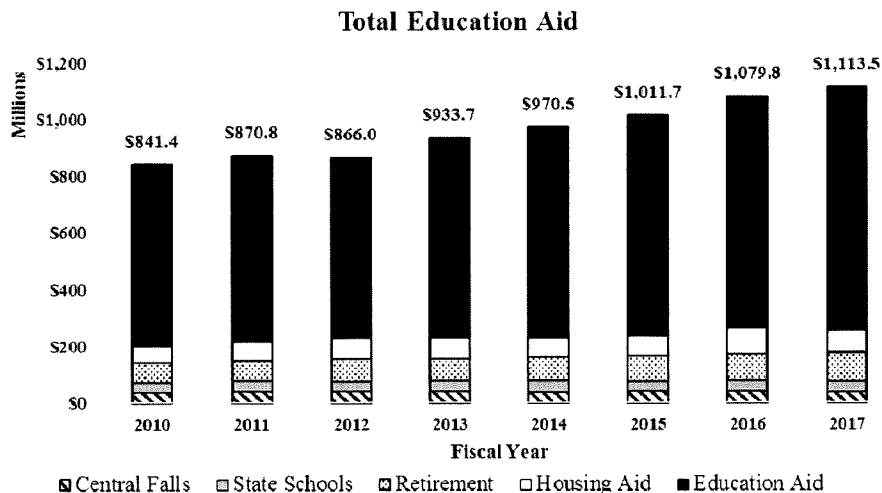
- English Learners: \$2,494,939
- Early Childhood: \$1,210,000
- High Cost Special Ed Categorical: \$2,000,000

Other changes: (\$2,110,650), attributable to the following:

- Davies Supplemental Funding: \$1,969,874
- Met School Supplemental Funding: \$297,135
- Central Falls Transition Fund: \$912,961
- Teachers' Retirement: \$6,270,746
- School Housing Aid: (\$10,907,110)
- Group Home Funding: (\$1,326,100)
- State E-Rate: \$504,374
- Textbooks (Non-Public School Reimbursement): \$89,291
- School for the Deaf: \$78,179

Total Education Aid – All Sources of Funds

The following graph displays total school aid from FY 2010 to FY 2017, from all sources of funds. The "Education Aid" component is comprised of all aid categories under the standard Education Aid program. For FY 2012 and on, this includes such items as the Funding Formula Distribution and Group Home Aid. FY 2011 and prior include, but are not limited to, General Aid, Targeted Aid, Charter School Aid, and the Student Investment Initiatives. Other components of total aid include: State Contributions for Teachers' Retirement; School Housing Aid; Central Falls School District; and State Schools (Davies, Deaf, and the Metropolitan School).



Education Aid to Local Governments

School Construction Aid

School Construction Aid provides school districts and charter schools with a reimbursement for approved and completed school construction, repair, and renovation projects supported by bonds or capital reserve funds. This aid is provided in order to guarantee adequate school housing for all public-school children in the State and to prevent the cost of school housing from interfering with the effective operation of the schools. The program proposes support of school-district building and infrastructure needs based on reimbursement of successfully completed locally funded capital projects. The reimbursement is linked to district wealth, with poorer communities receiving a higher reimbursement than wealthy districts. In FY 2016, these range from 35 percent to 96.1 percent. By statute, the charter school construction state reimbursement is set at 30 percent, below the traditional district minimum of 35 percent.

Since July 1, 2011, there has been a moratorium on new approvals with the exception of projects necessitated by immediate health and safety. The moratorium expired on May 1, 2015. There is no projected impact for fiscal year 2017 as aid is paid on projects completed by June 30 of a given year. Typically, larger projects take two to four years from approval to completion; thus, any significant impact from lifting the moratorium is not expected until fiscal year 2018 or after.

The 2015 General Assembly established a School Building Authority (SBA) at the Department of Elementary and Secondary Education to ensure equitable and adequate school housing for all public school children. The SBA within the Department shall oversee and manage the school housing aid program and the SBA capital fund. The fund will administered by the RI Health and Educational Building Corporation (RIHEBC). Upon transfer of the funding from the Department of Elementary and Secondary Education, RIHEBC will hold the funds in trust until they are ready for release to the appropriate LEA.

