

November 14, 2023

**KINGSPORT CITY SCHOOLS
FISCAL YEAR 2023-2024
BUDGET AMENDMENT NUMBER FIVE**

GENERAL PURPOSE SCHOOL FUND

FUND BALANCE APPROPRIATION

Bids have been received and opened for the HVAC replacements at Lincoln and Johnson Elementary Schools. The total costs for these two projects is \$6,777,317. There has been \$5,047,422 appropriated for these two projects. \$1,311,422 is from ESSER funds and \$3,736,000 is from the General Purpose School Fund. To complete these projects there will need to be an additional \$1,729,895 appropriated from the General Purpose School Fund Unreserved Fund Balance.

At June 30, 2023, the Unreserved Fund Balance was \$11,923,829. There was \$910,000 used to fund the FY 2024 budget and \$459,871 appropriated the fund open purchase orders carried forward from FY 2023. This leaves an available Unreserved Fund Balance of \$10,553,958. It is also anticipated that there will need to be an appropriation of approximately \$800,000. To fund the replacement of the Tribe Athletic Complex roof (Base bid and alternate 3). The recommendation for the funding of the TAC roof will be presented to the Board of Education once the bids are opened in January. After all three projects are funded, it is expected that the Unreserved Fund Balance will be approximately \$8,000,000.

It is recommended that the estimated revenue for Fund Balance Appropriation and the appropriation for Fund Transfers be increased by \$1,729,895 and that these funds be transferred to the General Project Fund.

GENERAL PROJECT FUND

SCHOOLS HVAC REPLACEMENT PROJECT

The replacement of the HVAC systems at Lincoln and Johnson Elementary Schools has a total cost of \$6,777,317. There is current funding in place of \$5,047,422. The current funding has been provided from ESSER funds (\$1,311,422) and the School Fund \$3,736,000. There will be an additional \$1,729,895 transferred from the General Purpose School Fund.

It is recommended that the Schools HVAC replacement project be amended by increasing the estimated revenue for Transfers from the School Fund and be increasing the appropriations for Construction Contracts by \$1,729,895.