



2016-17 DRAFT BUDGET PROPOSAL



Presentation to the Board of Education
Linda L. Cimusz, Interim Superintendent of Schools
March 14, 2016

Overview of Draft 2016-17 Budget

1. Current status

2. Expenditure and revenue projections

**3. Actions to close the gap and
fund our priorities**

Board of Education Action Plan

District Priorities

Student achievement/
growth

Effective and efficient
allocation of resources

Communication and
customer service

Parental, family and
community involvement

Strengthening management
systems

Academic Priorities

More and Better
Learning Time

Reading by Third Grade

Instructional Excellence

Administrative Actions

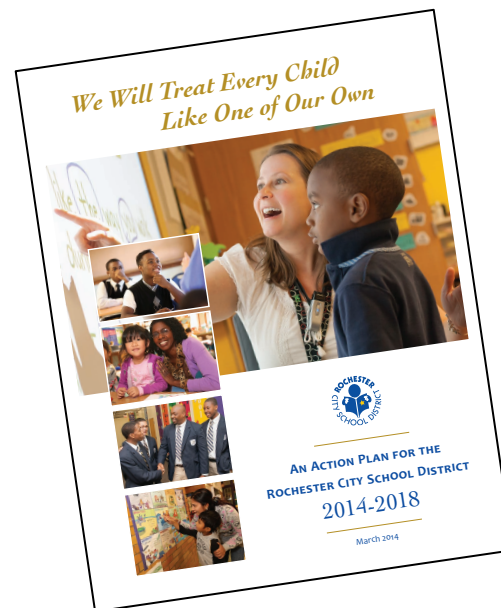
