



FY2026 BUDGET COMMISSION

October 3, 2024

Lisa Bracken
Chief Financial Officer



AGENDA

01

Review of Multi-Year

02

Budget Parameter Review and Prep

03

Budget Commission Timeline



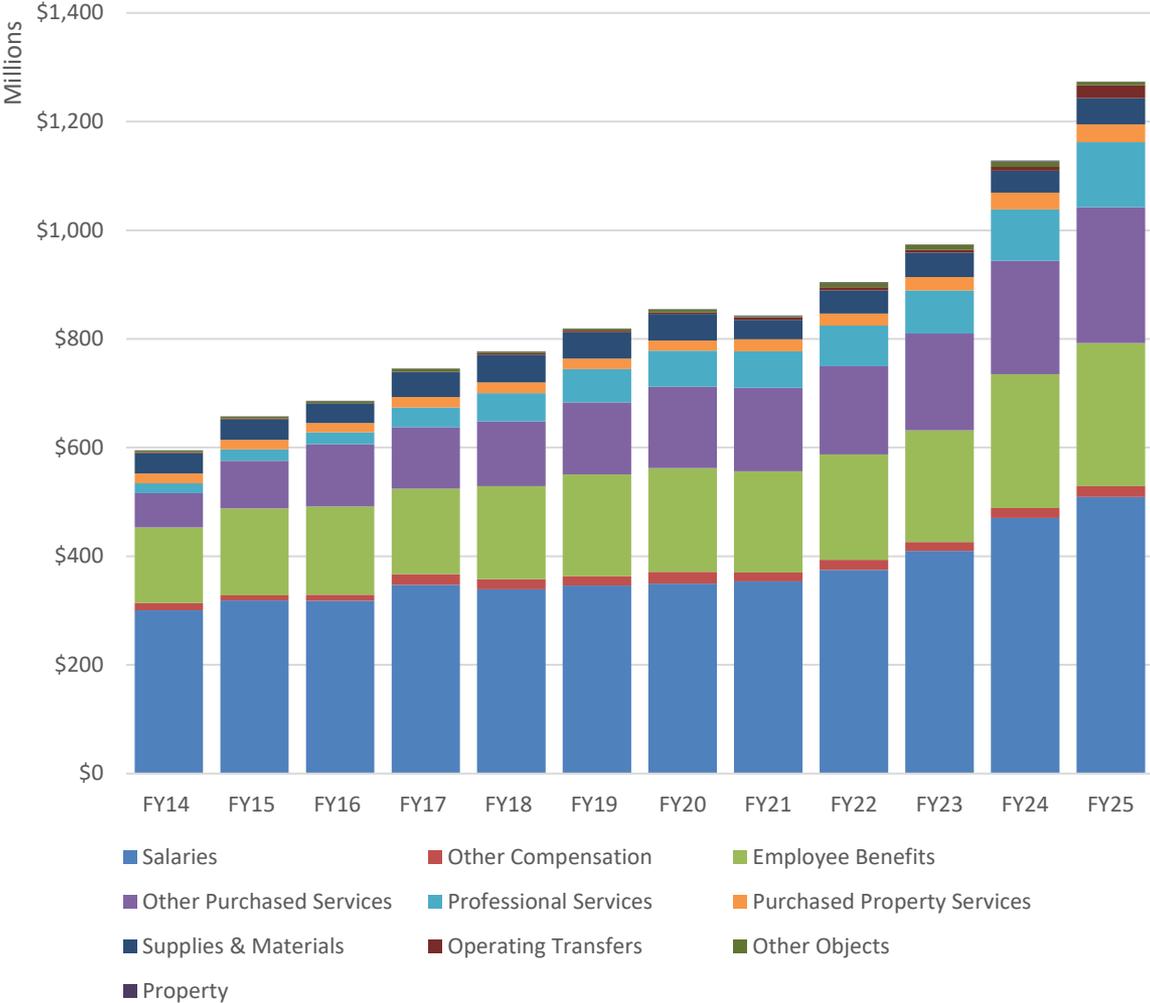
MULTIYEAR

DRAFT

Revenue	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	Assumptions
Local	\$943.85	\$976.25	\$1,010.60	\$1,046.81	\$1,084.82	\$1,124.60	3-4% increase annually assuming digest cap
State	\$231.71	\$236.58	\$241.21	\$245.54	\$249.52	\$253.07	Assumes some increase in overall QBE but offset by local fair share
Other	\$6.96	\$7.10	\$7.24	\$7.38	\$7.53	\$7.68	ERate, tuition, interest, etc.
Title Transfer	\$17.04	\$17.38	\$17.73	\$18.09	\$18.45	\$18.82	Annual 2% scaling
Fund Balance	\$74.25	\$15.00	\$5.00	-\$5.00	-\$10.00	-\$15.00	Reduction of use of fund balance each year
Grand Total	\$1,273.81	\$1,252.31	\$1,281.79	\$1,312.83	\$1,350.32	\$1,389.17	
		-1.69%	2.35%	2.42%	2.86%	2.88%	
Expenditure	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	
Schools	\$597.92	\$630.54	\$665.05	\$701.57	\$740.24	\$781.21	Salaries up 5%, supplies up 4%, contracts up 6%
Charters	\$230.51	\$251.12	\$273.57	\$298.04	\$324.70	\$353.76	Assumes annual 9% increase based on revenue and trend
Partners	\$60.68	\$66.09	\$71.99	\$78.42	\$85.42	\$93.05	Assumes annual 9% increase based on revenue and trend
Central Office	\$263.95	\$281.17	\$298.17	\$316.37	\$335.87	\$347.53	Salaries up 5%, supplies up 4%, contracts up 6%, nutrition gradual less dependence on GF, ERP completed by FY2028
Districtwide	\$92.24	\$97.04	\$38.01	\$33.85	\$35.06	\$36.37	6% increase in districtwide benefit rates, pension funded in FY2027
State Grants	\$5.94	\$6.44	\$6.99	\$7.58	\$8.22	\$8.92	Assumes gradual 3% increase
Utilities	\$22.57	\$23.36	\$24.18	\$25.03	\$25.90	\$26.81	Assumes annual 4% increase
Grand Total	\$1,273.80	\$1,355.76	\$1,377.96	\$1,460.85	\$1,555.42	\$1,647.64	
		6.43%	1.64%	6.02%	6.47%	5.93%	
Gap	\$0.00	-\$103.45	-\$96.17	-\$148.02	-\$205.10	-\$258.47	

EXPENDITURE STORY

- Salaries have increased by nearly 70% in the last 10 years while benefits have increased by nearly 90%
- Other purchased services, which includes the charter budgets, has increased by 292%, and has increased from 10.69% of the total budget to 19.62%
- The overall general fund budget has increased by 114% in the last 11 years



Rate of Change

FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
