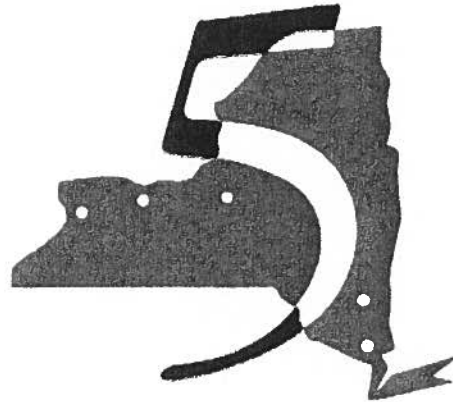


Conference of Big 5 School Districts
Budget Testimony Before
New York State Legislative
Fiscal and Education Committees



January 29, 2013

Presented By:
Georgia M. Ascianto, Executive Director
Conference of Big 5 School Districts

Good afternoon. I am Georgia Ascitutto, Executive Director of the Conference of Big 5 School Districts. Thank you for providing me with the opportunity to address you here today. I will keep my remarks brief as representatives from our member school districts will be speaking to you following my comments and I know you have already heard from Chancellor Walcott.

I would like to begin by thanking the Governor for his efforts to target additional resources to the State's neediest school districts and the pupils they serve. The Big 5 school districts enroll almost 41% of the State's public school students. The following are some notable statistics:

- 74% of all English Language Learners and Limited English Proficient pupils are educated in the Big 5
- Over 61% of the State's prekindergarteners are educated in the Big 5

- Nearly 42% of the State's special education students (ages 5-21) are educated in the Big 5
- The percentage of pupils with extraordinary needs in the Big 5 are staggering: Buffalo 86%; NYC 78%; Rochester 90%; Syracuse 80%; and Yonkers 67%

As you know, the Big 5 school districts are heavily reliant on State funds. We have no ability to raise local revenue and have no expectation that our cities will increase their local share for education. We are hopeful that the Governor's Fiscal Stabilization Fund will be allocated in a manner to further assist our struggling districts.

Despite limited resources, the Big 5 school districts have implemented a number of academic reforms and successful instructional strategies to raise student achievement and improve district accountability. The

Governor's newly proposed grant programs, totaling \$75 million, are targeted to areas that are vital to continued academic progress in the Big 5. Our school districts are extremely interested in expanded prekindergarten opportunities for the children they serve. In addition, they have been struggling to provide for extended school day and/or year opportunities.

The new Community Schools grant program is also a welcome addition. Our school districts have sought for years to provide comprehensive health and mental health services in the school setting for students and their families. We also request that language be included to allow the Big 5 school districts to access Building Aid for health and mental health clinics in our school buildings to further assist with these efforts.

it would penalize districts faced with demographic shifts or other data fluctuations and leave them facing a revenue shortfall next year.

In addition, while we appreciate the Governor's proposal to freeze charter school tuition rates for the 2013-2014 school year this proposal would actually result in increased expenditures for some of the State's poorest districts. We ask, on behalf of the Syracuse City School District, that the proposal be modified to allow Syracuse to utilize the per-pupil calculation that would have been in place without the freeze. This would save the Syracuse City School District approximately \$1 million.

Thank you for providing us with the opportunity to address you here today. We look forward to working with you throughout the coming months.

Conference of

Big 5 School Districts

*Buffalo * New York City * Rochester * Syracuse * Yonkers*

**Revenues for
1998 - 1999 through 2012 - 2013 School Years**

JANUARY 2013

Buffalo Public Schools

Revenues for 1998-1999 through 2012-2013 School Years

Revenue Source	1998-1999		1999-2000		2000-2001		2001-2002		2002-2003	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$64,130,072	12.3	\$57,029,414	10.1	\$53,346,092	9.1	\$52,214,025	8.9	\$50,648,871	8.4
STAR	\$5,985,286	1.2	\$9,009,655	1.6	\$13,247,318	2.3	\$15,379,385	2.6	\$16,084,185	2.7
State	\$358,351,898	68.9	\$395,497,067	70.1	\$378,759,488	64.5	\$396,457,682	67.9	\$408,857,635	67.7
County	\$27,128,083	5.2	\$28,795,467	5.1	\$29,486,796	5.0	\$28,535,254	4.9	\$31,262,911	5.2
Federal	\$54,460,321	10.5	\$60,472,132	10.7	\$66,859,258	11.4	\$74,740,968	12.8	\$76,426,153	12.7
Other	\$10,143,642	1.9	\$13,370,833	2.4	\$45,288,715 ¹	7.7	\$16,828,016	2.9	\$20,253,748	3.3
TOTAL	\$520,199,302	100.0	\$564,174,568	100.0	\$586,987,667	100.0	\$584,155,330	100.0	\$603,533,503	100.0

Revenue Source	2003-2004		2004-2005		2005-2006		2006-2007		2007-2008	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$51,498,602	8.1	\$50,412,284	7.5	\$51,064,442	7.4	\$52,879,095	7.1	\$52,219,795	6.4
STAR	\$17,234,454	2.7	\$18,375,772	2.7	\$17,668,614	2.5	\$17,890,145	2.4	\$18,102,960	2.2
State	\$415,889,836	65.5	\$453,805,433	67.7	\$485,714,578	69.8	\$535,563,494	72.0	\$578,739,505	71.6
County	\$30,138,428	4.7	\$31,070,752	4.6	\$32,128,685	4.6	\$33,218,271	4.5	\$34,434,796	4.3
Federal	\$98,870,552	15.6	\$97,281,031	14.5	\$93,146,393	13.4	\$83,796,220	11.3	\$82,481,344	10.2
Other	\$21,718,132	3.4	\$19,284,102	2.9	\$15,942,835	2.3	\$20,428,089	2.7	\$42,655,294	5.3
TOTAL	\$635,350,004	100.0	\$670,229,374	100.0	\$695,665,547	100.0	\$743,775,314	100.0	\$808,633,694	100.0

Revenue Source	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$54,171,751	6.4	\$53,940,370	6.3	\$54,833,321	6.3	\$54,926,228	6.3	\$53,940,370	6.0
STAR	\$16,151,007	1.9	\$16,382,388	1.9	\$15,489,437	1.8	\$15,396,530	1.8	\$16,382,388	1.8
State	\$632,396,510	74.9	\$619,011,465	72.4	\$625,877,519	72.0	\$624,422,335	71.9	\$671,948,585	74.2
County	\$32,145,521	3.8	\$32,754,438	3.8	\$34,296,667	3.9	\$35,770,200	4.1	\$36,000,000	4.0
Federal	\$82,655,159	9.8	\$110,366,852 ²	12.9	\$113,635,756 ³	13.1	\$109,637,089	12.6	\$81,106,152	9.0
Other	\$27,126,603	3.2	\$22,468,872	2.6	\$25,392,938	2.9	\$27,906,284	3.2	\$46,514,366	5.0
TOTAL	\$844,646,551	100.0	\$854,924,385	100.0	\$869,525,638	100.0	\$868,058,666	100.0	\$905,891,861	100.0

¹Includes MBBA Bond of \$27.5 million for teacher backup settlement.

²Received \$19,867,976 in Federal ARRA dollars in O&M Fund; Title I ARRA=\$3,224,240; IDEA ARRA=\$5,575,175.

³Includes \$9,446,966 Federal ARRA funds in O&M budget (flowed to us as part of State aid); includes ARRA Title I of \$21,203,066 & IDEA of \$7,922,017.

New York City Department of Education

Revenues for 1998-1999 through 2012-2013 School Years

Revenue Source	1998-1999		1999-2000		2000-2001		2001-2002		2002-2003	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$5,006,273,327	47.6	\$5,563,901,686	48.1	\$5,602,638,387	46.7	\$5,442,313,669	43.2	\$6,107,824,924	44.3
STAR ¹	---	---	---	---	---	---	---	---	---	---
State	\$4,468,658,227	42.4	\$4,867,336,121	42.1	\$5,327,502,000	44.4	\$5,648,064,433	44.8	\$5,867,294,826	42.5
County	---	---	---	---	---	---	---	---	---	---
Federal	\$1,053,868,953	10.0	\$1,127,538,831	9.8	\$1,068,700,200	8.9	\$1,393,369,699	11.0	\$1,662,376,842	12.0
Other	---	---	---	---	---	---	\$120,287,451	1.0	\$160,586,929	1.2
TOTAL	\$10,528,800,507	100.0	\$11,558,776,638	100.0	\$11,998,840,587	100.0	\$12,604,035,252	100.0	\$13,798,083,521	100.0

Revenue Source	2003-2004		2004-2005		2005-2006		2006-2007		2007-2008	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$7,084,923,380	48.0	\$7,585,425,485	47.8	\$8,611,722,538	49.9	\$9,300,118,000	50.2	\$9,965,929,000	49.4
STAR ¹	---	---	---	---	---	---	---	---	---	---
State	\$5,808,640,000	39.3	\$6,240,642,346	39.4	\$6,717,477,000	38.9	\$7,305,386,231	39.4	\$8,279,885,000	41.1
County	---	---	---	---	---	---	---	---	---	---
Federal	\$1,780,807,000	12.1	\$1,930,180,201	12.2	\$1,862,118,000	10.8	\$1,840,931,000	9.9	\$1,797,343,000	8.9
Other	\$92,613,000	0.6	\$97,788,814	0.6	\$69,729,000	0.4	\$84,995,719	0.5	\$117,560,000	0.6
TOTAL	\$14,766,983,380	100.0	\$15,854,036,846	100.0	\$17,261,046,538	100.0	\$18,531,430,950	100.0	\$20,160,717,000	100.0

Revenue Source	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$10,471,258,000	48.8	\$10,793,771,000	47.9	\$11,422,898,000	49.6	\$13,085,192,000	55.1	\$13,413,141,000	55.0
STAR ¹	---	---	---	---	---	---	---	---	---	---
State	\$8,977,885,000	41.9	\$8,460,270,000	37.5	\$8,547,052,000	37.1	\$8,542,007,000	36.0	\$8,915,609,000	36.6
County	---	---	---	---	---	---	---	---	---	---
Federal	\$1,734,653,000	8.1	\$2,961,408,000 ²	13.1	\$2,794,534,000 ³	12.1	\$1,935,878,000	8.2	\$1,946,530,000	8.0
Other	\$257,428,000	1.2	\$325,224,000	1.5	\$384,286,000	1.2	\$171,523,000	0.7	\$105,402,000	0.4
TOTAL	\$21,441,224,000	100.0	\$22,540,673,000	100.0	\$23,048,770,000	100.0	\$23,734,600,000	100.0	\$24,380,682,000	100.0

¹The City of New York receives STAR funds however none of these revenues are passed on directly to the District.
²Includes \$1,205,486,608 of Federal ARRA funds.
³Includes \$1,139,512,332 of Federal ARRA funds.

