



SHEBOYGAN AREA
— SCHOOL DISTRICT —

2025-26 Budget Report

Sheboygan Area School District

Revenue Cap Limits

- State imposed revenue caps limit the revenue a school district can generate between general state aid and local tax levies.
- District has never gone out to referendum to exceed revenue cap.
- Revenue caps are calculated by multiplying a district's 3-year resident enrollment average by the per-pupil revenue amount.
- Sheboygan Area School District enrollment average = 9,469
- Per-pupil revenue amount = \$11,766 (\$325 Increase for 2025-26)
- State allows for a declining enrollment exemption if the 3-year enrollment average is less than the previous year.



Resident Enrollment and Per-Pupil Revenue

	<u>2024-25</u>	<u>2025-26</u>	<u>+/-</u>	<u>% +/-</u>
3 rd Friday Sept. Student FTE	9,469	9,251	-218	-2.3%
Summer School Student FTE	58	62	+4	+6.9%
Total FTE	9,527	9,313	-214	-2.2%
3-Year Membership Average	9,580	9,469	-111	-1.2%
Revenue Per Member	\$11,441	\$11,766	+\$325	+2.8%
Categorical Aid (outside revenue cap)	\$742	\$742	\$0	0%
Total Increase:			+\$325	+2.7%

Consumer Price Index Increase: +3.0%



3-Year Resident Membership Average Used for the Revenue Cap Calculation

	<u>2023-24</u>	<u>2024-24</u>	<u>2025-26</u>
2021	9,708		
2022	9,647	9,647	
2023	9,567	9,567	9,567
2024		9,527	9,527
2025			9,313
3-Year Average	9,641	9,580	9,469



Property Values and General State Aid

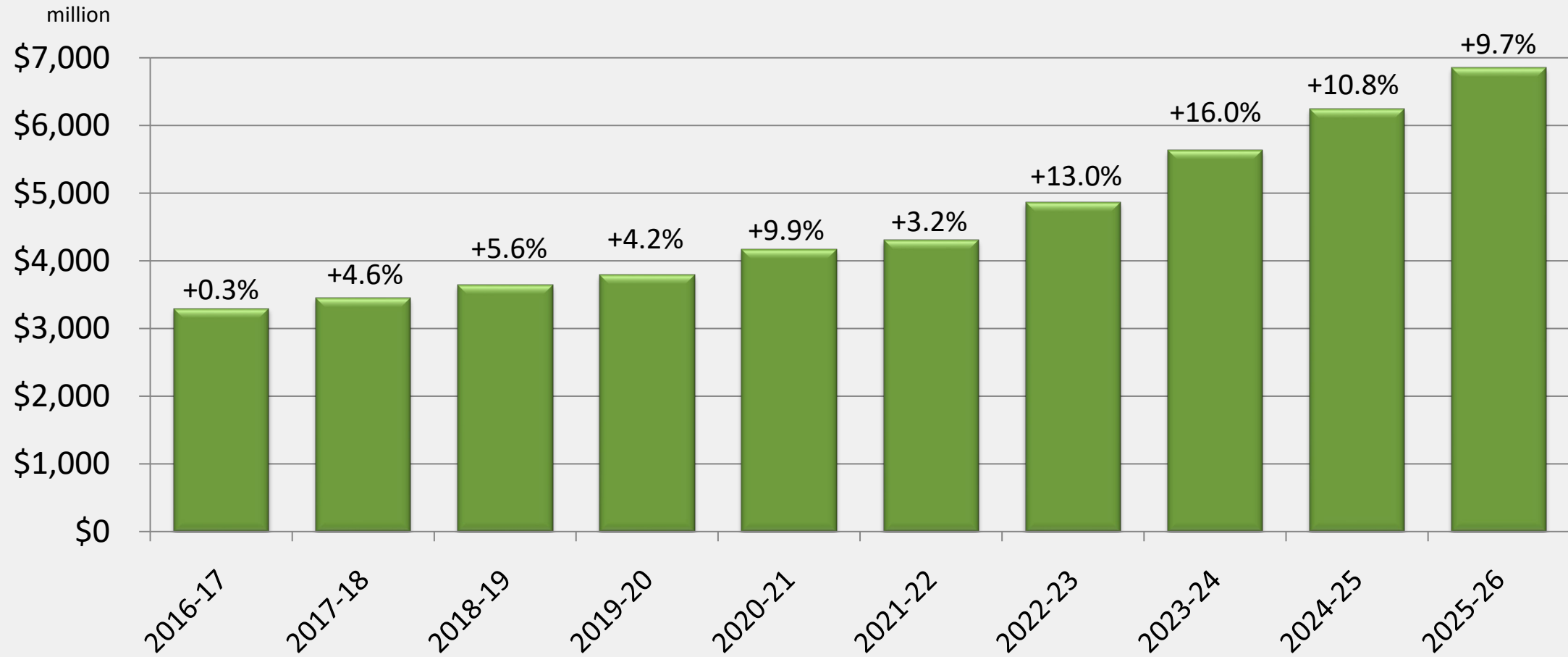
Property value per-student is a key factor in determining the amount of general state aid.

