



Budget Overview 2015-16

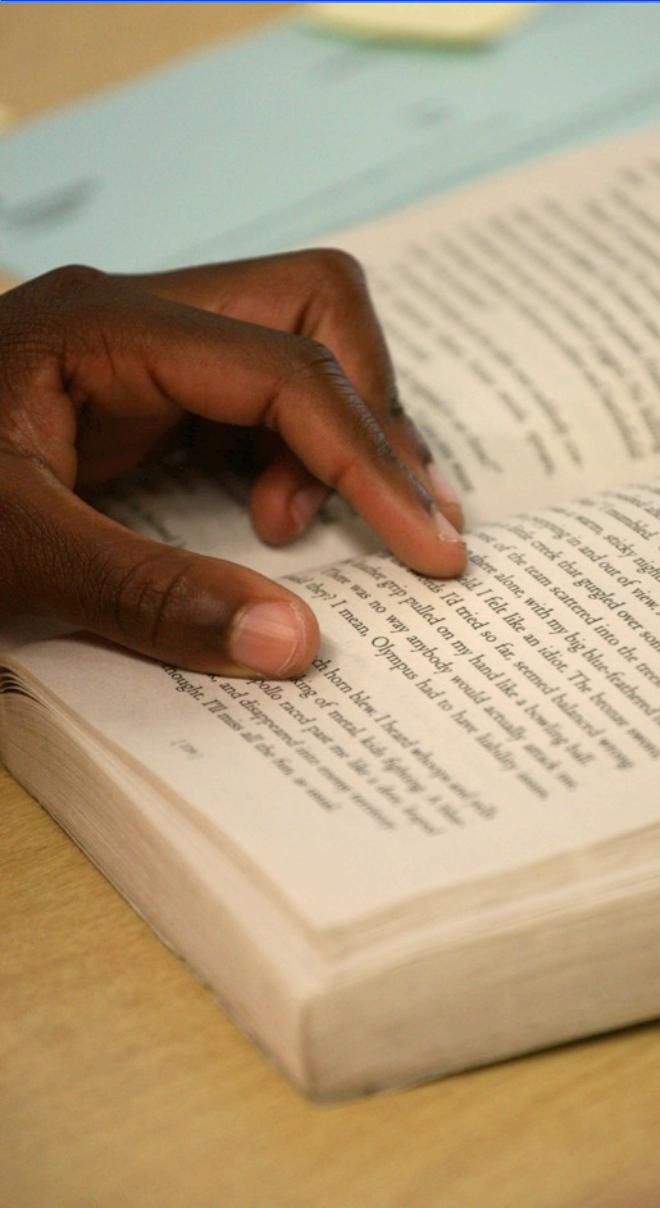


Presentation to the Board of Education
Dr. Bolgen Vargas, Superintendent of Schools
December 18, 2014

Action Plan to Improve Student Achievement

District Goals	Academic Priorities	Administrative Actions
Student achievement/ growth	More and better learning time	End annual budget crisis
Parental, family and community involvement	Reading by third grade	Colleges will manage some schools
Communication and customer service	Improved instruction	Revitalize CTE
Effective and efficient allocation of resources		Engage all stakeholders to improve student behavior
Strengthening management systems		Eliminate summer learning loss for Pre-K–3 students

