

Initial 2025-26 District Budget to be used for the 2025 Annual Meeting

Education/Operations Committee of the Whole
August 25, 2025



Our Mission ... To advance student learning, achievement, and success.

Separate Agenda Items for the Initial 2025-26 District Budget

- [Set Annual Meeting date \(Item VI in agenda, ACTION\)](#)
 - Board action is necessary to establish the time, date, and place for the Annual Meeting and Budget Hearing.
 - **Motion to approve Monday, September 22, 2025, as the date for the 2025-2026 Budget Hearing and Annual Meeting. The meeting will be held at 6:00 p.m. in the Nicholson Board Room at the Longfellow Administration Center, beginning with the Budget Hearing followed by the Annual Meeting.**
 - **Motion to approve Monday, October 27, 2025, as the date for the 2025-2026 Budget Hearing and Annual Meeting. The meeting will be held at 6:00 p.m. in the Nicholson Board Room at the Longfellow Administration Center, beginning with the Budget Hearing followed by the Annual Meeting.**
- [Share equalized value estimates \(Item VII in agenda, NO ACTION NEEDED\)](#)
 - Equalized property values for tax purposes represent statewide property values measured on a consistent basis w/o regard for local assessment or valuation practices.
 - School District equalized values are revealed in the middle of October, but estimates are needed for equalized mill rate estimates offered in the District budget booklet.
 - Last year property value in the District increased by 9.98%. This year the property valuation is expected to increase by 8.98%.
- [Recommendation for 2025-2026 budget \(Item VIII in agenda, ACTION\)](#)
 - Board approval is needed to give proper notices and develop all necessary documents, including the District budget book, for presentation at the Annual Meeting and available prior to that event. Following the Sept. 8 Board meeting, the budget book will be available on our website. A draft version of the budget book is available in BoardBook documents.
 - Work will continue on the budget as priorities continue to develop and as the Wisconsin Dept. of Public Instruction and the Wisconsin Dept. of Revenue reveal more data regarding available revenue.



Separate Agenda Items for the Initial 2025-26 District Budget (cont.)

- [Recommendation for 2025-26 budget \(Item IX in agenda, **ACTION**\) \(continued\)](#)
 - Salary increases included in this budget are 3% per employee group.
 - Nutritional Services group: 3%
 - Administrative and Educational Support group: 3%
 - Maintenance and Custodial group: 3%
 - Teacher group: 3%
 - Municipal group: 3%
 - Administration group: 3%
 - Health insurance premiums to increase by 7%.
 - The budget *projection* presented here is a balanced budget.
 - **Motion to recommend to the Board of Education a preliminary 2025-2026 General Fund budget of \$117,366,124 for expenses and \$117,366,124 for revenue, for presentation at the Annual Meeting and Budget Hearing.**



Separate Agenda Items for the Initial 2025-26 District Budget (cont.)

- [Recommendation for 2025-2026 tax levy \(Item XIII in agenda, ACTION\)](#)
 - The mill rate has steadily decreased over time and is projected to stay the same, at \$7.18 per \$1,000 of equalized value for this budget cycle, or decrease to \$6.58 per \$1,000 of equalized value.
 - The continued large increase in property values significantly contributes to the flat mill rate while the full tax levy is projected to remain relatively stable, or to increase by 9.08%.
 - The budget includes continuation of the defeasance and debt prepayment strategy that has been successful in stabilizing the mill rate and saving taxpayers millions of dollars over the last several years.
 - Board will be presented with debt service levy options
 - **Motion to recommend to the Board of Education a projected tax levy of \$48,414,781 for presentation at the Annual Meeting and Budget Hearing.**
 - **Motion to recommend to the Board of Education a projected tax levy of \$44,385,217 for presentation at the Annual Meeting and Budget Hearing.**



