



**MILWAUKEE  
PUBLIC SCHOOLS**



2025 – 26  
**Proposed Budget  
Summary**

PRESENTED TO THE MILWAUKEE BOARD OF SCHOOL DIRECTORS  
JUNE 2, 2025

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# Introduction to the 2025-26 Budget

## Letter from the Superintendent

Since arriving in Milwaukee in mid-March, I have been working closely with our budget team to put together this budget proposal for your review. I am grateful for your flexibility in revising the fiscal year 2026 budget timetable, an action that reflects the need for more time to plan and to address the findings in the operational audit of Milwaukee Public Schools ordered by Governor Tony Evers.

This proposed budget provides clear guidance on priorities and the next steps the district must take to accelerate better outcomes for our students. With the fiscal year 2026 budget, we intend to invest in foundational change. We will take an important step forward in restructuring the district to accelerate student learning, improve efficiency, and create new accountability and transparency.

- The district will make literacy its central academic focus, with particular emphasis on early literacy, in line with Wisconsin Act 20. This will build a strong foundation for students' long-term academic success. We also will emphasize sixth grade literacy to ensure our students are well prepared for the rigor of secondary education and for post-secondary success. To support these initiatives, we will enhance professional development for school leaders.
- We will address student attendance, the most fundamental building block of student success.
- We will strengthen our engagement with families and the community, partnerships that are significant factors in student achievement.
- We are restructuring Central Services and enhancing our recruitment to address teacher vacancies. While those vacancies reflect national hiring trends, we can and must take action to be sure every school has the high-quality teachers it needs.
- We will continue to make strides in Nutrition Services. We have added school kitchens that can prepare nutritious meals, not merely package them, and emphasized diverse school breakfast and lunch menus to make them more appealing. This budget will also bring fresh salad bars to each of our high schools this fall.
- We will move forward with urgency in addressing the deferred maintenance that resulted in lead issues confronting our schools today. The need is vast and will require increased spending.

Milwaukee Public Schools students, families, and staff are at the heart of this budget. You will find this document addresses how we as a district can make positive changes for each of the students we have the privilege of serving.

Sincerely,

Brenda Cassellius, EdD  
Superintendent of Milwaukee Public Schools

# Executive Summary

The district and the Milwaukee Board of School Directors (MBSD) continue to operate in a difficult financial environment. Systemic challenges include rigid state revenue limits, significant inflation, and the challenge of recruiting and retaining qualified staff during a national teacher shortage.

These financial constraints have led to a long-term financial structural imbalance. The district's revenues simply are not increasing to keep up with the ever-increasing costs of providing services. This is the biggest challenge the district and the Milwaukee Board of School Directors (MBSD) must face over the next three years from a financial perspective. Correcting the projected deficit will require significant and decisive action. The administration is currently studying options for overcoming this challenge.

Despite this financial situation, it is important to continue to invest in the district's facilities, operational capacity, and services that support student academic success.

The proposed budget aims to invest in:

- Classroom supports that allow for academic success
- Safe and welcoming schools
- Operational efficiencies

The 2025-26 proposed budget plans for \$1,548,971,230 of revenue and expenditure budgets that include over 9,500 educators and staff supporting nearly 66,000 students. Throughout the rest of this summary, the total budget will be rounded to \$1.549 billion for ease of communication.

## FY 2026 Revenue and Expenditure

Object Type	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Expenditure	\$1,744.3	9,587.0	\$1,487.3	9,608.3	\$1,549.0	21.3	\$61.7
Revenue	\$1,995.3	0.0	\$1,487.1	0.0	\$1,549.0	0.0	\$61.9

This Executive Summary provides high-level details about:

- How to Read the Budget Book Charts
- Types of District Expenditures
- Schools, Offices, and Centrally Funded School Supports
- Position Type Overview

## How to Read the Budget Book Charts

In the chart above and in the charts throughout this summary, we use certain budget terms, which are specified below:

- **Actuals** means the actual receipts or spending in the given fiscal year.
- **FTE** means full-time equivalents.
  - A teacher who is full time will count as 1.0 FTE, while an employee who works part time will show as less than 1.0 FTE.
- **FA Budget** is the Final Adopted or Fall Budget approved by the School Board.
- **PB Budget** is the Proposed Budget or Spring Budget.
- **Difference Budget** shows the difference between the Final Adopted Budget and the Proposed Budget.
- **Difference FTE** shows the difference between the Final Adopted FTE value and the Proposed Budget FTE value.
- Actuals and budget amounts are all shown in millions of dollars.

Our goal in putting this budget book together has been to make the budget more transparent. These budget numbers represent a snapshot in time of the budget as it moves through a long budget process that includes numerous adjustments.

To increase transparency, the data is coming directly from MPS's accounting software. Instead of changing the values where corrections have been made after a budget version was finalized, we have opted to add supplemental footnotes to explain.

## Types of District Expenditures

The tables below show the district's budget by expenditure type or class across the entire district. Staff salaries are the district's largest expenditure type or class. Taken together with employee benefits, staffing costs make up approximately 65% of the district's budget. Purchased services are the district's second largest expenditure budget class.

## ESSER ended in 2024-25

Fiscal year 2024 is the last year that the district budgeted for significant expenditures funded by the federal Elementary and Secondary School Emergency Relief (ESSER). The funding was granted to districts to provide help to schools and students to overcome the impacts of the COVID-19 pandemic. The district deployed ESSER funding first to help students continue learning remotely and prevent the spread of COVID-19. Funding was next used to help students return to school, make facilities improvements, and help students overcome the academic impacts of the pandemic.

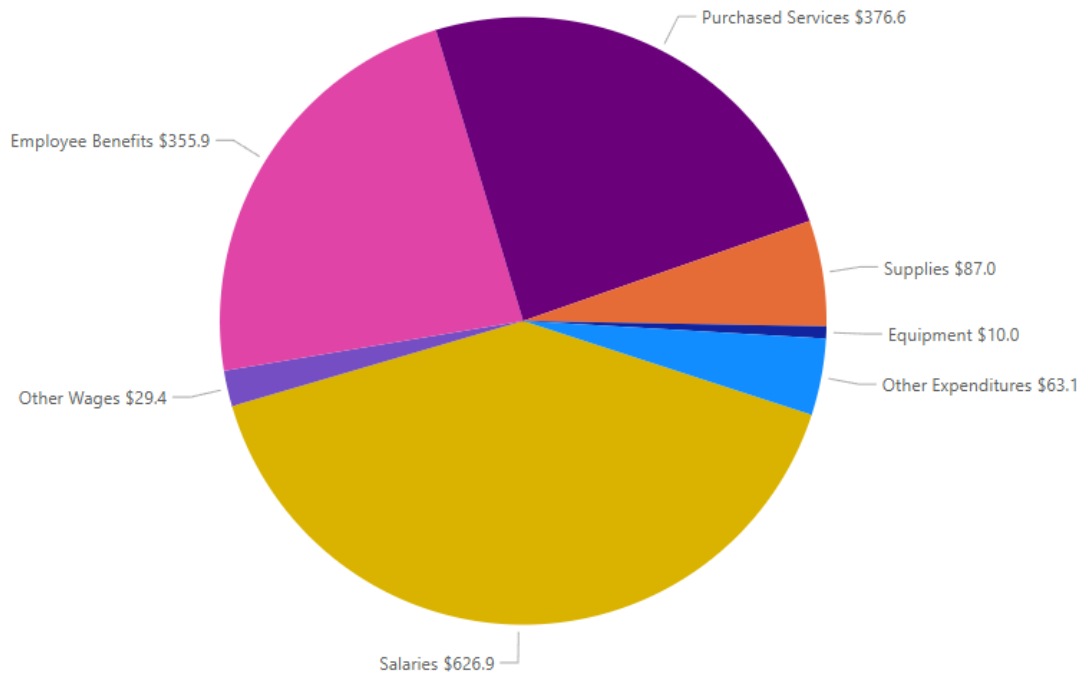
Many of the tables throughout this summary will show significant funding decreases as a result of the end of the ESSER grants. Many of the projects and programs funded by ESSER were intended to be temporary. Some were continued, using funds raised by the 2024 referendum, such as expanded access to art, music, and physical education. When ESSER-funded services were continued using funding generated by the referendum, that will appear as significant increases in some categories even though they might not indicate new services.

### Expenditure by Object Class

Object Class	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Salaries	\$574.8	9,584.8	\$592.3	9,608.3	\$626.9	23.6	\$34.7
Other Wages	\$40.0	2.3	\$29.3	0.0	\$29.4	(2.3)	\$0.1
Employee Benefits	\$339.7	0.0	\$342.9	0.0	\$355.9	0.0	\$13.1
Purchased Services	\$626.5	0.0	\$365.9	0.0	\$376.6	0.0	\$10.7
Supplies	\$96.7	0.0	\$95.2	0.0	\$87.0	0.0	(\$8.2)
Equipment	\$13.3	0.0	\$8.8	0.0	\$10.0	0.0	\$1.1
Other Expenditures	\$53.3	0.0	\$52.9	0.0	\$63.1	0.0	\$10.2
<b>Total</b>	<b>\$1,744.3</b>	<b>9,587.0</b>	<b>\$1,487.3</b>	<b>9,608.3</b>	<b>\$1,549.0</b>	<b>21.3</b>	<b>\$61.7</b>

Purchased services include a wide variety of goods or services provided by outside vendors. The largest types of purchased services budgets are for contract services, payment to third party providers for medical, dental, and prescription insurance, busing contracts, interdistrict tuition, and construction contracts. They also include all utility services.

## FY 2026 District Wide - Expenditure by Object Class (\$M)



### Schools, Offices, and Centrally Funded School Supports

The table below provides more detail about the district's expenditure budgets. The first row shows all school-based expenditure budgets. This more detailed breakdown uses school location codes to track budgets directly managed by school leaders. Then you see the various centrally funded school supports and the offices managing those resources.

For example, the Office of Operations includes all School Nutrition Fund positions, such as kitchen managers and food service assistants. The Office of Operations also includes building services helpers, engineers, and boiler attendants. Both of these examples of school supports are based at individual schools but budgeted centrally. Other examples of centrally funded school supports include special education, busing, and utilities.

## Expenditure by Office - Offices and Schools

Office Description	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Schools	\$957.2	6,626.4	\$848.1	6,536.9	\$882.7	(89.5)	\$34.6
Office of Operations	\$340.6	1,383.7	\$283.4	1,432.9	\$301.4	49.1	\$18.0
Office of Academics	\$143.0	799.7	\$139.8	822.1	\$146.4	22.4	\$6.6
District Wide	\$134.5	40.8	\$26.3	37.7	\$56.5	(3.1)	\$30.2
Office of Families, Communities & Partnerships	\$66.5	148.5	\$46.7	172.6	\$49.3	24.1	\$2.6
Office of Schools	\$24.7	339.0	\$28.8	332.4	\$31.7	(6.6)	\$2.8
Office of Human Resources	\$23.4	71.0	\$52.5	80.0	\$27.6	9.0	(\$24.8)
Pass Through Private	\$28.6	0.0	\$36.5	0.8	\$24.6	0.8	(\$11.9)
Office of Finance	\$16.1	110.0	\$15.2	114.0	\$17.0	4.0	\$1.8
Office of Communications & Marketing	\$2.6	18.0	\$2.5	17.0	\$2.8	(1.0)	\$0.3
Office of Accountability & Efficiency	\$2.2	17.0	\$2.4	17.0	\$2.5	0.0	\$0.2
Office of the Superintendent	\$1.7	10.0	\$2.0	8.0	\$2.3	(2.0)	\$0.3
Office of Legal & Labor Relations	\$1.6	9.0	\$1.2	16.0	\$2.2	7.0	\$1.1
Office of Board Governance	\$1.2	14.0	\$1.5	12.0	\$1.6	(2.0)	\$0.0
Board of Directors	\$0.4	0.0	\$0.4	9.0	\$0.4	9.0	\$0.0
<b>Total</b>	<b>\$1,744.3</b>	<b>9,587.0</b>	<b>\$1,487.3</b>	<b>9,608.3</b>	<b>\$1,549.0</b>	<b>21.3</b>	<b>\$61.7</b>

## Position Overview

The district employs over 9,500 employees to support educational services and ensure safe and welcoming schools for our students. The next table shows the district's staff organized into broad position categories that group similar jobs together. The table gives a high-level, districtwide view of the district's budgeted positions.

### Staff Distribution by Position Type

Position Type	2025 WB FTE	2026 PB FTE	Difference FTE	Percent Change FTE
Teachers	4,539.7	4,511.2	(28.5)	(0.6%)
Educational Assistants	1,364.7	1,319.5	(45.2)	(3.3%)
Classified Technical & Administrative	514.7	525.7	11.0	2.1%
Building Services Helpers	358.3	378.3	20.0	5.6%
Clerical/Secretaries	346.1	341.0	(5.1)	(1.5%)
Food Service Assistant/Assistant-in-Charge	330.4	330.0	(0.4)	(0.1%)
Childrens Health Assistant/Nursing Associate	287.3	298.9	11.6	4.0%
Certificated Administrators	278.7	286.7	8.0	2.9%
Safety Aides	285.1	266.1	(19.0)	(6.7%)
Engineers/Boiler Attendants	235.4	246.4	11.0	4.7%
Social Workers	186.8	185.3	(1.5)	(0.8%)
Psychologists	177.6	171.3	(6.3)	(3.5%)
Trades Workers & Foremen	137.0	154.0	17.0	12.4%
Assistant Principals	150.5	148.0	(2.5)	(1.7%)
Principals	124.0	125.0	1.0	0.8%
Food Service Manager/Trainee	123.4	122.0	(1.4)	(1.2%)
School Nurses	71.0	73.0	2.0	2.8%
Therapists	46.0	50.0	4.0	8.7%
School Bookkeepers	34.0	34.0	0.0	0.0%
Social Worker Assistants	26.4	23.8	(2.5)	(9.6%)
<b>Total</b>	<b>9,617.0</b>	<b>9,590.2</b>	<b>(26.8)</b>	<b>(0.3%)</b>

In 2025-26, the proposed budget includes a salary step increase for all position types, and a 2.95% cost of living adjustment (COLA). This percentage was selected to increase staff salaries to keep up with inflation as measured by the Consumer Price Index (CPI).