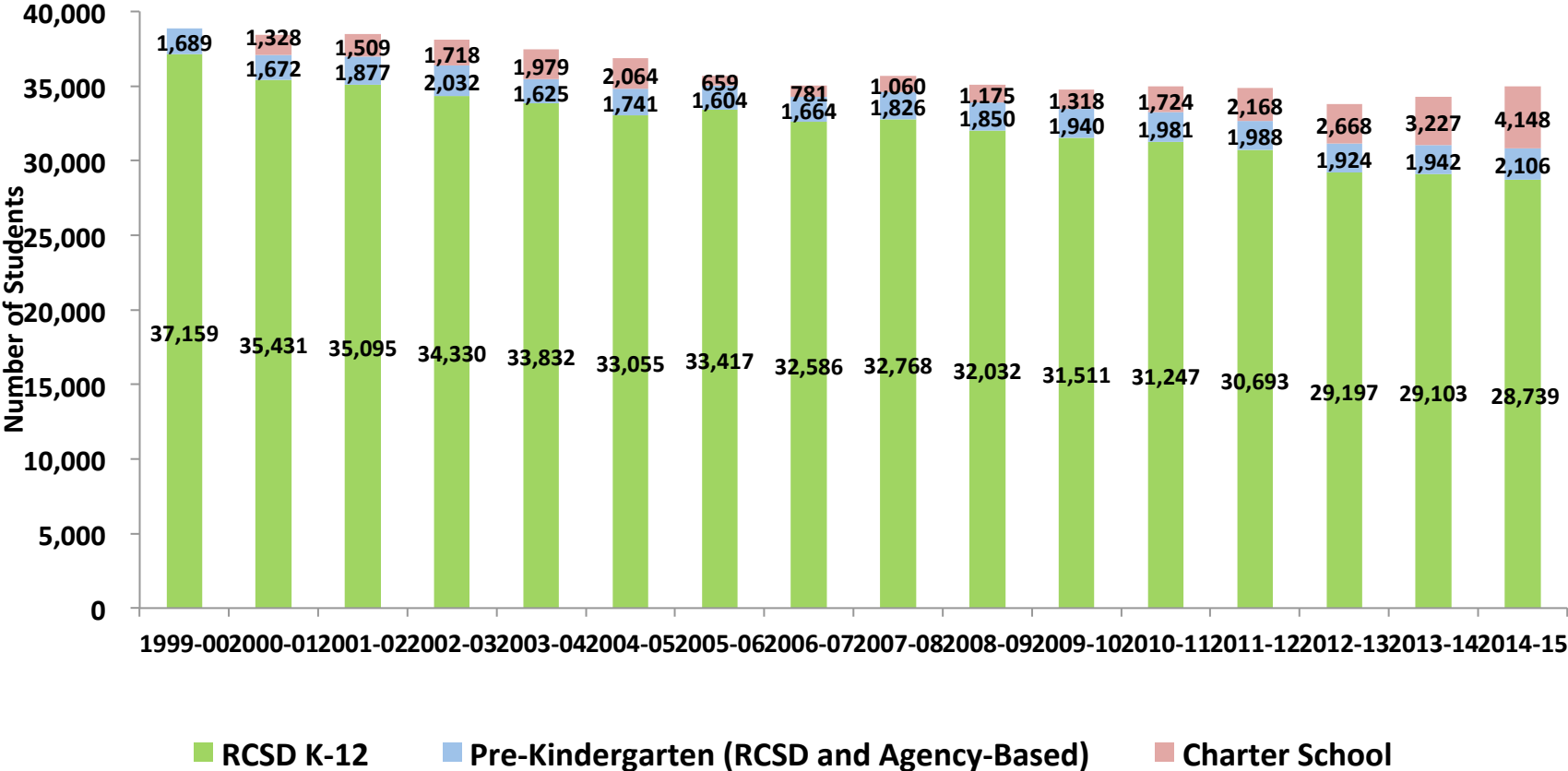
Budget Process Goals



- Fund our priorities and invest in student achievement
- Maintain stability for students, families and staff
- Improve transparency
- Continue to eliminate the structural budget gap

Student Enrollment Trend (BEDS Data)

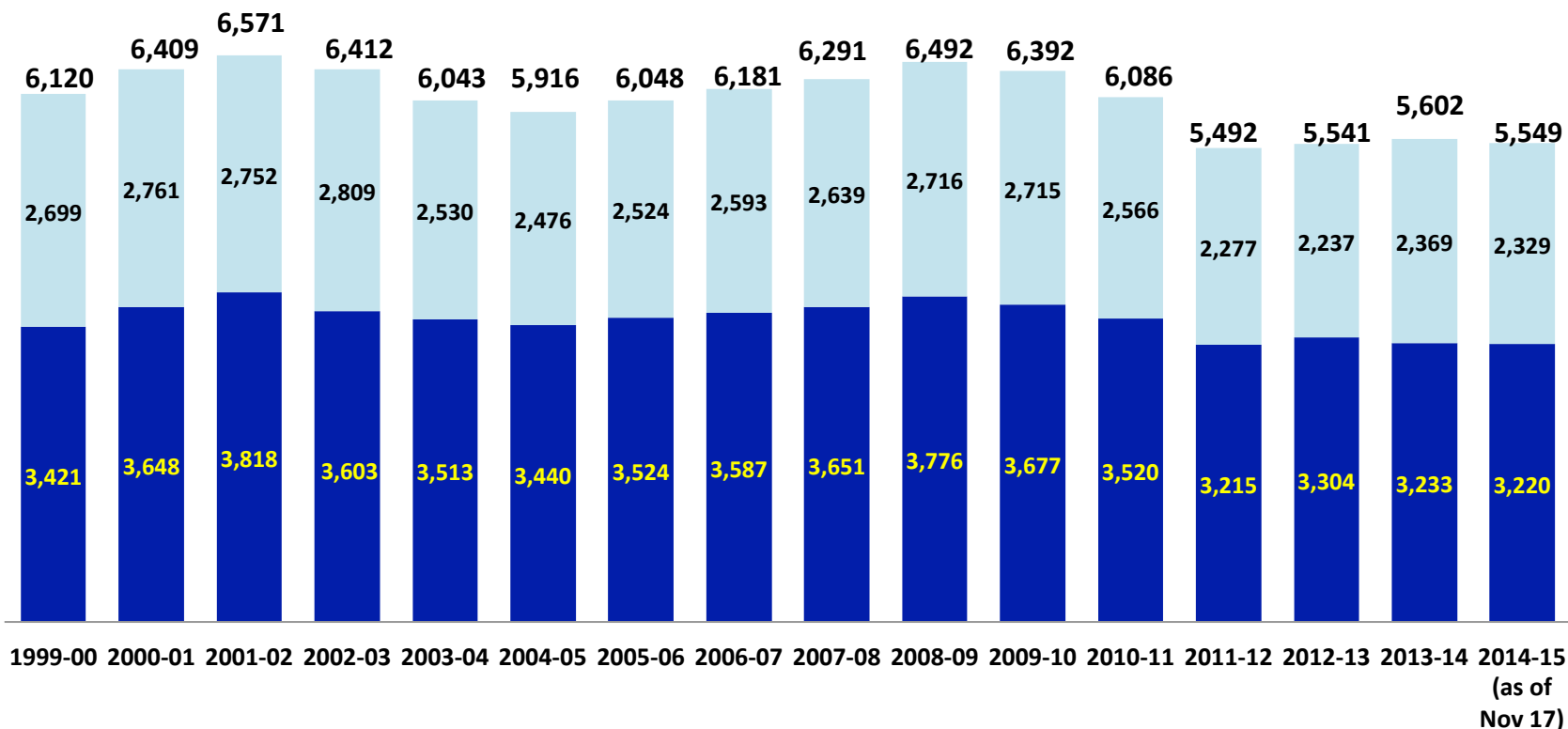
Over the past 15 years, RCSD K-12 enrollment has decreased by 8,420 students (-23%)
 Over the past two years, the total number of City K-12 students has increased by 1,022 (+3%)
 - Charter school students: +1,480
 - District K-12 students: - 458



