



*Every student by face and name.
Every school, every classroom.
To and through graduation.*

BOE Finance Committee

December 13, 2018



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2018-19 Adopted Budget

- Initial 2018-19 Budget Gap - \$42 million
- Management Gap Closure Initiatives - \$22 million (efficiencies & cost savings)
- Fund Balance Appropriation to close remaining gap - \$20 million

General Fund	\$758,585,229
Special Aid Fund (Grants)	\$112,860,350
School Food Service Fund	\$24,500,000
Total Budgeted Revenue	\$895,945,579
Expenditures	\$915,945,579
Use of Fund Balance	\$20,000,000



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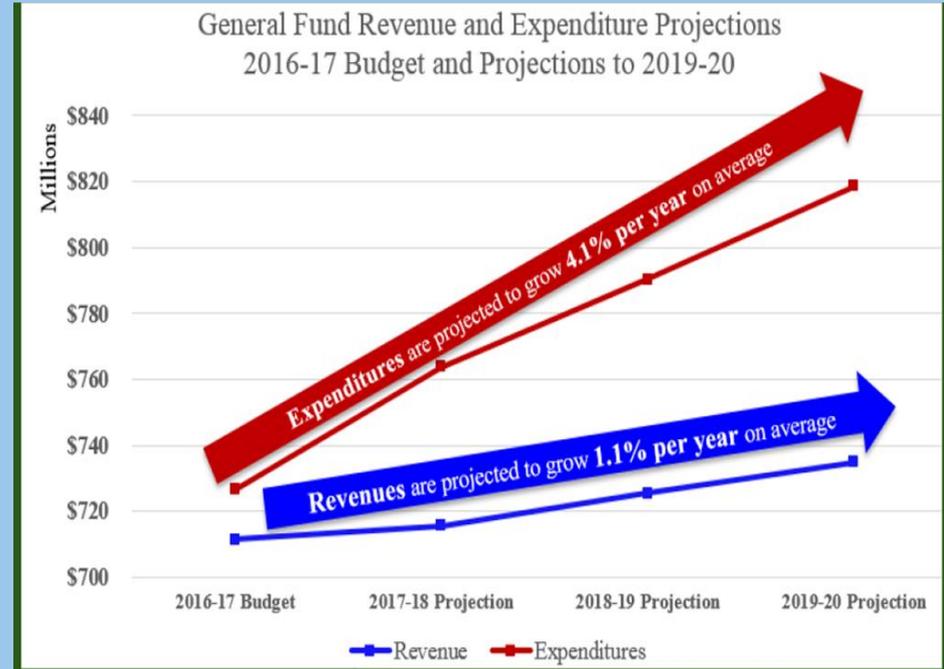
Strategic Actions from July 1, 2018 to June 30, 2019 will save up to **\$8.9 Million**

~\$0.9 M	Revenues and Expenditures	<ul style="list-style-type: none">Potential State Aid reimbursement for transportation (2017-18)
~\$0.5 M	District Footprint	<ul style="list-style-type: none">Non-Essential Maintenance - Health and Safety held harmless (~.5M)
~\$5.5 M	Salaries and Benefits	<ul style="list-style-type: none">School Level Positions alignment to enrollment (~\$2.0M)Central Office Vacant Positions (~\$3.5M)All non-essential travel (A Fund) and assess grant designated travel
	Transportation	
~\$2.0 M	Student Need	<ul style="list-style-type: none">Potential East EPO Actuals versus budget (~2M)



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Structural Deficit

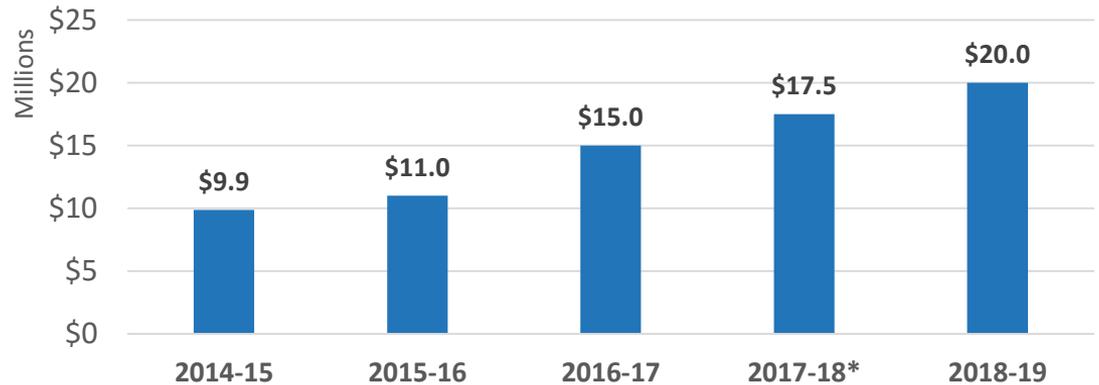




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FUND BALANCE USAGE

**Appropriated General Fund Balance
Original Budget
(Dollars in Millions)**



*The 2017-18 Adopted Budget originally included \$20 million in appropriated fund balance, this amount was amended to \$17.5 million during the year.



