



Winneconne Community School District

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Winneconne Community School District
Media Release

From: Margaret (Peggy) Larson, District Administrator
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Healthcare Savings are Short-term Fix to Long-term Budget Problem

The Winneconne Community School District Board of Education approved a proposal that will reduce the school district's 2012 insurance expense by approximately \$700,000. Changing the health plan insurance carrier, increasing the deductible paid by employees, and moving to a Health Maintenance Organization (HMO) style plan were the primary reasons that cost savings will be realized.

The district has been researching health insurance options for several months. Through a competitive bidding process, the WCSD Board of Education selected Network Health Plan as its new health insurance provider effective January 1, 2012. The Network plan will provide equivalent benefits at a lesser cost for both employer and employee. According to Peggy Larson, District Administrator, staff is responding well to the change, "We have kept our employees in the loop on all the discussions, and they understand the financial situation of the district, and there are wellness incentives in the plan to help our employees."

The savings in health care will be carried over to address the projected \$690,000 deficit in the 2012-2013 school year. According to Larson, the financial forecast for 2013-2014 will require an additional \$900,000 in reductions to the existing expenses, and in 2014-2015 another \$1.1 M. in reductions. These forecasts assume no increase in state aid and limited increases in revenue.

With the existing voter approved operational referendum expiring in June 2012, the Winneconne Community School District Board of Education made some preliminary financial decisions to plan for the future. The Board decided the health care savings will address the 2012-2013 budget deficit; therefore an April 2012 operational referendum is not necessary. The Board further decided that if the bleak 2013-2016 financial forecasts

hold, the community may be asked to support a referendum to sustain operations in those school years.

“We have pursued the financial savings and efficiencies where we can, and we will continue to do so. Short of a referendum for additional funds to support our schools, we will have to make choices about the depth of programming we can offer students. This community has supported its schools in the past, and the board and administration are making every effort to sustain quality and trying to keep taxes from rising. We can’t do it alone, and we will look to the community for input and support,” Larson said.