	<u>2024-25</u>	<u>2025-26</u>	<u>% Change</u>
Equalized Property Value	\$6,245,301,660	\$6,850,906,486	+9.7%
		State-wide Average:	+8.1%
General State Aid	\$92,186,717	\$89,579,870	-2.8%

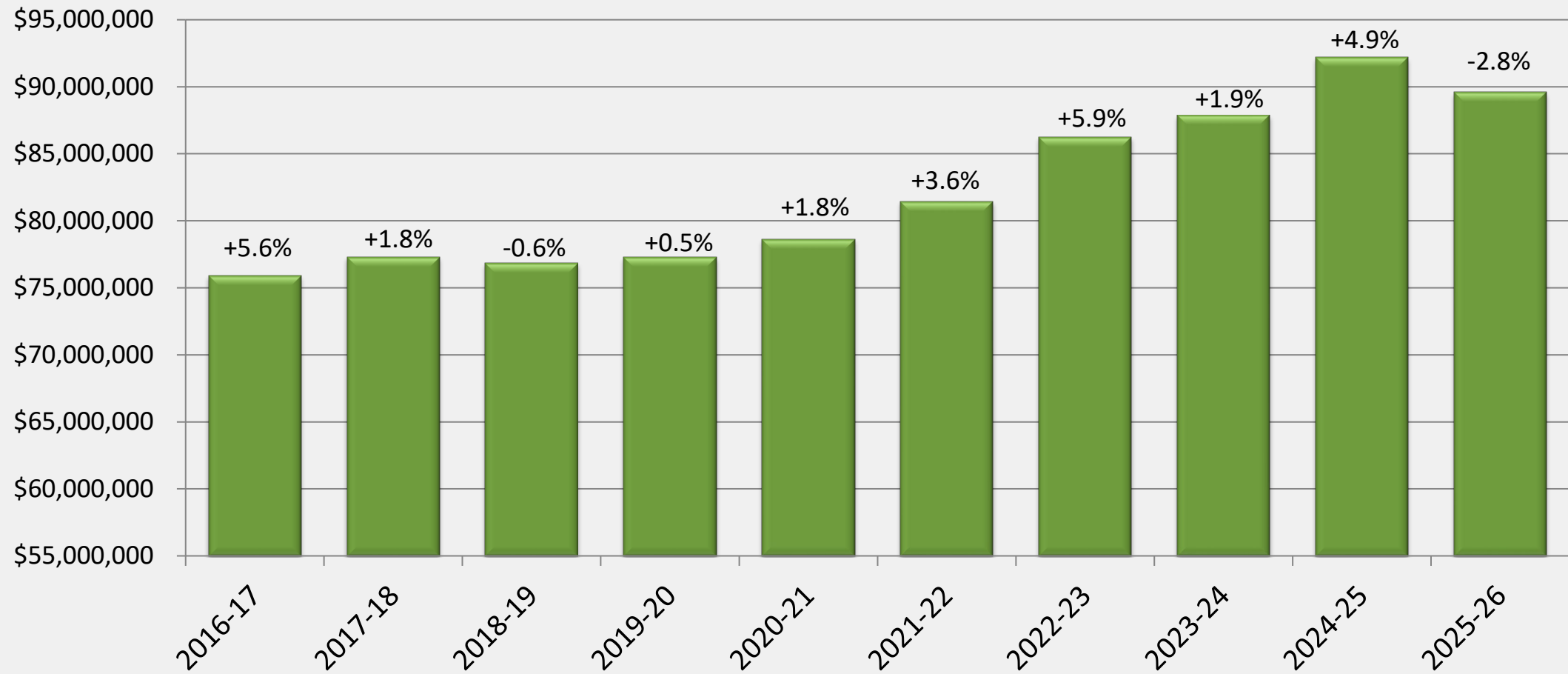
- There was no increase to the 2025-2027 biennial state budget for general state aid
- This shifted the tax burden to local property owners



Equalized Property Valuation Trend



General State Aid Trend



State Aid and Tax Levy

Because the Sheboygan Area School District's property value per-student is below the State average, the District is more heavily funded through State aid than from local property tax levy.

