

# Budget Overview

---

November 1, 2018

Webster Central School District

# What to Expect This Year

- ❖ State Aid
- ❖ Tax Cap
- ❖ Benefit Costs
- ❖ Pension Costs
- ❖ Budget Process

# State Aid

## ❖ Foundation Aid

- Webster short \$6.4 million on the foundation aid formula
- No expectation that the formula will be allowed to run

## ❖ November Election

- What will this do to aid runs?
- Hopeful this could benefit school funding

## ❖ New Reporting for 2019-20 Budget

- Need to have a per building breakdown
- Every June (Budgeted) and December (Actual) going forward reporting
- Guidance still forthcoming

# Tax Revenue

## ❖ Tax Cap

- Last year just cap was 3%
- CPI (Consumer Price Index) trending higher
  - 2.13% Last Year
  - Expect it to stay above 2%
- Tax Base Growth Factor should remain similar due to assessment growth
  - 1.15% Last Year
- Every 1% increase in Levy raises roughly \$1 million dollars

# Pension and Benefits

## ❖ Pensions

- TRS
  - Surprising increase last year
  - Would be shocked if it happened again
- ERS still in mid teens @15.3%
  - Strong Market Returns
  - Has room to go lower
  - Hopeful for potential savings on this budget line

# Pension and Benefits

## ❖ Benefits

### ➤ Retiree Plans

- Increases are much smaller than in previous years
- Trend in the 12-15%, for next year low single digits (2-4%)

### ➤ Active Plans

- Increase in low single digits as well for 2019 (2-4%)
- Projecting a smaller increase than 2018-19 budget cycle

# Webster Budget Process

- ❖ Begins in November

- ❖ Focus on the following objectives:

- Decisions will be made based on what is best for students
- Aligns with Core Beliefs
- Aligns with District Mission and Vision Statements
- Striving to maintain a highly qualified, well trained and supported workforce
- Preserving the fiscal integrity of the school district for years to come
- Looking for ways to deliver services in a more cost effective manner
- Reinvesting in the district both through operations and maintenance, instructional technology, and programs.

# Webster Budget Process

- ❖ Follows a Zero Based Budget Process
  - What is truly needed to maintain programs
- ❖ Discussions with all budget stakeholders through December and January
- ❖ Line Item justification process for all budget builders
- ❖ Staffing based on program needs and enrollment
- ❖ Budget Advisory Committee Recommendations
- ❖ Presentations to the Board of Education



