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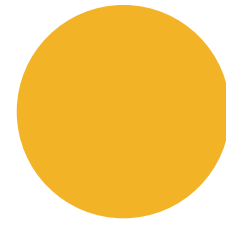
Budget Workshop #1

March 4, 2025

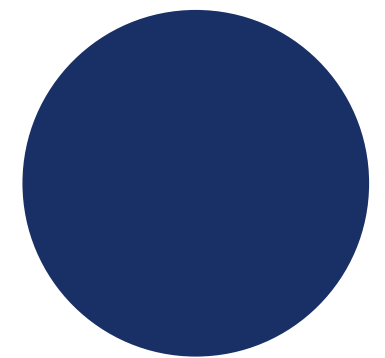
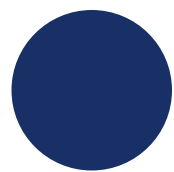




Agenda

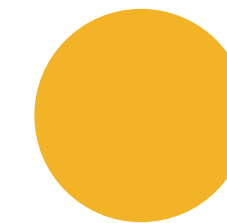


- ✓ Data Dive For State Aid Purposes
- ✓ Operational Expenditure Areas
- ✓ Benefits
- ✓ Questions

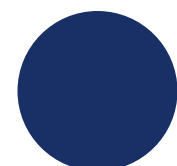
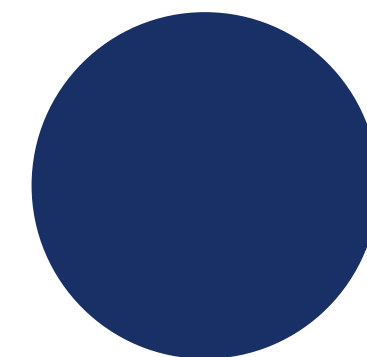




Foundation Aid Update

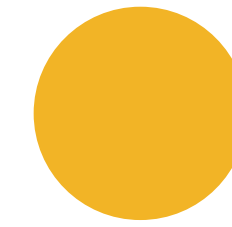


Time Frame	Total Dollar Amount
November Database Estimate	\$47,098,396
January Governor Proposal (2%)	\$47,622,591
Variance Between Nov. & Gov.	\$524,195
February Database Estimate	\$47,007,485
Updated Difference with Gov.	\$615,106

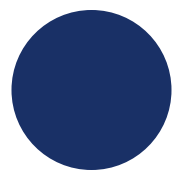
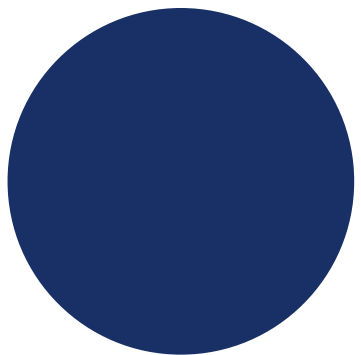




What Changed?

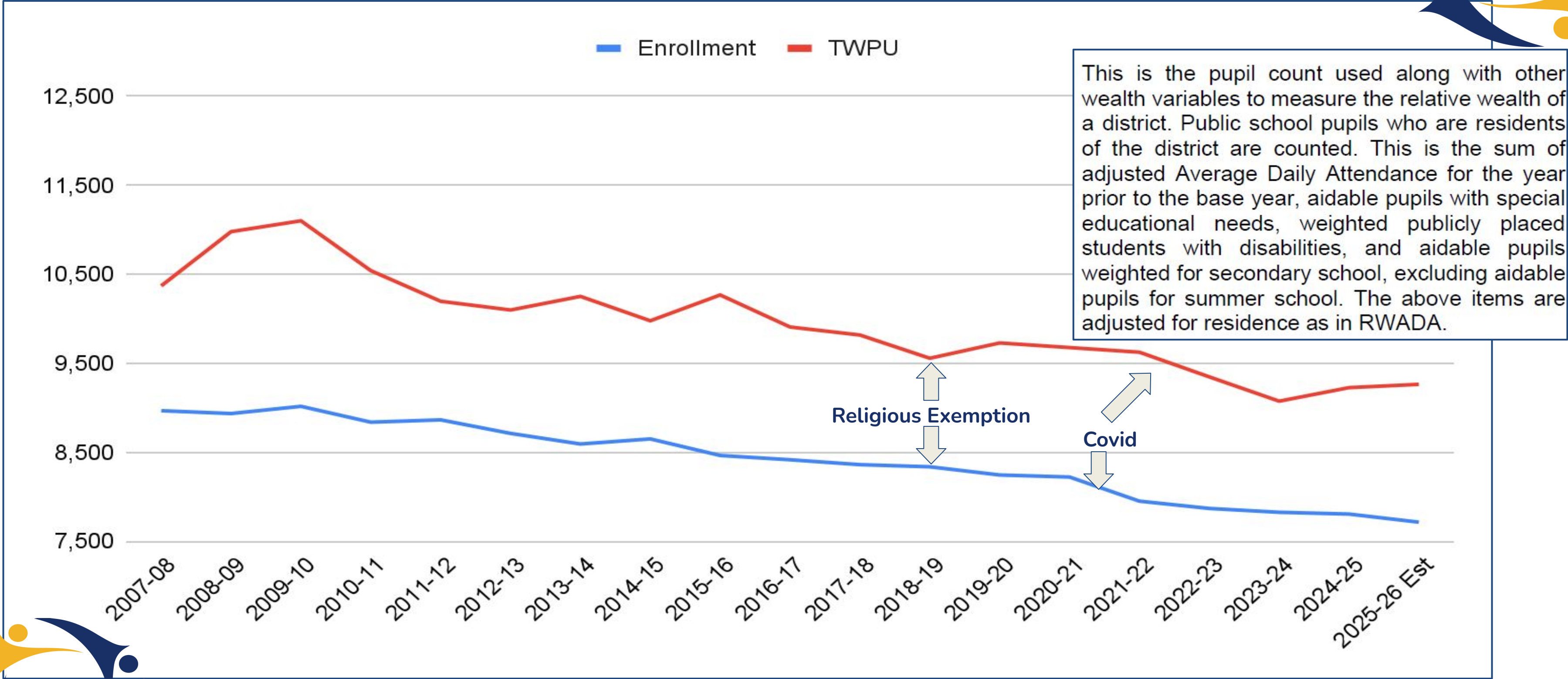


- ✓ Governor's 2% minimum is a higher increase than the formula
 - Will this still be true next fall when the formula is finalized for 2025-26?
- ✓ Consumer Price Index changed (3.1% to 2.95%)
- ✓ What does this mean for Webster
 - We are now in the "Hold Harmless" group
- ✓ Let's look at how we got there
 - 5 part data dive