10.50%	4.26%	8.72%	4.30%	5.28%	4.37%	-1.32%	7.32%	7.69%	15.82%	12.84%

HOW WE GOT HERE

(Some Cost Drivers)

- Salary and Benefits
- School size:
 - If APS had schools with similar student populations as comparison districts, APS would have between 16 and 49 fewer schools.
- Staffing ratios
 - If APS staffed at ratios similar to other districts, APS would have between 2,306 and 3,153 fewer staff, and would save between \$251.86 million and \$344.29 million
- Structures
 - Central Office rebound after previous rounds of reductions
 - Charter System (School-based Budget Decisions)- inefficiencies in the nature of flexibility, loss of economies of scale in purchasing, requires additional supports, etc.
 - Student Success Funding- a per pupil funding formula is optimized when there is sufficient enrollment to generate funds sufficient to operate the school. Currently 67% of schools either receive a small school supplement or must be built outside of SSF
 - Programs, Initiatives, and Supports
 - Potential duplication of services through outsourcing, contracts, and vendors

FY2026 BUDGET DECISION POINTS

Refining Assumptions

Revenue Decisions

School Allocations

Rightsizing

Central Office Review

Refining Assumptions

- Compensation assumptions
- CPI increase or hold flat
 - Service requirements
- Defining Equity in resource allocation
- Centralize vs. Decentralize
 - Economies of scale
 - Menu of options
 - Standardization of allotments

- HB 581 Impacts
 - Opt-in or Out?
 - TAD Review
 - Legislative Priorities
 - Commercial Property Review

H.B. 581 - STATEWIDE HOMESTEAD EXEMPTION

- New single statewide homestead exemption
- Applies to all local taxing jurisdictions unless opt-out
- Sets base year assessed value
 - 2024 assessed value = 2025 base year assessed value for existing homesteads
 - Preceding year for new homesteads
- Caps assessed value increases for M&O at the inflation rate unless substantial property changes have occurred
- Exempts the amount by which the current assessed value exceeds its previous adjusted base year assessed value

EFFECTIVE DATE?

Signed by Governor Kemp,

BUT is conditioned on

Passage of Constitutional Amendment by Statewide Referendum

November 2024: Statewide Referendum

January 1, 2025: Effective date or repeal date

Potential Impact

- \$45 million the first year; accumulates annually

OPT-OUT

Can opt-out but must do so by March 1, 2025.

Can't start the opt-out process until January 1, 2025.