End annual budget
crisis

Colleges will manage
some schools

Revitalize Career &
Technical Education

Engage all
stakeholders to
improve student
behavior

Eliminate summer
learning loss for Pre-
K–3 students



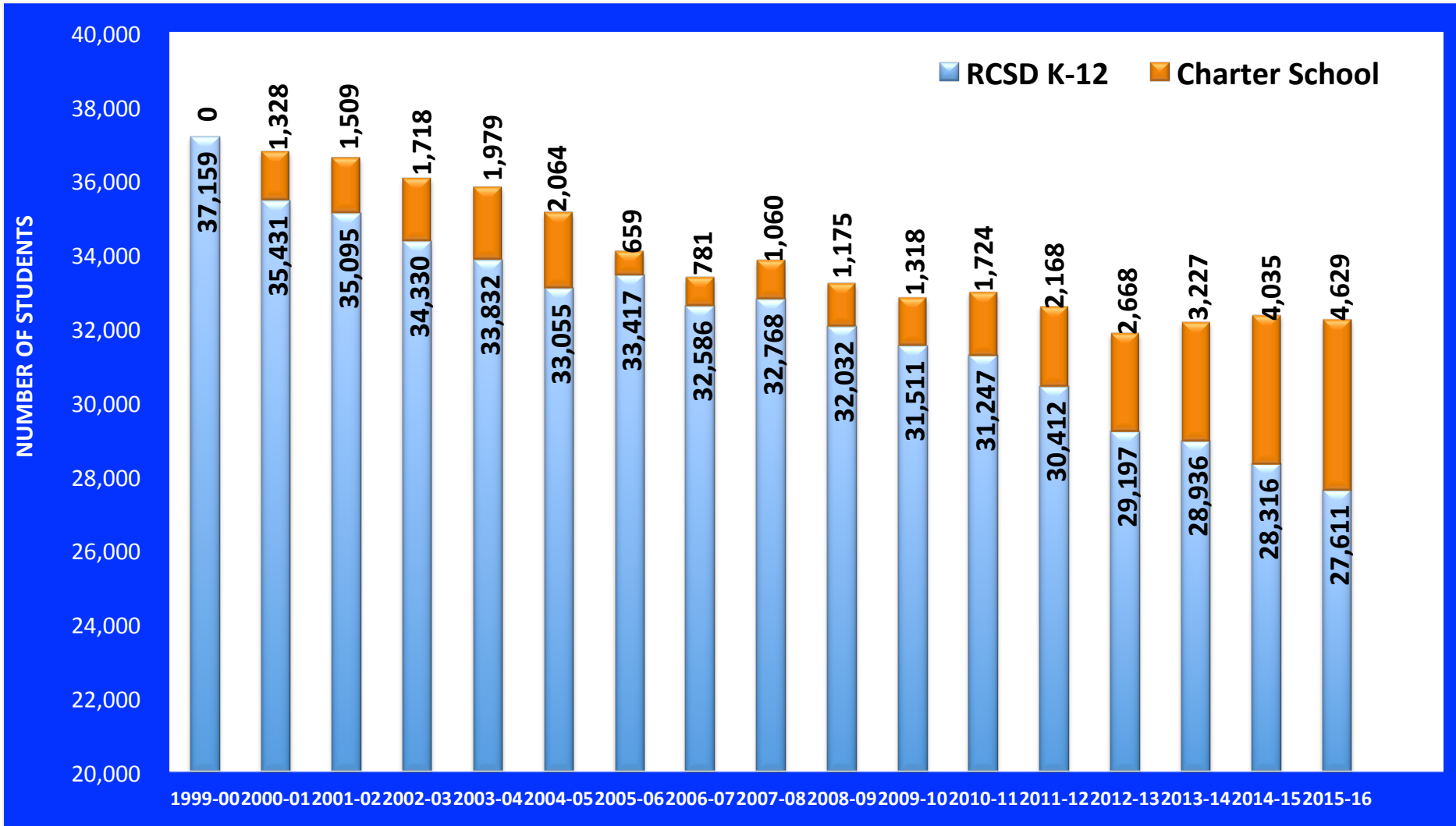
Overview of Draft 2016-17 Budget

- Budget will maintain programs and services at current levels
- Continued support for Receivership and Priority schools
- No new programs or major increases
- Minimal staff reductions
- State revenue projections based on Governor's proposed budget

Student Enrollment Trend

(BEDS Data)

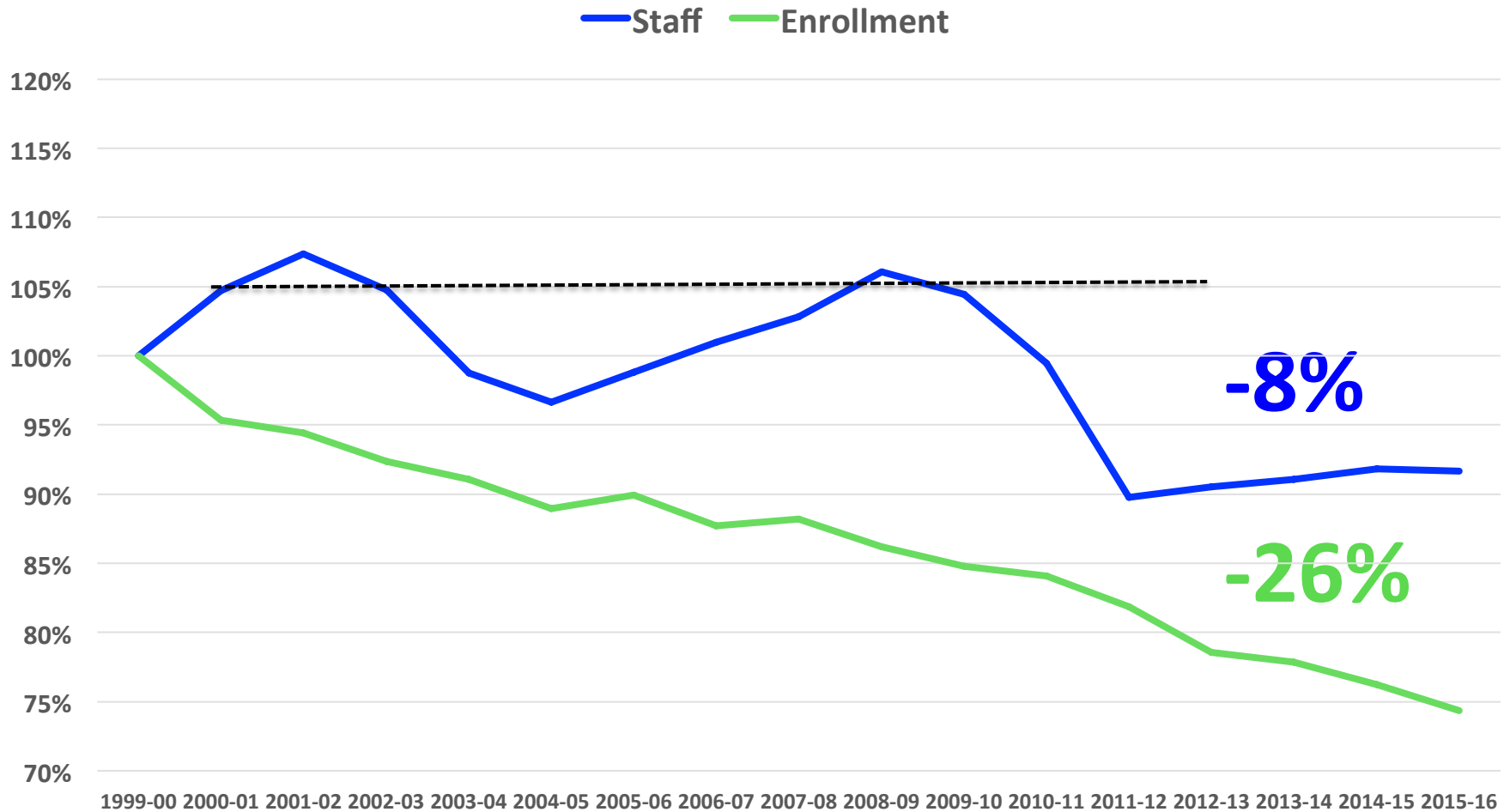
During the past 16 years, the number of K-12 students has decreased by 9,588 students (-26%)



