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To: Board of Education
From: Mitch Taylor
Date: July 8th, 2019
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 # 9

State Funds

1) A net increase of \$387.54 to the State Budget Fund (Fund 1):

\$387.54 increase in PRC 011 (NBPTS Leave) – This is an expense to pay a teacher's leave while obtaining their National Board Certification. The State reimburses the district when this expense is incurred.

\$35,321.00 increase to PRC 131 (Textbook Spending Account) and a corresponding decrease of \$35,321.00 to PRC 130 (Textbook Allotment Account) – The State allots the district textbook funding through PRC 130, but to spend the funds, it must be transferred to PRC 131. Once transferred to the 131 budget, the funds can then be used to reimburse the district for textbook and digital resource purchases. The entries offset each other and do not change the total budget.

\$86,461.12 increase to PRC 002, Purpose Code 7000 (Child Nutrition Director Account) and a corresponding decrease of \$86,461.12 to PRC 002, Purpose Code 8000 (Inter-fund Transfer Account) – The Child Nutrition Director's compensation is paid from State Funding from the Central Office Budget. However the State requires that the compensation for the Child Nutrition Director be reflected within the Child Nutrition budget. This requirement is met with this non-cash transaction allowing the expense to appear as a part of the Child Nutrition budget.

Local Funds

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

\$25,000.00 increase to PRC 003, Purpose Code 6000 and a corresponding decrease in the amount of \$25,000 to PRC 003, Purpose Code 5000. This was a year-end budget balancing transaction that did not change the total budget.

Federal Funds

3) A net increase of \$1750.00 to the Federal Budget Fund (Fund 3):

\$1750.00 increase to PRC 118 (EC Targeted Assistance) – This was a federal allotment related to the EC Program for the purpose of funding training attended by the EC staff.

Capital Outlay Funds

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

Child Nutrition

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

Special Local Fund 8

6) An increase of \$343,982.50 to the Special Local Fund (Fund 8)

\$8223.15 increase to PRC 378 (Pfeiffer University Teacher Retention Grant). These expenses relate to promoting this grant within our district and will be reimbursed by Pfeiffer University to Montgomery County Schools.

\$14,995.00 increase to PRC 423 (PPEERS Principal Certification Program) This funding is received from UNC-G for the purpose of reimbursing a portion of the salary expenses for a Montgomery County School's candidate enrolled in the Principal Certification Program at UNC-G.

\$320,764.35 increase to numerous PRCs within Fund 8. Many of the budgets falling within Fund 8 have revenue sources that tend to be less predictable as compared to other funding sources within our budget. As a result, at the end of the fiscal year, the Fund 8 budget is rebalanced to better reflect actual revenues and expenses. This year, total revenues received exceeded the initial budgeted amounts by \$320,764.35. This budget amendment enables the district to increase the total budget in Fund 8 so that we can then transfer expenses from the Local Fund 2, thereby offsetting the budget shortfall in Fund 2.

7) Overall, these adjustments resulted in an increase of \$346,120.04 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 # 9

Montgomery County Administration Unit

The Montgomery County Board of Education at a meeting on the 8th day of July 2019 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
STATE FUNDS			
Revenues			
1.3100	State Revenues - regular	\$387.54	
	Net Change in State Revenues	\$387.54	
Expenses			
1.5000.011	NBPTS Educational Leave	\$387.54	
1.5000.131	Textbook Spending Account	\$35,321.00	
1.5000.130	Textbook & Digital Resource Fund		\$35,321.00
1.7000.002	C/N Director Inter-fund transfer		\$86,461.12
1.8000.002	C/N Director Inter-fund transfer	\$86,461.12	
	Net Change in State Expenses	\$387.54	
	Net Change in State Budget	\$387.54	
Explanation: Adjustments made for actual revenues and expenditures.			
Previous Appropriation in Current State Fund 1 Budget		\$28,428,425.52	
Amount of Increase		\$387.54	
New Total Appropriation in Amended State Fund 1 Budget		<u>\$28,428,813.06</u>	

Budget Amendment # 9

Expense Code		Description of Code		Increase	Decrease
<u>LOCAL FUNDS</u>					
<u>Revenues</u>					
		Net Change in Local Revenues			
<u>Expenses</u>					
2.5000.003		Health Insurance Exp			\$25,000.00
2.6000.003		Health Insurance Exp		\$25,000.00	
		Net Change in Local Expenses			
		<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 # 9

Expense Code		Description of Code		Increase	Decrease
FEDERAL FUNDS					
Revenues					
3.3600.118		State Revision #49		1,750.00	
		Net Change in Federal Revenues		1,750.00	
Expenses					
3.5000.118		Special Needs Targeted Assistance		1,750.00	
		Net Change in Federal Expenses		\$1,750.00	
		Net Change in Federal Budget		\$1,750.00	
Explanation: Adjustments made for actual revenues and expenditures.					
Previous Total Appropriation in Federal Fund 3 Budget				\$3,572,572.85	
Amount of Increase				\$1,750.00	
New Total Appropriation in Amended Federal Fund 3 Budget				\$3,574,322.85	

