

March 23, 2016

Senator Marc Panepinto
Mahoney State Office Building
65 Court Street, Room 213
Buffalo, NY 14202

Dear Senator Panepinto,

Despite a school aid increase of \$991 million in the Governor's proposed budget, my school district (Tonawanda City School District) will not see much in the way of restored staff or programs. School districts statewide now operate under billions of dollars in deficits (\$2.1 billion for our local districts in Erie County) after several years of New York State Gap Elimination Adjustment take-backs and frozen Foundation Aid.

The aid increase in Gov. Cuomo's proposed budget is a step in the right direction, but comes after nearly a decade of massive funding cuts. It does not erase the billions of dollars taken by those cuts. Also, during this time, costs have escalated for implementing the myriad state and federal mandates and regulations with which school districts must comply. Moreover, New York State financial support has not kept pace with expenses or inflation, so school districts actually receive 2% less in inflation adjusted dollars.

My school district will see \$18,604,263 in state aid under the Executive Budget. The district has lost \$14,717,890 since 2006-07, through GEA take-backs and Foundation Aid hold-backs. The district has cut 15.9 FTE elementary and secondary staff, 4.5 FTE teacher assistants, .5 FTE Athletic Director, .5 FTE Assistant Principal Position, and elementary and secondary programs. The \$18,604,263 proposed in the Governor's budget is welcome, but barely enough for sustaining, let alone restoring, programs and services.

I urge you to support school funding on four fronts:

1) Increase Foundation Aid to legally obligated levels. Understandably, during the Great Recession, Foundation Aid was frozen, and halted the phase in of increases required by Campaign for Fiscal Equity lawsuit. While the aid has begun to flow again, many districts still are at or below where they were eight years ago. Lack of Foundation Aid has shifted the tax burden onto of local taxpayers.

2) Repeal the Gap Elimination Adjustment (GEA) THIS YEAR. There is no longer a "gap" to adjust for. In fact, New York State has a budget surplus. It is unconscionable that a law designed to fix the state's deficit *still* be allowed to continue to create deficits for schools and shift more tax responsibility onto local taxpayers. A full restoration of GEA for the Tonawanda City School District is an additional \$459,570 in aid.

3) Reform the Tax Levy Cap. This is politically popular, but basing a school levy limit on CPI does not reflect actual school costs. Limiting the tax levy as a way to rein in taxes does not serve to rein in costs. Tonawanda City School District is faced with a -1.93% tax levy cap. This is a reduction of \$225,790 of revenue if we do not exceed the tax cap. Exceeding the cap would mean the taxpayers would not receive their Property Tax Relief Credit. The tax levy cap should be redesigned, and districts should not be seen as exceeding the cap to have a 0% levy. Finally, the tax cap re-directs attention from the other elephant in the room: unfunded and underfunded mandates.

4) Institute real mandate relief. When the tax cap was implemented, significant mandate relief was promised, but never delivered. Even if they are well meaning, lack of funding means cuts elsewhere. If New York State cannot curb the mandates, it must provide additional funds to pay for them.

I also am aware:

- That the Governor's proposed \$991 million is actually only \$863 million in general operating aid, since \$100 million is allocated to community schools and \$28 million toward other grant initiatives.
- That there are millions of dollars in prior year aid due to districts, but the state is so slow to release those funds, it is projected that it will be up to 17 years before payment is received by school districts. My district is currently due \$56,612 in prior year aid.
- That despite underfunding the public school system, the Governor's budget diverts \$150 million in additional funds for non-public schools, including religious schools. This is egregiously wrong, and adds insult to injury with the proposal to reimburse teachers for supplies. If the state adequately funded its public schools, teachers wouldn't have to buy their own supplies.
- That state aid approved isn't always sent to school districts. Districts statewide have received a combined \$670 million less than what the legislature appropriated. Instead, the state redirected those funds. That \$670 million would have been enough to eliminate the remaining GEA and pay down more than \$300 million owed to school districts in prior year aid claims.
- That most states contribute 2/3 of school funding and localities contribute 1/3. The formula is reversed in New York State, where our local taxes make up 2/3 of revenue, and the state contributes only 1/3.
- That New York State has the 48th worst school aid distribution system in the country, with formulas skewed to benefit wealthy communities.

It is estimated that \$1.7 BILLION in general operating aid is the minimum to maintain current programs and services - that's right, just to maintain the scaled back programs in most of our schools.

Please direct your attention to these issues and make our schools whole again.

Sincerely,