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To: Board of Education
From: Mitch Taylor
Date: May 3, 2021
Subject: Agenda Item (Section – Consent Agenda)

Attached you will find a budget amendment for your consideration for the year ending June 30, 2021.

Fiscal Year 2020/2021 Budget Amendment # 7

State Funds

A net increase of $670,286.28 to the State Budget Fund (Fund 1):

$517,500.00 increases in PRC 009 (Non-Contributory Compensation) – these funds cover the expenses incurred for Longevity compensation and the paying out of annual leave when employees retire, for staff who are paid with state funds.

$48,445.00 increase in PRC 016 (Summer Reading Camp) – These funds are to pay for the 3rd grade summer reading program.

$104,341.28 increase in PRC 045 (Teacher Bonus) – at the beginning of the school year, the State provided every teacher with a $350 bonus payment. This allotment is to cover the cost of the bonus and the related fringe expenses.

$77,923.00 decrease in PRC 013 (CTE employee compensation) and a corresponding increase in PRC 014 (CTE Program Expenses) – Surplus funds in PRC 013 were transferred to PRC 014 so that the funds could be exhausted by year end. No additional funds were received from the State, this is a transfer between the two CTE budgets.

Local Funds

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

Federal Funds

3) A net increase of $34,701.41 to the Federal Budget Fund (Fund 3)

$31,489.00 increase to PRC 114 (Special Needs Risk Pool) – This provides funding to address specific needs of Exceptional Children in order to enhance their education opportunity.

$43.00 increase to PRC 111 (Language Acquisition Increase) – This disbursement to Montgomery County Schools represents the unused portion of grant funds that remained after the State's initial allotment.

$1773.41 increase to PRC 104 (Language Acquisition Grant) – This disbursement to Montgomery County Schools represents the unused portion of grant funds that remained after the State's initial allotment.

$365.00 increase to PRC 105 (Title 1 Improvement Grant) – This disbursement to Montgomery County Schools represents the unused portion of grant funds that remained after the State's initial allotment.

$1280.00 decrease to PRC 103 (Supportive Effective Instruction Grant) – This reversion to Montgomery County Schools represents the overspent portion of grant funds that were overfunded to the districts after the State's initial allotment.

$290.00 increase to PRC 108 (Student Support and Academic Enrichment Grant) – This disbursement to Montgomery County Schools represents the unused portion of grant funds that remained after the State's initial allotment.

$2021.00 increase to PRC 050 (Title 1) – This disbursement to Montgomery County Schools represents the unused portion of grant funds that remained after the State's initial allotment.

Capital Outlay Funds

4) A net increase of $152,394.00 to the Capital Outlay Fund (Fund 4):

$152,394.00 increase to PRC 056 (Transportation) – Replacement Yellow school buses are provided to the districts as older buses age out. Because a school district cannot enter into debt, the state arranges financing to pay for the purchase of the new buses and then provides the districts with the funds to make the annual payment.

Child Nutrition

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

Special Local Fund 8

6) A net increase of $35,383.00 to the Special Local Budget Fund (Fund 8)

$35,383.00 increase to PRC 413 (NC Pre-K Funds) – This represents additional funding to provide relief for COVID related expenses incurred by the local Pre-K program.

7) Overall, these adjustments resulted in an increase of $892,764.69 to the total 2020/2021 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.

Budget Amendment # 7

Montgomery County Administration Unit

The Montgomery County Board of Education at a meeting on the 3rd day of May 2021. passed the following resolution:

Be it resolved that the following amendments be made to the Budget Resolution for the fiscal year ending June 30, 2021.

Expense Code		Description of Code			Increase	Decrease
		STATE FUNDS				
		Revenues				
1.3100		State PRC 009 Funding			$517,500.00	
1.3100		State Revision #53 PRC 016			$48,445.00	
1.3100		State PRC 045 Funding			$104,341.28	
		Net Change in State Revenues			**$670,286.28**	
		Expenses				
1.5000.009		Non Contributory Benefits			$333,500.00	
1.6000.009		Non Contributory Benefits			$177,000.00	
1.7000.009		Non Contributory Benefits			$7,000.00	
1.6000.016		Summer Reading Program			$39,798.17	
1.5000.016		Summer Reading Program			$8,646.83	
1.5000.045		$350 Teacher Bonus paid by State			$104,341.28	
1.5000.013		ABC transfer from PRC 013 to 014				$77,923.00
1.5000.014		ABC transfer from PRC 013 to 014			$76,858.28	
1.6000.014		ABC transfer from PRC 013 to 014			$1,064.72	
		Net Change in State Expenses			**$670,286.28**	
		Net Change in State Budget			**$670,286.28**	

Explanation: Adjustments made for actual revenues and expenditures.