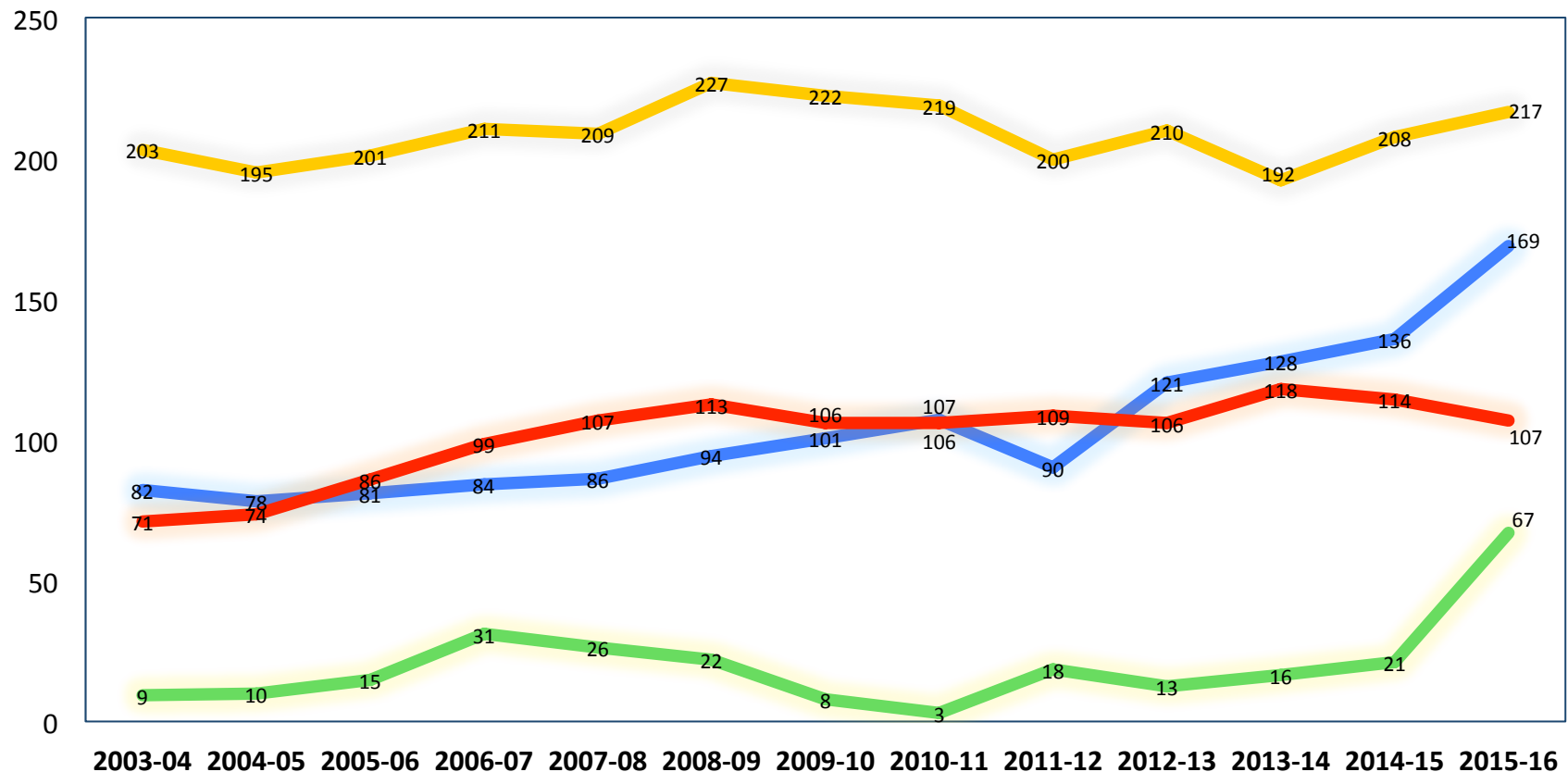
• Student counts do not include Pre-K, private and parochial schools

