



# 2020-2021 Superintendent's Proposed Budget

Terry J. Dade  
March 26, 2020

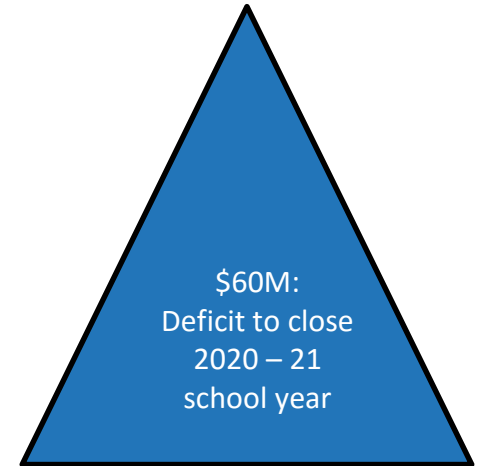
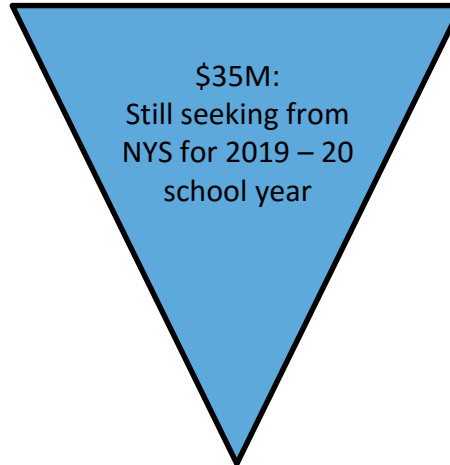
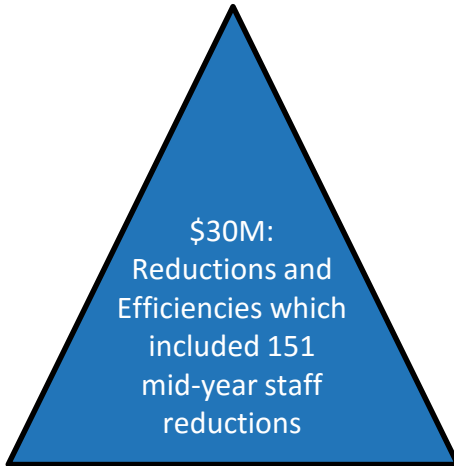
*Every student by face and name.  
Every school, every classroom.  
To and through graduation.*



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# Background

In one year's time, the RCSD has had to close a \$125M deficit





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# \$4.5M State Aid Assumption

- The Governor's proposed budget allocated \$479.4M of Foundation Aid to our District.
- Historically, the State Legislature has provided an additional \$7-\$8 million of Foundation Aid annually.
- As we worked to close our projected budget gap, in advance of the state budget adoption, we needed to recognize the Legislature's past practice.
- Therefore this draft budget includes a conservative estimate of an additional \$4.5 million of Foundation Aid.
- This assumption was made prior to the Coronavirus outbreak and, therefore, before knowing what the impact this national crisis will have on the NYS budget.



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# Projected General Fund Revenues

(as of January 2020)

	Amended Budget 2019-20	Budget Projection 2020-21
<b>General Fund Revenues:</b>		
Foundation Aid	\$472,102,116	\$479,446,289
Building Aid	\$75,225,138	\$83,427,306
Transportation Aid	\$69,053,604	\$72,226,081
Other State Aid	\$27,034,439	\$25,426,495
Subtotal State Aid	\$643,415,297	\$660,526,171
City of Rochester	\$119,100,000	\$119,100,000
Federal Medicaid	\$2,100,000	\$2,100,000
Other Local Revenues	\$15,307,578	\$11,777,028
Subtotal Other Revenues	\$136,507,578	\$132,977,028
<b>Total General Fund Revenues</b>	<b>\$779,922,875</b>	<b>\$793,503,199</b>



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# Projected General Fund Expenses (as of January 2020)