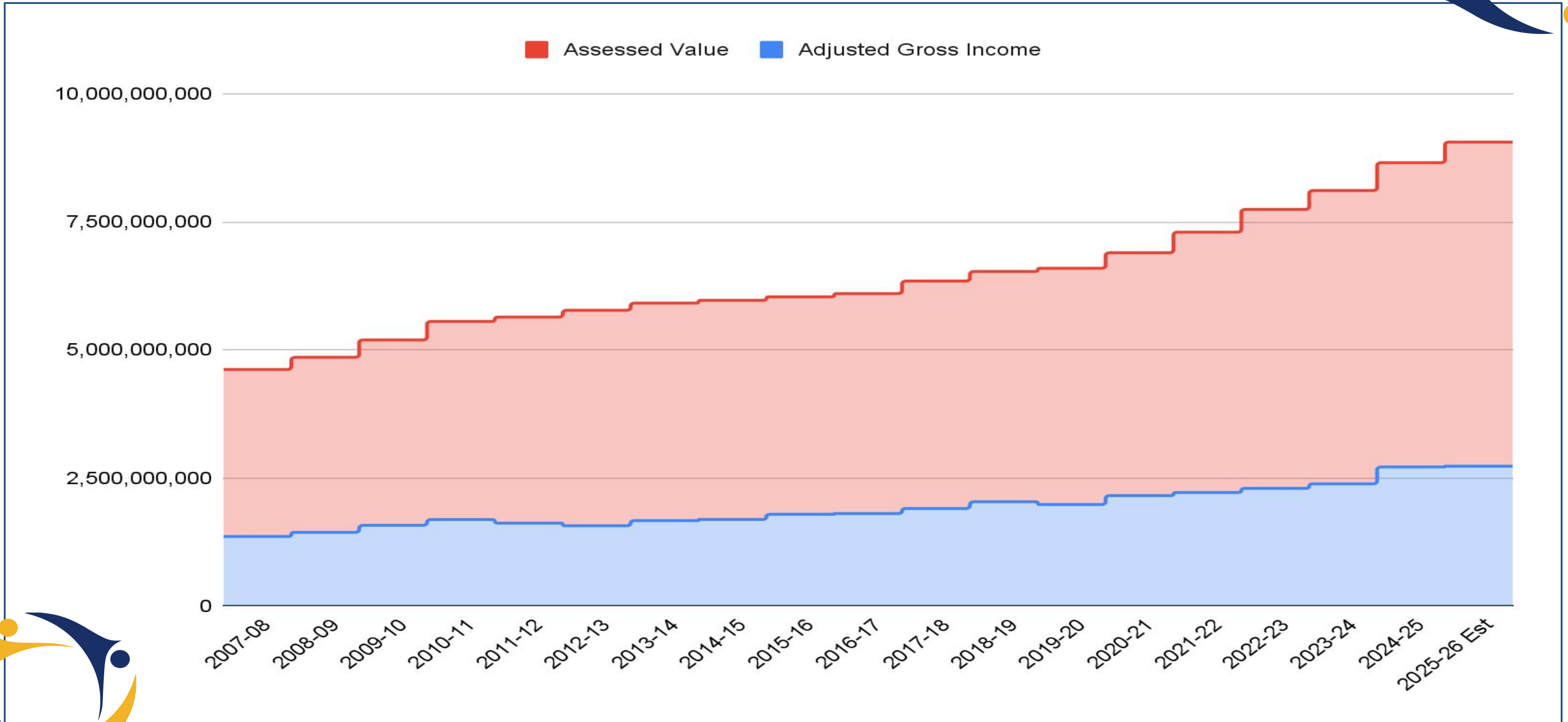
First Up-

Enrollment Vs. Formula Enrollment (Total Wealth Pupil Units)

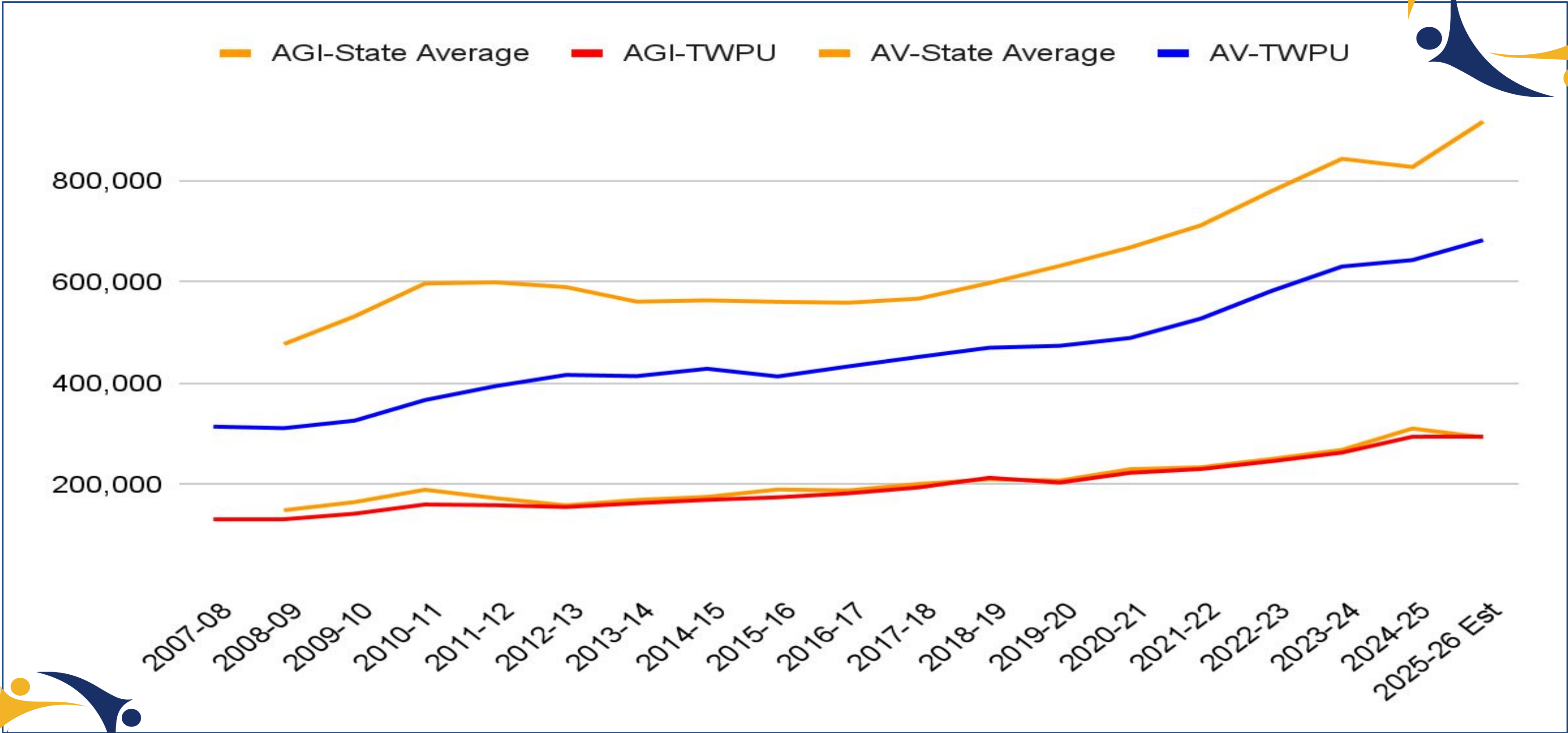


Next Up Wealth Factors-

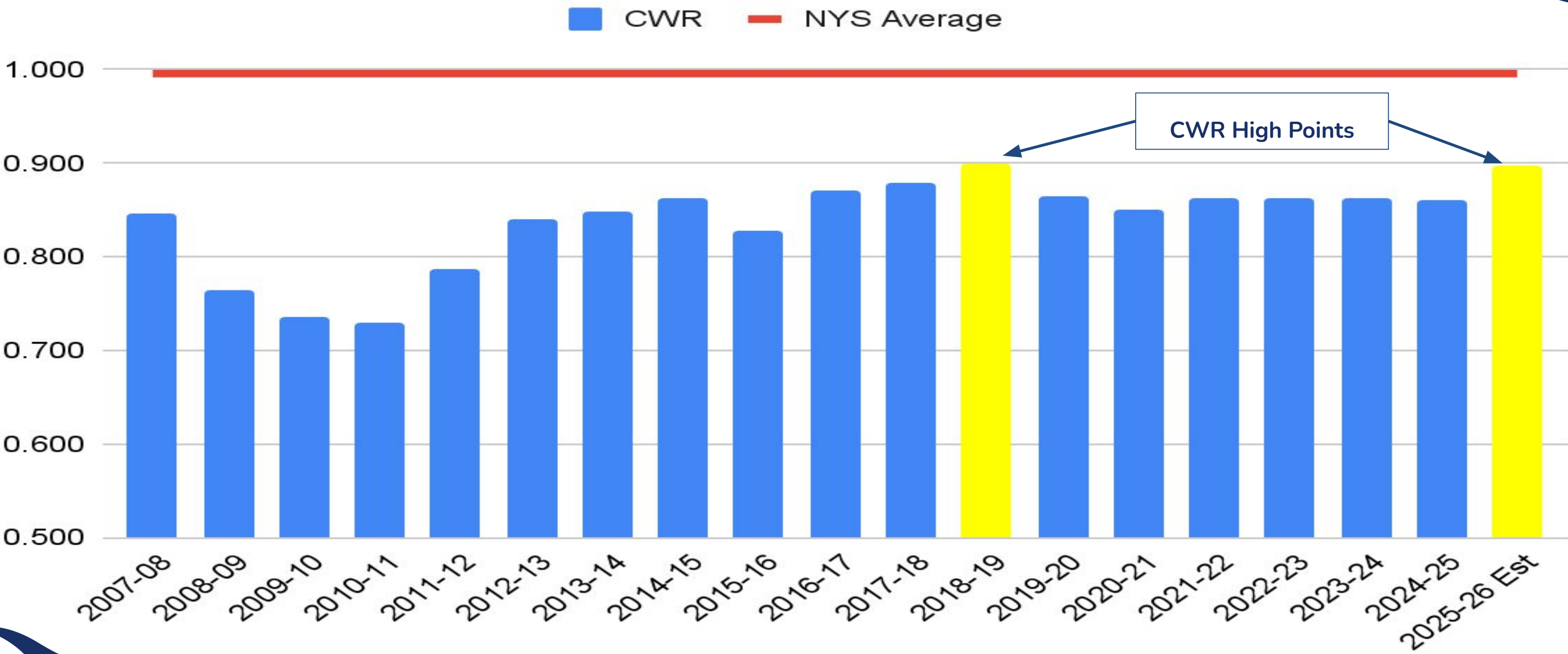
Total Assessed Value and Total Gross Income



