



MEMO

TO: Board of Education
 FROM: Josh Viegut, Assistant Superintendent of Operations
 DATE: February 10, 2025

RE: Fiscal Impact of Property Detached From District

The following analysis summarizes the fiscal impact of detaching a given property from the Wausau School District.

In the first set of charts below, assumptions are made that the value of the detached property is \$513,000 the District mill rate is \$7.18 per \$1,000 of equalized property value, and there are no students associated with the detachment. The most limiting factor for District revenue is via the revenue limit formula and not the value of property in the District, detaching this small parcel would not change the District revenue limit as property value is not part of the formula. Detaching this property would however, redistribute a portion of the tax levy to the rest of the property in the District as indicated below.

District-wide equalized property valuation, 2024-2025	District-wide 2024-2025 mill rate	Value of property being considered	Tax distributed to the rest of the district tax payers
\$ 6,185,345,156	7.18	\$ 513,000	\$ 3,683

Below illustrates the fiscal impact of detachment if a single student who previous open enrolled to a neighboring district is now included in that neighboring district's boundary. There would be a reduction in open enrollment transfer (EXPENSE) paid by WSD on behalf of that student, and there would be a corresponding reduction in revenue limit (REVENUE) by not having that student inside our District boundary. The reduction in expense would be immediate and last as long as the student is in school, however the reduction in revenue limit would be a gradual impact in thirds via the three year rolling membership, also lasting as long as the student is in school. In the below tables, both the open enrollment transfer amount as well as the revenue limit amount have been indexed by 4% annually.

EXPENSE (reduction in 1 FTE Open Enrollment)		REVENUE (Reduction in Revenue Limit)			Net Impact on Revenue/Expense	
	Open Enrollment Transfer Amount		Full Revenue Limit	1/3 impact RL		
year 1	\$ (8,962)	year 1	(12,099)	(3,993)	year 1	4,969
year 2	\$ (9,320)	year 2	(12,583)	(8,431)	year 2	890
year 3	\$ (9,693)	year 3	(13,086)	(13,086)	year 3	(3,393)
year 4	\$ (10,081)	year 4	(13,610)	(13,610)	year 4	(3,529)
<i>Represents a reduction in Expenses</i>		<i>Represents a reduction in Revenue</i>			<i>Represents a negative net impact</i>	