The Governor recommends FY 2017 appropriations of \$80.0 million from general revenue, comprised of \$70.9 million for the formal school housing aid program established by R.I.G.L. 16-7-35, and \$9.1 million for the School Building Authority Fund, established by R.I.G.L. 45-38.2-2, \$10.9 million less than the enacted (and revised) level in FY 2016.

Teachers' Retirement

RIGL 16-16-22 requires the State of Rhode Island to make contributions to the teacher retirement system. The State shall contribute a percentage of the employer's share, with the school districts contributing the balance. The State's share has varied over the years based upon the total actuarially determined rate of payroll, but since FY 1993 it has been fixed at 40.0 percent, with the municipalities contributing 60.0 percent. Each district receives the same percentage, regardless of district wealth.

The State deferred the State's contributions to Teachers' Retirement in both FY 1991 and FY 1992. Most municipalities also deferred the local portion of teacher retirement contributions for this period. The state deferrals, valued at \$22.4 million in FY 1991 and \$22.2 million in FY 1992, is financed over twenty years, as will the local deferral. The annual calculation applied to the state contribution to Teachers' Retirement includes an adjustment to accommodate the deferred liability.

Furthermore, the municipalities of Burrillville, East Greenwich, Little Compton, New Shoreham, and North Smithfield did not participate in the 1990 early retirement window for teachers and therefore contribute a slightly smaller percentage of teachers' salaries than the ones listed in the tables below.

The Governor recommends FY 2017 appropriations of \$99.1 million from general revenue for the Teacher's Retirement program, \$6.3 million greater than the enacted (and revised) level in FY 2016.

Education Aid to Local Governments

Contribution Rates for Teachers' Retirement Fund

- Defined Benefit Retirement Plan

	<u>Actuarial Contribution Rate of Payroll</u>	<u>Employer Share</u>			<u>Teacher</u>
		<u>Local (60.0%)*</u>	<u>State (40%)*</u>	<u>Sub Share</u>	
1999	21.02%	6.62%	4.90%	11.52%	9.50%
2000	24.14%	8.43%	6.21%	14.64%	9.50%
2001	21.51%	6.86%	5.15%	12.01%	9.50%
2002	19.45%	5.73%	4.22%	9.95%	9.50%
2003	21.47%	6.93%	5.04%	11.97%	9.50%
2004	23.22%	7.99%	5.73%	13.72%	9.50%
2005	24.34%	8.72%	6.12%	14.84%	9.50%
2006	25.97%	9.72%	6.75%	16.47%	9.50%
2007	29.14%	11.62%	8.02%	19.64%	9.50%
2008	31.51%	13.04%	8.97%	22.01%	9.50%
2009	29.57%	11.89%	8.18%	20.07%	9.50%
2010	28.51%	11.25%	7.76%	19.01%	9.50%
2011	28.51%	11.25%	7.76%	19.01%	9.50%
2012	31.82%	13.23%	9.09%	22.32%	9.50%
2013	23.04%	11.41%	7.88%	19.29%	3.75%
2014	24.43%	12.26%	8.42%	20.68%	3.75%
2015	26.35%	13.41%	9.19%	22.60%	3.75%
2016	26.89%	13.73%	9.41%	23.14%	3.75%
2017	26.88%	13.18%	9.95%	23.13%	3.75%
2018	26.88%	13.24%	9.89%	23.13%	3.75%

*Adjusted for deferral liability

- Defined Contribution Retirement Plan

<u>Required Contribution</u>		<u>Employer Share*</u>			<u>Teacher Share</u>
<u>Rate of Payroll</u>		<u>Local (60%)</u>	<u>State (40%)</u>	<u>Subtotal</u>	
2016 and 2017	6.0% to 6.5%	0.6% to 0.9%	0.4% to 0.6%	1.0% to 1.5%	5.0%
2016 and 2017 (Non-Social Security-eligible position)	10.0% to 10.5%	2.6% to 2.9%	0.4% to 0.6%	3.0% to 3.5%	7.0%

*For teachers with less than 20 years of service as of June 30, 2012 the employer contribution varies from 1.0% to 1.5% (for Social Security eligible positions). Teachers with 20+ years of service have no further contributions, employer or employee, as of July 1, 2015.

