Allen Park Public Schools

Original Budget Proposal

General Fund

Fiscal Year 2026-2027

Tiffany Keith 5.27.26

What is an Original Budget?

- **What it is** - The Original Budget is the district's first formal financial plan adopted at the start of each fiscal year. It establishes the baseline for all revenues and expenditures before any amendments are made.
- **Why do we need it** - State law requires Michigan public schools to adopt an original budget by June 30th of each year. It ensures transparency, guides spending decisions, satisfies grant compliance obligations, and serves as the foundation for accountability to our Board, community, and state regulators.
- **What comes next** - The budget presented today reflects our best projections for FY2026-2027. It will be monitored throughout the year and amended as needed to reflect actual results.

Fund Balance Trend

- **Strong growth through FY24.** The district's fund balance rose from $1.3M in FY18 to a peak of $9.2M in FY24, maintaining well above the state's 5% minimum threshold.
- **A Shift in FY25.** For the first time in nearly a decade, since FY16, expenditures exceeded revenues, resulting in a $457K draw on fund balance.
- **FY27 Projections: Still Healthy.** Projections indicate revenues will decline ($54.2M) while expenditures hold steady ($55.4), resulting in a draw of approximately $1.1M, bringing the fund balance to $7.6M, or 13.66% of expenditures – still within the healthy 10-15% fund balance range.
- **The Underlying Driver** is flat enrollment limits revenue growth, while personnel costs continue to rise.

Revenue growth (10 yr)	Expenditure growth (10 yr)	FY27 projected fund balance
+64.4%	+62.0%	$7.6M
$33.6M → $55.2M	$34.4M → $55.7M	↓ $1.15M from FY25 · 13.66%



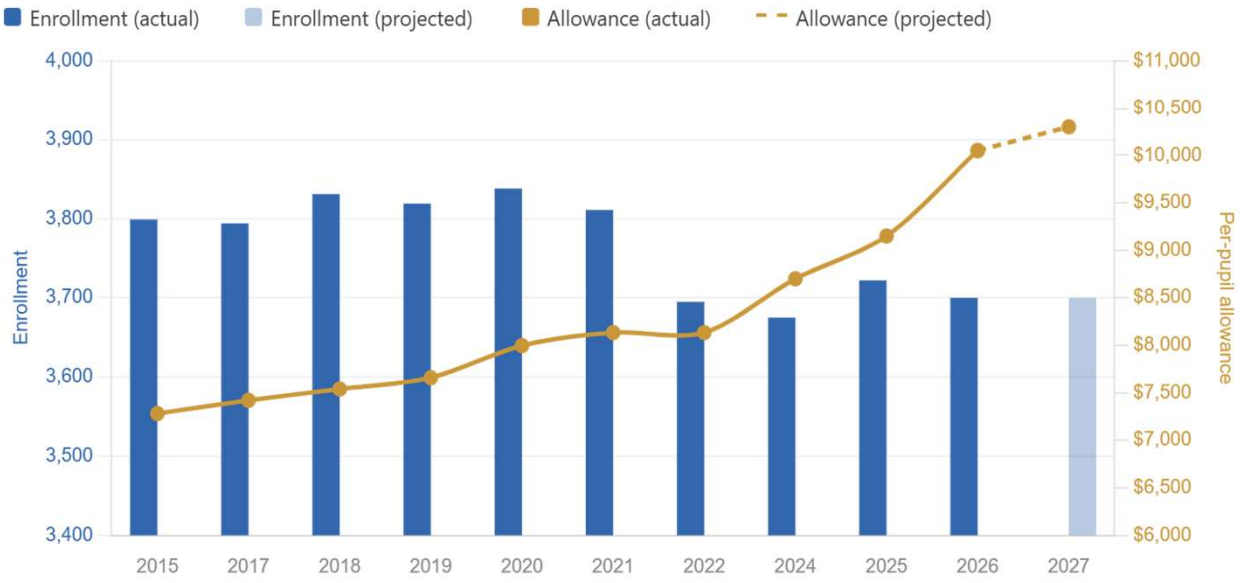
Source: Allen Park Public Schools General Fund Balance Trend, FY2015–FY2025 actuals and FY2027 projection. FY27 figures are estimates subject to change. Fund balance % of expenditures: FY25 = 15.67%, FY27 projected = 13.66%. Michigan best practice guidance generally targets a minimum of 5–15%.

