

May 14, 2024

KINGSPORT CITY SCHOOLS
FISCAL YEAR 2023-2024
BUDGET AMENDMENT NUMBER EIGHT

GENERAL PURPOSE SCHOOL FUNDS

ITEM ONE: CURRENT YEAR PROPERTY TAXES

Due to the reduction of the property tax rate for schools in both Hawkins and Sullivan Counties, the actual amount collected for Current Year Property Taxes could be below the estimated amount in excess of \$3,000,000. The FY 2025 estimate for Current Year Property Taxes is below the original FY 2024 estimate by \$3,340,000. This will create a maintenance of effort issue. In order to meet the maintenance of effort requirement in FY 2025 the amount estimated for total local revenue needs to be amended to match the amended local revenue estimate in FY 2023. The amended local revenue estimate in FY 2023 was \$47,164,900. The current FY 2024 estimated revenue amount is \$49,293,900. This is a difference of \$2,129,000. A reduction in the FY 2024 estimate for Current Year Property Taxes of \$2,129,000 will establish a local revenue maintenance of effort amount of \$47,164,900. The recommended FY 2025 budget has local revenue estimated at \$47,207,450. This represents an increase in the local revenue estimate of \$42,550, which will satisfy the maintenance of effort requirement.

The reduction in estimated revenue will be offset by a reduction in capital outlay appropriations and fund transfers. There were one-time capital outlay expenses budgeted that have not and will not be spent in light of the reduction in county property taxes and there are fund transfers to the City General Fund. A majority of these funds will not be expensed because of the State Grant the City is receiving for SRO's.

It is recommended that the estimated revenue for Current Year Property Taxes be reduced by \$2,129,000 and that the appropriations for Building Improvements be reduced by \$1,800,000 and the appropriations for Funds Transfers be reduced by \$329,000.

ITEM TWO: TENNESSEE ARTS COMMISSION GRANT

Two of our elementary schools have received grants from the Tennessee Arts Commission. These grants fund visiting authors, performances by the Barter Players, or other performing arts. The schools that have received these grants are Johnson - \$2,564 and Lincoln - \$1,784.

It is recommended that the estimated revenue for Other State Grants and the appropriations for Principals Office – Other Charges be increased by \$4,348.

ITEM THREE: SUMMER LEARNING GRANT

The State has allocated \$895,140 for Summer Learning Camps. This consists of sub-grants for Summer Learning - \$757,712 and Summer Learning Transportation - \$137,428. These funds are to be spent on personnel, supplies and materials, and transportation costs for our summer learning program.

It is recommended that the estimated revenues for Federal Through State Funds be increase by \$265,199 and Other State Education Funds be increased by \$629,941 and the appropriations for various salary and benefit, supplies and materials, and transportation accounts in increased by \$895,140.

ITEM FOUR: SPECIAL EDUCATION “HOPE” DONATION

Budget amendment number one appropriated \$200,000 for a donation from the “Melissa’s Hope Foundation”. It was anticipated that these funds would be spend prior to the end of the fiscal year. That will not be the case. To prevent the unused funds closing into the General Purpose School Fund, Fund Balance, it will be necessary to move these funds to a multi-year project in the School Special Projects Fund.

It is recommended that the estimated revenue for Other Local Revenue and the appropriations for various special education expenditure accounts for Dobyns-Bennett High School and Sevier Middle School be decreased by \$200,000.

ITEM FIVE: MISCELLANEOUS TRANSFERS

Dobyns-Bennett High School – Dobyns-Bennett has requested to transfer \$1,800 from their Fine Arts Equipment account, \$2,500 from their Repair of Book account, \$13,000 from their Library Book account, \$2,000 from their Audio Visual account, \$3,000 from their Staff Development account, and \$4,100 from their Printing account to their Instructional Equipment account (\$800) and to their Non-Instructional Equipment account (\$25,600). This will fund various non-instructional equipment needs throughout the school.

