

**Nassau-Suffolk School Boards Association
Nassau County Council of School Superintendents
Suffolk County School Superintendents Association**

**SURVIVOR: Long Island
Confronting and Managing Financial Challenges**

January 27, 2009



**Presented by:
Gary D. Bixhorn
Legislative Committee
Chairperson**



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SCSSA 2009 Advocacy Topics

- Setting the Record Straight
- The Executive Budget Proposal
- American Recovery Reinvestment Bill
- SCSSA Shared Services Initiative
- SCSSA School Property Tax Reform Act



Setting the Record Straight

It is important that misconceptions about school spending and wealth in Suffolk County be corrected. The facts do not necessarily match some of the popularly held beliefs. These include:

- According to the State Education Department's Regional Cost Index, the purchasing power of \$1,000 in the lowest cost region of the state is only \$702 on Long Island.
- The cost of education on Long Island, when adjusted for regional cost differences, is below the state median.

(NYSED RCI 2006)



Setting the Record Straight

(Continued)

- The local share of school district funding, which is raised primarily through property taxes, is 66% on Long Island. This is approximately 40% greater than the 47% average local share in the rest of the state.
- Recognize that Suffolk County is diverse, with schools and communities all along the continuum of needs and available resources.
- Long Islanders use 20% more of their gross household income to pay property taxes than New Yorkers in general.

(NYSED FARU 2006-07)



Popular Misconceptions of Long Island Wealth

- Long Island has several very wealthy school districts based upon an analysis of combined wealth ratios (CWR). However, several of the “wealthy” districts are small, while there are many “poor” large districts.

Accordingly, there is a wide gap between perception and reality when it comes to the wealth of Long Island schools.

The percentage of students in districts of below average wealth (CWR < 1.00) by BOCES region on Long Island is as follows:

Region	Number of Students (2008-09)	Percentage of Students
Suffolk County	134,641	52.1
Eastern Suffolk BOCES	107,155	63.9
Western Suffolk BOCES	27,486	30.4
Nassau County (Nassau BOCES)	40,469	19.4
Long Island	175,110	37.6



Popular Misconceptions - Outcomes

Long Island students outperform students from across the state by every SED measure. However, a performance gap exists on Long Island.

Assessment / Regents 2004-05	Least Wealthy LI Districts (9 districts) % of all students tested	Wealthiest LI Districts (9 districts) % of all students tested	Long Island	Rest of State (excluding NYC and LI)	New York State (excluding NYC; but including LI)
Assessment Results-Elementary and Middle Level Students Scoring at Levels 3 and 4					
Grade 4 ELA	70.4	90.8	83.5	73.4	76.2
Grade 4 Mathematics	84.8	97.3	93.1	87.5	89.0
Grade 4 Science	85.1	97.4	94.0	88.0	89.3
Grade 5 Social Studies	81.7	97.6	92.3	85.0	87.0
Grade 8 ELA	47.1	80.0	66.0	52.5	56.0
Grade 8 Mathematics	48.0	87.5	72.3	60.1	63.3
Grade 8 Science	68.9	92.1	84.0	81.3	82.0
Grade 8 Social Studies	59.1	89.5	80.0	69.0	72.0
Regents Exam Results- Students Scoring 65+					
English	73.9	93.8	88.4	84.3	85.4
Mathematics Course A	77.7	95.2	90.0	86.0	87.1
Global History & Geography	67.6	91.3	84.0	78.2	80.0
US History & Government	74.4	93.9	87.0	83.0	84.0
Living Environment	66.5	96.1	86.1	85.3	86.0



Popular Misconceptions - Revenues

2006-07	State Aid Receipts	STAR Subsidy Receipts	Total Receipts from State	Federal Aid Receipts	Property Tax Levy & Other Revenue	Total Revenue
Nassau County	744,936,812	366,106,687	1,111,043,499	84,472,268	3,222,792,628	4,418,308,395
<i>% of Total Revenue</i>	16.9%	8.3%	25.1%	1.9%	72.9%	
Suffolk County	1,516,940,871	373,147,607	1,890,088,478	110,681,693	2,978,683,424	4,979,453,595
<i>% of Total Revenue</i>	30.5%	7.5%	38.0%	2.2%	59.8%	
Long Island	2,261,877,683	739,254,294	3,001,131,977	195,153,961	6,201,476,052	9,397,761,990
<i>% of Total Revenue</i>	24.1%	7.9%	31.9%	2.1%	66.0%	
Rest of State (excluding NYC and LI)	8,795,952,059	1,721,130,656	10,517,082,715	958,426,347	10,227,995,582	21,703,504,644
<i>% of Total Revenue</i>	40.5%	7.9%	48.5%	4.4%	47.1%	
New York State (excluding NYC; but including LI)	11,057,829,742	2,460,384,950	13,518,214,692	1,153,580,308	16,429,471,634	31,101,266,634
<i>% of Total Revenue</i>	35.6%	7.9%	43.5%	3.7%	52.8%	

Description: State Aid Receipts + STAR Subsidy Receipts = Total State Receipts. Total Revenue = Total Receipts from State + Federal Aid Receipts + Property Tax Levy & Other Revenue. Excludes New York City.