Rochester City School District

Revenues for 1998-1999 through 2012-2013 School Years

Revenue Source	1998-1999		1999-2000		2000-2001		2001-2002		2002-2003	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$123,990,228	28.2	\$120,968,497	26.2	\$118,200,000	23.9	\$114,294,403	22.0	\$112,376,890	21.2
STAR	\$3,309,772	.8	\$6,331,503	1.4	\$9,100,000	1.8	\$13,005,597	2.5	\$13,723,110	2.6
State	\$250,007,331	56.9	\$269,937,813	58.4	\$284,901,113	57.6	\$314,034,551	60.4	\$339,176,239	63.9
County	---	---	---	---	---	---	---	---	---	---
Federal	\$46,606,712	10.6	\$50,795,075	11.0	\$57,240,268	11.6	\$52,152,224	10.0	\$46,739,132	8.8
Other	\$15,166,812	3.5	\$14,117,101	3.1	\$24,758,700	5.0	\$26,455,946	5.1	\$18,474,694	3.5
TOTAL	\$439,080,855	100.0	\$462,149,989	100.0	\$494,200,081	100.0	\$519,942,721	100.0	\$530,490,065	100.0

Revenue Source	2003-2004		2004-2005		2005-2006		2006-2007		2007-2008	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$111,827,166	19.4	\$104,808,436	18.2	\$105,654,408	18.0	\$104,715,000	17.0	\$104,872,700	16.6
STAR	\$14,272,834	2.5	\$14,291,564	2.5	\$13,445,592	2.3	\$14,384,400	2.3	\$14,227,300	2.2
State	\$344,571,339	60.0	\$370,755,400	64.5	\$368,861,561	62.7	\$400,412,733	65.2	\$431,217,973	68.1
County	---	---	---	---	---	---	---	---	---	---
Federal	\$80,833,192	14.1	\$75,276,470	13.1	\$76,677,692	13.0	\$72,558,596	11.8	\$69,267,793	10.9
Other	\$22,745,985	4.0	\$10,025,935	1.7	\$23,319,611	4.0	\$22,096,709	3.6	\$14,134,675	2.2
TOTAL	\$574,250,516	100.0	\$575,157,805	100.0	\$587,958,864	100.0	614,168,038	100.0	\$633,720,441	100.0

Revenue Source	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$104,872,700	15.4	\$105,361,289	14.8	\$105,560,223	15.5	\$105,452,137	15.2	\$105,986,600	14.6
STAR	\$14,227,300	2.1	\$13,738,711	1.9	\$13,539,777	2.0	\$13,647,863	2.0	\$13,113,400	1.8
State	\$475,699,132	69.7	\$455,666,653	64.0	\$444,982,800	65.3	\$465,780,974	67.3	\$484,508,646	66.7
County	---	---	---	---	---	---	---	---	---	---
Federal	\$73,612,718	10.8	\$108,642,106 ¹	15.3	\$105,624,735 ²	15.5	\$90,514,665	13.1	\$94,747,418	13.0
Other	\$13,567,802	2.0	\$27,971,402	4.0	\$11,744,722	1.7	\$16,294,289	2.4	\$28,283,985	3.9
TOTAL	\$681,979,652	100.0	\$711,380,161	100.0	\$681,452,257	100.0	\$691,689,928	100.0	\$726,640,049	100.0

¹Includes \$20,343,734 of Federal ARRA funds.
²Includes \$9,821,791 of Federal ARRA funds.

Syracuse City School District Revenues for 1998-1999 through 2012-2013 School Years

Revenue Source	1998-1999		1999-2000		2000-2001		2001-2002		2002-2003	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$42,334,710	17.6	\$42,124,483	17.1	\$40,034,543	15.2	\$43,747,205	15.3	\$46,222,127	16.0
STAR	\$2,651,851	1.1	\$3,831,128	1.6	\$5,015,134	1.9	\$7,021,160	2.5	\$7,464,509	2.6
State	\$154,849,791	64.5	\$159,071,600	64.7	\$170,885,939	64.7	\$179,726,119	62.9	\$186,784,612	64.6
County	\$3,246,505	1.4	\$3,537,527	1.4	\$3,347,759	1.3	\$3,542,737	1.2	\$3,631,552	1.3
Federal	\$30,796,626	12.8	\$32,140,938	13.1	\$36,565,942	13.9	\$39,557,140	13.8	\$36,979,261	12.8
Other	\$6,096,458	2.5	\$5,257,936	2.1	\$8,146,278	3.1	\$12,233,429	4.3	\$8,067,339	2.8
TOTAL	\$239,975,941	100.0	\$245,963,612	100.0	\$265,995,595	100.0	\$285,827,790	100.0	\$289,149,400	100.0

Revenue Source	2003-2004		2004-2005		2005-2006		2006-2007		2007-2008	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$45,989,284	15.1	\$50,579,322	14.5	\$52,592,644	15.0	\$54,138,284	15.2	\$54,845,612	13.5
STAR	\$7,525,740	2.5	\$8,313,240	2.4	\$8,313,240	2.4	\$8,465,929	2.4	\$8,588,317	2.1
State	\$183,419,534	60.1	\$229,246,863 ¹	65.7	\$219,151,997 ²	62.6	\$235,401,644	66.0	\$277,010,378 ³	68.4
County	\$3,645,000	1.2	\$3,979,485	1.1	\$4,085,392	1.2	\$4,346,098	1.2	\$4,199,607	1.0
Federal	\$51,631,132	16.9	\$47,008,307	13.5	\$48,519,732	13.9	\$41,528,851	11.6	\$41,172,075	10.2
Other	\$12,873,639	4.2	\$9,855,147	2.8	\$17,204,559	4.9	\$12,932,573	3.6	\$19,295,246	4.8
TOTAL	\$305,084,329	100.0	\$348,982,364	100.0	\$349,867,564	100.0	\$356,813,379	100.0	\$405,111,235	100.0

Revenue Source	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$56,014,375	13.6	\$56,036,474	13.2	\$56,670,988	14.0	\$56,771,844	13.9	\$57,420,000	13.2
STAR	\$7,985,482	1.9	\$7,852,557	1.9	\$7,216,853	1.8	\$7,180,725	1.8	\$7,180,000	1.7
State	\$283,902,590	69.2	\$265,236,153	62.7	\$261,043,537	64.4	\$271,095,124	66.4	\$304,214,606	70.1
County	\$4,073,040	1.0	\$4,299,493	1.0	\$3,565,916	0.9	\$1,884,672	0.4	\$1,000,000	0.2
Federal	\$42,507,086	10.4	\$73,276,388 ⁴	17.3	\$63,382,076 ⁵	15.6	\$57,561,992 ⁶	14.1	\$53,816,805 ⁷	12.4
Other	\$15,982,306	3.9	\$16,646,508 ⁸	3.9	\$13,546,695 ⁸	3.3	\$13,946,497 ⁸	3.4	\$10,325,417 ⁸	2.4
TOTAL	\$410,464,879	100.0	\$423,347,573	100.0	\$405,426,065	100.0	\$408,440,854	100.0	\$433,956,828	100.0

¹Includes \$20 million lottery aid cash advance.
²Includes \$4.5 million lottery aid cash advance.
³Includes \$6.0 million lottery aid cash advance.
⁴Includes \$13,048,245 ARRA funds in the General Fund and \$8,858,529 in F Fund.
⁵Includes \$5,722,580 ARRA funds in the General Fund and \$13,748,860 in F Fund.
⁶Includes \$15,822,888 ARRA funds in F Fund.
⁷Includes \$16,510,489 ARRA funds in F Fund.
⁸Does not include interfund revenue for 09-10, 10-11, 11-12 and 12-13.

Yonkers Public Schools Revenues for 1998-1999 through 2012-2013 School Years

Revenue Source	1998-1999		1999-2000		2000-2001		2001-2002		2002-2003	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$133,878,330 ²	37.3	\$108,852,949	30.5	\$110,577,931	29.7	\$104,507,327	26.1	\$104,587,533	26.0
STAR	\$9,486,670	2.6	\$16,646,849	4.7	\$23,794,727	6.4	\$29,865,331	7.5	\$30,412,467	7.6
State	\$187,880,816	52.2	\$200,480,801	56.2	\$188,822,664 ³	50.7	\$219,075,156 ⁴	54.8	\$222,368,864 ⁴	55.3
County	---	---	---	---	---	---	---	---	---	---
Federal	\$19,592,496	5.5	\$23,009,013	6.5	\$26,826,492	7.2	\$30,535,251	7.6	\$34,294,418	8.5
Other ¹	\$8,539,201	2.4	\$7,323,019	2.1	\$22,144,939	6.0	\$15,819,932	4.0	\$10,513,329	2.6
TOTAL	\$359,377,513	100.0	\$356,312,631	100.0	\$372,166,753	100.0	\$399,802,997	100.0	\$402,176,611	100.0

Revenue Source	2003-2004		2004-2005		2005-2006		2006-2007		2007-2008	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$121,839,692	28.6	\$125,524,373	28.9	\$133,750,301	28.9	\$169,038,976	34.7	\$171,119,084	33.8
STAR	\$31,660,308	7.4	\$36,217,853	8.3	\$37,443,466	8.2	\$38,793,903	7.9	\$39,713,795	7.8
State	\$216,132,298 ⁵	50.7	\$218,647,360 ⁶	50.3	\$204,927,555 ⁷	44.4	\$206,948,546 ⁹	42.5	\$219,221,524	43.2
County	---	---	---	---	---	---	---	---	---	---
Federal	\$47,303,763	11.1	\$44,940,909	10.3	\$44,338,883	9.6	\$42,034,785	8.6	\$42,302,075	8.4
Other	\$9,746,866	2.3	\$9,431,351	2.2	\$41,002,219 ⁸	8.9	\$30,542,414 ¹⁰	6.3	\$34,274,104 ¹¹	6.8
TOTAL	\$426,682,927	100.0	\$434,761,846	100.0	\$461,462,424	100.0	\$487,358,624	100.0	\$506,630,582	100.0

Revenue Source	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City	\$178,187,800	33.6	\$180,148,130	33.2	\$180,347,723	33.4	\$187,623,623	34.4	\$187,623,623	33.9
STAR	\$39,161,440	7.4	\$37,701,110	6.9	\$37,501,517	7.0	\$37,125,617	6.8	\$37,125,617	6.7
State	\$234,524,722	44.3	\$224,692,695	41.4	\$225,211,680	41.7	\$241,954,041	44.3	\$250,098,277	45.2
County	---	---	---	---	---	---	---	---	---	---
Federal	\$43,997,066	8.3	\$65,382,001 ¹²	12.0	\$63,230,919 ¹³	11.7	\$37,627,275	6.9	\$37,299,846	6.7
Other	\$33,928,400 ¹¹	6.4	\$35,021,435 ¹¹	6.5	\$33,375,594 ¹¹	6.2	\$41,804,827 ¹¹	7.6	\$41,191,429 ¹¹	7.5
TOTAL	\$529,799,428	100.0	\$542,945,371	100.0	\$539,667,433	100.0	\$546,135,383	100.0	\$553,338,792	100.0

See footnotes on following page

- ¹Self-Generated Revenues, Local Grant Funding & School Lunch Fund Sales.
- ²Includes a court-ordered one time \$22 million payment to the school district.
- ³Includes \$10 million in desegregation settlement funds.
- ⁴Includes \$70 million in desegregation settlement funds.
- ⁵Includes \$60 million in desegregation settlement funds.
- ⁶Includes \$50 million in desegregation settlement funds.
- ⁷Includes \$40 million in desegregation settlement funds.
- ⁸Includes \$20 million one time revenue from sale of Yonkers Public Library and School Administration Building.
- ⁹Includes no State desegregation funds.
- ¹⁰Includes \$20 million in VLT revenue.
- ¹¹Includes \$19.6 million in VLT revenue.
- ¹²Includes \$15,330,584 of Federal ARRA funds.
- ¹³Includes \$8,123,590 of Federal ARRA funds.

