



# BUDGET UPDATE

## APRIL 28, 2025



**Note: All information in this document is estimated and subject to change.**

# Agenda

- Budget situation
- Budget process & lens
- Budget Reconciliation
- Three-year fiscal plan
- Next steps & questions



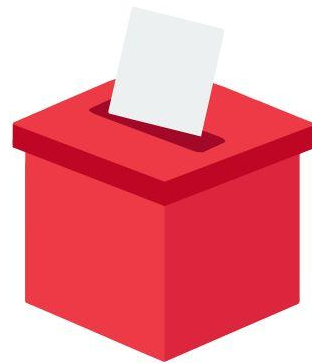
# State Funding Challenges

- Districts funded in large part by per pupil allocation.
- WSD allocation in 24-25: \$11,774
  - Projection for 25-26: \$12,099
- State funding continues to lag
- Record number of referendum ballot questions in 24-25
- Recent court ruling on \$325 annual increase
- $\$325 < \text{inflation}$
- Special education reimbursement
- Budget timeline



# Spring Referendum Results Statewide & Next Opportunity

- \$8 million non-recurring referendum failed on April 1st by roughly 350 votes
- Record number of referendum in 2024-2025
- 55% pass rate Spring 2025
- 75%+ pass rate Fall 2024
- Next opportunities are Spring 2026 and Fall 2026
- District limited to two questions annually



# 2025-26 Budget Calendar

**Prior to  
Presentation  
of Initial  
Budget**

- Budget workshop
- Budget reconciliation plan to the Board

**May 19,  
2025**

- Committee approval of the initial 2025-26 budget

**June 9,  
2025**

- School Board approval of the initial 2025-26 budget

**August 29,  
2025**

- Share equalized value
- Set Annual Meeting date
- Recommendation for 2025-26 budget and tax levy



# 2025-26 Budget Calendar

**Sept. 8,  
2025**

- Approve the 2025-26 budget and tax levy for publication and presentation at Annual Meeting

**Sept. 22,  
2025**

- Regularly scheduled Education/Operations Committee Meeting
- Annual Meeting and Budget Hearing

**October  
13, 2025**

- Full Board approvals from September committee meeting

**October  
27, 2025**

- Adopt final budget
- Adopt district tax levy

# Budget Projection Updated with 7% Insurance Premium Increase

## Fund 10 - General Fund - Projection Summary

Wausau School District | Base - Work in Progress Updated Board 01-06-25 Version 2

	BUDGET FY - 2025	FY - 2026	% Δ	FY - 2027	% Δ	FY - 2028	% Δ	FY - 2029	% Δ	FY - 2030	% Δ
<b>REVENUE</b>											
Local Sources	\$20,040,007	\$21,897,103	9.27%	\$21,495,270	-1.84%	\$20,450,240	-4.86%	\$20,175,801	-1.34%	\$20,146,589	-0.14%
State Sources	\$88,951,456	\$87,446,567	-1.69%	\$90,036,398	2.96%	\$92,458,768	2.69%	\$95,307,857	3.08%	\$97,911,719	2.73%
Federal Sources	\$6,656,919	\$4,542,334	-31.77%	\$4,542,334	0.00%	\$4,542,334	0.00%	\$4,542,334	0.00%	\$4,542,334	0.00%
Other	\$2,849,407	\$2,908,081	2.06%	\$2,982,040	2.54%	\$3,056,000	2.48%	\$3,105,306	1.61%	\$3,179,265	2.38%
<b>TOTAL REVENUE</b>	<b>\$118,497,789</b>	<b>\$116,794,085</b>	<b>-1.44%</b>	<b>\$119,056,042</b>	<b>1.94%</b>	<b>\$120,507,342</b>	<b>1.22%</b>	<b>\$123,131,298</b>	<b>2.18%</b>	<b>\$125,779,907</b>	<b>2.15%</b>
<b>EXPENDITURES</b>											
Salary and Benefits	\$80,364,491	\$82,592,344	2.77%	\$84,024,501	1.73%	\$85,964,351	2.31%	\$87,968,525	2.33%	\$90,039,185	2.35%
Other Objects	\$38,908,296	\$38,213,264	-1.79%	\$38,707,440	1.29%	\$39,206,733	1.29%	\$39,713,081	1.29%	\$40,235,940	1.32%
<b>TOTAL EXPENDITURES</b>	<b>\$119,272,788</b>	<b>\$120,805,608</b>	<b>1.29%</b>	<b>\$122,731,941</b>	<b>1.59%</b>	<b>\$125,171,084</b>	<b>1.99%</b>	<b>\$127,681,606</b>	<b>2.01%</b>	<b>\$130,275,125</b>	<b>2.03%</b>
<b>SURPLUS / DEFICIT</b>	<b>(\$774,999)</b>	<b>(\$4,011,523)</b>		<b>(\$3,675,898)</b>		<b>(\$4,663,742)</b>		<b>(\$4,550,308)</b>		<b>(\$4,495,218)</b>	
Change over Previous Year		(\$3,236,524)		\$335,625		(\$987,844)		\$113,434		\$55,090	
<b>BEGINNING FUND BALANCE</b>	<b>\$30,250,139</b>	<b>\$29,475,140</b>		<b>\$25,463,617</b>		<b>\$21,787,719</b>		<b>\$17,123,977</b>		<b>\$12,573,669</b>	
<b>ENDING FUND BALANCE</b>	<b>\$29,475,140</b>	<b>\$25,463,617</b>		<b>\$21,787,719</b>		<b>\$17,123,977</b>		<b>\$12,573,669</b>		<b>\$8,078,451</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>24.71%</b>	<b>21.08%</b>		<b>17.75%</b>		<b>13.68%</b>		<b>9.85%</b>		<b>6.20%</b>	

# Evaluation Process

## High Student Impact < > Low Student Impact

- Importance of evaluating student impact of decision making

## High Budget Impact < > Low Budget Impact

- Does decision making have significant impact on overall budget

## Good Fiscal Decision Making < > Difficult Fiscal Decision Making

- Are these decisions we should be making anyways?

