Overview of Preliminary 2016-2017 Budget Scenarios

School Finance in Michigan

- More Money from:
  - State
  - Donations
  - More Students

- More
- Cut

Employees
- Salaries
- Benefits
- Fewer Employees

Students
- Programs
- Opportunities
- Class Sizes
- Etc.
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School Finance in Michigan

Michigan School District Finance and Budget Proposal A Era

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<table>
<thead>
<tr>
<th></th>
<th>15/16 Actual</th>
<th>16/17</th>
<th>17/18</th>
<th>18/19</th>
<th>19/20</th>
<th>20/21</th>
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<tbody>
<tr>
<td>K-2</td>
<td>721</td>
<td>710</td>
<td>733</td>
<td>699</td>
<td>693</td>
<td>687</td>
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<tr>
<td>3-4</td>
<td>524</td>
<td>520</td>
<td>461</td>
<td>477</td>
<td>509</td>
<td>476</td>
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<tr>
<td>5-6</td>
<td>568</td>
<td>532</td>
<td>549</td>
<td>544</td>
<td>482</td>
<td>500</td>
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<tr>
<td>7-8</td>
<td>579</td>
<td>613</td>
<td>595</td>
<td>557</td>
<td>575</td>
<td>571</td>
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<tr>
<td>9-12</td>
<td>1149</td>
<td>1138</td>
<td>1162</td>
<td>1209</td>
<td>1212</td>
<td>1209</td>
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<tr>
<td>Total</td>
<td>3541</td>
<td>3513</td>
<td>3500</td>
<td>3486</td>
<td>3471</td>
<td>3443</td>
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<tr>
<td>Change</td>
<td></td>
<td>-28</td>
<td>-13</td>
<td>-14</td>
<td>-15</td>
<td>-28</td>
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</table>

Actual Student Pupil Membership FTE (October count):

<table>
<thead>
<tr>
<th></th>
<th>06/07</th>
<th>07/08</th>
<th>08/09</th>
<th>09/10</th>
<th>10/11</th>
<th>11/12</th>
<th>12/13</th>
<th>13/14</th>
<th>14/15</th>
<th>15/16</th>
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</thead>
<tbody>
<tr>
<td>Spec Ed Students</td>
<td>39</td>
<td>43</td>
<td>25</td>
<td>30</td>
<td>27</td>
<td>29</td>
<td>27</td>
<td>28</td>
<td>34</td>
<td>33</td>
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<tr>
<td>Total K-12 Students</td>
<td>3,601</td>
<td>3,627</td>
<td>3,631</td>
<td>3,637</td>
<td>3,615</td>
<td>3,586</td>
<td>3,536</td>
<td>3,541</td>
<td>3,541</td>
<td>3,540</td>
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<tr>
<td>ECDD Pre-K</td>
<td>14</td>
<td>14</td>
<td>9</td>
<td>10</td>
<td>10</td>
<td>9</td>
<td>8</td>
<td>9</td>
<td>9</td>
<td>6</td>
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</table>
## Foundation Allowance History

<table>
<thead>
<tr>
<th>Year</th>
<th>Foundation Allowance per student</th>
</tr>
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<tbody>
<tr>
<td>05-06</td>
<td>7,551</td>
</tr>
<tr>
<td>06-07</td>
<td>7,761</td>
</tr>
<tr>
<td>07-08</td>
<td>7,843</td>
</tr>
<tr>
<td>08-09</td>
<td>7,938</td>
</tr>
<tr>
<td>09-10</td>
<td>7,784</td>
</tr>
<tr>
<td>10-11</td>
<td>7,768</td>
</tr>
<tr>
<td>11-12</td>
<td>7,468</td>
</tr>
<tr>
<td>12-13</td>
<td>7,468</td>
</tr>
<tr>
<td>13-14</td>
<td>7,519</td>
</tr>
<tr>
<td>14-15</td>
<td>7,569</td>
</tr>
<tr>
<td>15-16</td>
<td>7,693</td>
</tr>
</tbody>
</table>