- Student counts do not include private and parochial schools
- 2014-15 enrollment is based on preliminary NYSED BEDS data—last updated Oct. 24

District Staff: Full-Time Equivalents (FTE)

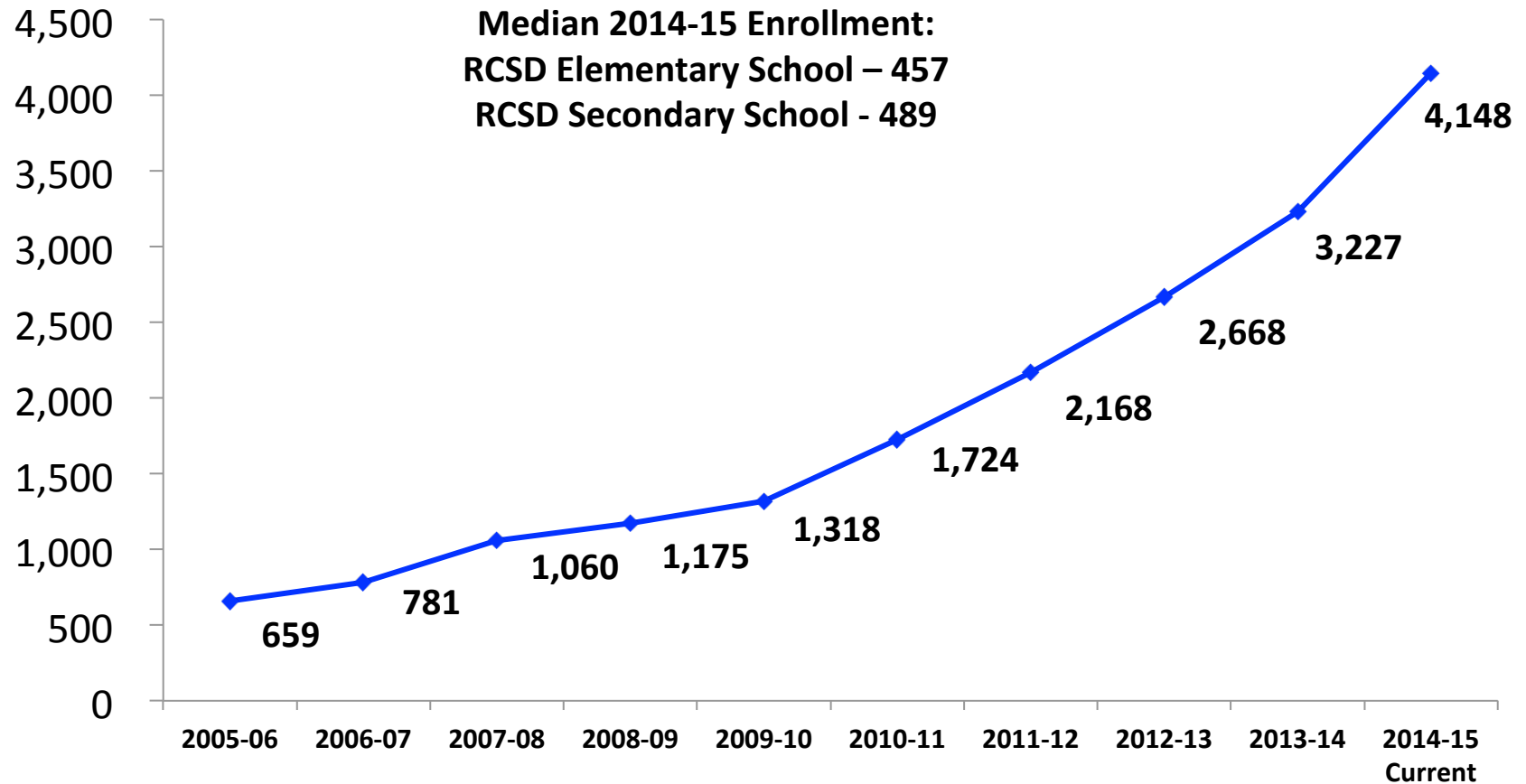
Over the past 15 years, RCSD K-12 enrollment has decreased by 8,420 students (-23%)
 Over the past 15 years, the number of RCSD staff has decreased by 571 (-9%)



- All Non-Teaching Staff (administrators, paraprofessionals, teaching assistants, and civil service)
- Teachers (certificated teaching staff, including librarians, social workers, counselors, psychologists and instructional coaches)

