

TO: Board of Education  
FROM: Justin Gluesing, Superintendent  
Melissa Cook, Business Manager  
DATE: February 20, 2025  
RE: Budget Amendment

Attached for the Board of Education's review and approval are budget amendments for 2024-25 for the General Fund and Special Education Fund.

General Fund major changes include:

Revenues:

- Increase due to current year allocations for grants and carryover of unspent grant funds from prior year.

Expenditures:

- Increase due to grant allocations for current and prior year.

General Fund Summary                      In Thousands

	Approved Budget	Proposed Budget
Revenues	\$10,301	\$11,786
Expenditures	10,471	11,764
Net change in fund balance	(170)	22
Beginning fund balance (minus assigned funds)	2,470	2,470
Ending fund balance	\$2,300	\$2,492

The ending General Fund equity reflects a projected balance of \$2,491,726 as of 6/30/2025.

Special Education Fund major changes include:

Revenues

- Increase in Special Education cost reimbursements
- Increase in grant funding

Expenses

- Updates based on staffing, contracts, agreements, etc.
- Increase for Piper classroom teacher
- Increase costs for changes in early childhood programming

Special Education Summary                      In Thousands

	Approved Budget	Proposed Amendments
Revenues	\$12,638	\$13,107
Expenditures	15,313	15,458
Net change in fund balance	(2,675)	(2,351)
Beginning fund balance	6,759	6,759
Ending fund balance	\$4,084	\$4,408

The ending Special Education Fund equity reflects a projected balance of \$4,408,370 as of 6/30/2025.

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

**Alpena Montmorency Alcona Educational Service District**  
**Proposed General Fund Amendment**  
**Fiscal Year 2024-25**  
**February 20, 2025**

	<b>Audited 2022-23</b>	<b>Audited 2023-24</b>	<b>Approved Budget 2024-25</b>	<b>Amendment Budget 2024-25</b>	<b>Change in Budget \$</b>	<b>Change in Budget %</b>
<b>REVENUES:</b>						
Local Sources	640,290	812,147	719,564	780,039	60,475	8.40%
State Sources	3,919,537	4,048,248	7,845,369	9,100,309	1,254,940	16.00%
Federal Sources	315,555	405,442	1,151,389	1,224,265	72,876	6.33%
Other Transactions	672,965	853,227	585,000	681,960	96,960	16.57%
<b>Total Revenue</b>	<b>5,548,346</b>	<b>6,119,064</b>	<b>10,301,322</b>	<b>11,786,573</b>	<b>1,485,251</b>	<b>14.42%</b>
<b>EXPENDITURES</b>						
Instruction Services	429,410	411,848	416,976	515,651	98,675	23.66%
Leadership/Governance	446,566	501,434	545,933	543,527	(2,406)	-0.44%
Business/Compliance	733,907	753,879	708,639	698,551	(10,088)	-1.42%
Technology Services	214,137	172,954	277,925	281,343	3,418	1.23%
Operation & Maintenance	128,586	142,128	272,271	274,128	1,857	0.68%
Esports	-	3,608	5,000	5,000	0	0.00%
Debt - Principal	6,914	7,002	10,000	10,000	0	0.00%
Debt - Interest	1,777	2,301	3,000	3,000	0	0.00%
Great Start Collaboration	195,794	208,055	333,917	432,628	98,711	29.56%
Great Start Readiness Program	1,245,105	1,660,690	2,150,000	2,694,687	544,687	25.33%
Mental Health Grant	1,249,171	620,001	3,223,119	3,276,832	53,713	1.67%
Literacy Coaches Grant	238,810	146,496	625,000	583,037	(41,963)	-6.71%
CTE & Early College Grant	482,221	545,619	-	526,567	526,567	#DIV/0!
Grow your Own grants	-	366,322	500,000	519,951	19,951	3.99%
Family Engagement Center Grant	-	-	1,400,000	1,400,000	0	
<b>Total Expenditures</b>	<b>5,372,399</b>	<b>5,542,338</b>	<b>10,471,780</b>	<b>11,764,902</b>	<b>1,293,122</b>	<b>12.35%</b>
Current change in fund balance	175,947	576,726	(170,458)	21,671		
Beginning balance	1,684,902	1,893,329	2,470,055	2,470,055		
Assigned funds	(23,917)	(23,917)	(23,917)	(23,917)		
<b>Ending balance</b>	<b>1,893,329</b>	<b>2,470,055</b>	<b>2,299,597</b>	<b>2,491,726</b>		

**Alpena Montmorency Alcona Educational Service District**  
**Proposed Special Education Fund Amendment**  
**Fiscal Year 2024-25**  
**February 20, 2025**

