

City School District Budget News

THE CITY SCHOOL DISTRICT OF NEW ROCHELLE, NEW YORK



Vol. 71 , No. 3

An Award Winning School District

May 2008

New Rochelle City School District Proposed Budget for 2008-09

The Board of Education has articulated its commitment to maintain a comprehensive educational system that meets the needs of all District students in pursuit of successful outcomes for each and every one. Consistent with the focus upon academic achievement, the District also provides comprehensive opportunities for students to grow in areas outside of academics such as the arts and athletics. A Districtwide theme running throughout all endeavors is the continued fostering of an appreciation for the cultural, ethnic and racial diversity that has come to define the New Rochelle City School District.

The guiding objectives in preparing the 2008-2009 Proposed Budget have been to:

- Maintain essential instructional programs and services
- Maintain favorable class sizes from PreK-12
- Respond to State curriculum and assessment requirements
- Support technology initiatives that enhance student learning and administrative functioning
- Expand enrichment programs and opportunities, such as the introduction of the Dual Language Italian/English CILA program
- Maintain the District's facilities and infrastructure
- Expand the substantial quality and integrity of our existing instructional and support programs

"... The Proposed Budget is a 5.5% increase over the current budget. That is the lowest budget increase in the last five years."

The Proposed Budget for 2008-2009 reflects those recommendations that, in the judgment of the Superintendent of Schools, with the input and consultation of Assistant Superintendents, Directors and Principals best meets the needs of students in our school district. The recommendations that are deemed to be most essential and within the financial capacity of the School District are those that were incorporated in the projections.

There are 21.8 new staff positions included in the Proposed Budget. Salary savings from the impending retirement of approximately 20 pedagogical staff members by June 2008 will help offset the hiring of new staff.

As in previous years, the request for additional positions has been driven by curriculum, operational and support services needs. With the completion of the Long Range Planning — Demographics Study, the District has anticipated limited enrollment growth for the 2008-2009 school year. While every effort has been made to exercise responsible budgetary practices, expenditures for mandated requirements continue to impact our projections. For example, pupil transportation contracts for approximately 50 buses, or 25% of our fleet, are 20 years old and can no longer be renewed. These contracts will be re-bid. All student transportation costs are budgeted

to increase by \$2,500,000 for 2008-09 school year. Health Insurance rates will increase by 10% in 2008-2009 school year. Regrettably, Federal government funding continues to follow a downward trend which may result in a decrease of more than \$1.0-million to support our Title I and after school programs.

The School District is in the process of collective bargaining for its employment contracts, which are scheduled to expire by June 30, 2008.

The Proposed Budget is a 5.5% increase over the current budget. That is the lowest budget increase in five years. Based on the State Legislature's Budget which provides an additional \$3,700,000 of funding and combined with a decline in the Assessable List of \$3,000,000, the Proposed Budget translates into a 6.1% tax rate increase which is the lowest tax rate increase in the last seven years.

New Rochelle Board of Education

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New Rochelle School District is eligible for \$4.2-million in EXCEL Funding. A vote is required.

New Rochelle School District is eligible for \$4.2-million from New York State to improve school buildings. But to qualify, voters must first say they want it.

How can New Rochelle receive over \$4.2-million for school building improvements? The school district is eligible to apply for a total of \$4.2-million in special EXCEL Aid from New York State for school improvements, but first, voters must approve the EXCEL Proposition.

What is EXCEL Aid?

EXCEL stands for Expanding our Children's Education and Learning. This is a special one-time funding by New York State for new capital projects to improve public school facilities.

School districts are eligible to receive an allocation from the state based on student enrollment. This is a limited opportunity for schools to apply for EXCEL funding from New York State.

Why are we voting on an EXCEL bond? EXCEL funding is like a grant program. In order to receive the one-time grant for specific eligible capital projects, the school district must first receive voter approval.

What is included in the EXCEL Project? The EXCEL funds will be used for mandated improvements, which are handicapped elevator and restrooms, and window and ventilation projects at the Jefferson Elementary School, and repair of the old

gymnasium roof and masonry pointing at the Isaac Young Middle School.

What happens if the EXCEL Proposition is NOT approved by voters?

If the EXCEL Proposition is not passed, the school district will not be able to use EXCEL Aid from New York State to fund these projects. If utilization of EXCEL funding is not approved, funding for these State mandated projects would have to come from the tax levy in future years.

Common Questions Regarding the City School District of New Rochelle 2008-2009 Budget Vote

Q What are you voting on?

On May 20 voters will decide upon a spending plan for the educational program. Voters will also elect one member to the Board of Education, and two Trustees to serve on the Board of the New Rochelle Public Library, as well as propositions for the Public Library general operating budget.