Revenue - Enrollment and Foundation Allowance

- **Enrollment** remains stable at 3,700 students following a 2020 peak of 3838. Flat projection for FY27 is a consistent assumption with FY26.
- **Per-Pupil Funding** has increased 38% over 10 years, from $7,282 in FY15 to $10,050 in FY26.
- FY27 per-pupil funding is proposed at $10,300, pending state appropriation.
- **Revenue Baseline** for FY26 state foundation revenue estimated at approximately $37.2M. FY27 projection rises to approximately $38.1M if enrollment holds.
- **FY27** figures are projections only. Any enrollment loss or legislative change directly impacts revenue.

Current enrollment	Foundation allowance	FY27 projected allowance
3,700	$10,050	$10,300
FY26 actual students	FY26 actual (per pupil)	Per pupil (est.)

Enrollment change (10 yr)	Funding growth (10 yr)
−2.6%	+38%
3,799 → 3,700	$7,282 → $10,050



Source: District financial model. 2027 values are projections and subject to legislative appropriation. All figures reflect state foundation allowance only; local and federal revenues not included.

Estimated Revenue – Pending State & Federal Allocations

- State funding includes three proposals:
  - House Proposal
    - Foundation allowance increase of $250 per pupil, new foundation allowance $10,300
    - Estimated total district impact $1.07M
  - Governor Proposal
    - Foundation allowance increase of $250 per pupil, new foundation allowance $10,300
    - Estimated total district impact $1.11M
  - Senate Proposal
    - Foundation allowance increase of $250 per pupil, new foundation allowance $10,300
    - Estimated total district impact $900k
  - State budget process is not complete at this time (MDE Fiscal year runs Oct-Sept)
- Federal grants for IDEA and Title(s) are consistent with FY26 amounts
  - Preliminary amounts for FY27 Title(s) and IDEA are not available at this time

Estimated Revenue – Local Property Tax

- Local property tax revenue comes from non-homestead properties
  - property that is not someone's primary residence, such as commercial buildings, rental properties, and vacant land.
- The total taxable value of non-homestead properties in Allen Park increased 10.57% from $118M in 2025 to $130M in 2026, resulting in approximately $225k in additional operating revenue.
  - Our millage rate is applied to the new 2026 taxable value for FY27
  - 2025 taxable value was $118,260,834 (revenue generated $2,128,695)
  - 2026 taxable value is $130,763,909 (revenue generated $2,353,750)
  - $225,055 of anticipated additional operative revenue for FY27
  - This is locally controlled revenue that is not subject to state appropriation.
- 18 mills remain levied on all non-homestead properties through Dec. 2032

Estimated Expenditures – Budget Assumptions/Facts

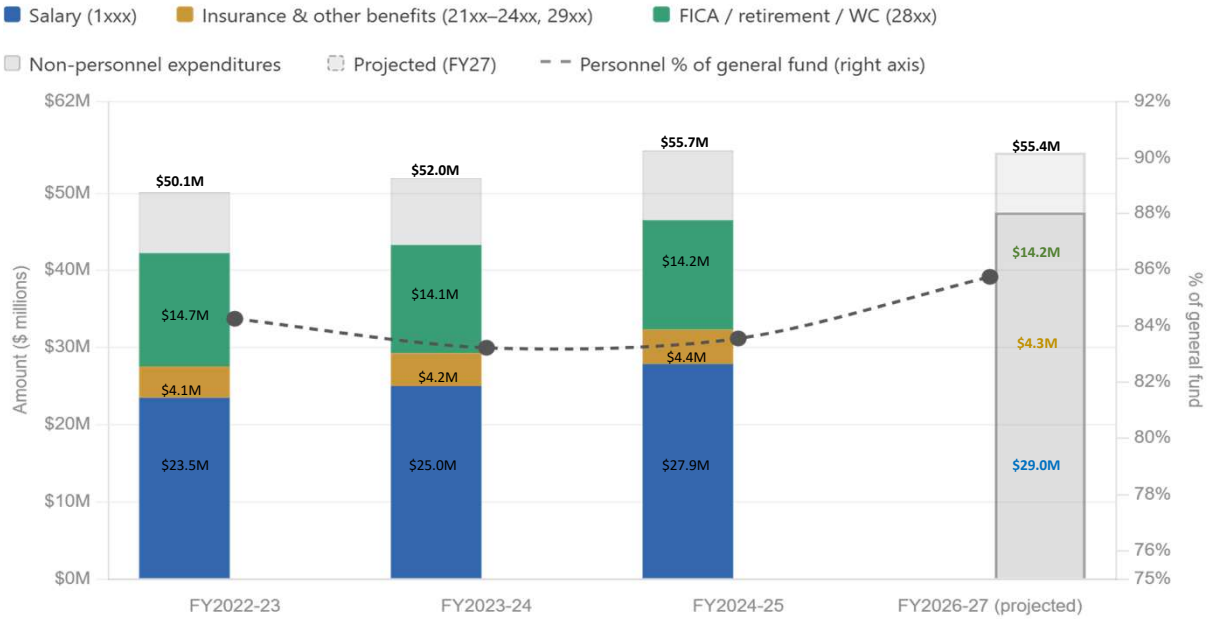
- Includes salary increases/steps for all groups/employees
  - In accordance with collective bargaining agreements, me too clause, or percentage increases that have been negotiated
- Includes staff replacements due to retirements and resignations
- Includes Hard Cap increase for 2027 health care costs of 3%
  - Effective January 2027
  - July – Dec 2026 rates remain consistent
- Includes updated ORS (Office of Retirement Services) contribution rates
  - Effective 10/1/2026 – 9/30/2027
    - District defined benefit rate cap is 27.51%
    - UAAL (Unfunded Actuarial Accrued Liability) is 13.51%
  - Total ORS rate for budgeting purposes is at 41%
- Grant expenditures for IDEA and Title(s) match proposed grant allocations consistent with FY26