***Budget Testimony Before
The New York State Legislative
Fiscal and Education Committees***



Presented January 29, 2013 by:

***Barbara J. Smith, CPA
Chief Financial Officer
Buffalo Public Schools***



YONKERS PUBLIC SCHOOLS



"Achieving Excellence Together"

Testimony Before Joint Legislative Budget Committee

January 29, 2013

Presented By:

Bernard P. Pierorazio
Superintendent of Schools
Yonkers Public Schools

**JOINT LEGISLATIVE BUDGET COMMITTEE
HEARINGS
JANUARY 29, 2013**

YONKERS CITY SCHOOL DISTRICT

MIKE SPANO
Mayor – City of Yonkers

PARESH PATEL
President – Yonkers Board of Education

TREVOR BENNETT
Vice-President – Yonkers Board of Education

BERNARD P. PIERORAZIO
Superintendent of Yonkers Public Schools

- 1. INTRODUCTION**
- 2. PRE-KINDERGARTEN – SAVE HARMLESS**
- 3. BOCES ADMINISTRATIVE FEES – NON COMPONENT DISTRICTS**
- 4. CHARTER SCHOOL TUITION FREEZE – SUPPORT EXECUTIVE BUDGET**
- 5. THE YONKERS PUBLIC SCHOOL DISTRICT BUDGET 2013 – 2014**
- 6. UNFUNDED MANDATES – STILL NO RELIEF**
- 7. YONKERS P.R.I.D.E.- BUILDING FOR THE FUTURE - FIRST IN THE NATION**
- 8. PER PUPIL STATE AID - DRASTICALLY REDUCED TO YPSD**
- 9. CHARTS - YPSD Graduation Rates and Post High School Plans**
- 10. CONCLUSION**
- 11. LETTER FROM 8TH GRADE STUDENT - EILEEN CASTILLO**
- 12. KPMG NAMES YPSD WORLD'S 100 MOST INNOVATIVE PROJECTS**
- 13. ADDENDUM: What does it cost to educate a YPSD student?**

JOINT LEGISLATIVE BUDGET COMMITTEE HEARING

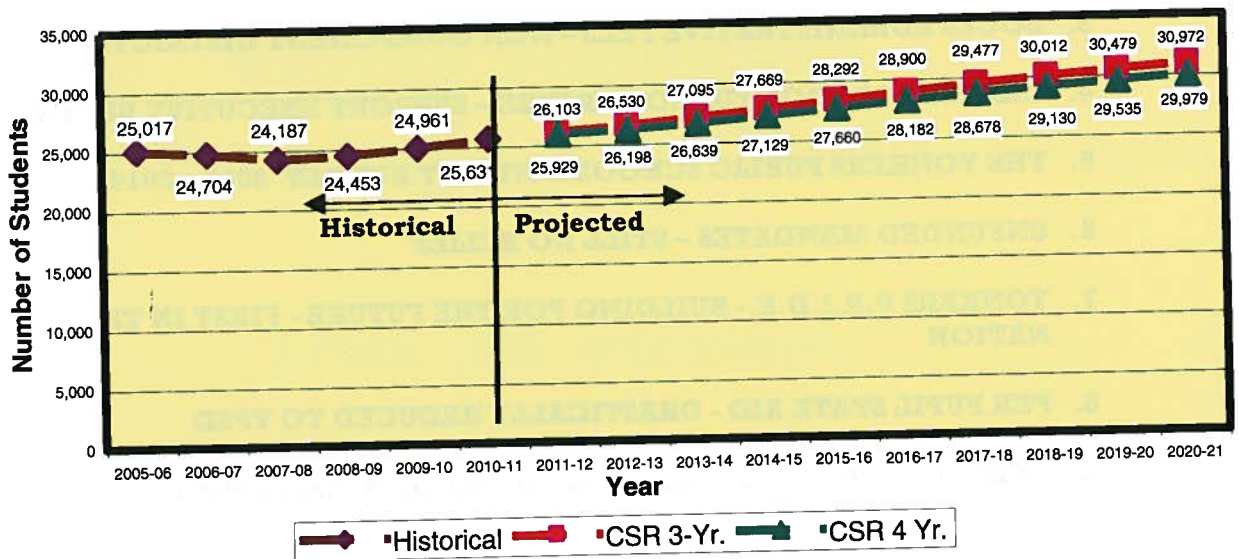
YONKERS CITY SCHOOL DISTRICT

INTRODUCTION

I would like to take this opportunity to thank co-chairs Senator John A. DeFrancisco and Assemblymember Herman D. Farrell as well as the Education Chairs Senator John J. Flanagan and Assemblymember Catherine Nolan for allowing us this venue to speak candidly about the state of education in our districts. I would also like to share my greetings with our local delegation Senate Minority Leader Andrea Stewart Cousins and Senator George Latimer as well as the delegation chair Assemblymember Gary Pretlow and Assemblymember Shelly Mayer.

As you are acutely aware, the Big 4 School Districts educate over 100,000 children in our state. It is my privilege to address you today on behalf of the (YPSD) Yonkers Public School District, which is one of the only school districts statewide that is continually growing and is projected to enroll over 30,000 students by the 2018-2019 school year.

Figure 1
Yonkers Public Schools PK-12 Enrollment History and Projections
2005-06 to 2020-21



Much of my message today will touch on familiar needs that Yonkers and the other Big 5 school districts have faced:

- The need for equitable funding for public education has been clear and consistent through the years; that need has yet to be addressed.

- The need for a renewed focus on instructional results for our students is universally acknowledged; the tools we use to measure those results and how we apply the data gleaned from those tools are still debated.
- The need to create a fair, equitable and accountable evaluation system, long overdue, has begun. However, leaving the implementation of the APPR as a subject of local negotiation has blunted the impact this first step could have had on improving performance. The process of enacting the APPR through the negotiations weakens the position of management, whose first concern is the continuation of funding to ensure that the instructional programs remain intact. With open contracts and the need to comply with 3012-c along with the threat of withholding federal and state dollars from the neediest districts, we have to negotiate from a position of weakness.
- The need to address the rapidly decaying physical infrastructure of our urban districts and the rising costs of construction and maintenance requires thinking and proven solutions.

I hope to touch upon not only these issues, but also upon some of the solutions that lie within our grasp. For too long we have made an artificial distinction between present problems and future needs. Short-term decision-making mortgages our future for today's quick fix. In fact, we must acknowledge that how we resolve current issues is directly linked to future outcomes. Today's investments yield tomorrow's dividends.

I am pleased with the Governor's increase toward education funding, as well as having the ability to compete for funds. However, Pre-Kindergarten should not be an area to compete, but should in fact be funded in lowest wealth districts because it makes sense educationally if we ever are to close the achievement gap.

We also applaud the effort to enact so-called "pension-smoothing" legislation. While we appreciate the uncertainty and volatility of any investment in these times, history tells us that short-term instability flattens out over time. A rate of increase set within a narrow range, with a built-in "reset" after a fixed number of years, could certainly provide the retirement systems the contributory support they require while providing school districts with short-term budget certainty and relief.

The Governor's request to freeze Charter School tuition is sensible and should not be tampered with as it becomes extremely costly to our districts and essentially neuters the moderate increase to the students enrolled in our district schools.

Another area of concern is the unregulated ability of area BOCES, state agencies, to charge exorbitant administrative fees that differ amongst BOCES. The Yonkers City School District pays over one million dollars in administrative fees on top of the fees for services provided. This is unacceptable and our delegation will be sponsoring a bill to end this unfair and irrational practice.

PRE-KINDEGARTEN – SAVE HARMLESS

In that spirit, the District is pleased with the Governor's reduction of the GEA, as well as having the ability to compete for funds. However, in our neediest communities, where the ravages of poverty, crime, unemployment and despair can lead to lifelong learning and behavior problems, Pre-Kindergarten funding should not be subject to competition. The state should fully fund Pre-Kindergarten programs in all districts where children face economic and social adversity. Intervening in these precious lives during early childhood leads to better school achievement, increased high school graduation rates, better language acquisition, higher employment rates and greater income throughout their lives. As Fredrick Douglass observed, "It is easier to build strong children than to repair broken men."

Due to several years of frozen or limited increases in Foundation Aid (amounting to .6% increase over four years) the District has had to redesign its Pre-Kindergarten program from a full-day offering to half days. While this allowed us to serve a student population exceeding the 1,589 that serves as the base for our UPK aid, enrollment has dropped. This is not due to a lack of demand for Pre-Kindergarten. In fact, a waiting list exists for the program. However, many of our working families cannot avail themselves of a half-day Pre-Kindergarten experience unless they additionally incur substantial day care costs that are beyond their limited means. These students, largely from poorer, non-English speaking families, are precisely the group that benefits most from the Pre-Kindergarten experience. While the District finds a way to restore full day Pre-Kindergarten and bring these students back to the program, we ask that the District be held harmless on UPK aid if it falls below the 1,589 threshold.

For your support, I have included excerpts from a study conducted by Hart & Risley that investigated language acquisition and the effects of home experiences on a child's development¹. The study divided children ranging in ages from ten months to three years into three socioeconomic categories based on parent education levels and family income. Please note that, regardless of subcategory placement, all participant families were considered "well-functioning." The study found that students from professional homes heard, on average, 900 more words an hour than children in working class families and over 1,500 more words an hour than children in welfare-recipient families.

By age three, the observed cumulative vocabulary for children in the professional families was about 1,100 words. For children from working class families, the observed cumulative vocabulary was about 750 words and for children from welfare-recipient families it was just above 500 words. In fact, by age four, this equated to a student from a welfare-recipient family hearing up to 32 million fewer words than a classmate from a professional family.

Children in professional families heard a higher ratio of encouragements to discouragements than their working class and welfare-supported counterparts.

¹ Hart, B and Risley, T.R. (1995, 2003). Meaningful Differences in the Everyday Experiences of Young American Children. Brookes Publishing.

Because language acquisition is the foundation for success in all other subjects, the benefits that young students from less affluent homes receive in full-day Pre-kindergarten not only ensures their development, but also balances readiness across subcategories, making all students prepared for academic achievement.

The advantages of a full-day Pre-kindergarten program have been confirmed by peer-reviewed national studies as well as state-funded and District-commissioned studies that have compared the impact of half-day versus full-day programs. All validate that students in full-day Pre-kindergarten programs, particularly those in low-income, urban districts, incur significantly greater academic advantages.

The following is an overview of national and state studies that support these findings.

In 2006, the National Institute on Early Education conducted a randomized controlled trial², considered the “gold standard” approach to addressing cause and effect questions in education research, in which 4-year-olds in a low income urban district were randomly assigned to prekindergarten programs of different durations. The results showed:

- The added hours of a full-day program were substantially effective at closing the achievement gap between these urban children and their more advantaged peers.
- Even students who were far behind at entry to preschool could develop vocabulary, math, and literacy skills that approached national norms if provided with extended-duration preschool

In 2004, the Center for Evaluation and Education Policy conducted a meta-analysis of all national studies that compare full to half-day prekindergarten programs³. In this study:

- Results supported the effectiveness of full-day over half-day programs in “achievement, grade retention, special education referrals, and social and behavioral effects, generally.”
- Disadvantaged students in full-day kindergarten were found to experience greater academic benefits than students in half day programs.”

Both studies showed that parents are more satisfied with full-day Pre-kindergarten programs than with half-day programs. For parents, decreased childcare expenses, more convenient arrangements, and a great opportunity to foster the academic, social, and emotional growth of the children are cited as major advantages. My informal conversations with Yonkers’ parents echo these findings. The struggle to negotiate childcare needs with half-day Pre-kindergarten forced many of our families out of the program last year. As the data has confirmed, missing Pre-kindergarten may cause long-term negative effects on our students’ academic achievement.

² Robin, K.B.; Frede, E.C., and Barnett, W.S. (2006). Is More Better? The Effects of Full-Day vs. Half-Day Preschool on Early School Achievement. Accessed at www.nieer.org on September 5th 2012.

³ Plucker, J.A.; Eaton, J.J.; Rapp, K.E.; Woong, L; Nowak, J; Hansen, J.A. and Bartleson, A. (2004). The Effects of Full Day Versus Half Day Kindergarten: Review and Analysis of National and Indiana Data. Prepared for the Indiana Association of Public School Superintendents by The Center for Evaluation and Education Policy. Accessed on September 5th 2012.

BOCES ADMINISTRATIVE FEES – NON COMPONENT DISTRICTS

Another area of concern is the unregulated ability of area BOCES, state agencies, to charge exorbitant administrative fees that differ amongst BOCES. The Yonkers City School District pays over one million dollars in administrative fees on top of the fees for services provided.

The ability to rationally plan and budget is sometimes made difficult by the interaction of our District with regional BOCES. We contract for services with three different regional BOCES, as well as several neighboring school districts, for specific student and staff services. The BOCES regions (Rockland, Northern Westchester and Southern Westchester) abut each other. They are subject to the same financial forces that impact all downstate districts. However, while no other neighboring school district charges any administrative fee for services, each BOCES office charges exorbitant administrative fees ranging from 10% to 16% above tuition and program costs.