Part 3-Wealth Factors are allocated to Pupil Counts

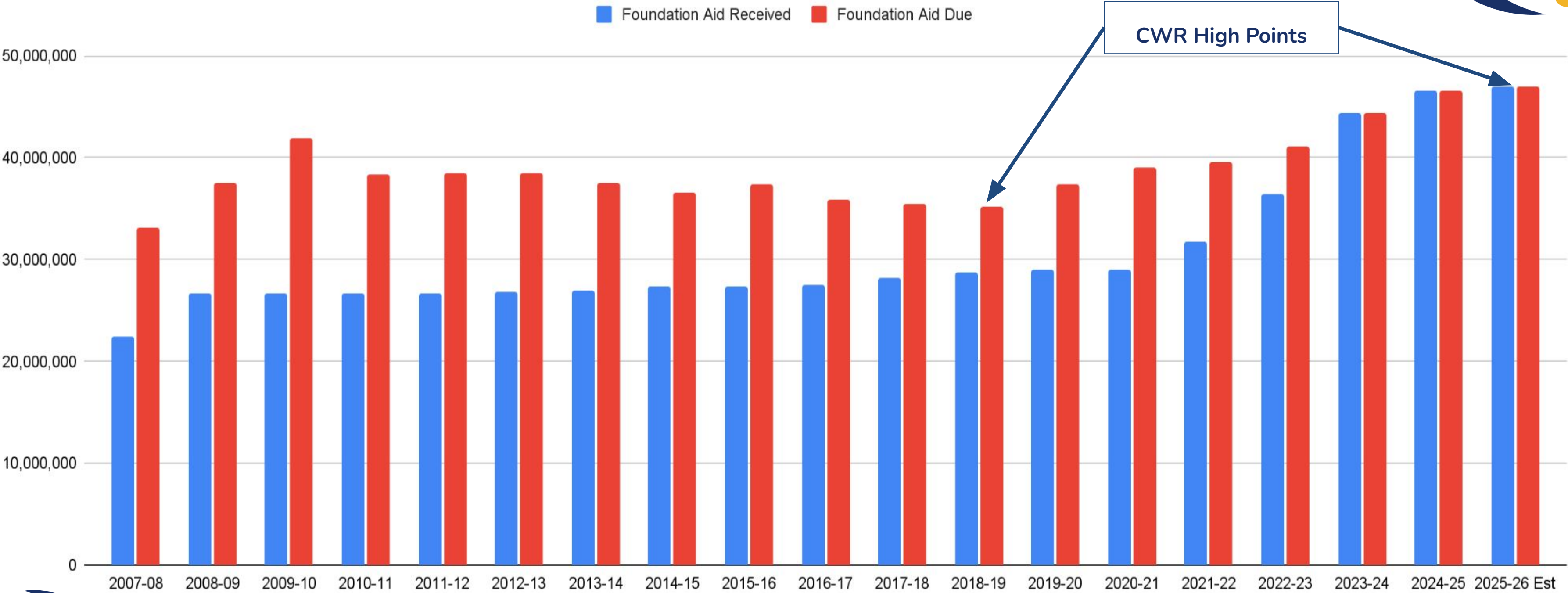


Those two data points create:
Combined Wealth Ratio (CWR)



Why does one CWR high point mean more than the other?

All Data Leads to Foundation Aid



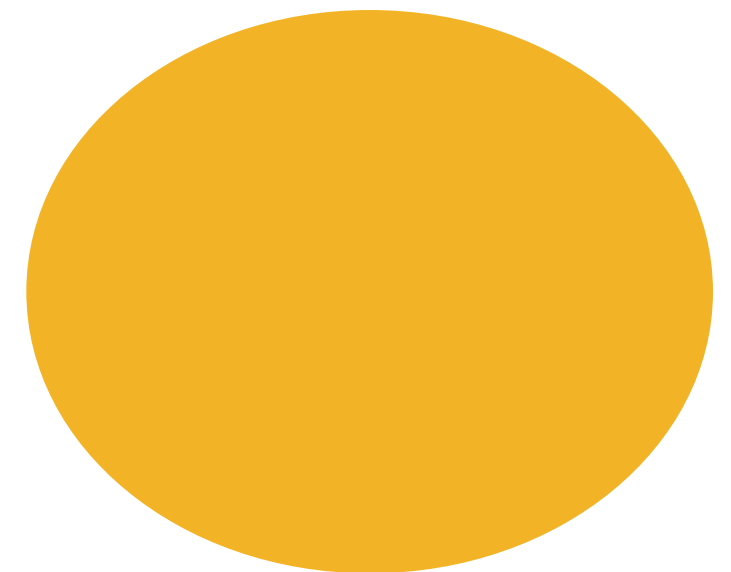
2018-19-Not Fully Funded vs. 2025-26 Estimate Fully Funded

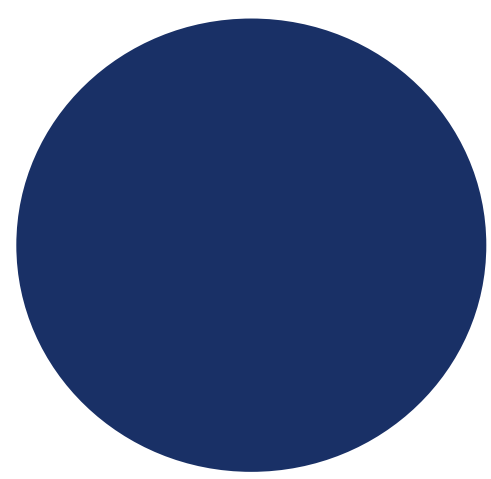
- ✓ NYS does not make it easy!
- ✓ This is a lot to digest
- ✓ Questions?





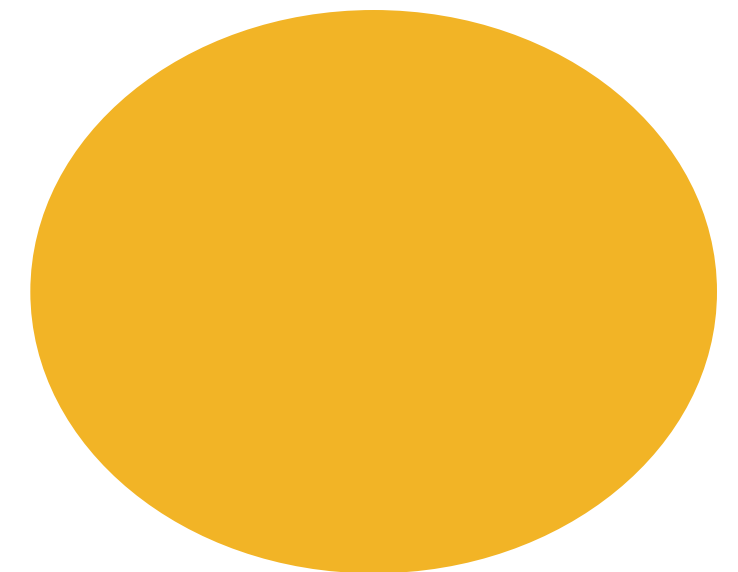
On To Budget Now...





