



**EXECUTIVE SUMMARY  
FOR THE SHOREWOOD SCHOOL BOARD**

**Topic:** 2020-2021 Budget Update

**Date:** June 23, 2020

**Prepared by:** Bryan Davis

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**Recommended action:**  Information only  
 Presentation/discussion  
 Discussion/action by committee  
 Discussion/action by board of education  
 Presentation/action next meeting

**Recommendation(s):** N/A

**Purpose:** Provide update on proposed 2020-2021 Budget

**Background:**

Marta and I worked together closely from January through June 12 on developing a budget for the 2020-2021 school year. Our planning changed significantly in March with the arrival of the COVID-19. We have prepared for three different scenarios based on our estimates of where our per pupil state funding will land. This budget update indicates our latest planning efforts for what will be an uncertain school year.

Indications from the State are that we will land near a \$0 increase in per pupil funding from the state. To be conservative in our budgeting process, we are focusing on two scenarios:

# 2020-2021 General Fund Budget

- ~~Budget # 1 deficit \$80,575 (\$179 per student increase)~~
- Budget #2 deficit \$602,722 (\$0 per student increase)
- Budget #3 deficit \$696,122 (\$-50 per student decrease)

## Budget Recommendations

- Approx. \$363,589 - No Salary Increase for all employees
  - Freeze Teacher Steps, Provide Lanes Movement
  - Maintain Steps and Lanes Structure for future years
- Approx. \$190,000 - Increase Health Insurance employee contribution 12.6% for HMO and 16.6% for POS - effective July 15<sup>th</sup> for twelve month employees and September 1<sup>st</sup> for teachers and aides. \*\*SEA asked to wait until a more definitive state budget is outlined\*\*
- \$92,000 - Elimination of HRA account (paid in January -\$563 family coverage and \$273 for single coverage to help with deductible cost, not the same as retiree HRA)
- Consideration for an increase pay for instructional and special education assistants
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- Total of \$645,589 in reductions provides a reasonable budget estimate heading into great financial uncertainty.



It is important to note that although we are in an economic crisis created by the pandemic, this budget represents a preservation of programming for students and jobs for our staff. I will be preparing my presentation for our Annual Meeting in August based off of this budget process and these recommendations.