

2025-26 Budget Update

**Kenosha Unified School District
Regular Board Meeting**

March 25, 2025

Moving Forward - Budget Categories

1. Long-Term Hold

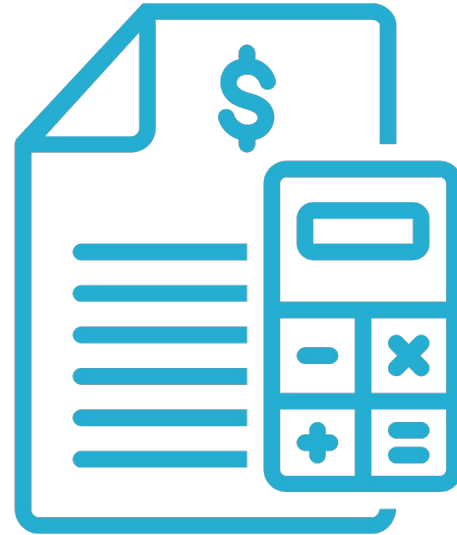
- a. Controlled Entrances
- b. Security Hardware
- c. Upgraded Security Systems
- d. Additional High School Prep Time
- e. Additional Elementary Prep Time

2. Short-Term Hold/Delayed

- a. Technology Refresh Restoration
- b. Major Maintenance Restoration
- c. Curricular Materials Restoration
- d. Staff Compensation

3. Recommended Reductions

- a. Staffing Adjustments
- b. Program Reductions/Cuts



How Did We Get Here? - FY26 Budget Projections

Preliminary FY 2025-26 Budget Position		
Projected Revenues		
Ref	Description	Amount
1	Revenue Limit Change (+\$325 PP, -550 3rd Friday)	\$3,770,000
2	Per Pupil Categorical Aid (PPCA \$742 PP) Declining Enrollment	-\$299,273
	Total Revenues	\$3,470,974

Projected Expenses		
Ref	Description	Amount
1	Structural Deficit Carried from FY 2024-25 (range \$790K to \$2.8MM)	\$1,800,000
2	Restore ESSER Funded Tech Refresh Budget	\$1,000,000
3	Restore Major Maintenance	\$1,000,000
4	Restore ESSER Funded Summer School plus other costs	\$2,225,000
5	Health Insurance 11%	\$4,090,000
6	Salary Schedule Increases ~ 1.5%	\$2,400,000
7	Salary CPI Increases 2%	\$3,200,000
8	Curriculum Adoption	\$2,000,000
9	Transportation Contract Increase 3%	\$300,000
10	Property Insurance Increase	\$12,000
11	Liability Insurance Increase	\$30,000
12	Nursing Contract Increase	\$50,000
13	HS Prep Time	\$3,417,000
14	EL Prep Time	\$909,500
15	Debt Service to Fund 7 Remaining Controlled Entrances (\$12.5 MM)	\$3,000,000
16	Security Hardware (e.g. Cameras) Annual Update Cycle	\$100,000
17	Upgraded Security DVR and Software Lease Budget	\$350,000
	Total Expenses	\$25,883,500
	Net Budget Position	-\$22,412,526