Central Services

2025-26 Preliminary Budget





Central Services

2025-26 Preliminary Budget

BOCES

- ✓ Largest part of our central budget
- ✓ Includes all of our required BOCES administrative costs
- ✓ Two of our largest operating software platforms WinCap & Frontline

Liability & Student Accident Insurance

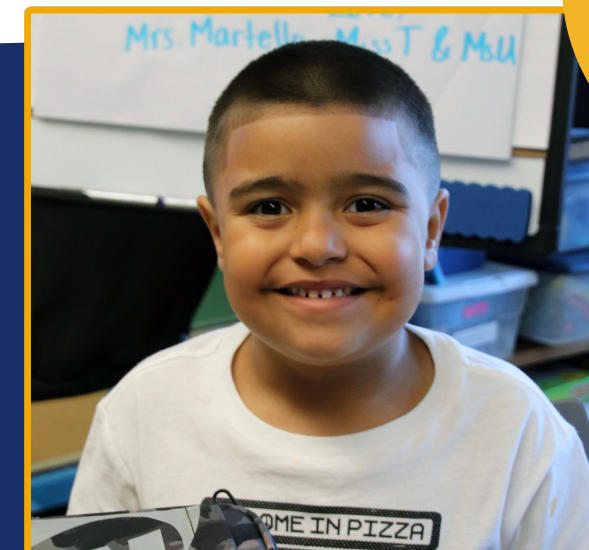
- ✓ Trending very high
 - Very litigious environment in New York State
 - Child Victims Act claims are an industry wide issue
 - Student accident claims also spiking
 - 12.5% increase over last year

Supplies and Contractuals

- ✓ Reduction in supply line budget across all areas
- ✓ Contractual reductions offset by required increases for auditing services

Salaries

- ✓ Non-Instructional salaries on pace with minimum wages increases & market demands
- ✓ Instructional salary increase due to promotion and movement of certified staff member



Central Services Budget Numbers

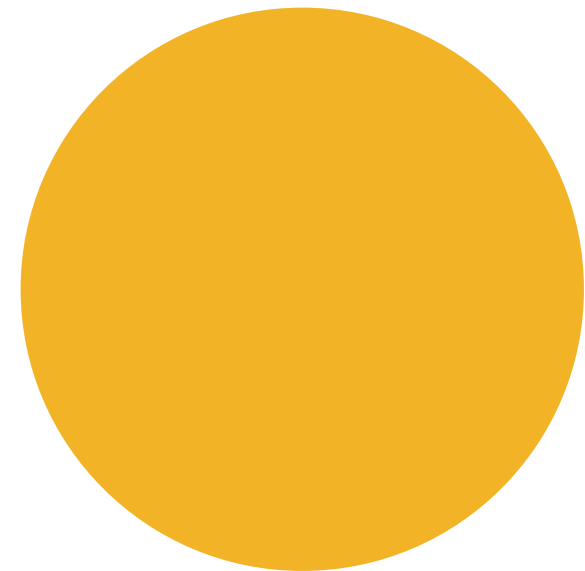


Category	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>Variance</u>	<u>%Change</u>
Instructional Salaries	\$ 635,800	\$ 733,000	\$ 789,500	\$ 56,500	7.71%
Non-Instructional Salaries	\$ 1,096,300	\$ 1,053,755	\$ 1,098,500	\$ 44,745	4.25%
Supplies	\$ 46,210	\$ 46,210	\$ 37,000	\$ (9,210)	-19.93%
Contractuals	\$ 667,150	\$ 667,150	\$ 669,000	\$ 1,850	0.28%
Insurance	\$ 638,000	\$ 689,040	\$ 775,000	\$ 85,960	12.48%
BOCES Services	\$ 1,980,000	\$ 1,990,000	\$ 2,017,000	\$ 27,000	1.36%
Total	\$ 5,063,460	\$ 5,179,155	\$ 5,386,000	\$ 206,845	3.99%



Buildings & Grounds

2025-26 Preliminary Budget





Buildings & Grounds

2025-26 Preliminary Budget

Staffing

- ✓ We have multiple openings in the custodial and cleaner areas, especially on second shift
- ✓ B&G is staffed to their minimums

Creative Solution

- ✓ Data from work order system and budget requests tell a story
- ✓ We can better utilize the facilities budget to drive more aid!
- ✓ How do we do this?

- Reduce the repair and building project contractual lines by \$500,000
- Move that to the transfer to capital line under the debt service area of the budget
- Mini-capital projects will drive \$350,000 in building aid
- More to follow...





Buildings & Grounds

2025-26 Preliminary Budget

Salary Increases

- ✓ Keeping pace with the changes in minimum wage

BOCES

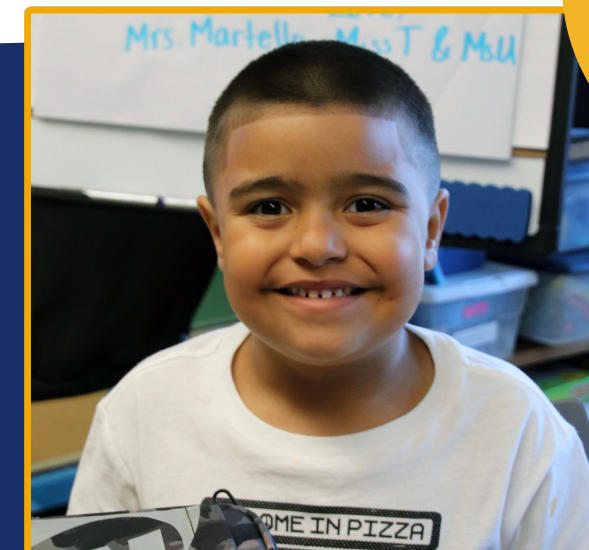
- ✓ Trending higher than normal
 - All of our facilities management systems are networked
 - Creates a larger year over year cost to maintain
 - HVAC systems, security systems, visitor management system

Equipment

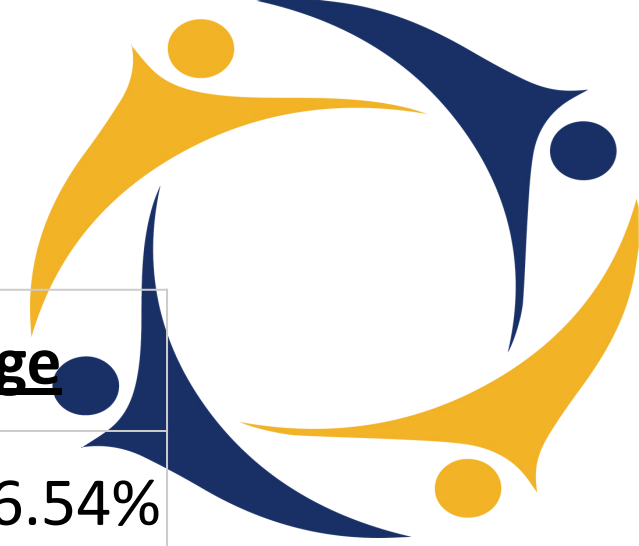
- ✓ Maintained at current budget levels
 - All expenses are for health, safety, & continuation of operations

Supplies

- ✓ Small reduction in supply budget
 - Capital project work has allowed us to reduce this part of the budget



Buildings & Grounds Budget Numbers



	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>Variance</u>	<u>% Change</u>
Non-Instructional Salaries	\$7,245,575	\$7,597,900	\$8,095,000	\$497,100	6.54%
Equipment	\$325,000	\$325,000	\$325,000	\$0	0.00%
Fuel	\$110,000	\$110,000	\$110,000	\$0	0.00%
Natural Gas	\$1,725,000	\$1,725,000	\$1,725,000	\$0	0.00%
Electricity	\$725,000	\$725,000	\$725,000	\$0	0.00%
Contractuals	\$654,000	\$654,000	\$529,000	(\$125,000)	-19.11%
Supplies	\$653,000	\$653,000	\$643,000	(\$10,000)	-1.53%
Repairs	\$625,000	\$625,000	\$240,000	(\$385,000)	-61.60%
BOCES Services	\$435,000	\$440,000	\$470,000	\$30,000	6.82%
Total	\$12,497,575	\$12,854,900	\$12,862,000	\$7,100	0.06%



Contractual & Repair Reductions that will be moved to the transfer to capital budget lines



Buildings & Grounds

2025-26 Transfer to Capital Projects

\$500,000 Transfer Project

✓ Webster Schroeder High School

- Replace lighting in Gymnasium and auxiliary spaces
- Replace electrical panels in Gymnasium, east wing, boiler room
- Upgrade two HVAC units on the roof