The benefit rate for School Operations will be 53% in the 2025-26 Proposed Budget. This percentage is intended to estimate the district's share of the cost of employee benefits such as health, dental, and prescription insurance, Social Security, and pension costs. To calculate the cost of providing benefits for a position, the district multiplies the percentage by the employee's salary. To calculate the total cost of the position including benefits, the district adds the salary to the cost of the benefits. To illustrate this point, the total cost of an employee earning a salary of \$50,000 is shown below.

$$\text{Benefit Cost} = \$50,000 \times 53\% = \$26,500$$

$$\text{Total Cost} = \$50,000 + \$26,500 = \$76,500$$

The 2025–26 Superintendent's Proposed Budget continues to prioritize direct educational services in classrooms, focusing on the district's Five Priorities for Success:

- Increase academic achievement and accountability
- Improve district and school culture
- Develop our staff
- Ensure fiscal responsibility and transparency
- Strengthen communication and collaboration

The Proposed Budget puts into action the district's core belief that the classroom is the most important place. It reflects the district's dedication to the children we are privileged to serve.

## Corrective Action Plan and Revitalized Budget Book

In the past five years, the Milwaukee Public Schools Finance Office has experienced a substantial turnover of staff. The understaffing and misalignment of experienced management and professional staff led to delays in financial reporting as well as significant deficiencies in day-to-day accounting activities and in the fiscal year-end closing of the books. At the same time, the district had significant delays in providing the requested data needed to assist in ensuring that materially accurate financial statements were prepared and reported to the Wisconsin Department of Public Instruction (DPI). Previous management failed to maintain alignment to the Wisconsin Uniform Financial Accounting Requirements (WUFAR), allowing the MPS chart of accounts to drift further away from the WUFAR standard. Rather than update the MPS chart as WUFAR revisions were announced, an off-books method was used to resolve coding conflicts. This method was unsustainable and introduced unnecessary data quality risks from manual transformations, resulting in concerns related to WUFAR code compliance and correction of validation errors.

Because of the Milwaukee Public Schools financial data and reports being overdue, DPI implemented a Corrective Action Plan (CAP) in consultation and collaboration with stakeholders in the district in June 2024. The Corrective Action Plan details the steps that MPS will take to address submission of its delayed financial reports. The CAP also includes process improvements to design and implement along with a plan to maintain WUFAR compliance.

The CAP is in its second version, known as the CAP 2.0. This version focuses on finalizing the 2024 financial statements, audit, and all the reporting requirements to DPI for fiscal year 2024. The CAP is to sunset by August 29, 2025, when the Aid Certification report (1505AC) is due. This is the district's fiscal year 2025 revenue and expenditures preliminary annual report to meet the statutory deadline of September 1. This final deadline in the CAP 2.0 sets the expectation to return to meeting all deadlines for fiscal year-end 2025 reports.

With new leadership in the district including the Chief Financial Officer, Comptroller, and the permanent Superintendent, the district is dedicated to rebuilding the Finance Office to operate in a manner of responsible fiscal stewardship. Many facets are involved: retraining staff, hiring new staff, and enhancing and redesigning processes and procedures to ensure a proper control environment. This effort will develop new skills while retaining helpful skills to result in timely delivery of required reports to DPI and timely and accurate financial statements for external stakeholders. This return to responsible fiscal stewardship will ensure that the district's resources are spent in the best possible manner for the education and well-being of our students in Milwaukee.

To further rebuild trust with the community, the new administration is placing an emphasis on more effective transparency. This year's budget book focuses on accuracy, readability, and transparency through revitalized budget adoption materials. In addition to this summary, more detailed budget materials have been released on the district's Electronic School Board website. This includes a digital Microsoft Excel spreadsheet containing all budget line-item details that can be accessed and analyzed electronically by the public.

The improvements to the district's budget materials and the data contained in this summary are meant to address requests from constituents and the MGT Operational Audit's findings. Specifically, the administration aims to advance efforts toward implementing Goal 2: Foster Meaningful Communication and Collaboration by:

- Improving collaboration between MPS Board of Directors and district leadership, and
- Enhancing data management and utilization

To support these efforts, the Budget Department has implemented the use of data visualization software, Power BI. This has allowed for greater consistency and accuracy when producing budget materials and summarizing information for decision makers. The software pulls budget data directly from the district's financial system, and creates an appealing, digestible visualization to communicate that data to the policy makers and the public.

## About the Process and Materials

All Proposed Budget materials can be found online at the Milwaukee Board of School Directors (MBSD) Electronic School Board website, [milwaukeepublic.ic-board.com](http://milwaukeepublic.ic-board.com). The administration is asking the MBSD to consider and approve five budget items:

1. Budget Summary
2. Budget Line Items
3. School Budget Supplement
4. Office Budget Supplement

## Priorities and Process

In January 2025, the administration proposed, and the MBSD adopted, priorities to guide the administration as it prepares the 2025–26 proposed budget. The identified priorities must be balanced with the resources available to the district and may change to adapt to the district’s financial situation. The budget was developed to accelerate academic achievement and accountability, improve district and school culture, and better support our educators and staff.

MBSD-approved priorities include:

- Prioritize school budgets while adjusting educational programming and departmental budgets.
- Allocate resources to maintain school libraries and art, music, and physical education, supported by the 2024 referendum.
- Attract and retain staff by implementing board-approved salary step increases.
- Implement salary schedules with a 2.95% cost-of-living increase to keep pace with inflation, as measured by the Consumer Price Index (CPI).
- Begin implementation of the Safe Schools Hub.
- Maintain central office capacity to support school operations.
- Increase the fund balance to promote long-term stability and flexibility in the School Operation Fund, practicing sound financial management.
- Consider modifications to employee benefits for eligible staff to identify cost savings and increase efficiencies.
- Investigate the feasibility of expanding the number of site-based production kitchens and continue implementation of a kitchen equipment replacement schedule based on an inventory aging report.
- Implement the recommendations included in the MGT Operational Audit.

## High-Level Overview of the Budget Process

Creating the district’s Proposed Budget is a collaborative process involving many stakeholders, including students, School Engagement Councils, families, school leaders, Central Services support staff, the superintendent, and the MBSD.

The district uses many means to solicit and act on staff and community feedback. These methods include staff open-office hours, a principal collaboration event, a student advisory group that works with the Office of the Superintendent, and the District Advisory Council.

- In December, the Budget Department begins working on the Proposed Budget. This work continues through the spring until the Proposed Budget is considered by the MBSD. The Budget Department works with the Superintendent and her senior team and school leaders to set key budget parameters such as salaries, the annual cost-of-living adjustment, the benefit rate, and per-pupil allocations for schools. After school budgets are determined, the remaining funds are allocated to central offices to implement programs to support our schools and educators.

- In February, the Budget Department and Office of Accountability and Efficiency develop and present a five-year forecast to inform the MBSD and public of the district's financial situation. The MSBD also adopts priorities to guide the development of the Proposed Budget.
- School budget needs are gathered through school budget meetings and collaborative regional budget meetings involving regional superintendents, Office of Academics staff, Human Resources staff, and Budget staff.
- The MSBD conducts a series of public meetings to consider adoption of the Proposed Budget throughout the month of June.
- In the fall, the district must adjust its Final Adopted Budget to adapt to changes in the state's budget, changes in enrollment, and other needs or circumstances.

## Introduction to the District's Account Codes

Just as you might use a filing system to store important data, the district uses a similar system to designate where revenues and expenditures are to appear in the budget. The district tracks all budgets and expenditures by categorizing them using an *account code*. This code is the fundamental building block of our accounting system. The code has multiple dimensions encoded in it that determine what the given revenue or expenditure was from or for. Each aspect of the budget is tracked by a specific part of the account code, and it is used to report and audit the district's revenues and expenditures.

XXX	X	X	XXX	XX	XXXX	XXXX
Function	Grade Level	Cost Category	Project	Location	Object Code	Job Code

Account Code Example: High School Secretary

Function	Grade Level	Cost Category	Project	Location	Object Code	Job Code
SAM	H	A	BDH	SD	ESCL	5865

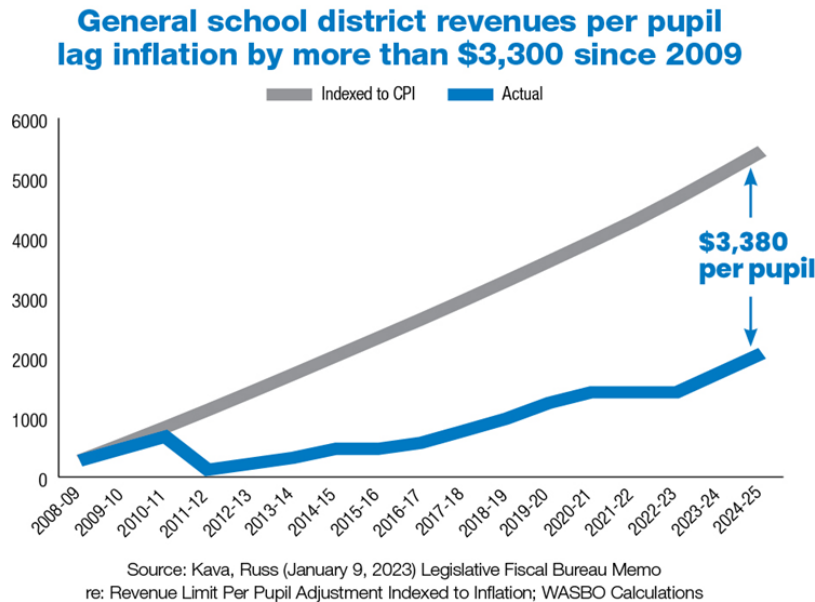
Using this code, the Budget Department can track, review, and analyze spending, as well as project future needs. Each aspect of the code can be selected, filtered, or sorted for detailed analysis. The tables and figures in this budget summary use reporting software to focus on selected aspects of these account codes. This lets the district better understand and describe our spending and revenues at a very detailed but difficult to digest level. Budgets can also be viewed from a very high level, where the big picture becomes clear, but details are lost.

It is the goal of the Budget Department to present this data in a way that shows both the big picture and the detailed levels in a way that is straightforward and easy to understand.

# Key Context for Understanding the 2025-26 Budget

## Financial Challenges and Referenda

The district, like many Wisconsin school districts, continues to operate in a challenging financial environment. Inflation continues to increase the district's costs faster than the state's funding formula increases revenues. This means that each year, the funding available to the district does not keep up with the increasing costs of providing educational services. The table below shows the difference between current per pupil revenues compared with where revenues would be had they kept pace with inflation.



This situation has required the MBSD to ask City of Milwaukee voters to consider revenue limit increases allowing the board to raise local property taxes. In the spring of 2020, Milwaukee voters approved a recurring referendum to support the following educational services:

- Attract and retain certified educators
- Engage students with library media, art, music, and physical education
- Expand advanced academic opportunities
- Enhance career and technical education opportunities

Maintaining these enhanced services is difficult for the district to afford. In 2024, MPS asked voters to consider increasing the revenue limit, a year that set the record for most school referenda in Wisconsin, with 241. Milwaukee voters approved a recurring referendum again in 2024, raising revenue limits and phasing in additional funding. Voters approved providing an additional \$140 million for the 2024-25 school year. This is set to phase in increases annually, to \$252 million in the 2027–28 school year.

Since the district's costs are rising faster than its revenues, the district faces a financial structural deficit. This means that if the district is not able to raise additional revenue, significant budget reductions must be made in future years, which will cut into offered services. The table below summarizes the five-year financial analysis conducted by the district's Office of Accountability and Efficiency.

The report is provided annually to the board prior to the board's consideration of the Proposed Budget. The analysis, which projects the deficit of the district's School Operations Fund, given current funding and cost trends, predicts that the district's budgetary deficit in the School Operations Fund will continue to rise. It projects an approximately \$144 million structural deficit that the district and MBSD must overcome in that five-year period.

		<b>FY25-FY30</b>						<b>Change FY30 vs FY25</b>
		<b>Draft Five-Year Forecast Pro-Forma Summary</b>						
<b>School Operations</b>								
(In Millions)								
	FY25	FY26	FY27	FY28	FY29	FY30		
(In Millions)	Adopted	est	est	est	est	est		
<b>Revenues</b>	<b>\$1168.1</b>	<b>\$1209.8</b>	<b>\$1262.7</b>	<b>\$1291.6</b>	<b>\$1305.7</b>	<b>\$1322.8</b>	<b>\$154.7</b>	
<b>Expenditures</b>								
Salaries/Other Wages	\$511.4	\$541.8	\$567.9	\$589.5	\$611.3	\$633.8	\$122.4	
<b>Benefits</b>								
Medical/Vision Insurance-Active	\$142.0	\$173.4	\$180.3	\$187.5	\$195.1	\$203.1	\$61.0	
Employee Contribution-Active	(\$13.9)	(\$20.0)	(\$19.9)	(\$20.7)	(\$21.5)	(\$22.4)	(\$8.5)	
Medical-Retiree (no Vision)	\$47.0	\$55.4	\$56.9	\$58.8	\$59.5	\$60.1	\$13.1	
Employee Contribution-Retiree	(\$1.0)	(\$1.0)	(\$1.2)	(\$1.4)	(\$1.6)	(\$2.0)	(\$1.0)	
Net Medical/Vision	\$174.2	\$207.8	\$216.1	\$224.2	\$231.5	\$238.8	\$64.7	
Other Benefits	\$109.7	\$106.7	\$108.9	\$111.4	\$113.9	\$116.5	\$6.8	
<b>Total Benefits</b>	<b>\$283.9</b>	<b>\$314.5</b>	<b>\$325.1</b>	<b>\$335.6</b>	<b>\$345.3</b>	<b>\$355.4</b>	<b>\$71.4</b>	
<b>Purchased Services</b>								
Contracted Schools Charters	\$90.8	\$91.1	\$91.5	\$91.9	\$92.3	\$92.8	\$2.0	
Open Enrollment -Outbound	\$45.2	\$45.4	\$46.2	\$47.0	\$47.7	\$48.5	\$3.3	
Pupil Transportation	\$65.7	\$67.0	\$68.3	\$69.7	\$71.1	\$72.5	\$6.8	
Other Purchased Svcs.-Includes Utilities	\$66.1	\$73.6	\$75.3	\$77.0	\$78.5	\$80.0	\$13.9	
<b>Total Purchased Services</b>	<b>\$267.8</b>	<b>\$277.0</b>	<b>\$281.3</b>	<b>\$285.6</b>	<b>\$289.6</b>	<b>\$293.8</b>	<b>\$26.0</b>	
Supplies/Materials	\$52.7	\$57.6	\$57.9	\$59.1	\$51.5	\$54.4	\$1.7	
Capital Purchases	\$3.9	\$4.0	\$4.1	\$4.2	\$4.3	\$4.4	\$0.5	
Debt Service	\$37.3	\$27.8	\$27.6	\$29.2	\$28.0	\$27.7	(\$9.6)	
Insurances	\$8.0	\$8.8	\$9.2	\$9.6	\$10.0	\$10.4	\$2.4	
Other	\$3.1	\$0.1	\$0.0	\$0.0	(\$0.0)	(\$0.1)	(\$3.2)	
<b>Total Expenditures</b>	<b>\$1168.1</b>	<b>\$1231.7</b>	<b>\$1273.1</b>	<b>\$1312.8</b>	<b>\$1339.9</b>	<b>\$1379.8</b>	<b>\$211.7</b>	
Balance Before Internal Adjustments	(\$0.0)	(\$21.9)	(\$10.4)	(\$21.2)	(\$34.2)	(\$57.0)		
Internal Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		
<b>Cumulative Surplus (Deficit)</b>	<b>(\$0.0)</b>	<b>(\$21.9)</b>	<b>(\$32.3)</b>	<b>(\$53.5)</b>	<b>(\$87.7)</b>	<b>(\$144.7)</b>		

## Decisive Action Needed to Correct District's Financial Situation

The district's financial situation has reached a critical point. Over the next two years, the administration will need to take significant and decisive action to increase revenues and reduce costs—all while increasing practical financial and human resources capacity. The administration is currently reviewing the recommendations included in the Governor's academic and operational audits, as well as engaging with consultants to study options to reduce the projected deficit and eliminate the practice of using a "vacancy adjustment" to anticipate savings and pre-budget those

savings. This will require a proactive plan to consolidate under enrolled schools, eliminate vacant positions and create efficiencies.

