

ANN ARBOR PUBLIC SCHOOLS
LEAD. CARE. INSPIRE.



2025-26 PROPOSED GENERAL FUND AMENDED BUDGET

Presented to the Board of Education December 17, 2025



Key Variables

- State Budget, deadline of June 30, 2025; not signed into law until October 7, 2025
- Enrollment verification completed November 12, 2025
- Special Education funding finalized in late October
- Unstable State funding – per pupil funding/categoricals



2025-26 Proposed General Fund - Fund Balance

	2025-2026 Original Budget June 25, 2025	2025-2026 Proposed Amended Budget December 17, 2025	Original vs Amended
Total Revenue	<u>\$314,795,528</u>	<u>\$ 307,569,274</u>	<u>\$ (7,226,254)</u>
Total Expenditures	<u>\$314,285,983</u>	<u>\$ 311,411,354</u>	<u>\$ (2,874,629)</u>
Revenue Over (Under) Expenditures	\$ 509,545	\$ (3,842,080)	\$ (4,351,625)
Fund Balance - Beginning of Year	<u>\$ 17,975,183</u>	<u>\$ 21,642,739</u>	<u>\$ 3,667,556</u>
Fund Balance - End of Year	<u><u>\$ 18,484,728</u></u>	<u><u>\$ 17,800,659</u></u>	<u><u>\$ (684,069)</u></u>
Fund Balance as a Percent of Revenues	5.87%	5.79%	-0.08%
Fund Balance as a Percent of Expenditures	5.88%	5.72%	-0.16%



2025-26 Proposed General Fund Revenues **Decrease of \$7.2M**

- **\$2.3M Increase** in State Revenue -
 - **\$671K Increase** in Foundation Allowance at \$442 per pupil; Original budget at \$400 increase per pupil
 - **\$875K Increase** in 31a At Risk Funding
 - **\$2M Increase** in 27L(4) MPSERS Healthcare
 - **\$1.6M Decrease** in 147a(1) MPSERS Cost Offset
- **\$1.5M Decrease** in Federal Grants (primarily due to Title/IDEA Grants)
- **\$7.7M Decrease** in Act 18 revenue from WISD
- Note – this is not an exhaustive list



2025-26 Proposed General Fund Revenues

	2025-2026 Original Budget June 25, 2025	2025-2026 Proposed Amended Budget December 17, 2025	Original vs Amended
Revenue			
Local sources	\$ 115,264,579	\$ 115,015,907	\$ (248,672)
State sources	142,640,919	144,987,034	2,346,115
Federal sources	10,954,833	9,417,974	(1,536,859)
Interdistrict sources	45,935,197	38,148,359	(7,786,838)
Total Revenue	\$314,795,528	\$ 307,569,274	\$ (7,226,254)



2025-26 Proposed General Fund Expenditures Decrease of \$2.8M

- **\$5.9M Decrease** in Wages and Benefit based on attrition and state updated retirement rates
- **\$3.1M Increase** in expenditures (**\$2.1M** Electric Bus Grant, **\$1.0M** in purchased services includes custodial, athletic coaches, technology service agreements and utilities, etc.)
- Note – this is not an exhaustive list



2025-26 Proposed General Fund Expenditures

	2025-2026 Original Budget <u>June 25, 2025</u>	2025-2026 Proposed Amended Budget <u>December 17, 2025</u>	Original vs Amended
Expenditures			
Instructional Services			
Basic Programs (111x)	\$ 145,905,552	\$ 141,617,481	\$ (4,288,071)
Added Needs (112x)	41,842,961	42,483,319	640,358
Adult & Continuing Education (113x)	349,020	304,304	(44,716)
Total Instruction Services	<u>\$ 188,097,533</u>	<u>\$ 184,405,104</u>	<u>\$ (3,692,429)</u>
Instructional Support Services			
Pupil (121x)	\$ 36,805,181	\$ 36,396,632	\$ (408,549)
Instructional Staff (122x)	15,697,681	14,996,864	(700,817)
School Administration (124x)	17,376,122	17,112,515	(263,607)
Athletics (129x)	4,525,472	4,492,890	(32,582)
Total Instructional Support Services	<u>\$ 74,404,456</u>	<u>\$ 72,998,901</u>	<u>\$ (1,405,555)</u>
Non-Instructional Support Services			
General Administration (123x)	\$ 3,489,045	\$ 3,826,682	\$ 337,637
Business Services (125x)	3,538,261	3,053,760	(484,501)
Operations & Maintenance (126x)	24,143,378	24,288,440	145,062
Transportation (127x)	10,857,362	12,741,899	1,884,537
Central (128x)	8,400,122	8,584,015	183,893
Total Non-Instructional Support Services	<u>\$ 50,428,168</u>	<u>\$ 52,494,796</u>	<u>\$ 2,066,628</u>
Community Activities	\$ 987,976	\$ 1,144,703	\$ 156,727
Other Financing Sources/Uses	\$ 367,850	\$ 367,850	\$ -
Total Expenditures	<u>\$314,285,983</u>	<u>\$ 311,411,354</u>	<u>\$ (2,874,629)</u>



2025-26 Proposed General Fund Fund Balance Decrease of \$684K

- Actual Audited Beginning Fund Balance was \$3.6M higher
- Estimated revenues less expenditures results in a decrease of Fund Balance by \$3,842,080
- Estimated ending fund balance is \$17,800,659 or 5.79% of revenue and 5.72% of expenditures
- Projected ending fund balance is \$1,077 (FY26 Original Budget \$1,111) per student
- Projected ending fund balance would cover 14.9 days (FY26 Original Budget 15.29 days) of operation