75% of the funding under the revenue cap is from State aid

(Compared to 79% for 2024-25)

25% of the funding under the revenue cap is from local tax levy

(Compared to 21% for 2024-25)



State Aid Offsets Tax Levy

Decreases or increases in State Aid do not change the revenue for the District.

2025-26 Total Revenue Cap \$120,087,487

Local Property Tax

**25%
\$29,458,749**

General State Aid

**75%
\$90,628,738***

*Includes \$1,048,868 in state aid for exempt computer and personal property.



Tax Levy and Mill Rate

	2024-25	2025-26	\$ Change
Tax Levy for SASD Budget	\$27,403,542	\$31,779,775	\$4,376,233 Increase
Tax Levy for Private School Voucher Program	\$6,573,317	\$7,285,925	\$712,608 Increase
Total Tax Levy	\$33,976,859	\$39,065,700	\$5,088,841 Increase
Equalized Mill Rate – Per \$1,000	\$5.44	\$5.70	\$0.26 Increase



Tax Levy History

	General Fund	Private School Vouchers	Debt Service	Capital Expansion	Community Service	Total Tax Levy	Percent Change
2025-26	\$20,672,823	\$7,285,925	\$8,250,424	\$1,500,000	\$1,356,528	\$39,065,700	+14.98%
2024-25	16,343,133	6,573,317	8,328,881	1,375,000	1,356,528	33,976,859	-1.02%
2023-24	18,289,452	6,226,286	7,079,821	1,375,000	1,356,528	34,327,087	+2.45%
2022-23	16,076,440	4,620,626	10,151,561	1,300,000	1,356,528	33,505,155	-5.73%
2021-22	22,313,380	4,302,937	6,270,777	1,300,000	1,356,528	35,543,622	-5.30%
2020-21	26,881,320	3,354,207	4,642,377	1,300,000	1,356,528	37,534,432	+1.50%
2019-20	26,973,163	2,555,244	4,843,981	1,250,000	1,356,528	36,978,916	+1.91%
2018-19	27,287,100	1,701,012	4,825,784	1,200,000	1,272,528	36,286,424	+1.09%
2017-18	27,102,300	797,218	5,524,145	1,200,000	1,272,528	35,896,191	-0.01%
2016-17	27,653,555	445,409	5,427,368	1,100,000	1,272,528	35,898,861	-8.08%

