Testimony on the 2018-19 Executive Budget Proposal
Joint Legislative Budget Committee

Mayor Mike Spano
City of Yonkers

Monday, February 5, 2018
Good afternoon, Chairwoman Young, Chairwoman Weinstein, members of the Senate and Assembly, particularly my friends and colleagues, and our Yonkers Delegation, Senate Democratic Leader Andrea Stewart-Cousins, Assemblywoman Shelley Mayer and Assemblyman Gary Pretlow.

Thank you for welcoming me.

**Moving our Schools Forward**

Over the last six years, Yonkers has demonstrated that we can meet our challenges head on.

I believe Governor Andrew Cuomo and the State Legislature are very familiar with the gritty and can-do attitude Yonkers is known to possess. We come across challenges, and take them head on and come out ahead on the other side.

We are tough because of who we are; resilient because we have to be.

I applaud Governor Cuomo and his recent budget proposal that contains creative and progressive initiatives to combat potential devastating effects to New York taxpayers due to the recent federal tax plan. Working together with your colleagues in the State Legislature, I am confident New York will combat the assault on the hard working men and women of our state.

Despite the obstacles our state, cities and school districts face, Yonkers’ only option is to succeed.

For example, in 2012, when I first sat before you as the Mayor of the City of Yonkers, the Yonkers Public Schools graduation rate was just 72%. Just last week, it was reported that our Yonkers Public Schools’ graduation rates have dramatically improved, by double digits. Over the last six years, our graduation rates have improved by 14% -- and still the highest among the Big 5. That is remarkable. Our improved numbers can be attributed to your support for our students – and we thank you.
This year, in his Executive Budget, Governor Cuomo proposed an increase in education foundation aid, especially to those high-need school districts, it’s a great start and we are thankful for it.

And while we take pride in what we’ve accomplished, we can’t ignore staggering statistics that still confront us.

In 2010, the Yonkers Public Schools had to make devastating cuts to the District due to lack of funding. Over 400 teachers were given pink slips. The District has yet to recover from this blow and struggles to properly educate and serve the students of Yonkers to the best of its abilities.

Over the years, you’ve heard me speak of the startling deficiencies that Yonkers Schools face due to necessary cuts in services. If you don’t mind, let me remind you of them:

Twelve percent of our students are learning English for the first time and 17% are students with disabilities. These are high numbers. We need the staff and services to meet their needs.

For starters, we need psychologists, social workers and school counselors in EVERY school.

We need art, music, and technology to be part of EVERY student’s educational experience.

We need modified and junior varsity sports offered to ALL students.

We need Prekindergarten supported EVERY year by state mandate, not just offered when grant funding is available.

We are deficient with the current resources provided to us and yet our District’s enrollment continues to grow – mind you, the only one of the Big 5, outside of New York City.

In fact, in the last year, the Yonkers Public Schools have absorbed the needs of 122 additional students who were displaced from other states or their native country
due to earthquakes, hurricanes or other life-altering events. These students come traumatized by their experience and many have disabilities, and most of the students from Puerto Rico and Mexico are English Language Learners.

Our teachers, staff, administration and students feel the stresses on our District. My hope today is for you to understand them as well.

Despite the lack of resources, our high school graduation rate is improving, but it pales in comparison to the suburban districts that surround Yonkers – 97% in Scarsdale, 98% in Eastchester and 99% in Bronxville public schools. There are two educational systems in this state – one for the have’s and one for the have not’s.

Why should a student’s zip code determine whether or not they have access to a library, to enough guidance counselors, to adequate special education to overcome a learning disability, or sports and extracurricular activities?

It is time for our State to recognize its constitutional duty to provide an adequate education for every child in the State. That means ending the divide between wealthy and non-wealthy districts.

A major issue for Yonkers is that we do not receive the full amount of Foundation Aid based on the 2007 formula. Foundation aid payable, which is what a district actually receives, is less than the foundation aid formula prescribed by the legislation. Legislation has been introduced each year to reduce the spread between the formula and actual aid payable. But for Yonkers, whose enrollment increases each year, these annual fixes have not kept pace with the shortfall, while the other Big 4 school districts, with stable or declining enrollment, do not face this problem.

In 2015 the difference between the formula and what Yonkers actually gets was $37 million. This year it is $43 million. The intention of the legislation is to reduce this gap but the exact opposite is happening. In fact, had the shortfall been reduced by the same percentage in Yonkers as it has in other districts since 2015, Yonkers schools would be receiving $14 million more in this budget.

This year, as I have in years past, I am asking the Legislature and the Governor to consider the extraordinary needs of Yonkers Public Schools and provide our district with the additional resources our children so deservingly need.
Rebuild Yonkers Schools

We also need to revisit the environment in which our students learn.

I’ve come here now three years in a row to speak to you about the physical conditions of our schools. I’ve outlined for you the deplorable environments in which many of our students are required to learn in. I told you that our schools are 4,500 seats over capacity for a district size of 27,000 students; that nine of our schools are over 100 years old; that our children are forced to learn in converted basements and cafeterias; that many of our libraries no longer function as they were intended because they are being used as classroom space due to overcrowding. Simply put: there continues to be a capacity and infrastructure crisis in Yonkers Public Schools.