Charter School Enrollment Trend

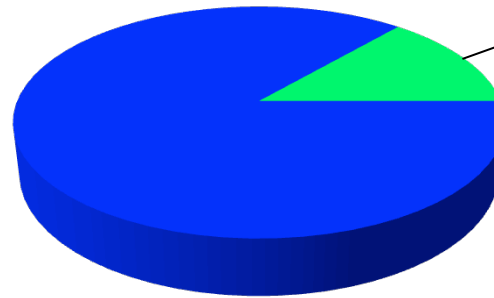
There are six times as many charter school students in 2014-15 as in 2005-06



Facility Capacity

Elementary Schools

**Total Current Capacity of
Elementary Buildings:
21,215**

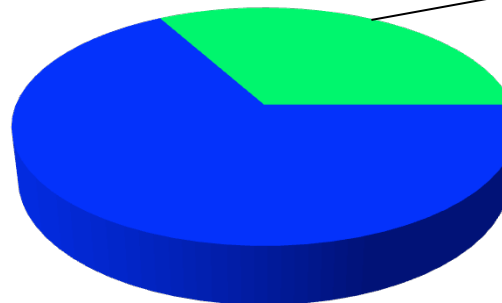


**Excess Capacity
2,889
14%**

**Elementary Student
Enrollment (includes
District Pre-K)
18,326
86%**

Secondary Schools

**Total Current Capacity of
Secondary Buildings:
16,660**



**Excess Capacity
5,515
33%**

**Secondary Student
Enrollment
11,145
67%**

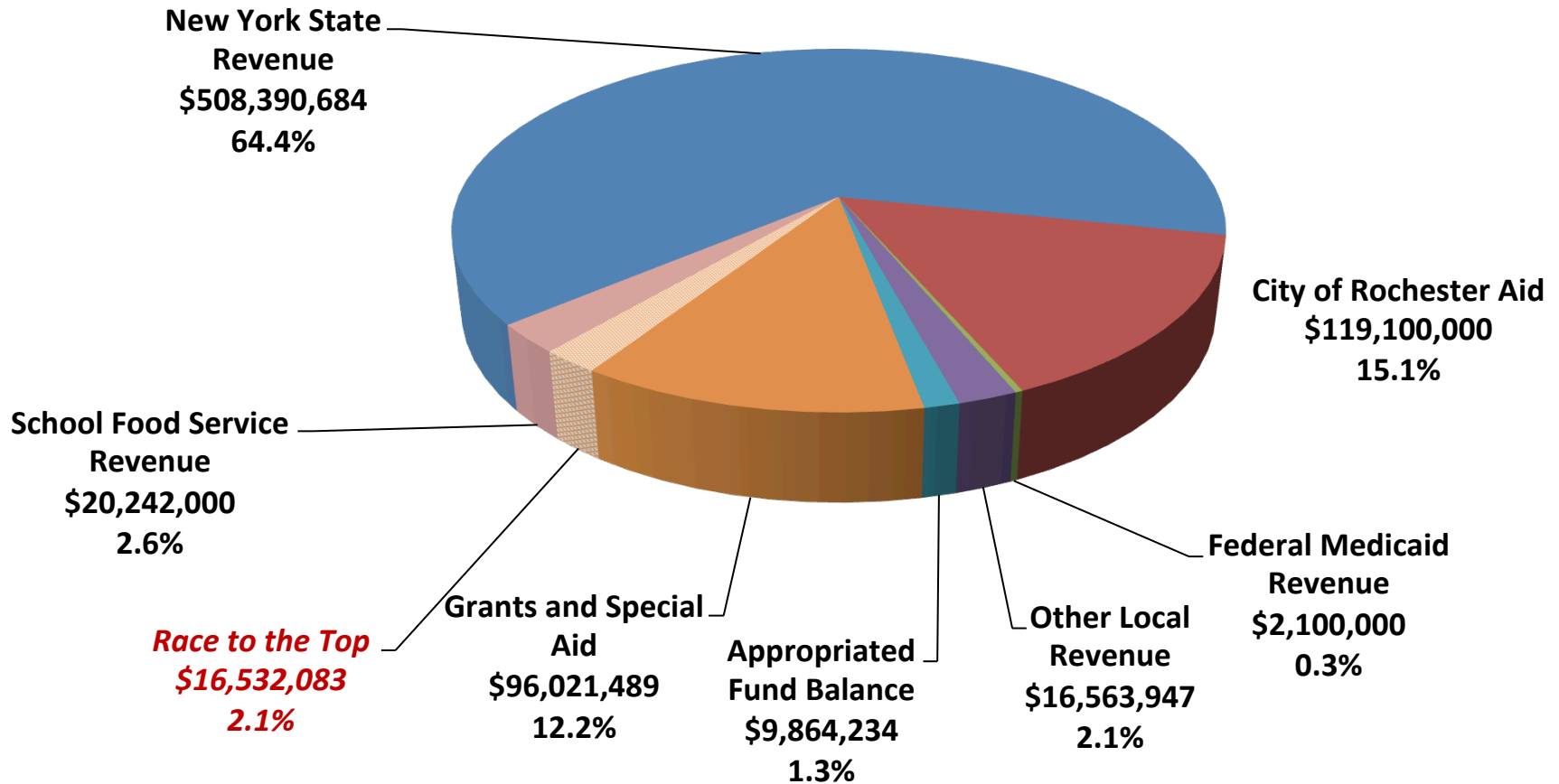
Total capacity: 37,875 students
Total enrollment: 29,471 students
Total excess capacity: 22%

