

RCSD, city budget process a big mess

Budget

Watchdog Column

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Summer school for students in the Rochester City School District begins next week, and fortunately the district's \$915 million budget for 2018-19 has money allocated to pay the teachers and keep the facilities open.

The important thing, both RCSD and the Rochester City Council agreed during the recent budget process, was to avoid disrupting the students' summer work.

They accomplished that. Now is time to look back at that budget process, an absolute master class in bad governance.

First of all, the RCSD budget office was two months late in creating a draft spending plan for the school board and community to consider, amend and eventually adopt. The reason, Chief Financial Officer Everton Sewell said, is that resources were diverted to the all-encompassing Path Forward project.

You know how they say the only things you can rely on are death and taxes? Taxes are on the list because governmental agencies know they need to pass a spending plan every year. It's as predictable as school starting in the fall and ending in the spring. There is no excuse for RCSD allotting all of its resources to a discretionary initiative without accounting for the need to finish the budget on time.

This is especially true because RCSD's budget document is far from user-friendly. That was a main criticism in a recent review by the local advocacy and research group The Children's Agenda, which described it as "an 800-page novel without a main character or a plot." If it's not released in time, people have no hope of digesting and critiquing it.

The late budget and some unanswered questions led board members Beatriz LeBron and Natalie Sheppard to vote "no." Some of their fellow board members, including Liz Hallmark, say LeBron and Sheppard would have had the information they needed if they'd been more diligent in attending meetings.

At any rate, after the RCSD board approves the budget, it sends it to City Council for final approval. And LeBron

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was so uncomfortable with the spending plan — in particular, the way it draws down on already dwindling reserves — that she took the extraordinary step of writing to City Council President Loretta Scott, essentially asking the council to reject it.

Here's the next problem. No one seems to know exactly what City Council is allowed or supposed to do with the budget, besides passing it. The relevant section of the city charter is unclear and, apparently, not well read.

This came to light after Scott and City Council Vice President Adam McFadden informed their colleagues on June 19 that they would not be putting the RCSD budget up for a vote that evening, choosing instead to hold it until the district provided better answers to the points in LeBron's letter.

"We do not think that we can be good fiscal stewards of almost 1 billion dollars of public money if we do not fully examine these concerns," they wrote in an email to council members. "As such we are requesting that you join us in holding this legislation for the time being."

The plan had a fatal flaw: The city charter says City Council must enact the budget by June 20. If they don't do that, it gets passed automatically.

Clearly, the situation required some discussion, so the council members gathered at 6 p.m. June 19, an hour before the public meeting began.

I got to City Hall a few minutes before 6 p.m. As I walked into the chambers, I could see into the anteroom where several council members were sitting around a table.

A few dozen people were already sitting in the public council chambers waiting for the meeting to begin. I texted the members in the anteroom and asked: "Is a quorum of the council talking about public business right now?"

"Personnel issues," Scott and Malik Evans answered.

"Did the meeting convene then go into executive session?" I asked.

"Yep," Scott answered.

That's almost certainly not true.

First of all, my experience is that legislators in executive session don't usually leave the door open for all the world to see.

Second, the way to enter into an executive session is to call a regular, public meeting to order, then announce the plan to go into executive session and take a vote — in public — to do so. Then, when it's over, the legislators come out and vote to close the executive session, again in public.

A person who had been in the chambers since 5:30 p.m. told me the council members never appeared in public to enter an executive session. They also didn't post a notice that one would be taking place, or that the council would be gathering before 7 p.m. And when they finally did come out into the public chambers, they didn't announce they were exiting executive session.

This is more than legal quibbling. If City Council was not having a legitimate executive session regarding the confidential employment history, hiring, firing or discipline of one of its employees, then what was it doing? The obvious guess is that the members were discussing the action they were about to take on the city and RCSD budgets.

That is, they were talking about how or whether to approve *both* of the massive annual spending plans in the city. While, at that very moment, dozens of people were sitting outside waiting for the public business to begin. That's both illegal and opaque.

What specific budget questions did the council members have for RCSD, anyway? Good question. I have no idea. That's because Scott, McFadden and the district all declined to release the written list of questions.

“(RCSD) General Counsel Karl Kristoff ... has advised that a letter was not sent to the District from City Council and only budget questions,” Fatimat Reid, chief of staff to Superintendent Barbara Deane-Williams, wrote in response to a request for the questions. “The budget questions asked by City Council are (inter)-agency communications and as such are not subject to release.”

Unbelievably, that’s true. State Freedom of Information law exempts from disclosure most intra- and inter-agency communications, unless they’re tabulations of data or include instructions or policy determinations. The district and the city would be within their rights to deny a FOIL request on those grounds.

Let’s put the law aside for a moment. Is this how government is supposed to serve the people? By refusing to disclose what questions a group of elected officials have regarding a \$915 million expenditure affecting 27,000 children and their families? Who possibly benefits from that?

There are some signs that this disaster of a budget cycle will lead to an improved process next year. The RCSD budget office has promised to get the draft budget finished on time in the future, and City Council is talking about amending the charter to clarify its responsibilities for education funding.

Both would be steps in the right direction. More important, in my opinion: Both the district and the city need to treat the public as a participant, not a nuisance, and restore transparency to their decision-making processes.

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