



ANN ARBOR PUBLIC SCHOOLS
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Governor's School Aid Proposal Fiscal Impact For AAPS 2019-20 Budget



BOARD OF EDUCATION
March 13, 2019



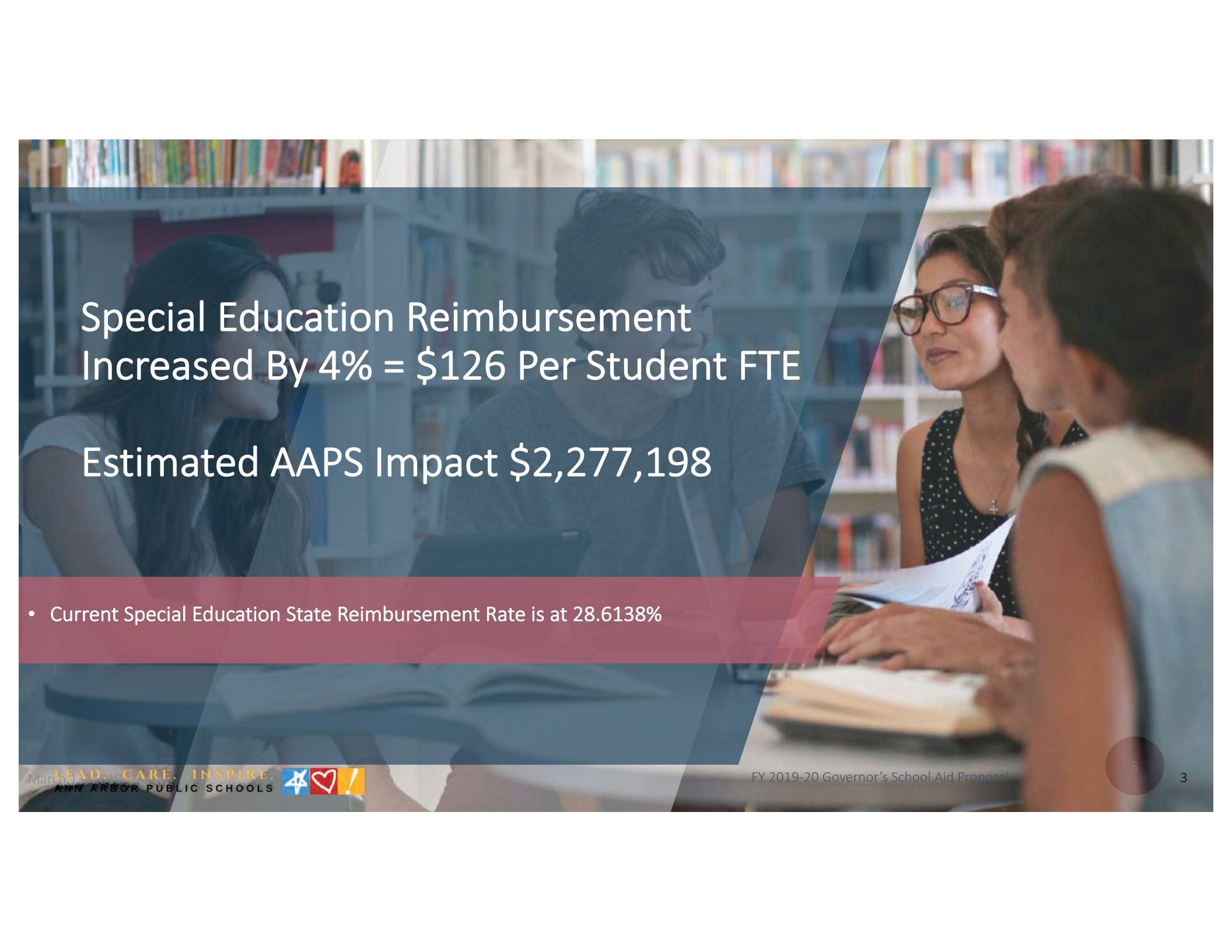


Foundation Allowance Increase
\$120 per Student FTE

Estimated AAPS Impact
\$2,168,760



All fiscal estimates are based on a total enrollment of 18,073 student FTE which represents an increase of 165 students

The background of the slide is a photograph of three students in a library. A young woman with long dark hair is on the left, smiling. In the center is a young man with dark, wavy hair, looking towards the right. On the right is another young woman with glasses and dark hair, looking at a book. They are all in a library setting with bookshelves in the background.

Special Education Reimbursement
Increased By 4% = \$126 Per Student FTE

Estimated AAPS Impact \$2,277,198

- Current Special Education State Reimbursement Rate is at 28.6138%

Increase Of At Risk Funding By \$55 Per Student FTE.