Voters will also decide on whether to accept a total of \$4,224,855 of EXCEL funds offered by the State of New York, which will be used for State mandated handicapped accessibility and roof repairs

Q How much does the budget proposition cost the average homeowner?

Based on an average home assessed at \$17,000 the cost increase of the budget proposition is \$47.88 per month, or about \$1.57 per day. But, part of this increase will be reduced for homeowners who have applied for STAR, School Tax Relief.

Q Can the district raise funds through other sources?

The school district aggressively pursues outside funding sources to supplement and enrich the educational program. This year the district received over \$13.5-million in federal, state and private grants that paid for 77 positions and educational programs. The grant monies are used to implement instructional programs, such as magnet schools, after school programs, and enrichment programs for students.

Q How can New Rochelle receive over \$4.2-million for school building improvements?

The school district is eligible for over \$4.2-million in special EXCEL Aid from New York State for school improvements, but first, voters must approve the EXCEL Proposition.

Q Does this budget increase class size or cut students' programs? No.

Q If the school budget is not approved, will home-owners still have to pay school taxes?

Yes. The New York State Constitution guarantees all children a public education. Under current law, the school district would operate under a contingent budget that would include reduced programs and staffing.

Q How does the tax base continue to decline?

The total value of all assessed properties in the city — the tax base — is reduced by tax certiorari, Small Claims Assessment Review, Board of Assessment and Review, stipulations, and the Assessor. Assessed values have fallen by \$97.5-million since 1989 from tax judgements and reassessments.

Q What are certiorari?

Certiorari are court ordered tax refunds paid by the school district, the city and the county when property owners go to court to have their property reassessed to a lower amount. The tax levy is then spread over the remaining taxpayers' assessable property, which increases everyone's tax rate.

Q How does the proposed increase in staffing impact this budget?

This budget proposes 21.8 additional staff positions throughout the school district, however, a significant portion of the cost of those positions is offset by a reduction to the budget from the retirement of 20 staff members.

Q Does the district verify that all new students entering the district are actual residents?

The district carefully checks residencies to ensure that all students who receive educational services in this school district are actually residents.

Q How much of the school budget is paid for by local tax dollars?

\$174,294,247 or 78.39% of the total proposed budget is funded by property taxes.

Q Why does the budget seem so large?

New Rochelle is a small city, the second largest school district in Westchester with approximately 11,000 students. The budget of \$222-million is the total operating expense for over 2,000 employees in more than 11 buildings that must be maintained. However, on a per pupil basis, New Rochelle ranks sixth lowest among the 46 school districts in spending. (See charts on page 7.)

Q What is the largest area of expense in the school district budget?

Staff salaries and benefits represent 69.67% of the overall budget. The entire focus of the proposed budget is to support the delivery of educational services to children. Salaries alone total over \$113-million, which is 51% of the entire budget.



Q How does this school district compare to other area school districts in spending practices?

Compared to all school districts in the Westchester-Putnam area over five years, New Rochelle has consistently placed in the bottom quarter (most cost-effective) in per-pupil spending economy for total expenditures, as well as in central administration. New Rochelle ranks 40th when compared to 43 Westchester and Putnam districts reporting per pupil spending (based on 2007-2008 annual cost per pupil data provided by Putnam Northern Westchester BOCES. See chart on page 7).

Q How much state aid does the school district receive?

State Aid for 2008-09 is anticipated to be \$33.9-million. The percentage of State Aid is 15.25% of the entire school budget. School district administration continues to work with local state representatives to receive additional state funding to bring New Rochelle homeowners local tax relief.

Q What happens if the proposed budget is defeated?

If the budget proposition is defeated, the Board of Education has the option to adopt a contingency budget, or to resubmit a budget to the voters only once more.

If the budget were to be defeated a second time, then schools would be prohibited from purchasing instructional equipment and educational technology. Class sizes could be increased, and inter-scholastic sports and co-curricular programs could be reduced. Performing and visual arts programs could be curtailed. Transportation services and field trips could be curtailed. Kindergarten,



Pre-K, and Pupil Personnel Services could be reduced. All programs would be reviewed for reduction or elimination. The actual cost for use of facilities would be charged to users.

Q How can property homeowners reduce their taxes without reducing the city's tax base?

STAR (School Tax Relief): Homeowners are encouraged to apply for STAR tax reduction with the City Assessor in City Hall.

Persons age 65 or over and whose income is \$70,650 or under, and who qualify for Enhanced STAR (School Tax Relief) must **apply annually** for the STAR reduction.

The Basic STAR reduction is fully implemented for all homeowners who applied and qualified. STAR applications are available in the City Assessor's office in City Hall. May 1 is the annual deadline to file for a STAR tax reduction.

