Capital Funding & Bond Financing

BOE Workshop

January 30, 2026

Facilities Master Plan:

Create a financially sustainable portfolio of schools with high-quality learning environments accessible to all.

FMP Goals

Increase Utilization	Improve Learning Experience	Address Facilities Condition	Gain Operational Efficiencies

Strategies to accomplish goals

Rebuild:	Renovate:	Maintain:	Consolidate:
Right size for enrollment and staffing, modern learning environments, specialized spaces for today's students,	Condition improvements, appropriate classroom spaces, modern learning environments, interior updates, furniture & equipment	improvements, security enhancements, roofs, heating/cooling, electrical, plumbing, safety systems,	resources into healthy and thriving buildings, repurpose, sell, or keep sites for future use

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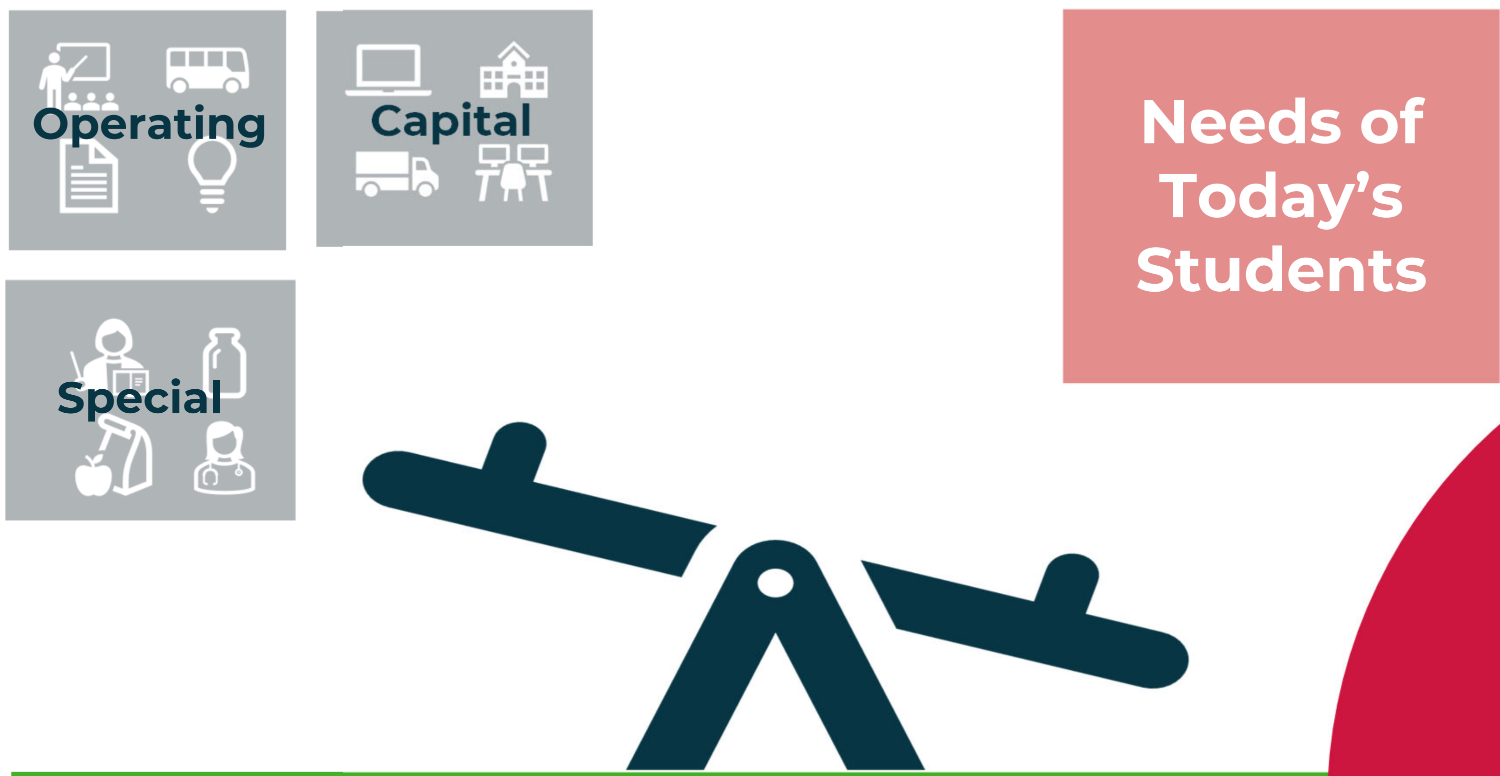
What is a Bond?

