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To: Board of Education
From: Mitch Taylor
Date: June 6, 2022
Subject: Agenda Item (Section – Consent Agenda)

Attached you will find a budget amendment for your consideration for the year ending June 30, 2022.

Fiscal Year 2021/2022 Budget Amendment # 9

State Funds

A net increase of $563,682.00 to the State Budget Fund (Fund 1):

$17.00 decrease to PRC 016 (Summer Reading Program Fund) – The state overpaid our allotment, and this represents the amount we had to give back to the state.

$3549.00 increase to PRC 003 (Non-Instructional Support) - This allotment represents the district's quarterly funding derived from the revenues of the state's gaming commission.

$560,150.00 increase in PRC 009 (Non-Contributory Benefits) – When an employee retires or otherwise ends their employment with the district, the balance of their annual, personal or bonus leave days, along with longevity that has been earned and not paid, is paid out to the employee. This is a special budget in which the state reimburses the district for the amount of this expense.

Local Funds

2) No change to the Local Fund Budget (Fund 2)

Federal Funds

3) A net increase of $157,135 to the Federal Budget Fund (Fund 3):

$76,740 increase to PRC 203 (ESSER III Premium Bonus Pay) – In January of this year, the State paid a $1000 Premium Bonus to all teachers who worked during the Pandemic. The initial allotment only covered about 80% of the total cost of this bonus. This second allotment reduces the shortfall, covering all but about $10,000 of the original expense. The balance was paid with ESSER III funding.

$74,199.21 increase to PRC 101 (Sexual Risk Avoidance Education) – The purpose of this funding is to improve the districts efforts to educate our students and staff in the area of sexual risk avoidance.

$632.00 decrease to PRC 185 (ESSER III – EC) – The state overpaid our allotment, and this represents the amount we had to give back to the state.

$6388.00 increase to PRC 060 (Exceptional Children funds) – The state provided additional funding for the district's Exceptional Children's program.

$439.79 increase to PRC 119 (Pre-K Exceptional Children funds) - The state provided additional funding for the district's Exceptional Children's program.

$250.00 decrease to PRC 017, purpose code 5000 (CTE) and a corresponding increase of $250.00 to PRC 017, purpose code 6000. – This amendment represented a transfer of funds from a 5000 level purpose code (school level expenses) to a 6000 level purpose code (district level expenses). This represented a transfer of funding in order to rebalance the CTE budget.

$474,687.42 increase to PRC 181, purpose code 8000 (ESSER III) and corresponding decreases to PRC 181 of $344,409.39 from purpose code 5000, $113,032.50 from purpose code 6000, and $17,245.53 from purpose code 7000. The net effect is no increase in budget funds, only a transfer of funds between purpose codes. This amendment was to establish a budget line item to allow the district to charge an indirect cost for administering these federal funds.

Capital Outlay Funds

4) An increase of $728,171.91 to the Capital Outlay Budget Fund (Fund 4):

The district has initiated multiple capital outlay projects that were both planned and unplanned. Most of the capital outlay budget amendments listed in this section relate to projects that have been in progress throughout the school year. In preparing for the year-end fiscal closeout, many of the budgets for these projects are being re-balanced to reflect the actual cost. Some of these projects are still ongoing and may need to be carried over into the next school year.

$44,000.00 increase to PRC 802 (Chiller Replacement) – This amendment is to pay for the replacement of a chiller at West Middle School. This project is still in progress.

$10,300.00 increase to PRC 802 (Installing network cable) This project is to install cable necessary for linking the press box at the MCHS football stadium to the district internet network.

$3935.46 increase to PRC 802 (Wireless Connection for ticket booth) – This project is to install the equipment needed in the MCHS football ticket booth to provide wireless internet connection capability.

$15,477.34 increase to PRC 802 (Purchase a utility vehicle) - This project was for the purchase of a John Deere Gator utility vehicle to be used at MCHS.

$89,280.80 increase to PRC 802 (Pump Station Repair) – This project is for repairs to the pump station at West Middle School. This project is still in progress.

$10,264.08 increase to PRC 012 (Insurance Settlement) – A vehicle used in the driver's ed program was damaged and this is the amount of the insurance settlement. It was used to purchase two used vehicles to replace the damaged vehicle.

$11,243.00 increase to PRC 802 (waterline repairs) – This project was to repair the waterline to the new fieldhouse at MCHS.

$108,160.00 increase to PRC 802 (State Athletic Facility Grant) – This was a grant received from the state for the purpose of improving the district's athletic facilities.

$300,000.00 increase to PRC 802 (Athletic upgrades) – This project represents local funding to improve and repair the athletic facilities at the two middle schools and the high school. This project is still in progress.

$58,398.46 increase to PRC 802 (Noise suppression) – This project was to improve the acoustics at the MCHS auditorium by suppressing the sound from the heating and air system fans.

$12,363.67 increase to PRC 802 (Door replacement) – This project is to replace two doors to the gym and auditorium at Mt Gilead Elementary. This project is still in progress.

$19,351.00 increase to PRC 802 (Carpet replacement) – This project was to replace the carpet at West Middle School.

$45,398.10 increase to PRC 802 (Lightning Damage) – In August, a lightning strike from a thunderstorm damaged the elevator, the generator and the fire alarm system at MCHS. The insurance settlement reimbursed $36,039.56 of this cost.

Child Nutrition

5) No change to the Child Nutrition Fund. (Fund 5):

Special Local Fund 8

6) A net increase of $302,479.38 to the Special Local Fund 8 Budget (Fund 8):

$290,000.00 increase in PRC 805 (New Scoreboard Fund) – At the beginning of the year, not knowing the amount that would be contributed, the initial budget was set at $10,000. This is now being revised to reflect the total amount contributed for the scoreboard project, for a total budget of $300,000.00.

$100.00 increase to PRC 061 (Student Hardship Fund) – This budget was established by Chip Miller in memory of his wife and former board member, Sandra Miller. This fund will receive donations from a similar memorial fund established through the NC Community Foundation. The purpose of the fund is to serve students and their families in our district that are suffering a hardship.

$500.00 increase to PRC 061 (Literacy donation) -This represents a donation from the Mt Gilead Lion's Club to assist with supplying books to the mobile literacy learning lab.

$7379.38 increase to PRC 803 (Premium Stadium Seating) – This represents donations for premium seating at the MCHS football stadium that were unspent last year and carried over to the current year.

$4500.00 increase to PRC 311 (NC GEARUP Grant) – this is additional funding provided by the NC GEARUP Grant to assist with the learning needs at our middle and high schools.

7) Overall, these adjustments resulted in an increase of $1,751,468.29 to the total 2021 - 2022 budget for Montgomery County Schools.

I will be available to answer any questions you may have.

This amendment is an action item and will require a vote.