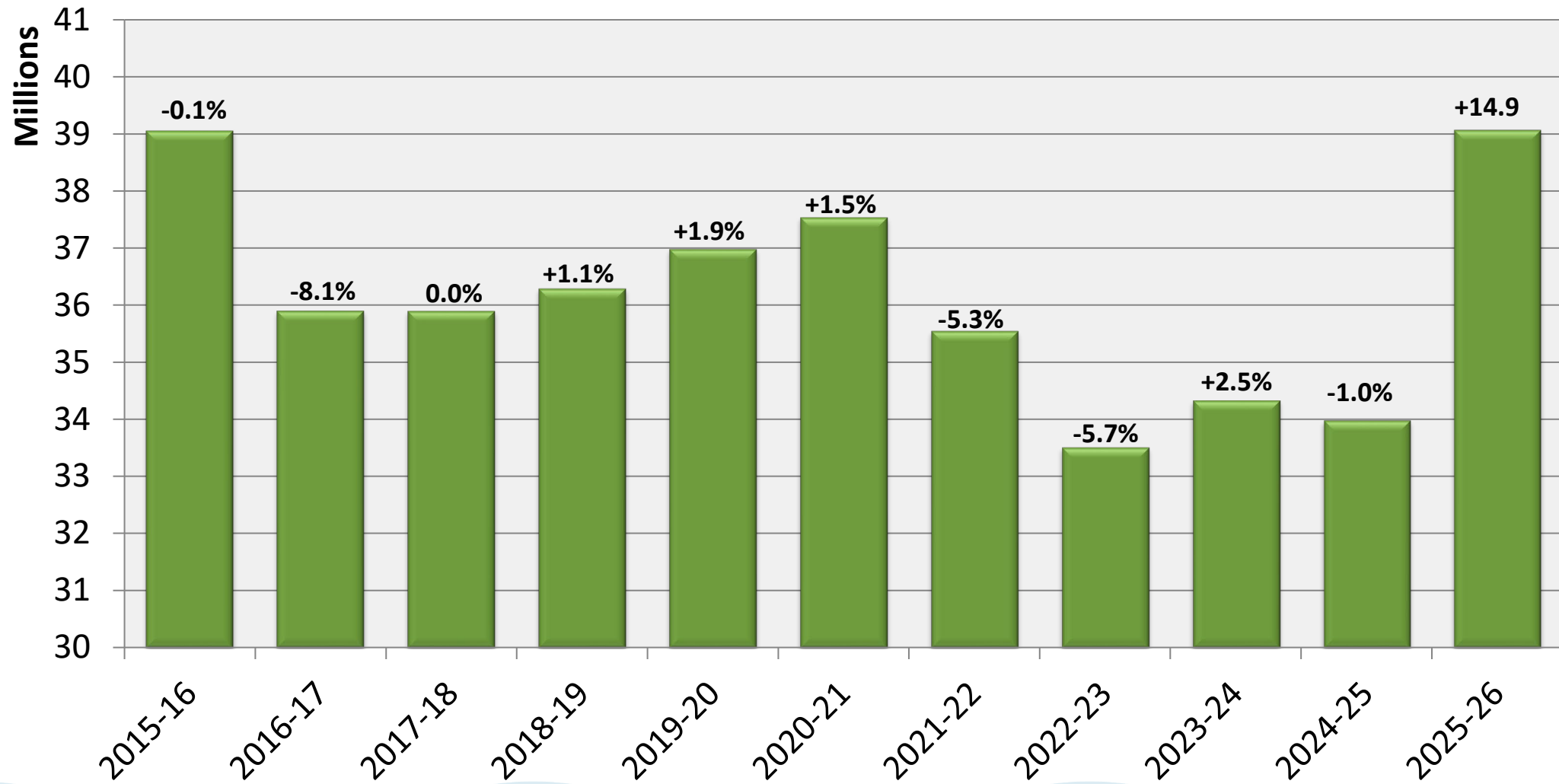


Tax Levy History for SASD and Private School Vouchers

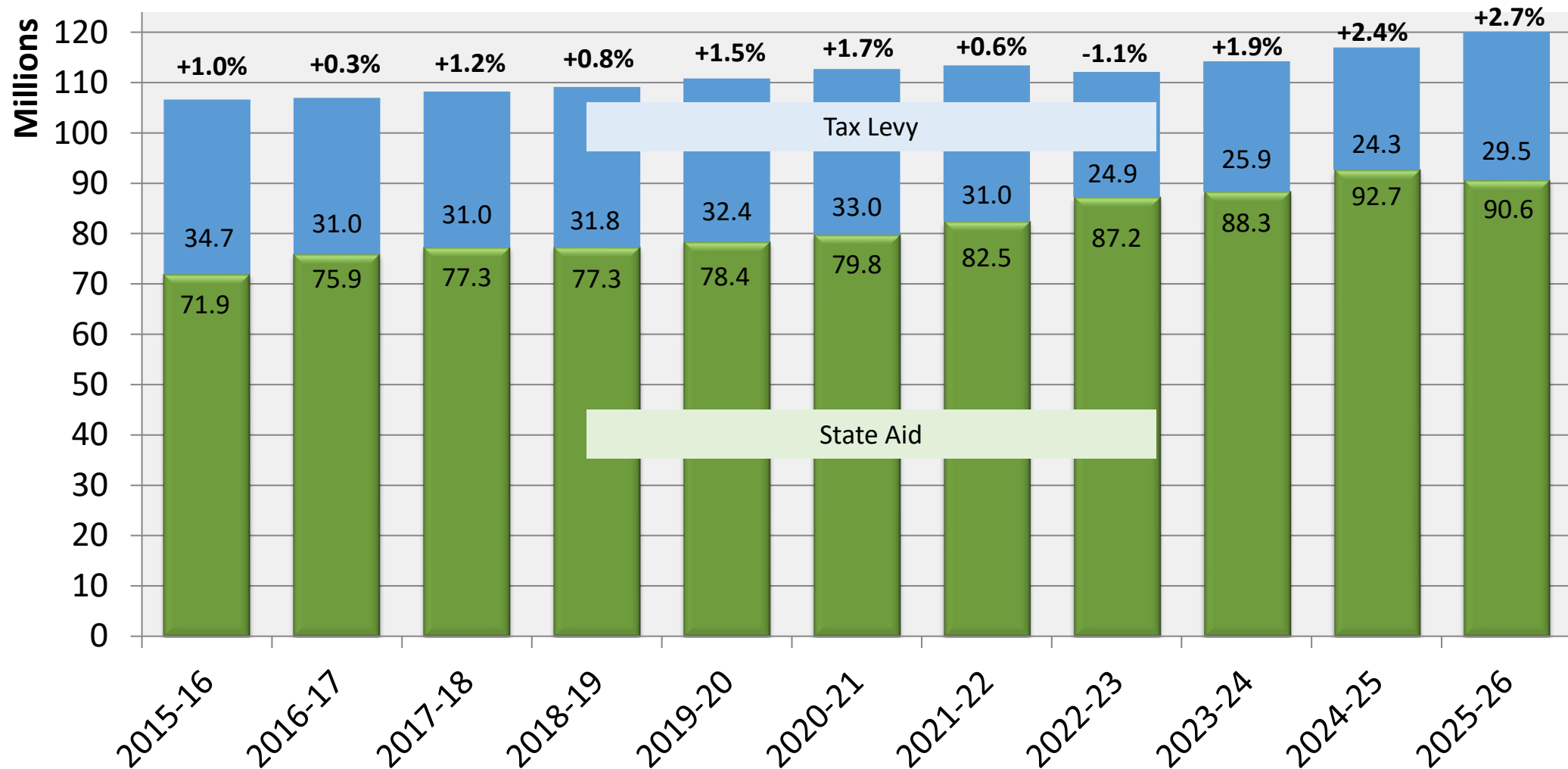
	SASD Levy	SASD Levy Percentage Change	Private School Voucher Levy	Private School Voucher Levy Percentage Increase
2025-26	\$31,779,775	+15.9%	\$7,285,925	+10.8%
2024-25	27,403,542	-2.5%	6,573,317	+5.6%
2023-24	28,100,801	-2.7%	6,226,286	+34.8%
2022-23	28,884,529	-7.5%	4,620,626	+7.4%
2021-22	31,240,685	-8.6%	4,302,937	+28.3%
2020-21	34,180,225	-0.7%	3,354,207	+31.3%
2019-20	34,423,672	-0.5%	2,555,244	+50.2%
2018-19	34,585,412	-1.5%	1,701,012	+113.4%
2017-18	35,098,973	-1.0%	797,201	+79.0%