2025-2026 Budget Calendar

- May 19, Committee of the Whole
 - Committee approval of the initial 2025-2026 budget
- June 9, Board of Education
 - BOE approval of the initial 2025-2026 budget
- **August 25, Committee of the Whole**
 - **Share equalized value**
 - **Set Annual Meeting date**
 - **Recommendation for 2025-2026 budget and tax levy**
- September 8, Board of Education
 - Approve the 2025-2026 budget and tax levy for publication and presentation at Annual Meeting
- September 22, Board of Education and Committee of the Whole
 - Regularly scheduled Ed/Ops Committee meeting
 - **Annual Meeting and Budget Hearing (Option)**
- October 13, Board of Education
 - Full Board approvals from September Committee of the Whole
- October 27, Board of Education (Special Meeting)
 - Adopt final budget
 - Adopt District tax levy



Annual Meeting Date Options

- Traditionally held by WSD in September
- Districts throughout the state hold their annual meetings throughout the Summer and Fall
- Holding it in September allows us to make any necessary changes before the final budget is adopted in October
- Holding it in October would allow the district to present a more finalized version of the budget at our annual meeting



Annual Meeting Date Potential Motion(s)

- **Motion to approve Monday, September 22, 2025, as the date for the 2025-2026 Budget Hearing and Annual Meeting. The meeting will be held at 6:00 p.m. in the Nicholson Board Room at the Longfellow Administration Center, beginning with the Budget Hearing followed by the Annual Meeting.**
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Share Equalized Value Estimates

- Property Values Assumed to Increase
 - Equalized value represents true property value on a consistent state-wide basis
 - District estimated equalized values are **up 8.98%** over last year, meaning there is considerably more property value to share in the tax burden of the District.
 - The District levies a tax to all eight municipalities in the District based on total equalized value of the District portion of each municipality.
 - Each municipality passes this levy on to individual property owners based on their respective assessment practices.
 - It is beyond the control of the District, whether individual taxpayers have increases or decreases in their tax bill; District control lies only in the total school tax levy.
 - For mill rate estimate purposes, the equalized value of property is assumed to **increase evenly by 8.98%** across the District for 2025-26.



Share Equalized Value Estimates

Estimate of 2025 Equalized Valuation for Tax Apportionment				
Wausau School District				
August 1, 2025				
Municipality	2024 Equalized Value Reduced by TID Value (WSD)	Percent in District Reduced by TID Value	2025 Equalized Value Reduced by TID Value (WSD)	Projected % Increase
City of Wausau	\$ 3,581,790,140	94.63%	\$ 3,888,569,747	8.56%
Town of Berlin	\$ 109,226,261	93.13%	\$ 121,324,690	11.08%
Town of Hewitt	\$ 84,689,900	100.00%	\$ 88,040,100	3.96%
Village of Maine	\$ 370,024,900	100.00%	\$ 433,137,700	17.06%
Town of Rib Mountain	\$ 1,264,540,100	100.00%	\$ 1,365,107,900	7.95%
Town of Stettin	\$ 358,708,175	82.61%	\$ 389,839,581	8.68%
Town of Texas	\$ 208,103,600	100.00%	\$ 222,102,300	6.73%
Town of Wausau	\$ 208,262,080	71.73%	\$ 232,924,850	11.84%
Totals	\$ 6,185,345,156		\$ 6,741,046,868	8.98%



Share Equalized Value Estimates (these allocations are all estimates at this time)