OTHER PARTIAL EXEMPTIONS:

Partial real property tax exemptions are also available for property owners who meet requirements:

- persons with disabilities
- age 65 or older with incomes less than \$35,399
- veterans.

For more details, contact the city Assessor's office at 654-2052.

Details and applications are also on the Internet: www.newrochelleny.com/assessmentexem.asp

District Awards

- 2008** NYS Education Commissioner Richard Mills and Regents select CILA and Ward Elementary School during state-wide tour of "exemplary programs." NYS Department of Education designates the school district as a High Performing/ Gap Closing" district. MetLife & NASSP names Isaac Young Middle School a "Breakthrough School."
- 2007** The Westchester Arts Council awarded the Education Award to the City School District of New Rochelle. The New Rochelle Fund for Educational Excellence opens a new Museum of Arts & Culture at New Rochelle High School. 400 high school student musicians perform at Carnegie Hall, an event sponsored by the New Rochelle Fund for Educational Excellence.
- 2006** The National School Boards Journal awarded the Magna Award Grand prize to the CILA program. New Rochelle High School ranks with the top high schools in the nation on a revised list compiled by Jay Mathews for *Newsweek*. The New York State Education Department designated two elementary schools in New Rochelle as high performing schools based on 2003-04 standardized tests: George M. Davis Jr. and William B. Ward Elementary Schools. NRHS Varsity Girls Basketball team is the school's first to compete in the NYS Section 1 Class AA semi-finals, earning the first runner-up division prize.
- 2005** New Rochelle is named one of the "Best 100 Communities for Music Education" in the nation by the American Music Conference. NRHS student Nicholas Gulati was a semi-finalist in the highly competitive 2005 Intel Science Talent Search. NRHS Varsity Football and Basketball teams were NYS Section A finalists, and the Cheerleading team held second place in the nation at the Universal Cheerleading Association National HS Cheerleading Championships. Lynne Layne sets a Section 1 track record, and is the 60-meter national champion.
- 2004** Matthew Fasman was a semi-finalist in the 2004 U.S. Physics Team search, and one of 12 national finalists for the National Wendy's High School Heisman Award. The NRHS Varsity Cheerleading team placed second in the nation at the Universal Cheerleading Assoc. National HS Cheerleading Championships. Intel Science semi-finalists - Matthew Fasman and Andrew Telzak.
- 2003** NRHS Varsity Football team won NY State Football Class AA Football Championship. Clifford Levy, Class of '85, wins Pulitzer Prize for Investigative Reporting. Anna Weiss, Class of '97, named Rhodes Scholar. Three NRHS students were named semi-finalists in 2003 — Chelsea Backer and Jason Freidman, and Julian Gingold, who advanced to Finalist status. New Rochelle students of music perform a benefit concert for the New Rochelle Fund for Educational Excellence at Lincoln Center.
- 2002** Intel Science Semi-finalists - Anthony Halperin, Frank Provenzano and Benjamin Fanelli.
- 2001** Intel Science Semi-finalists - Joshua Katzeff, Matthew Louis Siegel, Sabrina Emily Welsh.
- 2000** New Rochelle High School ranks with the top high schools in the nation on a revised list compiled by Jay Mathews for *Newsweek*. Isaac E. Young Middle School is the only school in NYS to receive the Magna Award from The American School Board Journal, recognizing outstanding programs. Intel Science semi-finalist - Daniel Guarda.

Date of Vote

Tuesday, May 20

Polls open 7 a.m. to 9 p.m.

Who Can Vote?

In order to vote in the Annual School Election/Budget Vote on Tuesday, May 20, 2008, one must be a) a citizen of the United States; and b) a resident of the City of New Rochelle for thirty days immediately preceding the day of the election; and c) eighteen years of age on or before the day of the election; and either registered under the permanent Personal Registration with the Westchester County Board of Elections as of May 6, 2008, or registered with the New Rochelle School District at the Board of Education offices.