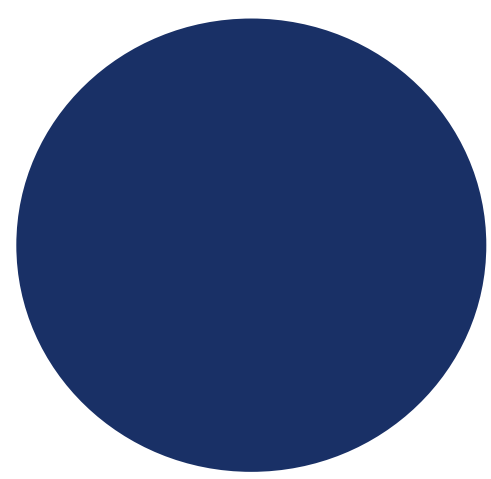
- *Purpose-Energy savings with improvement in the viewing environment*

\$100,000 Capital Outlay Project

✓ Plank North

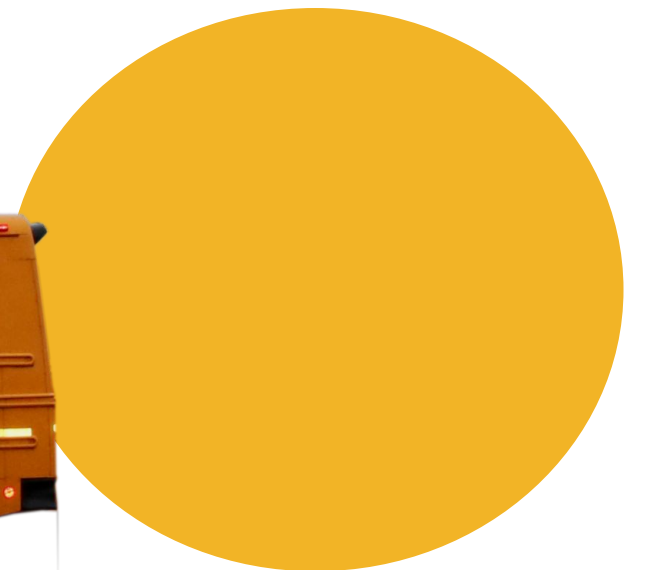
- Elevator lift in the cafetorium
- LED lighting conversion





Transportation

2025-26 Preliminary Budget



Transportation

2025-26 Preliminary Budget



Salaries

- ✓ Right sizing based on driver shortage
- ✓ Increase is much smaller because of that
- ✓ Also significant breakage on salaries

Contract Transportation

- ✓ BOCES doing fewer runs for the district so there is a reduction there
- ✓ Third party vendor also limited in capacity so a reduction there as well



Contractuals

- ✓ Increase in radio tower rental cost
- ✓ Auto insurance premiums increasing greatly
 - Poor experience rating combination with market factors

Supplies

- ✓ No reduction in supply lines as all are necessary for continuation of yearly operations

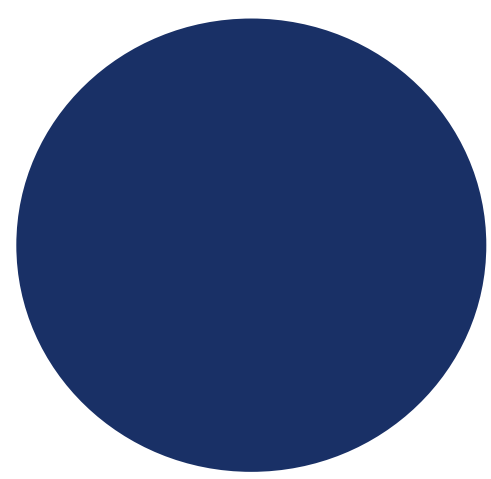


Transportation Budget Numbers



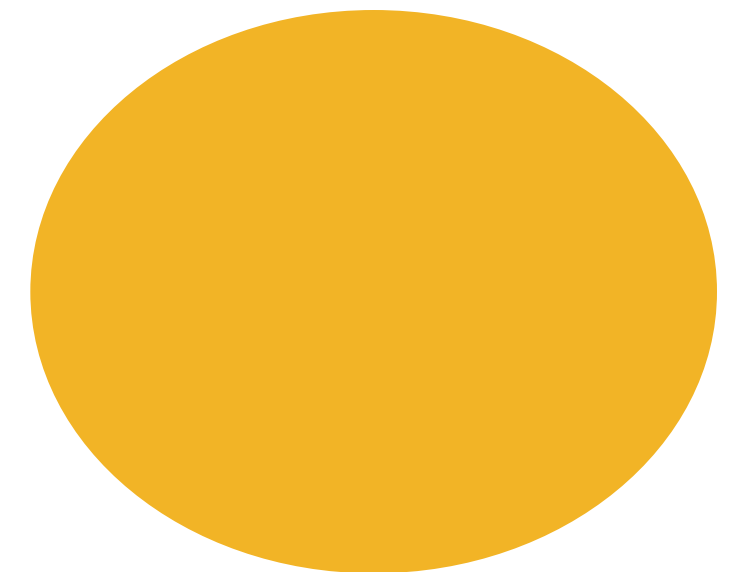
	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>Variance</u>	<u>% Change</u>
Non-Instructional Salaries	\$5,848,400	\$5,976,300	\$6,005,000	\$28,700	0.48%
Supplies	\$273,900	\$273,900	\$273,900	\$0	0.00%
Insurance	\$90,000	\$90,000	\$125,000	\$35,000	38.89%
Fuel	\$750,000	\$750,000	\$750,000	\$0	0.00%
Contractuals	\$230,250	\$230,250	\$237,700	\$7,450	3.24%
BOCES Contract Transportation	\$1,325,000	\$1,325,000	\$1,250,000	(\$75,000)	-5.66%
Totals	\$8,517,550	\$8,645,450	\$8,641,600	(\$3,850)	-0.04%





Debt Service

2025-26 Preliminary Budget





Debt Service

2025-26 Preliminary Budget

Bus Borrowing

- ✓ Slight reduction from last year
- ✓ Fewer buses purchased this year

Capital Borrowing

- ✓ 3 projects officially on the books
- ✓ 2014, 2016, & 2018 Project Votes are what make up our capital debt
- ✓ No borrowing yet for the 2023 project as we have not had significant expenditures yet

Transfers

- ✓ \$600,000 Transfer to Capital
 - \$100K project plus the new \$500K project
- ✓ \$240,000 Transfer to the Federal fund
 - The local portion of summer programs for students with disabilities