From the Wisconsin Dept. of Revenue

WAUSAU SCHOOL DISTRICT TAX APPROPRIATION WORKSHEET FY 2025-26						
	ESTIMATE					
	<u>CERTIFIED FULL VALUE</u>	<u>PERCENT</u>	<u>GENERAL FUND</u>	<u>DEBT SERVICE</u>	<u>COMMUNITY SERVICE</u>	<u>DISTRICT TOTAL</u>
C. Wausau	\$3,888,569,747	57.6849544%	\$ 13,998,129.84	\$ 13,299,994.79	\$ 629,919.71	\$ 27,928,044.34
T. Berlin	\$121,324,690	1.7997900%	\$ 436,746.36	\$ 414,964.32	\$ 19,653.71	\$ 871,364.39
T. Hewitt	\$88,040,100	1.3060301%	\$ 316,928.03	\$ 301,121.73	\$ 14,261.85	\$ 632,311.61
V. Maine	\$433,137,700	6.4253774%	\$ 1,559,215.36	\$ 1,481,451.91	\$ 70,165.12	\$ 3,110,832.39
T. Rib Mountain	\$1,365,107,900	20.2506810%	\$ 4,914,135.15	\$ 4,669,050.27	\$ 221,137.44	\$ 9,804,322.86
T. Stettin	\$389,839,581	5.7830718%	\$ 1,403,350.16	\$ 1,333,360.24	\$ 63,151.14	\$ 2,799,861.54
T. Texas	\$222,102,300	3.2947746%	\$ 799,527.07	\$ 759,651.90	\$ 35,978.94	\$ 1,595,157.91
T. Wausau	\$232,924,850	3.4553216%	\$ 838,486.24	\$ 796,668.04	\$ 37,732.11	\$ 1,672,886.39
ALLOCATION	\$6,741,046,867	100.0000%	\$ 24,266,518	\$ 23,056,263	\$ 1,092,000	\$ 48,414,781
Property Value Change	8.98%					

From the WSD Levy Adoption
near the end of October*

2025-2026 budget - Challenges

- Higher health insurance costs led to a premium increase for the 3rd year in a row
- Health insurance challenges necessitated a change in 3rd party administrator
- The rate of inflation continues to be greater than revenue limit funding adjustments. The CPI for salary negotiations was just under 3%.
- Continued significant reductions in FTE
- Concerns with fund balance designated for health insurance



2025-2026 budget - Opportunities

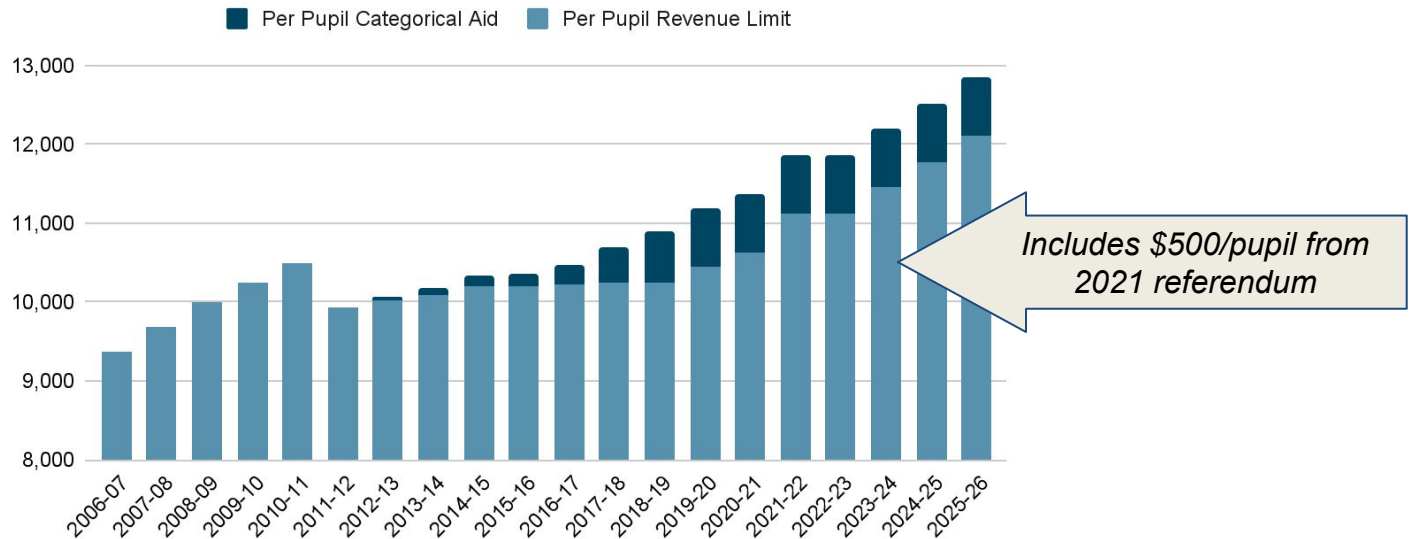
- \$325 annual revenue limit increase included in state biennial budget
- Increased Special Education reimbursement from roughly 31% to 42%
- Presentation of balanced budget
- Community led school consolidation effort has led to significant streamlining within the district
- Staff salary increases of 3% are roughly in line with CPI.
- Solid fund balance should allow the district to avoid short term borrowing in the immediate future