Advertise and post on website

3 public hearings

Adopt Board Resolution

File Resolution with GA Secretary of State

UNKNOWN

- How exemptions stack?
- How HB581 affects Local Fair Share



- Funding Formula
 - SSF vs Traditional Review
 - Program Review
 - Spend vs Outcomes
- Charter Allotments

PER PUPIL SPEND BY SCHOOL

Carver Cluster	Day 15 Enrollment	Post-Leveling Allocation	Per Pupil Post-Leveling
Finch ES	266	\$6,502,388	\$24,445
Perkerson ES	305	\$6,328,679	\$20,750
Sylvan Hills MS	454	\$7,569,748	\$16,673
Carver Early College HS	525	\$7,918,537	\$15,083
Total/Average	1,550	\$28,319,352	\$19,238

Douglass Cluster	Day 15 Enrollment	Post-Leveling Allocation	Per Pupil Post-Leveling
F.L. Stanton ES	155	\$4,654,034	\$30,026
Scott ES	286	\$6,225,677	\$21,768
Harper-Archer ES	486	\$9,320,149	\$19,177
Usher-Collier Heights ES	377	\$7,053,671	\$18,710
Boyd ES	378	\$7,028,517	\$18,594
John Lewis Invictus MS	688	\$11,248,513	\$16,350
Douglass HS	1269	\$18,737,501	\$14,766
Total/Average	3,639	\$64,268,063	\$19,913

Jackson Cluster	Day 15 Enrollment	Post-Leveling Allocation	Per Pupil Post-Leveling
Dunbar ES	251	\$5,450,441	\$21,715
Benteen ES	293	\$6,073,491	\$20,729
BAMO ES	251	\$4,910,822	\$19,565
Toomer ES	452	\$7,904,432	\$17,488
Parkside ES	591	\$8,111,995	\$13,726
King MS	864	\$11,685,711	\$13,525
Burgess-Peterson ES	579	\$7,463,822	\$12,891
M. Jackson HS	1,517	\$18,886,467	\$12,450
Total/Average	4,798	\$70,487,180	\$16,511

Mays Cluster	Day 15 Enrollment	Post-Leveling Allocation	Per Pupil Post-Leveling
Beecher Hills ES	237	\$5,347,148	\$22,562
Peyton Forest ES	272	\$6,083,217	\$22,365
West Manor ES	234	\$4,458,131	\$19,052
Cascade ES	298	\$5,259,347	\$17,649
Miles ES	439	\$7,660,449	\$17,450
Young MS	632	\$9,661,899	\$15,288
Mays HS	1,331	\$18,233,094	\$13,699
Total/Average	3,443	\$56,703,283	\$18,295

PER PUPIL SPEND BY SCHOOL

Midtown Cluster	Day 15 Enrollment	Budget Plus Leveling Adjustment	Per Pupil Post-Leveling
Hope-Hill ES	381	\$7,038,470	\$18,474
Springdale Park ES	429	\$6,613,660	\$15,416
Lin ES	507	\$6,228,790	\$12,286
Morningside ES	716	\$8,378,094	\$11,701
Virginia-Highland ES	622	\$7,265,351	\$11,681
Howard MS	1,082	\$12,316,847	\$11,383
Midtown HS	1,673	\$17,991,070	\$10,754
Total/Average	5,410	\$65,832,283	\$13,099

S. Atlanta Cluster	Day 15 Enrollment	Budget Plus Leveling Adjustment	Per Pupil Post-Leveling
Humphries ES	212	\$5,137,783	\$24,235
Cleveland Ave ES	240	\$5,432,663	\$22,636
Dobbs ES	297	\$6,245,122	\$21,027
Hutchinson ES	257	\$5,130,220	\$19,962
Heritage Academy	341	\$6,559,102	\$19,235
Long MS	631	\$9,432,713	\$14,949
South Atlanta HS	927	\$13,461,429	\$14,521
Total/Average	2,905	\$51,399,032	\$19,509

N. Atlanta Cluster	Day 15 Enrollment	Budget Plus Leveling Adjustment	Per Pupil Post-Leveling
Jackson Elementary	446	\$7,058,346	\$15,826
Garden Hills ES	450	\$6,978,584	\$15,508
Smith ES	812	\$11,151,127	\$13,733
Bolton Academy	544	\$7,277,527	\$13,378
Rivers ES	649	\$8,501,476	\$13,099
Brandon ES	897	\$11,072,977	\$12,344
Sutton MS	1,612	\$18,638,412	\$11,562
North Atlanta HS	2,359	\$25,085,266	\$10,634
Total/Average	7,769	\$95,763,716	\$13,261

S. Atlanta Cluster	Day 15 Enrollment	Budget Plus Leveling Adjustment	Per Pupil Post-Leveling
Kimberly ES	253	\$5,894,846	\$23,300
Continental Colony ES	329	\$6,382,159	\$19,399
Fickett ES	392	\$6,696,194	\$17,082
Deerwood Academy	435	\$6,762,054	\$15,545
Bunche MS	643	\$9,211,074	\$14,325
Therrell HS	966	\$13,392,496	\$13,864
Total/Average	3,018	\$48,338,823	\$17,252