General Fund Expenses:	2019 – 20 Amended Budget	2020 – 21 Projected Budget
Compensation and Benefits	\$464,815,367	\$485,163,553
Charter School Tuition	\$89,160,388	\$100,674,360
Special Education Tuition	\$15,141,051	\$15,595,283
Contract Transportation	\$69,441,820	\$71,525,075
BOCES Services	\$27,333,306	\$27,825,306
Facilities and Related	\$26,668,242	\$27,148,270
Professional and Technical Services	\$10,213,075	\$10,396,910
Debt Service	\$84,423,696	\$85,547,004
Cash Capital Outlays	\$2,931,201	\$12,976,695
Other Operating Expenses	\$13,254,949	\$13,481,605
Contingency	\$397,699	\$-
Appropriation for Deficit Reduction	\$8,900,000	\$5,000,000
Subtotal Operating Expenses	\$347,865,427	\$370,170,508
<b>Total General Fund Expenses</b>	<b>\$812,680,794</b>	<b>\$855,334,061</b>
<b>Budget Deficit</b>	<b>\$32,757,919</b>	<b>\$61,830,862</b>



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# Decision Making Factors

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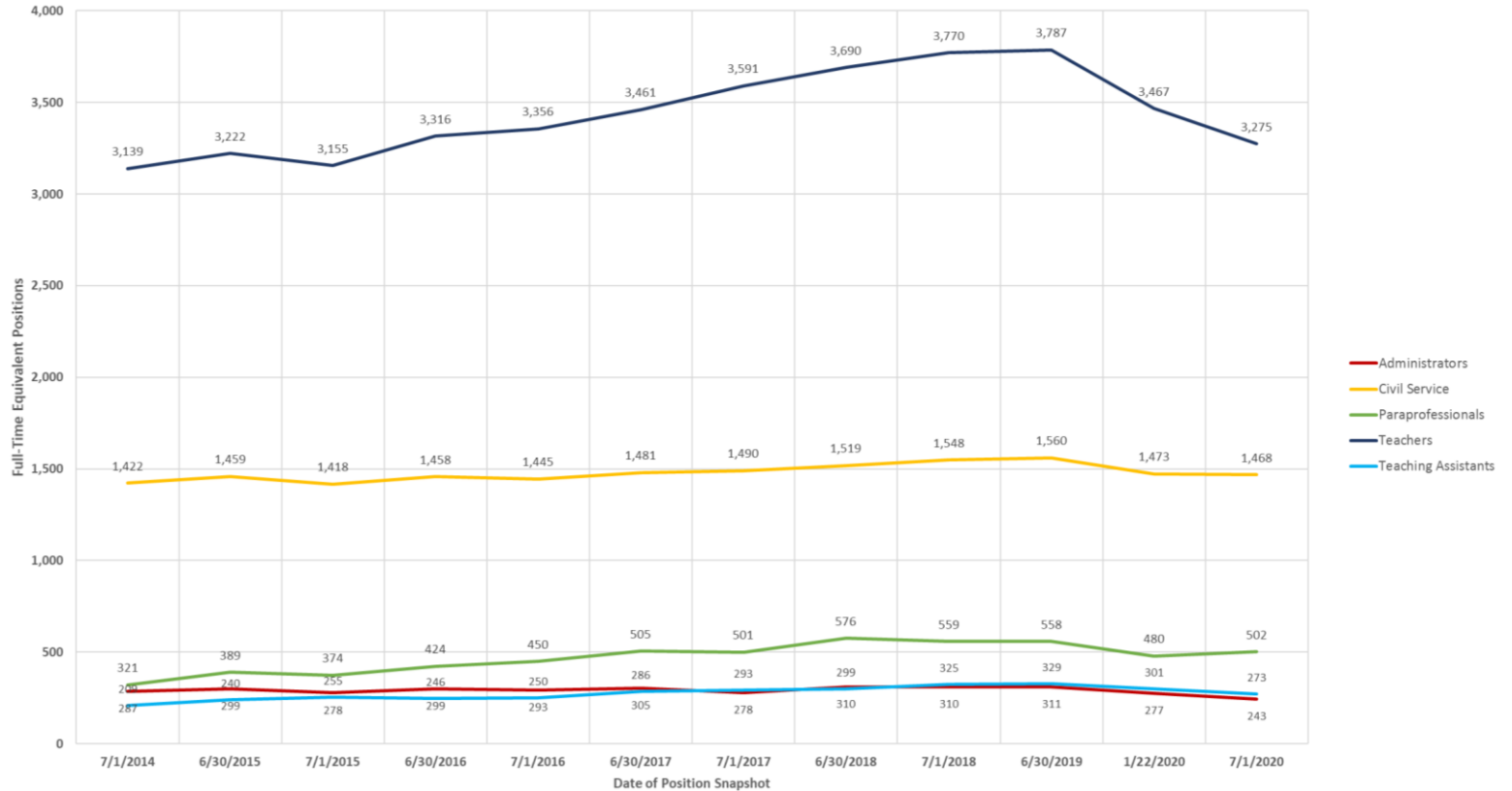
## What Factors Have Gone Into Crafting the RCSD's Budget?