Estimated AAPS Impact Is \$994K

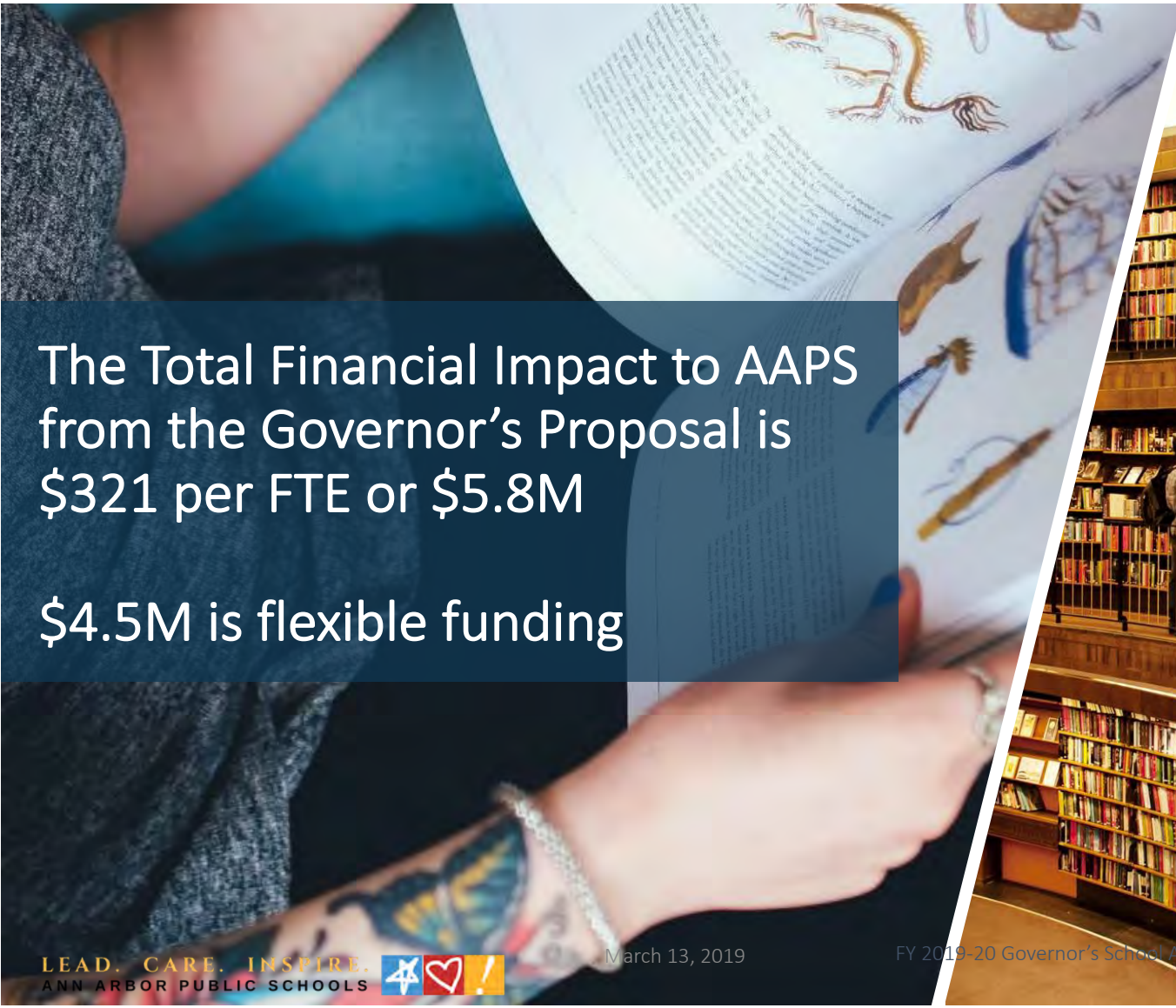
This funding is a categorical and it functions just like a grant. Funds may be used to provide prescribed services to students that have been identified due to a variety of risk factors. These funds cannot be used to increase salaries and benefits.

Increase Vocational Education \$20 Per Student FTE

Estimated AAPS Impact \$361K

This funding is a categorical and it functions just like a grant. May use these funds to provide services to students that qualify under the vocational education curricula. These funds cannot be used to increase salaries and benefits.






The Total Financial Impact to AAPS
from the Governor's Proposal is
\$321 per FTE or \$5.8M

\$4.5M is flexible funding

Some Factors To Consider

- The latest budget amendment for 2018-19 predicts a deficit of \$2.9M
- Without salary increases there are increased costs of approximately \$3.8M
- Approximately \$6.7M increase needed in order to 'stay the same on AAPS budget

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- Governor's Budget Proposal increases AAPS funding for 2019-20 by 5.8M of which \$4.5M is flexible.
 - AAPS needs \$6.7M to close the 2019-20 gap made of about \$2.9M gap from the prior year plus \$3.8M just for regular increases due to the cost of doing business.
 - AAPS is expected to close the 2018-19 school year with about 6% Fund Balance. At 5% Fund Balance the State begins its intervention.

Next Steps

- House and Senate to present Budget Proposals - March-May
- Second Consensus Revenue Estimating Conference - May.
- Achieve Consensus:
three chambers of State Government agree on a Education Budget bill - early June.

The Board needs to
Approve the Budget by June 30