

Exhibit 7

June 13, 2019

To: Board of Education

From: Scott Reynolds, Superintendent
Tony Suszek, Assistant Superintendent
Melissa Cook, Coordinator of Business

Subject: Budget Amendments

Attached for the Board of Education's review and approval are Budget Amendments for 2018-2019 for the General Fund and the Special Education Fund.

General Fund major changes include:

Revenues

1. Increase in Local sources from Interest on Investments.
2. Increase in State sources for additional grant funding.
3. Decrease from other transactions for indirect cost on grants.

Expenditures

1. Decrease in STEM grant due to transfer to COP ESD.
2. Increase in Preschool for curriculum funding.
3. Addition of Mental Health Grant.

General Fund Summary In Thousands

	Approved Budget	Proposed Amendments
Revenues	\$4,002	\$4,445
Expenditures	4,002	4,452
Net Change in Fund Balance	0	<7>
Fund Balance, Beginning	1,185	1,185
Committed Funds	0	200
Assigned Funds	0	24
Fund Balance, Ending	\$1,185	\$953

The ending General Fund equity reflects a projected balance of \$953,915 as of 6/30/2019.

Special Education Fund

Revenues

1. Increase in Local Sources from Interest Income and Medicaid reimbursements.
2. Increase in State Sources in section 51 funding.
3. Increase in Other Transaction is the reimbursement from Alpena Public Schools for transportation and schools of choice reimbursements.

Expenses

1. Updates based on staffing, contracts, agreements and retirement costs.
2. Increase in Alpena Public transportation costs.
3. Decrease in outgoing transfers due to indirect costs.

Special Education Summary In Thousands

	Approved Budget	Proposed Amendment
Revenues	\$8,508	\$8,773
Expenditures	8,745	8,825
Net Change in Fund Balance	<237>	<52>
Fund Balance, Beginning	4,432	4,432
Committed Funds	0	600
Fund Balance, Ending	\$4,195	\$3,780

The ending Special Education Fund equity reflects a projected balance of \$3,780,073 as of 6/30/2019.

Recommendation: Approval of budget amendments in the General Fund and the Special Education Funds.