Status of Board-Approved School Closures To Adjust for Declining Enrollment

School	School Location	School Year	Description	BOE Resolution Number	BOE Resolution Date
School #6 Dag Hammarskjold	595 Upper Falls Blvd.	2012-13	Program closed in 2012-13. The School #6 facility is currently used as flexible space to temporarily house other programs during renovations (<i>327 students</i>)	2011-12: 381	Nov. 21, 2011
School #30 General Elwell S. Otis	36 Otis St.	2013-14	Program closed in 2013-14. School #54 was permanently relocated from leased space at 311 Flower City Park to the School #30 facility. The lease on the former School #54 building was terminated at the end of the 2012-13 school year. (<i>378 students</i>)	2012-13: 542	Mar. 28, 2013
Austin St. Lease Terminated, no programs closed	2 Austin St.	2014-15	The lease of the Holy Apostles School building on Austin Street was terminated at the end of the 2013-14 school year. This facility was used to house part of STEM HS, which will move back to the Edison Campus. The net savings is \$11,960 (the annual cost of the lease was \$136,425, but \$124,465 was reimbursed by State Aid).	2014-15 Budget Resolution	May 2014
School #44 Lincoln Park School	820 Chili Ave.	By 2020-21	School #44 is authorized by the Board to close by 2020-21. <i>PreK, 1-6: 286 students</i>	2013-14: 59	July 29, 2013
School #36 Henry W. Longfellow	85 St. Jacob St.	By 2015-16	School #36 is authorized by the Board to close by 2015-16. <i>PreK-6: 413 students</i>	2012-13: 542	Mar. 28, 2013
School #25 Nathaniel Hawthorne	965 N. Goodman St.	By 2016-17	School #25 is authorized by the Board to close by 2016-17. <i>PreK-6: 322 students</i>	2012-13: 542	Mar. 28, 2013
School #22 Abraham Lincoln	27 Zimbrich St.	By 2020-21	School #22 is authorized by the Board to close by 2020-21. <i>PreK-6: 590 students</i>	2012-13: 542	Mar. 28, 2013