PER PUPIL SPEND BY SCHOOL

Washington Cluster	Day 15 Enrollment	Budget Plus Leveling Adjustment	Per Pupil Post-Leveling
Michael R. Hollis Innovation Academy K-8	545	\$11,603,315	\$21,290
H.J. Russell West End Academy MS	328	\$6,620,147	\$20,183
Tuskegee Airmen Global Academy ES	422	\$8,313,896	\$19,701
M.A. Jones ES	413	\$6,890,745	\$16,685
Washington HS	855	\$12,701,696	\$14,856
Total/Average	2,563	\$46,129,799	\$18,543

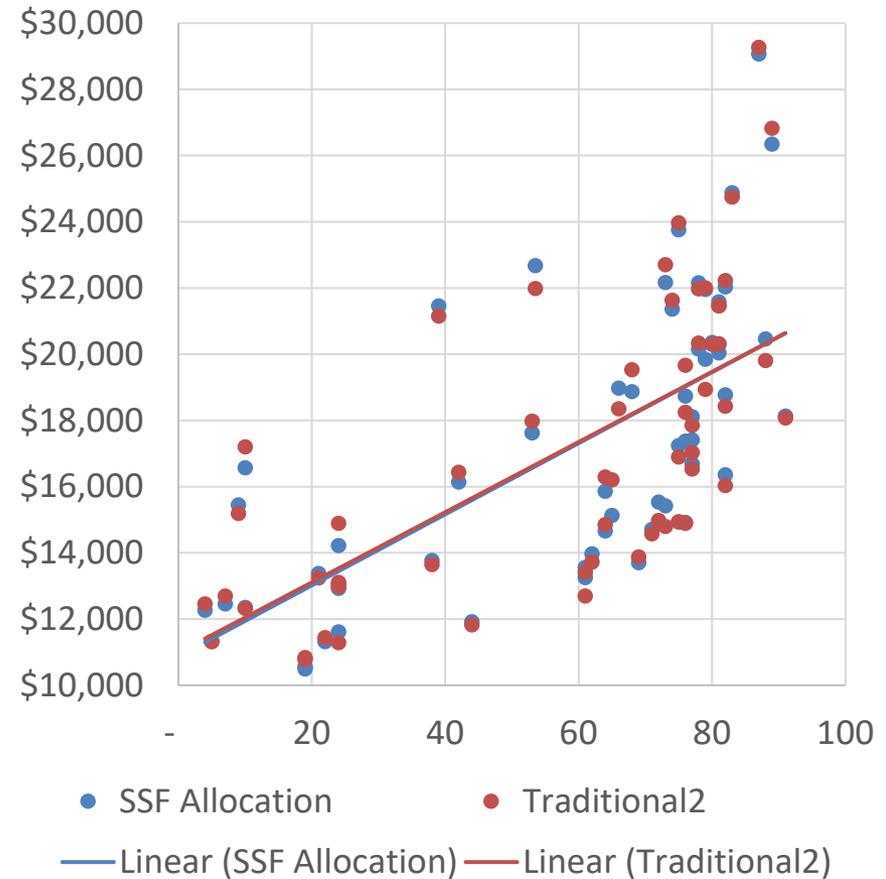
Non-Traditional	Day 15 Enrollment	Budget Plus Leveling Adjustment	Per Pupil Post-Leveling
Hank Aaron New Beginnings Academy*	206	\$7,810,435	\$37,915
B.E.S.T Academy	270	\$6,700,620	\$24,817
Coretta Scott King Academy	404	\$8,511,317	\$21,068
Phoenix Academy*	400	\$6,275,995	\$15,690
ACCA*	488	\$4,440,692	\$9,100
Total/Average	1768	\$33,739,058	\$21,718

*Programs do not receive any state funding and students are also funded in their home school, doubling the per pupil costs.

SHIFT TO TRADITIONAL

Change		
Base Weight Per Pupil	\$5,334	NA
Dollar Change Min & Max	-\$757,899	\$586,836
% Change Min & Max	-4.58%	7.11%
Baseline	\$935,034	NA
Small School Supp	\$5,405,988	NA

Cluster	FY25 SSF	Traditional	Change	% Change	PP FY25 SSF	PP Trad
Carver	\$28,353,773	\$28,954,111	\$600,338	2%	\$18,424	\$18,814
Douglass	\$64,308,573	\$63,012,221	-\$1,296,352	-2%	\$18,029	\$17,665
Jackson	\$69,525,632	\$69,352,318	-\$173,313	0%	\$14,834	\$14,797
Mays	\$57,077,047	\$56,588,591	-\$488,456	-1%	\$16,364	\$16,224
Midtown North	\$65,688,217	\$66,285,696	\$597,479	1%	\$12,124	\$12,234
Atlanta South	\$94,589,125	\$95,189,585	\$600,460	1%	\$12,389	\$12,468
Atlanta	\$51,871,797	\$51,685,793	-\$186,004	0%	\$17,614	\$17,550
Therrell HS	\$49,284,637	\$49,192,586	-\$92,051	0%	\$15,686	\$15,656
Washington	\$47,205,242	\$47,652,324	\$447,083	1%	\$17,400	\$17,564
Grand Total	\$527,904,043	\$527,913,226	\$9,184	0%	\$15,025	\$15,026



