

Shared Key Interests

1. Advance student learning, achievement, and success by keeping it at the heart and as the filter for our decision making.

2. Utilize research-based curricula that reflects 21st Century themes and applications and are responsive to the needs and potential of all students, preparing them for a global society.

3. Provide real-life, diverse learning opportunities with practical applications in the classroom and beyond.

4. Inform and engage the community in shaping educational strategy and formulating responses to change.

5. Attract, retain, and develop a high quality, diverse, creative, and innovative workforce of leaders.

6. Provide safe, secure, flexible, inviting, and well-maintained environments that nurture student well-being and enhance teaching and learning.

7. Identify, integrate, and expand technology to foster adaptability and maximize learning for all.

8. Foster mutually beneficial partnerships and collaborations that expand learning opportunities and resources.

Wausau School District

Board of Education Meeting Agenda

In Compliance with the Wisconsin Open Meeting Law

Public Notice s.19.84 (3)
Exemptions s.19.85

James Bouché, President
Jennifer Paoli, Clerk

A **Special Meeting** of the BOARD OF EDUCATION will be held in the **Nicholson Board Room, 415 Seymour Street, Wausau, Wisconsin 54403** at **4:30 PM** on **Wednesday, April 23, 2025**.

I. CALL TO ORDER

II. Request for Closed Session Pursuant to State Statutes

II.A. Meet with Attorney to Discuss Sale of Property ss. 19.85(1)(e)

II.B. Pursuant to Section 19.85(1)(c), Wis. Stats., to consider employment, promotion, compensation, or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility, specifically, to discuss the employment of a member of the teaching staff.

II.C. Reconvene in Open Session, to take further action if necessary and appropriate

III. 2025-26 Retirement Window Extension (Action Requested)

IV. Budget Workshop

V. ADJOURN

AMENDED: MONDAY, APRIL 21, 2025, AT 9 AM

NOTICE POSTED: Wednesday, April 16, 2025, at 8 am

By: _____

NOTICE SENT TO:

WSAU WSAW-TV WAOW-TV WJFW-TV CITY PAGES WAUSAU PILOT & REVIEW SCHOOLS
WAUSAU DAILY HERALD WAAM CITY HALL COURTHOUSE PUBLIC LIBRARY

The Wausau School District does not discriminate on the basis of race, age, color, religion, national origin, ancestry, creed, pregnancy, marital status, parental status, sexual orientation, sex (including transgender status, change of sex, or gender identity), or physical, mental, emotional, or learning disability ("Protected Classes")



BOARD BUDGET WORKSHOP

APRIL 23, 2025



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



Agenda

- Budget situation
- Budget process & lens
- Potential immediate budget options
- Three-year fiscal plan
- Next steps & questions



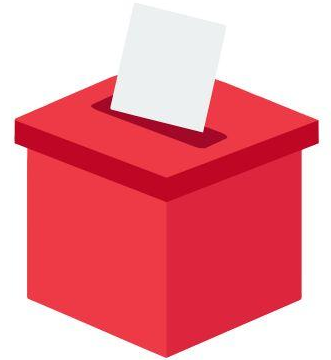
State Funding Challenges

- 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 < 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

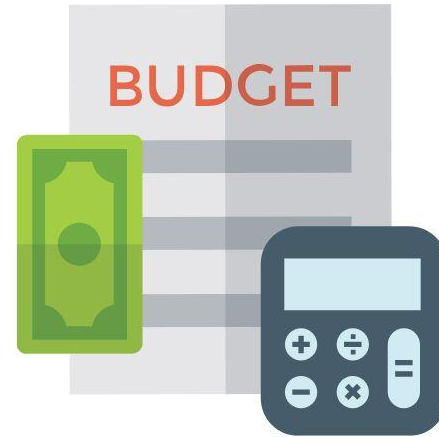
Fund 10 - General Fund - Projection Summary

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

	BUDGET	REVENUE & EXPENDITURE PROJECTIONS									
	FY - 2025	FY - 2026	% Δ	FY - 2027	% Δ	FY - 2028	% Δ	FY - 2029	% Δ	FY - 2030	% Δ
REVENUE											
Local Sources	\$20,040,007	\$18,736,351	▼ -6.51%	\$18,364,935	▼ -1.98%	\$17,350,343	▼ -5.52%	\$17,108,826	▼ -1.39%	\$17,091,629	▼ -0.10%
State Sources	\$88,951,456	\$90,607,319	▲ 1.86%	\$93,166,733	▲ 2.82%	\$95,558,665	▲ 2.57%	\$98,374,832	▲ 2.95%	\$100,966,679	▲ 2.63%
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%
TOTAL REVENUE	\$118,497,789	\$116,794,085	▼ -1.44%	\$119,056,042	▲ 1.94%	\$120,507,342	▲ 1.22%	\$123,131,298	▲ 2.18%	\$125,779,907	▲ 2.15%
EXPENDITURES											
Salary and Benefits	\$80,364,491	\$82,336,263	▲ 2.45%	\$83,768,942	▲ 1.74%	\$85,698,569	▲ 2.30%	\$87,692,112	▲ 2.33%	\$89,751,716	▲ 2.35%
Other Objects	\$38,908,296	\$38,156,386	▼ -1.93%	\$38,648,286	▲ 1.29%	\$39,145,214	▲ 1.29%	\$39,644,012	▲ 1.27%	\$40,158,999	▲ 1.30%
TOTAL EXPENDITURES	\$119,272,788	\$120,492,648	▲ 1.02%	\$122,417,228	▲ 1.60%	\$124,843,783	▲ 1.98%	\$127,336,124	▲ 2.00%	\$129,910,715	▲ 2.02%
SURPLUS / DEFICIT	(\$774,999)	(\$3,698,563)		(\$3,361,186)		(\$4,336,442)		(\$4,204,826)		(\$4,130,808)	
Change over Previous Year		(\$2,923,564)		\$337,377		(\$975,256)		\$131,616		\$74,018	
BEGINNING FUND BALANCE	\$30,250,139	\$29,475,140		\$25,776,577		\$22,415,391		\$18,078,949		\$13,874,123	
ENDING FUND BALANCE	\$29,475,140	\$25,776,577		\$22,415,391		\$18,078,949		\$13,874,123		\$9,743,315	
FUND BALANCE AS % OF EXPENDITURES	24.71%	21.39%		18.31%		14.48%		10.90%		7.50%	