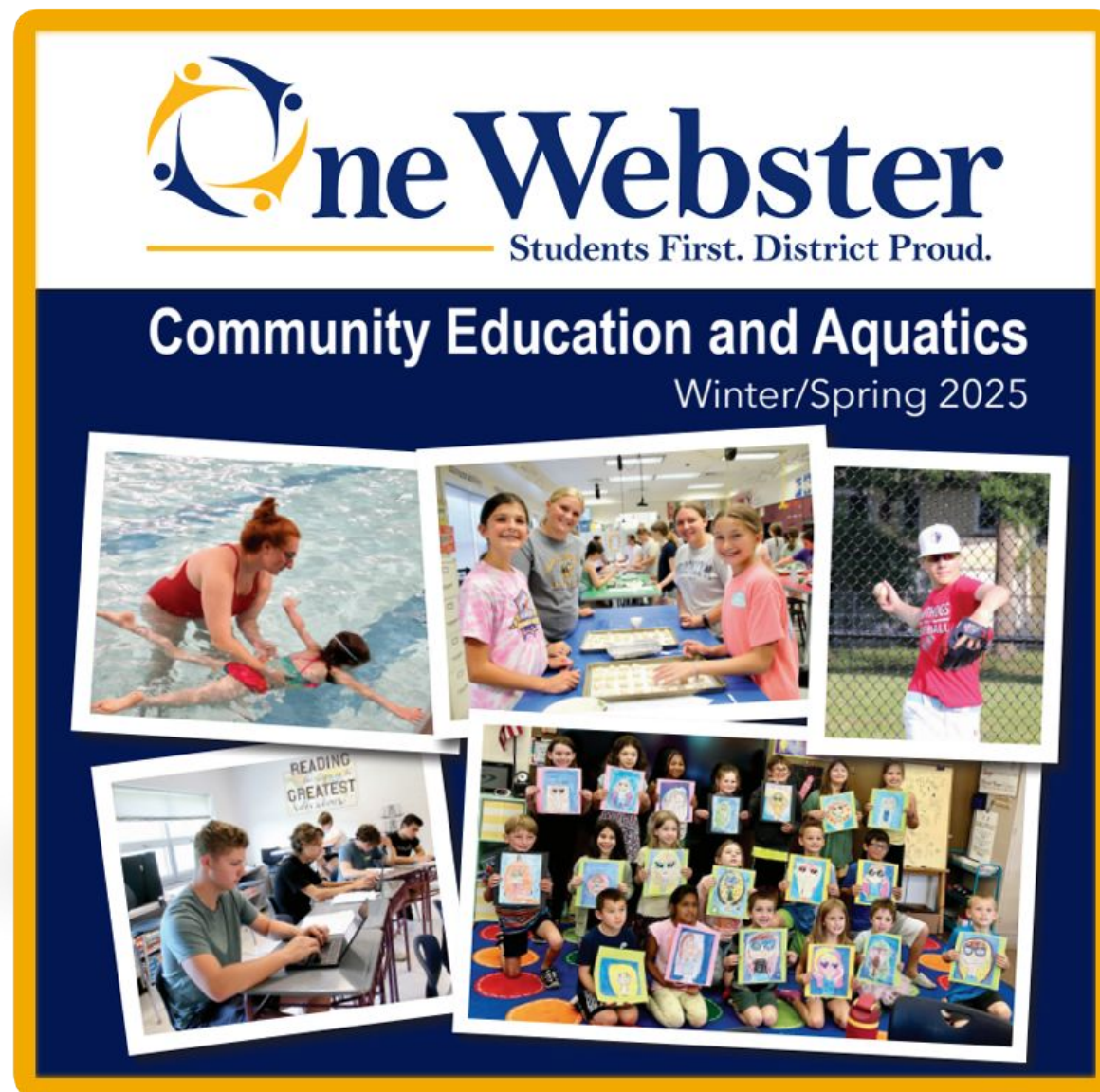
Debt Service Budget Numbers



<u>Description</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>Variance</u>
Principal-Construction	\$7,520,000	\$5,545,000	\$6,325,000	\$780,000
Interest-Construction	\$4,282,400	\$4,340,525	\$4,319,725	(\$20,800)
Total Construction Debt	\$11,802,400	\$9,885,525	\$10,644,725	\$759,200
Principal-Bus Bonds	\$1,607,500	\$1,610,000	\$1,530,000	(\$80,000)
Interest-Bus Bonds	\$153,000	\$171,240	\$161,545	(\$9,695)
Total Bus Borrowing Debt	\$1,760,500	\$1,781,240	\$1,691,545	(\$89,695)
Total Debt Service	\$13,562,900	\$11,666,765	\$12,336,270	\$669,505
Transfer to Capital	\$100,000	\$100,000	\$600,000	\$500,000
Transfer to Federal Fund	\$240,000	\$240,000	\$240,000	\$0
Total Transfers	\$340,000	\$340,000	\$840,000	\$500,000

Community Education

2025-26 Preliminary Budget





Community Education

2025-26 Preliminary Budget

Staffing

- ✓ All costs driven by minimum wage
- ✓ Paying above that to compete with competitors
- ✓ Very few full time employees in this budget (5 FTE)

Other Budget Items

- ✓ Reduced where practical
 - Less contractual instructors and more part time staff
 - Supply lines reduced on non-essential items
 - 95% of supplies are for pool chemicals
 - Equipment line not reduced
 - If something breaks the whole pool goes down
 - Health and safety item

Community Education Budget Numbers



Category	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>Variance</u>	<u>% Change</u>
Non-Instructional Salaries	\$ 978,100	\$ 1,012,900	\$ 1,099,000	\$ 86,100	8.50%
Equipment	\$ 25,000	\$ 25,000	\$ 25,000	\$0	0.00%
Supplies	\$ 38,500	\$ 45,000	\$ 43,000	\$ (2,000)	-4.44%
Contractuals	\$ 75,600	\$ 75,600	\$ 65,600	\$ (10,000)	-13.23%
Totals	\$1,117,200	\$1,158,500	\$1,232,600	\$ 74,100	6.40%



Employee Benefits

2025-26 Preliminary Budget





Benefit Updates

Pensions

- ✓ Salaries drive rates
- ✓ TRS flat, ERS up
- ✓ Increases in both area

Healthcare

- ✓ RASHP II plans up 14.4%
- ✓ Projecting double digit increases for next January as well
- ✓ RASHP 1 retiree plans look to stabilize for next January as well with no impending Medicare changes
- ✓ HRA contributions down, HSA contributions up

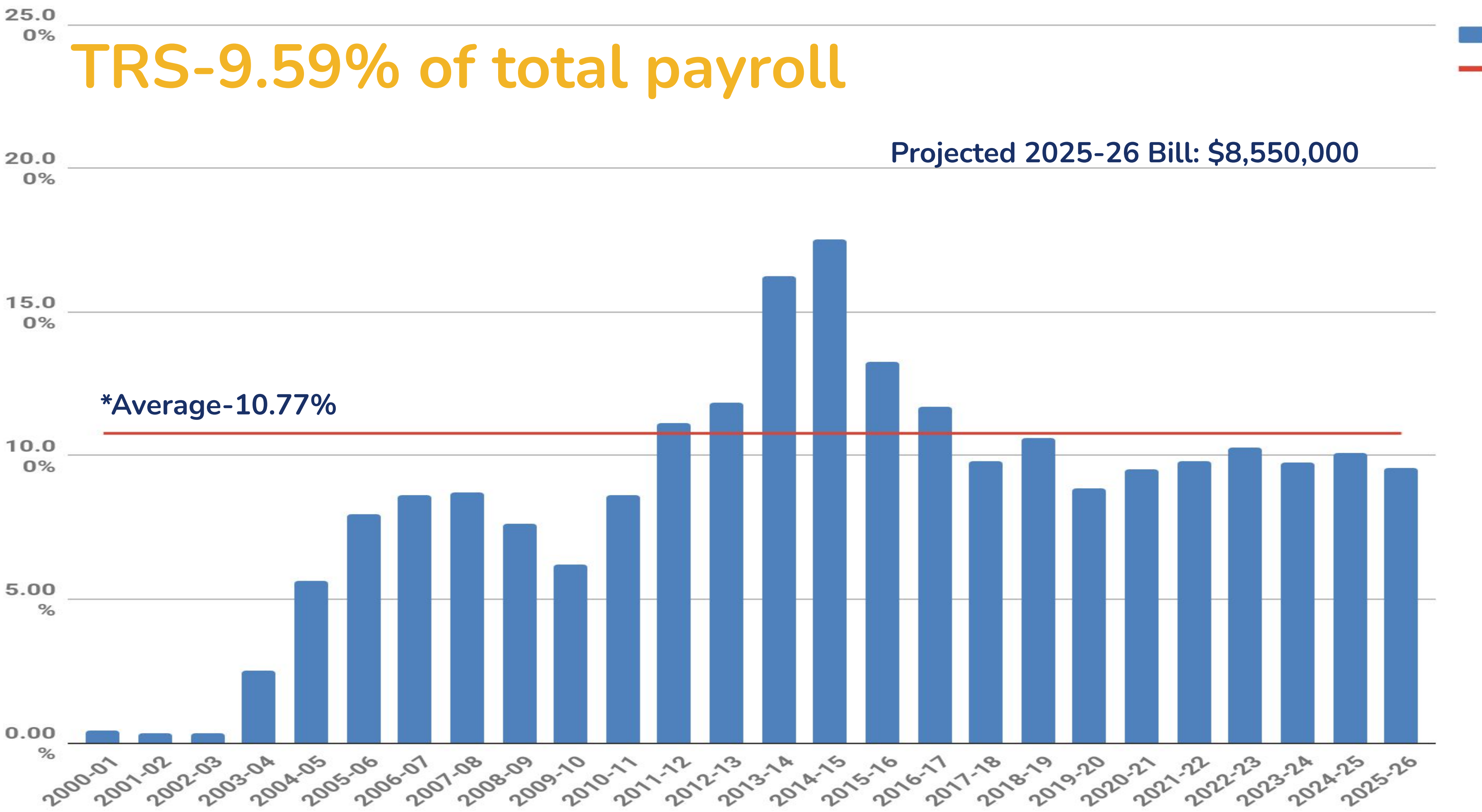
Other Items

- ✓ Worker's Compensation with a year over year decrease
- ✓ Small % increase in dental rates and life insurance plans
- ✓ Buyouts have also increased
- ✓ Retirement benefits guaranteed and can no longer be budgeted through next year breakage but offset by current year salary breakage