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State Contributions for Teacher Retirement

<u>Fiscal Year</u>	<u>State Share</u>
1999 Actual	\$30,202,943
2000 Actual	\$40,719,407
2001 Actual	\$35,365,234
2002 Actual	\$30,652,207
2003 Actual	\$38,242,690
2004 Actual	\$45,039,269
2005 Actual	\$48,503,125
2006 Actual	\$54,537,733
2007 Actual	\$70,286,753
2008 Actual	\$83,028,510
2009 Actual	\$73,592,722
2010 Actual	\$68,550,306
2011 Actual	\$70,286,261
2012 Actual	\$80,385,930
2013 Actual	\$75,777,027
2014 Actual	\$80,351,295
2015 Actual	\$88,625,881
2016 Revised	\$92,805,836
2017 Recommended	\$99,076,582

Explanation of Education Aid Table by LEAs

The following table displays education aid by apportionment among the state's local and regional education agencies. "Distributed LEA Aid" consists of the various categories of aid that are directly distributed to school districts on a regular (usually monthly) basis, including Funding Formula Aid to all districts and charter schools and Group Home Aid. "State Schools" include the Metropolitan School, Davies, and School for the Deaf. "Non-Distributed Aid" includes several categories of aid including the various categorical funds, some of which are distributed on a monthly basis and others that are not distributed in regular intervals, but according to their own set of rules. "Other Aid" consists of allocations for School Housing Aid and State contributions to the Teachers' Retirement Fund.

Education Aid to Local Units of Government

	FY 2016 Revised	FY 2017 Recommend	Difference
Distributed LEA Aid			
Barrington	\$ 5,040,087	\$ 5,160,756	\$ 120,669
Bristol/Warren	15,420,545	14,869,515	(551,030)
Burrillville	13,266,123	13,087,992	(178,131)
Central Falls (1)	39,520,102	38,862,333	(657,769)
Chariho District	191,602	153,282	(38,320)
Charlestown	1,706,421	1,706,432	11
Coventry (2)	21,860,814	22,659,513	798,699
Cranston (2)	50,401,338	53,793,153	3,391,815
Cumberland	16,552,780	17,448,623	895,843
East Greenwich (2)	2,770,431	2,604,808	(165,623)
East Providence	30,858,956	32,457,129	1,598,173
Exeter/W Greenwich	5,639,937	5,267,288	(372,649)
Foster	1,181,172	1,170,104	(11,068)
Foster/Glocester	4,872,233	4,742,128	(130,105)
Glocester	2,515,667	2,391,385	(124,282)
Hopkinton	5,470,735	5,383,618	(87,117)
Jamestown	438,478	440,769	2,291
Johnston	13,920,605	15,380,303	1,459,698
Lincoln	10,338,259	11,079,870	741,611
Little Compton	398,464	412,188	13,724
Middletown	8,671,430	8,425,943	(245,487)
Narragansett	2,134,161	2,125,658	(8,503)
New Shoreham	85,500	113,440	27,940
Newport	10,586,364	10,590,714	4,350
North Kingstown	10,662,516	10,686,618	24,102
North Providence	18,126,769	19,665,123	1,538,354
North Smithfield	5,784,932	6,104,562	319,630
Pawtucket	78,729,893	82,328,207	3,598,314
Portsmouth	4,748,745	4,566,762	(181,983)
Providence	222,296,542	228,840,432	6,543,890
Richmond	5,063,630	4,854,963	(208,667)
Scituate	3,909,685	3,714,834	(194,851)
Smithfield	5,308,406	5,682,827	374,421
South Kingstown	7,590,805	7,246,330	(344,475)
Tiverton	6,027,039	6,148,224	121,185
Warwick (2)	36,751,529	37,513,617	762,088
West Warwick	21,833,719	22,827,356	993,637
Westerly	8,272,261	8,912,224	639,963
Woonsocket	53,210,783	55,686,816	2,476,033
Subtotal (1)	\$ 752,159,458	\$ 775,105,839	\$ 22,946,381