- Board Budget Priorities
- Reduction in Senior Leadership Team
- Central Office Reorganization & Reduction
- Right-Sizing School Staffing due to decline in student enrollment
  - Building level staffing
  - Maximizing school staffing ratios
  - Applied a formula based upon contract agreements in order to make this process more objective
- Program School Transitions



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# RCSD FTE Positions by Staffing Category





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# Proposed Staff Reductions 2020 – 21

From the original 2019 -20 budget to the 2020 – 21 draft budget we have reduced the number of positions by 482 FTEs inclusive of vacancies from 6,256 to 5,774 a reduction of 7.7 percent

Union	2019-20 FTE (1-22-20)	2020-21 FTE (Draft Budget)	Change from Amended Budget	Percent Change from Amended Budget
ASAR	375.81	340.80	(35.01)	-9.3%
BENTE	1,296.26	1,301.64	5.38	0.4%
RAP	782.20	776.70	(5.50)	-0.7%
RTA	3,439.09	3,247.11	(191.98)	-5.6%
SEG	17.00	13.00	(4.00)	-23.5%
All Other Staff	100.54	95.36	(5.18)	-5.2%
<b>Total</b>	<b>6,010.90</b>	<b>5,774.61</b>	<b>(236.29)</b>	<b>-3.9%</b>





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# What is Funded at Central Office that supports schools



## Finance

- Budget
- Payroll
- Grants Management



## Office of Accountability

- Testing
- Student Records



## Human Resources

- Hiring
- Benefits



## Central Services

- Food Service
- Transportation
- Operation of buildings/utility costs/ rent
- Distribution Center



## IM&T

- Technology in the classroom
- Technology for students
- Online learning
- Data systems

