



**BEACON CITY SCHOOL DISTRICT
ADMINISTRATIVE OFFICES**

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Beacon City School District
Board of Education

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Senator Sue Serino
188 State Street Legislative Office Building
Room 613
Albany, New York 12247

Via email

Dear Senator Serino:

Due to the pandemic, we are all facing financial hardship and uncertainty as we budget for next year. Regardless, our schools deserve a transparent budget from the State — unlike the Governor's proposal, which includes many unknowns and uncertainty. We ask that you consider the following as you negotiate the budget with the Governor:

1. Reject the proposal that would consolidate all expense-based aid into one category (Services Aid). Consolidating the aid categories lacks transparency and will lead to less predictability for schools when developing annual budgets.
2. Federal aid was meant to supplement — not supplant — state funding. The State should develop a long-range plan for the amount of federal aid that will be allocated to school districts. Clearly, supplanting state money with federal money will inevitably lead to a financial cliff in the future. We need some idea of when that cliff will appear, so we can better project our long-range financial plans.
3. Transportation expenses from last year and this year need to be fully reimbursed using the current formula.
4. Remove the STAR payment from our State Aid runs; it is misleading.
5. After years of freezing or minimally increasing Foundation Aid, it is time to repair or replace this formula. We need a formula that is transparent and predictable.
6. Raise the 4% cap on unrestricted fund balance over the next several years. Schools should have the authority to maintain an unrestricted fund balance of up to 8%, because

it's one of the few levers we have to be able to plan for the future through economic uncertainty. In addition, the cap that was applied to the TRS reserve fund needs to be lifted. Making these changes gives school districts financial flexibility and the ability to fill budget gaps when the federal aid ends.

7. The tax cap formula needs to be adjusted to ensure the allowable levy growth factor never falls below 2%. In addition, the tax cap needs to be amended to allow for a simple majority of voters to override the cap.

The above changes need to be made to give school districts the financial flexibility to maintain the programs needed to prepare our students for college and careers.

Thank you for advocating for our school district and especially our children.

Sincerely,

Beacon City School District
Board of Education

Cc: Governor Andrew Cuomo