After many meetings with you, your staffs, the administration and staff, you began to realize the crisis and passed the double MCA bill for the new schools only at the end of last year’s legislative session along with the Yonkers Joint Schools Construction Bill the year before. I appreciate it, but it’s not enough.

The Double MCA will only cover part of the construction of the three new schools we’ve outlined. The Yonkers taxpayer’s share remains at $153 million. On top of that, no legislation even comes close to addressing the other 38 schools that need to be rebuilt or addresses the 15% overcapacity of our schools and deplorable conditions in which our children learn.

The bottom line is that even with the new legislation, Yonkers alone still cannot afford to rebuild these schools.

The New York State Legislature did the right thing for Buffalo, Rochester and Syracuse by approving and funding their school reconstruction plans in recent years. They had desperate needs and the state rightfully supported those needs.

I know I may sound redundant, but it’s Yonkers’ turn.

Yonkers receives just $12.3 million in school building aid. That comes out to just $462 per pupil, while the other big cities are receiving anywhere between $900 to $3,000 per student, depending on the district. Meanwhile, Yonkers is the only
district that has seen increased enrollment while the others remain flat or are decreasing. Yonkers is clearly put at a disadvantage.

It’s also important to note that Yonkers is at 92% of its constitutional taxing authority -- which means that our taxpayers don’t have the ability to cover the debt to borrow for the reconstruction.

While authorizing a school construction board and the double MCA for three new schools was important in assisting us in rebuilding our schools, it is still completely inadequate considering the overwhelming needs of our district.

I will be requesting an increase in the aid ratio for the Yonkers Schools Modernization Program from 70% to 98% of approved costs. This 98% ratio is the same ratio that has been received by our peer cities for their schools upgrade programs. We applaud what the State has done for them, but now I am asking that you support Yonkers as well.

Our students cannot wait. It is time to rebuild Yonkers schools.

**City/State Partnership**

We’ve touched upon the needs of our schools, but we also must not neglect the costs of running the largest city in the Hudson Valley.

Despite Yonkers’ growing economy and strong revenues, our budget grows exponentially each year to pay for union contracts, pensions and healthcare costs. Yonkers’ municipal budget in fiscal year 2018-19 will grow by $19 million. That growth does not consider any additional personnel, investments or addressing our aging infrastructure and capital needs.

Additionally, workers’ compensation, employee and uniformed retirements are up nearly 100% from ten years ago. Seventy-five percent of our budget pays for our workforce. We are happy to provide for them, but we can’t afford these costs, and stay under the State’s 2% tax cap. Our only option is to cut services, which will have a negative impact on the quality of life of our residents.

How do we address this? It starts with Aid to Municipalites (AIM). Over the years, municipalities have taken a big hit when it comes to AIM funding.
In the proposed 2019 Executive Budget, Yonkers is expected to receive $108.2 million in municipal aid – the same amount it’s received for the last eight years.

Plus, we must remember that the Yonkers property taxpayers pay more in its maintenance of effort for their local school district as compared to any of the other big city taxpayers.

Yonkers provides $246 million to its School District. Our three sister cities combined contribute $255 million to their respective districts. Imagine – Yonkers provides nearly the same as the other districts, COMBINED.

On top of Yonkers contributing more to its schools, it is receiving less from New York State to help fund those schools as compared to our sister cities.

AIM, formerly known as revenue sharing, was created by the New York legislature to recognize that the State has a partnership with its big cities to address the unique needs of their urban populations.

But if you look at just the last five years, Yonkers taxpayers have sent the State an additional $267 million via personal income tax and sales tax. In fact, today, Yonkers sends close to 25% more to the State than it did five years ago. During that time, AIM has remained flat. If you were to provide us the State’s 2% growth in your budget during that same time, we should have received cumulatively $31 million more.

Over the last six years of my Administration, we’ve been frugal with our spending. We’ve instituted hiring freezes, we’ve increased revenues and we’ve merged departments. While we are narrowly approaching our constitutional taxing authority, our taxpayers are at their taxing limits as well.

Ultimately, we are doing more with less.

I believe this year will be my most challenging budget yet as mayor.

In the face of flat AIM funding and rising costs, we are without options.
Now is the time to increase AIM funding and to revive the partnership between the State and the cities.

**Moving Yonkers Forward**

Yonkers has come a long way in the last six years. Yonkers is a city on the move. We are a city that people move to rather than move from, with hundreds upon hundreds of new homes under construction. We are a city that is gaining jobs rather than losing them, as nearly $2 billion in private investment has resulted in hundreds of new permanent jobs.

With the help of our great Governor and the State Legislature, we’ve improved the fiscal outlook of our city and today Yonkers’ bond ratings are the highest they’ve been in a generation. Graduation rates are up, crime is down and people are starting to change the way they view Yonkers.

I look forward in continuing to work with you and Governor Cuomo.

Thank you.