Adams Elementary – Adams Elementary School has requested to transfer \$5,000 from their Instructional Equipment account to their Non-Instructional Equipment account. This will fund the purchase of classroom furniture.

Jefferson Elementary – Jefferson Elementary School has requested to transfer \$1,500 from their Instructional Equipment account, \$6,367 from their Library Book account, \$599 from their Audio-Visual account, and \$701 from their Periodical account to their Non-Instructional Equipment account (\$9,167). This will provide funds to purchase classroom and library furnishings.

Kennedy Elementary – Kennedy Elementary School has requested to transfer \$1,200 from their Non-Instructional Equipment account to their Awards and Dues account. This will provide additional funding for year of year activities.

Lincoln Elementary – Lincoln Elementary School has requested to transfer \$6,000 from their Non-Instructional Equipment account to their Awards and Dues account (\$500), to their Office Supply account (\$500), and to their Instructional Supply account (\$5,000). This will assist in funding additional supplies.

Roosevelt Elementary – Roosevelt Elementary School has requested to transfer \$400 from their Non-Instructional Equipment account to their Staff Development account. This will funding for staff recognitions.

GENERAL PROJECT FUND

School Security/Technology Project: There was \$943,000 appropriated for this project to upgrade the video surveillance system for the entire school system. This project is now complete and the final expenditure amount was \$935,207, leaving a balance of \$7,993.

It is recommended that the School Security/Technology project be closed and that the balance of \$7,993 be transferred to the FY 2023 School Capital Improvement Project.

SCHOOL NUTRITION SERVICES FUND

The School Nutrition department is preparing to solicit bids for various pieces of equipment. It is estimated that this purchase will cost \$320,000. These funds are available the School Nutrition Services Fund Balance. School Nutrition Services has also received funds from the USDA for supply chain assistance in the amount of \$196,657. These funds have been made available to assist in offsetting the increased costs of food purchases.

It is recommended to increase the estimated revenue Federal USDA revenue by \$196,657 and the estimated revenue for Fund Balance Appropriations by \$320,000 and to increase the appropriations for food purchases by \$196,657 and capital outlay by \$320,000.

FEDERAL PROJECTS FUND

(See Attached Schedule of Federal Projects)

The Federal Projects Fund budget was previously approved for a total of \$6,232,864.

There have been two additional grants received. The total of these new grants is \$91,000. These grants are:

1. Summer Literacy Training Stipend – \$16,000
2. ATSI (Additional Targeted Support and Improvement) – \$75,000

The majority of the grants accounted for in this fund have also experienced changes in the amount of funding. Some of these changes are the normal adjustment of estimated grant amounts to the actual amounts. There are also changes that have resulted from a Federal audit of the State that resulted in adjustments to prior year allocations. The net result of all of these changes is an increase of \$706,648.

It is recommended that the estimated revenue for Federal Revenues and the appropriations for the Federal Programs budget be increased by a net amount of \$797,648. The revised Federal Projects budget will be \$7,030,512.

SCHOOL SPEICAL PROJECTS FUND

(See Attached Schedule of School Special Projects)

The School Special Projects Fund budget was previously approved for a total of \$840,120.

Two new grants have been received. The Public School Security Grant is for \$343,876 and the State Special Education Pre-School grant is for \$169,139.

A donation from the “Melissa’s Hope Foundation” that was previously recorded in the General Purpose School Fund is being moved to a multi-year project within the School Special Projects Fund. This is a \$200,000 donation that will to be utilized by Sevier Middle School and Dobyms-Bennett High School to provide professional development, supplies and equipment to supplement their special education programs.

The estimated revenues and appropriations for the Family Resource Center Program is being increased by \$5,000 for donations that have been made.

The State Pre-School grant has been increased by \$4,229. There is also additional funds being provided to the Innovative School Models grant from the Jobs for America’s Graduates organization for \$230,000.

It is recommended that the estimated revenue for and the appropriations for School Special Projects Fund be increased by the net amount of \$952,244. The revised School Special Projects budget will be \$1,792,364.