## Enrollment

The district's revenue limits and funding allocations are determined by complicated funding formulas. The number of students enrolled in the district is the most important input into the formulas. The Proposed Budget uses last year's enrollment to project revenues. When school starts in the fall, the district, like all districts in the state, counts the number of students enrolled as of the third Friday of the school year.

This enrollment count is used by the state to determine the funding allocated to each school. The district also uses enrollment to help allocate resources across schools. Enrollment values are from September Third Friday counts taken during the start of the Fiscal Year.



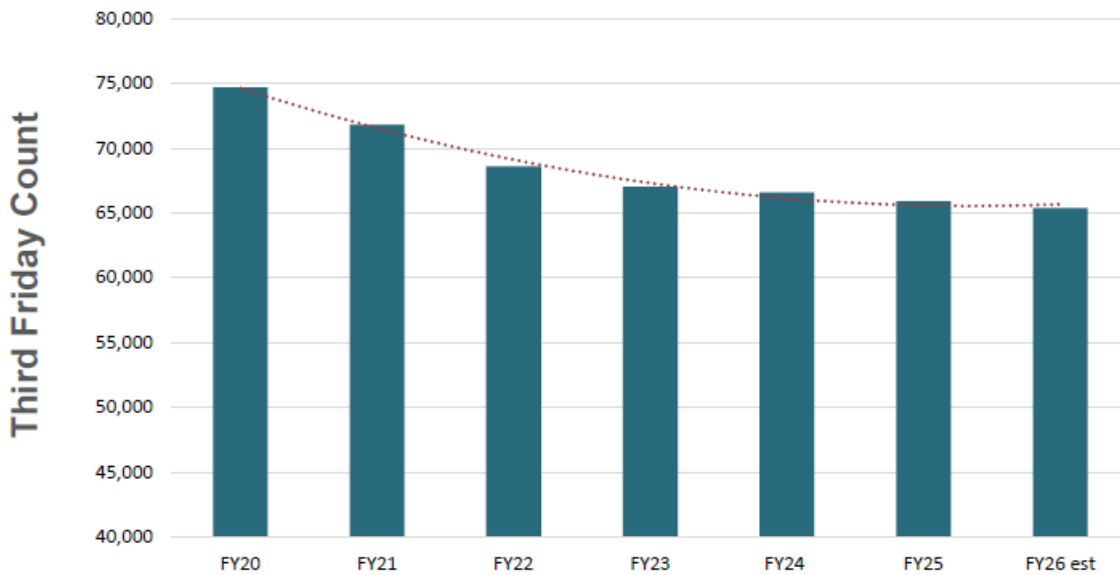


## MPS Enrollment

	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26*</u>
Elementary/K8 Schools	45,138	42,408	37,654	37,412	37,825	37,718	37,420
Middle Schools	3,467	3,416	2,891	2,627	2,175	2,102	2,060
High Schools	16,517	16,771	19,315	18,513	18,532	18,405	18,305
<b>Traditional</b>	<b>65,122</b>	<b>62,595</b>	<b>59,860</b>	<b>58,552</b>	<b>58,532</b>	<b>58,225</b>	<b>57,785</b>
Alternative/Partnership/Contracted Schools	1,225	929	944	900	896	812	765
Non-Instrumentality Charters	8,331	8,302	7,786	7,574	7,163	6,887	6,815
<b>Non-Traditional</b>	<b>9,556</b>	<b>9,231</b>	<b>8,730</b>	<b>8,474</b>	<b>8,059</b>	<b>7,699</b>	<b>7,580</b>
<b>MPS Sites Total</b>	<b>74,678</b>	<b>71,826</b>	<b>68,590</b>	<b>67,026</b>	<b>66,591</b>	<b>65,924</b>	<b>65,365</b>
% Change Year over Year		-3.8%	-4.5%	-2.3%	-0.6%	-1.0%	-0.8%

\* estimated

## MPS Enrollment Trend



The district, like many schools across the country, is still assessing enrollment trends after the COVID-19 pandemic. While enrollment numbers have stabilized since experiencing significant drops, the district anticipates small declines in enrollment each year. These trends are similar to nationwide enrollment trends. As more families choose to have fewer children, school enrollment will continue to decline gradually.

# The 2025-26 Budget

## Highlights and Significant Budget Changes

The 2025-26 proposed budget plans for \$1.549 billion of revenue and expenditure budgets, including over 9,500 educators and staff supporting nearly 66,000 students. Highlights of the 2025–26 proposed budget include the following:

- The district is urgently working to stabilize lead paint in its schools. This will require an increased facilities investment of approximately \$16 million from the district's Long-Term Capital Improvement Trust.
- The district is creating eight Academic Superintendent positions to better support principals and schools. This increase will be approximately \$2.5 million, including benefits, which was largely offset by eliminating the district's five Regional Superintendent positions.
- In addition to the newly budgeted Academic Superintendents, the district is creating four Managers of Operations. These positions will support principals with finance, staffing, and logistical operational needs. These positions represent an approximate increase of \$1 million including benefits. These newly budgeted positions will be largely offset by the elimination of the Instructional Leader Directors positions.
- A \$13 million increase to the budget is allocated for funding passed through to private schools and to fund the Special Needs Scholarship Program (SNSP). Two years ago, the state's biennial budget increased the district's obligation for the SNSP, and the district must increase this budget to pay for the projected cost. This cost is now better understood after experiencing two years of actual costs under the new state budget.
- The 2025-26 Proposed Budget creates the Office of Families, Communities, and Partnerships. Reorganizing these departments and resources will better support our families and create stronger partnerships with the local business community, MPS Foundation, Milwaukee Teachers' Education Association, and our families for the benefit of Milwaukee's children. Most of the expenditures in this office were already budgeted in fiscal year 2025 in other departments. The district is adding a Chief of Families, Communities, and Partnerships at a cost of approximately \$306,000, including benefits.
- The 2025-26 Proposed Budget creates a Department of Legal and Labor Relations to support school leaders and allow the Office of Human Resources to focus on recruiting, training, and retaining caring and competent teachers for every classroom and support staff to help them succeed.
- Additional staff will support 16 classrooms of special education seats to accommodate increasing numbers of students with special needs, especially at younger ages. This accounts for approximately 35 additional FTEs.
- A \$3.25 million increase for pupil transportation contracts adjusts to inflationary cost increases.
- A \$3.5 million increase to the district's budgets for its Common School Fund will match the state's allocation for MPS. In prior budgets, these funds were underbudgeted and spread across school and central budgets. In 2025-26, these funds will be placed in a central budget to ensure compliance with state guidelines.

- An additional \$2.8 million for the school operations fund will enhance facilities work. This includes an additional 20 building services helpers to ensure safe and welcoming school environments and holiday pay for tradespeople, who in the past were not paid for MPS-recognized holidays
- A \$2 million increase will be invested in implementing the district's Safe Schools Hub.
- A \$2 million budget increase accounts for occupational therapist salaries and other special education practitioners that were higher than anticipated in prior budgets. All salaries were paid correctly but were under projected in the budget.
- An increase of \$1.4 million will fund special education apprentice teachers.
- An increase of \$1.2 million will add 10 teachers of English as a second language (ESL).
- An increase of \$775,000 will fund the implementation of a state law requiring school resource officers in MPS schools.
- \$650,000 to install and improve salad bars in all high school cafeterias.
- An increase of \$400,000 will be used to start SURGE (Students Utilizing Resources for Growth and Excellence).
- An increase of \$350,000 will add four positions to the Office of Finance to build capacity in Accounting and Budget and implement the improvements outlined in the Corrective Action Plan (CAP).

## Detailed Budgets

The district's budget can be seen from many different perspectives. It includes budgets for both anticipated revenues and authorized expenditures. The Proposed Budget is organized by fund as shown below. Each fund has a purpose, and their activities are guided and restricted by state law.

### District Wide - Revenue by Budget Fund Group

Budget Fund Group	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
School Operations	\$1,013.0	\$1,164.3	\$1,212.9	\$48.6	4.2%
Grants - Categorically Aided	\$792.8	\$202.7	\$175.7	(\$27.0)	(13.3%)
School Nutrition	\$55.3	\$60.1	\$62.7	\$2.6	4.4%
MKE Rec - Extension	\$113.5	\$37.6	\$39.4	\$1.8	4.7%
Debt	\$11.5	\$3.8	\$27.8	\$24.0	636.1%
Long-Term Capital Improvement Trust	\$1.3	\$0.0	\$27.8	\$27.8	NA
Construction	\$7.9	\$18.5	\$2.7	(\$15.9)	(85.7%)
<b>Total</b>	<b>\$1,995.3</b>	<b>\$1,487.1</b>	<b>\$1,549.0</b>	<b>\$61.9</b>	<b>4.2%</b>

## District Wide - Expenditure by Budget Fund Group

Budget Fund Group	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
School Operations	\$1,090.8	\$1,130.9	\$1,212.9	\$82.0	7.3%
Grants - Categorically Aided	\$518.5	\$202.8	\$175.7	(\$27.1)	(13.4%)
School Nutrition	\$58.9	\$60.1	\$62.7	\$2.6	4.4%
MKE Rec - Extension	\$34.2	\$37.6	\$39.4	\$1.8	4.7%
Debt	\$29.7	\$37.3	\$27.8	(\$9.5)	(25.5%)
Long-Term Capital Improvement Trust	\$7.0	\$0.0	\$27.8	\$27.8	NA
Construction	\$5.3	\$18.5	\$2.7	(\$15.9)	(85.7%)
<b>Total</b>	<b>\$1,744.3</b>	<b>\$1,487.3</b>	<b>\$1,549.0</b>	<b>\$61.7</b>	<b>4.1%</b>

The Long-Term Capital Improvement Trust is a newly budgeted fund in fiscal year 2026. The trust, which is made up of funds set aside in previous years to pay for facilities-related work, is drawn down to fund capital investments in the district's buildings and vehicle fleet. Some of the operations previously budgeted in the fiscal year 2025 School Operations Fund and Construction Fund can now be found in the Long-Term Capital Improvement Trust Fund.

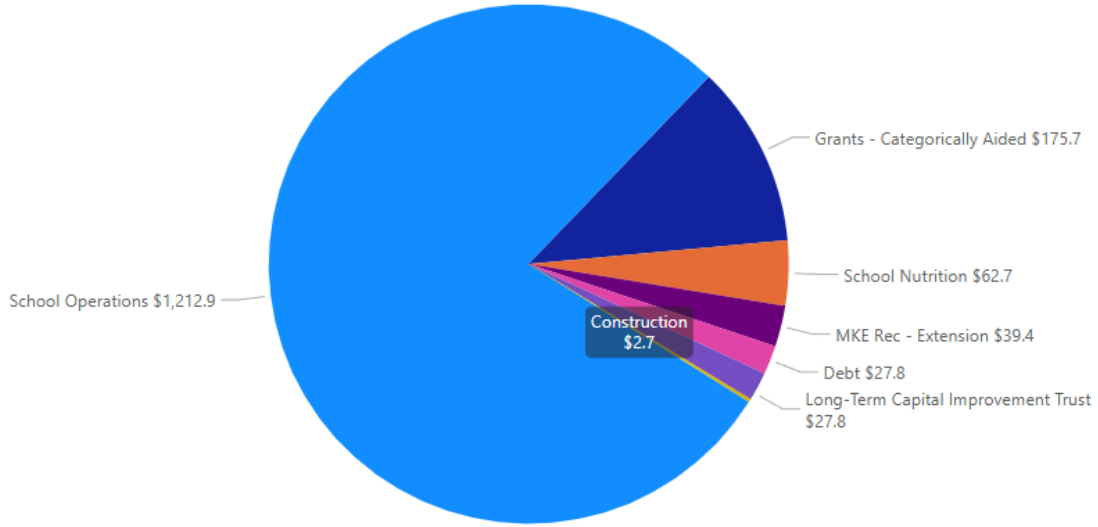
## Revenues

The district receives revenues from the state and federal governments, local property taxes, and generous donors, community organizations, and the local business community. Revenues are recorded and tracked for each fund. The district's largest revenues are allocated by the state and federal government per student to support their education:

- State Equalization Aid
- Per Pupil State Aid
- Federal Title funding
- State grants such as Achievement Gap Reduction funding

Other revenues, such as the local property tax levy, are generated locally. The property tax levy is set by the MBSD and collected by the City of Milwaukee for the district's use. Local property tax revenues are budgeted to support the School Operations Fund and the Milwaukee Recreation Extension Fund. It is important to note that property taxes collected for supporting the School Operations Fund are controlled by the state's revenue limits while the funds raised to support the Milwaukee Recreation Extension Fund are not.

FY 2026 District Wide - Revenue by Budget Fund Group (\$M)



Most of the district's revenues are tracked by the School Operations Fund. The next table provides additional detail about the various revenue sources tracked in the district's School Operations Fund. These funds are typically not restricted to a specific use. They are collected from a variety of sources and allocated to the School Operations Fund to be directed by the MBSD through the annual budget process.



