



# MONTCALM AREA INTERMEDIATE SCHOOL DISTRICT

621 New Street □ PO Box 367 □ Stanton, Michigan 48888

Telephone: 616-225-4700 □ TDD: 800.649.3777 □ Fax: 989.831.8727 □ www.maisd.com

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*Our Vision: MAISD will be an educational partner in building strong communities.  
Our Mission: In partnership with its communities, MAISD provides innovative & effective learning opportunities for students, schools and families.*

**To:** Local District Superintendents and Business Office Officials  
**From:** Tricia Root, MAISD Associate Superintendent of Finance and Human Resources  
**Date:** March 24, 2026  
**Subject:** Montcalm Area ISD's 2026-2027 General Fund Budget

Please review all the attachments in this email regarding the Montcalm Area Intermediate School District's 2026-2027 General Fund Budget. I would like to provide some clarification about how the funds are set up at the ISD, as they are different than in a local school district. The ISD maintains three operating funds, General Education Fund, Special Education Fund and Career Technical Education Fund. Each fund has a specific purpose, and the funds are not comingled. To illustrate this, I have summarized each fund below.

General Fund: This fund is used to account for the Superintendent, Human Resources, Communications, Instructional Services, Technology, Maintenance Supervisors, Business Office, Early College, and Early Childhood. State Aid Section 81 funding along with property taxes provides most of the revenue for this fund. MAISD also has Early Childhood (GSRP), Early Literacy and 3In grants that operate out of the general fund. MAISD does not directly allocate any of the general fund departments to either the Special Education or Career Technical Education funds. Instead of allocating directly, MAISD processes a year end administrative transfer from the Special Education and Career Technical Education fund into the General fund as reimbursement, which spreads the administrative costs across all funds. The General Fund is the only fund required by law to be approved by the local school district's Board of Education by June 1<sup>st</sup> each year.

Special Education Fund: The Special Education Fund's purpose is to provide Special Education services to high needs of special education students in Montcalm County. State Aid Section 51a, 51e, 53a and 56 along with property taxes provide revenue for this fund along with the IDEA federal grants. Distributions to local districts for Medicaid and local Special Education millage are paid from this fund. Those distributions are made annually. Local districts are notified of those payments and allocations prior to the payments being made.

Career Technical Education Fund: The Career Technical Education Fund's purpose is to fund state approved Career Technical Education programs for students in Montcalm County. State Aid sections 61a1, 61a2 and 62 along with property taxes provide most of the revenue for this fund along with some federal funding through the Perkins Grant. Tri-County and Greenville do not participate in the county-wide CTE millage and instead pay tuition for any students attending the Montcalm Area Career Center.

MAISD strives to provide high quality services to all school districts and students within Montcalm County. The budgets are compiled using the most current information from the State, and conservative estimations. Maintaining a healthy fund balance is important for the sustainability of our programs and eliminates the need for cash flow borrowing.

Please contact me if you have any questions regarding the General Fund budget as presented.

My email is [troot@maisd.com](mailto:troot@maisd.com) and my direct line is 616-225-6190.

Montcalm Area ISD: Serving our School Partners

Carson City-Crystal ♦ Central Montcalm ♦ Greenville ♦ Lakeview ♦ Montabella ♦ Tri County ♦ Vestaburg ♦ Flat River Academy ♦ Success Virtual Learning Centers

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Montcalm Area Intermediate School District, in accordance with its board policy, does not discriminate on the basis of race, color, national origin, sex, pregnancy, childbirth, and related medical conditions, sexual orientation, and gender identity, disability, age, religion, height, weight, marital or family status, military status, ancestry, genetic information, or any other legally protected category (collectively, Protected Classes) in its programs and activities, including employment opportunities. Inquiries related to discrimination should be directed to the MAISD Superintendent.

**Montcalm Area Intermediate School District**  
**General Fund Budget Assumptions**  
**2026-2027**

Revenues:

- 6.5% Taxable Value increase.
- 2.5% increase for Section 81 as proposed by the Governor.
- Includes tuition payments Early College.
- Includes LEA payments for Business and Technology Services.
- The budget includes a Special Education & CTE indirect cost transfer of \$800,000 and \$150,000, respectively. This transfer helps cover the wage and benefit expenses for general fund paid positions doing work for special education & CTE. These types of positions included the superintendent and staff she oversees, the business office, human resources, instructional services, maintenance supervisors, technology, etc.
- All other revenues are projected to remain unchanged or decrease slightly.
- Grant revenues match grant expenses.

