Montgomery County
Public Schools

2015
RECEIVED
County
Administrator

August 20, 2015

Mr. F. Craig Meadows
County Administrator
County of Montgomery
755 Roanoke Street, Suite 2E
Christiansburg, VA 24073-3179

Dear ~~Mr. Meadows~~: Craig:

The Montgomery County School Board appreciates the continued support of the County Board of Supervisors. Your history of returning carryover funds to the School Board allows us to better meet the educational needs of our students. We look forward to your consideration of the current request to support educational needs in fiscal year 2015-2016.

The Montgomery County School Board at its meeting on August 18, 2015 approved a request to the Board of Supervisors for supplemental appropriation to the School Operating Budget for fiscal year 2015-16. The School Board requests that the funds that exceeded expenditures and open purchase orders for FY 2014-15 be appropriated to the FY 2015-16 budget as follows.

CODE	DESCRIPTION	AMOUNT
Fund 09 Revenue:		
	Fund Balance See attached summary page	$ 2,130,677
Fund 09		
	Code 610000 Instruction	$ 853,947
	Code 620000 Admin., Attend., & Health	106,057
	Code 630000 Transportation	282,622
	Code 640000 Operations and Maintenance	888,051
	Total School Operating Fund	$ 2,130,677
Supplemental Carryover Appropriation:		
	1. Medicaid Carryover	$ 301,695
	2. STEM Grant Received	2,000
	3. One Time Bonus for Zero Increase Employees (3.2%)	221,169
	3. Compensation Study / Market Study	32,000
	4. Reserve Teacher Units (2 @ $63,800 each)	127,600
	5. AEDs for Schools (12 @ $1,539 each)	18,468

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6. 25% Match for Security Grant	25,000
7. 2 Buses - difference to $350,000	19,306
8. Additional Buses (2) and related equipment	170,000
9. Roofs and Maintenance Plan	250,000
10. Additional Field Trip Allocation	40,000
11. Replacement of Fleet Vehicles (2 at $20,000 each)	40,000
12. Software Enhancements to Maximize Efficient Use of MUNIS System	30,000
13. Restore a Portion of Supply budget for schools (30%)	102,250
14. Additional Technology to Support Instruction	151,189
15. Capital Expenditures, to be determined from the capital maintenance list	600,00
Total Carryover Appropriation	$ 2,130,677

Explanation:

Planned Expenditures for Unencumbered Carryover Funds

- Return Medicaid reimbursed funds ($301,692) to Medicaid line for the 2015 –16 School Operating Budget. These funds were unanticipated and received too late to plan for spending in FY 2014/15.
- STEM Grant ($2,000) was received in late June 2015 from Montgomery County Educational Foundation and will go into the Career Technical Education budget line for the 2015-16 School Operating Budget.

- Provide a one-time bonus of 3.2% ($221,169) for 330 employees who did not receive an increase in pay from the step increase. This includes employees at the top of the scale and employees at the bottom of the scale who did not qualify to receive Board approve step increases.

- Conduct a thorough compensation/market study for support personnel salary schedules at a cost of $32,000.

- Reserve 2 teacher units at a cost of $63,800 each for growth in enrollment or other pressing needs of the division. Total cost for the two teacher unit is $127,600.

- Place AEDs in Schools at a cost $18,468. As part of feedback from PTA presidents group, an AED for each elementary school and one additional to replace our oldest model in service in a secondary school. AED simulators have already been purchased for use in our 9th grade health classes. This will be year one of all students receiving CPR/1st Aid training. This results in all schools having an AED.

- Continue Security Grant Match of $25,000. The security grant has a 25% local match, with a maximum grant award of $100,000. In the prior year, MCPS received the maximum grant amount of $100,000.

- Provide an additional $19,306 toward the purchase of 2 buses. The Board of Supervisors approved additional funds of $156,249, which was used to increase the bus purchase in the base operating budget to a total of $176,987. The Board of Supervisors has an additional $153,707 in their proposed year end spending plan for buses. The additional $19,306 brings the total bus allocation to $350,000, two in the operating budget and 2 in the carry over budget.

- Purchase additional buses and related equipment for $170,000. On a 15 year replacement cycle, MCPS should be replacing buses at a rate of approximately 8 per year. This additional amount will allow for the purchase of 8 buses, 4 funded in the operating budget and 4 funded with carry over, in the current fiscal year. We are still behind on the bus replacement cycle, however, this year and last year made huge strides towards the replacement cycle. The average life cycle of a bus is 12 years; however, we have some buses still in use that have reached the 15 year mark. The average miles a bus incurs per year is 11,050.