TRS-9.59% of total payroll

Projected 2025-26 Bill: \$8,550,000

*Average-10.77%

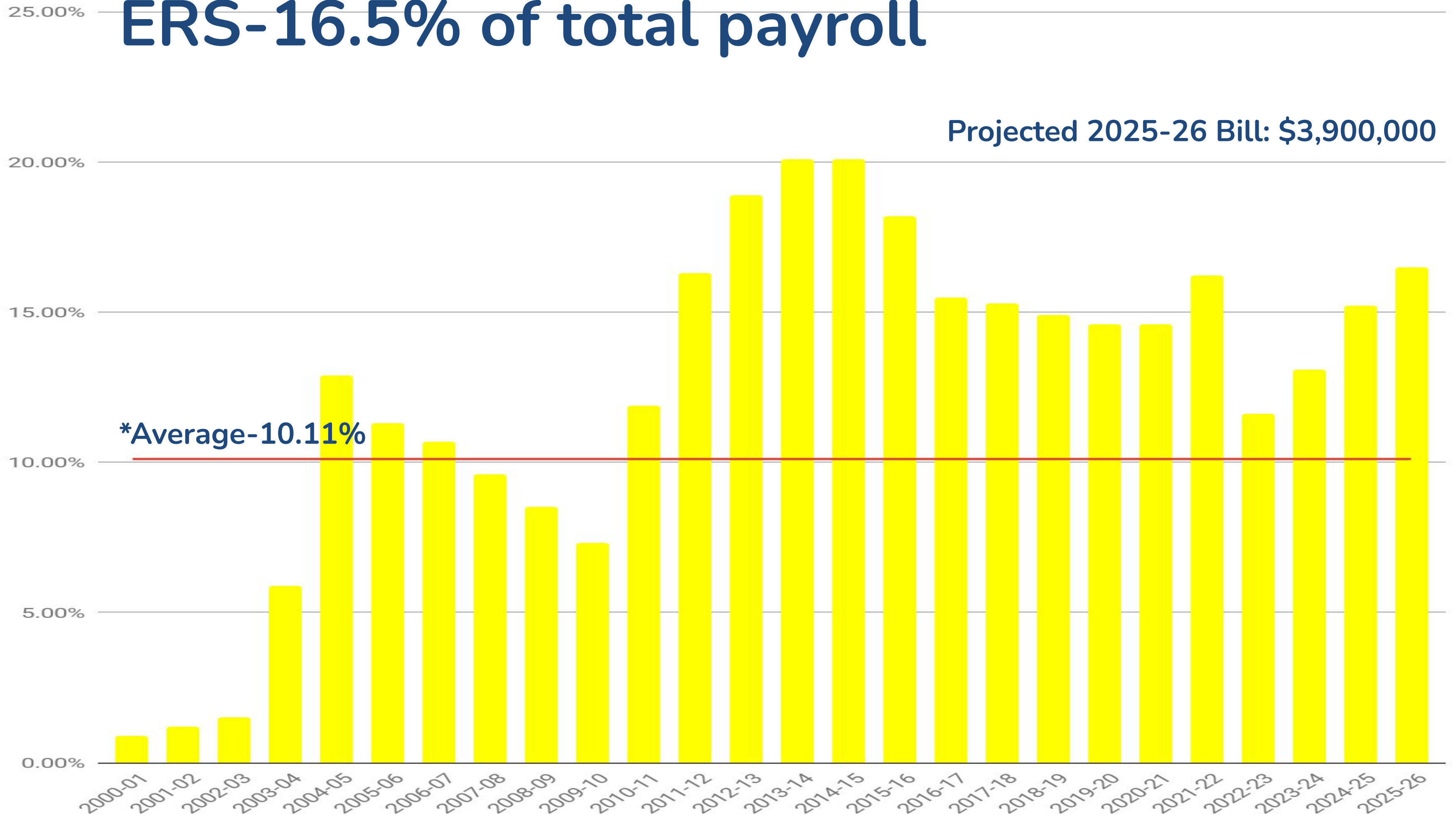


*Since 1978

ERS-16.5% of total payroll

Projected 2025-26 Bill: \$3,900,000

*Average-10.11%



*Since 1978



Healthcare Budget

2025-26 Preliminary Budget



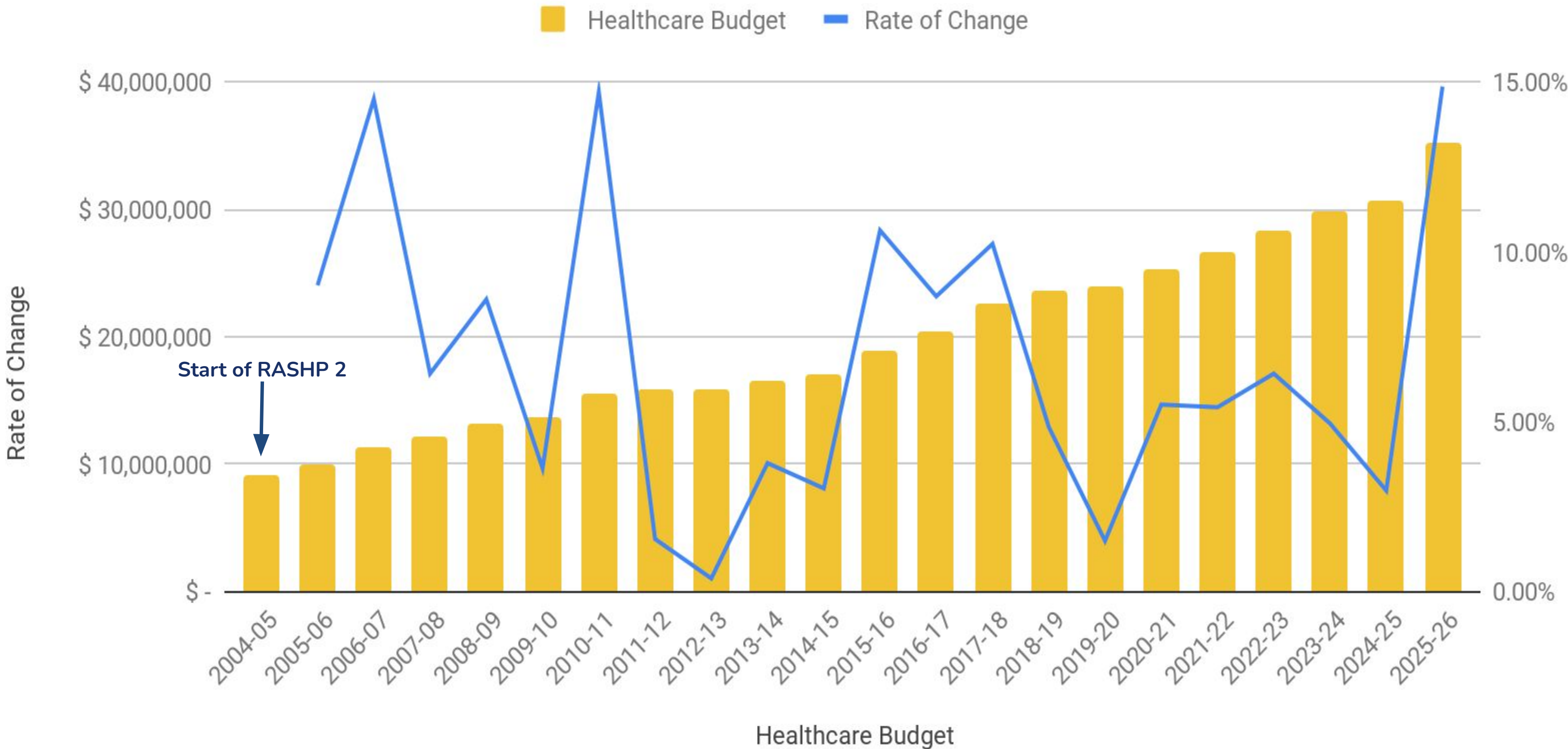
Retiree Plans

- ✓ RASHP 1 (Medicare Plans) increases expected
- ✓ Not projecting any additional changes to Medicare for next year
- ✓ Inflation Reduction Act changes will impact for years