Where to Vote

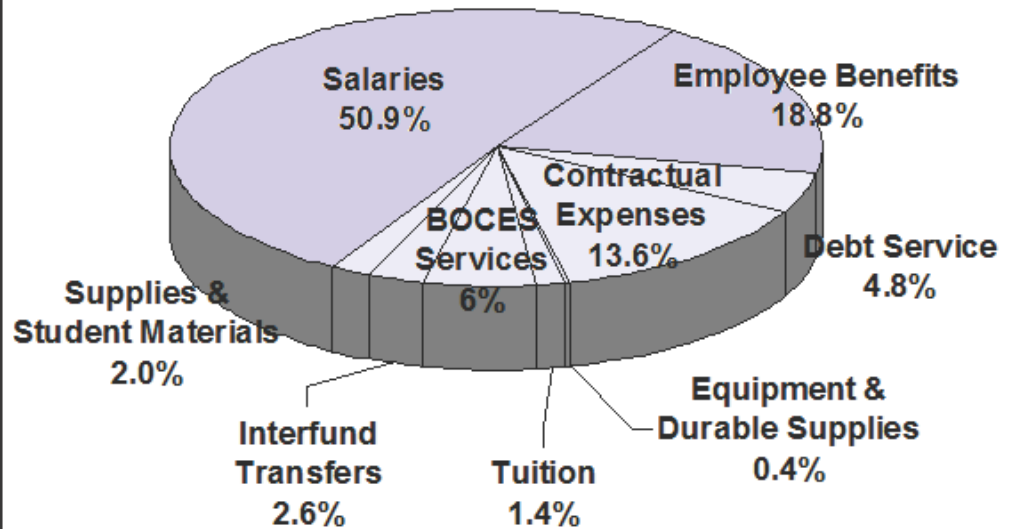
Registered voters may vote only at their designated polling place. The location of your individual polling place is noted on the mailing panel above your name and address. If you have questions regarding registration or where to vote, please contact the Clerk and Secretary of the Board of Education, 576-4219.

Polling Places

The following is a list of school district polling places, school district election districts. To verify your polling place, refer to the mailing label on the back cover of this newsletter, or you may contact the Board of Education at 576-4219.

SED #1	Henry Barnard School, 129 Barnard Road — Gymnasium
SED #2	Columbus Elementary School, 275 Washington Avenue — Gymnasium
SED #3	George M. Davis, Jr. Elementary School, 80 Iselin Drive — Gymnasium
SED #4	Jefferson Elementary School, 131 Weyman Avenue — Gymnasium (Emmett Terrace Entrance)
SED #5	Rev. Martin Luther King, Jr. Community Center, 95 Lincoln Avenue — Dining Hall
SED #6	New Rochelle High School, 265 Clove Road — Auditorium Lobby (Clove Road Entrance)
SED #7	Trinity Elementary School, 180 Pelham Road — Gymnasium
SED #8	Albert Leonard Middle School, 25 Gerada Lane — Auditorium Lobby
SED #9	Daniel Webster Elementary School, 95 Glenmore Drive — Gymnasium
SED #10	Isaac E. Young Middle School, 270 Centre Avenue — Gymnasium
SED #11	Holy Name School, off Sherman Street — Gymnasium
SED #12	William B. Ward Elementary School, 311 Broadfield Road — Cafeteria (Rear Entrance)
SED #13	570 Fifth Avenue — Community Room

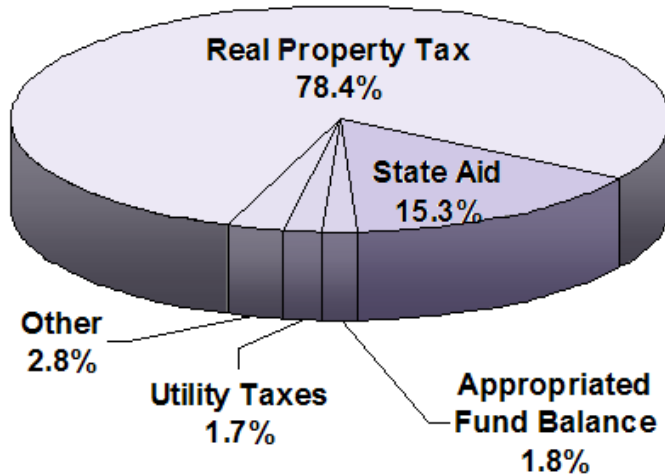
How is the school budget spent?