Though these are state agencies, there seems to be no state control. Apparently, no uniform rationale exists for why administrative fees are charged or what those fees should be. Nor is it clear why these state agencies should be siphoning state aid from state funded school systems.

During a period when aid has been frozen and GEAs have been assessed against us, these random and unjustified fees have cost the Yonkers City School District over one million dollars a year! This is an unacceptable practice and our delegation will be sponsoring a bill to end this resource destroying practice in future years. Every other district has the discipline to remain solvent without assessing administrative fees; BOCES should not be the exception. Eliminating these fees is rational, fair and provides predictability into the future. Perhaps best of all, it provides significant budget relief to Yonkers without cost to the state.

CHARTER SCHOOL TUITION FREEZE – SUPPORT EXECUTIVE

The Governor's forward-looking request to freeze Charter School tuition is also sensible and fair to public school districts. To allow otherwise would be to create an entitlement for schools run by private corporations to receive increases in public aid while basic foundation aid to public schools is frozen. This has nothing to do with the inherent value of charter schools; it is an issue of fairness and equal funding for all of our students. Freezing charter school tuition when basic aid is frozen reduces fiscal pressure on public school districts today and allows them to plan rationally for future years. It puts charter school funding on a rational path that secures predictable, proportional budget assumptions into the future.

THE YONKERS CITY SCHOOL BUDGET – 2013 - 2014

We can no longer reduce staff and services. We have eliminated virtually all art, music, student support and extracurricular programs. Moving forward, our goal is to restore some of the critical offerings our students have lost. Thank you for the budget aid that allowed us to restore some of our sports programs last year. This year's budget calls for the restoration of 60 vitally needed instructional and student support positions lost due to the drastic budget cuts and underfunding by the State over the last few years. It is the only discretionary cost increase contemplated for next year.

It must be noted that our funding is not predictable or certain. Despite a continuing growth in our enrollment, regular increases to Foundation Aid ceased years ago; apparently, this year there is no increase planned. The major "increase" in our state aid this year is, in fact, a reduction in the GEA imposed several years ago. While we are grateful for the reduction, you should remember that the remaining GEA keeps us over \$21 million below the level at which Foundation Aid was frozen four years ago. Please continue the phase out of the GEA and restore a regular and meaningful increase to Foundation Aid that reflects student enrollment and CPI.

Anticipated Revenue 1/23/13	507,586,500
Less: Expense Estimate	(550,176,813)
Estimated Budget Shortfall	(42,590,313)

Major Expense Changes (Increase)/Decrease

Salary - Due to Steps and Contractual Raises	(11,501,765)
ERS	(1,224,927)
TRS	(3,089,514)
MTA Tax	928,480
Health Insurance	(5,414,447)
Other Fringe Changes	(456,362)
Restored Staff - Salary	(7,028,337)
Restored Staff - Fringe	(2,411,880)
Tuitions	(785,163)
Charter Schools	(1,424,125)
BOCES	(365,077)
Contractual	21,737
Debt Service	1,885,009
Fuel Oil	(764,083)
Other Utilities	(128,890)
Supplies, Equipment, Textbooks, etc	(288,240)
Building Repairs	(233,580)
Transportation	(2,163,480)
Bonded	(1,907,790)
Miscellaneous	(371,496)
	(36,723,930)

UNFUNDED MANDATES – STILL NO RELIEF

Unfunded mandates continue to be the subject of countless committees, reports and speeches and continue to be as prevalent and pernicious as ever, taking millions of dollars from the basic education of our children. In the last fiscal year, unfunded mandates accounted for 12.53% of our budget or \$62,366,147. We continue to support the mandate relief proposals suggested by the Big 5 and Lower Hudson Council of School Superintendents and will not reiterate them here. And we further urge the legislature not to enact new mandates unless full state funding is also provided.

We have taken these positions for years and the Assembly and Senate have voiced understanding of this problem. However, nothing has changed. Without legislative intervention, next year the cost of unfunded mandates to Yonkers taxpayers will rise nearly \$6.2 million, to \$68,505,751, an all-time high.

This includes a new unfunded mandate that promises to become one of the more expensive additions to our budget – the unfunded mandate of an annual professional performance review for all teachers and principals. In fact, the implementation of the negotiated APPR will cost the district close to 3M this year alone.

COST TO IMPLEMENT APPR – YONKERS PUBLIC SCHOOL DISTRICT

Contract with CSSR to implement APPR	330,000.
Contract with Pace University for PD	25,000.
Local Assessment Contract	370,000.
Administrator and Teacher hourly for PD	900,000.
Network Teams	1,100,000.
Supplies for Administrators	100,000.
Teacher hourly to develop SLO	15,000.
Travel to Albany	25,000.
BOCES/Vendor registration fees	15,000.
Teacher hourly to develop local assessment	100,000.
Total	2,980,000.

The following list of unfunded mandates does not include what is perhaps the largest unfunded mandate of all. The added expense to state and local government taxpayers caused by the "Triborough Effect" since 1982 is well-documented. The Triborough Amendment has been estimated to add hundreds of millions of dollars to school budgets every year. It should be noted that repeal of the Triborough Amendment would not alter the underlying Triborough Doctrine, which maintains collectively bargained salary and benefit rights. Repeal would simply remove the continuation of automatic salary increases after a collective bargaining agreement expires, leveling a playing field now skewed against fiscal realities.

Unfunded Mandates	2011-2012 Amount	2012-2013 Amount
1. Special Education:	17,887,082	22,069,204
2. Charter School Payments from District State Aid:	3,354,813	6,127,440
3. Supplemental Education Services (SES) Programming:	275,000	275,000
TOTAL :	\$21,516,895	\$28,471,644
4. Data Warehousing – Student Information Systems:	-	-
District Data Manager/CIO Requirements	117,500	117,500
Statewide Data Collection	315,000	315,000
BEDS Reporting/DW Integration	75,000	75,000
Student Management Systems	325,000	325,000
HS Regents Testing/Scoring	175,000	175,000
Private School Software/Hardware Loan/Textbooks	450,000	450,000
Attendance	60,000	60,000
5. No Child Left Behind Requirements:	745,000	745,000
Grades 3-8 Testing, Scoring, Analyzing and Mailings	1,700,000	1,700,000
6. Construction Mandates Under Wicks Law:	775,000	775,000
7. Private/Parochial Schools Health Services:	1,761,600	1,761,600
Nurse Care to private/ parochial schools	298,100	298,100
TOTAL:	\$8,787,200	\$8,787,200
8. Audit Functions:		
Claims Auditor	68,400	68,400
Comptroller's Office Audit (6 FTE x 20%)	28,772	
External Auditing	125,000	120,000
GASB 45 – increased independent auditing costs		
Internal Auditor	181,440	94,000
External Auditing Contract for Excellence	10,000	10,000
TOTAL:	\$413,612	\$292,400
9. Administration of 403(b) Plan Accounts:		
403(b) Mandates January 1, 2009	55,796	47,240
TOTAL:	\$55,796	\$47,240
10. Facilities:		
Administration of State Environmental Quality		
Annual AHERA Inspection	51,000	51,000
Annual Visual Inspection	50,000	50,000
Asbestos Inspection & Management Plan	65,000	65,000
Building Condition Survey (every 5 years)	363,604	363,604
Building Level School Safety Plan	20,000	20,000
District Wide School Safety Plan	30,000	30,000
Electronically Operated Partitions re-fitting	150,000	150,000
Environmentally Sensitive Products ("Green Cleaning")	300,000	300,000
Fire Extinguisher Testing and Monitoring	25,000	25,000
Hazardous Waste Removal	40,000	40,000
Integrated Pest Management	60,000	60,000
Radon Awareness & Testing	1,000	1,000
Fire Safety Inspections	20,000	20,000
Tank Testing and Repair	168,103	168,103
Fire Alarm Testing and Repair	180,000	180,000
Boiler Inspections	12,000	12,000
Integrated Pest Management	60,000	60,000
Comprehensive Maint Plan	30,000	30,000
Triennial AHERA Inspection	51,000	51,000
Right to Know Law & Hazard Communication	12,000	12,000
TOTAL:	\$1,686,707	\$1,686,707
11. Health:		
Health Services Other Districts	1,761,631	1,660,600
TOTAL:	\$1,761,631	\$1,660,600
12. Instruction:		
Student Calculators	44,856	44,856
TOTAL :	\$44,856	\$44,856
13. Personnel:		
Leave for Prostate & Breast Cancer Screening	595,000	609,875
TOTAL:	\$595,000	\$609,875
14. BOCES Tuition Discrepancies	11,500,000	12,075,000
15. Student Transportation	16,500,000	12,317,878
16. Health Care Screening	1,041,250	1,067,281
17. Family Medical Leave Act	433,400	455,070
18. NYS Accountability System	19,800	2,980,000
GRAND TOTAL:	\$62,366,147	\$68,505,751

YONKERS P.R.I.D.E.

(Performance-based Rapid Infrastructure Development Enterprise)

FIRST IN THE NATION

In past years, I have explained in some detail the deteriorating condition of our schools. Sadly, the situation has not changed. Buildings still crumble around our students; walls collapse, boilers explode roofs leak, vermin infestation continues and windows that work at all, rattle in the wind. Yonkers' school buildings are the oldest in New York State. Our "average" building is 73 years old, nine buildings are over 95 and our oldest building is 128. Ninety-five percent of our buildings have been rated "Unsatisfactory" under state-mandated guidelines. In addition to literally crumbling around our students, our schools were built to the educational standards of another, bygone eras. They are dark, poorly ventilated and uniformly too small. We rank second to last in square footage per student.

Exacerbating the problem is the increasing size of our student population. In 2010, our buildings were already overcrowded by 20%. A recently completed demographic study projects continued enrollment growth over the next ten years. Unlike most districts in the state, we will be adding new students over the near and long term. Adding to a system already taxed beyond its limits.

It is a problem shared by many urban districts across the country and none have yet found a cost-efficient way to get these relatively large infrastructure projects done in a timely way.

We had created an ambitious Educational Facilities Plan to literally rebuild the decaying physical infrastructure of the District. The cost was projected at over \$1.6 billion; the first phase was nearly \$700 million. Prior capital plans were poorly funded by the City of Yonkers. This was not due to a city government that was tone deaf to our needs or overly parsimonious. The sheer size of the fiscal effort needed, combined with the relatively low state building aid that the District receives, simply put the project beyond the scope of traditional "design-bid-build" delivery methods financed by municipal bonds. We needed a new way to provide safe, healthy buildings for our students that were also functional 21st century educational environments.

We believe we have found a way.

Better Schools, Faster Delivery, Lower cost

A new generation of public schools can be built and renovated using performance-based infrastructure delivery methods. Simply put, following the Governor's lead to look to private sector solutions to address public sector problems, Yonkers has a plan (**Yonkers PRIDE**) that will harness private sector knowledge and experience to rebuild six of our schools. Near-term construction will be informed by long-term maintenance needs. Our costs over time will be fixed (plus CPI); the budget impact will be known for decades to come before any work begins. Perhaps most significantly, Yonkers PRIDE will generate \$68 million in whole-life savings over

traditional methods, through risk transfer, economies of scale and accelerated delivery.

This project does not just rebuild schools. It directly addresses issues of local and state-wide concern.

- These schools will be built as community centers, with common areas that can be used to revitalize neighborhood activities and services.
- Yonkers PRIDE will create thousands of local jobs and apprentice opportunities for those currently out of work or under-represented in the workforce.
- The building and renovation effort will give Yonkers the opportunity to incorporate environmentally sensitive technologies that will reduce the carbon footprint of the city by reducing energy and fossil fuel consumption.
- Yonkers PRIDE helps to create the first generation of schools designed to deliver a "Pre-K through 16" education through partnerships with SUNY and local institutions of higher learning.

The launching of Yonkers PRIDE will be an historic event; this type of performance-based infrastructure project, while somewhat common in the United Kingdom, Canada and Australia, is relatively new to our shores. Though new, this project has already been recognized as one of the "World's 100 Most Innovative Infrastructure Projects" at the World Cities Summit in Singapore last July.