Budget Amendment # 9

Expense Code	Description of Code	Increase	Decrease
<u>CAPITAL OUTLAY FUND</u>			
	<u>Revenues</u>		
	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 **\$1,267,229.29**

Amount of Increase **\$0.00**

New Total Appropriation in Amended Capital Outlay Fund 4 Budget **\$1,267,229.29**

Expense Code	Description of Code	Increase	Decrease
<u>CHILD NUTRITION FUND</u>			
	<u>Revenues</u>		
	Net Change in Child Nutrition Revenues	\$0.00	
	<u>Expenses</u>		
	Net Change in Child Nutrition Expenses	\$0.00	
	<u>Net Change in Child Nutrition Budget</u>	<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 **\$3,324,040.00**

Budget Amendment # 9

Expense Code	Description of Code	Increase	Decrease
LOCAL FUND 8			
Revenues			
8.4890.378.	Phieffer Grant	\$0.00	
8.4890.423	PPEERS Grant	\$0.00	
8.4220.	Rental Income		\$6,250.00
8.4490.	Miscellaneous Revenues		\$3,638.39
8.4490.000.000.000.01	Randolph Electric Dividends	\$752.61	
8.4880.	Indirect Cost	\$61,011.65	
8.3700.001	ROTC Allotment	\$2,659.03	
8.4430.001.121.000.000.01	Bible History Teacher		\$5,000.00
8.4490.012	Driver's Education		\$3,470.00
8.4490.015	Computer Warranty Fee		\$2,426.00
8.4430.061.411.310.000.20	Montgomery Learning Academy Graduation	\$300.33	
8.3700.305.	Medicated Fees-Unrestricted	\$37,892.14	
8.3700.306.	Medicated Fees-Restricted	\$225,389.47	
8.3700.401.	Smart Start Program	\$10,700.00	
8.3700.413.	Pre-k Program		\$70,946.16
8.4890.378	Phieffer Grant	\$3,776.85	
8.4210.671.000.000.371	Technology Fee	\$98,379.24	
8.4210.701.000.334	Star Daycare		\$8,454.00
8.4490.704	Communities in Schools Program		\$20,348.21
8.4490.802	Recycling Fees	\$435.79	
	Total Changes in Fund 8 Revenues	\$320,764.35	
Expenses			
8.5830.378	Phieffer Grant	\$8,223.15	
8.5000.423	PPEERS Grant	\$14,995.00	
8.5000.001	Teachers		\$28,035.16
8.5000.009	Non-contributory Benefits	\$4,725.87	
8.5000.012	Driver's Education	\$1,304.05	
8.6000.015	School Technology Fund		\$8,783.89
8.5000.061	School Supplies		\$286.38
8.6000.371	I-3 Grant	\$2,792.30	
8.5000.423	PPEERS Grant		\$14,995.00
8.5000.615	Nurse Grant		\$44,781.78
8.5000.616	Sandhills Mental Health Grant	\$5,582.36	
8.5000.617	Art Supply Donation		\$23.12
8.6000.671	Technology Warranty Fees	\$49,098.47	
8.7000.701	Star Daycare		\$5,349.89
8.5000.704	Communities in Schools Program	\$8,535.34	
8.6000.802	Utilities	\$150,591.71	
8.6000.306	Medicated Fees-Restricted	\$118,460.22	
8.5000.306	Medicated Fees-Restricted	\$81,929.25	
	Total Change in Fund 8 Expenses	\$343,982.50	
	Net Change in Local Fund 8 Budget	\$343,982.50	
Explanation: Adjustments made for actual revenues and expenditures.			
Previous Total Appropriation in the Special Fund 8 Budget			\$3,084,951.95
Amount of Increase			\$343,982.50
New Total Appropriation in Amended Special Fund 8 Budget			\$3,428,934.45

Budget Amendment # 9

<i>Summary of Budget Changes</i>	
<u>Previous Budget Balance</u>	<u>\$46,708,549.77</u>
State Budget Change	\$387.54
Local Budget Change	\$0.00
Federal Budget Change	\$1,750.00
Capital Outlay Budget Change	\$0.00
Child Nutrition Budget Change	\$0.00
<u>Fund 8 Budget Change</u>	<u>\$343,982.50</u>
<u>Current Budget Balance</u>	<u>\$47,054,669.81</u>
<u>Total Budget Change</u>	<u>\$346,120.04</u>

Passed by majority vote by the Board of Education of Montgomery County on the 8th day of July 2019.

Chairman, Board of Education

Secretary, Board of Education