

**RESOLUTION No. 1 OF BOARD OF EDUCATION OF SCARSDALE UFSD
FOR MANDATE RELIEF CONCERNING TRS RESERVES**

BE IT RESOLVED, by the Scarsdale Union Free School District that mandate relief must be addressed by the New York State Legislature as school districts implement the property tax levy limit.

WHEREAS, New York State leads the nation in local property taxes, in large part because New York leads the nation in imposing unfunded state mandates upon our local municipalities and school districts; and

WHEREAS, in response to New York's property tax crisis, the Governor and members of the New York State Legislature enacted legislation imposing a limit on the annual growth of the local school tax levy; and

WHEREAS, New York State school districts are under unprecedented funding shortfalls due to three years of frozen Foundation Aid, last year's \$1.2 billion aid cut, expiration of stimulus aid and revenue restrictions under the tax levy limit, which goes into effect for the 2012-13 school year, and

WHEREAS, unfunded and underfunded state mandates continually increase the obligations and expenditures of local public school districts, and a property tax levy limit without significant mandate reform will inescapably lead to drastic cuts in essential local school district programs and services, as well as significant layoffs of school district employees, and in some cases outright insolvency, in New York State school districts; and

WHEREAS, the cumulative impact of satisfying unfunded and underfunded mandates diverts local money from our school district's top priority of student learning,

THEREFORE, BE IT RESOLVED, that we the members of the Board of Education of the Scarsdale Union Free School District join fellow school board members in Westchester and Putnam Counties in affirming the obligation of the Governor of the State of New York and the members of the New York State Senate and New York State Assembly, to reform mandates that are unsound, unduly burdensome or costly, and thereby lead to high property taxes in New York.

BE IT FURTHER RESOLVED that, in accordance with Article 24, Executive Law §666, which establishes a Mandate Relief Council, the Scarsdale Union Free School District asks, by resolution of its governing body, that the Mandate Relief Council review **Bill No. A8920** that would authorize the establishment of school districts and boards of cooperative educational services reserve funds for the purposes of making contributions to the New York State Teachers' Retirement System.

Chapter 260 of the Laws of 2004 allowed public employers to create Retirement Contribution Reserve Funds: which basically are "rainy day funds" to defray the costs of future contributions to the Common Retirement Fund. This reform was sought after by local governments and their advocates in order to assist localities in managing their finance.

However, while the two retirement systems that make up the Common Retirement Fund were included in these reforms the New York State Teachers' Retirement System was not.

This bill seeks to remedy this situation, and allow public employers to create such reserve funds for future New York State Teachers' Retirement System contributions on the same basis as they are currently allowed to do for their CRF contributions: thus expanding the scope of the important and necessary reforms enacted by the Legislature in 2004.

Since the majority of the staff employed for school districts are teachers, it would be in the districts' best interest to allow for a separate reserve for this use. According to the Empire Center for New York State Policy, tax-funded annual contributions to TRS will quadruple over the next five years. According to NYSSBA, TRS contributions have accelerated from 0.36

percent of total teacher payroll in the 2002-03 school year to 8.6 percent in 2010-11, an increase of 2,300%.

Establishing a TRS would allow districts to amortize these costs, and stabilize tax rates.

BE IT FURTHER RESOLVED that a copy of this resolution be forwarded to the New York State Mandate Relief Council, Governor, Senate Majority and Minority Leaders, Assembly Speaker and Minority Leader, and the members of the Senate and Assembly representing Westchester and Putnam Counties.

Signature _____ Title President, Board of Education,
Scarsdale UFSD Date April 16, 2012