This is exactly the kind of new thinking that the Governor has encouraged; it is the kind of relief from an increasing spiral of debt our taxpayers deserve; it is the best and most lasting kind of job creation plan; and, most of all, and it will finally repair a broken physical plant for the schoolchildren of Yonkers.

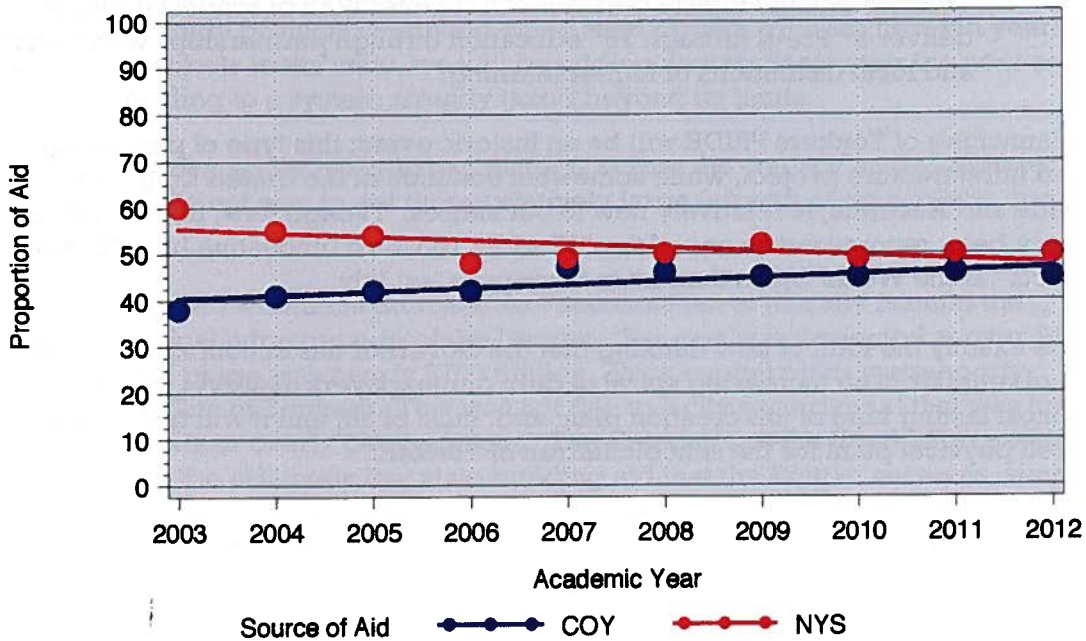
PER PUPIL STATE AID - DRASTICALLY REDUCED TO YPSD

Over a ten year period the percentage of aid per pupil in the YPSD has been reduced from 60% to 50% a decrease of 10% while the city contribution has increased 7% from 38% per pupil to 45% per pupil. This year the YPSD is hobbled working with only sixteen psychologists and ten social workers for 26,000 students. There is little Art and Music and no Library in the elementary schools. The highly successful and award winning full day Pre-Kindergarten has been relegated to a half day program. Always a source of pride and this year, with registration growing and actual admission declining, many of our working parents can no longer take advantage of the half day Pre-K program. There are only two guidance counselors assigned to every high school with average case loads of 400+ students.

YONKERS PUBLIC SCHOOLS

Per Pupil Student Aid:

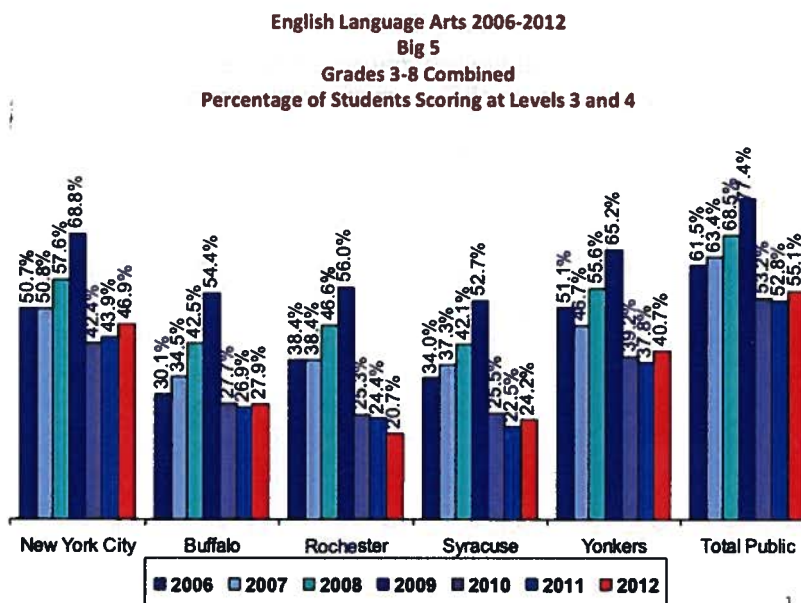
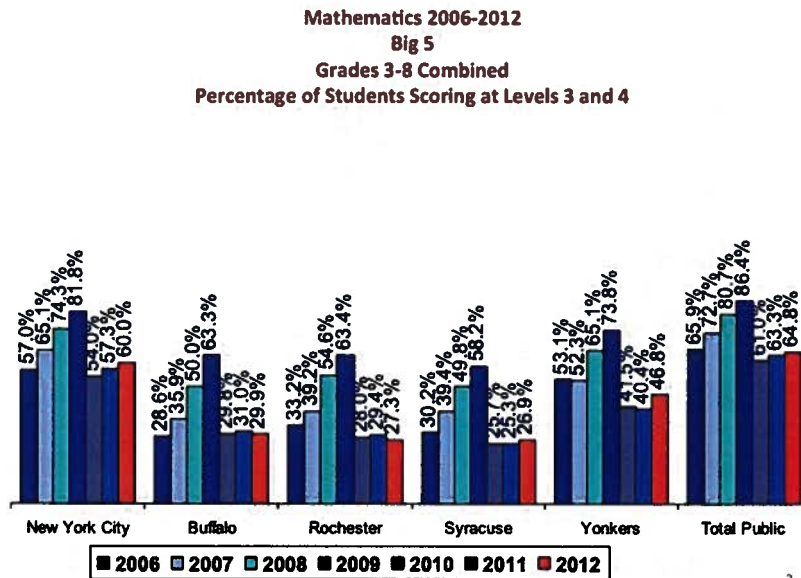
New York State's Contribution versus The City of Yonkers



Per pupil Spending_State vs City 0203 to 1112.xls

THE BIG PICTURE: Where does YPSD fit in N.Y. State?

Last year, 2011-12 marked the third year of a revised New York State testing program that applied higher cut scores to more rigorous ELA and Math 3-8 examinations. Despite these substantial changes coupled with staggering budgetary constraints, YPS outperformed all other Big 5 Districts, with the exception of New York City (Figures 1 and 2). Consistent with the State average and Big 5 Districts, the proportion of Yonkers students achieving proficiency on the English Language Arts exam increased by 2.9 from the previous year from 37.8 in 2011 to 40.7. Similarly 46.8 percent of Yonkers students achieved proficiency on the mathematics exam, reflecting a significant 6.4 percent increase from 2011.



YONKERS PUBLIC SCHOOLS GRADUATION RATE
Yonkers Public Schools Graduation Rate

The on time graduation rate for YPSD students has remained steady over the past two years with 72% of 2008 cohort students graduating which is quite close to the NYS average of 77%.

Cohort Year	Academic Year	Number of Students in Cohort	Number of Graduates Graduating by August	Graduation Rate Percent of cohort graduating by August
2008	2011-12	1814	1307	72%
2007	2010-11	1858	1339	72%
2006	2009-10	1673	1144	68%
2005	2008-09	2072	1326	64%
2004	2007-08	1768	1149	65%
2003	2006-07	1668	1051 Change in NYS Metric	63% Change in NYS Metric
2002	2005-06	1301	976	75%
2001	2004-05	1261	832	66%

* In 2006-07 for Cohort 2003, NYS changed the metrics for graduation rate to the more rigorous standard adopted by the National Governors Association (NGA).

YPSD GRADUATES: POSTSECONDARY PLANS

The following chart plots the reported plans of YPSD graduates to attend a postsecondary institution as reported to NYSED. The increase in the number of graduates from the previous chart is noted due to the fact that this chart includes students who graduate after five years.

Graduation Year	Number Graduates (Annual)	4-Year College	2-Year College	Total 4 & 2-Year College	Percent Graduates Attending College	Military	Employment	Percent College + Military + Employment
2011-12	1383	636	574	1210	87%	31	39	93%
2010-11	1368	677	547	1224	89%	14	59	95%
2009-10	1257	545	450	995	79%	11	116	89%
2008-09	1362	557	545	1102	81%	19	128	92%
2007-08	1279	450	461	911	71%	21	68	78%
2006-07	1188	501	517	1018	86%	6	97	94%
2005-06	1159	610	345	955	82%	22	88	92%
2004-05	1049	459	307	776	73%	16	106	85%

CONCLUSION

As I suggested at the outset, it is an illusion to think we have a choice between the issues of today and those of the tomorrow. In fact, it has never been clearer that how we choose to address present problems of equitable funding, early childhood education, fair and meaningful professional evaluations, unfunded mandates and the deteriorating infrastructure of our urban districts are all inextricably linked to how prepared our children will be to compete and succeed in the future.

Last year, the Governor had taken up the mantle of the "Students' Lobbyist" and I am glad that he joined us and it is good to know that there is an advocate in our state's highest office.

Working in education one must be an optimist. We need to believe that today's work, sacrifice and investment will be rewarded tomorrow. In that spirit, every single day in Yonkers, we guide 26,000 students to their futures. Give us the support we need to guide them well.

Thank you.

Thank you.

Bernard P. Pierorazio
Superintendent of Schools
Yonkers City School District
bpierorazio@yonkerspublicschools.org

Joseph Bracchitta
Chief Administrative Officer
Yonkers City School District
jbracchitta@yonkerspublicschools.org

LETTER FROM 8TH GRADE STUDENT – EILEEN CASTILLO

March 7, 2012

To Whom It May Concern:

Hello, my name is Eileen Castillo. I am currently an 8th grade student at the Casimir Pulaski School. I have experienced all the sudden changes made to my educational environment. All these changes made because of the budget cuts haven't only impacted me but those around me, my peers.

Due to the \$39 million cut from Yonkers public schools, our school has no longer a school counselor. I, as well as my classmates, will be entering high school in September 2012. A school counselor is a big help when it comes to picking which high school will be ideal for us. Since we do not have school counselors, I found myself searching for help. My family and I had to do our own research. If we had a school counselor, I do believe the stress of looking for high schools would have been a lot lighter.

Another extra curriculum, I grew up with was art. We no longer have that and it saddens me that my little brother won't grow up with the capability of expressing his artistic side. For many, drawing is a tool used to express who they are, but how will they be able to do that if schools don't provide it? Without art, I truly believe many students won't be able to explore the creative side of life.

Our school contains a gymnasium, but it's too bad we only get to use it every six days. When I was younger, I faintly remember having gym every other day. I look at the effects it could have on students. Young children should have gym so that they can do some physical activity since most of the week all they are doing is sitting in a chair. The closest thing the middle school does to exercise is walk up stairs here and there. With the increase in obesity and illnesses, I think one of the major things students should be exposed to is physical activity.

Music is an element we hear in our everyday lives. Four years ago, our school had a band, where we performed in concert. My two brothers and I were involved in the school band. I played the clarinet. There was one point, when we even performed in the Yonkers City Hall. My brother was a saxophone player but now his instrument, as well as everyone else's, is in the closet collecting dust. Music and art is used as an outlet to express emotions. If schools provide these activities, many students will be our potential artist and musicians.

Many questions circulate my head when I think about this subject, especially, without the proper education, what future is expected from us? I am concerned about the consequence it will have on the development of young children, like me. If children are provided a better education, they will turn out to be great citizens in a successful society.

