

Resolution – *The Cincinnati Association endorses the Cincinnati Public Schools levy to provide capital funds for technology, textbooks and building maintenance (Issue 32).*

Issue: This is a permanent improvement levy for 7.95 mills. It would provide \$52.45 million annually and cost a \$100,000-home owner about \$243 per year beginning in January 2012.

Discussion: Cincinnati Public Schools (CPS) engaged McKinsey Consulting to identify areas for improvement and efficiency savings, has streamlined central operations, and has undertaken an aggressive cost cutting program in the last several years to deal with declining funding from various government sources. Base salary increases have been frozen, employee’s contributions to healthcare are now 20 percent, and since 2000, more than 1,300 positions have been eliminated and 17 schools closed. This current school year CPS has reduced spending by \$8 million. Additional reductions of \$20 million were made last year and \$11 million in 2009-2010 academic year.

These cuts have been undertaken while improving the quality of education in the district. For two years in a row, CPS is the highest rated major urban district in Ohio. Eighty two percent of schools are rated as Excellent, Effective or in Continuous Improvement and CPS is the first, and only, major urban district to achieve the State’s Effective rating.

CPS has been a leader in educational reform and through its collaborative agreement with the teachers’ union has included multiple measures of student growth and achievement as a 50% component in teacher advancement and pay.

CPS has an operating budget of \$454 million. In FY2011, governmental funding was cut and has accelerated in the last year. In FY2013, CPS expects a total of \$38 million of cuts from various state agencies. These cuts are expected to grow to \$54 million annually or a cumulative total of \$176 million during the five year period from FY2011 through FY2015.

	FY11	FY12	FY13	FY14	FY15	Five Yr Total
State of Ohio		-18.0	-28.0	-39.0	-44.0	-129.0
Hamilton County		-1.0	-1.0	-1.0	-1.0	-4.0
City of Cincinnati	-.7	-1.3	-1.9	-1.9	-1.9	-7.7
Duke Energy Tangible Tax	-7.0	-7.0	-7.0	-7.0	-7.0	-35.0
Total	-7.7	-27.3	-37.9	-48.9	-53.9	-175.7

In addition, CPS will lose \$7.4M million in retroactive payments from a tax exemption granted to the Cincinnati Convention Center in the recent Ohio budget bill.

CPS will use the levy funds, estimated at \$50 million, to relieve the General Fund averting further layoffs (\$30 million) while providing capital funds for 21st century technology for students, textbooks and building maintenance (\$20 million). Funds will be invested in

upgrades to Taft STEM Elementary School in Mt. Auburn, East Side School in Hyde Park and Gamble Montessori High School in Westwood to help save future energy costs.

Issue 32 will continue to strengthen our city and encourage economic development by helping to keep families and attract new residents and businesses who want quality educational options in an urban setting.

Besides COAST, we are not aware of any organized opposition to Issue 32. While we could not find anyone willing to speak to the Education Panel against the levy, we were able to identify several issues that have been raised about the levy, including:

- CPS levy requests should be subject to an independent analysis similar to how county-wide requests are vetted
- CPS has not been clear on how the specific dollars will be spent
- Supporters of the Hyde Park school are being held 'hostage' for passage of the levy
- No CPS levy should be passed until there is an improvement in the percentage of minority contractors on CPS jobs
- CPS needs to embrace charter schools more enthusiastically
- Economic times make it difficult to raise taxes

Recommendation: The Excellence in Education Panel and Executive Committee recommend that the Cincinnati Association endorse the Cincinnati Public Schools levy (Issue 32).