PROGRAM REVIEW- \$63.7 MILLION

Program**	FY2025 Budget	Per Pupil	Purpose	First Year	Effectiveness Measure
Signature Programs*	\$17.5m	\$500	Designated as an innovative practice in the APS-GADOE charter system contract. Programs provide rigor, structure, focus, and accountability across the clusters. Authorization/ certification, support, monitoring by an independent agency. Aligned to Post-Secondary Readiness and Profile of a Graduate.	FY2016	
Readers are Leaders	\$11.9m	\$338	In support of Board Goal 1: Literacy Proficiency and HB538: Georgia Early Literacy Act	FY2025	
Turnaround	\$12m	\$908	Originally consisted of 18 initiatives targeting high-quality instruction, additional time for student learning, building teacher and leader capacity, and additional wrap-around support.	FY2017	
Whole-Child Support*	\$7.8m	\$222	Equivalent of 1.0 Counselor position added to each school as a ESSER transition.	FY2025	N/A
Small School + Baseline	\$6.3m	\$462	Stability weights added to school formula when transitioning to weighted student funding formula.	FY2019	N/A
Cluster + Flex	\$8.2m	\$233	\$35,000 per campus and 1.0 teacher salary for each school added to base allocation when transitioning to Charter System	FY2016	N/A

*Excludes central office support costs

** Not an exhaustive list

Rightsizing

- Student to Staff Ratios
- School Size
- Portfolio Review

STAFF TO STUDENT RATIO COMPARISON

	APS FY25	DeKalb FY25	Fulton FY25	Fayette FY23	Cobb FY25	Clayton FY24	Gwinnett FY25
Enrollment	49,502*	91,081	87,262	19,938	106,334	52,335	182,707
Staff	7,494**	12,377	11,443	2,810	12,880	6,636	22,023
Student Staff Ratio	6.61	7.36	7.63	7.1	8.26	7.89	8.3
APS Staff at Comparison District Ratio	7,494	6,727	6,491	6,977	5,995	6,277	5,967
Reduction in Staff	-	-767.2	-1,002.6	-517.3	-1,498.7	-1,217.2	-1,527.2
Employee average salary cost	\$109,210**	\$109,210	\$109,210	\$109,210	\$109,210	\$109,210	\$109,210
Reduction in Costs	\$0	-\$83.78m	-\$109.5m	-\$56.5m	-\$163.67m	-\$132.93m	-\$166.78m
<p><i>Note: Comparison districts have far fewer charter and partners schools, making this discrepancy even larger.</i></p>							
<p>*Based on Day 15 enrollment data **Based on Day 15 actual employees</p>							

- This chart shows data from the FY2025 budgets for each district (or FY2024 budgets for Clayton and FY23 ACFR for Fayette)
- Table shows enrollment for each district, total staff allocation, and student to staff ratio (number of students divided by number of staff)
- APS has the lowest number of students per staff at 6.61. However, this chart reflects total students (even charter and partner) even though charter and partner staff are not reflected here
- Even so, if APS staffed at ratios similar to other districts, APS would have between 517 and 1,527 fewer staff, and would save between \$56.5 million and \$166.78 million

STAFF TO STUDENT RATIO COMPARISON – LESS CHARTER PROXY

	APS FY25	DeKalb FY25	Fulton FY25	Fayette FY23	Clayton FY24	Cobb FY25	Gwinnett FY25
Enrollment	35,846	85,521	81,499	19,938	50,840	106,344	181,411
Staff	7,494**	12,377	11,443	2,810	6,636	12,880	22,023
Student Staff Ratio	4.78	6.91	7.12	7.1	7.66	8.26	8.24
APS Staff at Comparison District Ratio	7,494	5,188	5,033	5,052	4,679	4,341	4,352
Reduction in Staff	-	-2,306.2	-2,461	-2,441.9	-2,815.1	-3,152.6	-3,142.3
Employee average salary cost	\$109,210**	\$109,210	\$109,210	\$109,210	\$109,210	\$109,210	\$109,210
Reduction in Costs	\$0	-\$251.86m	-\$268.76m	-\$266.68m	-\$307.43m	-\$344.29m	-\$343.17m
<i>**Based on Day 15 actual employees</i>							

- This chart shows data from the FY2025 budgets for each district (or FY2024 budgets for Clayton and FY23 ACFR for Fayette) less a charter proxy for enrollment
- Because not all districts reported charter school and enrollment consistently, for analysis purposes only, the average school size has been multiplied by the total number of charter schools and decreased from enrollment
- APS has the lowest number of students per staff at 4.78
- If APS staffed at ratios similar to other districts, APS would have between 2,306 and 3,153 fewer staff, and would save between \$251.86 million and \$344.29 million