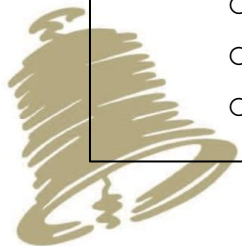
Recommendation for 2025-2026 budget

- Two significant assumptions in operational revenue, the revenue limit will increase by \$325, and per pupil categorical aid, will be flat for the coming year per current state biennial budget.
- The 2021 successful referendum did increase the revenue limit by \$500/pupil in 2021-22.

Sources of Operational Revenue



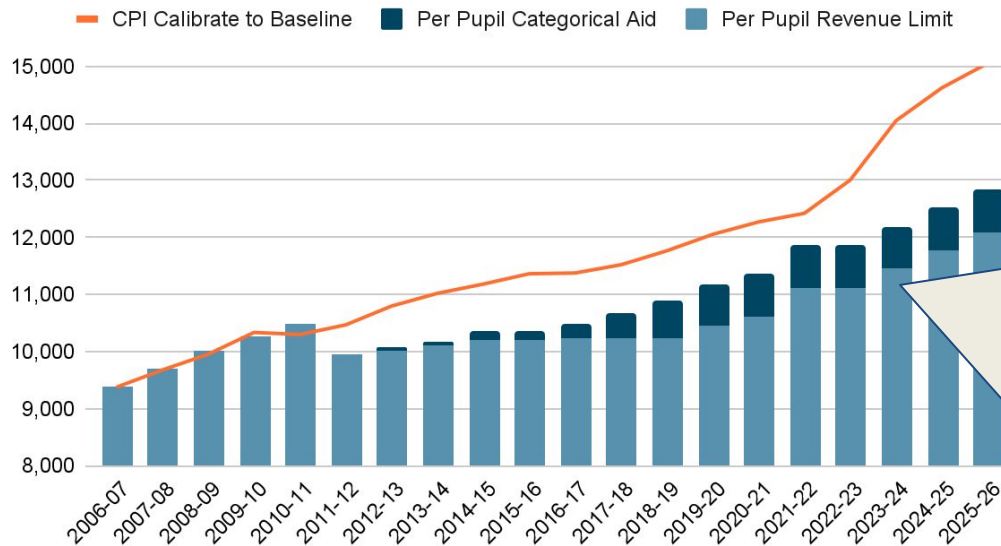
- During the next two months the following factors impacting the final budget will be revealed.
 - Final Staffing - most positions are currently filled
 - Certified District property value
 - State equalization aid final certification
 - 3rd Friday pupil count certification
 - Wisconsin Parental Choice Program voucher costs



Recommendation for 2025-2026 budget

- Two significant assumptions in operational revenue, the revenue limit will increase by \$325, and per pupil categorical aid will be flat for the coming year per current state biennial budget.
- The 2021 successful referendum did increase the revenue limit by \$500/pupil in 2021-22.

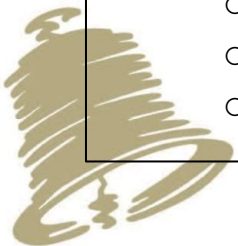
Per Pupil Revenue Limit, Per Pupil Categorical Aid and CPI



Inflation has significantly outpaced revenue

Includes \$500/pupil from 2021 referendum

- During the next two months the following factors impacting the final budget will be revealed.
 - Final District staffing plan
 - Certified District property value
 - State equalization aid final certification
 - 3rd Friday pupil count certification
 - Wisconsin Parental Choice Program voucher costs



Recommendation for 2025-2026 budget

General Fund Levy Amount

General State Aid Amount

Full Revenue Limit—Operational Budget Dollars Available

- Total General Fund Budget

	<u>2024-25</u>	<u>2025-26</u>	<u>Change</u>	<u>% Change</u>
EXPENSES	\$119,272,787	\$117,366,124	-\$1,906,603	-1.6%
REVENUE	\$118,497,789	\$117,366,124	-\$1,131,665	-0.96%