## School Operations - Revenue by Source

Revenue Source	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
<b>General Revenue</b>	<b>\$832.2</b>	<b>\$975.6</b>	<b>\$1,046.7</b>	<b>\$71.1</b>	<b>7.3%</b>
General Equalization Aid	\$604.9	\$587.2	\$659.7	\$72.5	12.4%
Property Tax Levy	\$193.7	\$380.9	\$378.1	(\$2.8)	(0.7%)
Computer Aid	\$1.4	\$7.5	\$8.9	\$1.4	18.7%
Integration Aid	\$31.5	\$0.0	\$0.0	\$0.0	NA
Capital/Fixed Asset Sale	\$0.6	\$0.0	\$0.0	\$0.0	NA
<b>State Aid</b>	<b>\$128.7</b>	<b>\$122.1</b>	<b>\$121.1</b>	<b>(\$1.0)</b>	<b>(0.8%)</b>
State Special Education Aid	\$61.3	\$60.0	\$60.0	\$0.0	0.0%
General State Aid	\$50.1	\$49.4	\$49.4	(\$0.0)	(0.0%)
Library Aid	\$8.5	\$8.5	\$8.3	(\$0.2)	(1.8%)
Other State Aids	\$7.4	\$1.9	\$1.9	(\$0.0)	(1.9%)
Transportation	\$1.4	\$2.3	\$1.5	(\$0.8)	(34.1%)
<b>Local Revenues</b>	<b>\$24.4</b>	<b>\$21.9</b>	<b>\$26.7</b>	<b>\$4.8</b>	<b>21.8%</b>
Open Enrollment Tuition	\$21.3	\$18.0	\$21.3	\$3.3	18.3%
Other Local Revenues	\$1.6	\$1.0	\$3.5	\$2.4	230.8%
Rental Revenue	\$1.4	\$2.9	\$2.0	(\$0.9)	(31.8%)
<b>Federal Aid</b>	<b>\$27.4</b>	<b>\$37.5</b>	<b>\$18.3</b>	<b>(\$19.2)</b>	<b>(51.2%)</b>
Federal Reimbursement - QSCB	\$4.5	\$1.1	\$11.0	\$9.9	947.5%
Medicaid Reimbursements	\$7.5	\$7.4	\$7.3	(\$0.1)	(1.4%)
Indirect Cost Aids	\$15.3	\$28.2	\$0.0	(\$28.2)	(100.0%)
Other Federal Aids	(\$0.0)	\$0.8	\$0.0	(\$0.8)	(100.0%)
<b>Miscellaneous Revenues</b>	<b>\$0.4</b>	<b>\$7.2</b>	<b>\$0.1</b>	<b>(\$7.1)</b>	<b>(98.2%)</b>
<b>Total</b>	<b>\$1,013.0</b>	<b>\$1,164.3</b>	<b>\$1,212.9</b>	<b>\$48.6</b>	<b>4.2%</b>

### Equalization Aid, property tax levy, and revenue limits

Two of the district's largest and most important revenues are the state-funded Equalization Aid and locally raised property taxes. They are both mainly recorded in the School Operations Fund and have a significant impact on the district's students as well as on property owners, landlords, and renters in the City of Milwaukee. The Proposed Budget is based on estimates determined by the Budget Department in consultation with our financial advisors at Baird. Over the summer, the Department of Public Instruction will estimate and release projected funding allocations for Wisconsin schools. Actual allocations are not announced until mid-October, just prior to the district's fall budget adjustment. This makes budgeting in spring for the Proposed Budget difficult, as revenues will change depending on the state's biennial budget and MPS' enrollment on the third Friday in September of the 2025-26 school year.

When developing budgets for the School Operations Fund, Construction Fund, and Debt Fund, the district must pay extra attention to complying with the state's revenue limit laws. State law restricts the School Board's ability to increase local property taxes.

The district budgets to maximize all available revenues under the revenue limit. The table below shows the revenues projected in the budget that are controlled by the state’s revenue limits.

### Revenues Controlled by State Revenue Limits

Revenue Source	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
<b>General Revenue</b>	<b>\$814.0</b>	<b>\$990.0</b>	<b>\$1,054.2</b>	<b>\$64.1</b>	<b>6.5%</b>
General Equalization Aid	\$604.9	\$587.2	\$659.7	\$72.5	12.4%
Property Tax Levy	\$207.7	\$395.4	\$385.6	(\$9.8)	(2.5%)
Computer Aid	\$1.4	\$7.5	\$8.9	\$1.4	18.7%
<b>Total</b>	<b>\$814.0</b>	<b>\$990.0</b>	<b>\$1,054.2</b>	<b>\$64.1</b>	<b>6.5%</b>

- In 2024 actuals, computer aid was \$8.9M of which \$7.5M was posted after the general ledger was closed. The \$7.5M was posted to a financial reporting ledger.

The Proposed Budget anticipates increased State Equalization Aid. State revenue limits prevent the district from fully utilizing the increased aid as additional dollars in the School Operations Fund, Debt Fund, or Construction fund. The increase in Equalization Aid allowed the district to budget additional property tax revenue in the Milwaukee Recreation Extension Fund. The Extension Fund is not restricted by state revenue limits.

### Property Tax Levy by Budget Fund

Revenue Source Detail	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
<b>Property Tax Levy</b>	<b>\$320.2</b>	<b>\$414.3</b>	<b>\$424.0</b>	<b>\$9.8</b>	<b>2.4%</b>
School Operations	\$193.7	\$380.9	\$378.1	(\$2.8)	(0.7%)
MKE Rec - Extension	\$112.4	\$18.9	\$38.4	\$19.5	103.4%
Debt	\$9.0	\$0.0	\$7.5	\$7.5	NA
Construction	\$5.0	\$14.4	\$0.0	(\$14.4)	(100.0%)
<b>Total</b>	<b>\$320.2</b>	<b>\$414.3</b>	<b>\$424.0</b>	<b>\$9.8</b>	<b>2.4%</b>

## Grant – Categorically Aided Revenue

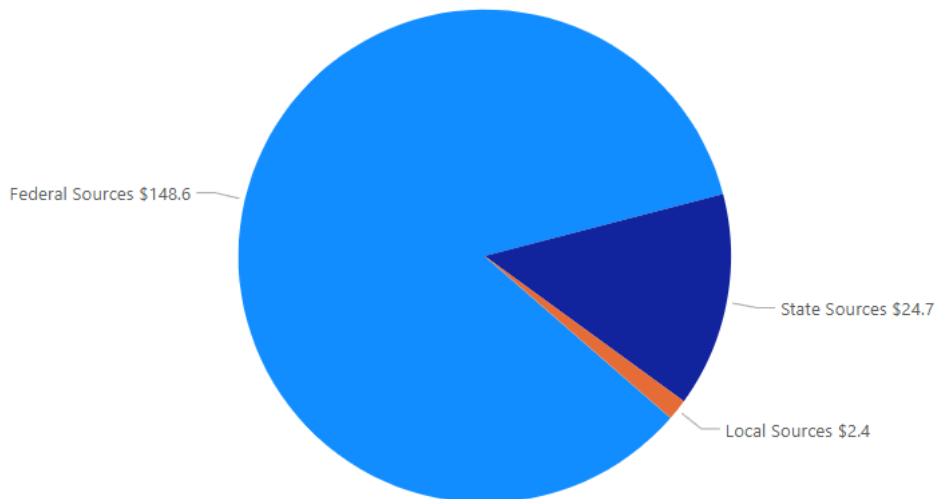
Grants are funds provided to the district by the state and federal governments, nonprofit philanthropic partners, and the local business community. Typically, reimbursement is claimed or requested after the required services or projects are completed. Grants are often restricted to allowable uses that require the work to be done by licensed professionals in order to receive reimbursement. Some are awarded based on state and federal law while others are competitively applied for and won by the district and its schools. The significant decrease displayed in the chart below shows the end of the COVID-19 related federal Elementary and Secondary School Emergency Relief funds (ESSER).

### Grants - Categorically Aided - Revenue by Source

Revenue Description	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
Federal Sources	\$748.7	\$159.6	\$148.6	(\$11.1)	(6.9%)
State Sources	\$36.0	\$2.5	\$24.7	\$22.2	901.0%
Local Sources	\$8.1	\$16.4	\$2.4	(\$14.0)	(85.3%)
Other Revenues	\$0.0	\$24.2	\$0.0	(\$24.2)	(100.0%)
<b>Total</b>	<b>\$792.8</b>	<b>\$202.7</b>	<b>\$175.7</b>	<b>(\$27.0)</b>	<b>(13.3%)</b>

- In 2024 actuals, additional revenue from federal sources was due to Elementary and Secondary School Emergency Relief (ESSER) funds.
- In 2025 FA Budget, \$24.2 million was miscategorized as “Other Revenues” rather than “State Revenues.” This has been corrected in 2026 PB Budget.

FY 2026 Grants - Categorically Aided - Revenue by Source (\$M)



## Other Funds

The School Operations Fund and grants make up approximately 90% of the district's budgets. In addition to these two funds, the district tracks and records its remaining revenues and expenditures in the five funds included in the next table.

### Other Fund Groups - Revenue by Source

Budget Fund Group	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
<b>School Nutrition</b>	<b>\$55.3</b>	<b>\$60.1</b>	<b>\$62.7</b>	<b>\$2.6</b>	<b>4.4%</b>
<b>General Revenue</b>	<b>\$55.3</b>	<b>\$60.1</b>	<b>\$62.7</b>	<b>\$2.6</b>	<b>4.4%</b>
Federal School Meal Program Aids	\$51.3	\$52.6	\$57.4	\$4.8	9.1%
Federal Donated Commodities	\$2.8	\$2.8	\$3.4	\$0.6	23.4%
Applied Surplus	\$0.0	\$4.0	\$1.0	(\$3.0)	(74.3%)
Other Food Service	\$1.2	\$0.7	\$0.9	\$0.2	33.5%
<b>MKE Rec - Extension</b>	<b>\$113.5</b>	<b>\$37.6</b>	<b>\$39.4</b>	<b>\$1.8</b>	<b>4.7%</b>
<b>General Revenue</b>	<b>\$112.4</b>	<b>\$35.6</b>	<b>\$38.4</b>	<b>\$2.8</b>	<b>7.9%</b>
Property Tax Levy	\$112.4	\$18.9	\$38.4	\$19.5	103.4%
Applied Surplus	\$0.0	\$16.7	\$0.0	(\$16.7)	(100.0%)
<b>Local Revenues</b>	<b>\$1.0</b>	<b>\$1.8</b>	<b>\$0.9</b>	<b>(\$0.9)</b>	<b>(48.1%)</b>
Other Local Revenues	\$0.9	\$1.8	\$0.8	(\$0.9)	(52.9%)
Rental Revenue	\$0.1	\$0.0	\$0.1	\$0.1	300.0%
<b>Miscellaneous Revenues</b>	<b>\$0.0</b>	<b>\$0.2</b>	<b>\$0.0</b>	<b>(\$0.2)</b>	<b>(94.7%)</b>
<b>Debt</b>	<b>\$11.5</b>	<b>\$3.8</b>	<b>\$27.8</b>	<b>\$24.0</b>	<b>636.1%</b>
<b>Miscellaneous Revenues</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$20.3</b>	<b>\$20.3</b>	<b>NA</b>
Miscellaneous Revenues	\$0.0	\$0.0	\$20.3	\$20.3	NA
<b>General Revenue</b>	<b>\$9.0</b>	<b>\$0.0</b>	<b>\$7.5</b>	<b>\$7.5</b>	<b>NA</b>
Property Tax Levy	\$9.0	\$0.0	\$7.5	\$7.5	NA
<b>Federal Aid</b>	<b>\$2.0</b>	<b>\$3.8</b>	<b>\$0.0</b>	<b>(\$3.8)</b>	<b>(100.0%)</b>
<b>Local Revenues</b>	<b>\$0.5</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>NA</b>
<b>Long-Term Capital Improvement Trust</b>	<b>\$1.3</b>	<b>\$0.0</b>	<b>\$27.8</b>	<b>\$27.8</b>	<b>NA</b>
<b>General Revenue</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$27.8</b>	<b>\$27.8</b>	<b>NA</b>
Applied Surplus	\$0.0	\$0.0	\$27.8	\$27.8	NA
<b>Local Revenues</b>	<b>\$1.3</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>NA</b>
<b>Construction</b>	<b>\$7.9</b>	<b>\$18.5</b>	<b>\$2.7</b>	<b>(\$15.9)</b>	<b>(85.7%)</b>
<b>Local Revenues</b>	<b>\$2.9</b>	<b>\$4.0</b>	<b>\$2.7</b>	<b>(\$1.3)</b>	<b>(33.6%)</b>
Rental Revenue	\$3.2	\$4.0	\$2.7	(\$1.3)	(33.6%)
Other Local Revenues	(\$0.3)	\$0.0	\$0.0	\$0.0	NA
<b>General Revenue</b>	<b>\$5.0</b>	<b>\$14.5</b>	<b>\$0.0</b>	<b>(\$14.5)</b>	<b>(100.0%)</b>
Property Tax Levy	\$5.0	\$14.4	\$0.0	(\$14.4)	(100.0%)
Capital/Fixed Asset Sale	\$0.0	\$0.1	\$0.0	(\$0.1)	(100.0%)
<b>Total</b>	<b>\$189.4</b>	<b>\$120.0</b>	<b>\$160.3</b>	<b>\$40.3</b>	<b>33.6%</b>

## Expenditures

The Proposed Budget supports all the district's core educational services, as well as social work, nutrition, mental health support, career counseling, and vocational training. Expenditures in the budget can be categorized into types or classes, such as salaries, employee benefits, purchased services, supplies, capital expenses, and other. The following tables show expenditure types for each of the district's funds.

### School Operations - Expenditure by Object

Object Class	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
Salaries	\$451.9	\$492.0	\$519.0	\$27.0	5.5%
Other Wages	\$21.2	\$19.6	\$21.8	\$2.2	11.1%
Employee Benefits	\$266.5	\$284.0	\$296.0	\$12.0	4.2%
Purchased Services	\$310.0	\$267.8	\$293.0	\$25.3	9.4%
Supplies	\$31.5	\$52.6	\$48.5	(\$4.1)	(7.8%)
Equipment	\$3.9	\$3.9	\$3.5	(\$0.4)	(9.4%)
Other Expenditures	\$5.9	\$11.0	\$31.0	\$20.0	180.9%
<b>Total</b>	<b>\$1,090.8</b>	<b>\$1,130.9</b>	<b>\$1,212.9</b>	<b>\$82.0</b>	<b>7.3%</b>

The School Operations Fund makes up the majority of the district's budgets. It funds core educational services as well as employee benefits, transportation, utilities, and many other services. The School Operations fund excludes all other funds. This means it does not include revenues or expenditures for grants, nutrition, operations, construction, capital expenses, debt, or extension (consisting mostly of Milwaukee Recreation).