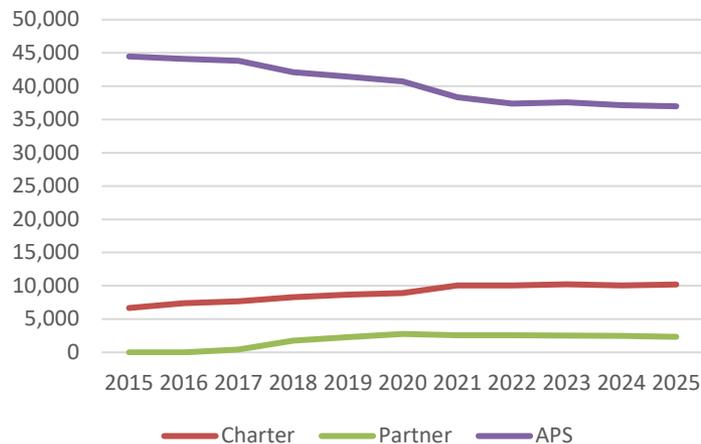
DRIVERS OF ADDITIONAL STAFF

	APS FY25	DeKalb FY25	Clayton FY24	Fayette FY23	Fulton FY25	Cobb FY25	Gwinnett FY25
Enrollment	49,502*	91,081	52,335	19,938	87,262	106,334	182,707
Number of Schools	87	131	70	25	106	112	141
ES	41	76	38	14	59	66	81
MS	9	19	15	6	19	26	29
HS	9	22	12	5	18	17	24
Charter	19	8	2		7		1
Partner	5	0					
Other	4	6	3		3	3	7
Average School Size Ratio	569	695	748	798	823	950	1,296
Number of schools at comparison district ratio	87	71	66	62	60	52	38
Fewer ES	-	-16	-21	-25	-27	-35	-49
<i>*Based on Day 15 enrollment data</i>							

- The primary driver of additional staff is the much lower number of students in each school as compared to other districts.
- If APS had schools with similar student populations as comparison districts, APS would have between 16 and 49 fewer schools.
- This comparison does not include schools with two campuses, 9th grade academies, or other satellite buildings that exacerbate the overhead, facility, and administrative costs.

School Year	District	Charter	Partner	APS
2015	51,145	6,673	-	44,472
2016	51,500	7,404	-	44,096
2017	51,927	7,690	420	43,817
2018	52,147	8,292	1,771	42,084
2019	52,377	8,655	2,294	41,428
2020	52,416	8,918	2,769	40,729
2021	51,012	10,060	2,595	38,357
2022	49,994	10,040	2,585	37,369
2023	50,325	10,233	2,503	37,589
2024	49,660	10,051	2,470	37,139
2025*	49,502	10,195	2,325	36,982

*Day 15 enrollment including Pre-K



- Since school year 2015, district enrollment has declined by 1,643 students
- Charter school enrollment has **increased** by 3,522 students or 53%
- Traditional school enrollment has **decreased** by 7,490 students or 17% (average of 2,200 accounted for in partner schools)

Central Office Review

- Support Model Assumptions
- Current Year Approach
- ERP

COMPARISON OF SPEND

	APS	DeKalb	Fulton	Cobb	Fayette	Clayton	Gwinnett	Average	APS Variance
Enrollment	50,325	92,672	89,935	106,693	19,938	52,335	181,814		
GF Expenditures	\$991.4 m	\$1.477b	\$1.164b	\$1.364b	\$253.2m	\$633.7m	\$2.129b		
Per Pupil	\$19,701	\$15,940	\$12,943	\$12,786	\$12,702	\$12,108	\$11,715		
Instruction	64.81%	55.83%	59.19%	70.35%	67.82%	60.05%	65.44%	63.35%	1.46%
Pupil Services	5.41%	6.36%	6.80%	2.62%	5.87%	6.19%	3.00%	5.18%	0.24%
Improvement of Instruction	4.51%	1.28%	6.22%	2.02%	2.83%	4.33%	1.86%	3.29%	1.22%
Media	0.79%	1.14%	1.25%	1.50%	1.57%	1.40%	1.20%	1.27%	-0.48%
General Admin	0.77%	4.30%	1.16%	1.17%	0.79%	1.62%	0.23%	1.43%	-0.66%
School Admin	4.51%	5.68%	5.22%	6.67%	6.66%	6.82%	8.71%	6.33%	-1.82%
Business Admin	0.87%	1.86%	1.60%	0.74%	0.66%	1.03%	1.67%	1.20%	-0.33%
Maintenance and Ops	9.85%	15.12%	7.80%	6.44%	7.34%	9.52%	7.11%	9.03%	0.82%
Transportation	4.62%	5.36%	4.40%	4.73%	3.60%	5.38%	6.78%	4.98%	-0.36%
Central Services	3.49%	2.25%	2.91%	1.74%	2.78%	3.02%	3.79%	2.85%	0.64%
Other	0.37%	0.82%	3.45%	2.02%	0.08%	0.64%	0.21%		

- Additional schools and staff are the primary driver behind the difference in per pupil spend between APS and comparison districts.
- APS spends on average between \$3,760 and \$7,986 more per pupil than comparison districts.
- However, as a percentage of spend, APS is not an outlier by function as compared to other districts, except for a slight underspend in school admin. and media (possibly because of differences in coding).
- Notes on business and central office functions:
 - a per pupil comparison of spend by function to other districts is misleading, as very few central office functions are determined by enrollment.
 - The functions of central office are primarily determined by the number of staff and schools served.
 - Therefore, large reductions in central office spend are unlikely to provide the level of support that schools and staff require, without comparative reductions to the number of schools and staff served.

