

## Executive Summary: Secondary Ad Hoc Financing

This presentation, dated September 23, 2025, outlines the funding mechanisms for new schools in Wisconsin and provides a fiscal and building recommendation for secondary school financing.

**School Funding and Revenue** Wisconsin school districts receive revenue through a formula-based revenue cap, which is calculated based on the number of students and a per-student amount, plus any voter-approved referenda. Additional revenue sources include state categorical aid based on student demographics, open enrollment students, federal grants, and interest income. The presentation notes that school boards cannot raise taxes on their own in Wisconsin.

**Financing Options for School Construction** The most common method for financing school construction in Wisconsin is through a community-approved referendum. Other options, such as state grants or federal funding, are not currently available. While it is legally possible to use a district's general operating funds, this would require significant reductions in current expenses, such as staff, and is rarely done without a referendum.

**Financial Efficiencies** The presentation highlights that the most "efficient" (least cost) way to run a school district is to have as few buildings and personnel as possible. Having fewer buildings leads to financial efficiencies such as reduced maintenance and utility costs, as well as the need for fewer administrators, teachers (while maintaining programs and low class sizes) and bus routes.

**Recommendations** The presentation makes a two-part recommendation:

- **Fiscal Recommendation:** The most fiscally responsible operating model is a reduction in our facility footprint which will allow us to generate savings in maintenance, personnel, utilities and other areas.
- **Buildings Recommendation:** The presentation recommends building or renovating a comprehensive high school on the West site, renovating Longfellow as a comprehensive middle/junior high school, and closing Whitman, East, and Fisher. The Montessori program and staff from Fisher, as well as the Recreation department, would be relocated to the remaining building(s).