- Long-term financing approved by voters, similar to a mortgage on a home
- Used for large, one-time capital investments
- Paid back through property taxes over time

Balancing District Needs



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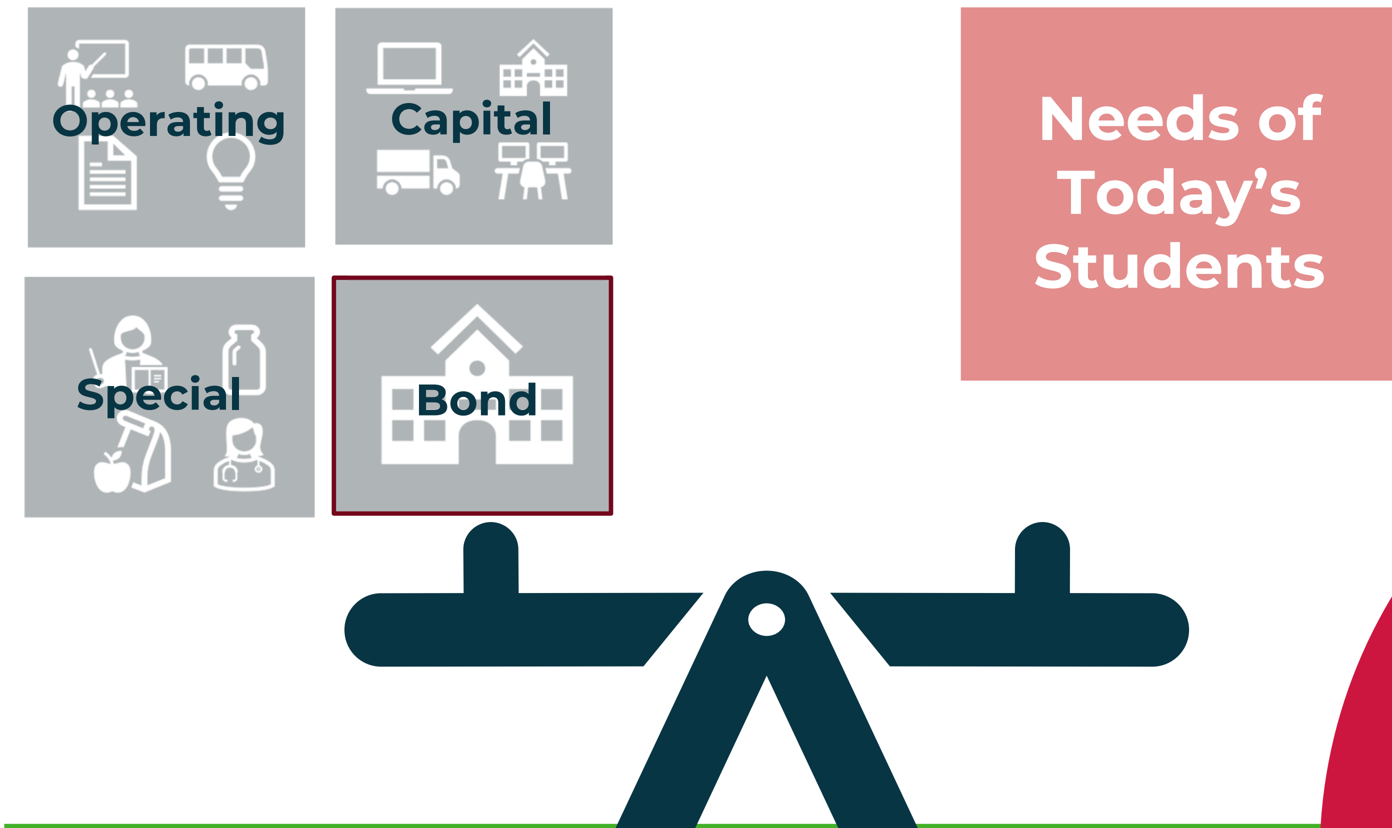
Balancing District Needs



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BOE vs. Voter Responsibility

BOE:

Authorize Mill Levy Through Annual Budget Hearing & Adoption, Determine Need and Projects for a Bond

Voters:

Authorize Debt Issuance through Bond Referendum

What can a bond be used for?