- Total Revenue Limit

<u>2024-25</u>	<u>2025-26</u>	<u>Change</u>	<u>% Change</u>
\$100,142,153	\$101,321,153	\$1,178,939	1.18%

- State General Aid

<u>2024-25</u>	<u>2025-26</u>	<u>Change</u>	<u>% Change</u>
\$77,915,038	\$75,094,690	-\$2,820,328	-3.62%

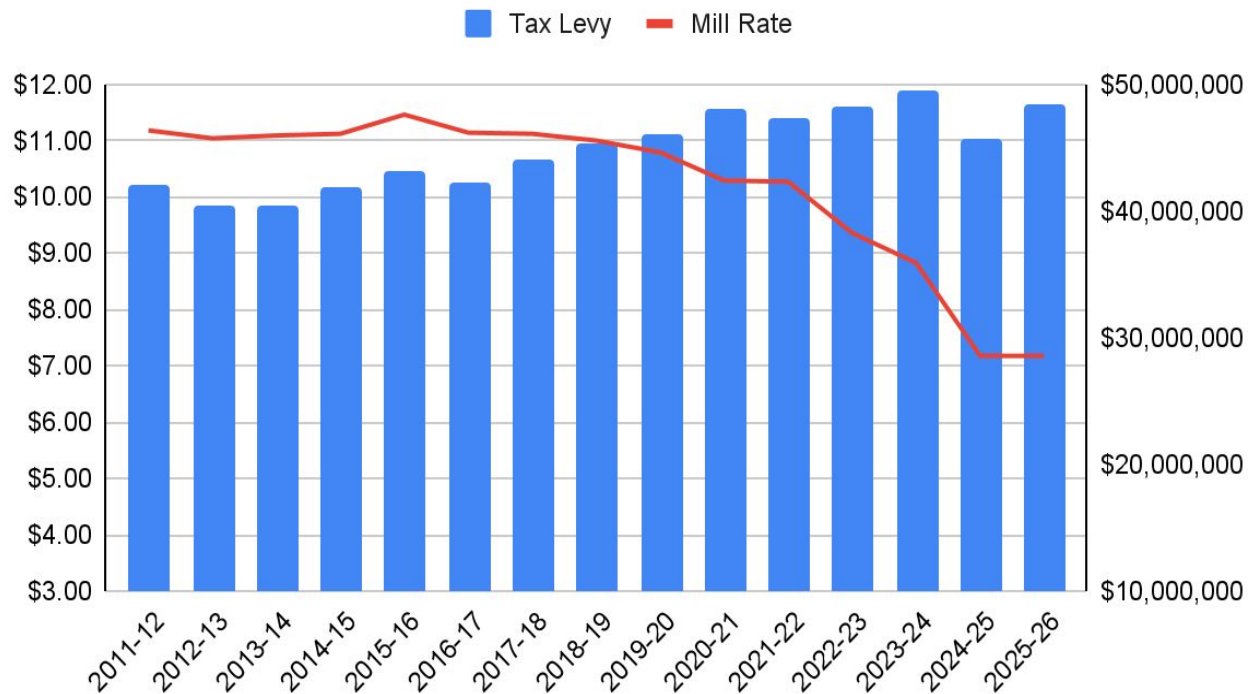


Motion to recommend to the Board of Education a preliminary 2025-2026 General Fund budget of \$117,366,124 for expenses and \$117,366,124 for revenue, for presentation at the Annual Meeting and Budget Hearing.

Recommendation for 2025-2026 tax levy (history of levy and mill rate)

- The equalized property value in the District has been steadily increasing over the past ten plus years.
- This supports a fairly steady tax levy with a consistently declining mill rate.
- We will continue to engage in strategies to stabilize mill rates through managing debt repayment schedules while dealing with the irregularity of state biennial budgets and associated funding.