Expenditures – Personnel Costs

- **Our largest expense.** Salaries, benefits, and retirement make up 83%-86% of the general fund expenditures.
- **Costs are rising alongside the fund.** Total general fund expenditures grew from $50.1M in FY23 to a projected $55.4M in FY27, an increase of roughly 10.5%. Personnel costs track closely at a similar pace, from $42.3M in FY23 to a projected $47.5M in FY27.
- **Salary are the largest-growing category.** Salary costs grew nearly 18.6% over three years, from $23.5M in FY23 to $27.9M in FY25, driven by contractual obligations and staffing needs. FY27 projected at $29M.
- **The FY27 projections.** Total personnel costs are projected at 85.74% of the general fund, leaving a narrow margin for non-personnel costs such as supplies, equipment, and purchased services.

FY23 total personnel	FY24 total personnel	FY25 total personnel
$42.3M	$43.3M	$46.5M
84.25% of general fund	83.22% of general fund	83.55% of general fund

General fund growth (3 yr)	Personnel cost growth (3 yr)	FY27 projected personnel
+10.9%	+10.1%	$47.5M
$50.1M → $55.7M	$42.3M → $46.5M	85.74% of $55.4M general fund



Source: Allen Park Public Schools Budget Transparency Report — Personnel Expenditures, General Fund (11). FY23 FID 10/30/2023 · FY24 FID 10/29/2024 · FY25 FID 10/29/2025. FY27 personnel total and general fund are projections; subcategory breakdown not yet available. "Insurance & other benefits" combines object codes 21xx, 22xx–24xx, and 29xx. Per MCL 380.1281 and Michigan Public School Accounting Manual.

Allen Park Public Schools FY27 General Fund Budget Summary

		Audit 2024-25	House Proposed Budget 2026-27 $250/PP	Governor Proposed Budget 2026-27 $250/PP	Senate Proposed Budget 2026-27 $250/PP
REVENUE:					
	Local	$ 3,371,097	$ 3,436,305	$ 3,436,305	$ 3,436,305
	State Sources	$ 47,744,772	$ 47,564,608	$ 47,598,637	$ 47,388,090
	Federal Sources	$ 2,090,262	$ 1,825,017	$ 1,825,017	$ 1,825,017
	Interdistrict	$ 2,003,405	$ 1,430,000	$ 1,430,000	$ 1,430,000
	TOTAL REVENUE	$ 55,209,536	$ 54,255,930	$ 54,289,959	$ 54,079,412
EXPENDITURES:					
	Instruction				
11*	Basic Programs	$ 26,623,273	$ 26,458,263	$ 26,458,263	$ 26,458,263
12*	Added Needs	$ 7,838,305	$ 8,326,649	$ 8,326,649	$ 8,326,649
		$ 34,461,578	$ 34,784,912	$ 34,784,912	$ 34,784,912
	Support Services				
21*	Pupil Support	$ 4,320,993	$ 4,260,670	$ 4,260,670	$ 4,260,670
22*	Instructional Support	$ 2,907,565	$ 2,361,061	$ 2,361,061	$ 2,361,061
23*	General Administration	$ 686,621	$ 746,185	$ 746,185	$ 746,185
24*	School Administration	$ 2,813,366	$ 2,897,793	$ 2,897,793	$ 2,897,793
25*	Business Services	$ 598,838	$ 653,099	$ 653,099	$ 653,099
26*	Operations/Maintenance	$ 5,394,807	$ 5,544,811	$ 5,544,811	$ 5,544,811
27*	Pupil Transportation	$ 1,551,539	$ 1,379,016	$ 1,379,016	$ 1,379,016
28*	Central Services	$ 1,201,683	$ 1,325,781	$ 1,325,781	$ 1,325,781
293	Athletics	$ 754,371	$ 808,349	$ 808,349	$ 808,349
29*	Other Support	$ 101,488	$ 107,874	$ 107,874	$ 107,874
3**	Community	$ 785,875	$ 575,047	$ 575,047	$ 575,047
		$ 21,117,146	$ 20,659,686	$ 20,659,686	$ 20,659,686
	Total Debt Service	$ 113,759	$ -	$ -	$ -
	TOTAL EXPENDITURES	$ 55,692,483	$ 55,444,598	$ 55,444,598	$ 55,444,598
EXCESS REVENUES (EXPENDITURES)		$ (482,947)	$ (1,188,668)	$ (1,154,639)	$ (1,365,186)
OTHER FINANCING SOURCES					
	Issuance of LT liabilities	$ 20,218			
	Insurance Recoveries	$ 5,566			
	Transfers In:	$ -	$ -	$ -	$ -
	Transfers Out:	$ -	$ -	$ -	$ -
	Net Change	$ (457,163)	$ (1,188,668)	$ (1,154,639)	$ (1,365,186)
FUND EQUITY, Beginning		$ 9,181,527	$ 8,724,364	$ 8,724,364	$ 8,724,364
FUND EQUITY, Ending		$ 8,724,364	$ 7,535,696	$ 7,569,725	$ 7,359,178
Fund Equity %		15.80%	13.89%	13.94%	13.61%
% of Expenditures		15.67%	13.59%	13.65%	13.27%