17% MPSERS or $3.6 million

37% MPSERS or $8 million  
(net after pass-through $5.3 million)
Dexter Community Schools
Actual Dollars to Provide Educational Program
(Not Adjusted for Inflation)
Funding to Provide Educational Program

- Dollars Adjusted for Inflation
- Actual Dollars Available

* Dollar amounts shown represent per pupil funding less State-mandated payments.
Budget Scenarios for 2016-2017

Assumptions:
- Enrollment unchanged
- Slightly lower MPSERS rate
- No increase or decrease in state funding
- Roll over our existing academic program

<table>
<thead>
<tr>
<th>If WISD Special Education millage passes</th>
<th>If WISD Special Education millage fails</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue = $37,392,831</td>
<td>Revenue = $35,921,446</td>
</tr>
<tr>
<td>Expenses = $37,418,022</td>
<td>Expenses = $37,418,022</td>
</tr>
<tr>
<td>Deficit of $25,192</td>
<td>Deficit of $1,496,576</td>
</tr>
<tr>
<td>Deficit would equal $7.10 per pupil</td>
<td>Deficit would equal $421.57 per pupil</td>
</tr>
</tbody>
</table>
Why is this needed now?

- The current special education millage does not cover all special education expenditures.
- Local districts are covering the unreimbursed costs of mandatory special education services with limited general fund dollars.
- The increase will help to cover approximately 97% of all of the districts’ costs for special education services.
Benefits for all students

The general fund dollars diverted to cover the costs of mandatory special education services would be available to fund programs for all students.
What is the question before voters?

A 1.5 mill increase to cover unreimbursed costs to provide special education services in Washtenaw County. This millage will expire in 10 years.
How much revenue will be generated from the millage increase?

- The millage increase would generate approximately $22 million per year.
- Currently, local public schools divert about $24 million from the general operating budget to pay for special education expenditures.
Millage dollars stay local

All millage dollars collected remain with, and are shared by, all public school districts and charter schools in Washtenaw County.
Special education costs in Washtenaw County

Special education is mandated by the federal and state governments.

- The cost to provide special education services is about $121 million annually
- Federal and state funding covers $40 million
- The current millage generates $57 million
- The remaining $24 million difference is covered by the general operating fund of each district and public charter schools
Who receives Special Education Services?

- Nearly 6,500 students, or 1-in-7, receive special education services in Washtenaw County. The majority of the students are enrolled in public schools (including public charter schools). Some attend private schools or are homeschooled.

- Local districts are mandated to provide special education services to students, ages 0 to 26.

- Disabilities range from mild to severe.
What types of disabilities qualify for services?

- Autism
- Deaf/Hearing Impairment
- Blind/Visual Impairment
- Cognitive Impairment
- Early Childhood Developmental Delay
- Emotional Impairment
- Physical Impairment
- Speech & Language Impairment
Who does the millage support?

- The largest group of students receiving special education services have learning disabilities
- The second largest group of students eligible for services are speech and language impaired
- The remaining students have disabilities that range from mild to severe
How much will the increase cost a homeowner?

<table>
<thead>
<tr>
<th>Market Value</th>
<th>Taxable Value</th>
<th>Monthly Cost</th>
<th>Annual Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000</td>
<td>$50,000</td>
<td>$6.25</td>
<td>$75.00</td>
</tr>
<tr>
<td>$150,000</td>
<td>$75,000</td>
<td>$9.38</td>
<td>$112.50</td>
</tr>
<tr>
<td>$200,000</td>
<td>$100,000</td>
<td>$12.50</td>
<td>$150.00</td>
</tr>
</tbody>
</table>
Election

When Is the millage election?
Tuesday, May 3, 2016

Who is eligible to vote?
Registered voters who are residents in the school districts of: Ann Arbor, Chelsea, Dexter, Lincoln, Manchester, Milan, Saline, Whitmore Lake and Ypsilanti.