Match Staff to Student Enrollment

Student enrollment loss is more than three times greater than staff reductions over the past 16 years



Selected Staffing Adjustments to Address Student Needs



ESOL Teachers

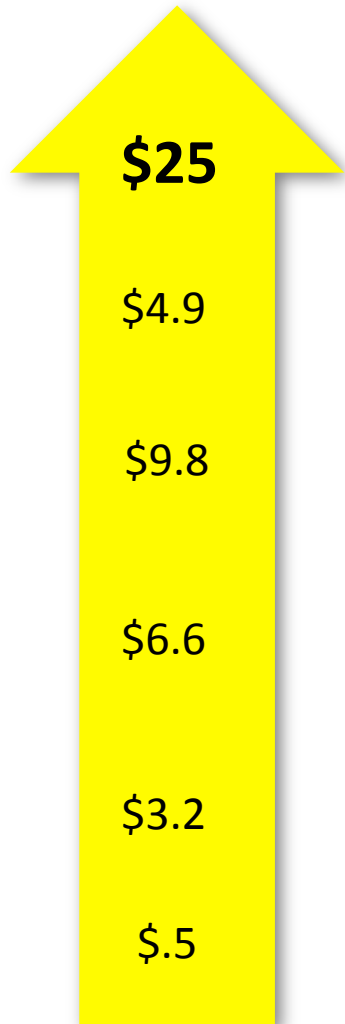
Bilingual Teachers

Counselors, Social Workers & Psychologists

Reading / Literacy

2015-16 Spending Increases

Planned Increases



Actual Increases



**Extended Learning Time,
Summer Learning**

East High EPO

**Instructional Excellence
(IB, ESOL, CTE, Music, Art, Etc.)**

Reading by Third Grade

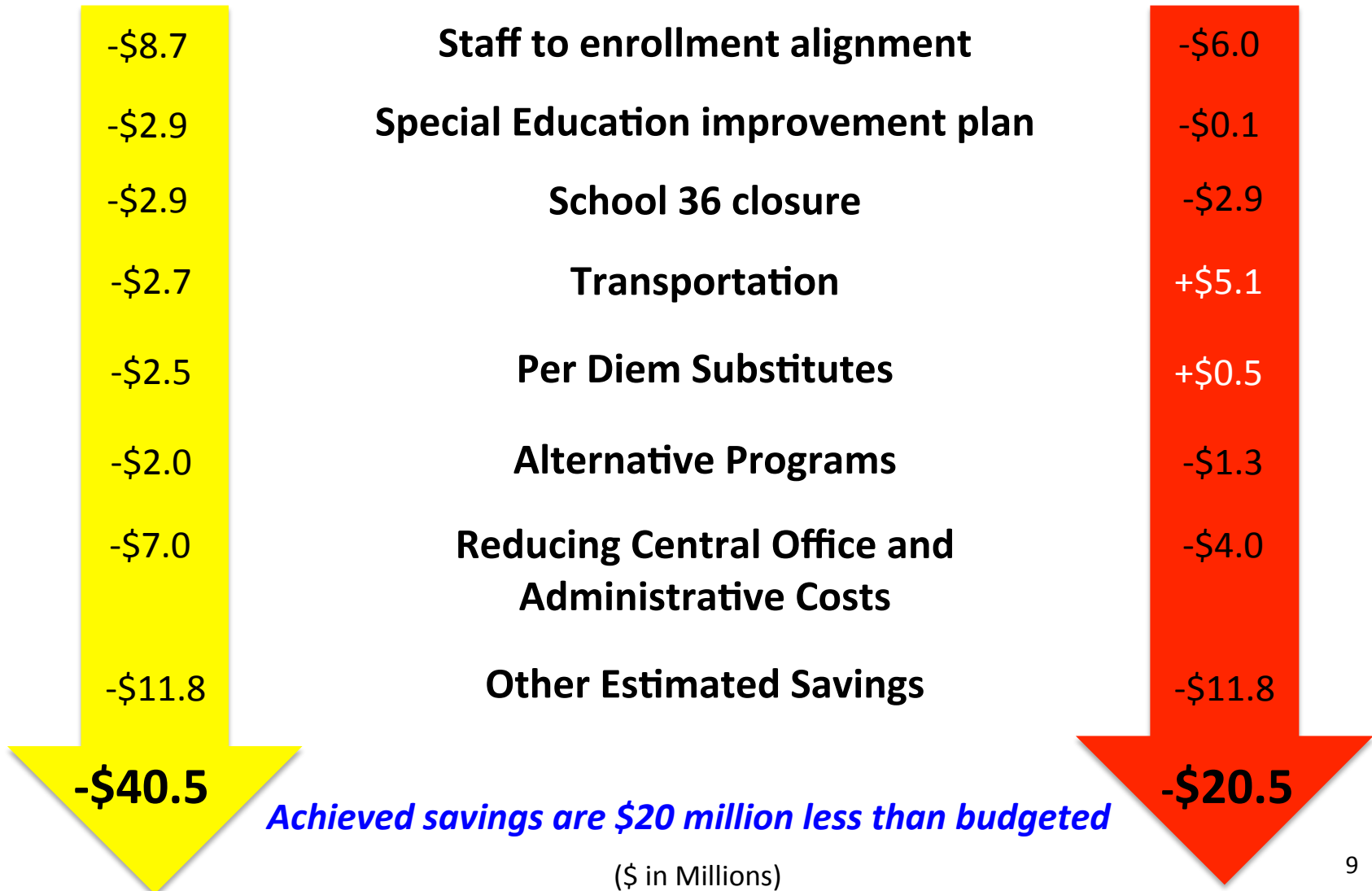
Task Force on School Climate

(\$ in Millions)

2015-16 Spending Reductions

Planned Reductions

Actual Reductions



Actions to Control Current Year Costs

- Reduce use of temporary employees at Central Office and administrative per diem substitutes in schools
- Hiring of staff approved by Superintendent
- Recommend filling non-classroom vacancies only if they are essential to meeting student needs
- Pre-approve and restrict General Fund travel requests
- Review professional development contracts
- Review all outside contracts
- Shift current-year costs to grants where possible



2016-17 Revenue and Expenditure Projections



Changes since December Projection

(Based on Governor's Proposed Budget)