Projected Expenses			
Ref	Description	Amount	Failed Scenario
1	Structural Deficit Carried from FY 2024-25 (range \$790K to \$2.8MM)	\$1,800,000	\$800,000
2	Restore ESSER Funded Tech Refresh Budget	\$1,000,000	\$0
3	Restore Major Maintenance	\$1,000,000	\$0
4	Restore ESSER Funded Summer School plus other costs	\$2,225,000	\$2,225,000
5	Health Insurance 11% (revised to 9.9%), Dental Insurance 6%	\$4,090,000	\$3,990,512
6	Salary Schedule Increases ~ 1.5%	\$2,400,000	\$0
7	Salary CPI Increases 2%	\$3,200,000	\$0
8	Curriculum Adoption	\$2,000,000	\$500,000
9	Transportation Contract Increase 3%	\$300,000	\$300,000
10	Property Insurance Increase	\$12,000	\$12,000
11	Liability Insurance Increase	\$30,000	\$30,000
12	Nursing Contract Increase	\$50,000	\$50,000
13	HS Prep Time	\$3,417,000	\$0
14	EL Prep Time	\$909,500	\$0
15	Debt Service to Fund 7 Remaining Controlled Entrances (\$12.5 MM)	\$3,000,000	\$0
16	Security Hardware (e.g. Cameras) Annual Update Cycle	\$100,000	\$0
17	Upgraded Security DVR and Software Lease Budget	\$350,000	\$0
Total Expenses		\$25,883,500	\$7,907,512
Net Budget Position		-\$22,412,526	-\$4,436,538

Short
Term
Hold

Long
Term
Hold

Reduce

Recommended Reductions

- Increase class sizes
- Incorporate non-classroom teaching positions back into the classroom
- Suspend Recognition Committee Budget
- Eliminate AST positions through review of positions as vacancies occur (attrition)

Items Under Review

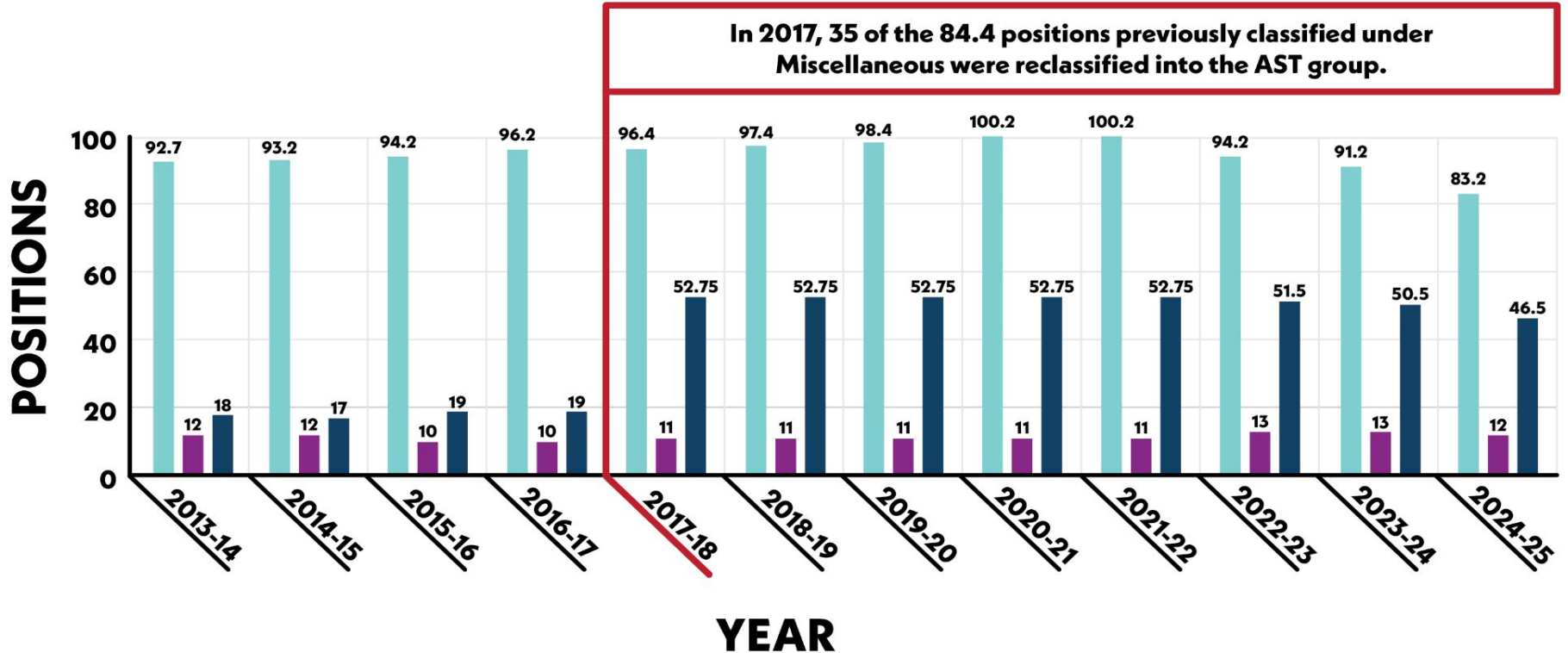
- Support staff
- User Fees
 - Co-curricular, extracurricular, instrument rental
- Restructure the Academies at Indian Trail into Pathways while minimizing impact on currently enrolled students
- Explore the replacement of MAP testing
- Fine Arts and athletics offerings

