



2025-2027 Operating Budget Talking Points

Agency Details

- Annual Budget: 35.3M total
 - 61% Support from State of WI
 - 39% support from gifts, grants, endowment, and earned income.
- Active Historical Society Members: 11,200
- Staff: 182 FTE, 150-200 LTE/Seasonal workers
- Wisconsin Counties Served: 72

Operating Budget Requests

1. History Center:

The Wisconsin Historical Society ("Society") requests \$2.3 million GPR 10700 (Wis. Stat. sec. 20.245(1)(d)) as one-time, biennial funding in FY2026 and \$1.7 million GPR 10700 annually starting in FY2027 to support the opening of the new Wisconsin History Center ("History Center"). The Society is also requesting 9.0 GPR 10700 FTE positions to start at various times leading up to the opening of the History Center. See Paper for additional details.

The History Center will be a world class 21st century history museum, education, and program experience located on Capitol Square in Madison. This enumerated state project is on track to open in early FY2028 and is expected to serve 200,000 visitors annually, including more than 60,000 students in-person and thousands more throughout Wisconsin through its outreach programs. The Society anticipates taking occupancy of the building six months prior to opening or approximately halfway through FY2027.

• Operating Budget & Staffing Plan

WHS worked with an operations and management consultant focused on the museum and attraction industry, ProFun, to develop a three-year operating budget, staffing plan, and preopening budget for the History Center. The third year of operations, FY2030, is considered the steady state year and is used as the base, ongoing financial model for the WHC. Expenses are approximately \$5.8 million while revenues are approximately \$4.1 million. This includes earned revenue from admissions, retail, and rentals, private contributions and sponsorships, endowment distributions, and internally reallocated Society GPR. The gap of \$1.7 million is the basis for this request and coincides with the need for FY2027.

In addition to financial planning, ProFun developed a staffing plan for the History Center. The total FTE positions needed to operate the WHC is 21. The Society has already reallocated and filled 7 FTE positions for required functions in the future History Center and has an additional 5 vacant FTE positions available to reallocate. This leaves 9 FTE positions needed.

- **Pre-Opening Budget**

Prior to opening the History Center, the Society will have additional one-time expenses. Although the Society and its partner, the Wisconsin Historical Foundation, have been successful in their fundraising efforts – raising \$52.5 million for the project and transition expenses through FY2024. NOTE: WHS will not yet have the earned revenue from the WHC activities nor the endowment revenue to invest in these upfront costs in the 2025-2027 biennium. The requested funds will support the WHS 2025-27 Biennial Budget

(1) Staffing

Based on the timing of the anticipated opening, all full-time (permanent) and part-time (LTE) staff must be hired during FY2027. Many full-time positions are required several months in advance to be ready for the opening of the WHC. Policies and operating procedures need to be developed and executed. Exhibits, programming and public spaces, back-of-house areas, and offices must be set-up and operational, which includes moving collections and installing exhibits. Revenue generating functions require advance planning and scheduling to fully realize the opportunity of the WHC opening, such as retail operations, the external rental program, and food and beverage services. School groups and volunteers also require advanced outreach and scheduling as do public programs. Part-time employees require training and onboarding prior to the opening day.

(2) Supplies & Services

Several ongoing operating expenses will start when employees are hired and when the Society takes occupancy of the History Center, such as custodial, security, and AV contracts as well as IT supplies and services, internet, and general supplies. One-time, start-up expenses will include marketing, advertising, advance press and community stakeholder tours, and opening events and programs.

(3) Operational FF&E

One-time costs for furniture, fixtures, and equipment that are outside the scope of the project will be required in 2025-2027 prior to opening. This includes items such as ticketing, retail, and café point of sale systems and kiosks, guest operations equipment, life and safety equipment, office equipment, and other operating systems and communication devices.

- **Public / Private Partnership**

The vision for the long-planned new History Center will come to fruition thanks to a public / private funding model that has supported the design and construction of the WHC, the transition to opening, and the operation and staffing of the History Center. The total capital cost for developing the History Center is \$160.5 million, of which \$42.3 million will be supported with gift funding. Total transition costs between 2010 and when the WHC finally opens in 2027 will total over \$24 million of which \$18 million will be supported with gift funding. After opening, 54% of the annual support for the operation of the new History Center will come from earned revenues, gift funds, and endowment compared to 46% coming from State appropriations. As a comparison, 28% of the Society's total operating budget is supported by earned revenues, gift funds, and endowment. And the prior Wisconsin History Museum, which operated from 1984 through 2022, was supported by 45% earned revenues, gift funds, and endowment sources.

2. Security and Safety

The Wisconsin Historical Society (“WHS” or the “Society”) requests \$437,200 GPR 10100 (Wis. Stat. sec. 20.245(1)(a)) in FY2026 and \$222,000 one-time and \$137,200 ongoing GPR 10100 in FY2027 to make necessary security improvements to protect the Society’s visitors and employees, historic sites, facilities, artifacts, and collections. This request includes infrastructure upgrades, security systems, and electronic access controls at WHS-managed locations and security services for the Society’s two largest historic attractions, Circus World Museum and Old World Wisconsin, and select special events at other locations. Annually, WHS welcomes over 410,000 visitors, a significant portion of which is students and young children, to its various locations across the state of Wisconsin. Many of its historic attractions, museums, and sites are in rural locations and sit on large areas of wooded or uninhabited land, such as Old World Wisconsin, which is spread across 600+ acres.