Tax Levy and Mill Rate



Recommendation for 2025-2026 tax levy

(Continuation of Defeasance and Debt Prepayment Strategy)

- Debt prepayment and defeasance are strategies leveraged to pay debt ahead of the regularly scheduled payments.
- This strategy has been used over the past six budget cycles and is recommended once again.
- During this six-year period over \$70 million of future debt has been retired.
- Also during this time period, taxpayers have saved over \$19 million of interest payments.
- This strategy can also be used as a final variable, once other factors determining the mill rate are established, to achieve a desired target mill rate or tax levy.
- While applying this strategy, the District mill rate has reacted as follows:
 - 2016-17 \$11.14 per \$1000 of equalized value
 - 2017-18 \$11.12 “
 - 2018-19 \$11.00 “
 - 2019-20 \$10.79 “
 - 2020-21 \$10.29 “
 - 2021-22 \$10.27 “
 - 2022-23 \$9.36 “
 - 2023-24 \$8.83 “
 - 2024-25 \$7.18 “
 - **2025-26 \$7.18 “**



Debt Repayment Strategies

- District has historically used defeasance to prepay on capital debt, and to help stabilize the mill rate and overall levy.
- District defeased \$15.4 million in 2024-25
- Decreases in state aid and an increase in the revenue limit have increased the general fund levy by \$5.047 million for 25-26
- District could maintain debt prepayment strategy, which would result in a stable mill rate and higher overall levy
- District could reduce debt prepayment by approximately \$4 million, which would result in a decreasing mill rate and stable overall levy



Option B for 2025-2026 tax levy

- Components of recommended tax levy

Wausau School District					
Fund	Estimated 2025-26 LEVY	FINAL 2024-25 LEVY	DOLLAR INCREASE	PERCENT CHANGE	EQUALIZED MILL RATE
GENERAL FUND **	\$ 24,266,518	\$ 19,219,507	\$ 5,047,011	26.26%	3.60
DEBT SERVICE FUND 38	1,113,613	2,098,764	(985,151)	-46.94%	0.17
DEBT SERVICE FUND 39	21,942,650	22,275,000	(332,350)	-1.49%	3.25
COMMUNITY SERVICE Fund 80	1,092,000	792,000	300,000	37.88%	0.16
TOTAL	\$ 48,414,781	\$ 44,385,271	\$ 4,029,510	9.08%	7.18

- *2025-26 Debt Service Levy includes \$1,113,613 in energy efficiency exemption taxing authority for debt service
- *2025-26 Debt Service Levy includes approximately \$15 million to pay future debt obligations.
- **Mill rate represents tax per \$1,000 of equalized property value, rounded values are displayed
- Motion to recommend to the Board of Education a projected tax levy of \$48,414,781 for presentation at the Annual Meeting and Budget Hearing.**

Option A for 2025-2026 tax levy

- Components of recommended tax levy

Wausau School District					
Fund	Estimated 2025-26 LEVY	FINAL 2024-25 LEVY	DOLLAR INCREASE	PERCENT CHANGE	EQUALIZED MILL RATE
GENERAL FUND **	\$ 24,266,518	\$ 19,219,507	\$ 5,047,011	26.26%	3.60
DEBT SERVICE FUND 38	1,113,613	2,098,764	(985,151)	-46.94%	0.17
DEBT SERVICE FUND 39	17,913,140	22,275,000	(4,361,860)	-19.58%	2.65
COMMUNITY SERVICE Fund 80	1,092,000	792,000	300,000	37.88%	0.16
TOTAL	\$ 44,385,271	\$ 44,385,271	\$ (0)	0.00%	6.58

- *2025-26 Debt Service Levy includes \$1,113,613 in energy efficiency exemption taxing authority for debt service
- *2025-26 Debt Service Levy includes approximately \$11 million to pay future debt obligations.
- **Mill rate represents tax per \$1,000 of equalized property value, rounded values are displayed
- Motion to recommend to the Board of Education a projected tax levy of \$44,385,271 for presentation at the Annual Meeting and Budget Hearing.**

**Wausau School District
415 Seymour Street
P.O. Box 359
Wausau WI 54402-0359
715-261-0500**

www.wausauschools.org

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