School is a place where we learn, create memories, new friends and grow as human beings. It's too bad that all we have lately experienced is our extra curriculum activity and gym class being taken away from us. When the budget is cut, it puts a limit on our capability of exploring what our strengths and weaknesses are. I hope that with the support of the government, we will soon have our art, gym, music and counselors back. I am optimistic; we can soon change for the better. We are the future of our Community...our City...our Country.

Best regards,

Eileen Castillo

KPMG Names World's 100 Most Innovative Infrastructure Projects ***Report cites 14 U.S. projects in California, Florida, Hawaii, Illinois, Michigan, New York, Tennessee and Virginia***

NEW YORK, July 3 – KPMG, the audit, tax and advisory firm, today announced the release of KPMG International's second edition of the Infrastructure 100: World Cities Edition – a comprehensive report showcasing 100 of the world's most innovative and inspiring urban infrastructure projects, 14 of which are located in the U.S. The publication provides a look into projects that make great cities, with a particular focus on the innovations that make them "Cities of the Future" – places where people want to live and do business.

KPMG's Global Infrastructure Practice announced the list of projects today at the World Cities Summit in Singapore. One U.S. transportation project, New York City's East Side Access initiative, was singled out as one of the 10 most innovative and inspiring urban infrastructure projects in the world.

"Today's cities are home to more than half the global population and drive the vast majority of the world's economic output," said Andrew Garbutt, Principal, KPMG Advisory and leader, U.S. Infrastructure. "Here in the U.S., governments are facing major infrastructure challenges that must be met to ensure the economic health of their regions and cities. The infrastructure projects that make cities great, such as East Side Access, tackle infrastructure challenges and balance the needs of the population, the economy and the environment."

The Infrastructure 100 includes 14 projects in the U.S.:

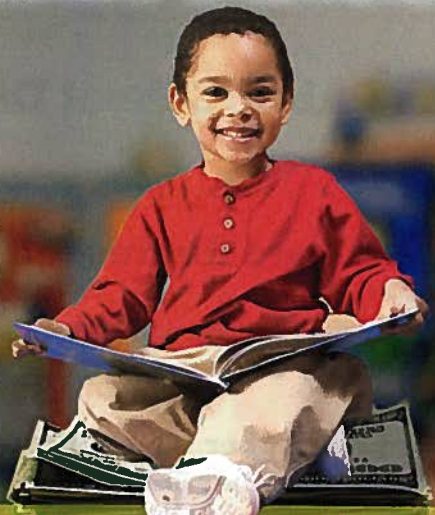
- **Ann Arbor, Mich.**, University of Michigan C.S. Mott Children's Hospital, (Healthcare).
- **Chicago, Ill.**, Exelon City Solar, (Urban Energy Infrastructure).
- **Chicago, Ill.**, Rush University Medical Center Transformation Project, (Healthcare).
- **Detroit, Mich.**, Detroit Works Project, (New and Extended Cities).
- **Honolulu, Hawaii**, Kokua Wireless, (Communications Infrastructure).
- **Los Angeles to San Francisco**, California High-Speed Rail, (Global Connectivity).
- **Miami, Fla.**, Port of Miami Tunnel, (Urban Mobility).
- **Monterey Peninsula, Calif.**, People's Moss Desalination, (Water).
- **New York, N.Y.**, World Trade Center Redevelopment, (Urban Regeneration).
- **New York, N.Y.**, +Pool, (Water).
- **New York, N.Y.**, East Side Access, (Urban Mobility).
- **Tennessee**, Cisco HealthPresence, (Communications Infrastructure).
- **Tysons Corner, Va.**, Tysons Corner, (New and Extended Cities).
- **Yonkers, N.Y.**, Yonkers Schools PPP, (Education).

The projects showcased in the Infrastructure 100 comprise approximately 20 projects selected by independent judging panels of industry experts from five regions of the world, including: Asia Pacific, North America, Latin America, Europe, and the Middle East and Africa. (KPMG had no involvement in the judging process.) Projects were then sorted into 10 project categories, including: Urban Mobility, Global Connectivity, Urban Regeneration, Education, Healthcare, Water, New and Extended Cities, Recycling and Waste Management, Urban Energy Infrastructure and Communications Infrastructure.

Five regional judging panels assessed hundreds of submissions on the following criteria: feasibility, social impact, technical and/or financial complexity, innovation and impact on society.

The complete list of the 100 projects can be viewed online at www.kpmg.com/infrastructure100.

What does it cost to educate a Yonkers Public Schools student?



**2012-13
Annual Budget**

\$513 million

**Per Pupil
Expenditure for
26,000 Students**

\$19,731.00

Required Operating Expenditures

\$127 million

Employee Benefits*
Health & Pensions

\$4,923 per pupil

\$38 million

Operations
Utilities, Postage, Insurance,
Maintenance & Repairs

\$1,462 per pupil

\$42 million

Transportation
Special Education* & General

\$1,615 per pupil

\$23 million

Debt Service*
Capital Improvement

\$885 per pupil

\$10 million

Administration
Civil Service, Central Office
& Building Administrators

\$385 per pupil

Classroom Instruction

\$273 million

Teacher Salaries,
Equipment/Library Books,
Text Book, Software,
Materials & Supplies

\$10,500 per pupil*

✦ \$187 M for general education
✦ \$86 M for special needs students

* NYS/Contractual Mandated Expenses

*\$8,449 per general education student
* \$22,239 per special needs student

Yonkers Public School District

New York State Representatives

**Senator Andrea Stewart-Cousins
Senator George Latimer**

**Assemblymember J. Gary Pretlow
Assemblymember Shelley Mayer**

City of Yonkers Representatives

Mayor Mike Spano

**Council President Chuck Lesnick
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*Testimony Before The New York Senate Finance Committee,
Assembly Ways and Means Committee,
Senate Education Committee, and
Assembly Education Committee*

January 29, 2013

Presented By:
Bolgen Vargas, Ed.D.
Superintendent
Rochester City School District

Introduction

Good afternoon. My name is Bolgen Vargas, and I testified last year as Interim Superintendent of the Rochester City School District. Today it is my privilege to appear as Rochester's permanent Superintendent.

I thank the committees for the opportunity to speak here today. Moreover, I would like to thank you—along with Gov. Cuomo, and your colleagues in the Assembly and Senate—for your ongoing support of public education.

I would especially like to thank Commissioner King, who testified earlier, and his team at the State Education Department. They have been a tremendous source of advice, expertise and financial support as we work to transform Rochester schools. We appreciate their role of NYSED as collaborators and not just regulators.

With the support of the education department, our teachers, and the entire Rochester community, our District is working aggressively to improve student achievement in Rochester. There are two critical elements of our strategy I want to mention today.

One is reading, which is an essential gateway to success for our children. If students learn to read by the third grade, they can read to learn through high school and college and have successful careers. We have pledged to get 90 percent of Rochester third graders reading at grade level to transform our District. We need state help to achieve this goal quickly.

Additionally, next year we will fully implement a core instructional program for all students. It is based on the state's common core curriculum, and sets higher expectations for our children.

I am confident that our students can meet the high expectations. But to do that, we need to give them **time**—more instructional time in the classroom and time for other supports taken for granted in suburban schools. The Governor knows this, and I applaud his budget proposals to support expanded learning. In my statement to the media, I said that we were thrilled to see how closely the Governor’s proposal aligns with the priorities of Rochester schools.

I have three requests that would build on the Governor’s proposal and provide critical help that Rochester students need.

- Funding for more reading teachers is one. We are grateful to the state for making education compulsory at age 5, which supports our focus on reading. Rochester has long offered full-day Kindergarten to our families. But we believe that more support is needed if students are going to read by grade 3, and we would like to add reading teachers at these K-3 grade levels.
- Expanded learning is a second area where we need more help. Thanks to a planning grant from the Ford Foundation, Rochester schools are ready, willing and able to adopt expanded schedules next year. The Governor has proposed \$20 million in grants for extended learning, and we are eager to compete. If this funding can be expanded further, we could help thousands more students to meet higher standards.
- My third request is revenue neutral. It is to support neighborhood schools with a more flexible policy on transportation aid. Currently, the state pays for students who travel more than 1.5 miles to school. If Rochester had the flexibility to bus students less than 1.5 miles, more families will choose neighborhood schools, without increasing our transportation budget.

As you consider the state’s education budget, I ask you to understand that for districts like Rochester, **money is time** – time for more classroom learning and extra support that our students desperately need.

Challenges Facing Rochester Students

First, some brief facts about the Rochester district.

- We have 60 schools that educate just over 29,000 K-to-12 students, with Universal Pre-K programs serving 1,900 children. We have spots for all eligible families in UPK, and 90 percent take advantage of them.
- Eighty-eight percent of our students qualify for free or reduced price lunches. This year, we took advantage of the community eligibility option to provide free lunches for all students.
- Eighteen percent of our students have special needs, and slightly more than ten percent have limited English proficiency. There are 81 different languages being spoken at home.

The challenges these numbers represent have created an urgent need to transform our district.

- Rochester is a Focus District with 24 Priority Schools that require immediate improvement plans, and 30 Focus Schools where major changes are required.
- We have lost 20 percent of our enrollment since 1989, with an increasing number choosing charter schools.
- Our graduation rate is under 50 percent, with a 30 percent cohort dropout rate after four years.
- We have the lowest test scores in the state, with approximately 20 percent of our students reading at grade level.

Common sense tells you that Rochester students need time to catch up. Educational research tells us the same thing. Our students need more time in pre-Kindergarten to get the basics of learning that suburban families take for granted. They need more time in the classroom to reach grade level in their subjects. And they need extra services in their

schools to deal with the social, psychological and emotional challenges that are a fact of life for our families.

Unfortunately, we cannot afford to give them more time. In fact, children in Rochester schools get less instructional time than any other students in our County. That is why we need your help.

Our Plan to Transform the District

It is very hard for me to share the poor student achievement statistics from our District. The performance of Rochester schools has been far too low, for far too long.

Let me tell you what we are doing now that is different.

First, we have a new leadership team. Six of the seven members of my executive cabinet have come from outside the District in the past seven months. They are accomplished leaders in their respective areas who share my passion for helping Rochester students. Together, we bring a fresh perspective and a sense of urgency to the task of transforming our District.

Next, we are keeping score with data tracking systems that are second to none. Every teacher and administrator now has a dashboard that tracks the performance measures they need, from daily attendance to achievement scores to individual homework assignments. We are ensuring that this data is accurate, even when it makes our District look farther behind.

The data is helping to create a culture of accountability. As a District, we have identified five key goals, and we track our progress against 29 measurable targets. I visit schools regularly to ask principals and teachers what their data shows. More important, I ask every administrator how they are using data to drive decisions and make changes.

The state is helping with accountability through the APPR process. Rochester was one of the first of the Big 5 Districts to implement APPR. The District had an approved plan by September 1 and it's in full implementation. We intend to make it work to improve teacher performance and student achievement.

Attendance is another part of our strategy to transform the District. Students can't learn if they don't go to school, and teachers can't be accountable for the performance of students who aren't there. We have acknowledged this in our implementation of APPR.

To improve attendance, Rochester is highlighting truancy as a community challenge. Every month we have reach-out events, where 50 to 100 leaders from the District and the community at large, knock on the doors of chronically absent students. Sometimes, we discover that families have moved and we're able to improve our data. Other times, we connect with parents and find solutions to get their children back in school. We also have a new program to recognize families for high attendance.

As part of Rochester's transformation, we are adopting a curriculum that is intentionally NOT new. Next year, we will fully implement a core instructional program based on the state's common core curriculum.

I am pleased to say that Rochester teachers are ready, and many welcome the challenge. But they will need extra time to help their students achieve at grade-level expectations.

Along with the core curriculum, we are implementing a new master schedule across the District. This replaces a system where scheduling was done at the building level, which meant that course offerings were not always consistent at different schools.