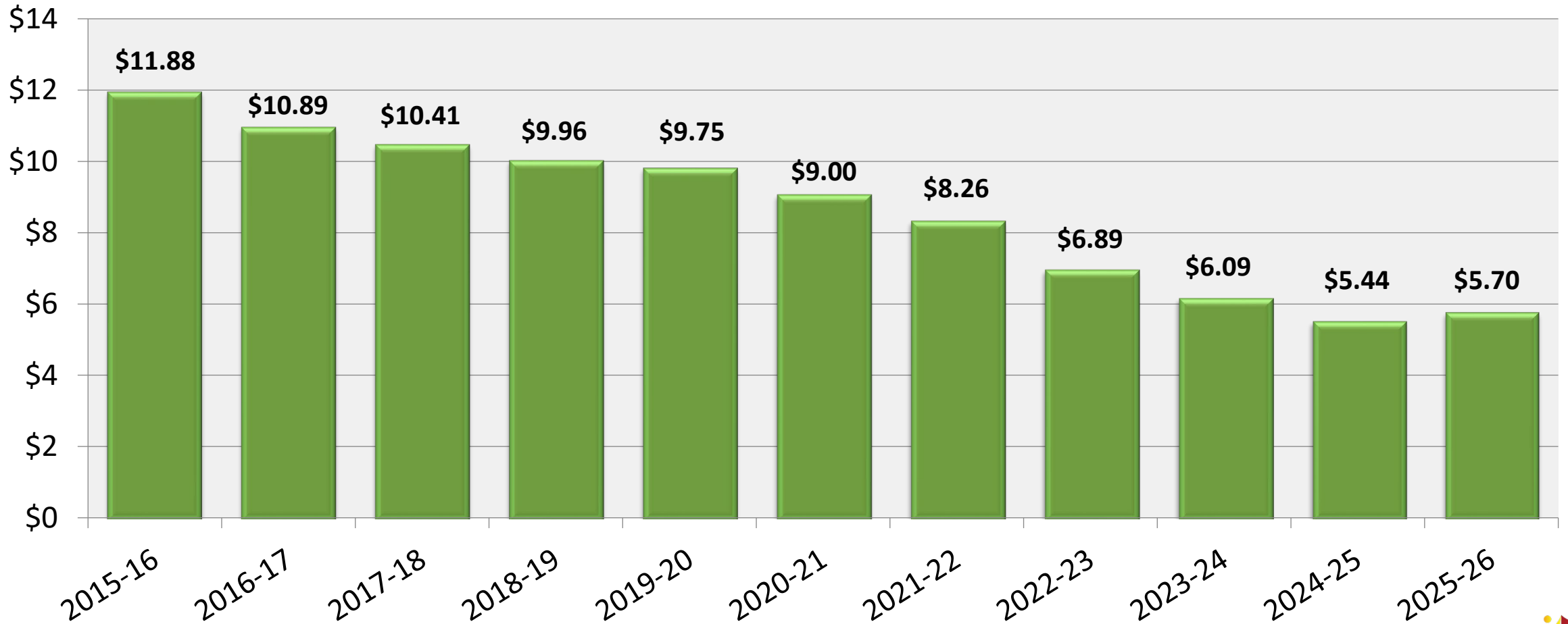
Tax Levy Trend



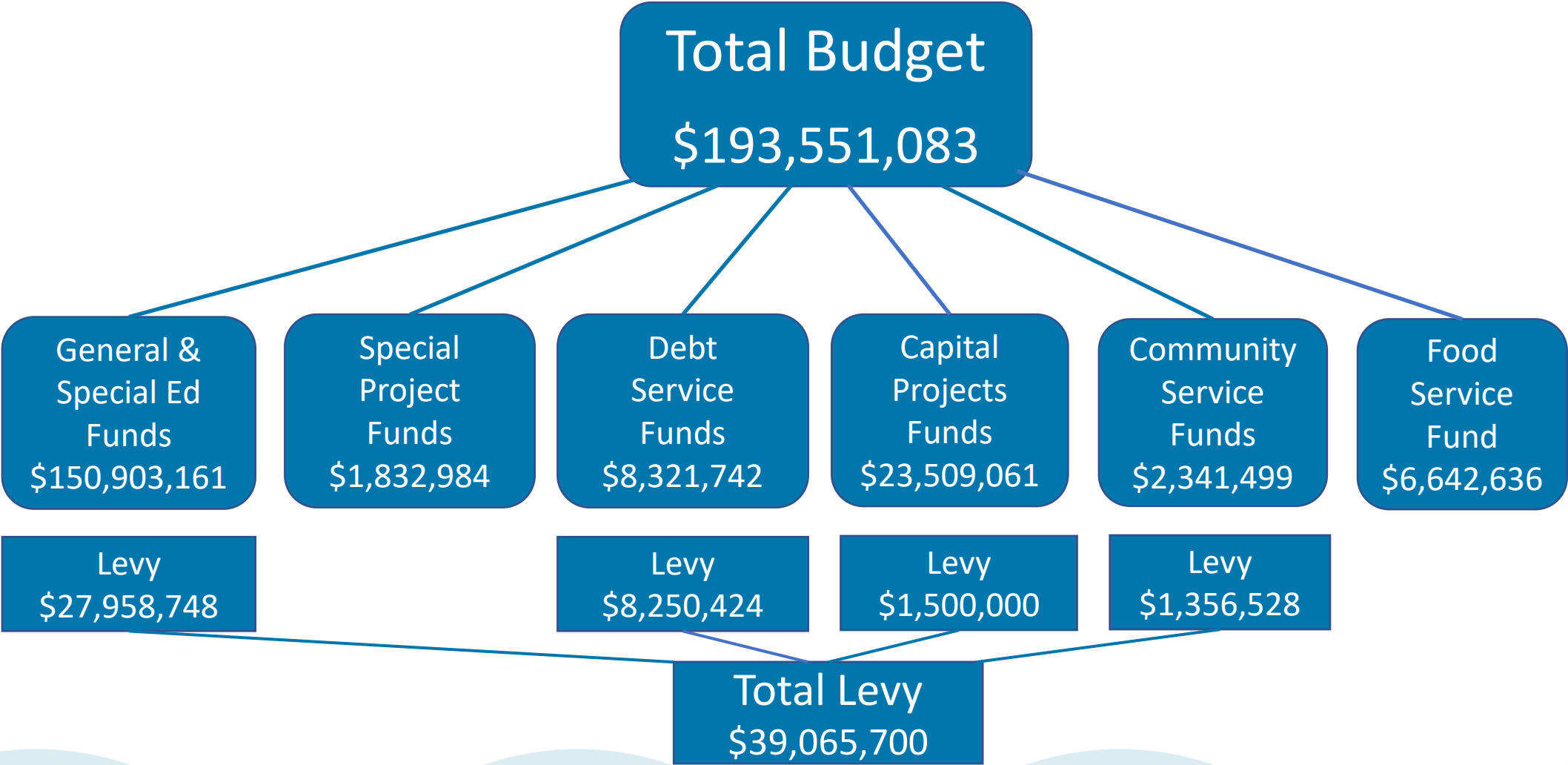
Revenue Limit Trend



Equalized Mill Rate Trend

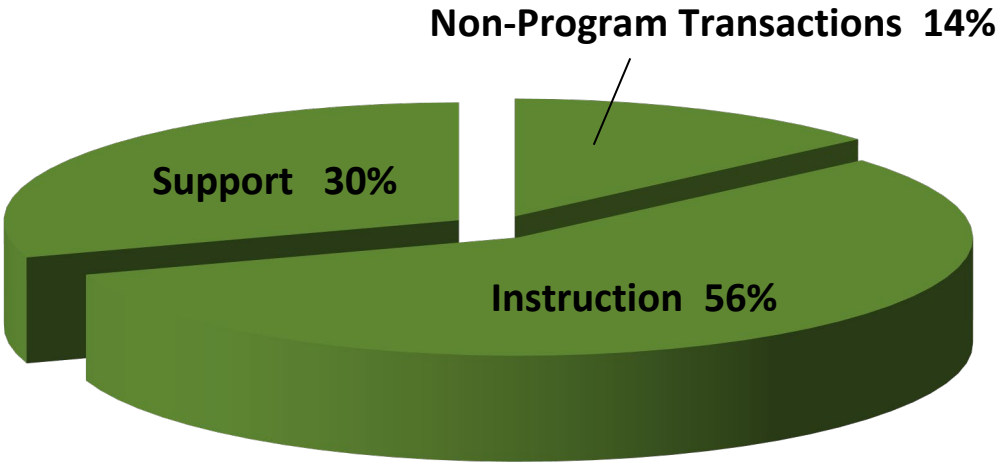


Summary of All Budgets – 2025-26

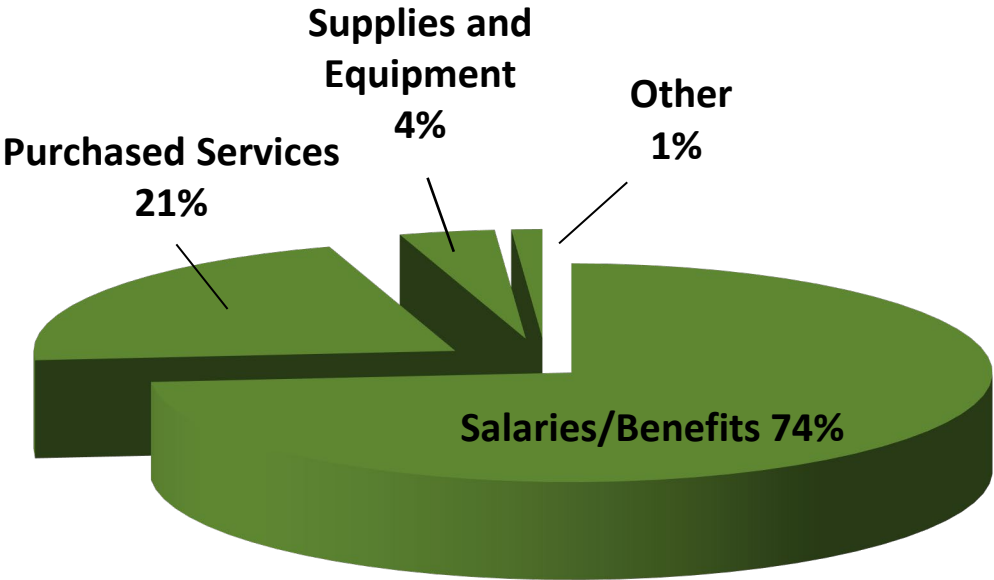


2024-25 General and Special Education

Expense Budget by Function



Expense Budget by Object



2025-26 Budget Highlights

- Enrollment based reduction of 3.2 FTE teacher positions.
- No medical insurance premium increase for 2026. This is a result of moving to the UMR NexusACO health insurance platform, which reduced the premium increase from 11% to 0%. This platform adds Tier 1 providers at a discounted claims rate.



2025-26 Budget Highlights

- Total teacher group salary increase of 2.95%
- 2.95% salary increase for administrators and support staff
- \$125,000 increase to the Capital Projects Fund 41
- Total education fund (10&27) budget increase of 3.5%



2025-26 Budget Highlights

- State reimbursement for special education expenses increased by 10%
- The District's revenue cap increased by 2.7%
- The revenue cap is the total revenue a district can receive through general state aid and local tax levy
- State budget included no increase to general state aid, shifting the tax burden to local property owners
- State ended the 2025 fiscal year with a \$4.6 billion dollar surplus



Fiscal Responsibility Through Controlling Benefit Costs

- Employee Wellness Program recognized as a model program around the State.
- Over the last 10 years SASD health insurance premium increases have been 4% lower than annual medical inflation.
- By changing from a defined retiree health care benefit to a defined retiree health care contribution, a 2019 *Wisconsin Taxpayer* publication noted that among the states 15 largest school districts, only the SASD had fully funded its retiree health care benefit.