2008-2009 BUDGET BY CATEGORY

	Administrative	Program	Capital	Total
<i>Board and D/W Administration:</i>				
Board of Education	\$ 251,373	\$ -	\$ -	\$ 251,373
Chief School Administrator	448,451	-	-	448,451
Finance	1,686,508	-	-	1,686,508
<i>Staff:</i>				
Legal	107,000	107,000	107,000	321,000
Personnel	991,252	-	-	991,252
Records/Public Info	186,209	-	-	186,209
<i>Central Services:</i>				
Operation of Plant	-	-	11,993,927	11,993,927
Maintenance of Plant	-	-	5,778,738	5,778,738
Central Printing	557,500	-	-	557,500
Central Data Processing	1,779,682	-	-	1,779,682
<i>Special Items:</i>				
Insurance	1,051,544	-	-	1,051,544
School Board Association	25,000	-	-	25,000
Judgments/Claims/Assessments	-	-	310,000	310,000
Refund on Property Tax	-	-	-	-
BOCES Admin. Expenses	880,281	-	-	880,281
<i>Instruction:</i>				
Curric.Devel./Supervision	9,772,200	-	-	9,772,200
Teaching-Regular Schools	-	70,414,364	-	70,414,364
Special Education Pupils	-	22,108,775	-	22,108,775
Occ. Ed. & Spec.Schools	-	2,805,551	-	2,805,551
Instructional Media	-	5,371,223	-	5,371,223
Pupil Services	-	11,078,136	-	11,078,136
Pupil Transportation	-	16,234,379	-	16,234,379
Census	-	46,537	-	46,537
<i>Undistributed:</i>				
NYS Employee Retirement	291,102	1,705,676	220,674	2,217,452
NYS Teacher Retirement	752,188	8,223,812	-	8,976,000
Social Security	977,040	7,084,474	796,791	8,858,305
Health Insurance	1,975,883	15,466,149	1,689,976	19,132,008
Welfare Fund	273,490	2,056,369	222,143	2,552,002
Debt Service	-	-	10,639,339	10,639,339
Interfund Transfers	97,844	2,465,870	3,302,943	5,866,657
TOTAL BUDGET	\$ 22,104,547	\$ 165,168,315	\$ 35,061,531	\$ 222,335,393

Where do funds come from for New Rochelle schools?



REVENUES

Description	2007-08 Budget	2008-09 Budget	Budget Incr. (Decrease)	Budget % Change
Real Property Taxes	\$ 165,899,337	\$ 174,294,247	\$ 8,394,910	5.06%
<i>Other Tax Items</i>				
Payments in Lieu of Taxes	928,000	1,000,000	72,000	7.76%
Interest & Penalties on Taxes	300,000	350,000	50,000	16.67%
<i>Subtotal</i>	1,228,000	1,350,000	122,000	9.93%
Utility Tax	3,800,000	3,800,000	-	0.00%
<i>Charges for Services</i>				
Continuing Education Tuition	200,000	200,000	-	0.00%
Non-Resident (Foster) Tuition	300,000	300,000	-	0.00%
Health Services for Other Districts	1,700,000	1,900,000	200,000	11.76%
Other	38,100	15,000	(23,100)	-60.63%
<i>Subtotal</i>	2,238,100	2,415,000	176,900	7.90%
<i>Use of Money and Property</i>				
Interest & Earnings	1,500,000	900,000	(600,000)	-40.00%
Rental of Real Property	224,000	254,000	30,000	13.39%
Other (Commissions)	-	-	-	0.00%
<i>Subtotal</i>	1,724,000	1,154,000	(570,000)	-33.06%
<i>Sales & Compensation for Loss</i>				
Sale of Scrap & Excess Materials	1,000	-	(1,000)	-100.00%
Insurance Recoveries	83,000	70,000	(13,000)	-15.66%
Other Compensation	400	-	(400)	-100.00%
<i>Subtotal</i>	84,400	70,000	(14,400)	-17.06%
<i>Miscellaneous</i>				
Refund Prior Years' Expense-BOCES	400,000	400,000	-	0.00%
Refund Prior Years' Expense-Other	150,000	100,000	(50,000)	-33.33%
Other (E-Rate, Bus Tokens)	450,000	390,000	(60,000)	-13.33%
<i>Subtotal</i>	1,000,000	890,000	(110,000)	-11.00%
<i>State Aid</i>				
Basic Formula / Foundation Aid	19,485,802	22,825,011	3,339,209	17.14%
High Tax Aid	-	662,355	662,355	100.00%
Public & Private Excess Cost Aid	2,225,070	759,369	(1,465,701)	-65.87%
BOCES Services Aid	2,370,662	2,679,052	308,390	13.01%
Textbook Aid	732,844	740,241	7,397	1.01%
Software/Hardware Aid	254,555	260,413	5,858	2.30%
Library Aid	76,216	77,551	1,335	1.75%
Transportation Aid	2,835,957	3,737,736	901,779	31.80%
Building Aid	2,203,057	2,170,418	(32,639)	-1.48%
<i>Subtotal</i>	30,184,163	33,912,146	3,727,983	12.35%
<i>Other Financing Sources</i>				
Federal Aid - Medicaid Assistance	290,000	150,000	(140,000)	-48.28%
Interfund Transfers	400,000	400,000	-	0.00%
Appropriated Fund Balance	3,900,000	3,900,000	-	0.00%
<i>Subtotal</i>	4,590,000	4,450,000	(140,000)	-3.05%
TOTAL REVENUES	\$ 210,748,000	\$ 222,335,393	\$ 11,587,393	5.50%

Items on the Ballot on May 20, 2008:

Voters will:

- Elect one member of the Board of Education to serve at-large, for a five-year term beginning July 1, 2008 and ending June 30, 2013.
- Adopt the annual Budget of the City School District of the City of New Rochelle for the fiscal year 2008-2009.
- Elect two members of the Board of Trustees of the New Rochelle Public Library to serve five-year terms beginning July 1, 2008.
- Adopt an Annual Budget of the New Rochelle Public Library for the fiscal year 2008-2009.