### Debt - Expenditure by Object

Object Class	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
Other Expenditures	\$29.7	\$37.3	\$27.8	(\$9.5)	(25.5%)
<b>Total</b>	<b>\$29.7</b>	<b>\$37.3</b>	<b>\$27.8</b>	<b>(\$9.5)</b>	<b>(25.5%)</b>

The Debt Fund allocates and tracks district repayments of past loans. In 2024-25, significant debts were repaid, and starting in 2025-26, the proportion of revenues committed to repaying debt will decrease. This is a significant success toward the district's long-term goals of repaying past loans.

### School Nutrition - Expenditure by Object

Object Class	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
Salaries	\$14.0	\$15.4	\$15.2	(\$0.2)	(1.1%)
Other Wages	\$0.7	\$0.4	\$0.4	\$0.0	0.0%
Employee Benefits	\$9.1	\$10.8	\$9.8	(\$1.0)	(9.5%)
Purchased Services	\$3.0	\$2.2	\$3.4	\$1.2	55.1%
Supplies	\$30.0	\$30.2	\$33.0	\$2.9	9.6%
Equipment	\$0.1	\$1.0	\$0.8	(\$0.3)	(24.9%)
Other Expenditures	\$2.0	\$0.1	\$0.1	\$0.0	0.0%
<b>Total</b>	<b>\$58.9</b>	<b>\$60.1</b>	<b>\$62.7</b>	<b>\$2.6</b>	<b>4.4%</b>

School Nutrition Fund expenditures support breakfast and lunch for the district’s students. The fund’s expenditures are growing faster than the federal government’s reimbursements, requiring a \$2 million transfer from the School Operations Fund to support providing healthy meals to fuel students’ education.

### MKE Rec - Extension - Expenditure by Object

Object Class	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
Salaries	\$7.9	\$10.1	\$10.9	\$0.8	8.1%
Other Wages	\$4.9	\$4.7	\$4.9	\$0.2	3.4%
Employee Benefits	\$4.0	\$5.7	\$5.8	\$0.1	1.8%
Purchased Services	\$14.7	\$13.7	\$14.7	\$1.0	7.5%
Supplies	\$1.1	\$0.9	\$0.9	\$0.0	3.0%
Equipment	\$1.3	\$2.4	\$2.0	(\$0.4)	(17.4%)
Other Expenditures	\$0.2	\$0.3	\$0.3	\$0.0	16.6%
<b>Total</b>	<b>\$34.2</b>	<b>\$37.6</b>	<b>\$39.4</b>	<b>\$1.8</b>	<b>4.7%</b>

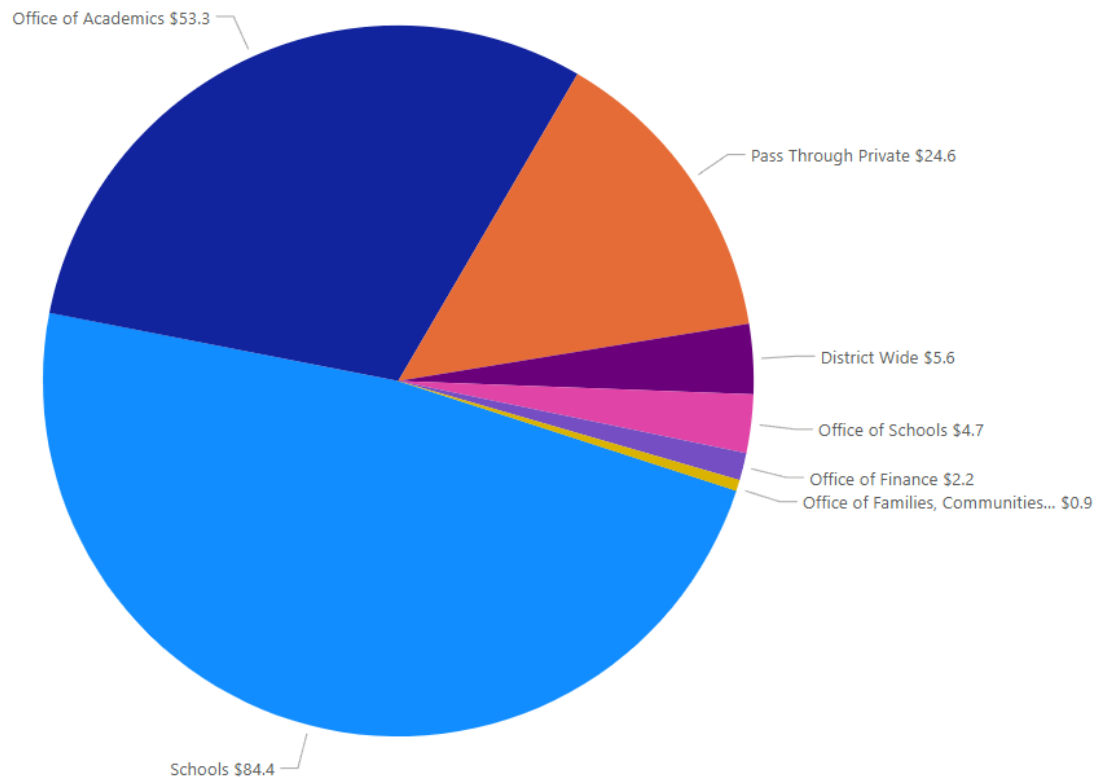
The Extension Fund supports the district’s family, community, and partnerships services that are available to all Milwaukee residents. This includes MKE Rec activities, summer school, and adult education services. The Extension Fund’s expenditures are not controlled by state revenue limit laws. State laws restrict the district from using funds raised by the Extension Fund to support School Operations Services. This prevents districts from going around state-imposed revenue limits.

### Grants - Categorically Aided - Expenditure by Object

Object Class	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
Salaries	\$101.1	\$74.9	\$79.9	\$5.0	6.7%
Other Wages	\$13.3	\$4.4	\$2.2	(\$2.2)	(50.7%)
Employee Benefits	\$60.0	\$42.3	\$43.2	\$0.9	2.2%
Purchased Services	\$287.8	\$65.6	\$42.9	(\$22.7)	(34.6%)
Supplies	\$34.0	\$11.4	\$3.7	(\$7.7)	(67.9%)
Equipment	\$7.3	\$0.1	\$0.0	(\$0.0)	(43.3%)
Other Expenditures	\$15.1	\$4.2	\$3.9	(\$0.3)	(8.1%)
<b>Total</b>	<b>\$518.5</b>	<b>\$202.8</b>	<b>\$175.7</b>	<b>(\$27.1)</b>	<b>(13.4%)</b>

Grants are funds provided to the district by the state and federal governments, nonprofit philanthropic partners, and the local business community. Typically, reimbursement is claimed or requested after the required services or projects are completed. Grants are often restricted to allowable uses that require the work to be done by licensed professionals in order to receive reimbursement. Some are awarded based on state and federal law while others are competitively applied for and won by the district and its schools. The significant decrease displayed in the chart above shows the COVID-19 related federal Elementary and Secondary School Emergency Relief funds (ESSER).

FY 2026 Grants - Categorically Aided - Expenditure Under Management by Office (\$M)



Grants exist for a range of different purposes. Some grants exist to supplement regular educational services and provide additional support for economically disadvantaged students and students with special education needs. Other grants provide students access to STEM programs, such as robotic competitions, and green school playgrounds.

### Construction - Expenditure by Object

Object Class	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
Other Wages	\$0.0	\$0.2	\$0.2	\$0.0	0.0%
Employee Benefits	\$0.0	\$0.1	\$0.1	(\$0.0)	(1.9%)
Purchased Services	\$4.0	\$16.7	\$0.8	(\$15.9)	(95.3%)
Supplies	\$0.1	\$0.2	\$0.2	\$0.0	1.0%
Equipment	\$0.8	\$1.5	\$1.5	\$0.0	0.0%
Other Expenditures	\$0.5	\$0.0	\$0.0	\$0.0	NA
<b>Total</b>	<b>\$5.3</b>	<b>\$18.5</b>	<b>\$2.7</b>	<b>(\$15.9)</b>	<b>(85.7%)</b>

The Construction Fund tracks expenditures for the acquisition, renovation, and construction of facilities. It is also used to fund additions, remodeling, or substantial maintenance of existing buildings. Finally, the fund supports the district’s fleet of vehicles and capital equipment. Some operations previously budgeted in the 2025 Construction Fund are now being funded by the Long-Term Capital Improvement Trust for allowable Fund 46 expenses.

### Long-Term Capital Improvement Trust - Expenditure by Object

Object Class	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
Salaries	\$0.0	\$0.0	\$2.0	\$2.0	NA
Employee Benefits	\$0.0	\$0.0	\$1.1	\$1.1	NA
Purchased Services	\$7.0	\$0.0	\$21.8	\$21.8	NA
Supplies	\$0.0	\$0.0	\$0.8	\$0.8	NA
Equipment	\$0.0	\$0.0	\$2.2	\$2.2	NA
<b>Total</b>	<b>\$7.0</b>	<b>\$0.0</b>	<b>\$27.8</b>	<b>\$27.8</b>	<b>NA</b>

The Long-Term Capital Improvement Trust, or DPI Fund 46, is a reserve used for funding capital improvements to the district’s facilities and fleet of vehicles and heavy equipment. Its use is guided by DPI rules regarding Capital Projects Funds. It was funded in past years by savings on transportation and other expenses during the COVID-19 pandemic. Contributions to the fund count as expenditures in the year of the contribution for the state’s calculation of future funding allocations. Use of this fund is guided by the MBSD’s long-term capital plan. Originally, the \$140 million plan anticipated using approximately \$43 million to finish projects started with Elementary and Secondary School Emergency Relief funds (ESSER), and then the district would spend \$10 million per year to address

deferred maintenance projects. Prior to being used for capital projects, dollars saved in Fund 46 are invested according to the state’s Uniform Prudent Investor Act.

The Proposed Budget anticipates increasing use of the fund for addressing deferred maintenance, purchasing equipment to increase the facility team’s efficiency, and mitigating lead dust and paint present in the district’s older schools.

## Personnel Budgets, Benefits, and Vacancy Adjustment

As with many organizations, salaries and benefits are two of the district’s largest expenses. The tables below show the district’s total costs for salaries and benefits. They also show the number and types of FTEs (full-time equivalents) in the budget. A full-time employee would be budgeted as 1 FTE. A half-time employee would be budgeted as 0.5 FTE.

Positions are often budgeted to be paid by one or more funding sources. For example, a teacher working in a STEM (science, technology, engineering, and math) classroom might be budgeted as 0.5 FTE paid from the School Operations Fund and 0.5 FTE paid from a STEM grant.

### District Wide - Expenditure by Object Class

Object Class	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Salaries	\$574.8	9,584.8	\$592.3	9,608.3	\$626.9	23.6	\$34.7
Employee Benefits	\$339.7	0.0	\$342.9	0.0	\$355.9	0.0	\$13.1
<b>Total</b>	<b>\$914.5</b>	<b>9,584.8</b>	<b>\$935.1</b>	<b>9,608.3</b>	<b>\$982.9</b>	<b>23.6</b>	<b>\$47.7</b>

The Office of Human Resources seeks to attract and retain a competent, capable, and diverse MPS workforce that is committed to raising the achievement of all MPS children. The Office of Human Resources provides effective leadership and specialized expertise in the areas of recruitment, discipline, employee rights, compensation, benefits, and data management, striving to provide highly qualified teachers and high-quality staff to all schools and offices.

If you or someone you know is interested in a rewarding career helping to educate Milwaukee’s students for success, please consider applying for open positions at:

[mps.milwaukee.k12.wi.us/en/Employment.htm](https://mps.milwaukee.k12.wi.us/en/Employment.htm)

### Staff Distribution by Position Type

Position Type	2025 WB FTE	2026 PB FTE	Difference FTE	Percent Change FTE
Teachers	4,539.7	4,511.2	(28.5)	(0.6%)
Educational Assistants	1,364.7	1,319.5	(45.2)	(3.3%)
Classified Technical & Administrative	514.7	525.7	11.0	2.1%
Building Services Helpers	358.3	378.3	20.0	5.6%
Clerical/Secretaries	346.1	341.0	(5.1)	(1.5%)
Food Service Assistant/Assistant-in-Charge	330.4	330.0	(0.4)	(0.1%)
Childrens Health Assistant/Nursing Associate	287.3	298.9	11.6	4.0%
Certificated Administrators	278.7	286.7	8.0	2.9%
Safety Aides	285.1	266.1	(19.0)	(6.7%)
Engineers/Boiler Attendants	235.4	246.4	11.0	4.7%
Social Workers	186.8	185.3	(1.5)	(0.8%)
Psychologists	177.6	171.3	(6.3)	(3.5%)
Trades Workers & Foremen	137.0	154.0	17.0	12.4%
Assistant Principals	150.5	148.0	(2.5)	(1.7%)
Principals	124.0	125.0	1.0	0.8%
Food Service Manager/Trainee	123.4	122.0	(1.4)	(1.2%)
School Nurses	71.0	73.0	2.0	2.8%
Therapists	46.0	50.0	4.0	8.7%
School Bookkeepers	34.0	34.0	0.0	0.0%
Social Worker Assistants	26.4	23.8	(2.5)	(9.6%)
<b>Total</b>	<b>9,617.0</b>	<b>9,590.2</b>	<b>(26.8)</b>	<b>(0.3%)</b>

The table above groups FTEs into position types based on the object in the position's account code. The table shows all position types across the entire district.

### Staff Distribution by Position Type

Budget Fund Group	2025 WB FTE	2026 PB FTE	Difference FTE	Percent Change FTE
School Operations	7,873.5	7,920.2	46.6	0.6%
Grants - Categorically Aided	1,141.3	1,050.3	(91.1)	(8.0%)
School Nutrition	481.9	475.0	(6.9)	(1.4%)
MKE Rec - Extension	120.3	123.8	3.5	2.9%
Long-Term Capital Improvement Trust	0.0	21.0	21.0	NA
<b>Total</b>	<b>9,617.0</b>	<b>9,590.2</b>	<b>(26.8)</b>	<b>(0.3%)</b>

The prior table shows the number of FTEs budgeted in each budget fund. Debt and Construction budget funds do not have any FTE.