District Debt Service

- As of 6-30-25 the District has four bonds with maturity schedules from 2025-2044
- As of 6-30-25 the District has \$108,373,000 in remaining long-term bonded debt
- Statute allows for debt up to 10% of the \$6,850,906,486 equalized value of the District



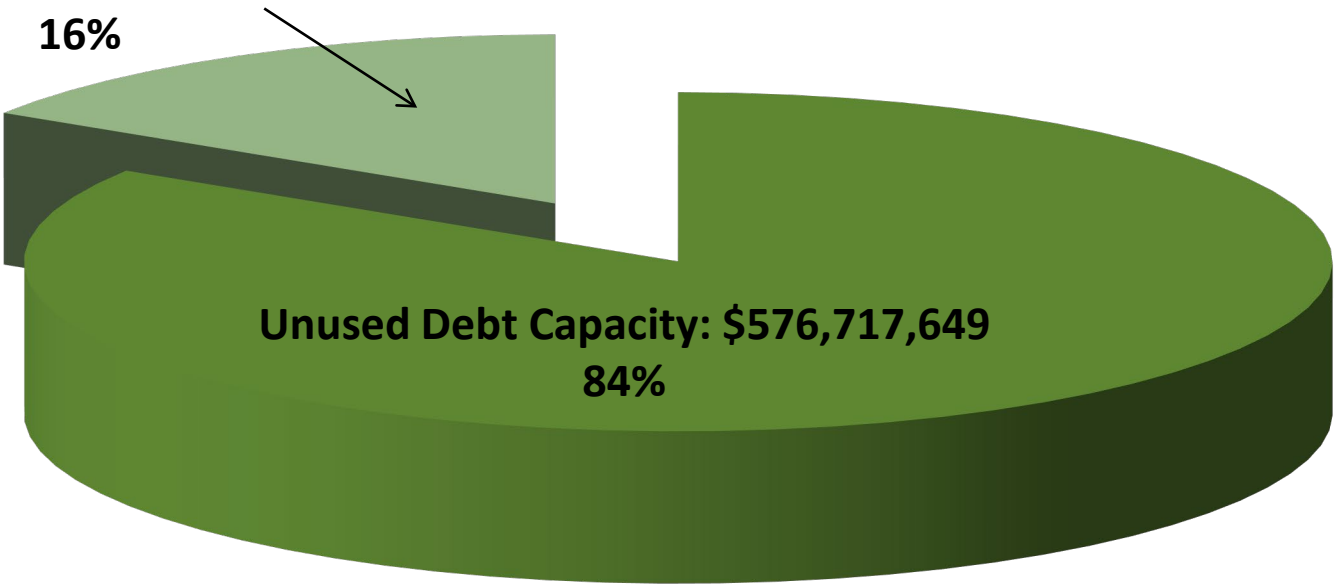
District's Legal Debt Capacity

\$685,090,649

(10% of \$6.85 Billion Equalized Property Valuation)

Total Debt Incurred: \$108,373,000

16%



Unused Debt Capacity: \$576,717,649
84%

District's Moody's Rating: Aa1



Fiscal Responsibility and Debt Management

- Moody's Bond Rating upgrade from Aa2 to Aa1
- The upgrade was attributed to the Districts strong financial position and budgeting practices
- Only 12 other districts in the State are rated Aa1 or better
- The upgrade resulted in a better-than-expected interest rate on the referendum borrow; reducing the taxpayer cost of the borrow by \$16m over the life of the loan



State Private School Voucher Program

- \$7,285,925 of the tax levy is used to fund the State private school voucher program. This is a \$712,608 (10.8%) increase from the previous year
- The \$7,285,925 tax levy for the State private school voucher program makes up 18.7% of the Districts total levy
- In 2024-25, local private schools that participate in the voucher program had a total enrollment of 1,405 students, with 717 students (51%) receiving vouchers
- In 2025-26, total enrollment for those private schools is 1,391 (-14), with 757 (+40) students receiving vouchers (54%)



State Private School Voucher Program

- \$31,779,775 tax levy for the Districts 9,111 students is equal to \$3,488 per student
- \$7,285,925 tax levy for the 618 private school voucher students charged to the District levy is equal to \$11,790 per student



Thank you!

The District is committed to being fiscally responsive to local taxpayers while maintaining quality educational programs for students.

Thank you for your time and interest in the District's budget and finances.

