

RSA TODAY

News for New York State's Rural Schools 2016 BUDGET ISSUE

Rural Schools Association of New York State





I don't live in New York.

I live In New York!

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IT'S TIME TO FIX LOCAL SCHOOL BUDGET PROBLEMS-AT THE SOURCE

Our rural communities will shortly head to the polls to exercise their only chance to vote on a public budget.

Voting on your school budget is unique to New York State municipal governance. We don't often think of schools as municipalities, but under our law, that's just what they are...and they are the only municipality that gets its financial authority directly from the people. In our towns, counties and at the state level, we elect representatives that prepare budgets. If you don't like the budget, your only option is to vote for new representatives. In the meantime, you're stuck.

So when folks get the chance to vote directly, it changes things and their vote may be based on lots of factors that have nothing to do with your spending plan. They could be mad at how overtaxed they are. That's not your fault. It's the fault of a state that (unlike other states) thrusts two thirds of the burden of school spending onto local taxpayers rather than distribute state aid according to what a community can actually afford and then make up the difference. Voters might be upset that you've been forced to cut programs, sports, extracurricular activities in order to bring that budget in under the tax cap. Again, you're reacting to state law and inadequate state funding, but a "no" vote is a "no" vote whether it's based on cuts or total cost.

This year your local budgeting task has been made more arduous by a legislatively created local funding freeze. Only New York State pegs its local property tax cap to the rate of consumer inflation. It's an illogical correlation. Schools and individual consumers don't spend money on the same things and the fact that there haven't been increased costs in groceries or gas or mortgages doesn't mean a thing to school districts that pay double digit increases for employee health insurance and the state's retirement system. This year that one little word "or" is costing our schools hundreds of millions of dollars (as in 2% or the rate of inflation, whichever is less.")

What that meant for our schools was that the state budget needed to make up the difference of what we couldn't raise locally. The only problem was that once again, politics got in the way. First there was the issue of eliminating the GEA. Sure, we all wanted the GEA to go away but most of the money that still needed to be restored had to be sent to wealthy dis-

tricts. Reimbursable expenses for things like transportation, BOCES services, special ed and construction projects had to be paid as well and between those two items alone, half of the aid increase was gone. Then there was the problem of "shares". New York City needed to get its traditional percentage of total aid. When all the haggling was done, some of our most needy districts (those who raise the least locally in a **good** year) were left with the least aid. It's a travesty.

How unfair is it? Let me throw some statistics at you: Of all of the school funding categories (Big Four city school districts, small city school districts, high need rural school districts, average need school districts and low need school districts), guess which one has the lowest combined ratio of property wealth and income wealth? You'd think it would be the Big Four districts like Buffalo and Rochester, but no. It's rural districts.

Guess who among all of the groups has the lowest fund balance on hand to deal with a bad distribution, like this year? You guessed it. Rural schools. Now take a stab at which group can raise the least revenue. That's an easy one; rural schools again. To add insult to injury, rural schools also get the least amount of federal aid, despite having higher poverty levels and similar problems of teen drug and alcohol use as large urban areas. So rural schools need to be more efficient than other schools, right? Right...and they are. Their administrative expenditures are at least half of what every other group's are and ten times less than large city districts.

So with all of that said, you'd think that rural school districts would receive the most state aid. They have the least funds on hand, the least ability to raise local funding and the least federal help. So the state recognizes this and since it has the constitutional responsibility to make sure every child receives a sound education, it makes up the difference, right? Right? Wrong. Very, very wrong.

Rural schools receive the least aid of any demographic group and that has created a needless crisis. A legislated crisis, not an economic one, because the state has funds on hand. Now, state leaders will tell you that a 6% state aid increase during a 0% inflationary year is a pretty good deal. And it would be, if it were distributed fairly. But this is New York, where no mandate is ever eliminated and where aid is provided according to politics, rather than policy. It's a shame, because it's too complicated to explain to local voters. And even if you could explain it to them, the state has already forced them to pay so high a percentage of the state's costs through their local taxes that they can't absorb our costs anyway.

There's an old expression: Where there's heat, there's light. Only when political pressure is brought to bear will our leaders see the folly and the tragedy of our present approach to school funding. Right now they're responding to the traditional political reality that forces them to give everyone something, even if it means some folks get less than they need to survive. The thinking goes that we're too demographically dispersed to be a political threat in the way that highly populated communities are. That's shortsighted, because the result is that folks can't afford to live in our rural communities anymore. We're gaining population in the cities and on Long Island, but the total state population has gone down 135,000 a year for each of the last five years. What's that tell you? It tells you that a whole bunch of people are leaving our rural areas and those rural areas are the ones that bailed out New York City from bankruptcy not so long ago. Rural flight doesn't bode well for the future of the Empire State.

The GEA was a sad chapter in our state's history. It was an unconstitutional law that systematically eliminated the state's ability to uphold its constitutional responsibilities. Now it's gone; a thing of the past. And after a decade of underfunding and the loss of both local property value and student enrollment, we are faced with the task of creating a new funding formula to meet the needs of our children. If our current funding scheme is our disgrace, then creating a new, equitable and effective formula would be our greatest triumph. It's time, folks. Time to put aside the problems of this year's local districts' individual budgetary issues and focus on funding reform. It's time to let our leaders know that nothing is right until they get this right.