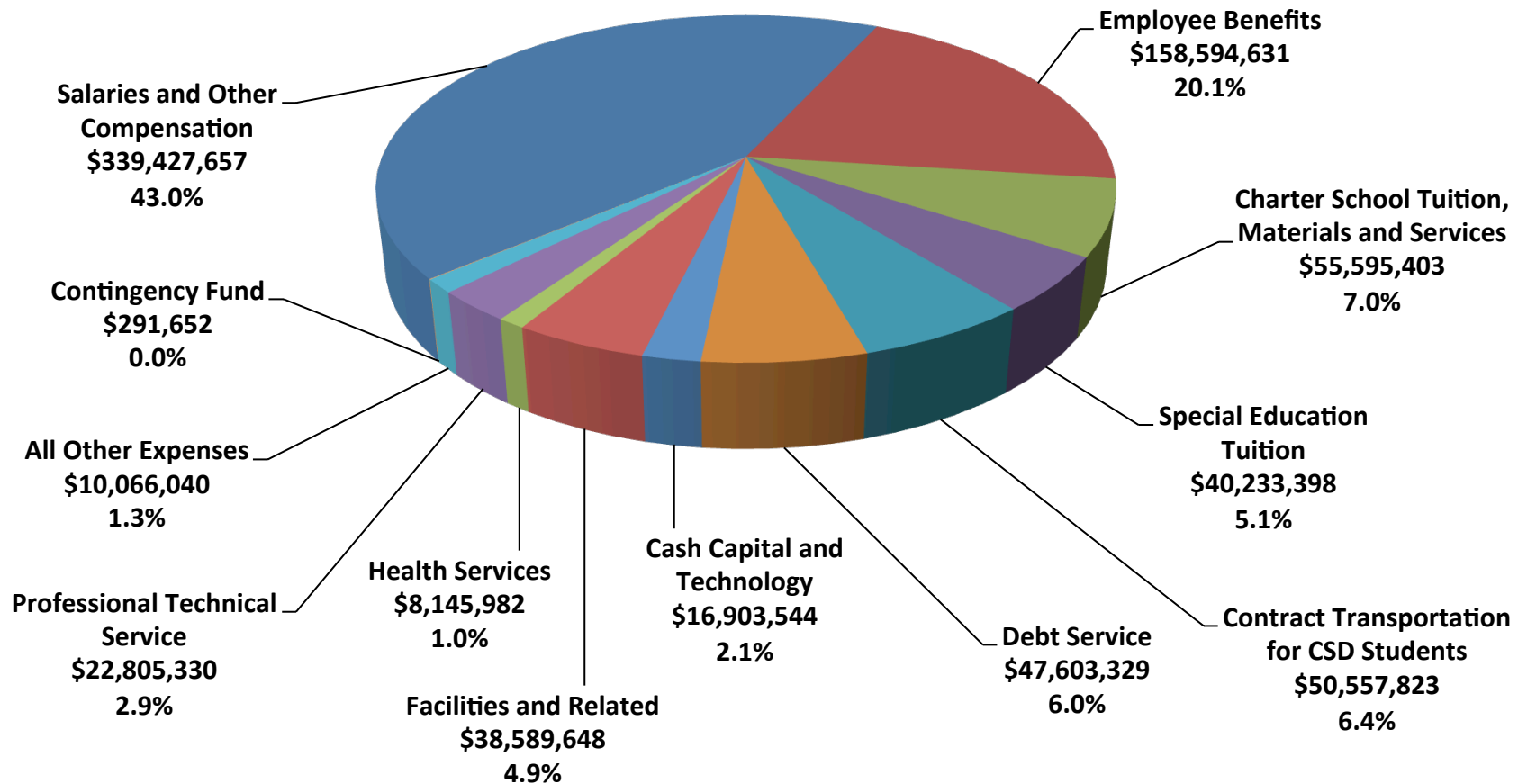
2014-15 Budget - Revenue

2014-15 Total Revenue (Proposed Amendment) \$788,814,437



2014-15 Budget - Expenditures

2014-15 Total Expenditures (Proposed Amendment) \$788,814,437



Actions to Control Current Year Costs

- Restrict the use of per diem substitutes at Central Office
- School budgets adjusted mid-year to match student enrollment
- Superintendent must approve the hiring of any staff except for classroom teachers
 - Position control committee will recommend filling non-classroom vacancies only if they are essential to meeting student needs
 - There are currently 60 teaching vacancies (FTEs)
 - There are currently 120 non-teaching vacancies (FTEs)
- Superintendent must pre-approve travel requests to be paid from the District's General Fund; restrictions on all staff travel are being implemented

2015-16 Budget Planning—Key Considerations

- Continue to fund academic priorities
 - More and Better Learning Time
 - Reading by Third Grade
 - Instructional Excellence
- Improve Secondary Schools - University of Rochester will manage East, Wilson IB for All, Edison redesign, Leadership Academy support
- Continue Facility Modernization Plan— *signed by Governor Dec. 17*
 - Execute Board-approved school closures
 - Complete Phase 1 (\$325 million) and begin Phase 2 (\$435 million)
- Continue to close the structural budget gap, and retain essential services despite Federal budget cuts
- Close low performing schools and invest in schools showing good or improving performance

2015-16 Key Financial Assumptions

Revenue		Expenses	
NYS Foundation Aid:	+3% (+\$10.9 M)	Salaries:	
		BENTE and RAP agreement	+2.5%
		Other	TBD
NYS Formula Aid:	+3%	Retirement – percent of salaries	
		TRS - Stable Contribution Rate – 16.13%	
		ERS - Partial Amortization – 15.90%	
NYS Building Aid:	+2%	Health Insurance:	+9%
Based on project schedule			
City of Rochester:	flat (\$119.1 M)	Charter School Tuition:	+19%
		Budget Contingency:	\$5 M
Grant Funding:	-17%	Grant Expenses:	-13%
Eliminated as grants conclude (i.e., \$10 million reduction in Race to the Top)		Most grant-specific expenditures eliminated as grants conclude (i.e., TIF stipends, Instructional Coaches)	

Key Drivers of 2015-16 Budget Gap

General Fund	\$36.3 M
Charter School Tuition (723 additional students)	\$9.7 M
Employee Salaries	\$6.5 M
Retirement Benefits	\$6.2 M
Health and Dental Insurance	\$5.9 M
Transportation Contracts	\$3.4 M
Budget Contingency Restored to \$5 million	\$4.7 M
Net of All Other General Fund Changes	-\$0.1 M
Special Aid Fund	\$4.2 M
Title I Funded Activities Shortfall	\$2.0 M
Net of All Other Special Aid Fund Changes	\$2.2 M
Projected Gap	\$40.5 M

Academic Priorities

Additional Funding for Academic Priorities	\$15.0 M
Reading by third grade	
Improved instruction	
Expanded learning time, addressing summer learning loss	
Additional investments requested by the EPO for East High School (preliminary estimate)	\$10.4 M
+ Projected Gap	\$40.5 M
Total Budget Challenge for 2015-16	\$65.9 M

Our challenge is to close the gap and fund our new priorities

Proposed Actions to Meet Our Challenge

Action	Goal
Additional grant revenue and state aid	\$15.0 M
Reduce Central Office and administration	\$15.0 M
Match school staff to accurate student enrollment <ul style="list-style-type: none">• Maintain a hiring freeze on non-essential positions	\$8.0 M
Align Special Education services to ensure student success	\$7.5 M
Partner with bargaining units to limit growth in health insurance	\$5.0 M
Execute Board closure plan	\$4.5 M
Begin to close Charlotte High School	\$4.0 M
Redesign Secondary Alternative Programs	\$2.0 M
Defer IT cash capital due to the availability of Smart Schools bond resources	\$1.5 M

Proposed Actions to Meet Our Challenge

Action	Goal
Reduce absenteeism and substitute costs, including administrators	\$1.5 M
Reduce professional services and contracts	\$1.0 M
Expand online credit recovery to advance secondary students with their cohort	\$1.0 M
Increase utilization rate for Advanced Placement courses	\$1.0 M
Reduce employee vacation cash-out and increase control of employee leave balances	\$0.7 M
Reduce employee travel, conferences, and overtime	\$0.4 M
Reduce purchases of office furniture	\$0.1 M
Total	\$68.2 M

