

**EXECUTIVE SUMMARY  
FOR THE WEST ALLIS-WEST MILWAUKEE SCHOOL DISTRICT**

**Topic:** 2024-25 Committed Fund Balance for Implementation of Staff Compensation Model

**Prepared by:** Aaron Norris - Assistant Superintendent

**Date** May 19, 2025 **Agenda Reference #** 11.2

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<b>Recommended Action:</b>	<u>  X  </u>	<b>Discussion/Action</b>
	<u>      </u>	<b>Presentation/Discussion</b>
	<u>      </u>	<b>Information Only</b>
	<u>      </u>	<b>Presentation/Action Next Meeting</b>

**Recommendation(s):**

Administration recommends that the Board of Education commit \$2,000,000 for the purposes of Implementation of the new 2026-2027 Compensation Model.

**Purpose:**

The purpose is to commit \$2,000,000 of fund balance as part of the 2024-25 budget for the 2026-2027 compensation model redevelopment and implementation. The utilization of these funds would be approved through an upcoming year's regular annual budget process; the Board would decide if and when the utilization of these funds would take place for the future compensation model redevelopment.

**Background:**

Budget amendments are a regular part of many budget cycles and often occur close to year-end.

This year, we saw savings in a number of areas, including staffing, transportation, and utilities. We also unexpectedly saw an increase in revenues beyond our budget in Medicaid claims. TID Funds from the Village of West Milwaukee, Open-Enrollment In increases, as well as having significant interest earnings through our new WISC investment in securities strategy.

In addition to other amendments, the Board discussed the approval of \$2 million being set aside for the specific purpose of developing a compensation model.

Per GASB (Governmental Accounting Standards Board) Statement 54: Fund Balance Reporting and Governmental Fund Type Definitions, the Board has the ability to take action to set these funds aside for a specific purpose by committing fund balance. GASB 54 states, "The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority."

The Board can take action at any time to "un-commit" these funds should there be a desire or need to do so as determined by the Board.

This action approves the final change to the 2024-2025 budget, the commitment of \$2 million of fund balance for future compensation model development.

Attachments:

[2024-25 Budget Amendments](#)