



ANN ARBOR PUBLIC SCHOOLS  
LEAD. CARE. INSPIRE.



# State of Michigan FY20 Budget

## Executive and Senate Proposal Comparison

Board of Education  
May 8, 2019

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# FY20 Budget: Executive Proposal

## *KEY HIGHLIGHTS*

- Increase Gas Tax to 45 cents per gallon in 15 cent increments
- Reduce the transfer of funds to Higher Education by \$500M



# FY20 Budget: Executive Proposal

## *KEY HIGHLIGHTS*

Increase Foundation Allowance  
**+\$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 a 2019-20 increase of 165 students

# FY20 Budget: Executive Proposal

## *KEY HIGHLIGHTS*

Increase Special Education Reimbursement by 4%  
**+\$126 per Student FTE**

Estimated AAPS Impact  
**+\$2,277,198**

**Current Special Education State Reimbursement Rate is at 28.6138%**

# FY20 Budget: Executive Proposal

## KEY HIGHLIGHTS

Increase At-Risk Funding  
**+\$55 per Student FTE**

Estimated AAPS Impact  
**+\$994,000**

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.

# FY20 Budget: Executive Proposal

## *KEY HIGHLIGHTS*

Increase Vocational Education  
**+\$20 per Student FTE**

Estimated AAPS Impact  
**+\$361,000**

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.



# FY20 Budget: Executive Proposal TOTAL IMPACT TO AAPS

Increase of **\$321** per Student FTE

**+\$5.9 Million\***

\* \$4.5M is flexible funding



# FY20 Budget: Senate Proposal

## OVERVIEW

- No gas tax increase assumed
- No return of School Aid Fund revenue from Higher Education budget
- **\$342 Million for 2x formula      +\$135 and \$270 per Student FTE**
- **\$80 Million in one-time spending: \$35 Million for At-Risk and \$30 Million for Special Education capital expenditures**
- **\$5 Million increase for GSRP**
- **\$5 Million for panic button app system**

**Reduction of \$11 Million**

**less \$25 per high school student**





## FY20 Budget: Senate Proposal *KEY HIGHLIGHTS*

Foundation Allowance Increase  
**+\$135 per Student FTE**

Estimated AAPS Impact  
**+\$2,439,855**

\*\*All fiscal estimates are based on a total enrollment of 18,073 student FTE which represents a 2019-20 increase of 165 students



# FY20 Budget: Senate Proposal

## *KEY HIGHLIGHTS*

One-time At-Risk funding for capital expenditures  
**Per Student FTE = \$20**

Estimated AAPS Impact  
**\$356,968**

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One-time Special Education funding for capital expenditures  
**Per Student FTE = \$17**

Estimated AAPS Impact  
**\$305,972**

# FY20 Budget: Senate Proposal

## *KEY HIGHLIGHTS*

Reduce High School Funding  
**Per Student FTE = (\$25)**

Estimated AAPS Impact  
**(\$138,626)**

# FY20 Budget: Senate Proposal

## TOTAL IMPACT TO AAPS

Increase of \$127 Per Student FTE

+\$2.3 Million



# AAPS Financial Impact: Current FY20 Proposals

Section	Executive	Senate Subcommittee	Executive v. Senate Variance
Foundation	\$120	\$135	(\$15)
Special Ed	\$126	\$20	\$106
At-Risk	\$55	\$17	\$38
CTE	\$20	\$0	\$20
Only High School Students	\$0	(\$25)	\$25
<b>Total per Student FTE</b>	<b>\$321</b>	<b>\$164</b>	<b>\$157</b>

# AAPS Financial Impact: Current Proposals

**Executive  
Proposal  
+\$5.9M**

**Senate  
Proposal  
+\$2.9M**

**The Executive Proposal would provide \$3.0M more to AAPS**



# FY20 State of Michigan Budget Considerations

- Budgets were based on January 2019 Consensus Revenue Estimating Conference (CREC)
- School Aid fund is down \$107M
- General Fund/General Purpose Fund is down \$133M

## Next Steps...

- House of Representatives is expected to issue their budget proposal next week
- May Consensus Revenue Estimating Conference is scheduled for **May 17, 2019**