

Imaginary Numbers. Everyone is aware that Pennsylvania still does not have a state budget. This week I'd like to take a look at where we are and how we got here.

November, 2014: Tom Wolf defeats Tom Corbett in a landslide victory for the Governor's race. Two of Wolf's major campaign pledges were to restore funding for public education and tax the Marcellus Shale to help pay for it.

March, 2015: Governor Wolf gives his first budget address making good on his campaign promises. Knowing that the legislature is controlled by Republicans, he includes 8 items typically advanced by Republicans. One of these items is a shift away from total reliance on property tax to fund schools. Republican reaction to the proposal can be likened to someone plugging their ears and chanting nonsense syllables. Instead of recognizing the proposal as a tax shift (less property tax is replaced by more personal income tax by those making over \$100,000) they blatantly reject Wolf's budget on the basis of no tax increase rhetoric.

Summer, 2015: Legislature misses the June 30 deadline to approve a budget and negotiations continue. Because Pennsylvania has one of the largest legislatures in the country, only leadership of both parties can be engaged with negotiations. Wolf makes many concessions with no reciprocity.

Fall, 2015: Pressure mounts as the school year begins and school districts begin to announce shortfalls will result in the need to borrow and pay interest. The budget stalemate, enormous pension liability and likely difficulty the state will have in closing its long-term deficit causes Moody's to downgrade Pennsylvania's credit rating, making it more expensive for the state to borrow money. (Also, recent government guidelines for accounting now require school districts to account for what would be our portion of the pension liability which will now negatively impact our ability to borrow money.)

Negotiations continue but still no progress until . . .

November, 2015: Right before Thanksgiving, the Governor and legislative leadership reach an agreement on the "budget framework." A 30.8 billion dollar budget is expected before Thanksgiving but the holiday comes and goes with no budget.

December, 2015: Republicans in the House of Representatives rebel against the framework agreed to by governor and leadership and refuse to pass a budget. When the Christmas holiday approaches, they want to go home and have a merry, guilt-free Christmas so they pass a 30.3 billion dollar budget, previously vetoed by the Governor. This way, as districts and social agencies clamor about closing their doors without state funding, the House Republicans can make the Governor the scrooge if he does not sign the budget which is half a billion short of the framework previously agreed to.

Right after Christmas, the Governor approves some of the budget but not all. By not approving the full budget, he holds the legislators feet to the fire to come back and finish the budget. He approves enough of it, though, to release money to districts and social agencies.

January, 2016: Money flows to school districts. General McLane receives 6.6 million, the amount equal to what we received in 2014-2015 for the first six months. Lawmakers though, are not in a hurry to finish the budget. There is talk among them to avoid it until after the election because they don't want a tax increase to hurt their chances for re-election. Anthony May, a Harrisburg insider since 1971, notes in a TribLive article that in an election year, no politician wants to raise taxes or cut programs. Given that PA faces a 1.9 billion dollar structural deficit, we are in big trouble. (A structural deficit means we are spending more than receiving.)

Recently, philly.com reported on the remarks of Sen. Scott Wagner, a Republican from York and self-described champion of smaller government and fiscal conservatism. Wagner had boasted to colleagues that during the budget fight, the GOP had the Democratic governor "down on the floor, with our foot on his throat." Is this type of attitude acceptable from the people from whom we expect progress? Voters can send a statement in the primaries by voting against those who are holding us hostage with their bully mentality and childish game-playing.

We are currently working on our district's budget for 2016-2017. We don't know at this point if our budget for 2015-2016 is balanced because we don't know how much state revenue we will or will not get for this year. Creating a balanced budget for 2016-2017 will be a stab in the dark. Right now, I refer to the "imaginary budget of 2015-2016" and the "imaginary budget of 2016-2017."

On February 9, Governor Wolf is expected to reveal his budget for 2016-2017. I'm not sure how he is going to do that. He is in the same position as school districts, trying to create a future budget without knowing the facts on the present budget.