K.S.A. 72-5457 defines:

- Purchase or improve any site(s)
- Acquire, construct, equip, furnish, repair, remodel, or make additional to buildings
- Purchase school buses

Kansas schools cannot fund school operations with debt.

What can't a bond be used for:

- Salaries & Benefits
- Curriculum
- Instructional Supplies
- Programming
- Ongoing Maintenance

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Why do Kansas schools need to issue bonds:

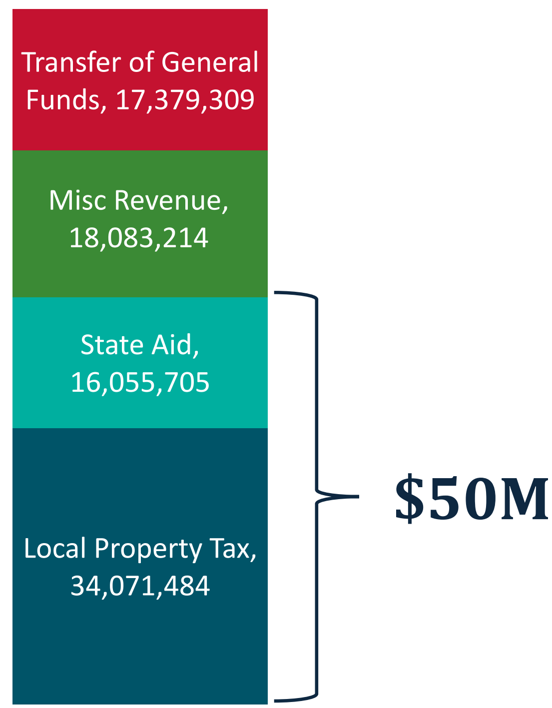
- Capital Outlay Funding is limited
  - 8.000 mill cap on funding
  - Annual, on-going funding source
  - Meant for minor repairs or improvements
  - Spread across all schools and systems
  - Large equipment replacement
  - Recurring funds are not enough for a new facilities
- Bond Issues
  - Mill set by local authority
  - One-time projects requiring voter approval
  - Intended for new facilities and major building improvements
  - Local elected officials and taxpayers get to decide when to invest in newer, nicer facilities

Facilities Needs Exceed Available Funding

Capital Expenditures

- Facilities maintenance and minor improvements
- Repairs and preventative maintenance
- School safety facilities upgrades & equipment
- District wide software
- Student and staff hardware
- Furniture and equipment replacement
- Fleet vehicles
- CTE technology and equipment
- Uniforms