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Factors



**Revenue and
Expenditures**



**District
Footprint**



**Salaries
and Benefits**



Transportation



**Student
Need**



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Five Factors Driving Structural Deficit

- I. **Revenue, Expenditures, and Legislation** – Foundation Aid provided by NYS has fallen short of the formula-driven allocation; City revenue has remained flat
- II. **District Footprint** – Student enrollment has declined, multiple grade-level configurations in small schools with small class sizes, and provides several alternative programs
- III. **Salaries and Benefits** – Salaries and benefits account for 59% of the District Budget, which includes additional compensation for extended learning programs and professional development.
- IV. **Transportation** – Service contracts and system efficiency, including routing, distance of schools from students' homes, school arrival and dismissal times
- V. **Student Need** – Specialized academic services for students with disabilities and English Language Learners, and several alternative programs

Revenues and Expenditures



Projected Revenue All Funds (\$ in Millions)

	2019-20	2020-21	2021-22	2022-23	2023-24
New York State Foundation Aid	\$443.2	\$452.0	\$461.1	\$470.3	\$479.7
New York State Aid - Formula	\$129.1	\$134.8	\$140.5	\$146.0	\$151.6
New York State Building Aid	\$70.8	\$79.6	\$77.0	\$76.5	\$76.5
New York State Aid - Other	\$3.1	\$3.1	\$3.1	\$3.1	\$3.1
City of Rochester	\$119.1	\$119.1	\$119.1	\$119.1	\$119.1
Federal - Medicaid	\$2.1	\$2.1	\$2.1	\$2.1	\$2.1
Other Local	\$14.6	\$11.4	\$11.4	\$11.4	\$11.4
Appropriated Fund Balance	\$8.0	\$8.0	\$8.0	\$5.0	\$5.0
Grant and Special Aid Fund	\$112.9	\$112.9	\$112.9	\$112.9	\$112.9
Food Services	\$24.9	\$25.4	\$25.9	\$26.3	\$26.8
Total Projected Revenue	\$927.8	\$948.4	\$960.9	\$972.7	\$988.2

Revenues and Expenditures

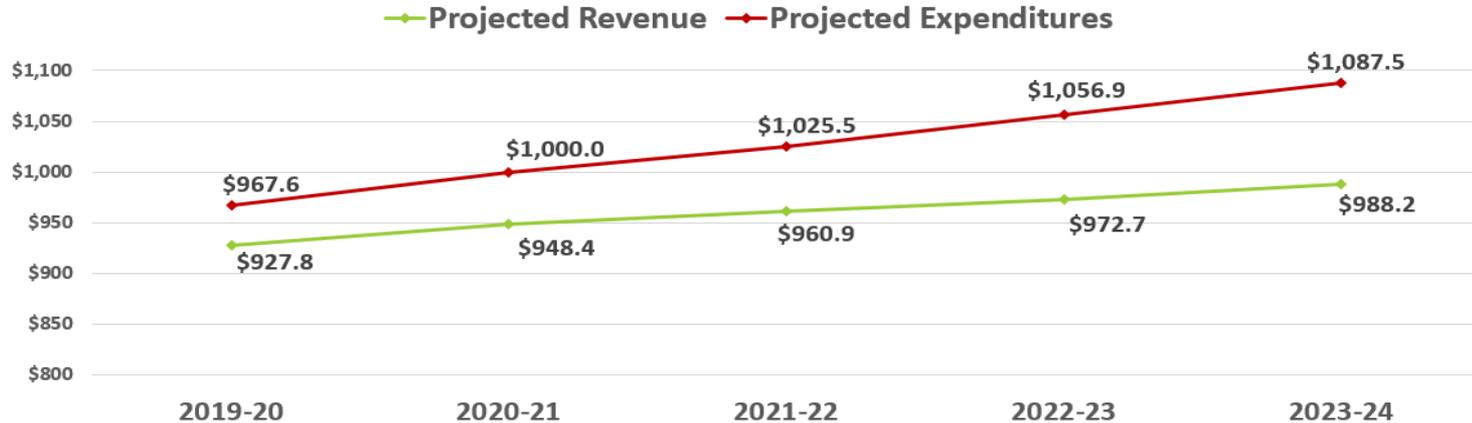


Projected Expenditures-All Funds (\$ in Millions)