Total Budget Gap for 2016-17 **\$40M**

Adjustments Made:

Applied Additional Fund Balance **-\$5M**

Reduced Expenses **-\$6M**

-Reduce projections for utility/supply costs

-Shift OACES funding to grants

-Leave some vacancies unfilled

and reduce some non-classroom positions

-Lower benefit projections

Reduced Contingency **-\$5M**

Updated Budget GAP **\$24M**

2016-17 RCSD Program Priorities

Board of Education work session November 5, 2015

- ✓ Recommend a moratorium on new programs and initiatives. Focus on evaluating efficacy of existing programs and strategies for improvements
- ✓ Recommend a moratorium on the expansion of expanded learning schools. Evaluate the effectiveness of programs. Learn from the past implementation in various schools
- Ensure adequate funding for schools required to make demonstrable improvement in 2016-17 to avoid independent receivership
- ✓ Support UPK for 3 year-olds
- Fund implementation of school climate improvements
- ✓ Fund Special Education
- Fund health services

2016-17 RCSD Fiscal Priorities

Board of Education work session November 5, 2015

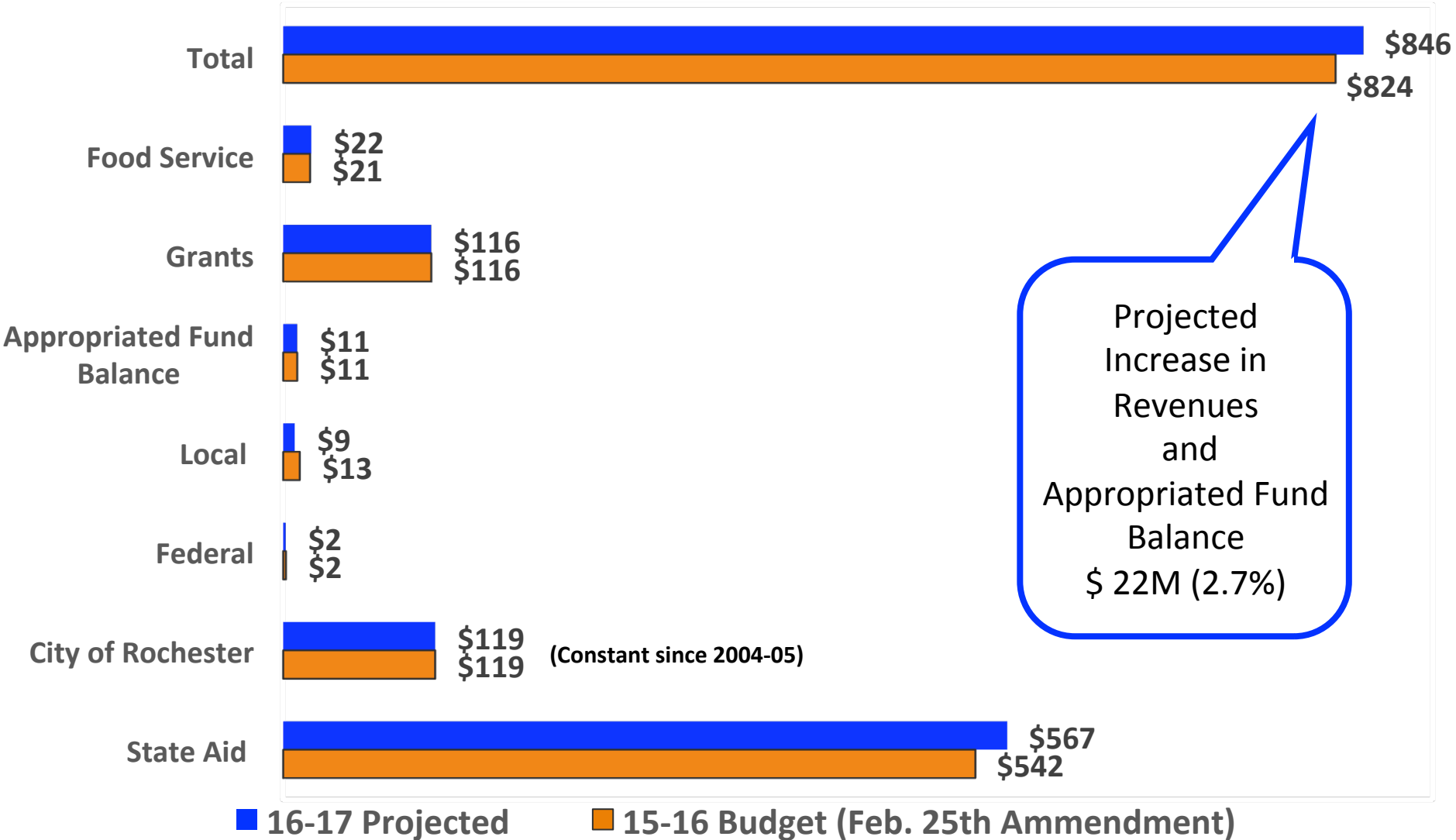
- ✗ Ensure that sufficient contingency funds and unassigned Fund Balances are allocated
- Continue to address the District's structural budget gap
- ✓ Identify opportunities for cost savings – transportation
- Identify efficiencies - the community schools model
- Identify efficiencies for making families the focus of support
- ✓ Examine the fiscal impact of the FMP and planning for Phase II
- ✓ Examine the fiscal impact of Smart Schools Bond funding
- ✓ Restrict funds for health care rate stabilization payouts