Education Aid to Local Units of Government

	FY 2016 Revised	FY 2017 Recommend	Difference
Distributed LEA Aid- Charter Schools			
ACE (Textron)	\$ 2,307,902	\$ 2,342,724	\$ 34,822
Achievement First	5,163,546	6,790,273	1,626,727
Beacon Charter School	1,944,354	2,290,265	345,911
Blackstone Academy	2,642,238	3,197,360	555,122
Compass School	509,957	491,445	(18,512)
Greene School	986,606	1,032,675	46,069
Highlander	4,426,538	5,067,184	640,646
Hope Academy	665,193	1,006,034	340,841
International Charter School	3,004,632	3,040,963	36,331
Kingston Hill Academy	604,518	598,534	(5,984)
Learning Community	6,122,713	6,122,454	(259)
New England Laborers	1,180,275	1,112,880	(67,395)
Nowell Academy	1,596,958	2,279,506	682,548
Nurses Institute	2,403,080	2,458,269	55,189
Paul Cuffee Charter School	7,950,707	7,948,330	(2,377)
RIMA Blackstone Valley	11,030,068	13,784,046	2,753,978
RISE Mayoral Academy	440,255	929,484	489,229
Segue Institute for Learning	2,670,896	2,713,573	42,677
Southside Elementary	508,072	766,747	258,675
Times 2 Academy	7,183,575	7,672,198	488,623
Trinity Academy	2,189,101	2,195,763	6,662
Village Green	1,883,074	2,052,980	169,906
Subtotal	\$ 67,414,258	\$ 75,893,687	\$ 8,479,429
Urban Collaborative (RIGL 16-3.1-11)	\$ 856,203	\$ 1,141,708	\$ 285,505
Subtotal	\$ 820,429,919	\$ 852,141,234	\$ 31,711,315
Non-Distributed Aid			
Textbook Expansion	\$ 150,709	\$ 240,000	\$ 89,291
School Breakfast	270,000	270,000	-
Telecommunications Access	395,626	900,000	504,374
Early Childhood Demonstration	3,950,000	5,160,000	1,210,000
Transportation Categorical	4,351,360	4,351,360	-
High Cost Special Ed Categorical	2,500,000	4,500,000	2,000,000
Career and Tech Categorical	3,500,000	3,500,000	-
English Learner Categorical	-	2,494,939	2,494,939
Density Fund - Choice Schools	-	2,634,492	2,634,492
Subtotal	\$ 15,117,695	\$ 24,050,791	\$ 8,933,096

Education Aid to Local Units of Government

	FY 2016 Revised		FY 2017 Recommend		Difference
State Schools					
Metropolitan School (1)	\$ 9,864,425	\$	9,529,888	\$	(334,537)
School for the Deaf	6,248,565		6,326,744		78,179
Davies School (1)	11,640,152		12,998,800		1,358,648
Subtotal (1)	\$ 27,753,142	\$	28,855,432	\$	1,102,290
 Other Aid					
Teachers' Retirement	\$ 92,805,836	\$	99,076,582	\$	6,270,746
School Housing Aid (3)	90,907,110		80,000,000		(10,907,110)
Subtotal	\$ 183,712,946	\$	179,076,582	\$	(4,636,364)
Total	\$ 1,047,013,702	\$	1,084,124,039	\$	37,110,337

(1) Includes Stabilization Funds in FY 2017 of \$4.6 million for Central Falls, \$2.0 million for Davies, and \$0.3 million for the Met.

(2) Assumes full implementation of full-day kindergarten for Coventry, Cranston, East Greenwich, and Warwick pursuant to RIGL 16-99-3(c).

(3) Includes the School Building Authority Capital Fund