## Immediate Change < > Long Term Change

- Will decisions have immediate impact on budget challenges

Suggestion	Potential Savings \$	Student Impact	Budget Impact	Financial Decision Making	Immediate Impact	Year of Impact
Example Budget Reduction		4 ▼	3 ▼	3 ▼	5 ▼	2025-... ▼



# Immediate Changes that are High Budget Impact

- Continue to defer needed maintenance: deferral of \$4+ million in needed building maintenance
- Salary changes: 1% salary increases among all groups instead of the budgeted 3%
  - CPI for salary negotiations is set at 2.95%
  - Each percent of salary increase is a budget increase approximately \$800,000 (1% salary increase instead of 3% would save the district approximately \$1.6 million)
- Department budget reductions: proposed 3% budget reductions
- Middle school athletics to Fund 80: moving all middle school athletics to fund 80

# Reconciliation Summary by Category

- Elementary Reorganization Staffing Efficiencies: \$ 1,335,268
  - Teacher Reductions: 10 FTE (full-time equivalent)
  - Clerical Reductions: 4 FTE
  - Admin Reductions: 1 FTE
- Wage Increase Plan Reduction (1.5%) \$ 1,200,000
- Leverage Fund 80 \$ 300,000
  - Middle School Athletics/Activities



Any staffing reductions = retirements, attrition, or reassignment.

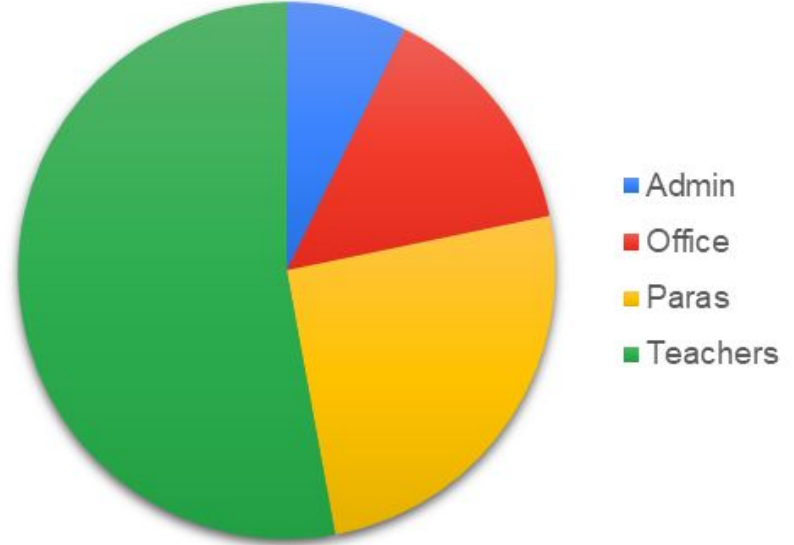


# Reconciliation Summary by Category

• Additional Staffing Realignment	\$ 783,772
◦ Teacher Reductions: 4.6 FTE	
◦ Para Reductions: 7 FTE	
◦ Admin Reductions: 1 FTE	
• Americorp Elimination	\$ 80,000
• 3% All Budget Reduction	<u>\$ 289,000</u>
Total:	\$ 3,988,040

# Reconciliation Staff Summary

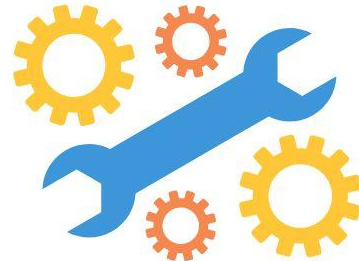
- Admin: - 2.0 FTE (4.3%)
- Clerical: - 4.0 FTE (6.8%)
- Para: - 7.0 FTE (3.2%)
- Teacher: - 14.6 FTE (2.0%)





# Impacts on Staff & Students

- Continued Deferred maintenance: HVAC, A/C, roofing needs
- Decreased student support through staffing reductions
- Potential loss of staff due to failure to remain competitive with salaries
- Larger financial burden on staff (health insurance)
- Decreasing department and building budgets could mean less opportunities for students



# Potential Three-Year Fiscal Plan

## Year 1: 25-26

- Consolidation staffing attrition
- 1.5% salary increase
- Department budget decreases
- Middle school athletics to Fund 80
- Additional student support staffing reductions

## Years 2 & 3

- Increase class sizes at elementary and secondary
- Elimination of non-core classes
- Evaluation of charter school contracts
- ... Among a long list of other potential solutions



# QUESTIONS & NEXT STEPS

## Potential Motion

Move to accept the budget reconciliation plan as presented for budget development purposes only.