	<b>Audited 2022-23</b>	<b>Audited 2023-24</b>	<b>Approved Budget 2024-25</b>	<b>Amendment Budget 2024-25</b>	<b>Change in Budget \$</b>	<b>Change in Budget %</b>
<b>REVENUES:</b>						
Local Sources	5,649,894	5,946,261	5,926,780	5,936,949	10,169	0.17%
State Sources	3,842,208	4,632,717	4,386,273	4,784,261	397,988	9.07%
Federal Sources	2,136,551	1,960,451	2,058,792	2,118,859	60,067	2.92%
Other Transactions	246,558	311,111	267,000	267,000	0	0.00%
<b>Total Revenue</b>	<b>11,875,211</b>	<b>12,850,540</b>	<b>12,638,845</b>	<b>13,107,069</b>	<b>468,224</b>	<b>3.70%</b>
<b>EXPENDITURES</b>						
Direct Instruction (ECSE, MOCI, SCI)	1,579,673	1,626,867	1,624,285	1,864,066	239,781	14.76%
Instructional Support	3,924,634	4,665,340	5,354,714	5,411,276	56,562	1.06%
Early Intervening	433,396	436,034	565,535	537,272	(28,263)	-5.00%
Supervision/Monitor/Data	1,077,143	1,067,171	1,151,043	1,151,064	21	0.00%
Board of Education	48,980	22,529	36,500	46,500	10,000	27.40%
Operations & Maintenance	251,000	356,460	337,089	357,141	20,052	5.95%
Capital Outlay	313,075	807,673	2,121,896	1,912,000	(209,896)	-9.89%
Community Support	2,530	3,195	2,800	5,688	2,888	103.14%
Transportation	1,417,203	1,631,640	1,847,864	1,867,546	19,682	1.07%
Outgoing Transfers	2,009,073	2,318,762	2,271,692	2,305,743	34,051	1.50%
<b>Total Expenditures</b>	<b>11,056,706</b>	<b>12,935,671</b>	<b>15,313,418</b>	<b>15,458,296</b>	<b>144,878</b>	<b>0.95%</b>
Current change in fund balance	818,505	(85,131)	(2,674,573)	(2,351,227)		
Beginning balance	6,026,223	6,844,728	6,759,597	6,759,597		
<b>Ending balance</b>	<b>6,844,728</b>	<b>6,759,597</b>	<b>4,085,024</b>	<b>4,408,370</b>		

## General Fund

### Revenues

- **Local Sources** – property tax millage of 0.21 mills, interest on investments, foundation contributions, fees for professional development and miscellaneous.
- **State Sources** – State Aid section 81 operating funds, Mental Health grant, Great Start Readiness Preschool program, Early Literacy Coaches grant, Great Start Collaborative grant and Retirement reimbursements.
- **Federal Sources** – Rural and Educational Achievement Program (REAP), Grow Your Own, and TRAILS grant.
- **Other Transactions** – funds received from other districts for shared positions and indirect costs on federal grants in the special education fund.

### Expenditures

- **Instruction Services** – Services to local school districts related to instructional programming including school improvement and subject area instructional development
  - Increase in State Math funding
- **Leadership/Governance** – Services related to operational leadership including insurances, audits, per diem, mileage, legal services, ISD wide newsletters, tax collection fees, dues, policy service and other related Board expenses.
- **Business/Compliance** – Fiscal operations, Pupil Accounting, and other business services for the ESD as well as technical assistance to the local schools. Includes shared staffing with Atlanta Community Schools.
- **Technology** – Activities related to technology operation for the district
- **Operation & Maintenance** – Utilities, custodian services, facility insurances, repairs and maintenance services.
- **Esports**- Pied Piper's team
- **Great Start Collaborative** – Grant to engage the community to assure a coordinated system of services for children prenatal through age eight.
- **Great Start Readiness Program (GSRP)** – Grant to provide programming to preschool aged children
- **Mental Health Grant** – school mental health and support services
- **Literacy Coaches Grant** – grant to provide coaches to assist teachers with instructional strategies for pupils in grades pre-k to 3.
- **CTE and Early College Grant** – grant funds for CTE programs and Early Middle College programs. These funds flow through to the local school districts.
- **Grow Your Own grants** – grant to support school staff in earning their initial teacher certification or additional endorsements for certified teachers.
- **Family Engagement Center grant**- MiFamily Engagement Centers serve as a nexus for resource development and capacity-building within a network of those supporting educators, providing educational programs, linking families to community resources, and reaching out to families in meaningful ways to better equip them to become the best partners in their child's education that they can be.

## Special Education Fund

### Revenues

- **Local Sources** – property tax millage of 1.95 mills, interest on investments, Medicaid payments for school based health services, donations and miscellaneous.
- **State Sources** – State Aid for pupil membership at Pied Piper, added costs of educating special education students and transportation, retirement reimbursements, and early on grant funding.
- **Federal Sources** – Individuals with Disabilities Education Act (IDEA) grant funding, Early On grant funding, Medicaid Outreach, Governor’s Emergency Education Relief (GEER) funding and COVID Childcare relief funds.
- **Other Transactions** – funds received from other districts for shared positions, schools of choice students and specialized transportation.

### Expenditures

- **Direct Instruction** – Classroom programs offered at Pied Piper and the Early Childhood Special Education classroom located in Lincoln Elementary.
- **Instructional Support** – Consultants and other support services related to special education students and/or classroom teachers
- **Early Intervening** – Providing services intended to reduce the incidence of special education referrals and improve outcomes for struggling learners.
- **Supervision/Monitor/Data** – Instructional Supervision costs to provide overall supervision and direction for ESD and Pied Piper special education programs. Includes all clerical support, director and supervisory staff.
- **Board of Education** – Tax collection fees, fees for Medicaid billing service and property taxes written off.
- **Operation and Maintenance** – Utilities, custodial services, repairs and maintenance for Pied Piper School.
- **Capital Outlay** – Equipment purchases and major capital projects
- **Community Support** – Costs associated with Parent Advisory Council meetings and community activities.
- **Pupil Transportation Services** – Costs of providing specialized transportation for students at Pied Piper and Alpena Public Schools.
- **Outgoing Transfers** – Revenue sharing with local districts from local tax levy, Medicaid reimbursements to local districts for school based health services and inter-fund transfers within the ESD.