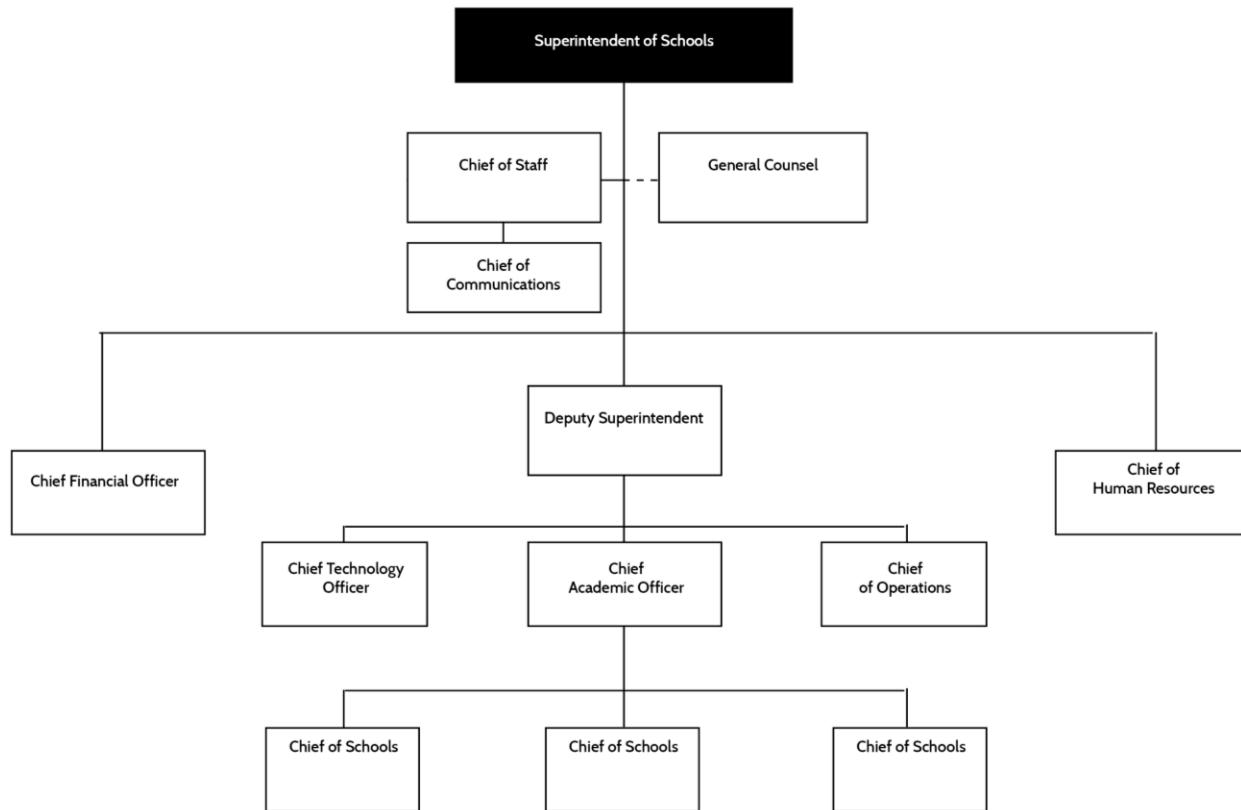


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# Reorganization

This reorganization includes:

- 2.9M in Central Office reductions
- an additional 4 SEG reductions, which is a total of 5 SEG reductions from the start of the school year



Board Budget Priority



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# School/Program Transitions

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- Closing of Bilingual Language and Literacy Academy (**\$2.7M**)
- Closing Young Mothers & Interim Health Academy and students into schools & other programs (**\$2.2M**)
  - We will work closely with All City High & other schools to ensure students are provided the supports they need
  - No need for additional staffing at All City High to accommodate students from Interim Health Academy (approximately 50 students)
  - 9<sup>th</sup> – 12<sup>th</sup> grade Interim Health Academy students will have the option of transitioning back to their home schools or attending All City High if a smaller setting is still needed
  - 8<sup>th</sup> grade Interim Health Academy students will also have the option of transitioning to North East College Prep's STAR Program for 9<sup>th</sup> grade



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# School/Program Transitions

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- Program change at Rochester International Academy (RIA) (**\$1.7M**)
  - Transition to an International 6<sup>th</sup>-12<sup>th</sup> grade school, rather than a program
  - Plan will also address NYSED Mandates:
    - Original Corrective Action Plan (CAP) identified “failures to appropriately enroll, identify, and place ELLs and SIFE” students
    - NYSED February 19<sup>th</sup> Letter identified:
      - “District’s failure to appropriately transition students from newcomer programs such as the Rochester International Academy (RIA) to their home schools...”
      - “...the failure to adequately utilize transition plans to ensure that students’ needs are met during the transition process...”



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# School/Program Transitions

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- Move New Beginnings Program (Youth & Justice 1) to 4<sup>th</sup> floor Hart Street
- New Beginnings and LyncX (3<sup>rd</sup> floor Hart Street) will share staff resulting in a reduction of \$800,000
- These moves allow RCSD to eliminate a lease at Oxford Street (\$20,000 savings)
- The \$820,000 savings will be reflected in the proposed budget prior to adoption on May 7

**Overall Savings: \$7.4M**



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# Restorative Practices & Social Emotional Supports