Source: New York State Education Department Fiscal Analysis and Research Unit (FARU). Fiscal Reporting System Masterfile, 2007



Issues Involving the Executive Budget Proposal

- **State Financial Condition**
 - \$15 billion Deficit
 - 225,000 New Yorkers will be laid off
 - 60,000 from Financial Services Sector
- **Deficit Reduction Assessment (DRA)**
- **Tax Cap Proposal**
- **Preschool Cost Shift**
- **STAR Reduction**



Executive Budget Proposal

Deficit Reduction Assessment (DRA)

- DRA Reduced Long Island Aid by 7.8% (\$185,188,848)
- DRA Reduced NYC Aid by 4.9% (\$361,867,141)
- DRA Reduced Rest of State* Aid by 5.5% (\$912,738,639)
- DRA Reduced Statewide Aid by 5.8% (\$1,097,927,487)
- Long Island Aid Reduced at a Rate 42% Greater than the Rest of the State*

* Including NYC



Executive Budget Proposal Deficit Reduction Assessment (DRA)

District	CWR	Actual 2008-09 Budget	Actual 2008-09 Tax Levy	Estimated * 2009-10 Tax Levy	% Increase to Tax Levy Due to DRA Loss / 1.9% Preschool Shift
1A	0.447	\$54,845,010	\$17,359,034	\$22,000,000	8.4%
1B	4.286	\$46,512,037	\$22,383,718	\$25,000,000	3.1%
2A	0.763	\$98,250,418	\$50,208,255	\$58,000,000	6.7%
2B	2.001	\$103,617,414	\$88,706,485	\$96,000,000	3.4%
3A	0.606	\$192,905,793	\$72,287,238	\$87,000,000	8.4%
3B	1.723	\$196,188,300	\$162,636,828	\$178,000,000	3.7%

* Assumes 5% budget increase, Executive Budget State Aid, and Preschool cost shift at 1.9%



Executive Budget Proposal

Tax Cap Proposal

District	CWR	Actual 2008-09 Budget	Estimated * 2009-10 Tax Levy	Estimated 2009-10 Tax Levy Capped (2008-09 + 4% increase)	\$ Reduction
1A	0.447	\$54,845,010	\$22,000,000	\$18,000,000	-\$4,000,000
1B	4.286	\$46,512,037	\$25,000,000	\$23,000,000	-\$2,000,000
2A	0.763	\$98,250,418	\$58,000,000	\$52,000,000	-\$6,000,000
2B	2.001	\$103,617,414	\$96,000,000	\$92,000,000	-\$4,000,000
3A	0.606	\$192,905,793	\$87,000,000	\$75,000,000	-\$12,000,000
3B	1.723	\$196,188,300	\$178,000,000	\$169,000,000	-\$9,000,000

* Assumes 5% budget increase, Executive Budget State Aid, and Preschool cost shift at 1.9%



Executive Budget Proposal

Preschool Cost Shift

- 2008-09 Property Tax Levy – Long Island \$7,038,365,000

- Preschool Expenses Added to Property Tax Levy \$133,000,000

- Percent Increase to Tax Levy **1.9%**



Executive Budget Proposal

Reduced STAR Subsidies

2008-09					2009-10	
	Basic	Enhanced	Basic Rebate *	Enhanced Rebate *	Basic	Enhanced
Nassau	968	1,978	441	785	855	1,783
Suffolk	950	1,691	429	612	850	1,625
New York State	688	1,217	386	458	629	1,145
* Rebates Eliminated in Executive Budget						



American Recovery Reinvestment Bill

- Education for the 21st Century
- Released January 15th
- Currently Under Discussion in House
- Should Supplement Not Supplant
- Addresses Priority Related to IDEA (\$13 billion), School Repair (\$14 billion), and Title I (\$13 billion)
- \$79 billion in State Fiscal Relief to Prevent Cutbacks



SCSSA Shared Service Initiative

- Collaboration with Suffolk County Executive
- Local Government Efficiency Grants
 - Expanded Regional Transportation
 - School Employee Health Insurance Program
 - E-Procurement
 - Shared School Purchasing Office



SCSSA School Property Tax Reform Act

- Comprehensive Proposal with 24 Recommendations
- Major Features Include:
 - State funding of 50% of the cost of special education services, health insurance for school employees, and pension costs for school employees
 - The establishment of a statewide health insurance program for school employees
 - Special Education Mandate Relief
 - Reduction of state aid and STAR funding to offset a share of increased state costs
 - Reduced dependence on property taxes to fund schools
 - Overhaul the formula to allow for new funding patterns



It's Up to All of Us!

**The SCSSA Urges You
To Use This Information
To Advocate For
The Children And Taxpayers
In Your School District**



Any Questions?

