

Genesee Valley PTA

Monroe County
Council of School
Superintendents

Monroe County
Federation of Teachers

Monroe County
School Boards
Association

National Education
Association of New
York, Western New
York Region

NYS United Teachers

The Governor's Budget – What's at Stake?

By now everyone has heard the implications for public education of Governor Pataki's state budget proposal:
deep program cuts, drastic staff cuts, increased class sizes, record property tax increases.

All of which means local property taxpayers, faced with alarming property tax increases (thanks to the Governor's "no new state taxes" stand) will likely vote 'no' on school budgets that will cost them more while giving their children less.

The result will be contingency budgets that by law limit spending increases to under 2 percent – scarcely enough to pay for even one of the increases in fixed costs districts face.

The reality is the Governor has broken a compact with its citizens, the obligation to support localities in the job of educating New York state's children. The proposed \$1.24 billion (8.5 percent) reduction in state aid to education in his Executive Budget for 2003-04 leaves districts with dramatic deficits. Even modest estimates suggest that New York's schools need at least \$1.3 billion in new revenue this year just to meet increases in fixed costs including:

Health insurance - costs have risen 15 percent a year for the past three years

Teachers Retirement System (TRS) – the district contribution is increasing from .36 percent to 2.5 percent of the payroll

Employees Retirement System (ERS) – the district contribution is increasing from 1 percent to 11 percent of the payroll

Utilities – the burgeoning cost of oil means higher energy costs to heat buildings and fuel school buses

Liability insurance – this is jumping as insurers try to cover all eventualities in an anxious and litigious society

Bonds – bonded obligations are at the top of a district's fiscal responsibilities

Delayed capital project state aid payments – for districts with new construction projects underway, last year's change in state law delays the first state aid payment on new construction from 12 to 18 months following groundbreaking

Contracts – districts are bound to honor employment contracts negotiated in previous years.

Without any help from the state to meet these increases, estimates are, state wide, property taxes will go up an average of 15 percent. Of course, districts recognize the voters will never accept such increases. But the alternative, to mitigate the financial impact, is drastic cuts in programs and staffing.

More must be done to relieve districts' expenditure burden, and done quickly. But since 1990, only three state budgets have been completed by May, when districts must present their budgets to the voters. If the Legislature fails to act quickly this year, districts will be forced to use the Governor's proposal as the basis for their budgets, incorporating the necessary cuts. And once adopted, the budget cannot be increased – not even to save programs or staff positions if state aid is eventually restored.

**Call
to
Action**

Write the Governor and your state legislators. Tell them how important it is to restore funding for education and to do it quickly, before school budgets go before voters in May. You can find the names and addresses of state government leaders and area legislators by going to: www.mcsba.org/mcec Do it today. Our students are counting on you.



M E M O from Chris Manaseri...*Chris Manaseri***Keeping the Big Picture in Mind**

By Chris Manaseri


Superintendent, Wheatland-Chili Central Schools

Schools all across New York State will be scrambling in the next three months to accommodate the cuts to state aid recommended by the governor for 2003-04. In that process many difficult decisions will be made, affecting children, affecting programs, and affecting the livelihood of many employed by public schools. Beyond whatever immediate decisions are made, however, there are longer range implications which should not be overlooked by any constituency in our coalition.

First among these is the impact of the costs that are ultimately retained in school district budgets. Many of these will be shifted to the local taxpayer. In doing so, those costs formerly supported by state aid will fall on a less fair form of taxation, the property tax. It is certainly ironic that Governor Pataki, champion of the property taxpayer in creating the STAR program, is now foisting property tax increases on homeowners by passing along the state's fiscal woes to local schools whose only recourse will likely be both to cut programs and raise taxes at the same time. Property tax is a far more regressive form of taxation than is income tax, but the governor won't be associated with tax increases.

The mantra in Albany is that taxes kill jobs. But what about the potential job cuts schools will be forced to make? Second among long term issues to keep in mind are the resultant job losses incurred when schools make the cuts in response to the governor's funding proposal. The governor talks about the need to retain and even create jobs in New York, but he apparently has in mind jobs other than those steady and predictable ones required by the public school system in meeting the needs of the state's 3.5 million children.

As you talk with legislators and peers, as you take whatever action you find necessary and appropriate in responding to the executive's assault on the integrity of the public education system in our state, please encourage people to keep the big picture in mind, too. Cuts to school aid increase taxes and cost jobs. Neither of these is the governor's stated goal. Why then take this action?



...a force in our community