	2019-20	2020-21	2021-22	2022-23	2023-24
Compensation	\$397.4	\$410.6	\$424.2	\$438.3	\$452.9
Employee Benefits	\$160.0	\$166.6	\$173.0	\$181.8	\$188.8
Fixed Obligations with Variability	\$185.4	\$192.6	\$197.8	\$203.2	\$208.7
Debt Service	\$83.0	\$85.6	\$82.6	\$82.3	\$82.3
Cash Capital Outlays	\$17.9	\$18.0	\$18.1	\$18.2	\$18.4
Facilities and Related Technology	\$42.6	\$43.7	\$44.8	\$46.0	\$47.2
Other Variable Expenses	\$3.0	\$3.1	\$3.2	\$3.2	\$3.3
Budget Contingency	\$74.9	\$76.8	\$78.8	\$80.8	\$82.9
	\$3.4	\$3.0	\$3.0	\$3.0	\$3.0
Total Projected Expenditures	\$967.6	\$1,000.0	\$1,025.5	\$1,056.9	\$1,087.5



Projected Structural Budget Deficit



Projected Structural Budget Deficit:

-\$39.8 M

-\$51.6 M

-\$64.6 M

-\$84.3 M

-\$99.3 M

Revenues and Expenditures



Dollars in Millions

Factor	Action Item	2019-20	2020-21	2021-22	2022-23	2023-24
Revenue, Expenditures and Legislation	Prior year adjustments from 2018-19 listed in table below	\$8.9	\$8.9	\$8.9	\$8.9	\$8.9

2018-19 Adjustment	Dollars in Millions
Vacant positions in central office departments (45 FTE)	\$3.5
Adjust staffing in schools to align with enrollment	\$2.0
Adjust EPO to actual expenditure pattern	\$2.0
Reduce non-essential maintenance (health and safety held harmless)	\$0.5
Potential Transportation Aid reimbursement	\$0.9
Total Cost Avoidance	\$8.9

District Footprint



Dollars in Millions

Factor	Action Item	2019-20	2020-21	2021-22	2022-23	2023-24
District Footprint	Consolidate schools and programs	\$0	\$2.8	\$5.6	\$5.6	\$5.6
	Lease Agreements	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0
	Total	\$1.8	\$3.8	\$6.6	\$6.6	\$6.6

Salaries and Benefits



Dollars in Millions

Factor	Action Item	2019-20	2020-21	2021-22	2022-23	2023-24
Salaries and Benefits	Adjust classroom teaching staff levels to align with declining enrollment (Elementary)	\$4.0	\$4.0	\$4.0	\$4.0	\$4.0
	Adjust building administrator allocations to align with contractual agreement	\$2.0/\$4.0	\$4.0	\$6.0	\$8.0	\$10.0
	Reduce Central Office administrators	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0
	Reduce Teachers on Assignment	\$1.5	\$1.5	\$1.5	\$1.5	\$1.5
	Reduce other school-based staff to contractual levels (Secondary)	\$2.4	\$2.4	\$2.4	\$2.4	\$2.4
Total		\$12.9	\$12.9	\$14.9	\$16.9	\$18.9

Transportation



Dollars in Millions

Factor	Action Item	2019-20	2020-21	2021-22	2022-23	2023-24
Transportation	Renegotiate service contracts	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0
	Adjust placement and assignment policies	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4
	Total	\$1.4	\$1.4	\$1.4	\$1.4	\$1.4

Student Need



Dollars in Millions

Factor	Action Item	2019-20	2020-21	2021-22	2022-23	2023-24
Student Need	Plan efficiencies in Summer School programming	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0
	Maximize grant funding to support Extended Learning Time (reduce General Fund expense)	\$4.2	\$4.2	\$4.2	\$4.2	\$4.2
	Assess contracts and professional services	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0
	Design programs based on academic return on investment	\$2.3	\$2.3	\$2.3	\$2.3	\$2.3
	Total	\$8.5	\$8.5	\$8.5	\$8.5	\$8.5

Summary

Dollars in Millions

Factor	2019-20	2020-21	2021-22	2022-23	2023-24
Revenue, Expenditures and Legislation	\$8.9	\$8.9	\$8.9	\$8.9	\$8.9
District Footprint	\$1.8	\$3.8	\$6.6	\$6.6	\$6.6
Salaries and Benefits	\$12.9	\$12.9	\$14.9	\$16.9	\$18.9
Transportation	\$1.4	\$1.4	\$1.4	\$1.4	\$1.4
Student Need	\$8.5	\$8.5	\$8.5	\$8.5	\$8.5
Total	\$33.5	\$35.5	\$40.3	\$42.3	\$44.3



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E.R.I.C.A.

PRIORITIZING EDUCATIONAL EQUITY

BUILDING RELATIONAL CAPACITY

NURTURING INNOVATION

CREATING COHERENCE

ACCOUNTABILITY FOR ACTION

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