Questions?

BOARD OF EDUCATION
ALLEN PARK PUBLIC SCHOOLS
RESOLUTION TO ADOPT THE 2026-27 GENERAL FUND BUDGET

June 22nd, 2026

TOPIC: 2026-27 General Fund Budget Adoption

RESOLVED, that this resolution shall be the adopted **GENERAL FUND** appropriations of the Allen Park Public Schools for the fiscal year 2026-27. A resolution to make appropriations; and to provide for the expenditure of the appropriations;

BE IT FURTHER RESOLVED, that the **GENERAL FUND** budget for the 2026-27 fiscal year be adopted as follows:

2026-27 Budget Adoption

Total Fund Balance, July 1 Available to Appropriate:	$8,724,364
Grand Total Revenue:	$54,289,959
Grand Total Expenditures:	$55,444,598
Projected June 30, 2027 Fund Balance:	$7,569,725

BE IT FURTHER RESOLVED that no Board of Education Member or employee of the School District shall expend any funds or obligate the expenditure of any funds except pursuant to appropriation made by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the Board. Changes in the amount appropriated by the Board shall require approval of the Board.

BE IT FURTHER RESOLVED, that the Superintendent is hereby charged with the general supervision of the execution of the budgets adopted by the Board and shall hold the department head responsible for performance of their responsibilities within the amounts appropriated by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the board.

Resolved this 22nd day of June, 2026

Aye: Babbage, Klein, Luecke, MacDonald, Martin, Warren

Nay: None

Motion carried: YES

Laura M. Luecke

Laura Luecke, Secretary Board of Education

BOARD OF EDUCATION
ALLEN PARK PUBLIC SCHOOLS
RESOLUTION TO ADOPT THE 2026-27 DEBT FUND BUDGET

June 22nd, 2026

TOPIC: 2026-27 Debt Fund Budget Adoption

BE IT FURTHER RESOLVED, that this resolution shall be the adopted **DEBT FUND BUDGET** appropriation of the Allen Park Public Schools for the fiscal year 2026-27. A resolution to make appropriations and to provide for the expenditure of the appropriations:

BE IT FURTHER RESOLVED, that the **DEBT FUND BUDGET** for the 2026-27 fiscal year be adopted as follows:

2026-27 Budget Adoption

Total Fund Balance, July 1 Available to Appropriate:	$182,171
Grand Total Revenue:	$9,640,826
Grand Total Expenditures:	$9,640,826
Projected June 30, 2027 Fund Balance:	$182,171

BE IT FURTHER RESOLVED that no Board of Education Member or employee of the School District shall expend any funds or obligate the expenditure of any funds except pursuant to appropriation made by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the Board. Changes in the amount appropriated by the Board shall require approval of the Board.