THINGS TO CONSIDER, CONTINUED

Central Office is growing faster than schools.

Over the last 10 years, the growth of schools is slightly higher than departments at 5.43% and 4.63% respectively. However, whereas school growth has been steady over time, department budgets have experienced years of large decreases and large increases. Charter budgets, calculated based on revenue, outpace all other areas, with the exception of state grants (a smaller number significantly skewed by recent grants for security).

Label	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	Avg
Sch	3.91%	3.54%	7.68%	5.30%	3.50%	-0.59%	5.55%	4.79%	17.10%	3.54%	5.43%
Charters	30.59%	4.70%	7.50%	13.13%	13.49%	4.41%	5.82%	9.75%	16.46%	21.20%	12.71%
Partners	0.00%	0.00%	0.00%	47.87%	22.77%	-1.03%	1.35%	3.50%	2.24%	30.91%	10.76%
Dept	-2.47%	22.45%	-13.30%	-6.86%	-4.78%	-3.43%	17.50%	13.46%	18.55%	5.18%	4.63%
State Grants	-36.56%	-9.08%	68.31%	-36.78%	209.86%	-29.70%	-12.09%	-43.82%	390.29%	-51.56%	44.89%
Districtwide	-3.42%	6.35%	-4.12%	14.49%	5.30%	-10.36%	7.02%	13.42%	2.27%	63.55%	9.45%
Utilities	2.58%	9.53%	15.41%	-0.12%	-5.56%	-0.24%	-8.43%	-0.16%	5.56%	30.89%	4.95%
Grand Total	4.26%	8.72%	4.30%	5.28%	4.37%	-1.32%	7.32%	7.69%	15.82%	12.29%	6.87%

Central Office as a percentage of the overall budget has increased from a low of 18% in FY2021 but has not rebounded to a high of 28% in FY17. It has decreased this fiscal year compared to last fiscal year.

	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Schools/ Charters/Partners	62%	64%	61%	66%	69%	70%	72%	70%	69%	69%	67%
Central Office	26%	25%	28%	23%	21%	19%	18%	20%	21%	22%	20%
Other	12%	11%	11%	10%	11%	11%	10%	10%	10%	9%	12%

IT CAN BE DONE...

DRAFT

Revenue Estimates	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY25 to 26	
							Change	% Change
Local	\$943.85	\$984.14	\$1,027.11	\$1,072.68	\$1,120.87	\$1,171.68	\$40.29	4.27%
State	\$231.71	\$236.58	\$241.21	\$245.54	\$249.52	\$253.07	\$4.88	2.10%
Other	\$6.96	\$7.10	\$7.24	\$7.38	\$7.53	\$7.68	\$0.14	2.00%
Title Transfer	\$17.04	\$17.38	\$17.73	\$18.09	\$18.45	\$18.82	\$0.34	2.00%
Fund Balance	\$74.25	\$29.29	-\$26.55	-\$27.78	-\$22.93	-\$29.25	-\$44.96	-60.55%
Grand Total	\$1,273.81	\$1,274.50	\$1,266.74	\$1,315.91	\$1,373.43	\$1,422.00	\$0.69	0.05%
		0.05%	-0.61%	3.88%	4.37%	3.54%		

Expenditure Estimates	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY25 to 26	
							Change	% Change
Schools	\$597.92	\$580.62	\$602.81	\$625.87	\$649.83	\$674.73	-\$17.30	-2.89%
Charters	\$230.51	\$248.78	\$268.50	\$289.80	\$312.79	\$337.62	\$18.27	7.93%
Partners	\$60.68	\$62.50	\$64.38	\$66.31	\$68.30	\$70.34	\$1.82	3.00%
Central Office	\$263.95	\$260.59	\$270.03	\$279.85	\$290.05	\$288.40	-\$3.36	-1.27%
Districtwide	\$92.24	\$93.95	\$33.37	\$26.83	\$25.56	\$24.33	\$1.71	1.85%
State Grants	\$5.94	\$6.17	\$6.41	\$6.66	\$6.92	\$7.19	\$0.23	3.89%
Utilities	\$22.57	\$21.89	\$21.23	\$20.60	\$19.98	\$19.38	-\$0.68	-3.00%
Grand Total	\$1,273.81	\$1,274.50	\$1,266.74	\$1,315.91	\$1,373.43	\$1,422.00	\$0.69	0.05%
		0.05%	-0.61%	3.88%	4.37%	3.54%		

Gap	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
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What's needed:

- Hard review of number of schools
- Hard review of Central Office
- Hard review of Program Offerings
- Hard review of effective Per Pupil spend

But if we do the hard work now, we are course corrected and able to start making deeper investments again by FY2028.

