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To: Board of Education
From: Mitch Taylor
Date: November 5th, 2018
Subject: Agenda Item (Section – Consent Agenda)

Attached you will find a budget amendment for your consideration for the year ending June 30, 2019.

Fiscal Year 2018/2019 Budget Amendment #1

State Funds

1) An increase of \$41,577.00 to the State Budget Fund (Fund 1):

*\$22,069.00 increase in PRC 048 – This allotment funds the bonus payment for school principals based on their school's test scores for the previous three years.

*\$18,288.00 increase in PRC 073 – These funds are to be used for providing digital communications within our network of school and office sites.

*\$1030.00 increase in PRC 014 – Additional funding for our CTE budget.

*\$250.00 increase in PRC 003 – This allotment is to reimburse the district for paying a sub while a member of our staff attended professional development training.

*\$49,472.00 as a both an increase and a decrease in PRC 061 having a net \$0 change – This represents a transfer of funds that we had already received in the state supply budget. These funds were originally budgeted to the district level, but this amendment reflects where they were later distributed to the district's schools based on each schools number of students. This transfer occurred after the 10 day average daily membership was determined. It appears as an amendment because the funds went from a 6000 purpose code to a 5000 purpose code.

Local Funds

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

Federal Funds

3) An increase to the Federal Budget (Fund 3) in the amount of \$2,611,983.98

*In the past few weeks, many of our programs that are funded with Federal funds have been approved. Because these monies are budgeted for numerous purposes, it would be difficult to explain in detail how these funds will be used for each one. Instead I will list the amount received for each program.

The Exceptional Children budget (PRC 060) was approved for \$885,513.

The Title One budget (PRC 050) was approved in the amount of \$1,411,249.49.

The Improving Teacher Quality budget (PRC 103) was approved in the amount of \$181,765.49

The Language Acquisition budget (PRC 104) was approved for \$38,269.00.

The Student Support and Academic Achievement grant (PRC 108) was approved for 94,405.00.

The Language Acquisition-Significant Increase budget (PRC 111) was approved for \$782.00.

Capital Outlay Funds

4) No change to the Capital Outlay Budget (Fund 4)

Child Nutrition

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

Special Local Fund 8

6) An increase of \$920,410.08 to the Local Fund 8 Budget (Fund 8)

*\$627,046 plus \$122,952 for a total increase of \$750,000 in PRC 007 – This represents the funding provided by the Innovative Approaches to Literacy Grant received for 2018/2019. This is 3 year grant to expand literacy across rural North Carolina.

*\$170,410.08 increase in PRC 616 – This funding is associated with a grant from the Sandhill’s Center that will enable the district to increase the level of mental health services to our students by employing two mental health counselors. It also include funds to implement the Strengthening Families program into our elementary schools.

*\$13,549 increase in PRC 007, a decrease of \$13,549 in PRC 001 – Funding was transferred from surplus funding available in PRC 001 to PRC 007. This funding is to employ a part-time attendance counselor to replace a recently retired full time employee.

7) Overall, these adjustments resulted in an increase of \$3,573,971.06 to the total 2018/2019 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 # 1

Montgomery County Administration Unit

The Montgomery County Board of Education at a meeting on the 5th day of November 2018 passed the following resolution:

Be it resolved that the following amendments be made to the Budget Resolution for the fiscal year ending June 30, 2019.

Expense Code	Description of Code	Increase	Decrease
<u>STATE FUNDS</u>			
<u>Revenues</u>			
1.3100.000.	State Revision #12	\$22,069.00	
1.3100.000.	State Revision #12	\$18,228.00	
1.3100.000.	State Revision #13	\$1,030.00	
1.6000.061.411	State Supply Fund		\$49,472.00
1.5000.061.411	State Supply Fund	\$49,472.00	
1.3100.000.	State Revision #13	\$250.00	
	Net Change in State Revenues	\$41,577.00	
<u>Expenses</u>			
1.5000.048	Principal Bonus	\$22,069.00	
1.6000.073	School Connectivity	\$18,228.00	
1.5000.014	CTE	\$1,030.00	
1.5000.003	Non Instructional Support	\$250.00	
	Net Change in State Expenses	\$41,577.00	
	Net Change in State Budget	\$41,577.00	
Explanation: Adjustments made for actual revenues and expenditures.			
Previous Appropriation in Current State Fund 1 Budget		\$28,007,417.62	
Amount of Increase		\$41,577.00	
New Total Appropriation in Amended State Fund 1 Budget		<u>\$28,048,994.62</u>	

Budget Amendment # 1

Expense Code		Description of Code		Increase	Decrease
<u>LOCAL FUNDS</u>					
<u>Revenues</u>					
				\$0.00	
		Net Change in Local Revenues		\$0.00	
<u>Expenses</u>					
				\$0.00	
					\$0.00
				\$0.00	
		Net Change in Local Expenses		\$0.00	
		<u>Net Change in Local Budget</u>		<u>\$0.00</u>	
Explanation: Adjustments made for actual revenues and expenditures.					
Previous Total Appropriation in Local Fund 2 Budget					\$7,031,330.16
Amount of Increase					\$0.00
New Total Appropriation in Amended Local Fund 2 Budget					<u>\$7,031,330.16</u>