## Average Salary Table

The district budgets school positions by using an average salary to simplify budgeting. The table below shows the average projected salary for each school-based position type. This includes all salary increases and the cost-of-living adjustment of 2.95% that is planned for the 2025-26 school year.

<b>Fiscal Year 2026 Average Salaries</b>			
<b>Position</b>	<b>FY 26 Average Salary</b>	<b>Position</b>	<b>FY 26 Average Salary</b>
Principal 12 Month	\$ 156,711	School Social Worker	\$ 95,148
Principal 11 Month	\$ 139,708	Social Work Aide II	\$ 34,726
Assistant Principal	\$ 110,430	Secretary I 12 Month	\$ 50,622
Dean of Students	\$ 80,082	Secretary I 11 Month	\$ 43,025
Teacher-in-Charge	\$ 95,944	Secretary I 10 Month	\$ 37,727
Teacher	\$ 81,927	Secretary II	\$ 57,743
Librarian (200 Day)	\$ 86,329	Administrative Assistant	\$ 73,209
School Bookkeeper (12 mo.)	\$ 60,447	Engineer I	\$ 67,082
School Bookkeeper (10 mo.)	\$ 48,544	Engineer II	\$ 74,836
Children's Health Assistant	\$ 44,589	Engineer III	\$ 82,984
Hearing Impaired Interpreter	\$ 66,300	Engineer IIIa	\$ 89,970
School Nurse	\$ 93,120	Engineer IV	\$ 95,040
Nursing Associate	\$ 61,435	Boiler Attendant Trainee	\$ 50,066
Paraprofessional Ass't	\$ 44,188	Boiler Attendant	\$ 60,480
General Education Ass't	\$ 34,752	Building Service Helper I	\$ 44,753
School Safety Assistant	\$ 34,705	Building Service Helper II	\$ 54,062
School Psychologist	\$ 97,882		

## Benefits

The district distributes employee benefit costs to school and department budgets by charging a set-rate benefit cost. The fringe benefit rate for school and department budgets decreased from 54.0 percent in 2024-25 to 53.0 percent in 2025–26. While the percentage decreased, the total benefit costs are anticipated to increase in 2025-26. The decrease is due to the salary amount in the denominator of the ratio increasing faster than the benefits costs in the numerator.

### Benefit Costs - Top 10

OBJECT_DESC	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
MEDICAL INSURANCE	\$128.9	\$134.6	\$139.0	\$4.4	3.3%
OPEB-CONTRB-HEALTH&VISION	\$55.9	\$47.9	\$51.1	\$3.3	6.8%
SOCIAL SECURITY	\$45.7	\$49.0	\$50.8	\$1.8	3.6%
PENSION-CLASS. EMPLOYER	\$42.5	\$31.7	\$33.6	\$1.9	6.0%
PENSION-CERT. EMPLOYER	\$32.4	\$32.2	\$33.4	\$1.3	3.9%
PRESCRIPTION INSURANCE	\$21.6	\$23.0	\$25.4	\$2.3	10.1%
DENTAL INSURANCE	\$6.5	\$6.0	\$6.7	\$0.7	12.4%
EARLY RET. SUPPL-TEACHER	\$2.9	\$7.5	\$6.4	(\$1.1)	(14.8%)
GROUP LIFE INSURANCE	\$2.6	\$2.1	\$2.2	\$0.1	3.6%
CONTRACT SERVICES	\$1.0	\$1.7	\$1.6	(\$0.2)	(9.4%)
<b>Total</b>	<b>\$340.0</b>	<b>\$335.7</b>	<b>\$350.1</b>	<b>\$14.4</b>	<b>4.3%</b>

### Vacancy Adjustment

The district uses a common budgetary tool to efficiently provide budgeted services in the current school year for the current students — even when vacancies make that difficult. This tool, called a vacancy adjustment, is often used in governmental budgeting.

Based on job market and vacancy trends, the district estimates that a certain percentage of budgeted positions will not be filled. This varies depending on the economy, job market, time of year, and specific position. This vacancy percentage is used to project the amount of funding that will be saved because of vacant positions.

Those projected savings are then budgeted to fund other educational services. This helps the district attempt to spend this school year’s revenues for the benefit of this school year’s students. It also allows the district to budget for extra positions, giving it MBSD-approved budget authority for year-round recruitment before filled positions become vacant.

Despite the benefits of using a vacancy adjustment, it does create a risk if the job market drastically changes. If the job market changed, and the district filled all of its budgeted positions, then it would not realize the projected vacancy savings and go over budget. Given the consistency of vacancy trends and the anticipated continuation of the national teacher shortage, the district believes this is a limited and reasonable risk in exchange for the flexibility and increased efficiency that the vacancy adjustment tool provides.

### Vacancy Adjustment Object Descriptions

OBJECT_DESC	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
VACANCY ADJ (PY)	\$0.0	(\$48.9)	(\$51.6)	(\$2.6)	5.4%
SALARY SVGS-TURNOVER/VAC	\$0.0	(\$21.4)	(\$24.3)	(\$3.0)	14.0%
UNALLOTTED SALARY ADJUSTMENT	\$0.0	(\$4.0)	\$0.0	\$4.0	(100.0%)
<b>Total</b>	<b>\$0.0</b>	<b>(\$74.3)</b>	<b>(\$75.9)</b>	<b>(\$1.6)</b>	<b>2.2%</b>

Reducing vacant positions is a significant priority for the administration. The district’s goal is to fill every classroom vacancy. Once classroom teaching positions are filled, budgets will have to be

adjusted to reduce the district’s use of the vacancy adjustment mechanism. Currently the district has approximately 391 school vacancies, including:

- 143 classroom teaching positions which include 62 in special education, predominately in the district’s harder to fill early childhood and comprehensive units. Additionally, one third of the classroom teaching vacancies are at the harder to fill secondary level (6-12)
- 41 other teaching vacancies
- 134 paraprofessional vacancies
- 73 Children's Health Assistant vacancies

## Office Budgets

In addition to tracking and reporting budgets and expenditures through its fund structure, the district also subdivides budgets by the school or office managing those funds. Offices are responsible for providing centralized services that support the district’s schools and students. They are led by a Chief Officer who reports to one of two Deputy Superintendents, and ultimately to the district’s Superintendent.

Within each Office, Chiefs supervise Directors who each lead a department. Together, they support schools through direct academic services and centrally funded school supports — bussing, facilities, human resources, budgeting and accounting, purchasing, and communications — the same functions required of many large business or organizations. The table below shows expenditure budgets for each office. On the pages that follow, you will find a more detailed description of each Office.

### Expenditure by Office

Office Description	2024 Actuals (\$M)	2025 FA Budget (\$M)	2026 PB Budget (\$M)	Difference Budget (\$M)	Percent Change
Office of Operations	\$340.6	\$283.4	\$301.4	\$18.0	6.3%
Office of Academics	\$143.0	\$139.8	\$146.4	\$6.6	4.7%
Office of Families, Communities & Partnerships	\$66.5	\$46.7	\$49.3	\$2.6	5.6%
Office of Schools	\$24.7	\$28.8	\$31.7	\$2.8	9.8%
Office of Human Resources	\$23.4	\$52.5	\$27.6	(\$24.8)	(47.3%)
Office of Finance	\$16.1	\$15.2	\$17.0	\$1.8	11.7%
Office of Communications & Marketing	\$2.6	\$2.5	\$2.8	\$0.3	12.2%
Office of Accountability & Efficiency	\$2.2	\$2.4	\$2.5	\$0.2	6.9%
Office of the Superintendent	\$1.7	\$2.0	\$2.3	\$0.3	14.9%
Office of Legal & Labor Relations	\$1.6	\$1.2	\$2.2	\$1.1	93.2%
Office of Board Governance	\$1.2	\$1.5	\$1.6	\$0.0	1.3%
Board of Directors	\$0.4	\$0.4	\$0.4	\$0.0	9.9%
<b>Total</b>	<b>\$624.1</b>	<b>\$576.4</b>	<b>\$585.2</b>	<b>\$8.8</b>	<b>1.5%</b>

Over the next several pages, this section will describe each office in more detail.

## Board of Directors

### Expenditure by Office - Board of Directors

Office Description Under Management School Location	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Board of Directors	\$0.4	9.0	\$0.4	9.0	\$0.4	0.0	\$0.0
<b>Total</b>	<b>\$0.4</b>	<b>9.0</b>	<b>\$0.4</b>	<b>9.0</b>	<b>\$0.4</b>	<b>0.0</b>	<b>\$0.0</b>

The Milwaukee Board of School Directors (MBSD) serves as the district’s governing body in accordance with state and federal law. Board members guide the district through policymaking, adopting the budget, approving personnel and curriculum. Elected by the public, board members work to advance student achievement and well-being through public education that motivates learners, fosters inclusion, inspires innovation, and builds community.

Legally, school boards are agents of the state, created by the Legislature. They are selected by the voters of the local school district to represent and act for the state in providing the district with educational programs and facilities. The MBSD consists of nine members: one member elected at large by all Milwaukee voters and eight members elected from the eight geographical districts. Members serve for four years on the MBSD, a nonpartisan body. Elections are held every two years, with half of the members elected in alternating two-year cycles to ensure continuity. The MBSD is the policymaking body for the school district. The MBSD is tasked with serving within the framework provided by law while carrying out the will of the local citizenry and upholding the ethics of the education profession.

## Office of Board Governance

### Expenditure by Office - Office of Board Governance

Office Description Under Management School Location	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Office of Board Governance	\$1.2	14.0	\$1.5	12.0	\$1.6	(2.0)	\$0.0
<b>Total</b>	<b>\$1.2</b>	<b>14.0</b>	<b>\$1.5</b>	<b>12.0</b>	<b>\$1.6</b>	<b>(2.0)</b>	<b>\$0.0</b>

The Office of Board Governance provides support to the Milwaukee Board of School Directors to assist with effectively and efficiently governing the district. This support includes:

- fulfilling statutory or other legal requirements
- conducting fiscal analysis
- reviewing and proposing policies ensuring compliance with Wisconsin Open Meetings Law
- creating agendas for meetings of the board and its committees
- preparing communications for board and public consumption
- serving as the board’s chief officer and board clerk, parliamentarian, ombudsperson, and official records custodian

The Office provides coordination of administrative services among the board, the Office of Accountability and Efficiency, and the Office of the Superintendent. The Office of Board Governance, by providing the board with the most independent information available, assists the board in its function of establishing district goals, priorities, rules, and policies.

## Office of Accountability & Efficiency

### Expenditure by Office - Office of Accountability & Efficiency

Office Description Under Management School Location	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Office of Accountability & Efficiency	\$2.2	17.0	\$2.4	17.0	\$2.5	0.0	\$0.2
<b>Total</b>	<b>\$2.2</b>	<b>17.0</b>	<b>\$2.4</b>	<b>17.0</b>	<b>\$2.5</b>	<b>0.0</b>	<b>\$0.2</b>

The Office of Accountability and Efficiency reports to the Milwaukee Board of School Directors. The office provides enhanced transparency, oversight, and accountability of financial operations; evaluates fiscal performance; and recommends solutions that enhance fiscal stewardship of MPS. It also conducts internal audits under the direction of the district's Chief Auditor.

The office works cooperatively with the administration and the Office of Board Governance to develop procedures and policies that support the goals of the district. The office also establishes diversity and student engagement requirements for all MPS contracts and monitors vendor compliance with those requirements through its Contract Compliance Services section.

## Office of the Superintendent

### Expenditure by Office - Office of the Superintendent

Office Description Under Management School Location	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Office of the Superintendent	\$1.7	10.0	\$2.0	8.0	\$2.3	(2.0)	\$0.3
<b>Total</b>	<b>\$1.7</b>	<b>10.0</b>	<b>\$2.0</b>	<b>8.0</b>	<b>\$2.3</b>	<b>(2.0)</b>	<b>\$0.3</b>

The Office of the Superintendent sets the vision, implements the policies, and intentionally drives the work of the district. In collaboration with the residents of Milwaukee, the Milwaukee Board of School Directors, educators and staff, the office serves every family enrolled in MPS. This office has a focus on accelerating student outcomes, fostering safe and welcoming school environments, increasing community and business partnerships, and increasing opportunities for student voices.

This office is responsible for the overall day-to-day operations of the district. The Office of the Superintendent strives to be responsive in resolving concerns in a manner that aligns with the district's mission, vision, and core beliefs.

## Office of Schools

### Expenditure by Office - Office of Schools

Office Description Under Management School Location	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
<b>Office of Schools</b>	<b>\$24.7</b>	<b>339.0</b>	<b>\$28.8</b>	<b>332.4</b>	<b>\$31.7</b>	<b>(6.6)</b>	<b>\$2.8</b>
Safety Services	\$16.6	287.7	\$17.3	289.1	\$20.5	1.4	\$3.2
Student Services	\$4.1	38.3	\$6.1	27.3	\$4.6	(11.0)	(\$1.5)
School Services	\$3.0	10.3	\$2.4	14.0	\$3.8	3.7	\$1.4
Leadership	\$0.9	2.7	\$3.0	2.0	\$2.7	(0.7)	(\$0.3)
<b>Total</b>	<b>\$24.7</b>	<b>339.0</b>	<b>\$28.8</b>	<b>332.4</b>	<b>\$31.7</b>	<b>(6.6)</b>	<b>\$2.8</b>

The Office of Schools provides visionary leadership and strategic direction to schools within Milwaukee Public Schools. The focus is on developing highly effective school leaders and educators, fostering rigorous instructional practices, and ensuring equitable access to high-quality learning experiences that lead to measurable student academic success.

The Office of Schools achieves this by overseeing and aligning with the district's priorities and strategic plan, specifically through the collaborative efforts of:

- Chief of Schools
- Elementary and Secondary Academic Superintendents
- Principals
- School Safety and Security
- Student Services
- School Academic Supports (BLMA, Gender Inclusion and Identify, PBIS, Restorative Practices, and School Performance Coordinators)

## Office of Academics

### Expenditure by Office - Office of Academics

Office Description Under Management School Location	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
<b>Office of Academics</b>	<b>\$143.0</b>	<b>799.7</b>	<b>\$139.8</b>	<b>822.1</b>	<b>\$146.4</b>	<b>22.4</b>	<b>\$6.6</b>
Specialized Services	\$75.7	610.6	\$66.5	642.1	\$68.4	31.5	\$1.9
Teaching & Learning	\$45.5	86.2	\$38.1	103.4	\$41.2	17.1	\$3.0
Chief Academic Office	\$6.8	49.4	\$22.6	33.4	\$18.8	(16.0)	(\$3.8)
Research, Assessment & Data	\$8.9	38.0	\$8.1	37.0	\$16.0	(1.0)	\$7.9
College & Career Readiness	\$3.8	11.4	\$3.3	6.2	\$1.9	(5.2)	(\$1.3)
Multilingual & Multicultural Education	\$2.4	4.0	\$1.2	0.0	\$0.0	(4.0)	(\$1.2)
<b>Total</b>	<b>\$143.0</b>	<b>799.7</b>	<b>\$139.8</b>	<b>822.1</b>	<b>\$146.4</b>	<b>22.4</b>	<b>\$6.6</b>

The Office of Academics oversees the district's academic strategy and ensures schools have the educational resources, guidance, and support to deliver high-quality instruction. The Office of Academics' primary goal is to ensure academic excellence and equitable outcomes for all students.

