

## What We Know Now & What We are Continuing to Watch

### Carry Forward from Budget Development

- **Health Insurance** on Target for 10% Renewal as budgeted per USI Rep Meeting 3.7.22.  
Eliminate earmark \$150K of School Choice Reserves.

### New & Emerging Items

- **Utilities:** Current market conditions for contracts renewing December are 50% greater than current fixed rated potential increase of \$75K - \$125K over budgeted.
- **Special Education TAs:** Tracking potential for four additional one-on-one aides to comply with IEP requirements. Potential increase of \$120K over budgeted.
- **Transportation Fuel Surcharge:** Takes effect when gas prices escalate more than .20 per gallon from the time of the bid. Currently assessing potential impact on general ed, athletics, and special ed transportation. Ex. Potential for \$20K for general education runs.

**+245K Potential New FY23 Expenditures**

### Options to Address Should the Materialize

*Reserves*  
*Cuts*  
*Combination of Reserves and Cuts*

<b>FY 23 Adopted Budget Outline</b>	
<i>Total Budget Spending</i>	\$28,925,987
<i>Total Gap Between Level Service &amp; Target</i>	\$1,130,000
<i>Cuts</i>	\$460,000
<i>E&amp;D Reserves*</i>	\$520,000
<i>Spending</i>	3.56
<i>Assessment</i>	2.89
<i>TOE Apportionment</i>	4.39
<i>MBTS Apportionment</i>	2.05
<b>Operation Reductions</b>	<b>\$70,000</b>
Continued Bus Run Reduction	\$50,000
Eliminate Late Bus	\$20,000
Potential Staffing Tide Savings	
<b>Staffing and Program Reductions</b>	<b>\$270,000</b>
<i>1.0 HS Math</i>	\$85,000
<i>.4 HS Art</i>	\$35,000
Eliminate Foreign Lang Exploratory K-6 ( <i>begin program Grade 7</i> )	\$65,000
Move Instrumental Music Lessons to Fee for Service	
<i>-Reduce .7 FTE</i>	
<i>-Move instrumental music lessons to fee-based after-school</i>	
Elem. Classroom Teacher ( <i>enrollment class size / attrition if possible</i> )	\$85,000
<i>.5-1 FTE Reductions</i>	
<b>Restructuring Opportunities</b>	<b>\$120,000</b>
<b>Restructuring of Elementary Intervention Model</b>	
<i>-Reduce 1.2 TAs / 1 Tutor</i>	\$70,000
<b>Reorganize School Psychologist Structure</b>	\$25,000
<b>Study K-12 Administrative and Central Office Restructure</b>	
<i>-Initial Est. Short Term Savings</i>	\$25,000
<b>E&amp;D and Other Reserves</b>	
OPEB Reserves	\$150,000
Excess & Deficiency Fund Reserves	\$520,000
Stabilization Fund (Reserves)	
Total Reserves	\$670,000
Total Cuts	\$460,000
	\$1,130,000
<i>School Choice Reserves (Earmark) to Cover Potential Health Care Increase</i>	

<b>Reserve Projection w/ Adopted Budget</b>					
	<b>E&amp;D</b>	<b>School Choice</b>	<b>Stabilization</b>	<b>Facilities Rental</b>	<b>Total</b>
<b>FY21 Usage</b>					
Operations	\$335,000				
COVID Costs (after federal funding)		\$200,000			
EES Technology			\$128,000		
Essex Playground			\$291,000		
<i>FY21 Ending - Unaudited</i>	<i>\$1,631,391</i>	<i>\$1,404,288</i>	<i>\$552,201</i>	<i>\$253,943</i>	<i>\$3,841,823</i>
<b>FY22 Usage</b>					
Operations	\$335,000				
Essex Playground			\$69,000		
Security, Technology & Fiber			\$199,000		
Essex/MHS Facility Report			\$50,000		
Hyland/Brk St Field Replacement			\$1,200,000 <i>Defer to '25</i>		
<i>Account Totals</i>	<i>\$1,296,391</i>	<i>\$1,404,288</i>	<i>\$234,201</i>	<i>\$253,943</i>	<i>\$3,188,823</i>
<b>FY23 Usage</b>					
Operations	\$520,000				
<del>Health Care Premium Earmark</del>					
EES Back-Up Boiler			\$100,000		
Hyland/Brk St Field Replacement			\$1,200,000 <i>Defer to '25</i>		
MHS Carpeting (Auditorium & Pods)			\$90,000		
<i>Account Totals</i>	<i>\$776,391</i>	<i>\$1,404,288</i>	<i>\$44,201</i>	<i>\$253,943</i>	<i>\$2,478,823</i>
<b>FY24 Usage</b>					
Operations	\$786,000				
<del>Health Care Premium Earmark</del>					
Hyland/Brk St Field Replacement			\$1,200,000 <i>Defer to '25</i>		
<i>Account Totals</i>	<i>-\$9,609</i>	<i>\$1,404,288</i>	<i>\$44,201</i>	<i>\$253,943</i>	<i>\$1,692,823</i>
<b>FY25 Usage</b>					
Operations	\$1,078,000				
<del>Health Care Premium Earmark</del>					
Hyland/Brk St Field Replacement			\$1,200,000 <i>Defer to '25</i>		
<i>Account Totals</i>	<i>-\$1,087,609</i>	<i>\$1,404,288</i>	<i>\$44,201</i>	<i>\$253,943</i>	<i>\$614,823</i>