

To: All Staff
From: Amy Jenquin, Director of Business Services
Date: April 27, 2023
Re: 2023-2024 Budget and Wages

I'd like to thank everyone for their patience and cooperation as we work out the details of the 2023-2024 budget. This memo provides some updates for the budget, benefits, staff contracts and/or wages for the 2023-2024 school year. The passed referendum provided much needed budget relief. However, inflation, declining enrollment, and state funding continues to be challenging. While weighing these challenges and balancing student needs, district needs, staff retention, future budget deficit projections and fiscal responsibility, the Board of Education approved several items at the April 24th, 2023 board meeting.

Board of Education Approvals on 4/24/2023

- 4% Salary increase for all employee groups for the 2023-2024 fiscal year.
- A 3.9% overall renewal increase with WCA-GHT for health insurance while providing solely the \$2,000 single/\$4,000 family deductible base plan for the 2023-2024 school year.
- Eliminate 1 FTE Full time substitute position (currently vacant).
- Eliminate 1 FTE Middle School ELA position.
- Eliminate 0.52 FTE World Language position.
- Middle School reconfiguration from the current 1 FTE Dean/Counselor and 1 FTE Counselor to 1 FTE Dean and 1 FTE Counselor (FTE's still total 2).
- High School reconfiguration by reducing 1 FTE Social Studies position and reconfiguring from current Dean/Athletic Director to 1 FTE Assistant Principal and 1 FTE Activities Director – Athletic Director and Community Facility Use Coordinator.

Additional reductions that helped with the budget include:

- Retirees coming off their grandfathered health insurance.
- Anticipated savings from retirements.

The Business office would also like to share the following:

Teacher Contracts

- Teacher Contracts will be distributed by May 15th.
- The deadline for returning the signed contract is June 15th but the district office would prefer to have them prior to the last day of school on 6/8/2023.

Health Insurance

- Open enrollment forms will be distributed with a pre-summer to-do list by early next week.
- One \$2,000/\$4,000 health insurance plan will be offered through WCA-GHT.
- The District premium contribution percentage will be 85.5%. Thus, the monthly employee premium contribution will be 14.5% (\$137.27 per month – single and \$311.22 -family).
- Teladoc and NICE will continue to be offered at no cost.
- Pre-tax dollars may be deducted out of paychecks for the Flexible Benefit Plan. Medical Flexible Benefit dollars may be used for medical, dental and vision expenses.
- \$3,500 Cash in Lieu may be selected by eligible full-time employees who do not enroll in the district's health insurance plan.



2023-2024 Budget Highlights

- State Biennial budget for 2023-2025 is still unknown.
- Three year \$3,000,000/year non-recurring operational referendum passed. This means the district can exceed the Revenue limit by \$3,000,000 in school years 2023-24, 2024-25, and 2025-26.
- The referendum was an operational referendum to help maintain staffing and programming; it doesn't address the growing capital improvement needs.
- Even with the 3 year, 3 million per year approved referendum question, there is a projected 2.0 million deficit in 2025-2026 (Baird Model).
- Revenue Limit factors are only projections until final numbers are received during the summer (state aid if State Budget is finalized) and/or fall (pupil count, Oct 15 Aid Certification, and property values).
- If the State provides per pupil aid increases within the revenue limit, with the District losing the enrollment "hold harmless exemption" for next school year, an increase in per pupil aid will be less impactful for next year. However, categorical aid outside the revenue limit would have a greater impact.
- The Health Insurance renewal at 3.9% instead of the 12% projected provides \$193,429 in savings.
- Additional Special Education staff will be funded through Transfer of Service (exemption for assuming responsibility from another governmental unit).

As we know, school districts throughout the state continue to face difficult economic challenges toward providing quality services. That said, I am very grateful for the work we perform each day to meet the needs of our students and to support our staff. It's never easy to make tough recommendations and decisions, but in my short time here, I am grateful to be a part of a collaborative team that continues to work toward making East Troy be a great place to learn and work.

Sincerely,

Amy Jenquin