I should be clear that adopting a master schedule and core curriculum does not mean a cookie-cutter education. Our principals and teachers will help students learn in the way that best engages them. That might be traditional classroom presentation; it might be expeditionary learning, or a career and technical approach. But all Rochester students will learn the same concepts and material at the same grade level, regardless of which school they attend. All students will be held to high standards.

I firmly believe that teaching core subjects is only half of the sound, basic education that every student deserves. That is why—despite a serious budget challenge—I have pledged to maintain art, music, physical education and extra-curricular activities in every school. Many of you know Anita Murphy, our Deputy Superintendent for Administration, who helped to roll out the core curriculum statewide as Associate Commissioner of Education. As Anita likes to say, **rigor** and **vigor** are both essential to engage our students and help them achieve.

As a final piece of our transformation, we are working aggressively to engage parents and the community. One example is our campaign to promote reading. Every student in Rochester knows that he, or she, should be reading outside school at least 30 minutes each day. Every parent of younger children knows that it is their responsibility to make sure reading happens at home. I am delighted to see our campaign catching on, with students and parents frequently approaching me to report on their reading at home.

With the help of community partners like Wegmans, we have a special program to promote reading over school breaks. Through RocRead, more than 8,000 students read a book over the recent holiday vacation and turned in a short assignment about it to their teachers.

These engagement efforts will play a critical role in achieving our goal to have 90 percent of third graders reading at grade level. But reading is only one area in which the Rochester community is engaged

in helping our students. My team has reached out to a wide range of groups, and individuals, for help with a variety of needs.

I am humbled to tell you that we almost never hear the word “no” when asking for community help. In many cases, we receive more than we requested. Our Board President, who has been involved with Rochester schools for decades, tells me that community support has never been stronger than it is today.

In short, I believe that all the right forces are aligned for Rochester students to succeed.

Time is the essential resource we need to make this transformation work. I’m not referring to the years it will take to achieve our goals. We need more instructional time, every day, to help students achieve. Students need more time outside the classroom to engage in extra-curricular activities and get other support.

Budgeting to Support Our Priorities

Many of you know Bill Ansbro, our Chief Financial Officer, who helped three different mayors manage Rochester City finances over the past 25 years. Bill is helping us to identify efficiencies within the budget, and to instill a greater discipline to the process. We intend to abolish the annual budget drama that leaves our families and staff worried and wondering, as school dismisses for the summer, where they will be at the beginning of the next school year.

As part of our disciplined process, we presented a budget projection to our board six weeks ago. It forecast a \$50.2 million gap for the next school year. As I said then, and will repeat today, that presents us with a serious problem. But we do not view it as a crisis. We are determined to close the gap by finding efficiencies wherever possible. We will make every decision based on what is best for students. That is

why I am insisting that we continue to offer art, music, P.E. and extra-curricular activities in every school.

As we have analyzed the impact of the Governor's proposal, Rochester City Schools have much to be pleased about. The total for Foundation, Formula and Building aid that Governor Cuomo proposed were collectively within 1 percent of our projections. The total increase for Rochester in these categories is 5.2 percent, which includes a spike in building aid to support our Facilities Modernization Plan. Any increase you can provide will help Rochester to avoid extremely difficult cuts next year, but we appreciate that there are needs across the state.

The pension smoothing proposal was an innovative idea that we did not expect to see and appreciate being able to consider. It could provide significant near-term relief, reducing our gap for next year by \$16 million dollars. It is tempting for me to simply say, "We'll take it!" But fiscal discipline requires us to assess the long-term impact before making a decision.

Finally, we were delighted to see the Governor embrace the "New New York" Reform agenda, which aligns his budget proposal with our district's priorities. We are eager to compete for grants that support full-day Pre-K, extended learning and community schools. We appreciate that the \$75 million for these grants is in addition to the Foundation and Formula aid. It could spell additional money that we will use to give Rochester students the extra time they desperately need.

Conclusion

Thank you for the opportunity to express the needs of the children in my district.

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Honorable legislators, thank you for your time and attention today. I am honored to represent the Buffalo Public Schools and advocate for the education of the children of Buffalo today. Given our brief time, I will limit my comments but leave you with my full testimony and additional information on our District.

Let me begin by stating that we have some great things happening in Buffalo. Enrollment has increased after several years of decline. Through Say Yes Buffalo, Western New York individuals, families, organizations and businesses have committed more than \$18 million toward an initial goal of \$30 million to provide scholarships to every eligible graduate of a public or charter school in the City of Buffalo. In addition, Say Yes to Education national has committed \$15 million toward efforts to strengthen the school district and coordinate support services for students and families. Many families, otherwise unable to see their student scholars through college financially, will see the benefits of this benevolent initiative that will net personal successes and ultimately bolster the financial well-being of the region.

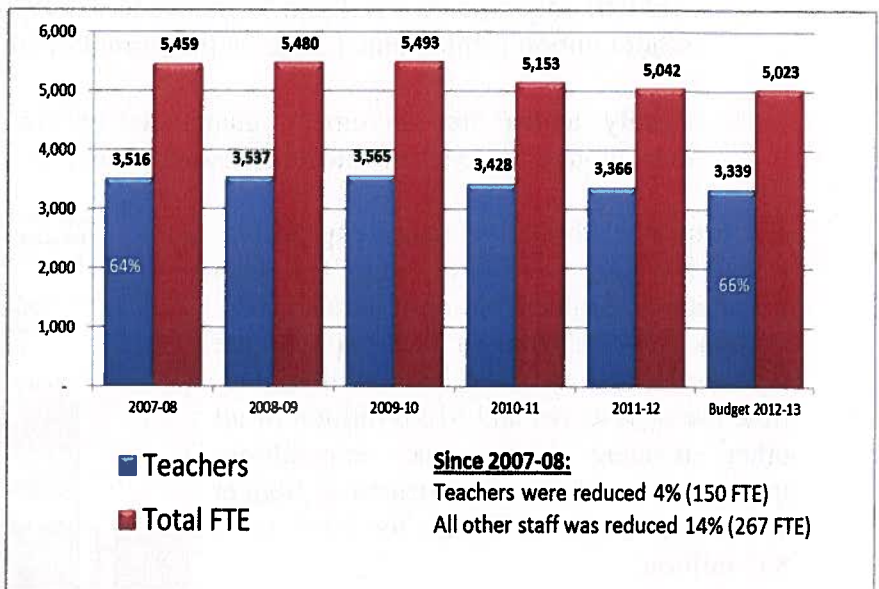
Similar to the Harlem Children’s Zone, the Buffalo Promise Neighborhood focuses on one zip code, three schools, and all the children within. It will serve to wrap services around children “from cradle to college”.

City Honors High School rose to a ranking of number 23 in the nation according the *US News and World Report*.

The fifth phase of our reconstruction program is in full swing and once complete, 48 schools will have been reconstructed including interactive whiteboards, providing our children, wherever they may reside, with equitable access to a 21st Century learning environment. It has also strengthened the Western New York economy with many construction and related service employment opportunities.

Great things happen in our District every day. While our graduation rates and academic achievement are not at the level they should be, a newly charged Superintendent and strategic planning process will ensure the District’s focus is on supporting schools and continued improvement in student achievement. Our children deserve a world class education.

Even with years of budget cuts and deficits ranging from \$35 million to \$60 million, we have been able to hold the classroom relatively harmless. Reductions were strategically made to ensure our most valuable asset, the children, would not be impacted by the reductions necessary to close the budgetary gaps. Since 2008, reductions in teaching staff have been 4 percent while all other employee groups were reduced a total of 14 percent. We have also responsibly spent down reserves. However, similar to all



savings accounts, the reserves are only one time revenue to fill a short term void. They are not a sustainable solution to a long term, recurring challenge.

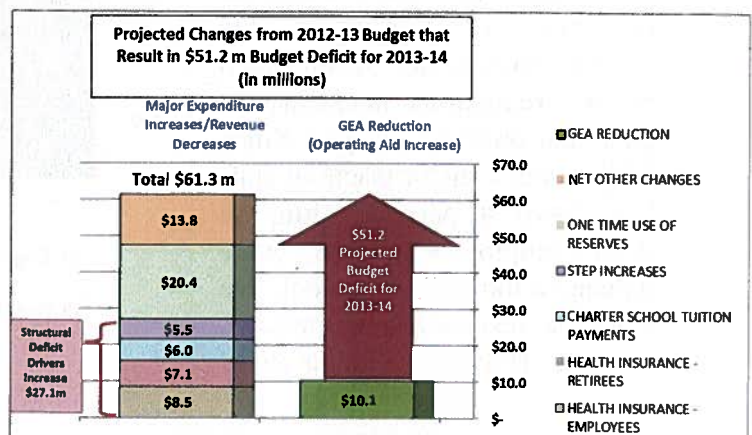
Additionally, the District has closed 17 schools over 13 years. Closing schools is not an easy task, but it was necessary to right size the District and direct dollars to the classroom. After completion of Phase V of the Joints Schools Reconstruction project, a total of 30 buildings will be closed.

In the spirit of reducing expenditures, elements of the Governor’s Budget were received with great relief as they will reduce next year’s structural budget by \$12 million. Specifically, the pension smoothing legislation will reduce the budget by \$8 million and freeze on charter tuition will save Buffalo \$4 million.

Unfortunately, the District continues to face significant annual increases in other major expenditures that are primarily beyond our control. The following outlines our annual structural deficit drivers and their impact on the 2013-14 budget.

- We will have almost 3,900 retirees receiving health insurance, at little or no cost to them, but at a cost of almost \$71 million to the District. That will be a **\$7.1 million** increase from the current year and represents a cost of over \$2,100 per pupil. Absent legislative action, the District will continue to be strapped with contractual obligations negotiated decades ago.
- Despite the District implementing a single carrier seven years ago as well as other cost saving measures including negotiating two new collective bargaining agreements that require all employees to contribute toward their premiums, employee health insurance will increase **\$8.5 million**.
- Charter School Tuition will increase **\$6 million** from the current year’s adopted budget, even with a tuition freeze. This is primarily due to a judge’s injunction against the Board of Regents’ recommended closure of a low performing charter school. The District expects to pay **\$97 million** in charter school tuition next year. Charter School Transitional Aid will only total \$8.4 million. While we have long sought changes to the flawed charter school tuition formula, the freeze on the formula will at least save us \$4 million.
- Finally, annual step increments guaranteed by law will increase salaries **\$5.5 million**, even though the teachers and administrators contracts expired in 2004.

The growth of these four major expenditure categories totals **\$27.1 million**. The Gap Elimination Adjustment only totals **\$10.1 million**. As depicted in the graph to the right, once the loss of the \$20.4 million one-time use of reserves and \$13.8 million of all other revenue losses and expenditure increases is added to the structural budget deficit, the projected deficit for 2013-14 is **\$52 million**.



Absent additional legislative changes to address our structural deficit challenges, we respectfully request aid from the Fiscal Stabilization Fund to cover the ever increasing fixed costs identified above. The gap between the structural deficit drivers and the GEA reduction totals \$17.1 million. While we have successfully made reductions with minimal classroom impact, we are running out of options. Without additional aid, forced classroom reductions will be inevitable.