Total Appropriation in Current Budget **$28,031,179.00**

Amount of Increase **$670,286.28**

Total Appropriation in Current Amended Budget **$28,701,465.28**

Budget Amendment # 7

Expense Code		Description of Code			Increase	Decrease
		LOCAL FUNDS				
		Revenues				
		Expenses				
		Net Change in Local Budget			$0.00	

Explanation: Adjustments made for actual revenues and expenditures.

Total Appropriation in Current Budget	**$6,843,517.13**
Amount of Increase	**$0.00**
Total Appropriation in Current Amended Budget	**$6,843,517.13**

Budget Amendment # 7

Expense Code		Description of Code			Increase	Decrease
		FEDERAL FUNDS				
		Revenues				
3.3600.114		State Revision #45 PRC 114			$31,489.00	
3.3600.111		State Revision #50 PRC 111			$43.00	
3.3600.104		State Revision #50 PRC 104			$1,773.41	
3.3600.105		State Revision #50 PRC 105			$365.00	
3.3600.103		State Revision #52 PRC 103				$1,280.00
3.3600.108		State Revision #52 PRC 108			$290.00	
3.3600.050		State Revision #51 PRC 050			$2,021.00	
		Net Change in Federal Revenues			**$34,701.41**	
		Expenses				
3.5000.114		Special Needs Risk Pool			$31,489.00	
3.5000.111		Language Acquisition Increase			$41.67	
3.6000.111		Language Acquisition Increase			$1.33	
3.5000.104		Language Acquisition Grant			$1,718.54	
3.8000.104		Language Acquisition Grant			$54.87	
3.5000.105		Title I Improvement			$365.00	
3.5000.103		Supportive Effective Instruction				$1,280.00
3.5000.108		Student Support & Academic Enrichment			$290.00	
3.5000.050		Title I			$2,021.00	
		Net Change in Federal Expenses			**$34,701.41**	
		Net Change in Federal Budget			**$34,701.41**	

Explanation: **Adjustments made for actual revenues and expenditures.**

Total Appropriation in Current Budget	**$4,925,215.36**
Amount of Increase	**$34,701.41**
Total Appropriation in Current Amended Budget	**$4,959,916.77**

Budget Amendment # 7

Expense Code	Description of Code	Increase	Decrease
	CAPITAL OUTLAY FUND		
	Revenues		
4.3400.120	State allotted new yellow bus payment	$152,394.00	
	Net Change in Capital Outlay Revenues	**$152,394.00**	
	Expenses		
4.6000.120	Annual payment on new school buses	$152,394.00	
	Net Change in Capital Outlay Expenses	**$152,394.00**	
	Net Change in Capital Outlay Budget	**$152,394.00**	

Explanation: **Adjustments made for actual revenues and expenditures.**

Total Appropriation in Current Budget **$729,095.73**

Amount of Increase **$152,394.00**

Total Appropriation in Current Amended Budget **$881,489.73**

Expense Code	Description of Code	Increase	Decrease
	CHILD NUTRITION FUND		
	Revenues		
		$0.00	
	Expenses		
		$0.00	
	Net Change in Child Nutrition Budget	**$0.00**	

Explanation: **Adjustments made for actual revenues and expenditures.**

Total Appropriation in Current Budget **$3,301,460.00**

Amount of Increase **$0.00**

Total Appropriation in Current Amended Budget **$3,301,460.00**

Budget Amendment # 7

Expense Code	Description of Code	Increase	Decrease
	LOCAL FUND 8		
	Revenues		
8.3700.413	COVID Relief NC Pre-K	$35,383.00	
	Total Changes in Fund 8 Revenues	**$35,383.00**	
	Expenses		
8.5000.413	COVID Relief NC Pre-K - supplies	$35,383.00	
	Total Change in Fund 8 Expenses	**$35,383.00**	
	Net Change in Local Fund 8 Budget	**$35,383.00**	

Explanation: Adjustments made for actual revenues and expenditures.

Total Appropriation in Current Budget	**$5,285,336.29**
Amount of Increase	**$35,383.00**
Total Appropriation in Current Amended Budget	**$5,320,719.29**

Summary of Budget Changes

Previous Budget	**$49,115,803.51**
State Budget Change	$670,286.28
Local Budget Change	$0.00
Federal Budget Change	$34,701.41
Capital Outlay Budget Change	$152,394.00
Child Nutrition Budget Change	$0.00
Fund 8 Budget Change	$35,383.00
Current Budget	**$50,008,568.20**

Passed by majority vote by the Board of Education of Montgomery County on the 3rd day of May 2021.

Chairman, Board of Education

Secretary, Board of Education