

Saginaw ISD 2025-2026 Budget Presentation



Background

- Timeline as required by PA 234 of 2004
 - Prior to May 1: the ISD Board must submit a proposed budget for the next fiscal year to the Board of each constituent district for review
 - Prior to June 1: Constituent district Boards must:
 - Review proposed ISD general fund operating budget
 - Adopt a resolution expressing “support for” or “disapproval of” the proposed general fund budget
 - Submit specific objections to the proposed general fund budget and any proposed changes.
 - Forward a copy of the Board resolution to the Saginaw ISD - Executive Director of Finance.

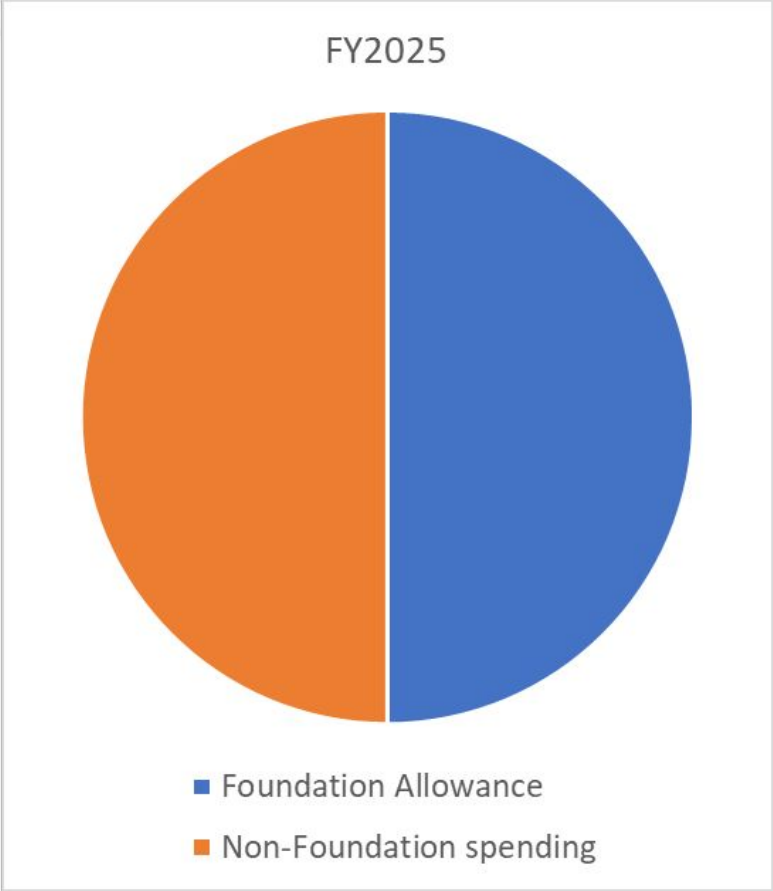
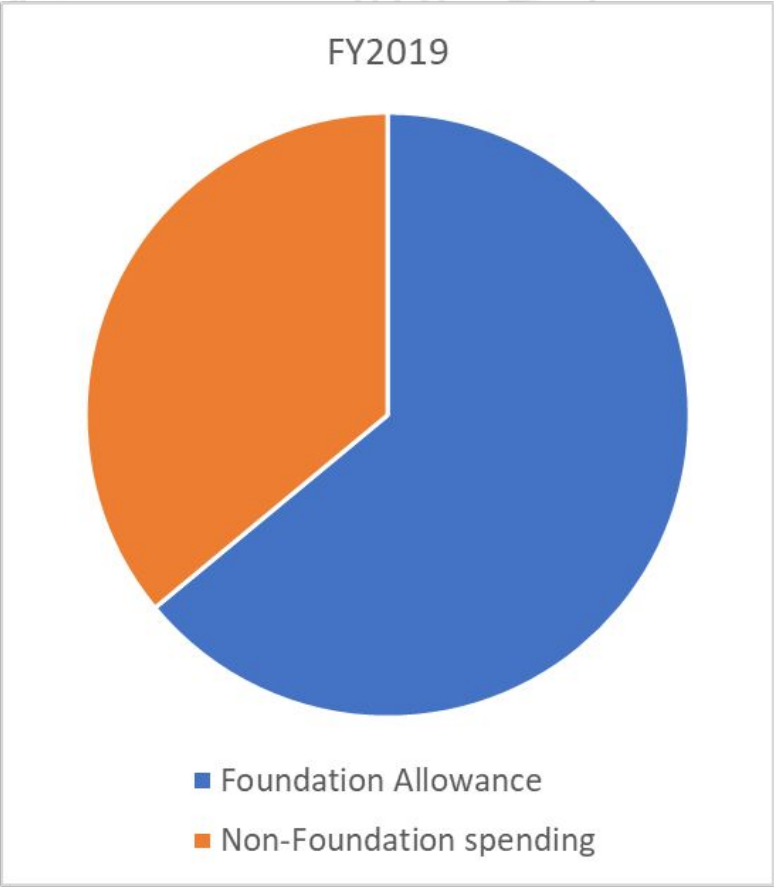
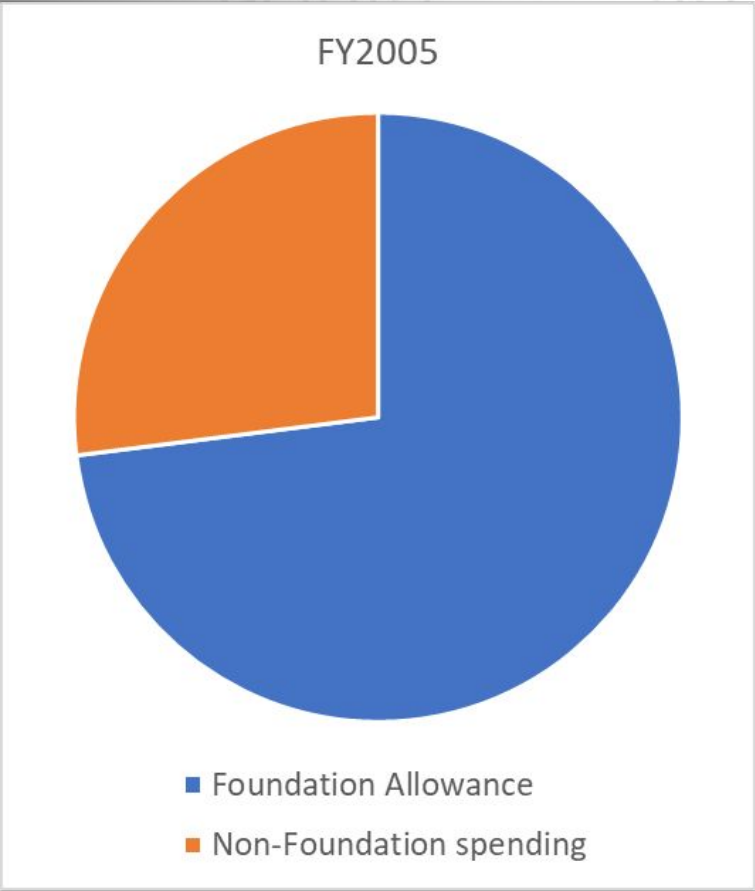
The Federal Landscape

