

School District of Whitefish Bay

2012-13 Budget

2012-13 Budget

- It is extremely difficult to overstate the impact of the 2011-13 State Budget and 2011 Wisconsin Act 10 on Wisconsin Public Schools.
- Public Schools experienced unprecedented cuts in state aid (\$700 million) and revenue cap reductions (\$1.6 billion)

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- Cuts to public schools were used to fill the huge budget hole in the Medicaid program (the federal government is shifting cost to the individual states).
- By effectively eliminating collective bargaining...the state shifted unprecedented authority to local school management related to personnel matters...but the state still controls the revenue authority...which ultimately dictates the level at which districts function.

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Revenue Limit: Current Resident
Enrollment = 2640

State Allows additional \$50 per pupil

$2640 \times \$50 = \$132,000$. max increase in
revenue.

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Budget assumptions for 2012-13:

- 1) Salary freezes for all employee groups.
- 2) Health insurance cost can not increase...or adjustments to plan design will be made to reduce it back to zero.
- 3) Utilities and contracted service will be managed efficiently.

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- Health insurance costs are currently \$4,538,968 for all groups.
- Of that figure retiree health insurance is approx. \$1,158,000.
- Health insurance bids were received on the current plan....the lowest bid was 12% increase from WEA...others were as high as 16.72% - 22% increase.

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- \$4,538,968 Current Health Ins. Cost X 12% = \$544,676.16.
- \$544,676.16 – \$132,000. (max revenue limit increase = (412,676.16) necessary cuts.
- \$1,158,000 retiree portion X 12% = \$138,960. (\$6,960. above max revenue)
- We are now working with WEA on plan design modifications to get us back to \$0.

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This doesn't include raises in utility costs, unemployment compensation, workers compensation which have increased substantially.

This issue is not a local issue.....its a state issue. This is not an issue with one specific employee group it's affecting everyone.

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Implications:

Short-term:

Health Insurance increases will be a significant issue.

Post Retirement Benefits will need to be modified.

Programs/Staffing/Compensation could be affected.

Long-term:

Will the economy improve?

Will school funding be modified?