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## Low Inflation + State's Tax Cap = Uncertain Year for CNY School Budgets

By SCOTT WILLIS (/PEOPLE/SCOTT-WILLIS) & ELANA SUKERT • JAN 20, 2016

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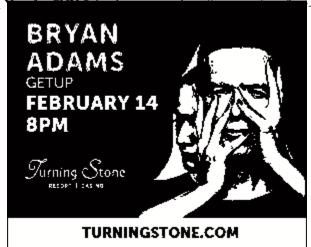




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Central New York school districts are preparing for a potentially difficult budget year after new numbers came out Wednesday that would severely limit a district's ability to raise money from their local communities. Some say it might be an unintended consequence of the New York State real property tax cap law enacted in 2012. (http://www.osc.state.ny.us/localgov/realprop/)

Executive Director of the Central New Y (http://cnysba.org/wordpress/)ork (http://cnysba.org/wordpress/) School Boards Association (http://cnysba.org/wordpress/) Charles Borgognoni isn't sugarcoating the situation.

" It is a very, very challenging, potentially dire year for public education."

The concern comes after the U.S. Department of Labor announced the final consumer price index for 2015 edged up slightly to 0.12%. That's important because under the tax cap calculation, the property tax levy growth for districts will be capped at that tiny amount as they consider their 2016-17 budgets. Borgognoni is hoping state lawmakers can secure more educational aid.

"The state budget is going to have to make up the difference in that. The governor's proposal that he put on the table last week is extremely insufficient, to the point where it won't allow school districts by in large to maintain the status quo from last year in terms of the programs that they offer to their students."

Low Inflation + State's Tax Cap = Uncertain Year for CNY School The state's school districts (excluding New York City and the Big Four city school districts) will have about \$308 million less in levy growth compared to what they had in 2015-16 when the allowable growth factor was 1.62 %."

Borgognoni says tying district budgets to the rate of inflation is unfair.

"The problem with the tax levy cap this year, which is about 0%, is that it doesn't reflect the fact that personnel costs usually on an annual basis goes up about 3% - 4%. Based on salary increases, health insurance costing more, pension costs, and whatnot."

Borgognoni says if lawmakers don't come through with more aid, chances are districts will be forced to go to voters if they need even the most nominal increase. The tax cap law requires a super-majority of 60% of voters to approve a hurdle. Bogognoni says is difficult to clear that under the best of circumstances. The state budget is due April 1 and school districts vote on their budgets in mid May.

## **PUBLIC EDUCATION FORUMS IN FEBRUARY**

The CNY School Boards Association is holding a pair of community forums early next month to talk about budgets and other issues with select school districts. The first one will be held Feburary 2nd at



(http://mediad.publicbroadcasting.net/p/waer/files/styles/x large/public/201601/school\_band.jpg)

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West Middle School in Auburn; the next one will be February 4th at North Syracuse Junior high. More information is at cnysba.org (http://cnysba.org).

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