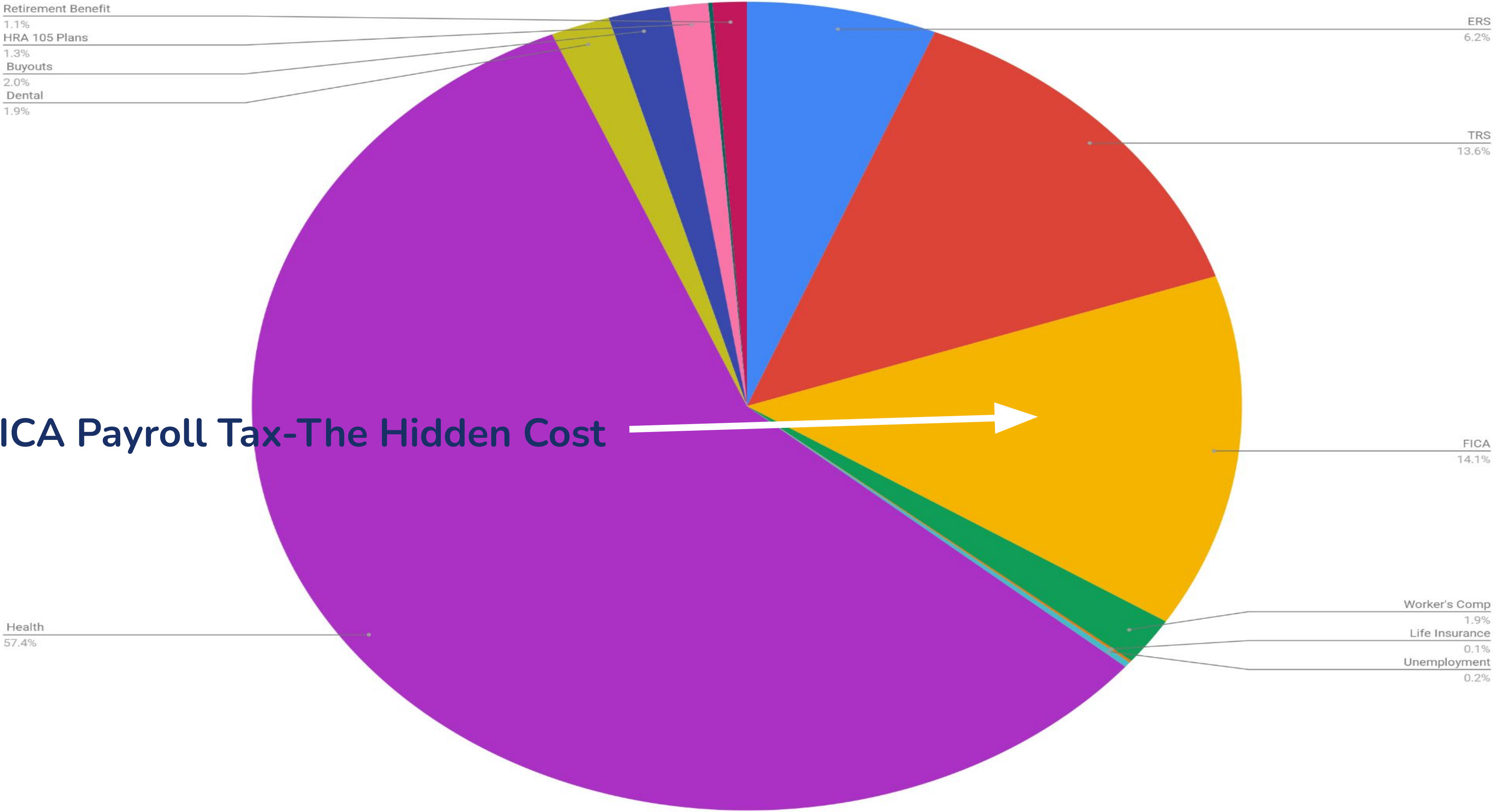
Active Employee Plan

- ✓ Always difficult to budget for
 - January 1-December 31 fiscal year creates budgeting challenges
 - All districts in the consortium have to make educated estimates on what will happen the second half of the school fiscal year (January 1-June 30)
 - We have a large enough population that movement between plans swings year to year increases
 - There are cost differences associated with every change, we have 100's of changes a year!
 - The next two fiscal years should present budget challenges as rates are not predicted to come down from the mid teen's for percentage increases

Healthcare Budget and Year over Year Increases



FICA Payroll Tax-The Hidden Cost



	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>\$ Variance</u>
ERS	\$ 2,900,000	\$ 3,364,885	\$ 3,900,000	\$ 535,115
TRS	\$ 7,695,000	\$ 8,162,100	\$ 8,550,000	\$ 387,900
FICA	\$ 7,812,000	\$ 8,124,480	\$ 8,900,000	\$ 775,520
Worker's Comp	\$ 1,450,000	\$ 1,300,000	\$ 1,200,000	\$ (100,000)
Life Insurance	\$ 45,000	\$ 45,000	\$ 50,000	\$ 5,000
Unemployment	\$ 140,000	\$ 140,000	\$ 140,000	\$ -
Health	\$ 29,770,800	\$ 30,653,260	\$ 36,110,000	\$ 5,456,740
Dental	\$ 1,181,000	\$ 1,181,000	\$ 1,216,430	\$ 35,430
Buyouts	\$ 950,000	\$ 1,100,000	\$ 1,250,000	\$ 150,000
HRA 105 Plans	\$ 900,000	\$ 900,000	\$ 800,000	\$ (100,000)
Flexible Spending Administration	\$ 80,000	\$ 85,000	\$ 85,000	\$ -
Retirement Benefit			\$ 700,000	\$ 700,000
Total	\$ 52,923,800	\$ 55,055,725	\$ 62,901,430	\$ 7,845,705



\$104,217,750

Total Presented This Evening





Albany Updates

Foundation Aid

- ✓ Will we get more than 2%?
 - 3% gets us another \$168,000 in aid
 - 4% is estimated at \$600,000 over the Governor's current proposal

On time Budget

- ✓ Prediction- probably not on time

Other Items

- ✓ Push for universal free meals seems to be heading positive direction
- ✓ EV Bus mandate-who owns it Transportation or Education?
- ✓ Legislature seems poised to push back on the cell phone ban
- ✓ One house budgets come out next week for greater detail
- ✓ Seems like the focus was "light" on education topics

Next Up.....



Workshop #2
March 18

Workshop #3
April 8

Budget Adoption
April 22

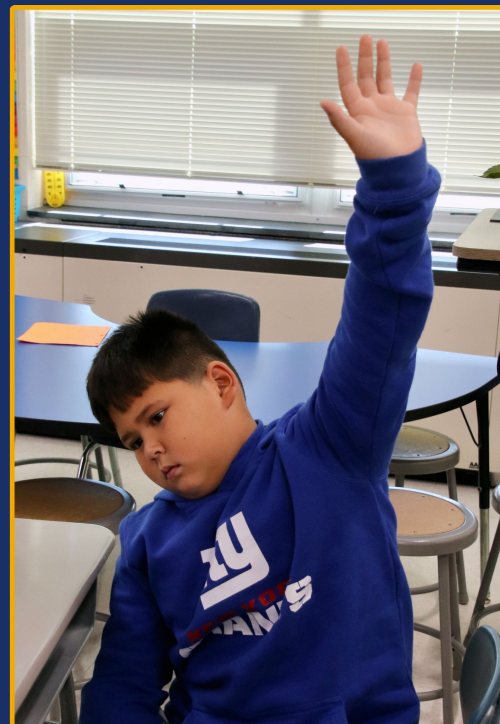
Budget Hearing
May 13





OneWebster

Students First. District Proud.



Thank You Questions?

Budget Website