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- **Social Emotional supports in our schools:**
  - In addition to building based counselors, 6 central school counselors support our K-6 buildings
  - \$1.7M Center for Youth contract to support schools with alternatives to suspension, Help Zones, and Restorative Practice coordination
  - 11 centrally allocated FTEs, which includes ROC Restorative team, to support schools with restorative practices and social emotional learning
  - Monroe County Department of Social Services supporting additional social workers through Catholic Family Services

Board Budget Priority



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# Restorative Practices & Social Emotional Supports

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- **From the American School Counselors Association**
  - Counselors have a suggested ratio of 1:250
- **From the NYS School Social Worker Survival Kit**
  - School Social Workers have a suggested ratio of 1:50 for students with intensive needs
- **Social Worker Staffing**
  - Allocated using ratio 1:50 students with intensive needs (ie: IEP students)
- **Counselor Staffing**
  - Every K-8 building allocated a 1.0 FTE
  - Secondary schools allocated using ratio of 1:250 students

**Overall Savings: \$2.6M**



Board Budget Priority



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# Special Education Enrollment

In five years our Special Education student population has increased by 1.9 percent

## Accessed via SIRS-313 BEDS Day Enrollment by Location of Enrollment and Student Subgroup (Accessed 3.9.2020)

Year	Refresh Date	Total SWD	PreK SWD	Total SWD K-12
2014-15	9.12.2015	5,571	323	5,248
2015-16	9.10.2016	5,780	308	5,472
2016-17	9.9.2017	5,944	432	5,512
2017-18	9.8.2018	6,010	496	5,514
2018-19	9.7.2019	6,073	552	5,521
2019-20	3.7.2020	5,891	541	5,350

Board Budget Priority

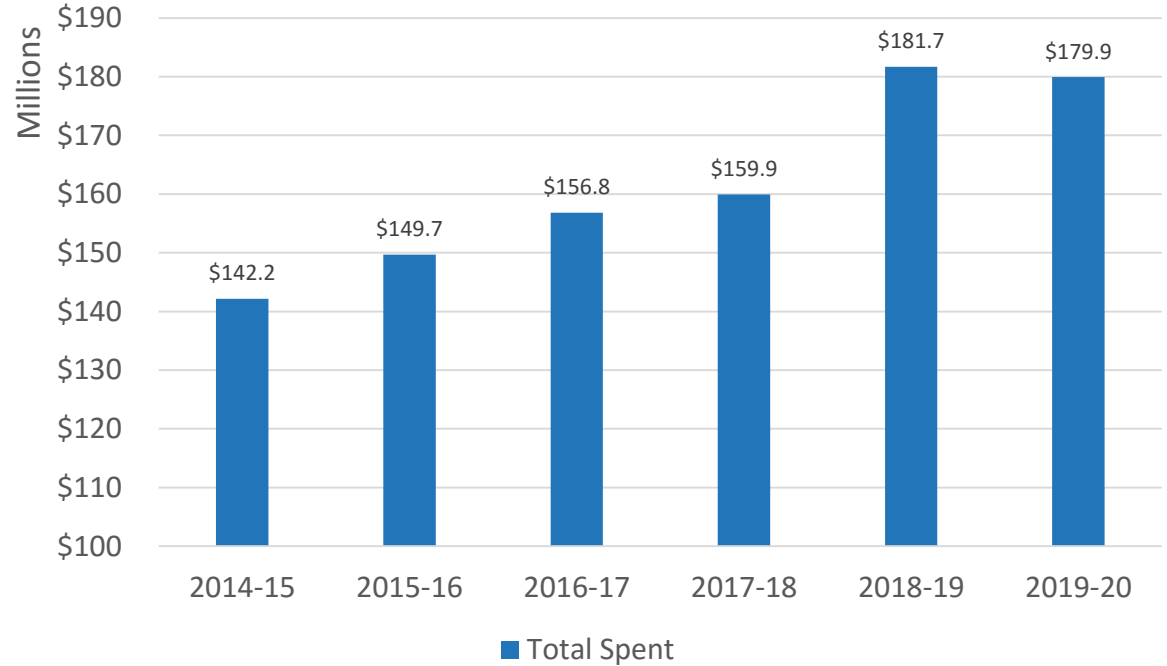




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- Our Special Education Budget has increased by \$37.8M in five years
- This amounts to a 27 percent increase in five years
- Yet our special education student population increased by only 1.9 percent in the same time period

