

Preliminary Draft Budget for 2025-26

Dr. Demario Strickland, Interim Superintendent
Derrek Blair, Acting Chief Financial Officer

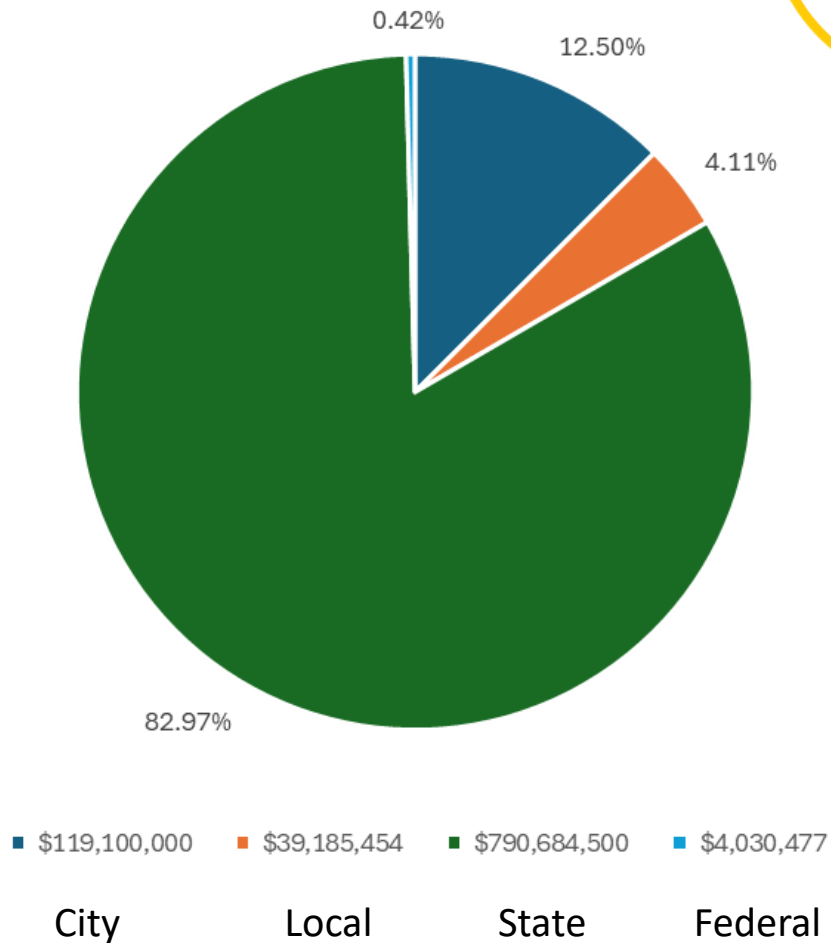


February 27, 2025



2025-26 Revenue Sources

Revenue



General Fund Revenue is the amount of funding received from external agencies. The District's primary sources of revenue are State Aid & City Property Taxes.

Revenues	2023-24 Actual	2024-25 Adopted	2025-26 Draft 2/27	\$ Change 2025 to 2026	% Change
City of Rochester	\$ 119,100,000	\$ 119,100,000	\$ 119,100,000	\$ 0	0.0%
Local	30,081,443	31,595,278	39,185,454	7,590,176*	24.0%
State	702,606,807	755,225,145	790,684,500	35,459,355**	4.7%
Federal	4,255,662	3,780,477	4,030,477	250,000	6.6%
Appropriated Fund Balance	0	8,000,000	0	(8,000,000)	-100.0%
Total	\$ 869,082,789	\$ 917,700,900	\$ 953,000,431	\$ 35,299,531	3.8%

* Increase in Interest and Rx Rebates

** Increase in Foundation and Charter Transitional



Draft Budget Revenue

- Foundation aid based on the governor's budget, has increased by \$41M.
- Continued increase in Pharmaceutical (Rx) rebates related to higher healthcare costs.
- Increase in interest earnings from increased cash and higher rates of return.
- Increase in charter school basic aid and transitional aid due to increased charter school enrollment.
- Upon receipt of the legislative runs, assumptions will be reviewed and adjustments made accordingly.



2025-26 Revenue - Key Assumptions

Appropriations	2023-24 Actual	2024-2025 Adopted	2025-26 Draft 2/27	\$ Change 2025 to 2026	% Change
General Support	\$51,445,264	\$76,593,854	\$85,930,973	\$9,337,119*	12.2%
Instruction	408,746,263	501,844,874	497,046,539	(4,798,335)	-1.0%
Transportation	76,052,023	75,421,611	78,823,601	3,401,990	4.5%
Community Support	576,104	1,292,859	1,348,735	55,876	4.3%
Benefits	146,170,491	169,424,078	190,955,716	21,531,638	12.7%
Debt Service/Transfers	124,718,208	93,123,623	98,894,867	5,771,244	6.2%
Total	\$807,708,353	\$917,700,900	\$953,000,431	\$35,299,531	3.8%

* 170 FTEs moved to general support category due to codification alignment



Draft Appropriations (Expenditures)

- All budgets must reflect anticipated expenditures. Unused appropriations need to be removed.
- Properly align with the State Comptroller's chart of accounts.
- Budgets should be adjusted for increases in Transportation Contracts.
- Charter School tuition cost continue to increase as we are trending towards 9,000 students next year.
- Information Management & Technology (IM&T) district costs are anticipated to increase by an estimated 4 million.



2025-26 Expenses - Key Assumptions

- Continued investment in early literacy with Instructional Coaches and Reading Specialists
- Continued investment in Special Education.
 - Associate Directors moved to the General Fund
- Increased instructional support for English Language Learners
- Kindergarten teachers moved into the General Fund
- Reduction in vacancies, unencumbered and long-term
- Reduction in Central Office staffing and operational budgets (still being determined).
- Reduction in contracted services (still being determined).
- No adds approved at this time. Considerations will be made for Schools with w/Bilingual Programs and Receivership Schools.



2025-26 Expenses & Reductions - Adjustments

- Maintained 1.0 Reading Teacher, 1.0 Intervention Prevention Teacher (IPT), and 1.0 Instructional Coach at all PreK - 6 buildings for instructional supports (Priority 1 - Goals 1/2/3)
- Maintained 1.0 Counselor positions for the provision of SEL supports (Priority 2)
- Maintained 1.0 Reading Teacher, 1.0 IPT, and 1.0 Instructional Coach positions at all 7/8 buildings for instructional supports (Priority 1 – Goals 1, 2, 3, &4)
- Reimagined the 9-12 Instructional Coaching model while maintaining support at 9-12 schools (Priority 1 – Goals 1, 2, 3, &4)
- Creation of Freshman Academy supports at 9-12 buildings (Priority 1 – Goals 4)
- Maintained 13.0 RocRestorative positions to provide SEL Supports (Priority 2)
- Continued investment in early Literacy (Priority 1)



Strategic Plan Alignment



Balancing the Budget

- Current budgeted General Fund Revenue of \$953,000,431.
- Current budgeted General Fund Appropriations of \$953,000,431.
- Reviewing Central Office staffing and operations for additional reductions.
- Reviewing external contracted services for additional reductions.
- Consolidation of Andrew Langston and Northwest Middle Schools



Next Steps in Budget Process

- March 1st submission to State Monitor.
- March 27th State Monitor presentation
- April 1st public budget hearing
- April 22nd budget hearing with City Council.
- April 8th, 15th, 29th budget deliberations.
- May 7th board meeting to adopt budget.
- June 17th City Council vote.



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