

## Aid Ratio Calculation Methodology

*Market Value Aid Ratio (MV AR):*

$$1 - \left( \frac{\text{School District Market Value} / \text{SD WADM}}{\text{State Total Market Value} / \text{State Total WADM}} * 0.5 \right)$$

*Personal Income Aid Ratio (PI AR):*

$$1 - \left( \frac{\text{School District Personal Income} / \text{SD WADM}}{\text{State Total Personal Income} / \text{State Total WADM}} * 0.5 \right)$$

*Market Value/Personal Income Aid Ratio (MV/PI AR):*

$$(0.6 * \text{MV AR}) + (0.4 * \text{PI AR})$$

- a. MV/WADM and PI/WADM calculations are truncated to nearest dollar
- b. District divided by State calculations are truncated at four decimals
- c. When multiplying by 0.5, truncate at four decimals
- d. For MV/PI AR, when multiplying by 0.6 or 0.4, truncate at four decimals

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*Market Value (MV):* Sales value of taxable real estate as certified by the State Tax Equalization Board. The 2006 market value is used in the calculation of the market value aid ratio for payable year 2008-2009. Note: 'State Total' market value includes Clean & Green.

*Personal Income (PI):* Personal income, excluding out-of-state income, reported on PA-40 income tax form. Data is certified by the Department of Revenue. The 2006 personal income is used in the calculation of the personal income aid ratio for payable year 2008-2009. Note: 'State Total' personal income includes out-of-state income.

*Weighted Average Daily Membership (WADM):* Calculated by weighting half-time kindergarten ADM at 0.5, full-time kindergarten and elementary ADM at 1.0, and secondary ADM at 1.36. The 2006-2007 WADM is used in the calculation of the aid ratios for payable year 2008-2009.

## Historical Data for State MV & PI per WADM

	<u>State MV/WADM</u>	<u>State PI/WADM</u>
2008-09	\$294,776	\$120,899
2007-08	\$259,355	\$114,585
2006-07	\$255,072	\$112,245
2005-06	\$232,861	\$105,125
2004-05	\$228,736	\$103,281
2003-04	\$212,149	\$103,788
2002-03	\$208,019	\$104,417