The total 2015-16 Budget Challenge is \$65.9 million

- \$40.5 million gap***
- \$25.4 million additional investments***

Funding A New Era in Student Achievement

Together We Have Accomplished Much in Three Years

- Students no longer receive the least instructional time
 - Strong growth in mathematics proficiency in elementary grades
 - Documented student growth in reading levels
 - Graduation rates showing steady increase – *2014 rate of 51% was confirmed by the State today - our highest rate in 5 years despite higher standards*
- \$136 million in budget gaps closed while increasing stability
 - \$46 million in budget efficiencies
 - Minimal layoffs, eliminated phase-in phase-out schools
- Provided more support to schools and students



Music teachers



Sports programs



Art teachers



Social workers



Reading teachers (from 0)



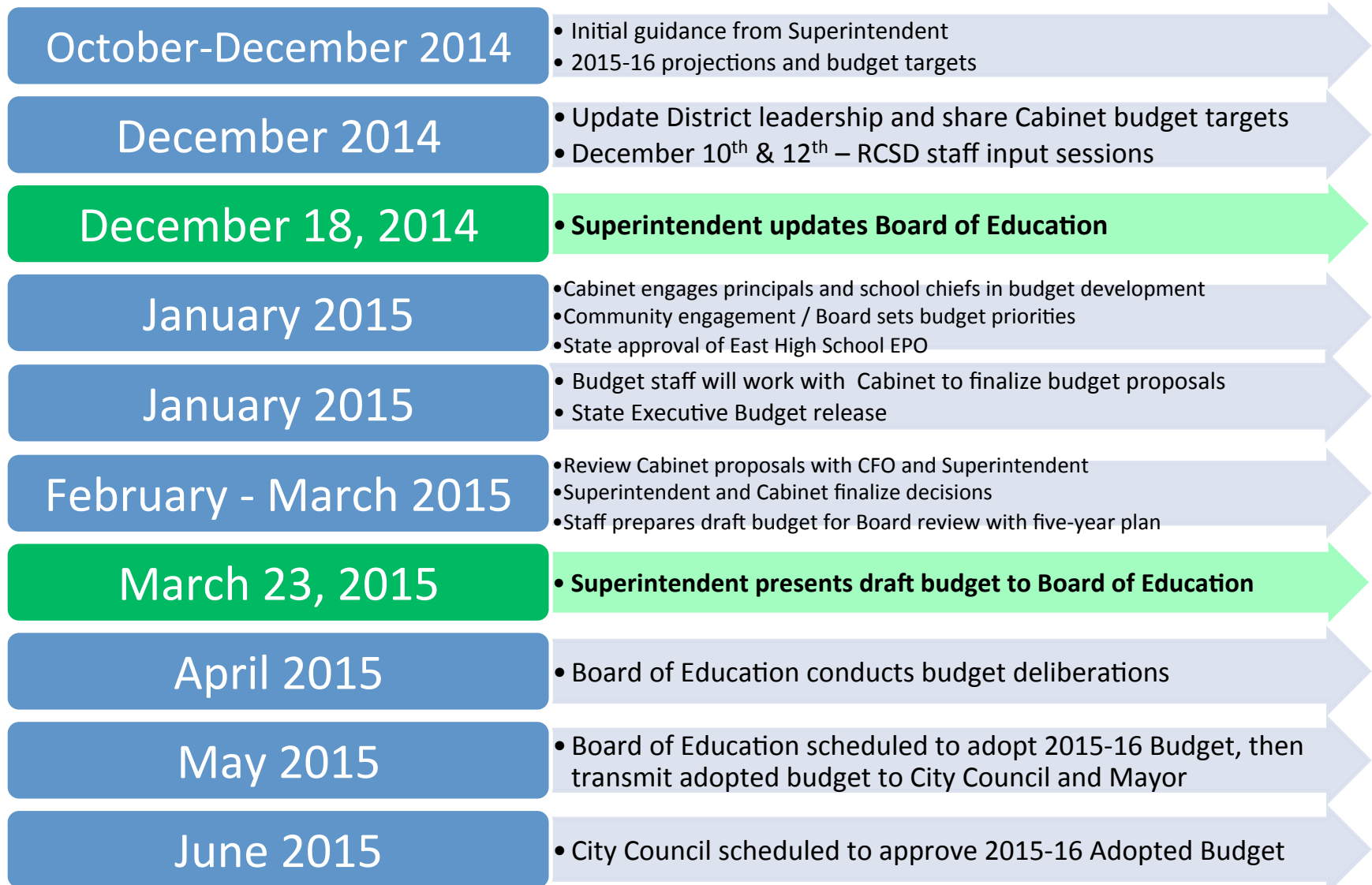
Librarians

Funding A New Era in Student Achievement

We Will Continue to Improve in 2015-16

- Reading teacher in every elementary school
- Maintain or expand art, music, sports, and social emotional support
- Expanded learning time for at least 3 new schools (#8, #19, and #41 in planning)
- Expand summer learning
 - Increase academic and enrichment programs to serve 12,500 students (+25%)
 - Summer jobs for at least 100 additional students
- Expand opportunities for secondary students
 - Career Pathways implementation / Edison redesign
 - Wilson IB for all
 - East High School EPO
 - Increase student support at Leadership Academy for Young Men
 - Increase support for student reading
- Improve Special Education services
- Enhance technology and security through Smart Schools Bond Act