Major Changes in Revenues

Foundation Aid	\$8M
<i>-Half of Dec. 2016 projection</i>	
Community School Aid	\$8M
<i>-Not included in Dec. 2016 projection</i>	
Expense-Based (Reimbursable) Aids	\$9M
<i>-Improved recovery of CTE funds and reimbursements for higher transportation costs</i>	
Other Changes	\$-3M
Increase in Revenues	
<i>(Based on the Governor's Proposed Budget)</i>	\$22M

(\$ in Millions)

Projected 2016-17 Revenues

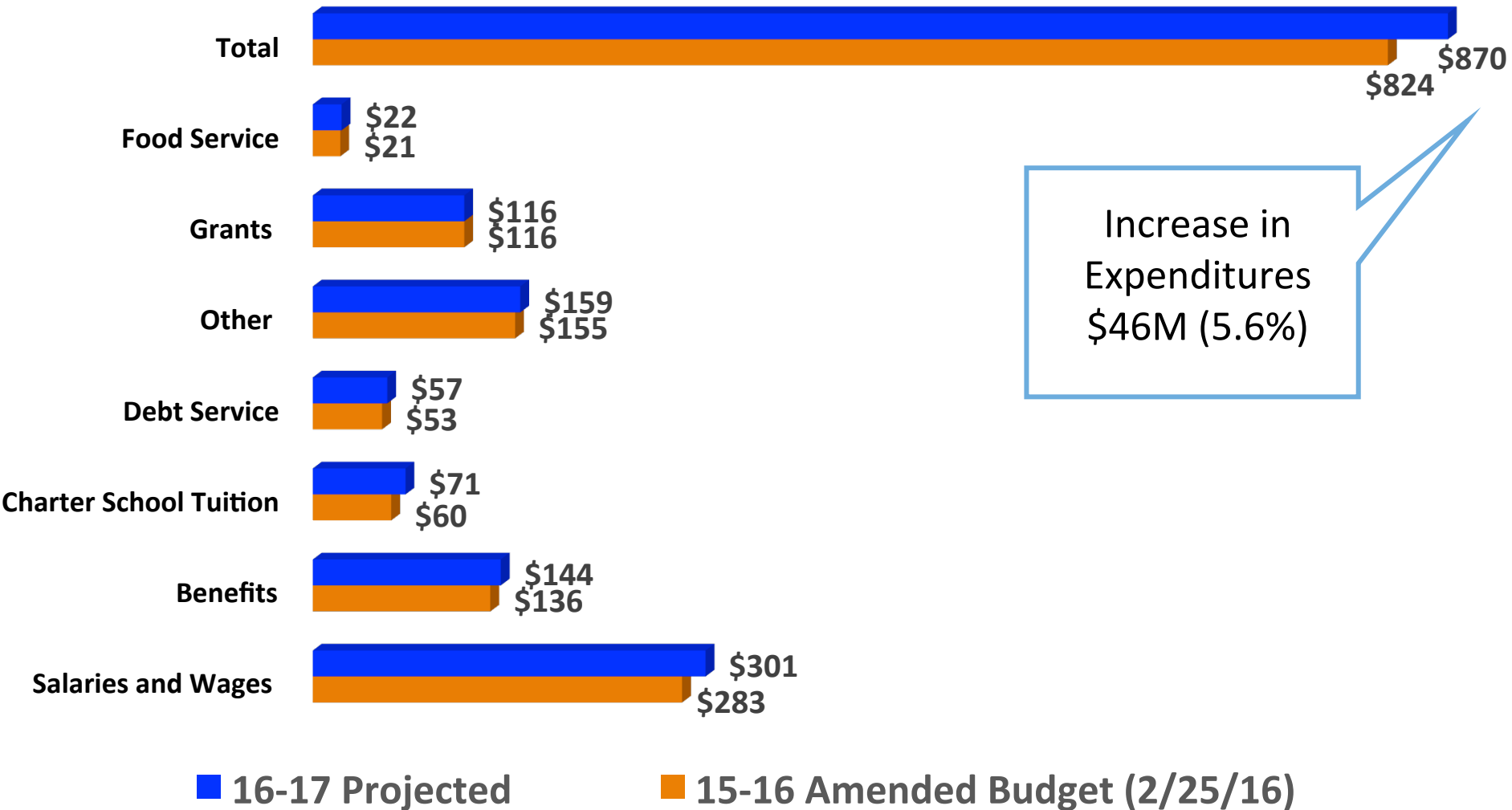


(\$ in Millions)

Major Increases in Expenditures

Employee Salaries	\$ 18M
Benefits	\$8M
Charter School Tuition	\$11M
Cash Capital	\$4M
Debt Service	\$4M
Other <i>(Contracts/instructional supplies/facilities/BOCES)</i>	\$1M
Total Increase in Expenditures	\$46M

Projected 2016-17 Expenditures



(\$ in Millions)

Budget Categories Under Review

- Travel and meal expenses
- Professional development
- Curriculum writing and development
- Field trips
- Transportation
- Summer learning
- Equipment

Beginning in 2016-17, we will track and distribute these funds from District-wide budget lines instead of splitting costs across multiple departments

Summary of the 2016-17 Budget GAP

Total Increase in Revenues	\$22M
Total Increase in Expenditures	\$-46M
BUDGET GAP	\$-24M

Our challenge is to close the gap and fund our priorities



*Actions to close the Gap and
Fund our Priorities*

Additional Increase in State Aid

- Gov. Cuomo's proposal includes \$900M increase statewide for public schools in 2016-17, \$25M for Rochester
- Assembly proposal is \$2.1B statewide
- Senate proposal is pending
- RCSD Leadership Team has testified before joint finance and education committees, participated in lobby days, met one-on-one with local legislators
- Consensus is that there will be a significant increase in school aid over the Governor's proposal
- Likely increase for RCSD is between \$10 and \$20 million
- Once an agreement is reached we will revise the District's 2016-17 projections

Other Actions to Close the Gap

- Reduce current vacancies in non-essential positions
- Minimal position reductions
- Reduce vendor contracts/other expenses
- Shift appropriate expenses to grant funding

Proposed Budget Development Timeline

March 14, 2016

- Interim Superintendent presents draft budget to Board of Education

March/April 2016

- Board of Education conducts budget meetings (All 6 pm at CO)

Public Hearings	Deliberations
March 22	March 29
April 14	April 12 and April 26

May 10, 2016

- Board of Education scheduled to adopt 2016-17 Budget, then transmit adopted budget to City Council and Mayor

June 14, 2016

- City Council scheduled to approve 2016-17 Adopted Budget



Thank you for your continued support



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