



CHELSEA
SCHOOL DISTRICT

BUSINESS OFFICE

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To: Board of Education
From: Nicole Lechner
Re: March Board Report
Date: 3/5/2025

The budget amendments are on the agenda for approval this month, following the presentation in February. Once approved, the budgets will be loaded into our finance software and made available for use by departments. As a reminder, we will present one final amendment to the board in June for approval, which will reflect our year-end adjustments.

This month, we will pay the final payments for winter coaches and start the process of verifying the contracts for our spring coaches. Financial verifications will be sent out to confirm their position steps and wages.

Additionally, there is new legislation regarding Section 147g Office of Retirement Services 3% Healthcare Reimbursement funding, which helps school districts offset the cost of employee's required 3% payroll deductions for premium-subsidized healthcare pension benefits. This funding will apply to deductions taken from October 2024 through September 2025. It's important to note that not all employees will be affected, as some retirement pension plans, as designated by the Office of Retirement Services, do not include the deduction for premium-subsidized healthcare benefits. The first reimbursement for impacted employees will be processed in the first payroll in March.

The Office of Retirement Services also recently launched a small steps campaign affecting employees in the Pension Plus, Pension Plus 2, Defined Contribution, and Personal Health Care Fund plans. As part of this campaign, employee contributions increase by 1% each year until reaching 15%. Employees can opt out of this increase, but they must do so directly with the Office of Retirement Services. For payroll purposes, we receive a file with the updated contribution percentages for all affected employees. Once this information is received, it is updated in our payroll system for the first payroll in March.

Wishing you all a wonderful Spring Break! Please let me know if you have any questions.

Respectfully,
Nicole Lechner, Chief Financial Officer
Chelsea School District