Engaging our Board and Community





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Appendix: Charter School Students by Grade

Grade	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Change from 2009-10
K	114	200	238	199	358	447	333
1	115	201	240	243	251	391	276
2	113	116	242	241	253	296	183
3	114	118	116	251	235	255	141
4	115	106	114	102	233	235	120
5	178	195	280	303	284	422	244
6	176	172	192	266	285	300	124
K-6 Subtotal	925	1,108	1,422	1,605	1,899	2,346	1,421
7	171	275	271	294	373	464	293
8	142	213	250	260	323	394	252
9	44	52	111	159	236	457	413
10	36	49	45	221	233	221	185
11	0	29	39	94	91	184	184
12	0	0	23	33	72	82	82
7-12 Subtotal	393	618	739	1,061	1,328	1,802	1,409
Unknown	0	(2)	7	2	0	0	0
Total	1,318	1,724	2,168	2,668	3,227	4,148	2,830

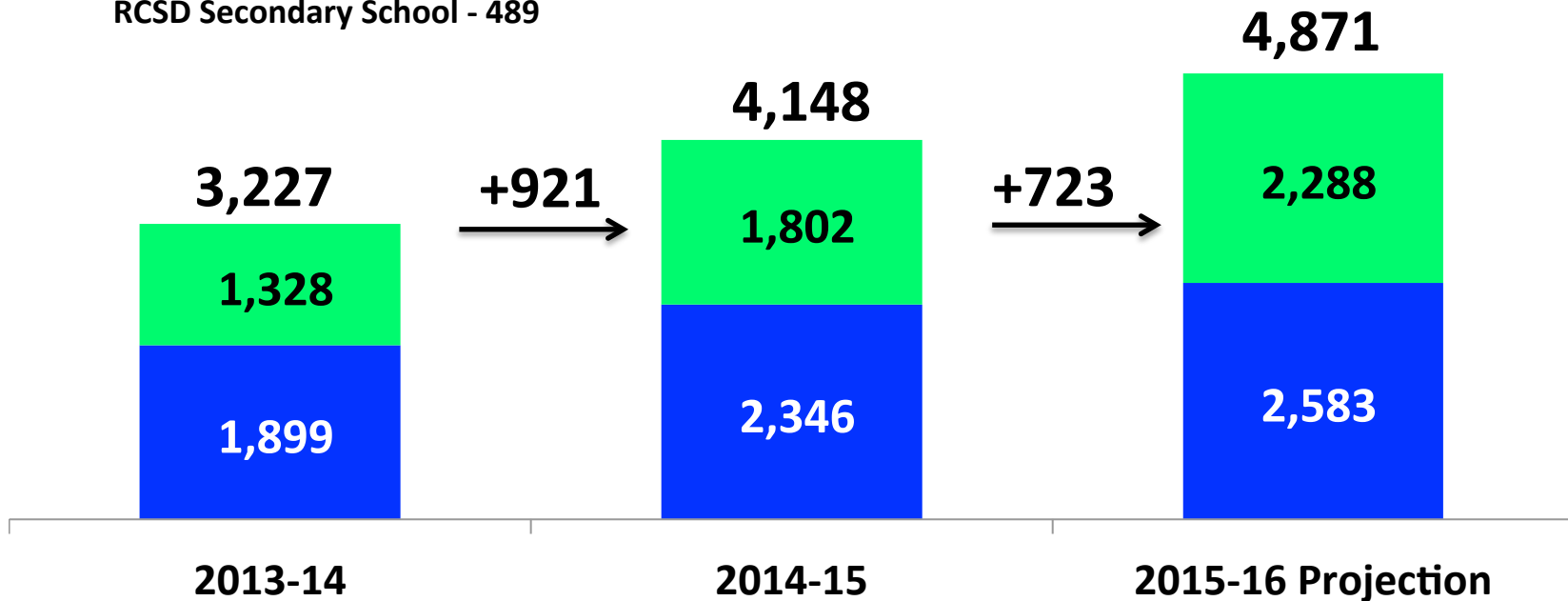
Data based on reconciliation of charter school enrollment as reported in PowerSchool (Chancery) with figures provided by charter school business offices. These figures represent year-end reconciliation for 2009-10, 2010-11, 2012-13, and 2013-14; the sixth (final) payment for 2011-12; and the third (November) payment for 2014-15.

Appendix: Charter School Students by Grade

Projected increase of 1,644 charter school students over two years

Median 2014-15 Enrollment:
RCSD Elementary School – 457
RCSD Secondary School - 489

■ Grades K-6 ■ Grades 7-12



The following assumptions are built into the 2015-16 enrollment projection:

- Tuition payment of \$12,340 per student plus an average of \$7,700 more for each Special Education student.
- Eugenio Maria DeHostos, which currently serves grades K-8, opens a high school in 2015-16
- Of the remaining 12 other existing charter schools, True North, Discovery, Rochester Career Mentoring, Young Women's College Prep, Vertus, Renaissance Academy, and PUC Achieve will continue to add grade levels as planned