Budget Proposition

RESOLVED, that the general fund proposed budget of expenditures of the Board of Education of the City School District of the City of New Rochelle, Westchester County, New York, for the 2008-2009 school year in the amount of \$222,335,393 for the purposes shown in the statement of estimated expenditures be and hereby is approved and authorized to be submitted to the voters at the Annual School Election/ Budget Vote, May 20, 2008; and the amount thereof shall be raised by a levy of a tax upon taxable property located within the school district, after first deducting the monies available from State Aid and other sources as provided by law?

EXCEL Bond Proposition

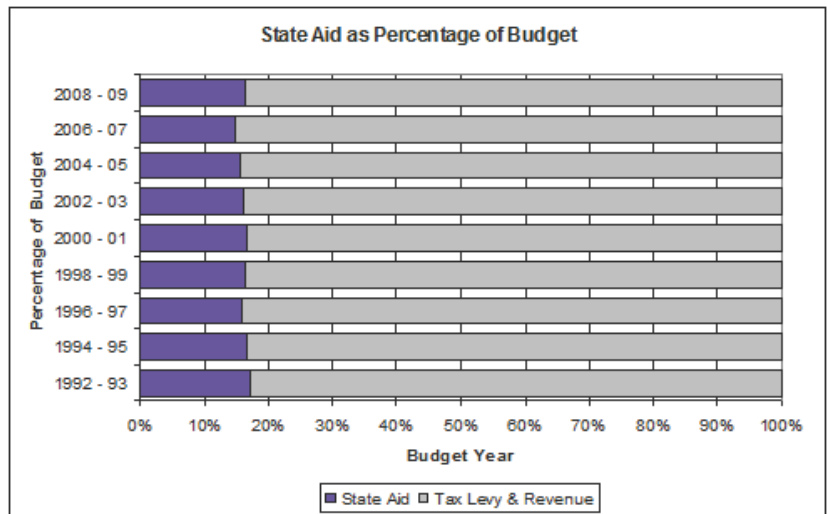
To approve Proposition No. 1:
PROPOSITION NO. 1: Shall (i) the bond resolution adopted by the Board of Education of the City School District of the City of New Rochelle, New York, on April 1, 2008, authorizing reconstruction of and construction of improvements to School District facilities, including incidental improvements and costs (30-year useful life), at a maximum estimated cost of \$3,041,955, authorizing the issuance of bonds of said District to pay the cost thereof, providing that such sum, after the use of \$2,123,285 State EXCEL funds and other State aid, shall be raised by the levy of a tax upon the taxable real property of such District and collected in annual installments as provided by Sec. 416 of the Education Law; providing that, in anticipation thereof, obligations of the District shall be issued; pledging the faith and credit of said District for the payment thereof; delegating the power to authorize and sell serial bonds and notes; and containing an estoppel clause, and (ii) previously authorized boiler replacements be funded with an additional \$1,182,900 State EXCEL aid, said prior authorization of \$1,182,900 bonds to be used instead for the project described in (i) hereof, be approved?

State Aid & Local Taxes

Total State Aid provides about 15% of the school district's funding, and remains flat since the decade of the 90's.

Most (78.4%) of the New Rochelle school budget is supported by local tax dollars.

State Aid has not kept pace with this school district's enrollment, and with the increasing state and federal mandates and curricular requirements imposed on the schools (see article below).



Unfunded and Underfunded State Mandates

The New York Board of Regents and the NCLB (No Child Left Behind) federal program mandates new standards, tests, and graduation requirements for all public schools. However, funds are insufficient to fully implement changes to comply with the mandates. Listed below are some of the changes the district has had to make to comply with the State and federal mandates, which incurred considerable cost to the district:

1. Academic Intervention Services (AIS) - identification and servicing of children (K-12) who give indication through multiple measures that they are at risk of academic failure. Each child must be furnished with a personal educational plan to be implemented by certified personnel.

2. Curriculum Development - Costs related to curriculum development which have to do with clarifying expectations for teachers about what students should know and do, consistent with NYS learning standards, and new content courses such as parenting, character development and violence prevention.

3. Staff Development - Staff development costs to the district to train/prepare teachers to do what's required instructionally.

4. Preparation for the New State Assessments -

- Cost of the tutorials that are run prior to the assessments
- Cost of preparing resource materials and commercially prepared materials for teachers to help prepare the children for the assessments
- The cost of in-service time to help familiarize the teachers with the resource materials and their use

5. Coverage Costs - Classroom coverage cost for teachers participating in State mandated assessment, scoring/grading, and antecedent training.

