



SCOTT ALLEN

REPRESENTATIVE • 97TH ASSEMBLY DISTRICT

For Immediate Release
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Milwaukee Public Schools No Longer a “Local Issue”

Madison, WI – Rep Allen released the following statement in light of recent revelations of financial mismanagement in the Milwaukee Public Schools after voters approved a significant expenditure increase.

“The City of Milwaukee narrowly passed a referendum increasing Milwaukee Public School spending authority while keeping their financial mismanagement secret from voters. This is deeply concerning as this news may have changed the results of the referendum.

“In the private sector, such activity is regarded as fraud and would be legal grounds for voiding a contract. In many ways, a referendum is a contract between the voters and the school board.

“It is especially concerning, since the referendum means a decrease in state aid for over 300 other school districts, a fact that I was unaware of until now. I suspect many voters were also unaware.

“The Milwaukee recurring referendum authorized annual increases in the statutory revenue limit over the next four years. Under the state of Wisconsin’s equalization aid formula, state tax dollars are distributed to school districts based on ‘equalizing’ aid in an inverse proportion based on property value per student. The formula is based on expenditures, regardless of property tax ‘wealth,’ meaning that as Milwaukee increases its expenditures it gets a larger share of the state aid pie.

“That larger share for Milwaukee necessitates a reduction in shares for most of the rest of the state school districts. As state aids shrink for local districts they are authorized to offset the aid loss with local property taxation. That means that property tax payers across the state will have to pay more taxes to cover the increase in expenditures authorized by the Milwaukee voters.

“It is estimated (Legislative Fiscal Bureau, March 15, 2024) that in the first year Mukwonago taxpayers will have to pay a total of \$760,000 more, Oconomowoc taxpayers \$503,000 more, and Waukesha taxpayers a whopping \$2,084,000 more.

“The scandal we see at the top of the administration of MPS is merely the tip of the iceberg of financial mismanagement, not to mention academic mismanagement. We see Milwaukee area legislators, both Republican and Democrat (see Myers, June 6 and Donovan, June 10), calling for audits and calling into question the structural effectiveness of the organization, including the board.

“It has become a State of Wisconsin problem to fix Milwaukee schools. This is no longer a ‘local issue.’ We must engage in a unified, bipartisan effort to finally reform MPS.”

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Rep. Scott Allen represents the area of Waukesha.