Budget Amendment # 1

Expense Code		Description of Code		Increase	Decrease
FEDERAL FUNDS					
Revenues					
3.3600.060		Extraordinary Children		885,513.00	
3.3600.050		Title One		1,411,249.49	
3.3600.103		Improving Teacher Quality		181,765.49	
3.3600.104		Language Acquisition		38,269.00	
3.3600.108		Student Support		94,405.00	
3.3600.111		Language Acquisition		782.00	
		Net Change in Federal Revenues		\$2,611,983.98	
Expenses					
3.5000.060		Extraordinary Children		\$798,958.44	
3.8000.060		Extraordinary Children		\$86,554.56	
3.5000.050		Title One		\$1,244,129.10	
3.6000.050		Title One		\$1,500.00	
3.8000.050		Title One		\$165,620.39	
3.5000.103		Improving Teacher Quality		\$135,113.39	
3.6000.103		Improving Teacher Quality		\$40,986.75	
3.8000.103		Improving Teacher Quality		\$5,665.35	
3.5000.104		Language Acquisition		\$37,518.63	
3.8000.104		Language Acquisition		\$750.37	
3.5000.108		Student Support		\$58,981.66	
3.6000.108		Student Support		\$35,423.34	
3.5000.111		Language Acquisition		\$752.17	
3.8000.111		Language Acquisition		\$29.83	
		Net Change in Federal Expenses		\$2,611,983.98	
		Net Change in Federal Budget		\$2,611,983.98	
Explanation: Adjustments made for actual revenues and expenditures.					
Previous Total Appropriation in Federal Fund 3 Budget					\$150,438.19
Amount of Increase					\$2,611,983.98
New Total Appropriation in Amended Federal Fund 3 Budget					\$2,762,422.17

Budget Amendment # 1

Expense Code	Description of Code	Increase	Decrease
<u>CAPITAL OUTLAY FUND</u>			
	<u>Revenues</u>		
			\$0.00
		\$0.00	
	Net Change in Capital Outlay Revenues	\$0.00	
	<u>Expenses</u>		
	Net Change in Capital Outlay Expenses	\$0.00	
	<u>Net Change in Capital Outlay Budget</u>	<u>\$0.00</u>	
Explanation: Adjustments made for actual revenues and expenditures.			
Previous Total Appropriation in Capital Outlay Fund 4 Budget			\$758,251.89
Amount of Increase			\$0.00
New Total Appropriation in Amended Capital Outlay Fund 4 Budget			\$758,251.89

Expense Code	Description of Code	Increase	Decrease
CHILD NUTRITION FUND			
	<u>Revenues</u>		
	Net Change in Child Nutrition Revenues	\$0.00	
	<u>Expenses</u>		
	Net Change in Child Nutrition Expenses	\$0.00	
	Net Change in Child Nutrition Budget	<u>\$0.00</u>	
Explanation: Adjustments made for actual revenues and expenditures.			
Previous Total Appropriation in Child Nutrition Fund 5 Budget			\$3,324,040.00
Amount of Increase			\$0.00
New Total Appropriation in Amended Child Nutrition Fund 5 Budget			<u>\$3,324,040.00</u>

Budget Amendment # 1

Expense Code		Description of Code	Increase	Decrease
LOCAL FUND 8				
<u>Revenues</u>				
8.3700.377		Literacy Expansion Grant	\$750,000.00	
8.3200.616		Sandhills Center Mental Health Grant	\$170,410.08	
		Total Changes in Fund 8 Revenues	\$920,410.08	
<u>Expenses</u>				
8.5000.377		Literacy Expansion Grant	\$627,048.00	
8.6000.377		Literacy Expansion Grant	\$122,952.00	
8.5000.616		Sandhills Center Mental Health Grant	\$170,410.08	
8.5000.001		Teacher Salaries		\$13,549.00
8.5000.007		Attendance Counselor	\$13,549.00	
		Total Change in Fund 8 Expenses	\$920,410.08	
		Net Change in Local Fund 8 Budget	\$920,410.08	

Explanation: Adjustments made for actual revenues and expenditures.

Previous Total Appropriation in the Special Fund 8 Budget \$1,996,425.95

Amount of Increase \$920,410.08

New Total Appropriation in Amended Special Fund 8 Budget \$2,916,836.03

Summary of Budget Changes	
Previous Budget Balance	\$41,267,903.81
State Budget Change	\$41,577.00
Local Budget Change	\$0.00
Federal Budget Change	\$2,611,983.98
Capital Outlay Budget Change	\$0.00
Child Nutrition Budget Change	\$0.00
Fund 8 Budget Change	\$920,410.08
Current Budget Balance	\$44,841,874.87

Passed by majority vote by the Board of Education of Montgomery County on the 5th day of November 2018.

Chairman, Board of Education

Secretary, Board of Education