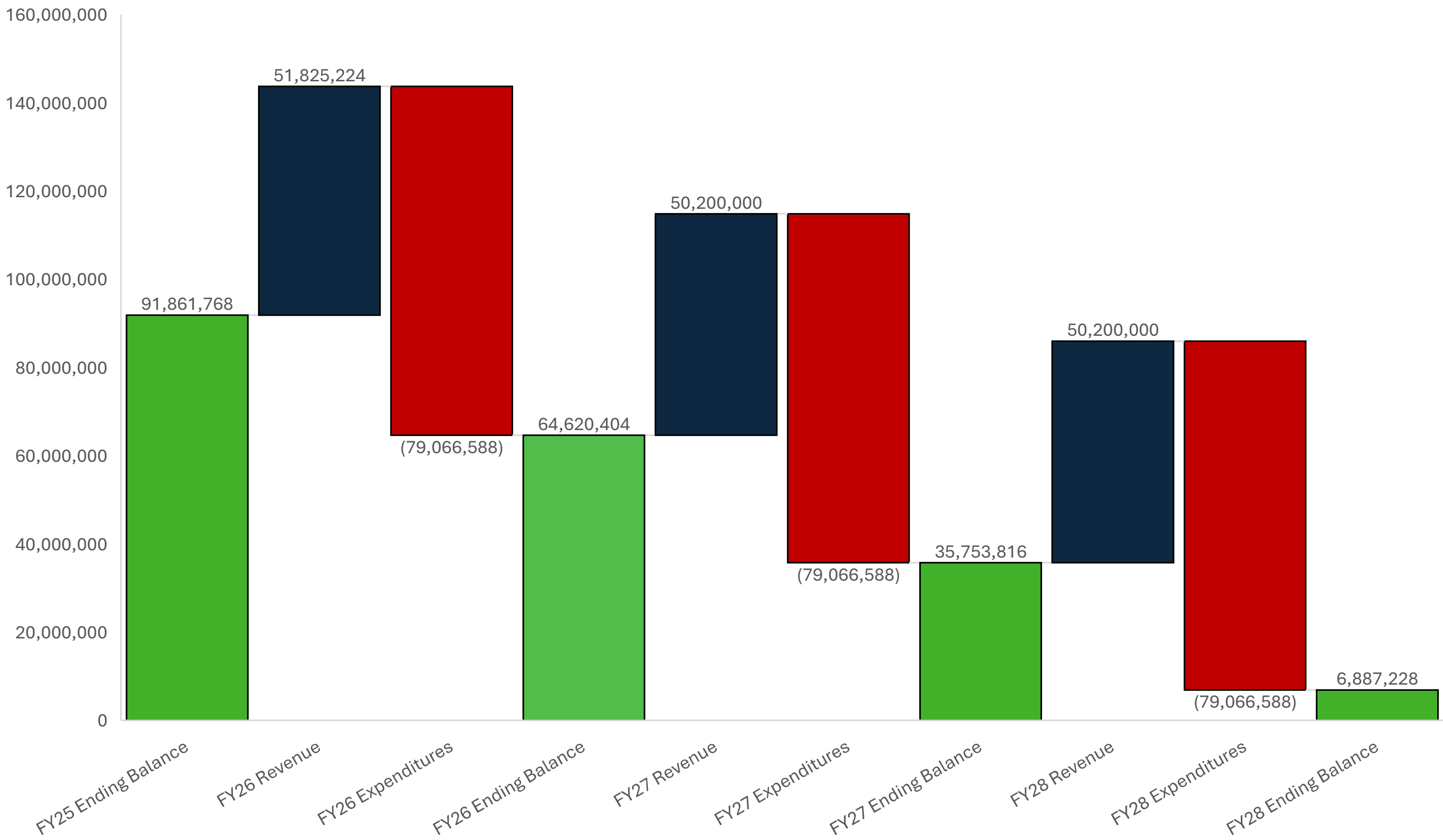
Capital Revenues



Facility Needs Exceed Available Funding

- WPS has a 3-5 year plan to get operating costs related to software out of capital outlay fund, to direct CO funds to facilities
  - $6.8m per year currently in CO
  - District actively working on decreasing its software usage
  - This plan would redirect supplemental general fund dollars away from other instructional initiatives to direct funds towards facilities needs
  - This budget strategy is needed to increase funding available for facilities needs.

Capital Outlay Forecast



How can WPS afford a bond?

- Existing Debt Schedule

Fiscal Year	Debt Payment, Net of Subsidy
FY26	45,112,010
FY27	51,675,059
FY28	49,494,989
FY29	23,277,132
Total	**169,559,190**

- Beginning Cash Balance FY26 was $94.6M
- With anticipated current year state aid and property tax collections, the district estimates our current debt obligations are covered.
- It is the right time to layer in a new loan

How much will our bond be?

We are still listening to feedback to determine community support for projects and impacts to our taxpayers' budgets.

We know we can't take the same slate of projects to voters. The recommendation will be different.

If some of the projects are the same, we know they will cost more now.

Factors to Consider for Bond Resolution

Projects

- Consider Feedback
- Enrollment Trends & Future Needs
- Human Capacity

Financing Term

- Shorter Term to create future opportunities to layer debt
- Longer Term to afford a larger project and keep mill rate low

