441 Page Street • P.O. Box 427
Troy, North Carolina 27371-0427
PHONE: (910) 576-6511 • FAX: (910) 576-2044

To: Board of Education
From: Mitch Taylor
Date: July 12, 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 # 9

State Funds

A net increase of $41,828.00 to the State Budget Fund (Fund 1):

$1382.00 increase in PRC 014 (CTE Programming) – In reviewing the budget, it was discovered that an allotment had been received by the district that was not recorded. This entry corrected this oversight.

$16,778.00 increase in PRC 001 (Classroom Teachers) – In reviewing the budget, it was discovered that an allotment had been received by the district that was recorded as a deduction and should have been recorded as an addition. This entry is to correct this error.

$23,668.00 increase in PRC 130 (Textbooks and Digital Learning) – The state distributed the remainder of the textbook funding.

The following amendments were adjustments within the same PRC budget in order to rebalance funds by purpose code for year-end closeout.

$180,000.00 transfer from 5000 purpose code to 6000 purpose code in PRC 024 (Disadvantaged Students)

$66,051.87 transfer from 5000 purpose code to 6000 purpose code in PRC 055 (Cooperative Innovative Schools)

$98,019.66 transfer from 7000 purpose code to 8000 purpose code in PRC 002 (Central Office Administration)

$13,963.42 transfer from 5000 purpose code to 6000 purpose code in PRC 014 (Career and Technical Program)

$2023.54 transfer from 5000 purpose code to 6000 purpose code in PRC 014 (Career and Technical Program)

$8646.83 transfer from 6000 purpose code to 5000 purpose code in PRC 016 (Summer Reading Program)

Local Funds

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

Federal Funds

3) A net increase of $9,686,357.00 to the Federal Budget Fund (Fund 3):

$255,419.00 increase to PRC 110 (21st Century Merit Funds) – This represents payment of the final two allotments for the 21st Century Merit funding. These funds were previously budgeted for the Merit regular school year and summer school programs.

$72,524.78 transfer from 5000 purpose code to 6000 purpose code in PRC 163 (Original CARES Funding from 2020) – The purpose of this amendment was to pay expenses related to the Summer Learning Loss Program. By utilizing these funds, which expire on September 30th, 2021, the district is able to preserve ESSR funds that will not expire until 2024.

$9,430,938.00 increase to PRC 181 (ESSER III COVID Relief Funding) – This disbursement to Montgomery County Schools represents the district's portion of the Elementary and Secondary Emergency Relief funding.

Capital Outlay Funds

4) A net increase of $2,542,000.00 to the Capital Outlay Fund (Fund 4):

$2,542,000.00 increase to PRC 802 (Capital Outlay) – These funds are to be used for architect fees and construction expenses for the field house at Montgomery Central High School. These funds are being reimbursed by the county with the quarter cent sales tax revenues.

Child Nutrition

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

Special Local Fund 8

6) A net increase of $231,546.98 to the Special Local Budget Fund (Fund 8):

$3778.63 increase to PRC 802 (Insurance Expenses) – In May, one of the district's child nutrition vans was damaged by another driver. This represents the insurance repair settlement received from the other driver's insurance company.

At year end, excess revenues received in Fund 8 are reallocated to where they can best be utilized. $51,423.47 in purpose code 3000 and $86,279.03 in purpose code 4000 was added to various revenue budgets with a corresponding increase of $137,702.50 to the utilities expense budget, PRC 802.

At year end, excess revenues received in Fund 8 are reallocated to where they can best be utilized. $106,282.51 in surplus Medicaid reimbursements were added to PRC 306 (Restricted Medicaid Expenses).

$29,550.00 in PRC 306 (Restricted Medicaid Funding) –Each year, the district budgets funds to repay any potential amount due back to the federal government for the prior year's Medicaid receipts. No repayment was due this year, so the funds budgeted for this purpose were transferred back to fund balance.

$601.00 increase in PRC 461 (District match funding for JCPC) and a $601.00 decrease in PRC 028 (District Workshops) – To provide additional funding for the district's JCPC match, unused funds from workshops were transferred between PRCs.

$13,333.34 increase to PRC 803 (Local Funding for Football Stadium Improvements) – these funds resulted from the East and West Montgomery High School trophy and memorabilia sale.

7) Overall, these adjustments resulted in an increase of $12,501,731.98 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 # 9

Montgomery County Administration Unit

The Montgomery County Board of Education at a meeting on the 12th day of July 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 Rev #26 PRC 014			$1,382.00	
1.3100		State Rev #38 PRC 001			$16,778.00	
1.3100		State Rev #63 PRC 130			$23,668.00	
		Net Change in State Revenues			**$41,828.00**	
		Expenses				
1.5000.024		Disadvantaged Students				$180,000.00
1.6000.024		Disadvantaged Students			$180,000.00	
1.5000.055		Cooperative Innovative High Schools				$66,051.87
1.6000.055		Cooperative Innovative High Schools			$66,051.87	
1.7000.002		Central Office Administration				$98,019.66
1.8000.002		Central Office Administration			$98,019.66	
1.5000.014		CTE Programming				$13,963.42
1.6000.014		CTE Programming			$13,963.42	
1.5000.014		CTE Programming				$2,023.54
1.6000.014		CTE Programming			$2,023.54	
1.5000.016		Summer Reading Program			$8,646.83	
1.6000.016		Summer Reading Program				$8,646.83
1.5000.014		CTE Programming			$1,382.00	
1.5000.001		Classroom Teachers			$16,778.00	
1.5000.130		Textbook funding			$23,668.00	
		Net Change in State Expenses			**$41,828.00**	
		Net Change in State Budget			**$41,828.00**	

Explanation: Adjustments made for actual revenues and expenditures.