## Special Education Budget Dollars in Millions



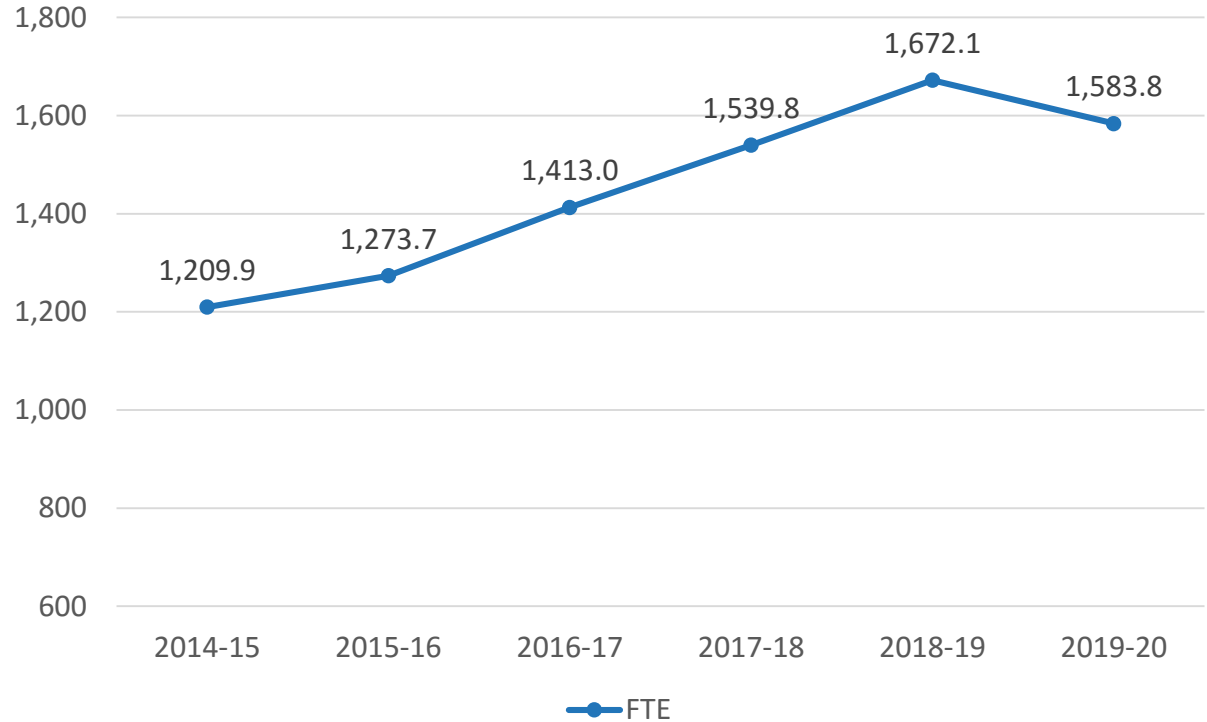
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- Our Special Education staffing has increased by 374 FTEs in five years
- This amounts to a 31 percent increase of Special Education Staff in five years

## Special Education FTEs



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# Contract Reductions

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- Worked with State Education Department to identify expenses that could be appropriately shifted to Title Funding
- Non-Mission critical contracts were identified for reduction or elimination
- Reduction in General Fund Budget of approximately \$5 million from original 2019 – '20 budget

Board Budget Priority



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# Health Care Costs

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- Any changes in the level of health care benefits or employee contributions toward the cost of benefits must be negotiated
- No unilateral changes can be made
- BENTE and RAP contracts are in effect until June 2021
- RTA and ASAR contracts are currently being negotiated but remain at impasse due to District's ongoing budget concerns
- District's self-insured health care model is the most cost effective option for our employees compared to other regionally offered health care plans
- Future negotiations will include a review of current benefit levels, co-pays, and premiums for cost saving opportunities

Board Budget Priority



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# 2020 – 21 Deficit Reduction Strategy