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Resolved this 22nd day of June, 2026

Aye: Babbage, Klein, Luecke, MacDonald, Martin, Warren

Nay: None

Motion carried: YES

Laura M. Luecke
Laura Luecke, Secretary Board of Education

BOARD OF EDUCATION
ALLEN PARK PUBLIC SCHOOLS
RESOLUTION TO ADOPT THE 2026-27 CAPITAL PROJECTS FUND BUDGET

June 22nd, 2026

TOPIC: 2026-27 Building and Site Capital Projects Fund Budget Adoption

BE IT FURTHER RESOLVED, that this resolution shall be the adopted **BUILDING AND SITE CAPITAL PROJECTS FUND BUDGET** appropriation of the Allen Park Public Schools for the fiscal year 2026-27. A resolution to make appropriations and to provide for the expenditure of the appropriations:

BE IT FURTHER RESOLVED, that the **BUILDING AND SITE CAPITAL PROJECTS FUND BUDGET** for the 2026-27 fiscal year be adopted as follows:

2026-27 Budget Adoption

Total Fund Balance, July 1 Available to Appropriate:	$4,858,946
Grand Total Revenue:	$1,600,000
Grand Total Expenditures:	$1,600,000
Projected June 30, 2027 Fund Balance:	$4,858,946

BE IT FURTHER RESOLVED that no Board of Education Member or employee of the School District shall expend any funds or obligate the expenditure of any funds except pursuant to appropriation made by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the Board. Changes in the amount appropriated by the Board shall require approval of the Board.

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Resolved this 22nd day of June, 2026

Aye: Babbage, Klein, Luecke, MacDonald, Martin, Warren

Nay: None

Motion carried: YES

Laura M. Luecke
Laura Luecke, Secretary Board of Education

BOARD OF EDUCATION
ALLEN PARK PUBLIC SCHOOLS
RESOLUTION TO ADOPT THE 2026-27 ACTIVITY (SPECIAL REVENUE) FUND BUDGET

June 22nd, 2026

TOPIC: 2026-27 Activity Fund Budget Adoption

RESOLVED, that this resolution shall be the adopted **ACTIVITY (SPECIAL REVENUE) FUND BUDGET** appropriation of the Allen Park Public School District for the fiscal year 2026-27. A resolution to make appropriations and to provide for the expenditure of the appropriations;

BE IT FURTHER RESOLVED, that the **ACTIVITY (SPECIAL REVENUE) FUND BUDGET** for the 2026-27 fiscal year be adopted as follows:

2026-27 Budget Adoption

Total Fund Balance, July 1 Available to Appropriate:	$ 654,377
Total Revenue:	$ 712,475
Grand Total Expenditures:	$ 712,475
Projected June 30, 2027 Fund Balance:	$ 654,377

BE IT FURTHER RESOLVED that no Board of Education Member or employee of the School District shall expend any funds or obligate the expenditure of any funds except pursuant to appropriation made by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the Board. Changes in the amount appropriated by the Board shall require approval of the Board.

BE IT FURTHER RESOLVED, that the Superintendent is hereby charged with the general supervision of the execution of the budgets adopted by the Board and shall hold the department head responsible for performance of their responsibilities within the amounts appropriated by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the board.

Resolved this 22nd day of June, 2026

Aye: Babbage, Klein, Luecke, MacDonald, Martin, Warren

Nay: None

Motion carried: YES

Laura M. Luecke

Laura Luecke, Secretary Board of Education

BOARD OF EDUCATION
ALLEN PARK PUBLIC SCHOOLS
RESOLUTION TO ADOPT THE 2026-27 FOOD SERVICE FUND BUDGET

June 22nd, 2026

TOPIC: 2026-27 Food Service Fund Budget Adoption

RESOLVED, that this resolution shall be the adopted **FOOD SERVICE FUND BUDGET** appropriation of the Allen Park Public Schools for the fiscal year 2026-27. A resolution to make appropriations and to provide for the expenditure of the appropriations;

BE IT FURTHER RESOLVED, that the **FOOD SERVICE FUND BUDGET** for the 2026-27 fiscal year be adopted as follows:

2026-27 Budget Adoption

Total Fund Balance, July 1 Available to Appropriate:	$795,073
Grand Total Revenue:	$2,300,000
Grand Total Expenditures:	$2,300,000
Projected June 30, 2027 Fund Balance:	$795,073

BE IT FURTHER RESOLVED that no Board of Education Member or employee of the School District shall expend any funds or obligate the expenditure of any funds except pursuant to appropriation made by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the Board. Changes in the amount appropriated by the Board shall require approval of the Board.

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Resolved this 22nd day of June, 2026

Aye: Babbage, Klein, Luecke, MacDonald, Martin, Warren

Nay: None

Motion carried: YES

Laura M Luecke
Laura Luecke, Secretary Board of Education