- Medicaid (approx. FY 2025)
 - SPSD: \$220,000
 - Saginaw ISD: \$2,000,000
- IDEA
 - SPSD (FY 25 Allocation):
 - Flow-Through Grant: \$1,317,315
 - Preschool: \$81,685
- Head Start
 - Local districts do not receive Head Start funding
 - Used to educate about 900 low-income preschool students
 - Preliminary funding for FY 2026: \$8,703,578
- Title Funding
 - ISD does not receive much Title funding
 - SPSD (FY 2024 audit):
 - Title I: \$11,916,172
 - Title II: \$ 1,321,610
 - Title III: \$ 50,102
 - Title IV: \$ 772,931

State Landscape

- The House, Senate, and Governor have all issued their proposals for FY 25-26.
- The House had the most drastic reduction to funding.
 - Approximately a 11% reduction to SPSD State Aid
- Foundation Allowance:
 - Governor: 10,000
 - Senate: 10,008
 - House: 10,025
- GSRP (increases)
 - Governor: 3.77%
 - Senate: 4.12%
 - House: 0%
- 31aa
 - Governor: 0%
 - Senate: 133%
 - House: 133%
- The Senate has introduced language stating that 50% of the increase to foundation allowance needs to go towards teacher wages.
- The Senate is providing ongoing funding of \$75,000,000 to 31aa. The rest is one-time.
- Significant changes to retirement
 - Could reduce the increase to foundation allowance by as much as \$230 per student.
- Special Education - steady
- School lunches - steady

Growing Budget Issues



2025-2026 Budget: Assumptions - Revenues

- Property tax revenue reflects a 5% increase from the prior year
- No Headlee Rollback
- Medicaid revenue reflects disbursement of actual dollars to LEAs
- Per-pupil foundation allowance at \$10,000
- No funding in sections:
 - 147f
 - 147a(3)
 - 147a(4)
 - 147c(2)
 - 147g

2025-2026 Budget: Assumptions - Expenses

- Salary levels per bargaining contracts
- Retirement Rates: 24.21% to 29.91%
- Health Insurance rates at Hard Cap levels (0.2%)
- 5% increase to all other insurances.
- Staffing at Millet & Transitions consistent with current year
 - No classroom additions at this time
- Ancillary staffing remains consistent with services provided since passage of recent special education millage.

2025-2026 Budget: General Fund Revenue

Property Tax Levy	\$	1,001,930	6%
Other Local Revenues		357,658	2%
Intergovernmental Sources		4,103,351	26%
Section 81 State Aid		2,022,202	13%
Other State Aid		3,119,567	19%
Federal Grants		2,317,033	14%
Operating Transfers In		3,143,387	20%
Total Revenue	\$	16,065,126	
Total Expenses		16,050,189	
Excess of Revenues over Expenses	\$	14,937	
Projected Ending Fund Balance	\$	4,406,844	27%

2025-2026 Budget: General Fund Expense

Building & Grounds & Maintenance	\$ 867,528	5%
Business, Finance & Software Support	1,378,761	9%
Great Lakes Bay Early College	1,385,881	9%
Hartley Outdoor Education Center	1,004,320	6%
Human Resources	1,157,370	7%
Instructional Services	4,362,421	27%
PD Center at Transition Center	152,542	1%
Pupil Accounting / Truancy	136,327	1%
General Administration & Initiatives	1,257,869	8%
Technology Services & REMC	2,914,827	18%
Outgoing Transfers & Other		
Transactions	208,667	1%
Other	1,223,677	8%
Total Expenses	<u>\$ 16,050,189</u>	

Required Local Board Action (As required by P.A. 234 of 2004)

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 - *Review proposed ISD general fund operating Budget*
 - *Adopt a resolution express “support for” or “disapproval of” the proposed general fund budget*
 - *Submit any specific objections to the proposed general fund budget and any proposed changes.*
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Questions?