Total Appropriation in Current Budget	**$28,703,605.28**
Amount of Increase	**$41,828.00**
Total Appropriation in Current Amended Budget	**$28,745,433.28**

Budget Amendment # 9

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 # 9

Expense Code		Description of Code	Increase	Decrease
		FEDERAL FUNDS		
		Revenues		
3.3600.110		21st Century Community Learning Grant	$255,419.00	
3.3600.181		ESSR III Covid Funding	$9,430,938.00	
		Net Change in Federal Revenues	**$9,686,357.00**	
		Expenses		
3.5000.110		21st Century Community Learning Grant	$219,043.46	
3.6000.110		21st Century Community Learning Grant	$25,344.25	
3.8000.110		21st Century Community Learning Grant	$11,031.29	
3.5000.181		ESSR III Covid Funding	$5,392,167.82	
3.6000.181		ESSR III Covid Funding	$3,496,425.09	
3.7000.181		ESSR III Covid Funding	$542,345.09	
3.5000.163		CARES Funding 2020		$72,524.78
3.6000.163		CARES Funding 2020	$72,524.78	
		Net Change in Federal Expenses	**$9,686,357.00**	
		Net Change in Federal Budget	**$9,686,357.00**	

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

Total Appropriation in Current Budget	**$9,186,511.77**
Amount of Increase	**$9,686,357.00**
Total Appropriation in Current Amended Budget	**$18,872,868.77**

Budget Amendment # 9

Expense Code		Description of Code	Increase	Decrease
		CAPITAL OUTLAY FUND		
		Revenues		
4.4000.802		MCHS Field House Project - Construction	$2,502,000.00	
4.4000.802		MCHS Field House Project - Architect	$40,000.00	
		Net Change in Capital Outlay Revenues	**$2,542,000.00**	
		Expenses		
4.9000.802		MCHS Field House Project - Construction	$2,502,000.00	
		MCHS Field House Project - Architect	$40,000.00	
		Net Change in Capital Outlay Expenses	**$2,542,000.00**	
		Net Change in Capital Outlay Budget	**$2,542,000.00**	

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

Total Appropriation in Current Budget **$888,701.73**

Amount of Increase **$2,542,000.00**

Total Appropriation in Current Amended Budget **$3,430,701.73**

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 # 9

Expense Code		Description of Code	Increase	Decrease
		LOCAL FUND 8		
		Revenues		
8.4000.802		Insurance settlement on C/N van accident	$3,778.63	
8.3000.		Rebalance revenues adding surplus to utilities account	$51,423.47	
8.4000.		Rebalance revenues adding surplus to utilities account	$86,279.03	
8.3000.306		Rebalance restricted medicaid revenues adding surplus to PRC 306	$106,282.51	
8.3000.306		Deducting restricted medicaid fund balance revenue for PRC 306		$29,550.00
8.4000.803		MCHS revenue for improvements to the football stadium	$13,333.34	
		Total Changes in Fund 8 Revenues	**$231,546.98**	
		Expenses		
8.6000.802		Insurance settlement on C/N van accident	$3,778.63	
8.6000.		Rebalance revenues adding surplus to utilities account	$137,702.50	
8.6000.306		Rebalance restricted medicaid revenues adding surplus to PRC 306	$106,282.51	
8.6000.306		Deducting restricted medicaid fund balance expenses for PRC 306		$29,550.00
2.5000.461		Transfering funds between PRC 461 and PRC 028	$601.00	
2.5000.028		Transfering funds between PRC 461 and PRC 028		$601.00
8.5000.803		MCHS expenses for improvements to the football stadium	$13,333.34	
		Total Change in Fund 8 Expenses	**$231,546.98**	
		Net Change in Local Fund 8 Budget	**$231,546.98**	

Explanation: Adjustments made for actual revenues and expenditures.

Total Appropriation in Current Budget **$5,614,543.64**

Amount of Increase **$231,546.98**

Total Appropriation in Current Amended Budget **$5,846,090.62**

Summary of Budget Changes

Previous Budget	**$54,538,339.55**
State Budget Change	$41,828.00
Local Budget Change	$0.00
Federal Budget Change	$9,686,357.00
Capital Outlay Budget Change	$2,542,000.00
Child Nutrition Budget Change	$0.00
Fund 8 Budget Change	$231,546.98
Current Budget	**$67,040,071.53**

Passed by majority vote by the Board of Education of Montgomery County on the 12th day of July 2021.

Chairman, Board of Education

Secretary, Board of Education

Budget Amendment # 9