Expenditures:

- Salary & Wages reflect a 3.5% increase for all staff.
- Staff levels remained the same as 2025-2026.
- Health Insurance rates adjusted to cap level. (3% used for 2027 calendar year. Not published yet.)
- Retirement and other insurance benefit costs are projected to remain constant.
- Early College Program costs included for 1 teacher, tuition, books, supervision, etc.
- Grant expenditures match grant revenues.
- Capital Outlay expense is for the Fiber Project.
- All other expenditures are projected to remain constant.

- \* We currently do not have approved budget amounts from the State of Michigan.
- \* Revenues and expenditures will be adjusted at the first budget amendment.

# Montcalm Area Intermediate School District

## General Fund

	Audited 2022-2023	Audited 2023-2024	Audited 2024-2025	Original 2025-2026	Amended 2025-2026	Proposed 2026-2027
<b>Revenues</b>						
Local Sources	654,592	855,049	860,477	901,110	926,902	899,580
State Sources	6,913,096	9,519,940	9,592,681	9,546,228	9,639,302	9,195,454
Federal Sources	537,138	640,956	1,056,202	459,354	1,371,291	1,005,157
Interdistrict & Other Sources	1,280,658	1,315,143	1,512,678	1,503,000	1,512,175	1,220,060
<b>Total Revenue</b>	<b>9,385,484</b>	<b>12,331,087</b>	<b>13,022,038</b>	<b>12,409,692</b>	<b>13,449,670</b>	<b>12,320,251</b>
<b>Expenditures</b>						
Instruction - Basic Programs	964,051	852,301	943,845	972,931	1,379,200	870,665
Added Needs	0	0	0	-	2,082	0
Support Services:						
Pupil	1,103,335	1,143,716	1,415,746	1,425,416	1,531,379	1,528,410
Instructional Staff	1,239,130	1,058,645	1,093,832	1,137,090	2,107,238	1,996,132
General Administration	417,700	491,781	417,854	630,612	565,427	595,756
Business	1,056,543	1,007,774	981,200	1,008,658	1,132,638	1,242,235
Operations and Maintenance	460,914	497,292	437,108	401,941	429,510	433,554
Pupil Transportation	112	21	8,794	500	1,845	2,000
Central	939,856	1,089,305	1,280,551	1,271,178	1,493,177	1,352,903
Other	89,183	0	190,109	-	-	0
Total Support Services	5,306,773	5,288,533	5,825,193	5,875,395	7,261,214	7,150,990
Community Services	365,318	411,033	461,283	505,467	206,201	3,000
Capital Outlay	161,198	113,448	279,198	82,000	950,591	700,000
Debt Service	24,908	23,732	22,672	0	0	0
Interdistrict Payments	3,419,092	5,850,559	5,747,087	5,742,899	5,089,621	4,778,386
<b>Total Expenditures</b>	<b>10,241,340</b>	<b>12,539,606</b>	<b>13,279,278</b>	<b>13,178,692</b>	<b>14,888,909</b>	<b>13,503,041</b>
<b>Excess Expenditures Over (Under) Revenue</b>	<b>(855,856)</b>	<b>(208,519)</b>	<b>(257,240)</b>	<b>(769,000)</b>	<b>(1,439,239)</b>	<b>(1,182,790)</b>
<b>Other Financing Sources - Transfers- Prepays</b>	<b>884,614</b>	<b>808,714</b>	<b>729,313</b>	<b>869,000</b>	<b>1,214,239</b>	<b>1,182,790</b>
<b>Net Change in Fund Balance</b>	<b>28,758</b>	<b>600,195</b>	<b>472,073</b>	<b>100,000</b>	<b>(225,000)</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>1,655,559</b>	<b>1,684,317</b>	<b>2,284,512</b>	<b>2,184,512</b>	<b>2,756,585</b>	<b>2,531,585</b>
<b>Fund Balance, End of Year</b>	<b>1,684,317</b>	<b>2,284,512</b>	<b>2,756,585</b>	<b>2,284,512</b>	<b>2,531,585</b>	<b>2,531,585</b>
	16.45%	18.22%	20.76%	17.33%	17.00%	18.75%