Tax Strategy

- Reduce Mill Rate
- Flat Mill Rate
- Increase Mill Rate

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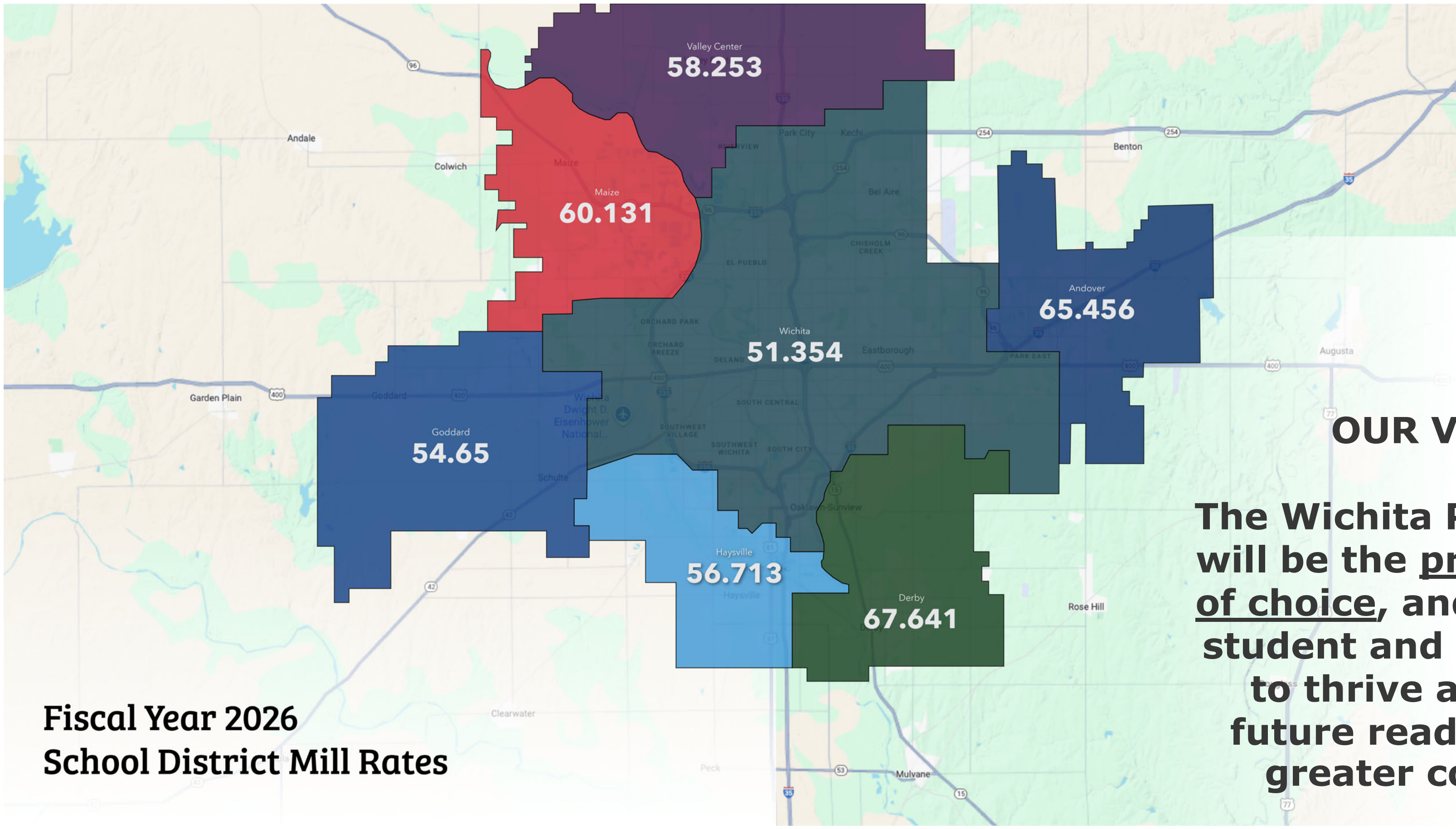

Fiscal Year 2026
School District Mill Rates

OUR VISION:

The Wichita Public Schools will be the premier district of choice, and inspire each student and staff member to thrive and become future ready within the greater community.

Upcoming Timelines

February

- Finalizing Project Estimates
- Completing Survey on Community Sentiment

March

- Review Feedback Data
- Recommend Bond Projects
- Determine Financing Strategy

April

- Finalize Bond Projects & Amount
- Complete BOE Bond Resolution Vote

May

- Begin Education

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Summary

Our circumstances have not changed, our facilities needs exceed our ability to fund them.

We are not *just* looking to build new buildings, we are looking to achieve the goals set forth by the FMP: long-term operating efficiencies, improved learning experiences for students and staff, schools that meet the needs of our enrollment realities

After Listening & collecting feedback, we are approaching our timeline to review bond package options with the BOE

Questions?

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