6. Additional Instructional Courses - to prepare instruction for high-risk students to enrich academics before taking the test.

7. Testing Costs - Shift to use of the CTBS/Terra Nova test, a more expensive basic multiple version, was made because the format is most compatible with state testing.

8. Processing Costs - Electronic grading to comply with state requirements.

9. Costs of the 504 Assessment and Its Implementation Process

10. Costs of Tuition for Students in Non-Secured Detentions - Students placed by the courts for whom the district pays tuition.

11. Cost of Students Placed in Hospitals, Drug Treatment Facilities and Incarcerated Youth Programs

12. 20% of the Cost for Summer School Handicapped Tuition

13. Cost Difference between the reimbursement and the actual cost for pre-school evaluations.

14. Absorb the Differential Costs Between the Federal Reimbursement (approximately 30%) and the actual cost of high out-of-district tuition rates for special education students.

15. Significant Costs Associated With the New Part 154 Regulations (LEP / ELL Students). Mandates for increased instructional time for English, native language, and content area instruction.

17. Cost of the General Education Teacher Member Required to Attend CSE Committee Meetings.

18. Cost of Transition Planning for Special Education students aged 18-21.

19. Additional Academic Credit Requirements for High School Graduation.

20. All Regents High School and an All Regents School System

21. Safe Schools Against Violence Education Act (SAVE)

22. OPEB Ruling. The Government Accounting Standards Board (GASB) has required school districts to quantify future liability for "Other Post-Employment Benefits" (benefits paid for retirees other than pension) and include this in the annual report. In order to do this the services of an actuary will be required.

23. Decrease in Medicaid Reimbursements. Anticipated decrease of approximately 50% in Federal reimbursement for school related services previously reimbursed through Medicaid. There is currently a moratorium on Medicaid reimbursement for counseling and transportation.

New Rochelle's Spending Compared to School Districts in Region

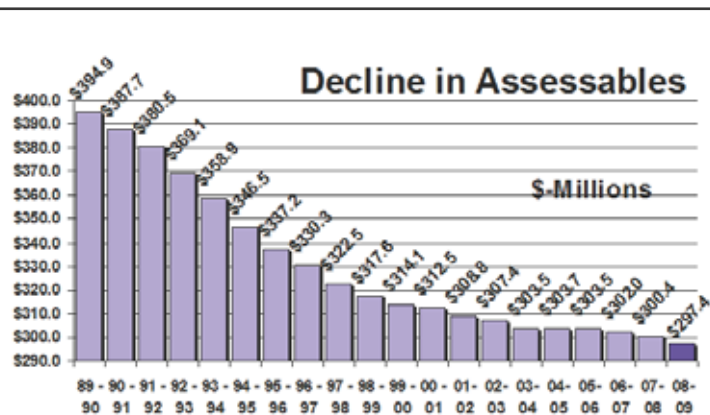
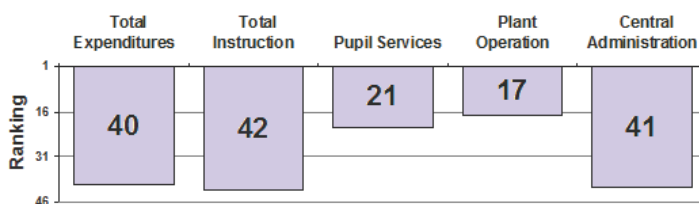
As evidenced by cost per pupil, when compared to the 43 school districts reporting in the Westchester-Putnam area, the New Rochelle City School District is among the most fiscally conservative school districts. Compared to other school districts, New Rochelle is near the **BOTTOM** in total spending, spending for instruction, and costs for Central Administration. New Rochelle is in the **MIDDLE** for spending for Pupil Services and spending on facilities. The data is based on an analysis by Putnam/Northern Westchester BOCES of the most recent completed operating school year expenditures for all school districts in Westchester and Putnam Counties.

Expenditure Area	2007-08	2006-07	2005-06
Total Expenditures	40	40	41
Total Instruction	42	39	41
Pupil Services	21	19	18
Plant Operation	17	16	22
Central Administration	41	36	36

Rank Order: No. 1 - Highest Per Pupil Cost

No. 43 - Lowest Per pupil Cost*

* Three School Districts did not submit data.