In collaboration with the Capitol Police, the Society recently performed safety and risk assessments at several WHS locations, which have revealed security vulnerabilities that threaten the safety of visitors and staff as well as the integrity of collections. The costs, both financially and otherwise, of potential losses from a security event, theft, vandalism, or other incidents far exceed the investment needed for comprehensive security enhancements. Preventing incidents also improves public perception and trust, provides continued public access to collections, creates a safe environment for visitors and staff, and upholds WHS’s mission to preserve and promote Wisconsin’s cultural legacy.

While current WHS practices focus on security, there is a need for standardized protocols, especially at historic attractions, museums, and sites where security systems are outdated or nonexistent, including electronic access control measures. Electronic access control systems enhance security by managing access flexibly, providing detailed audit trails, and integrating with other security systems. This initiative will centralize security management, streamline operations, and enhance efficiency. With the upcoming Wisconsin History Center, integrating all WHS locations into a unified security system is crucial.

At a high level, this request would fund:

- New and upgraded equipment, such as cameras, security system servers, electronic access control readers and peripherals, and public announcement (PA) systems
- Installation and configuration of equipment and systems
- Ongoing maintenance of equipment and systems
- Contracted security services at the Society’s largest and most attended locations, Circus World Museum and Old World Wisconsin, and for signature special events at various locations

3. Northern Great Lakes Visitor Center Support

The Wisconsin Historical Society (“WHS” or the “Society”) requests \$30,000 SEG 16400 (Wis. Stat. sec. 20.245(1)(y)) annually starting in FY2026 to support operational and interpretive programming initiatives at the Northern Great Lakes Visitor Center (“NGLVC” or the “Center”) in Ashland, WI.

The mission of the NGLVC is to help people connect with the history, culture, and natural resources of the Northern Great Lakes Region through customer-based information, services, and educational programs. The NGLVC is a critical resource in the Chequamegon Bay region, providing interpretive programs, archives, and exhibits that highlight the area’s cultural, historical, and natural heritage. It is one of the Society’s 13 Local Area Research Centers providing access to the NGLVC collections as well as the Society’s vast collections. The Society has four employees housed at the Center and it is an integral location for WHS to connect with constituents in the northern part of the state. The requested funding will provide \$30,000 in ongoing support for both critical operational and interpretive programming support to the NGLVC. This funding will be used to

maintain WHS and the Center's core program activities, enhance high-quality educational programs, maintain essential operations, and expand community outreach efforts. Specifically, the funds will provide:

- Operational support specifically focused on addressing facilities, grounds and maintenance needs, ensuring the sustainability of the Center's activities and preserving its role as a key cultural institution in Northern Wisconsin; and
- Interpretive programming support to enhance and expand educational and interpretive activities at the center. This includes building upon existing activities and the development and implementation of new programs that align with WHS's mission to connect people to the past through storytelling, cultural exhibits, and educational activities. The additional funding for interpretive programming will allow the Center to offer more immersive and informative experiences to visitors, fostering a deeper connection to the region's cultural and historical heritage. Investing in the NGLVC will have long-term benefits, including increased visitor engagement, enhanced community support, and improved operational efficiency. By providing the necessary resources to expand programming and strengthen connections with the local community, this funding will help secure the Center's sustainability and ensure WHS can continue to fulfill its mission as part of the Society's broader efforts to connect people to the past in northern Wisconsin and beyond.

4. Full Funding of DOA-Provided Services

The Wisconsin Historical Society ("WHS" or the "Society") requests \$393,300 GPR 10100 (Wis. Stat. sec. 20.245(1)(a)) in FY2026 and \$475,400 GPR 10100 annually starting in FY2027 to fully fund the increased cost of mandated services provided by the Department of Administration ("DOA") to WHS.

DOA provides services to all state agencies and assesses agencies for the costs of these services. Examples include Personnel Services, HR Shared Services, Financial Services, Legal Services, Procurement Services, and STAR Operations and Development. Agencies have little control over the level or type of services provided and, therefore, no options for controlling or reducing costs. At a minimum, DOA's costs increase due to annual General Wage Adjustments for personnel and changes in employee benefit pricing. Additional cost increases may result from higher prices for necessary goods, services, IT equipment, software, or contracted services. These increased costs are passed on to agencies, which are not provided with additional funds, but are required to absorb the costs.

Since FY2019, the Society's share of these assessments has increased 51% or \$249,500 from \$489,900 to a projected \$739,400 for FY2024. The average year-over-year increase for that same period is 9.3%. This request would provide \$249,500 in funding to cover the increases since FY2019 and an additional amount to fund a continued 9.3% increase each fiscal year of the biennium. Since the Society does not receive additional funding, WHS is required to reallocate funds from programmatic, mission-driven, and statutorily-mandated functions to pay for assessments –ultimately resulting in a cut to the Society's museums, historic sites, library, outreach and education services, and other programs. To put the increased assessments in context, in FY2025 Stonefield's GPR allocation is approximately \$150,000, Wade House's is \$254,000, Villa Louis' is \$271,000, and Old World Wisconsin's is \$961,000. As a small agency, this level of increase has a large impact. Especially since much of the Society's budget is comprised of restricted funding sources, such as gifts, endowments, grants, and even state revenue restricted to the State Archives Preservation Facility, Records Management, Museum Archaeology Services, and the Northern Great Lakes Visitor Center. When removing these restricted sources, the unrestricted amount available for agencywide Supplies & Services is only \$5 million. The amount forecasted for assessments in FY2027 is almost \$1 million or 20% of this funding. It's not sustainable for the Society to continue to absorb these increased expenses with no additional funding to support them.