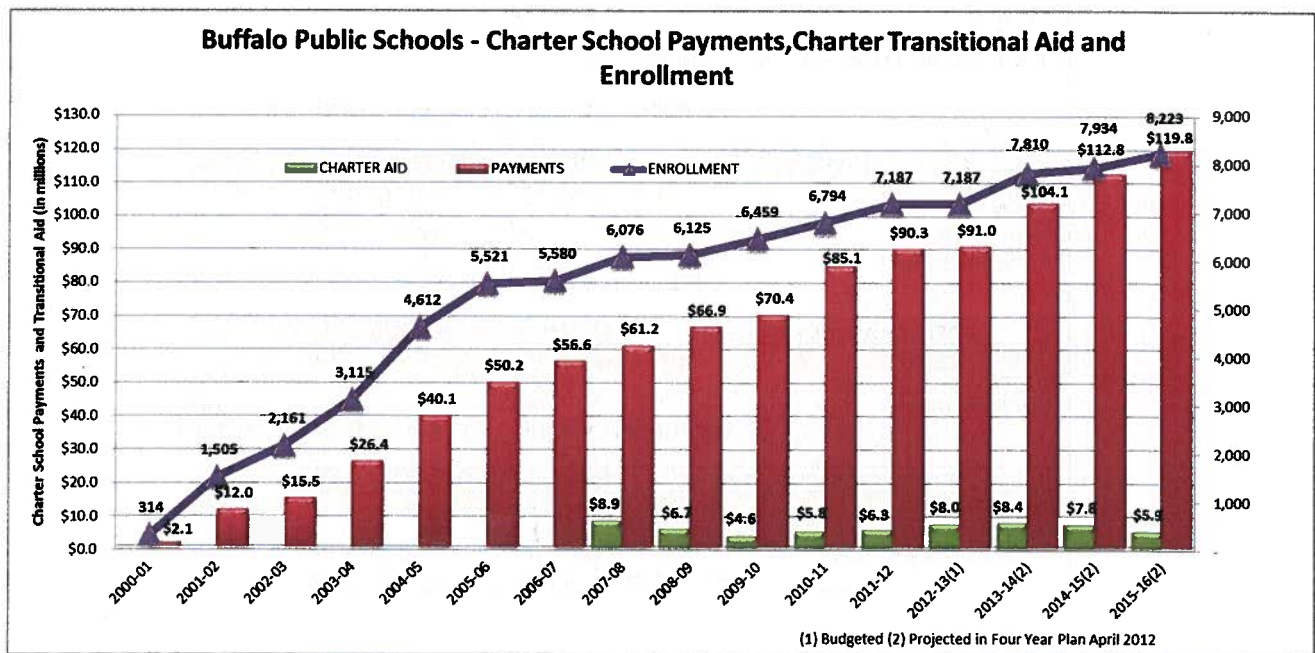
We are charged with educating 33,500 students. On a daily basis, we proudly welcome students not only to our great City but to this *country*. We have a student population that needs *extra services* to be successful, *not less*.

On behalf of Buffalo's children and their education, I thank you for your time and efforts today and in the future.

Supplemental Information

Charter Schools & Tuition

The payments the District must make to the Charter Schools continue to have a significant impact on the District's budget, representing 12 percent of the total General Fund budget. This happens because the State formula for charter payments has been based on the assumption that District costs are all variable. When a student transfers to a charter school, the District must pay to the charter school a formula-based amount essentially equivalent to the District's total operating costs divided by the District's enrollment multiplied by a statewide inflation factor that far exceeds Buffalo's actual inflation. Because the District's costs are more fixed in nature than variable, the District is unable to reduce operating costs quickly enough, in a significant way, to offset the increase in costs for charter payments. Therefore, overall costs increase for each charter student. The District must pay tuition of approximately \$12,590 per student in addition to almost all fixed costs remaining constant. This contributes to the structural budget deficit of the District. The following chart depicts the year growth of charter schools and the related financial impact. It is the single largest growing expenditure for the District over that time period.



Costs Per Pupil

There is often a lot of discussion regarding the amount Districts spend on a per pupil basis. Dividing the total budget by the District's enrollment, while simple, is misleading as there are several subgroups of students that drive expenditures in the General Fund Budget. Those groups include charter schools, special education students at agencies, and non-public students. All three groups receive transportation from the District, at no cost to them. Charter schools and Non-public schools receive allocations for Instructional Materials and the Charter Schools and Agencies receive a per pupil tuition set by the State of New York.

	Actual	Actual	Budget	Budget
COST PER BUFFALO PUBLIC SCHOOL STUDENT	2009-10	2010-11	2011-12	2012-13
STUDENT COUNT	34,438	33,543	32,981	32,291
COMPENSATION & BENEFITS	\$ 9,582	\$ 9,428	\$ 10,087	\$ 10,590
BUILDING OPERATIONS	\$ 905	\$ 916	\$ 983	\$ 977
OTHER EXPENSES	\$ 911	\$ 938	\$ 1,095	\$ 1,044
TRANSPORTATION	\$ 1,006	\$ 1,002	\$ 1,018	\$ 1,049
INSTRUCTIONAL MATERIALS	\$ 104	\$ 104	\$ 104	\$ 104
TOTAL OPERATIONS	\$ 12,507	\$ 12,388	\$ 13,286	\$ 13,763
HEALTH INSURANCE - RETIREES	\$ 1,457	\$ 1,690	\$ 1,928	\$ 1,976
DEBT SERVICE	\$ 2,581	\$ 3,231	\$ 3,436	\$ 4,004
STEP LITIGATION CONTINGENCY WITH FRINGES	\$ -	\$ -	\$ -	\$ -
TOTAL COST	\$ 16,545	\$ 17,309	\$ 18,649	\$ 19,743
COST PER CHARTER STUDENT	2009-10	2010-11	2011-12	2012-13
STUDENT COUNT	6,459	6,871	7,352	7,267
TUITION	\$ 10,900	\$ 12,400	\$ 12,595	\$ 12,522
TRANSPORTATION	\$ 1,006	\$ 1,002	\$ 1,018	\$ 1,049
INSTRUCTIONAL MATERIALS	\$ 104	\$ 104	\$ 104	\$ 104
TOTAL COST	\$ 12,010	\$ 13,506	\$ 13,717	\$ 13,676
COST PER AGENCY STUDENT	2009-10	2010-11	2011-12	2012-13
STUDENT COUNT	946	996	971	971
TUITION	\$ 31,482	\$ 31,978	\$ 35,788	\$ 38,240
TRANSPORTATION	\$ 1,006	\$ 1,002	\$ 1,018	\$ 1,049
TOTAL COST	\$ 32,487	\$ 32,980	\$ 36,806	\$ 39,290
COST PER NON-PUBLIC STUDENT	2009-10	2010-11	2011-12	2012-13
STUDENT COUNT	4,380	4,102	4,241	4,241
TRANSPORTATION	\$ 1,006	\$ 1,002	\$ 1,018	\$ 1,049
INSTRUCTIONAL MATERIALS	\$ 104	\$ 104	\$ 104	\$ 104
TOTAL COST	\$ 1,110	\$ 1,106	\$ 1,122	\$ 1,153

UNDERSTANDING THE BPS BUDGET

General Fund Revenues Sources:

State: 81%

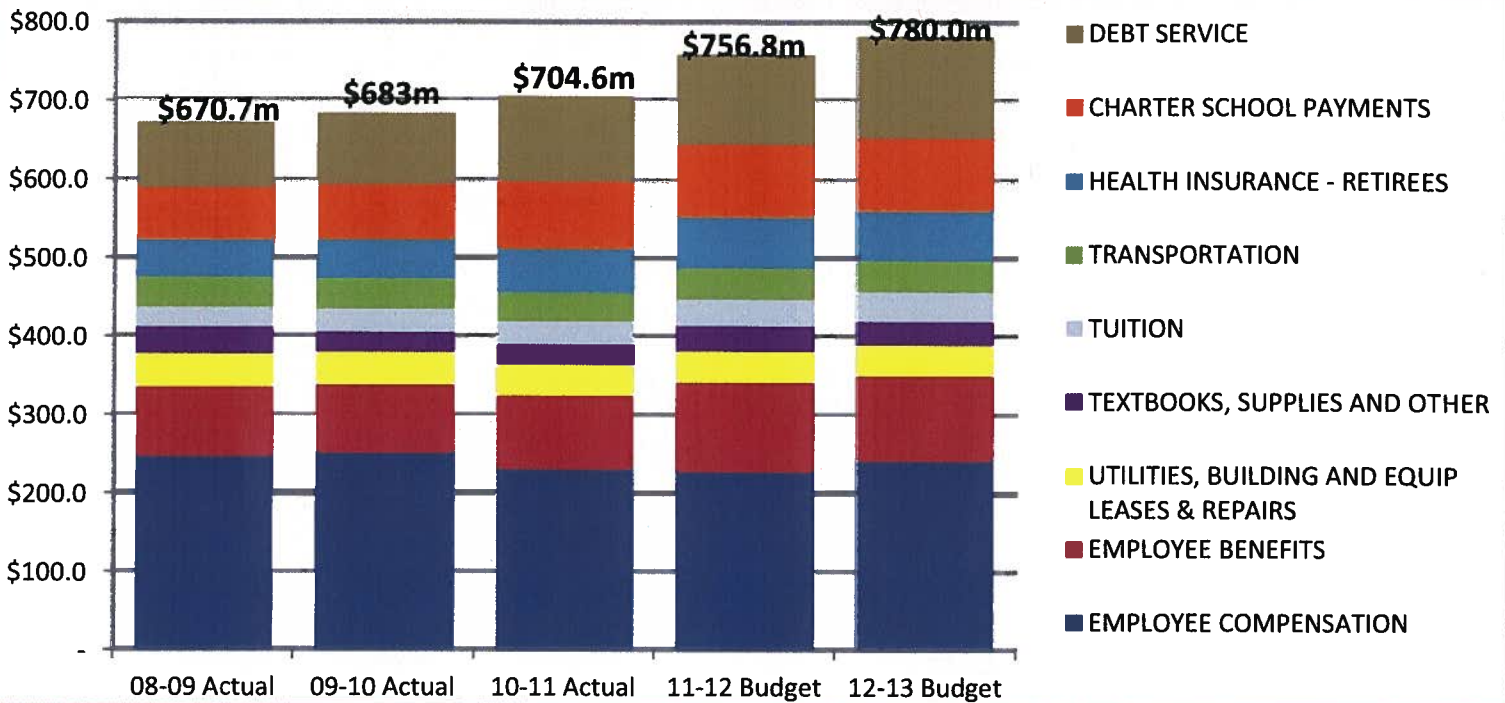
City: 9%

County Sales Tax: 5%

All other 5%

Why the Growth?

General Fund Expenditure Totals (in millions) 2008-09 to 2012-13



Employee Compensation has decreased over the five year period by \$6.5m to \$239.9m, while Employee Benefits has increased \$21.6 m to \$108.4m. This is indicative of the Districts need to reduce staff a total of 468 full time equivalents over the time period to balance the budget for increasing employee benefits, among other structural deficit drivers. While the teachers and administrators union contracts expired in 2004, the contract continues until a successor agreement has been reached by law. These employee groups continue to receive annual salary (step) increases of approximately 2.5% and the same benefits they did in 2004, which includes a plan of health benefits at no cost to them. At the same time, pension costs have soared after the financial crisis that occurred in the fall of 2008. BPS contributes 18.7% of employee salaries for the ERS and 11.84% for TRS.

Utilities, buildings and equipment leases and repairs totals \$40.8m, a decrease of \$2.1m over the time period and includes all costs to operate our facilities, as well as the district-wide copier lease and computer access service.

Textbooks, supplies and other items totals \$29.0m and includes textbooks and instructional materials, office and school supplies and miscellaneous other contractual expenses.

Tuition totals \$37.1m in 2012-13, an increase of \$9.8m from 2008-09, and represents costs to send students with special needs to external agencies at rates set by the State.

Transportation costs have remained relatively flat over the five year period due to the District competitively bidding the contract for yellow bus services in 2009-10, saving \$4m.

Health Insurance for Retirees is one of the structural deficit drivers, having increased \$17.9m from 2008-09, to \$63.8m in 2012-13. Benefits for current retirees cannot be changed by law. Benefits for future retirees must be negotiated into new collective bargaining agreements.

Aside from Debt Service, Charter School Tuition is the largest single deficit driver and has increased 36% (\$24.1m) in four years, to a total of \$91.0 m in 2012-13. The District has additional data available on the major tuition formula flaws that demonstrate that the Districts overall costs increase when a resident students leaves the District to attend a charter school.

Debt Service has increased \$47.5m, totaling \$129.3m in 2012-13. Beginning in 2003, the District undertook a \$1.4 billion reconstruction program for 48 schools and District Wide Technology and Energy Performance projects. \$109m of this debt is for that reconstruction program.