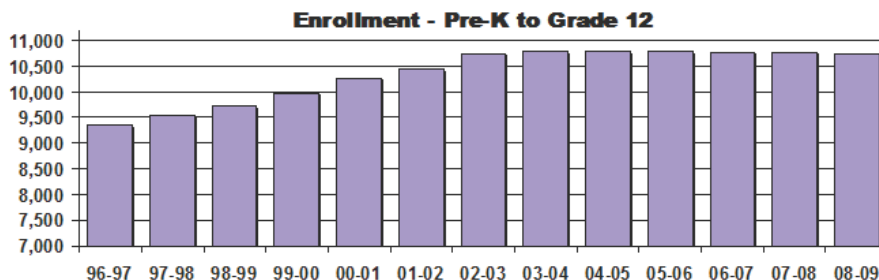
Tax Base Eroded by Tax Refunds

The tax base, the total of the assessed value of all the properties in the City of New Rochelle, declined by over \$97-million since 1989. This drop of 24% in 2-decades is mostly due to certiorari proceedings (court ordered reduction of assessments and refund of property taxes). When one taxpayer gets an assessment reduction, every other taxpayer pays a larger share to make up for the reduced tax base. A drop in assessables increases the tax rate. As an example, if the tax base was unchanged from the 2007-2008 to 2008-2009, this Budget Proposal tax rate increase of 6.12% would instead be 5.06%.

Enrollment Levels

Families continue to be attracted to New Rochelle due to the reputation of the school district.

Future enrollments are expected to remain level based on a recent demographic study which made projections through 2016.



School District Budget Notice

Overall Budget Proposal	Budget Adopted for 2007-08 School Year	Budget Proposed for 2008-09 School Year	Contingency Budget 2008-09 School Year*
Total budgeted amount	\$210,748,000	\$ 222,335,393	\$ 219,720,941
Increase/decrease for the 2008-09 school year		\$ 11,587,393	\$ 8,972,941
Percentage increase (decrease) in each proposed budget		5.50%	4.26%
Change in the consumer price index		2.8%	
Resulting est. property tax levy for the 2008-09 school year		\$ 174,294,247	\$ 171,679,795
Administrative component	\$ 21,326,538	\$ 22,105,547	\$ 21,914,797
Program component	\$ 154,683,930	\$ 165,168,315	\$ 163,481,613
Capital component	\$ 34,737,532	\$ 35,061,531	\$ 34,324,531

* Statement of assumptions made in projecting a contingency budget for the 2008-09 school year, should the proposed budget be defeated: Proposed budget is reduced by non-contingent budgets for equipment (\$360,980), durable supplies (\$548,211) and \$1,705,261 of otherwise contingent salaries, supplies, contractual expenses, etc., including transportation, athletics, technology, various curriculum areas and staff development.

Basic STAR Exemption Impact

Estimated Basic STAR Exemption Savings Based on a Hypothetical Home Within the School District with a Full Value of One Hundred Thousand Dollars (\$100,000)

	Budget Adopted for 2007-08 School Year	Budget Proposed for 2008-09 School Year
Basic STAR Savings	\$ 1,691.52	\$ 1,758.06
School tax increase/decrease	\$ 109.72	\$ 101.37
Net Basic STAR tax savings	\$ 1,581.80	\$ 1,656.69

The annual budget vote for the fiscal year 2008-09 by the qualified voters of the City of New Rochelle, Westchester County, New York, will be held at the polling places listed on page four (4) of this document, in said district on Tuesday, May 20, 2008 between the hours of 7 a.m. and 9 p.m., prevailing time, at which time the polls will be opened to vote by voting machine.

What's Inside:

Awards _____	3
Budget Summary _____	4
Comparisons _____	7
Enrollment _____	7
EXCEL Proposition _____	1
Expenditures _____	4
Mandates _____	6
Polling Places _____	4
Propositions _____	5
Q & A _____	2-3
Revenues _____	5
Tax Exemptions _____	3,8
STAR _____	3
State Aid _____	6

School Board
Election, & Budget
Vote on May 20

Where to Get Budgets

Plain language budget books are available in the office of each public school building, at Board of Education Offices at 515 North Avenue, and at the public library, and on the Internet at www.nred.org.

Tax Exemptions

The New Rochelle Board of Education has a policy of granting partial real property tax exemption to property owners with

- disabilities
- limited incomes who meet requirements
- as well as veterans.

For more details, contact the City Assessor's office at 654-2052. Property owners whose income is less than \$35,399 may apply for exemptions which, based on income, may be between 5 and 50% of assessed valuation. Applications for exemption must be made annually.



New :

EXCEL Proposition

New Rochelle School District is eligible to receive \$4.2-million of EXCEL funds from New York State to improve school buildings.

But to qualify, voters must first say they want it.

(Read more on page 1 & 5.)

CITY SCHOOL DISTRICT OF NEW ROCHELLE
515 North Avenue
New Rochelle, NY 10801-3416

School Board Election & Budget
Vote May 20 **Voter, Please Note:** The location of your individual school district polling place is reflected on the mailing panel above your name.

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