Estimates reflect the 2020 -21 Draft Budget when compared to the projected deficit

Action	Dollars in Millions
<b>Building Level Staff Reductions</b>	<b>\$13.9</b>
School #44 closure	\$3.1
Bilingual Academy closure	\$2.7
School #57 closure	\$2.2
Young Mothers & Interim Health Closure	\$2.2
RIA – reduction to Grades 6-12	\$1.7
Other Gen Ed teaching staff	\$2.0
<b>Assistant Principals</b>	<b>\$1.9</b>
<b>Assumed additional Foundation Aid</b>	<b>\$4.5</b>
<b>Building Aid and Debt Service- updated projections</b>	<b>\$4.3</b>
<b>Central Office reductions</b>	<b>\$2.9</b>
<b>Net of all other changes</b>	<b>\$4.7</b>
<b>No appropriation for deficit reduction</b>	<b>\$5.0</b>
<b>Reduce Cash Capital from \$10M to \$5M</b>	<b>\$5.0</b>
<b>Social Workers and Counselors</b>	<b>\$2.6</b>
<b>Special Education BOCES Placements</b>	<b>\$3.5</b>
<b>Special Education Staff</b>	<b>\$7.0</b>
<b>Stop Loss reimbursement for Health Insurance</b>	<b>\$1.3</b>
<b>Substitute Teacher reduction due to reduction in staff and vacancies</b>	<b>\$2.4</b>
<b>Summer School – Reduction in hourly teacher pay</b>	<b>\$0.8</b>
<b>Transportation less than forecast</b>	<b>\$2.0</b>
<b>Total</b>	<b>\$61.8</b>



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# 2020-21 Budget – Revenue by Fund

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	2019-20 Amended Budget	2020-21 Proposed Budget	Increase / (Decrease)
General Fund	\$781,962,722	\$799,284,836	\$17,322,114
Special Aid Fund	\$127,534,937	125,160,019	(2,374,918)
School Food Service Fund	24,700,000	24,549,000	(151,000)
<b>Total</b>	<b>\$934,197,659</b>	<b>\$948,993,855</b>	<b>\$14,796,196</b>

The proposed budget for 2020-21 is balanced



# 2020-21 Budget – Expenditures (All Funds)

	2019-20 Amended Budget	2020-21 Proposed Budget	Increase / (Decrease)
Salary Compensation	\$322,345,594	\$326,610,238	\$4,264,644
Other Compensation	37,139,098	35,777,518	(1,361,580)
Employee Benefits <i>(Retirement, health and dental benefits, workers compensation, and other benefits)</i>	175,774,989	181,244,583	5,469,593
Fixed Obligations <i>(Charter School Tuition, Contract Transportation, Special Education tuition)</i>	183,004,391	196,037,475	13,033,084
Debt Service	83,952,641	82,238,315	(1,714,326)
Cash Capital Outlays <i>(Equipment, textbooks, purchases of assets)</i>	3,148,696	8,946,809	5,798,113
Facilities and Related <i>(Supplies, rentals)</i>	41,534,001	41,658,115	124,114
Technology / software	3,154,834	3,195,965	41,131
Other variable expenses <i>(Contractual services, professional development, BOCES services)</i>	83,745,968	72,819,998	(10,925,970)
Contingency Fund	397,447	464,839	67,392
<b>Total</b>	<b>\$934,197,659</b>	<b>\$948,993,855</b>	<b>\$14,796,196</b>

The proposed budget for 2020-21 is balanced



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# Review

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## **In one year's time, the RCSD has had to close a \$125M deficit**

- \$30M: Reductions and Efficiencies which included 151 mid-year staff reductions
- \$35M: Still seeking from NYS for 2019 – 20 school year
- \$60M: Deficit to close 2020 – 21 school year
- While the 2020-21 Draft Budget is balanced, we have assumed a Foundation Aid increase of \$4.5 million beyond the level provided in the Governor's budget – the precise amount will be known when the NYS Legislature enacts the State Budget
- If additional aid is provided beyond \$4.5 million, or additional spending reductions are found, we plan to appropriate \$5 million to restore fund balance