For better or worse, the public outcry over testing and evaluation teaches us that when the people lead, leaders will follow. It's time for us to lead.

Click <u>here</u> to hear RSA's WGXC public radio interview on the impact of state aid on local school budgets.

From your RSA Executive Director



RSA Executive Director David A. Little, Esq.

Friends, nothing is as important to our rural schools as arriving at an equitable and adequate state aid funding mechanism. We can't squeeze more from our already overtaxed communities and everything we do to still provide our kids a high quality education is done in spite of the fact that we are virtually ignored by the state. That's why I'm honored to have been named to head up the state aid reform effort R.E.F.I.T., which stands for Reform Educational Funding Inequities Today. I'm proud that this longstanding effort recognizes the impact of funding inequities on rural schools and the role they can play in their reform.

I'm pleased that this action brings together those school districts that are harmed by our state's current approach, no matter where they're located in the state. And I'll be pleased to let downstate leaders know that fixing the funding formula doesn't mean they're "giving away" money to upstate rural communities; they'll be helping strug-

gling districts in their own backyard as well. It's a powerful alliance and one that I'm happy to enter into on your behalf.

The timing is perfect. The GEA is gone and two major court cases are about to release their decisions on the constitutionality of the present formula. Our advocacy needs to be at an all-time high, forming partnerships, reaching out to those who both need help and who can add to our voice. Your Rural Schools Association is ready. We're adding staff so that we can simultaneously increase our member services, our research and our advocacy. We're expanding our efforts at the federal level, because the new federal ESSA will have a massive impact on our rural schools. And we're taking a leadership role in the state issues that matter most to your districts.

While you work to bring your students the most innovative programs and services to allow them to succeed in this new era, your Rural Schools Association is working to create the policies and resources that allow you to succeed in that mission. With the advent of the new, locally focused ESSA and with the state rethinking its state based policies, a new day is dawning for public education in New York State. Carpe diem, folks, carpe diem. In dedicated fashion, your RSA is working to be as responsive, as creative and as vigilant as this situation demands. Starting this past March and this coming summer and fall, RSA conferences are bringing you the state's most innovative programs for you to replicate in your district. We're upgrading our data sites and our Cornell research efforts to give you the tools you need to plan strategically. And we're standing with you and others to amplify the call for change, so that rural students can lead happy, productive and successful lives.

I want to express my deep gratitude for your having put me in a position to make a difference in so many lives. With your help, RSA will improve our rural schools and the communities that support them.

Sincerely,
Dave
David A. Little, Esq.
Executive Director



View of Otsego Lake from deck of Otesaga

Dear Friends of Rural Education,

This summer's <u>Rural Schools Conference</u> will be one to remember! Once again, it'll be set at the gorgeous Otesaga Resort and Spa in Cooperstown, overlooking beautiful Otsego Lake. This year's conference will not only feature the most innovative and effective educational seminars, but will highlight the most prominent public policy makers!

On Sunday evening of July 10th, New York State Commissioner of Education MaryEllen Elia will speak. Monday morning July 11th will feature a general session by renowned educational reformer and motivator Bill Daggett, Founder and Chairman of the International Center for Leadership in Education. Lunch that day is highlighted by a presentation from US Assistant Secretary for Rural Education Lucy Johnson, who will tell us about the newly authorized ESSA and its impact on rural school districts. Assistant Secretary Johnson will also be hosting a focus group of attendees to help draft a Report to Congress on how the US Department of Education can better serve our rural schools.



Regent James Dawson speaks to 2015 attendees



Monday evening on the 11th we'll hear from Governor Cuomo's top education advisor, Deputy Secretary of Education, Dr. Jere Hochman. We also expect to hear from Peter Oppenheim, the US Senate's chief architect and drafter of the Every Student Succeeds Act (ESSA). Tuesday morning will feature a panel discussion of rural issues from a national perspective and will include Rob Mahaffey, the Executive Director of the National Rural and Community Trust and John Hill, the Executive Director of the National Rural Education Association.

2015 Tuesday Panel Presentation

In between these top level policy discussions you'll have the chance to learn about the most influential new programs being used by your colleagues in rural

education and (as if that weren't incentive enough) the whole package includes the Otesaga's world class food, golf, boating, swimming and nearby Baseball Hall of Fame.

This year's conference is scheduled right before the Baseball Hall of Fame induction ceremonies and once again we expect to share the Otesaga with national media celebrities and the greats of the game. We'll be having our afternoon beer and wine reception, our dessert reception and our evening mixer to provide you great opportunities for networking with both your colleagues and our expanded host of sponsors and vendors (all included within your registration.) Simply put, we've gathered everything you need to learn, influence and implement the best educational policies and practices, all in the most refreshing summer setting possible!

We'd love to have you join us!

Registration information available here and link above.