

March 10, 2026

KINGSPORT CITY SCHOOLS
FISCAL YEAR 2025-2026
BUDGET AMENDMENT NUMBER FIVE

GENERAL PURPOSE SCHOOL FUNDS

ITEM ONE: INTEREST EARNINGS AND BANK SERVICES CHARGES

Beginning this fiscal year, the City of Kingsport began allocating interest earnings to the General Purpose School Fund. They are also allocating bank services charges to the General Purpose School Fund. For fiscal year 2026 the allocation share is 16 percent. The estimated annual earnings are approximately \$100,000 and the expenditure is expected to be approximately \$30,000. This represents a net gain of approximately \$70,000. For the current fiscal year, we are recommending restoring the Technology Non-Instructional Equipment funds that were used to offset the costs of the student Chromebook purchase. At this time, it is planned to let the remaining unspent funds close into the Unrestricted Fund Balance at year-end.

It is recommended that the estimated revenue for Interest Earnings be increased by \$100,000 and that the appropriation for Technology – Other Equipment be increased by \$34,500 and the appropriation Board of Education – Other Charges be increased by \$65,500.

GENERAL PROJECT FUND

Washington HVAC Replacement

The FY 2026 budget amendment number one appropriated \$2,675,000 to the Washington HVAC replacement project. This appropriation was to fund the construction contract and the contingency. The total for these items is \$2,117,880. This leaves an excess of \$557,120.

Robinson Fire Alarm Replacement

Bids will be opened for the Robinson Fire Alarm Replacement project in late March or early April. It is planned to make a recommendation for bid approval to the Board of Education at the April Board meeting. The estimate from the engineers is approximately \$325,000. There would need to be a contingency established of approximately \$20,000.

General Projects Funding Recommendation

It is recommended to transfer the excess funds in the Washington HVAC Replacement project to the Robinson Fire Alarm Replacement project. The amount of the transfer will be \$350,000. These funds originally came from the General Purpose School Fund Unreserved fund Balance.