The office is made up of the following departments:

- Specialized Services
- Teaching and Learning
- Research, Assessment, and Data
- College and Career Readiness
- Multilingual and Multicultural Education

The office provides direct services to students and families to support on-time graduation and access to post-secondary opportunities. Within the Office of Academics, the Department of Specialized Services improves mental wellness for students and fosters emotional safety in our school communities, and it provides educational services and a free and appropriate education (FAPE) for all students with disabilities.

The Department of Teaching and Learning supports student success by coaching educators and training them to implement curriculum and effective teaching practices with fidelity, to ensure equitable, high-quality learning. The Department of Multilingual and Multicultural Education promotes student academic outcomes and sociocultural competence through the design of language and cultural programs as well as staff development and community engagement.

In addition to the traditional academic supports, the office also supports student outcomes by equipping school and district leaders with high-quality data, professional learning, and research and evaluation services to drive instructional decisions, inform strategic planning, and ensure accountability.

### Office of Families, Communities & Partnerships

#### Expenditure by Office - Office of Families, Communities & Partnerships

Office Description Under Management School Location	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
<b>Office of Families, Communities &amp; Partnerships</b>	<b>\$66.5</b>	<b>148.5</b>	<b>\$46.7</b>	<b>172.6</b>	<b>\$49.3</b>	<b>24.1</b>	<b>\$2.6</b>
Recreation	\$59.5	125.5	\$41.3	128.5	\$42.4	3.0	\$1.1
Strategic Partnerships & Customer Service	\$1.5	12.0	\$1.6	29.0	\$3.7	17.0	\$2.1
Contracted Schools	\$5.0	7.0	\$3.1	10.1	\$2.3	3.1	(\$0.7)
MPS Foundation	\$0.5	4.0	\$0.7	5.0	\$0.9	1.0	\$0.1
<b>Total</b>	<b>\$66.5</b>	<b>148.5</b>	<b>\$46.7</b>	<b>172.6</b>	<b>\$49.3</b>	<b>24.1</b>	<b>\$2.6</b>

The 2025-26 Proposed Budget creates the Office of Families, Communities, and Partnerships. Reorganizing these departments and resources will better support our families and create stronger partnerships with the local business and philanthropic community, civic partnerships, and our families for the benefit of Milwaukee’s children. Most of the expenditures for this office were already budgeted in fiscal year 2025 under other offices.

The office will be made up of three departments:

- Recreation, operating Milwaukee Recreation
- Strategic Partnerships and Customer Service
- Contracted Schools

The office will also collaborate with the Milwaukee Public Schools Foundation. The Foundation is an independent non-profit entity that exists to support the district and its students.

## Office of Operations

### Expenditure by Office - Office of Operations

Office Description Under Management School Location	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
<b>Office of Operations</b>	<b>\$340.6</b>	<b>1,383.7</b>	<b>\$283.4</b>	<b>1,432.9</b>	<b>\$301.4</b>	<b>49.1</b>	<b>\$18.0</b>
Facilities & Maintenance	\$193.8	764.7	\$123.3	825.7	\$141.5	61.0	\$18.2
Transportation & Business Services	\$91.9	28.0	\$67.1	23.0	\$69.8	(5.0)	\$2.7
School Nutrition	\$16.7	494.0	\$61.9	487.1	\$62.7	(6.9)	\$0.8
Technology	\$38.2	95.0	\$30.8	95.0	\$27.0	0.0	(\$3.8)
Chief of Operations	\$0.0	2.0	\$0.3	2.0	\$0.3	0.0	\$0.0
<b>Total</b>	<b>\$340.6</b>	<b>1,383.7</b>	<b>\$283.4</b>	<b>1,432.9</b>	<b>\$301.4</b>	<b>49.1</b>	<b>\$18.0</b>

The Office of Operations provides support, strategic planning, and monitoring for MPS operational activities and logistics that support the district's educational work. The office is made up of five departments:

- Chief of Operations
- Facilities and Maintenance
- Transportation and Business Services
- School Nutrition
- Technology

The Department of Facilities and Maintenance is responsible for maintaining the buildings and grounds of Milwaukee Public Schools to help ensure safe and welcoming schools.

The Department of Business and Transportation Services provides cost-effective mail, duplicating and printing, and busing for approximately 40,000 students a day.

The Department of School Nutrition Services provides, on average, 28,236 breakfasts and 42,318 lunches daily.

The Department of Technology provides technology applications and infrastructure support to all MPS schools and administrative offices.

## Office of Communications & Marketing

### Expenditure by Office - Office of Communications & Marketing

Office Description Under Management School Location	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Office of Communications & Marketing	\$2.6	18.0	\$2.5	17.0	\$2.8	(1.0)	\$0.3
<b>Total</b>	<b>\$2.6</b>	<b>18.0</b>	<b>\$2.5</b>	<b>17.0</b>	<b>\$2.8</b>	<b>(1.0)</b>	<b>\$0.3</b>

The Office of Communications and Marketing is committed to telling the district's story and highlighting the success of its students. The office leverages its own platforms and communications channels to help reach stakeholders across Milwaukee, so they are informed of all that the district is doing. The office supports schools with web and graphic design services, event execution, and more. The office also serves as the point of contact for media seeking to learn more about all that is happening in the district.

The office also develops and distributes marketing materials aligned with the district’s marketing strategy and brand guidelines.

## Office of Human Resources

### Expenditure by Office - Office of Human Resources

Office Description Under Management School Location	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
<b>Office of Human Resources</b>	<b>\$23.4</b>	<b>71.0</b>	<b>\$52.5</b>	<b>80.0</b>	<b>\$27.6</b>	<b>9.0</b>	<b>(\$24.8)</b>
Chief of Human Resources	\$16.4	16.3	\$43.7	16.3	\$17.8	0.0	(\$25.9)
Talent Management	\$2.1	25.0	\$3.7	29.0	\$4.5	4.0	\$0.8
Organizational Development	\$2.7	11.7	\$2.8	14.7	\$2.7	3.0	(\$0.1)
Benefits, Pension & Compensation	\$2.2	18.0	\$2.3	20.0	\$2.6	2.0	\$0.4
Employee Rights Admin	\$0.0	0.0	\$0.0	0.0	\$0.0	0.0	\$0.0
<b>Total</b>	<b>\$23.4</b>	<b>71.0</b>	<b>\$52.5</b>	<b>80.0</b>	<b>\$27.6</b>	<b>9.0</b>	<b>(\$24.8)</b>

The Office of Human Resources seeks to attract and retain a competent, capable, and diverse MPS workforce committed to raising the achievement of all MPS children. The Office of Human Resources provides effective leadership and specialized expertise in the areas of recruitment, retention, discipline, employee rights, compensation, benefits, and data management. The office comprises four departments:

- Talent Management, MPSU
- Benefits, Pension, and Compensation
- Organizational Development
- Employee Rights Administration

The Office of Human Resources strives to provide highly qualified teachers and staff to all schools and offices. The office makes every effort to ensure that the needs of past, present, and future employees are addressed.

## Office of Legal & Labor Relations

### Expenditure by Office - Office of Legal & Labor Relations

Office Description Under Management School Location	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Office of Legal & Labor Relations	\$1.6	9.0	\$1.2	16.0	\$2.2	7.0	\$1.1
<b>Total</b>	<b>\$1.6</b>	<b>9.0</b>	<b>\$1.2</b>	<b>16.0</b>	<b>\$2.2</b>	<b>7.0</b>	<b>\$1.1</b>

The Office of Legal and Labor Relations is a newly created office in the 2025-26 Proposed Budget. It will be made up of staff and resources previously budgeted in the Office of Human Resources' Department of Employee Relations, and two additional legal adviser positions that are currently budgeted as “To Be Determined” while the positions and duties are being refined. In 2025-26, it will be a separate unit reporting to the Chief of Staff, allowing the Office of Human Resources to focus on staff recruitment, development, and retention.

The legal advisors will work collaboratively with the City of Milwaukee’s Office of the City Attorney — the city office that acts as the district’s legal counsel — to support principals and managers. The office

will also work with cross-departmental stakeholders to reduce legal and financial risks for the district and help to ensure efficient and effective operations.

The office will maintain the professional expectations of district employees to ensure all students are served by caring and qualified teachers and support staff.

The Office of Legal and Labor Relations will provide strategic direction in employment law and general employment matters. It will maintain and administer the MPS Employee Handbook, which includes facilitating the grievance and complaint process, as well as offer consultation and training to administrators on employee discipline and employment matters.

## Office of Finance

### Expenditure by Office - Office of Finance

Office Description Under Management School Location	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
<b>Office of Finance</b>	<b>\$16.1</b>	<b>110.0</b>	<b>\$15.2</b>	<b>114.0</b>	<b>\$17.0</b>	<b>4.0</b>	<b>\$1.8</b>
Accounting	\$12.2	83.9	\$11.1	76.0	\$10.8	(7.9)	(\$0.3)
State & Federal Programs	\$1.6	13.0	\$2.2	15.0	\$2.6	2.0	\$0.4
Procurement & Risk Management	\$1.5	10.5	\$1.5	12.0	\$1.8	1.5	\$0.3
Budget	\$0.7	2.6	\$0.4	11.0	\$1.8	8.4	\$1.4
<b>Total</b>	<b>\$16.1</b>	<b>110.0</b>	<b>\$15.2</b>	<b>114.0</b>	<b>\$17.0</b>	<b>4.0</b>	<b>\$1.8</b>

The Office of Finance produces the annual budget and financial planning, does all the accounting and financial reporting for the district, oversees state and federal programs, and manages and leads procurement and risk management for the district. The office is made up of four departments:

- Accounting
- State and Federal Programs
- Procurement and Risk Management
- Budget

The office aligns work to the Five Priorities for Success, ensuring that the majority of the district's budget goes to schools; providing ongoing support and technical assistance to schools and district leaders; developing and monitoring grant compliance to provide supplemental support; procuring resources; and safeguarding the district's fiscal resources and reputation. The Finance Office is committed to responsible fiscal stewardship to best utilize funding and resources for the betterment of the education of our children.

## Centrally Funded School Supports

While the majority of services are provided within individual schools, some services that support the district's students are budgeted centrally. What the district calls *centrally funded school supports* pay for services such as special education, busing, and utilities. These funds are managed by central offices to support students. This is usually because the district benefits from efficiencies, economies of scale, and better pricing for some centrally funded services.

Other services are budgeted centrally to ensure equitable access to services and programs for all students. Resources budgeted centrally to ensure equitable access to services include AMP (Art, Music, and Physical Education), LAM (Library, Art, Music), CLS (Class Size Reduction), special education, and BDC (Supplemental School Support).

When reviewing the information in the following chart, it is important to understand some key context around funding of centrally funded school supports over the past few years. In response to the COVID-19 pandemic, the federal government provided MPS, and all school districts, with ESSER funding. The district used some ESSER funding to supplement centrally funded school support, and you will see large changes in comparison with expenditures in FY 2024 Actuals. For example, services largely funded by ESSER in FY 2024, such as AMP, WLA, LAM, and AID, needed to be absorbed by local budgets in FY 2025. Maintaining these services was supported by the 2024 referendum. Similarly, ECL increased in FY 2025 to continue services previously funded by the federal Head Start Program. The district did not receive this funding in FY 2025.

### Largest Centrally Funded School Supports

PROJECT_DESC	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
EEN-SCHOOL SPECIAL EDUCATION	\$183.0	2,224.7	\$208.6	2,237.2	\$219.6	12.5	\$11.0
TRS-TRANSP OPER	\$88.0	6.0	\$65.7	7.0	\$69.0	1.0	\$3.3
AMP-SCHOOL LEVEL ART,MUSIC,PE	\$13.8	268.2	\$33.7	266.2	\$35.6	(2.0)	\$1.9
UTL-UTILITIES	\$25.5	0.0	\$28.1	0.0	\$29.2	0.0	\$1.1
WLA-WORLD LANGUAGES	\$7.3	189.8	\$22.3	194.0	\$23.5	4.3	\$1.2
LAM-LIBRARY/ART/MUSIC/PHY ED	\$13.3	152.1	\$19.5	145.1	\$19.7	(7.1)	\$0.1
CLS-CLASS SIZE	\$7.9	75.3	\$9.6	77.1	\$9.9	1.8	\$0.3
ECL-EARLY CHILDHOOD LEARNING	\$0.0	58.0	\$5.1	61.3	\$6.1	3.3	\$0.9
AID-SUPPLEMENTAL HOURS-AIDES	\$0.3	75.8	\$4.2	75.8	\$5.1	0.0	\$1.0
BDC-SUPPLEMENTAL SCH SUPPORT	\$3.6	58.0	\$5.8	26.1	\$3.6	(31.9)	(\$2.2)
<b>Total</b>	<b>\$342.5</b>	<b>3,107.9</b>	<b>\$402.7</b>	<b>3,089.7</b>	<b>\$421.2</b>	<b>(18.2)</b>	<b>\$18.5</b>

As a part of the district’s renewed emphasis on academic improvements, safe and welcoming schools, and efficient and effective operations, the district is phasing in greater centralization of school budgets to ensure equity and academic success. Centralized budgeting will remove the administrative burdens from school leaders so they can fully focus on academic performance and student well-being.

## Special Education

The district provides special education services for students ages 3 years to 21 years. Special education services are guided by students’ Individual Education Plan (IEP). These range from subtle intervention provided in the least restrictive educational environment to full-time, one-to-one education and specialized transportation. Services are provided by teachers, children’s health assistants, nurses, American Sign Language interpreters, speech pathologists, audiologists, social workers, psychologists, and occupational therapists.