	FY2023	FY2024*	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Beginning Fund Balance	\$256.65	\$295.35	\$257.33	\$183.08	\$153.79	\$180.34	\$208.12	\$231.06
Anticipated Use of Fund Balance	\$38.70	(\$38.03)	(\$74.25)	(\$29.29)	\$26.55	\$27.78	\$22.93	\$29.25
Ending Fund Balance	\$295.35	\$257.33	\$183.08	\$153.79	\$180.34	\$208.12	\$231.06	\$260.30
Expenditures	\$999.19	\$1,183.07	\$1,273.81	\$1,274.50	\$1,266.74	\$1,315.91	\$1,373.43	\$1,422.00
% of Expenditures	29.56%	21.75%	14.37%	12.07%	14.24%	15.82%	16.82%	18.31%
Benchmarks for Reference	Reserve							
GFOA Best Practice of 2 Months	\$166.53	\$197.18	\$212.30	\$212.42	\$211.12	\$219.32	\$228.91	\$237.00
Board Policy no less than 7.5%	\$74.94	\$88.73	\$95.54	\$95.59	\$95.01	\$98.69	\$103.01	\$106.65
Cap of 15%	\$149.88	\$177.46	\$191.07	\$191.17	\$190.01	\$197.39	\$206.01	\$213.30

*Unaudited

BUDGET PARAMETER REVIEW AND PREP

Budget parameters are guidelines for budget development, including revenue assumptions, fund balance targets, and expenditure goals. They identify process and presentation recommendations to provide transparency in linking goals, outcomes, and district spending plans. The budget parameters also develop monitoring procedures that hold the district accountable for executing the budget plan.

Resource Parameters

The district will:

1. Alleviate pressure from the general fund and taxpayers while supporting the continued operations of APS by:
 - maximizing all available funding streams including federal grants and other special revenue where appropriate and specific to the purpose of the program.
 - continuing to identify grant-generating opportunities.
 - seeking additional business, philanthropic and community partnerships in a manner that is data driven and equity guided to ensure we do not perpetuate inequities within and across clusters.
 - assessing the required millage rate.
2. Maintain a fund balance of between 7.5% and 15% of the total general fund expenditure budget net of any committed, assigned, or reserved fund balance.
3. Strategically utilize the fund balance to ensure operational integrity of district programs, support expenditure parameters, and offset potential decreases in revenue.

Expenditure Parameters

Expenditure Parameters	Goal/Guardrail
Support a compensation strategy that maintains the APS competitive advantage while remaining sustainable in the long-term	Goals 1-2 Guardrail 3
Support the shift in the School Nutrition model to in-house	Goals 1-2 Guardrails 1, 3 & 4
Support the ongoing operational needs of the district, especially Transportation and Safety and Security and the modernization of the district ERP (Enterprise Resource Planning) system	Guardrail 1 & 3
Identify redundancies and efficiencies in the administrative overhead of the district to reallocate to core classroom and school budgets	Goals 1-2
Consider the ESSER funded initiatives that should be incorporated in the ongoing general fund budget, or will effectively communicate the transition away from some initiatives	Goals 1-4 Guardrail 3
Support additional flexible school funds, especially for wellness and whole-child support	Goals 3-4 Guardrail 1
Support ELA and Math investments, especially through investments in professional development	Goals 1-2
Support the SOFG goal for College and Career Readiness	Goal 4
Support investments in Signature Programs, Fine Arts and Athletics that standardizes investments across schools and shifts burden of costs off school budgets	Guardrails 1 and 3
Support of all student populations including investments in intervention, Gifted, EL, and Special Education	Guardrail 1

Budget Commission Timeline

Date	Topics
Thursday, September 26, 2024	Level-setting and aligning on budget decision points
Thursday, October 17, 2024	Draft Parameters, school allotment discussion, right size overview
Thursday, November 21, 2024	Finalize Parameters, revenue discussion, HB581 decision
Thursday, December 19, 2024	Finalize school allotment conversations
Thursday, January 16, 2025	Revenue assumptions final, TAD review
Thursday, February 20, 2025	Central Office review and deep dive
Thursday, March 20, 2025	Revenue to expenditures; first review of comprehensive budget
Thursday, April 17, 2025	Special revenue, additional gap closure conversations
Monday, May 5, 2025	Public Hearing #1, Tentative Adoption
Thursday, May 15, 2025	Changes between tentative and final
Monday, June 2, 2025	Public Hearing #2; Final Adoption