



# **FARMINGDALE SCHOOL DISTRICT LEGISLATIVE ACTION COMMITTEE**

## **LEGISLATIVE PROPOSALS 2018—2019**

### **Provide Predictable and Equitable School Funding**

Public school districts across New York State are funded using a combination of federal and state aid and local taxes. Potential shifts in support for public schools coming from the federal government, unpredictable methodologies for allocating state aid to school districts, and shifting demographics have added challenges to the ability of local leaders to engage in long-term fiscal planning.

School district leaders on Long Island are thankful for three years of relatively strong increases in state aid, which have enabled some school districts to begin to restore services that were eliminated during years of reduced aid to schools through legislation, such as the Gap Elimination Adjustment. The elimination of the GEA and increased school aid have assisted school districts to provide required services to new students and in other cases allow for the restoration of services cut during lean times. However, the current system does not have a base formula that allows for future planning and/or reserves for high costs such as teachers' retirement obligations. In addition, the foundation formula is not predictable from year to year, which is a hindrance to long-term financial planning. We advocate for the following changes which will allow school districts to develop predictable budgets while providing educational programs for all students.

### **Teachers Retirement System (TRS) Reserve**

We recommend allowing school districts to establish a reserve for future TRS obligations. We encourage support of the bill put forth during the 2017 legislative session (S.4563 - (Golden)/A.7353-A (Buchwald)) that passed in the Assembly.

The New York State Comptroller's 2010 report, covering five years of school district audits, recommended giving school districts more ways to place funds into reserve. School districts are limited to an unrestricted fund balance equal to no more than four percent of budgeted appropriations. Municipalities have no such limit, and the national Government Finance Officers Association recommends a ten percent unrestricted fund balance for school districts. While municipalities are able to set aside funds for pension obligations on behalf of all of their employees, schools may do so only for the approximate 20% who are covered by the Employees Retirement System (ERS), not for the teachers and certificated administrators in the TRS. School districts, while not having this flexibility, are subject to more disclosure requirements and a tougher tax cap.

Reserves are still one tool left for school districts to exert some control over their financial future. We recommend giving schools access to reserves comparable to those already available to municipalities.

### **Tax Levy Cap Modifications**

To maintain the tax benefits of controlled school spending, while providing more effective multi-year financial planning by schools, we recommend the following:

Make the tax levy cap a fixed two percent, not an amount tied to the Consumer Price Index (CPI). This lack of predictability makes it difficult for school districts to plan and is confusing to taxpayers. The base for New York State's tax cap has been below two percent for four consecutive years.

We encourage support of the bill put forward during the 2017 legislative session (S.2122 (O'Mara)/A.1841-A (Morelle)) related to the tax levy cap and payment-in-lieu-of-taxes (PILOT). This bill makes a technical adjustment to the property tax cap by clarifying that properties under PILOT agreements are to be included in a school district's tax base growth factor, as part of the tax cap calculation. This bill removes the permissive nature of the 2015 version and requires the adjustment to be made, rather than permitting the Department of Taxation and Finance to make its own administrative adjustment.

We also encourage support of the bill put forward during the 2017 legislative session (S.4283 (Murphy)/A.5965 (Galef)) making a technical adjustment to the property tax cap by clarifying that a school district's costs related to BOCES capital be treated in the same manner as a district's own capital costs, which are excluded from the tax cap calculation. This bill removes the permissive nature of a 2015 version of the same bill.

## **Foundation Aid Formula**

We strongly encourage the continuation of the Foundation Aid Formula. A significant public policy accomplishment was having a predictable formula to drive foundational aid to schools. It generally drove the greatest aid to the school districts that needed it the most. It also allowed for much needed predictability. It is clear that elements of the Foundation Aid Formula need to be updated, including the weightings to account for pupil needs, and the amount needed to prepare students for success. Updating the formula is essential, since the formula, as it stands now, does not work for many school districts. However, having something that resembles the Foundation Aid Formula as a cornerstone to a school finance system will facilitate more effective multi-year planning.

## **FARMINGDALE SCHOOL DISTRICT RELATED CONCERNS:**

### **Support Shifting Student Needs**

There have been well-documented increases in the number of students in Farmingdale with shifting and more challenging needs. This is reflected in increases in the number of students who are English language learners; have had interruptions in their formal education; are living in poverty; and/or have special learning needs. Farmingdale schools have embraced these challenges and provide the required supports and services for this students, although this comes at a significant cost.

### **Develop Meaningful Teacher and Principal Evaluations**

As school district leaders, we know that reliable assessment results are needed to improve education. We also know that multiple measures of assessment provide more reliable information about a student's performance than any individual assessment. During the past several years, we have worked within our community to address the misunderstanding surrounding the grades 3-8 assessments. However, the percentage of parents who are choosing to opt their children out of state testing remains steady. This is impacting an important source of information regarding how our schools are doing. The Every Student Succeeds Act includes an ongoing requirement for schools to meet the 95% participation rate for required assessments. In an effort to address the divide between the requirements and the lack of trust in the grades 3-8 assessments, we advocate for the following actions:

- Return the responsibility of evaluating teachers and principals to the Farmingdale School Board.
- Create a stakeholder group to revise 3012d in a timely manner.

### **Fully Funded Future Mandates**

As school district leaders, we work diligently with our stakeholders to create and implement school budgets that are fiscally sound and responsive to the needs of our community. We provide educational programs and services driven by complex laws and regulations. We are limited in the amount we can increase our budget by the tax levy cap. With these constraints, it is imperative that any new mandates that are put in place for our schools/district be subject to a full fiscal impact analysis prior to their implementation AND be fully funded. Any new mandates imposing new costs should not take effect until the next local fiscal year succeeding its adoption.

## **EVOLVING FARMINGDALE STUDENT DEMOGRAPHICS**

- Farmingdale Public Schools have seen a 300% increase in its ELL population over the last five years (2012-2017). Each of the last five years has seen a double-digit increase in our ELL population between September and June. These increases within the school year have ranged between 11% and 29%.
- Farmingdale Public Schools have seen a 44% increase in its McKinney-Vento Homeless Assistance Act population over the last five years (2012-2017).
- According to federal guidelines, more than 25% of the students enrolled in Farmingdale qualify for free or reduced-price lunch. That is a **125%** increase since the 2007-2008 school year.
- Since 2007, there has been an 8.8% increase in the number of students with disabilities in Farmingdale schools, compared to a 3.7% increase statewide. The average cost to educate a student with disabilities in New York is three times that of a general education student.

**Farmingdale School District**

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