Special education funding and services are highly regulated at the state and federal levels. The state reimburses a portion of the district’s special education costs, and the federal government provides

IDEA grant funding to supplement the district’s special education budget. The state reimburses school districts for a portion of their special education costs. In 2024-25, the reimbursement for special education costs was 29.16%. The 2025-26 budget anticipates the same rate. The next table provides additional detail about the district’s budgets supporting special education services. It shows expenditures budgeted by category for providing special education services.

**Specialized Services Department by Object Class**

Object Class	2024 Actuals (\$M)	2025 WB FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Salaries	\$149.6	2,668.5	\$172.5	2,714.8	\$184.5	46.3	\$12.0
Other Wages	\$1.2	0.0	\$0.5	0.0	\$1.1	0.0	\$0.6
Employee Benefits	\$79.1	0.0	\$93.2	0.0	\$98.8	0.0	\$5.6
Purchased Services	\$6.9	0.0	\$1.3	0.0	\$1.9	0.0	\$0.6
Supplies	\$1.9	0.0	\$0.8	0.0	\$1.7	0.0	\$0.9
Equipment	\$0.1	0.0	\$0.0	0.0	\$0.0	0.0	\$0.0
Other Expenditures	\$1.2	0.0	\$1.4	0.0	\$1.0	0.0	(\$0.5)
<b>Total</b>	<b>\$239.9</b>	<b>2,668.5</b>	<b>\$269.7</b>	<b>2,714.8</b>	<b>\$288.9</b>	<b>46.3</b>	<b>\$19.2</b>

The following table displays the types of positions budgeted for providing special education services. The district centrally funds special education services to provide equitable access to educational services for all its students and ensure compliance with all state and federal laws. The two tables below show all centrally funded support for special education. It is important to note that this table includes centrally funded school-based positions with school locations in their account code.

**Specialized Services Department Salaries by Position Type**

Position Type	2024 Actuals (\$M)	2025 WB FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Teachers	\$83.0	1,250.9	\$104.9	1,268.6	\$105.1	17.7	\$0.2
Educational Assistants	\$14.4	562.9	\$20.5	581.3	\$25.8	18.4	\$5.3
Psychologists	\$13.6	169.4	\$16.1	164.4	\$16.2	(5.0)	\$0.1
Social Workers	\$13.4	163.8	\$15.1	162.3	\$15.5	(1.4)	\$0.3
Childrens Health Assistant/Nursing Associate	\$6.5	260.2	\$9.7	272.2	\$12.4	11.9	\$2.7
Certificated Administrators	\$7.5	90.5	\$6.2	91.4	\$9.3	0.8	\$3.1
School Nurses	\$4.4	71.0	\$6.5	73.0	\$6.7	2.0	\$0.2
Therapists	\$3.8	44.0	\$4.5	48.0	\$5.2	4.0	\$0.7
Classified Technical & Administrative	\$2.0	22.1	\$2.1	22.1	\$2.0	0.0	(\$0.1)
Social Worker Assistants	\$0.5	23.7	\$0.5	21.6	\$0.7	(2.2)	\$0.2
Clerical/Secretaries	\$0.4	10.0	\$0.6	10.0	\$0.5	0.0	(\$0.1)
Vacancy Adjustment	\$0.0	0.0	(\$14.3)	0.0	(\$15.0)	0.0	(\$0.7)
<b>Total</b>	<b>\$149.6</b>	<b>2,668.5</b>	<b>\$172.5</b>	<b>2,714.8</b>	<b>\$184.5</b>	<b>46.3</b>	<b>\$12.0</b>

**Supporting English as a Second Language Learners**

The district is committed to serving students who are learning English as their second language (ESL). English as a second language (ESL) services are offered throughout the district both as a component of the Bilingual (Spanish/English) Program as well as to other language-minority students who attend ESL stand-alone schools. For both programs, classes are taught by certified ESL teachers at various schools in MPS at the K–12 levels. In the 2025-26 Proposed Budget, the district is bolstering support for ESL by adding 10 ESL teachers at an approximate increased cost of \$1.2

million. The positions are currently budgeted in the district's Newcomer Center and will be deployed by the Office of Academics, based on ESL needs throughout the district.

The instructional approaches for ESL in bilingual classrooms parallel the teaching methods of mainstream classes in content areas. State standards are used for instruction and achievement. ESL teachers derive language objectives using the WIDA® Consortium's English Language Proficiency Standards for English language learners (ELLs) in pre-kindergarten through grade 12 to ensure that ELL students are receiving the appropriate English content and vocabulary according to their individual English language proficiency (ELP) level.

## Facilities and Lead Mitigation

The district is currently engaged in significant facilities work to ensure safe and welcoming schools that align with the district's academic goals. The Office of Operations and the Department of Facilities began drafting a new strategic facilities plan in the 2023-24 school year. Before the plan could be finalized, the district learned of the significant need to remediate lead paint risks in MPS buildings.

The district plans to use funds reserved in its Long-Term Capital Improvement Trust (Fund 46) to make transformational changes in MPS. Fund 46 is the state Department of Public Instruction's fund used to track capital improvements, including lead mitigation and deferred maintenance. Past savings were deposited in a trust and invested to be dedicated only for facilities and vehicle fleet improvements that qualified as capital expenses by DPI.

Using MPS facilities budgets, the administration plans to improve student and school outcomes by making strategic investments in its school facilities. The district must stabilize lead, right-size enrollment to each school's capacity, efficiently assign students and employ educators, and consolidate schools for more efficient operations. These actions will ultimately improve students' educational opportunities.

MPS uses three funds to track facilities expenditures:

- School operations – for annual operating expenditures to design, maintain, and clean facilities.
- Construction Fund – a fund for tracking facilities-related expenditures. MPS reports the construction fund through DPI Fund 10, and its revenues are considered under the state's revenue limit.
- Fund 46 – the Long-Term Capital Improvement Trust is funding reserved for DPI-allowed capital improvements in MPS facilities.

The table below shows expenditure budgets by fund. In 2024, the district received significant federal ESSER funding that was used to make improvements in the district's buildings. ESSER grants have ended in 2024-25, and that level of funding is not anticipated in the future.

### Expenditure by Department - Facilities & Maintenance

Budget Fund Group	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
School Operations	\$45.6	764.7	\$103.6	804.7	\$111.1	40.0	\$7.5
Long-Term Capital Improvement Trust	\$7.0	0.0	\$0.0	21.0	\$27.8	21.0	\$27.8
Construction	\$4.8	0.0	\$18.5	0.0	\$2.7	0.0	(\$15.9)
Grants - Categorically Aided	\$136.3	0.0	\$1.2	0.0	\$0.0	0.0	(\$1.2)
<b>Total</b>	<b>\$193.8</b>	<b>764.7</b>	<b>\$123.3</b>	<b>825.7</b>	<b>\$141.5</b>	<b>61.0</b>	<b>\$18.2</b>

The next two tables provide additional details about the district’s facilities budgets. The first table breaks the facilities spending into categories, while the second table provides a detailed breakdown of the types of positions dedicated to facilities work.

### Facilities & Maintenance Department by Object Class

Object Class	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Salaries	\$18.1	764.7	\$44.8	825.7	\$50.2	61.0	\$5.4
Other Wages	\$2.6	0.0	\$1.9	0.0	\$2.1	0.0	\$0.3
Employee Benefits	\$10.9	0.0	\$25.2	0.0	\$27.6	0.0	\$2.3
Purchased Services	\$148.7	0.0	\$46.6	0.0	\$54.2	0.0	\$7.6
Supplies	\$9.9	0.0	\$2.9	0.0	\$3.3	0.0	\$0.4
Equipment	\$3.3	0.0	\$1.8	0.0	\$4.0	0.0	\$2.2
Other Expenditures	\$0.4	0.0	\$0.0	0.0	\$0.0	0.0	\$0.0
<b>Total</b>	<b>\$193.8</b>	<b>764.7</b>	<b>\$123.3</b>	<b>825.7</b>	<b>\$141.5</b>	<b>61.0</b>	<b>\$18.2</b>

### Facilities & Maintenance Department Salaries by Position Type

Position Type	2024 Actuals (\$M)	2025 FA FTE	2025 FA Budget (\$M)	2026 PB FTE	2026 PB Budget (\$M)	Difference FTE	Difference Budget (\$M)
Engineers/Boiler Attendants	\$1.9	235.4	\$16.2	246.4	\$17.0	11.0	\$0.7
Building Services Helpers	\$1.8	358.3	\$15.4	378.3	\$16.5	20.0	\$1.2
Trades Workers & Foremen	\$11.1	127.0	\$12.4	144.0	\$14.6	17.0	\$2.2
Classified Technical & Administrative	\$2.9	35.0	\$3.7	47.0	\$4.9	12.0	\$1.2
Clerical/Secretaries	\$0.4	8.0	\$0.4	9.0	\$0.5	1.0	\$0.1
Certificated Administrators	\$0.1	1.0	\$0.1	1.0	\$0.1	0.0	\$0.0
Vacancy Adjustment	\$0.0	0.0	(\$3.4)	0.0	(\$3.4)	0.0	\$0.0
<b>Total</b>	<b>\$18.1</b>	<b>764.7</b>	<b>\$44.8</b>	<b>825.7</b>	<b>\$50.2</b>	<b>61.0</b>	<b>\$5.4</b>

The district’s facilities work is primarily focused on implementing the Lead Action Plan. This important work will largely be funded by the Long-Term Capital Trust Fund, also known as Fund 46.

Based on directives from the City of Milwaukee Health Department, the district is working to address all areas of concern regarding lead paint identified in our schools. MPS’s Department of Facilities and Maintenance Services is contracting with certified renovators to expedite our work and ensure compliance with the directives from the Milwaukee Health Department. In view of this, the district plans for about \$16 million in lead-related repairs, with the goal of having the first phase of the work completed before school resumes in the fall of 2025.

The district anticipates additional costs being necessary for the second phase of lead remediation. The district plans to assess actual costs of remediation over the summer. The district will likely need to increase planned withdrawals during fall once a better understanding of the process and scope of work for the remaining schools is identified.

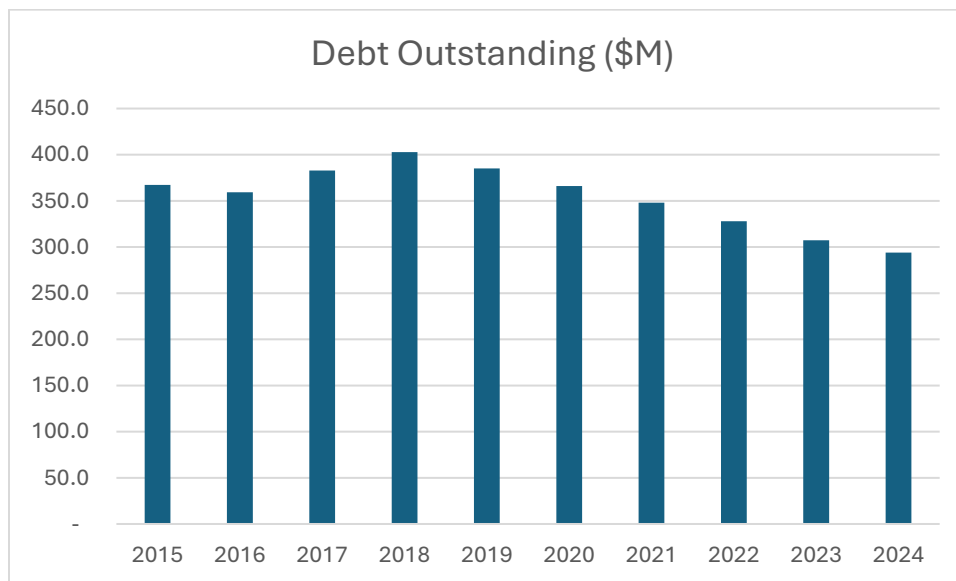
The district is also funding lead mitigation efforts through the School Operations Fund. An additional 20 building services helpers throughout the district will monitor and clean where there is a higher risk for lead-paint dust to accumulate, such as door jambs and windowsills.

## Debt

The City of Milwaukee has authority under Chapters 67 and 119 of Wisconsin Statutes to issue municipal obligations for specific school purposes. All debt issuances, whether short term or long term, are approved by the MBSD. The City of Milwaukee maintains high bond ratings from three major agencies.

During fiscal year 2025, MPS has disbursed funds to retire the Qualified School Construction Bonds (QSCB) Series 2009, the Bond Series 2015 N2, and the QSCB Series 2017B. Funds borrowed directly from the City of Milwaukee will be paid off in fiscal year 2027.

The following is a chart that summarizes the past ten fiscal years of MPS's outstanding debt.



The following table shows how various existing debt obligations will change in future years.

<b>Debt Amortization Schedule</b>	
<b>Fiscal Year</b>	<b>Debt Payments</b>
2026	27,797,436
2027	27,631,060
2028	29,228,370
2029	27,951,944
2030	27,723,815
2031-2035	134,403,795
2036-2040	126,999,127
2040-2044	57,123,541
<b>Total</b>	<b>458,859,088</b>



# Conclusion

The district continues to operate in a challenging financial environment. Despite this, our students deserve an education that empowers each to be a happy, healthy, and productive individual, ready to be successful in the college or career path they choose.

Systemic challenges that constrain the district include rigid state revenue limits, significant inflation, changing demographic trends, significant facilities needs, and the challenge of recruiting and retaining qualified staff during a national teacher shortage.

Despite these challenges, there are many reasons for optimism. The district employs more than 9,500 educators and support staff who are dedicated to the education of nearly 66,000 students. In addition:

- Acting on a statewide mandate to improve student literacy, MPS is moving with intention to build foundational reading skills in students in the classroom and intervene with at-risk students who will benefit from additional support.
- A reorganization at Central Services will more effectively and efficiently support classroom teaching and learning. Increased professional development of school leaders likewise will better support teachers and students in the classroom. These efforts are in alignment with the state-ordered audit's recommendations to enhance organizational efficiency and restructure the administration.
- Two measures will help ensure our schools are safe and welcoming places for students and staff alike: The district is acting with urgency to mitigate lead paint hazards in its older buildings, and it will establish its Safe Schools Hub to coordinate safety at all MPS schools.

To live up to its potential, the district must be strategic about using its limited resources in the most efficient and effective way to maximize educational opportunities for our students.

The Superintendent's 2025-26 Proposed Budget aims for immediate, strategic investments to implement transformative change toward:

- Improved academic achievement and attendance
- Safe and welcoming schools
- Efficient operations and a culture that will make MPS an employer of choice

The Proposed Budget continues the district's commitment to maximizing investments in direct, core educational services to educate our students and prepare them for success.