Understanding the AST Employee Group History

- Mix of **A**ministrative, **S**upervisory, and **T**echnical positions
 - Contains both exempt and non-exempt staff
- In FY 2017, the Miscellaneous group of 84.4 FTE were reclassified into other existing employee groups
 - **35 FTE** moved into the AST group from MISC
- Over the years, some positions have also been added using grant funds to support specific programs

District-Funded AST Group Position Breakdown

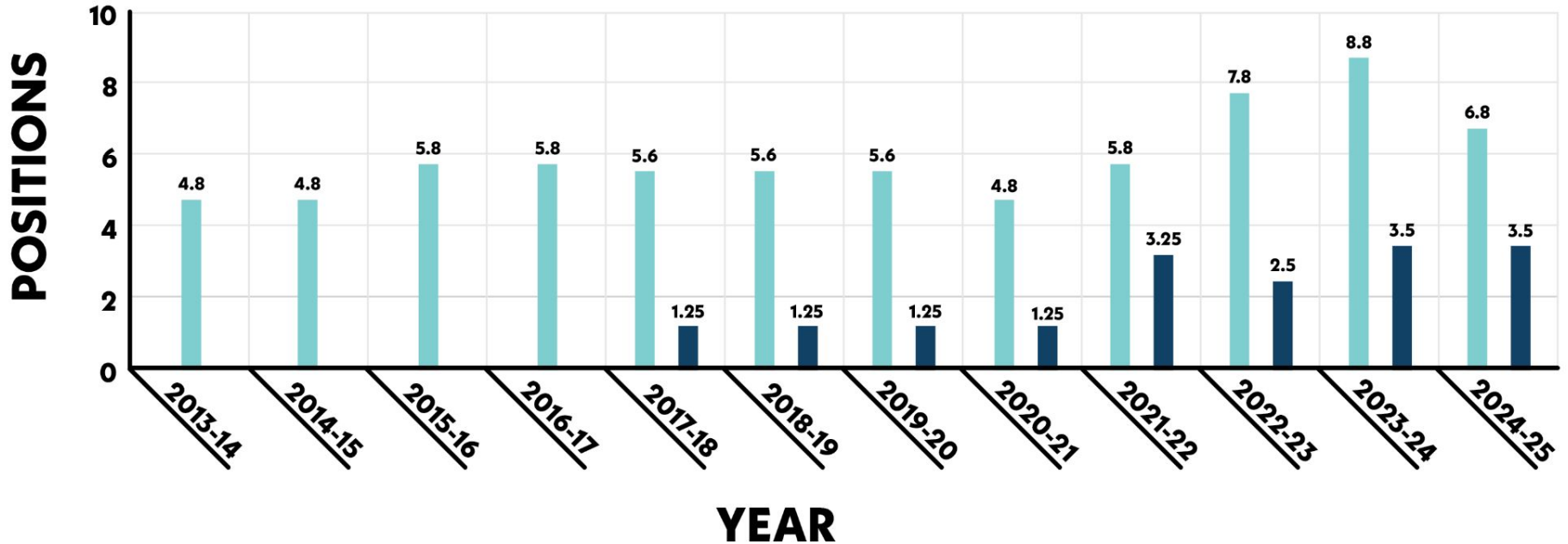
Administrative Supervisory Technical



Grant-Funded AST Group Position Breakdown

 **Administrative**  **Technical**

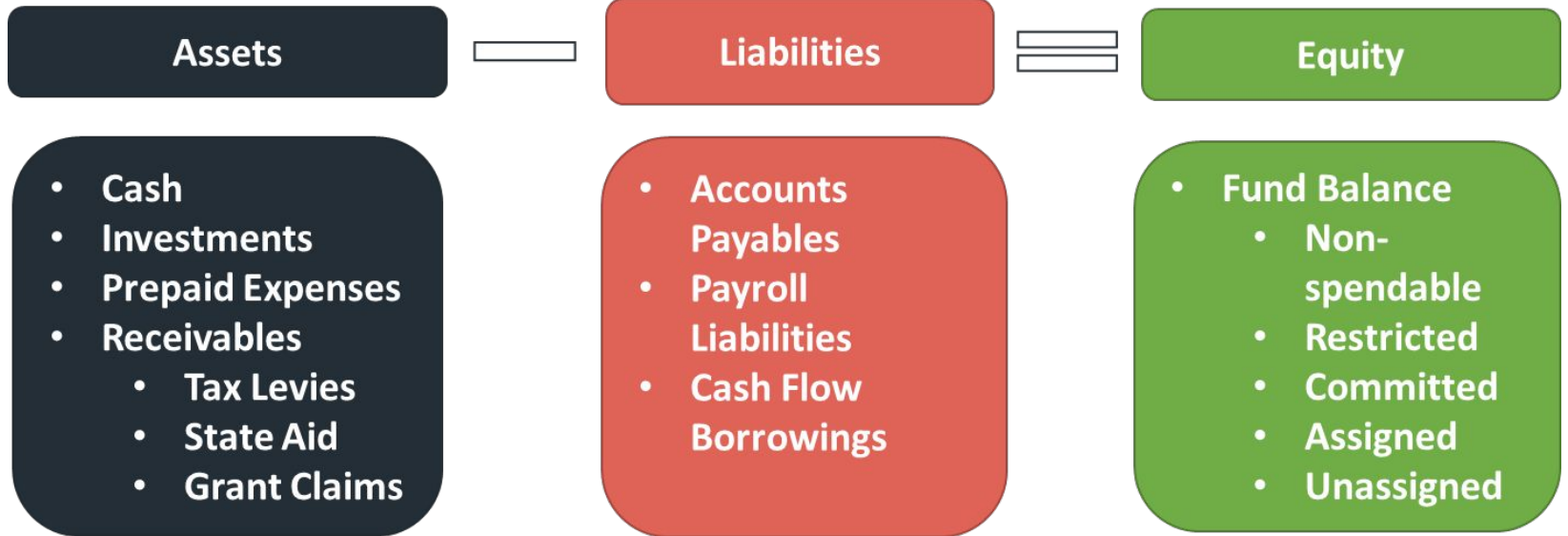
(There are no Supervisory grant-funded positions)



Fund Balance Basics

- Fund balance **does not** equal cash, it is the result of an accounting equation
- Balances change daily but are only measured as of June 30 (end of each FY)
- Cash reserve components are **not a rainy day fund**, they are operating capital used to pay our bills during periods of low revenue (income)
 - Without adequate reserves, the district is forced to short-term borrow
 - Short-term borrowing is done under the revenue limit and high-interest costs reduce resources available for other instructional purposes
 - Adequate reserves also allow us to generate revenue in high-interest periods
 - All interest earned is put back into play in the budget as revenue (this would be an additional hit to the budget if lost)

Fund Balance Accounting Equation



KUSD Projected Revenue (AM FY25 - Millions)





Questions?