2016-17 DRAFT BUDGET UPDATE

Presentation to the Board of Education
Linda L. Cimusz, Interim Superintendent of Schools
Lauren Poehlman, Chief Financial Officer
April 12, 2016
2015-16 Spending Increases

Planned Increases

- $25
- $4.9
- $9.8
- $6.6
- $3.2
- $0.5

Actual Increases

- $25.8
- $4.4
- $9.8
- $8.0
- $3.1
- $0.5

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**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount ($ in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff to enrollment alignment</td>
<td>-$8.7</td>
</tr>
<tr>
<td>Special Education improvement plan</td>
<td>-$2.9</td>
</tr>
<tr>
<td>School 36 closure</td>
<td>-$2.9</td>
</tr>
<tr>
<td>Transportation</td>
<td>-$2.7</td>
</tr>
<tr>
<td>Per Diem Substitutes</td>
<td>-$2.5</td>
</tr>
<tr>
<td>Alternative Programs</td>
<td>-$2.0</td>
</tr>
<tr>
<td>Central Office and Administrative Cost Reductions</td>
<td>-$7.0</td>
</tr>
<tr>
<td>Other Estimated Savings</td>
<td>-$11.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>-$40.5</strong></td>
</tr>
</tbody>
</table>

**Actual Reductions**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount ($ in Millions)</th>
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<tbody>
<tr>
<td>Staff to enrollment alignment</td>
<td>-$6.0</td>
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<tr>
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<td>-$2.9</td>
</tr>
<tr>
<td>Transportation</td>
<td>+$5.1</td>
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<tr>
<td>Per Diem Substitutes</td>
<td>+$0.5</td>
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<tr>
<td>Alternative Programs</td>
<td>-$1.3</td>
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<tr>
<td>Central Office and Administrative Cost Reductions</td>
<td>-$4.0</td>
</tr>
<tr>
<td>Other Estimated Savings</td>
<td>-$11.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>-$20.5</strong></td>
</tr>
</tbody>
</table>

*Achieved savings are $20 million less than budgeted* ($ in Millions)

*From March 14, 2016*
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
Changes from March 14 to April 1
(Based on Approved Legislative Budget April 1, 2016)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget GAP March 14, 2016</td>
<td>-$24M</td>
</tr>
<tr>
<td>Additional Foundation Aid</td>
<td>7M</td>
</tr>
<tr>
<td>Additional Summer Learning Programs</td>
<td>-1.3M</td>
</tr>
<tr>
<td>UPDATED Budget GAP April 1, 2016</td>
<td>-$18.3M</td>
</tr>
</tbody>
</table>
Anticipated Additional Expenses

Initiatives We Intend to Fund in Final Budget:

- **K-2 Developmental Curriculum (Partial)**: -$0.2M
- **Big Picture Grade 9**: -$0.6M
- **Help Rooms/ATS Program**: -$0.6M
- **Second Step Curriculum Pilot**: -$0.5M
- **APPR External Evaluation**: -$0.5M

**Subtotal – Anticipated Additional Costs**: -$2.4M
Savings We Intend to Achieve in Final Budget:

- **Agency Temps** $1.0M
- **Professional /Tech Services** 0.4M
- **Transportation costs** 2.0M
- **Reduced building substitutes** 1.5M
- **Standard School Days** $?M
  - Lower extra pay costs

**Subtotal – Anticipated Reductions** $4.9M
Projected Budget Gap Update

Budget Gap  April 1, 2016  -$18.3M

Anticipated Additional Costs  -2.4M

Anticipated Spending Reductions  4.9M

UPDATED Budget Gap  April 12, 2016  -$15.8M
Potential Additional Revenues
(Based on Legislative Budget April 1, 2016)

$75M Community Schools Aid Statewide
   $50M Operating; $25M Capital
   Exclusive to receivership schools

Other Grants
   My Brothers Keeper
   School Improvement Grant 7
   21st Century
   Math Science Partnership

Bullet aid

Increase transportation aid by reclassifying expenses

Increased CTE aid through course re-classification

We are working closely with NYSED, the Big 5 and our local legislators to project aid amounts for Rochester
Potential Additional Reductions
(Steps Under Consideration)

- Scrutinize CO department budgets for more cuts
- Analyze decrease in ELT based on new standard school day
- Reduce current vacancies in non-essential positions
- Reduce unaided transportation costs with fewer exceptions to 1.5-mile transportation requirement
- Consolidate some under-enrolled classrooms
- Reduce school-based positions
- Reduce vendor contracts
- Shift additional expenses to grant funding
On April 26th We Will Present a Balanced Budget

• Programs maintained at or very near current levels
• Continued support for Receivership Schools
• Some increased support for student social-emotional needs
• Minimal staff reductions, with school-based positions as a last resort
• Revenue and expense projections as accurate as we can make them – no wishful thinking
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
    - March 22
    - April 14
  - Deliberations
    - March 29
    - 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
Presentation to the Board of Education
Linda L. Cimusz, Interim Superintendent of Schools
April 12, 2016