- Ongoing structural deficit
- Continued declining enrollment
- State budget unknowns
- Significant deferred maintenance
- Funding fails to keep pace with inflation
- Health insurance, workers comp insurance, property
- \$325 court ruling
- Consolidation savings
- Potential for direct primary care clinic

Current Budget Challenges & Opportunities



Health Insurance Information & Potential Changes

- \$1 to \$2+ million annual deficit in health insurance the last three years
- M3 went through RFP process for our third party administrator: current partner is Aspirus Health
- M3 recommends 11.5% increase if moving to new third party administrator
- M3 recommends 14% increase if staying with Aspirus
- M3 recommends implementing Direct Primary Care Clinic
- Projection for health insurance fund balance is essentially \$0 going forward



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		REVENUE & EXPENDITURE PROJECTIONS								
	FY - 2025	FY - 2026	% Δ	FY - 2027	% Δ	FY - 2028	% Δ	FY - 2029	% Δ	FY - 2030	% Δ
REVENUE											
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%
TOTAL REVENUE	\$118,497,789	\$116,794,085	-1.44%	\$119,056,042	1.94%	\$120,507,342	1.22%	\$123,131,298	2.18%	\$125,779,907	2.15%
EXPENDITURES											
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%
TOTAL EXPENDITURES	\$119,272,788	\$120,805,608	1.29%	\$122,731,941	1.59%	\$125,171,084	1.99%	\$127,681,606	2.01%	\$130,275,125	2.03%
SURPLUS / DEFICIT											
Change over Previous Year	(\$774,999)	(\$4,011,523)		(\$3,675,898)		(\$4,663,742)		(\$4,550,308)		(\$4,495,218)	
		(\$3,236,524)		\$335,625		(\$987,844)		\$113,434		\$55,090	
BEGINNING FUND BALANCE	\$30,250,139	\$29,475,140		\$25,463,617		\$21,787,719		\$17,123,977		\$12,573,669	
ENDING FUND BALANCE	\$29,475,140	\$25,463,617		\$21,787,719		\$17,123,977		\$12,573,669		\$8,078,451	
FUND BALANCE AS % OF EXPENDITURES	24.71%	21.08%		17.75%		13.68%		9.85%		6.20%	

Current Budget Process & Next Steps

Previous Work

- Referendum & contingency planning
- Referendum results
- Meeting with departments, LAT, building administrators to brainstorm next steps and potential budget reductions

Current/Future Work

- Board workshop
- Budget reconciliation plan to board
- Adoption of initial budget
- Salary negotiations & agreement with staff



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
- Consolidation staffing attrition: approximately \$1.5 Million through attrition
- Other potential staffing reductions: approximately \$700,000
- Salary changes: 1% salary increases among all groups instead of the budgeted 3%
- Department budget reductions: proposed 3% budget reductions
- Middle school athletics to Fund 80: moving all middle school athletics to fund 80

Salary & Health Insurance Considerations

Salary

- Current budget project includes 3% salary increases for all staff groups
- CPI for salary negotiations set at 2.95%
- Each percent of salary increase is a budget increase of approximately \$800,000 (1% salary increase instead of 3% would save the district approximately \$1.6 million)

Health Insurance

- Current budget projection included 5% health insurance increase
- Each percent of health insurance premium increase has an approximate \$150,000 impact on overall budget



Budget Impact of Proposed Strategies

Projected Deficit FY 24-25	-\$4,011,523
Impact of Reconciliation	
1% Salary Increase	\$1,601,632
Consolidation Staffing Impact	\$1,500,000
Additional Staff Reductions	\$700,000
Department Budget Reductions	\$289,000
Middle School Athletics to Fund 80	\$300,000

Non-salary budget reduction efforts total a potential \$2.789 million in savings. Budget deficit prior to salary adjustment would be \$1.222 million

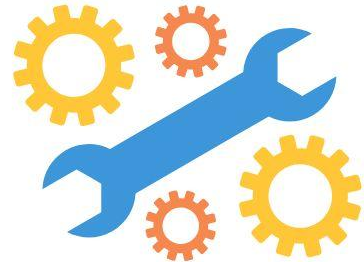
1/2/3% Options

- Current budget projections include assumption of 3% salary increase
- Each percent less/more than 3% has an approximate \$800,000 impact on the budget
- For example: A 2% salary increase would reduce the \$4 million budget deficit by approximately \$800,000

Reconciliation with 1, 2, or 3% Salary Increases	0% Salary Increase	1% Salary Increase	2% Salary Increase	3% Salary Increase
Projected Deficit	-\$4,011,523	-\$4,011,523	-\$4,011,523	-\$4,011,523
Impact of Noted Salary Increase	\$2,402,448	\$1,601,632	\$800,816	\$0
Net Budget After Salary Increase	-\$1,609,075	-\$2,409,891	-\$3,210,707	-\$4,011,523

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



Board Discussion

- Balancing budget vs using fund balance
- Salary strategy
- Adoption of deficit budget



Potential Three-Year Fiscal Plan

Year 1: 25-26

- Consolidation staffing attrition
- 1% 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