- Provide an additional $250,000 for the Roofs and Maintenance Plan. This is the amount unfunded in the operating budget for the roof maintenance plan. The Board of Supervisors funded this plan in 2013, 2014; they did not fund it in 2015 and do not plan to fund it for 2016.

- Restore $40,000 to Field Trip budget. Since FY 2009-10 the field trip allocation has been reduced by $51,327. However, a portion of this was restored using one-time funds in FY 2014-15. A portion was also included in the base budget for FY 15-16. This amount will make up the difference with one time funds.

- Replacement of two technology fleet vehicles is necessary for the aging fleet. The cost is $40,000 to replace two fleet vehicles. Current vehicles scheduled to be replaced are two vans, one with 168,466 miles and the other has 160,177 miles. These vans are model years 1997 and 1996, respectively. The vans are still being used, but are worn out and parts are very hard to find. It is not practical to put a lot of money into these vehicles, so when the engine fails, it will need to be replaced. In fiscal year 2010-2011, $85,000 from year end carryover was used to purchase four vehicles, two each for the maintenance and technology departments. In addition, four vans were purchased for use by the special education department in 2011 with stimulus funds. In fiscal years 2014, one vehicle was purchased with regular operating budget funds. In fiscal year 2015, two trip vehicles were purchased with regular operating budget funds.

- Purchase software and enhancements at a cost of $30,000, to use in maximizing efficiencies of the MUNIS system. Software includes job application upload, sub finder and leave reporting, and budget forecasting. These are enhancements needed by the school system and are not part of the County MUNIS conversion. Therefore the County does not plan to fund this software.

- Restore a portion of Supply Budget in the amount of $102,250. The schools supply budget in fiscal year 14-15 was cut by approximately $336,000. This amount will restore approximately 30% of the previous year's cut. Approximately $900,000 total has been cut from supplies.

- Add $151,189 to provide additional technology to support classroom instruction.

- Provide $600,000 towards Capital Expenditures. These funds will allow for projects from the capital maintenance list to be completed.

Your ongoing support for quality education in Montgomery County is appreciated. Please contact me if you have any questions about the information I have provided.

Sincerely,

Brenda B. Blackburn

Brenda B. Blackburn
Superintendent

Encl. Summary of Fiscal Year 2014-2015

Cc: Angela Hill, Director of Financial and Management Services. Montgomery County Government
Dr. John Staten, Assistant Superintendent for Operations, Montgomery County Public Schools

FINANCIAL SUMMARY
FISCAL YEAR 2014-2015

A	B	C	D	E	F
REVENUE	2014-2015 ORIGINAL BUDGET	2014-2015 SUPPLEMENT	2014-2015 REVISED BUDGET	2014-2015 ACTUAL	2014-2015 ACTUAL VS REVISED BUDGET
SALES TAX	$ 10,215,457	$ -	$ 10,215,457	$ 10,232,231.02	$ 16,774.02
STATE REVENUE	40,042,234	207,600	40,249,834	40,292,418.73	42,584.73
FEDERAL REVENUE	4,016,750	-	4,016,750	3,964,269.46	(52,480.54)
LOCAL REVENUE	468,500	606,820	1,075,320	1,551,027.16	475,707.16
COUNTY GENERAL FUND	42,080,379	-	42,080,379	42,080,379.00	-
STATE RECORDATION TAX	225,000	-	225,000	218,023.95	(6,976.05)
GENERAL FUND BALANCE	-	3,013,693	3,013,693	3,013,693.00	-
TOTAL REVENUE	$ 97,048,320	$ 3,828,113	$ 100,876,433	$ 101,352,042.32	$ 475,609.32
EXPENDITURES:					
INSTRUCTION	$ 74,919,211	$ 1,339,732	$ 76,258,943	$ 73,735,972.44	$ 2,522,970.56
ADMIN, ATTEND & HEALTH	4,033,759	107,435	4,141,194	3,907,321.44	233,872.56
TRANSPORTATION	4,482,307	377,872	4,860,179	4,629,369.41	230,809.59
OPERATIONS & MAINTENANCE	13,602,524	1,355,374	14,957,898	14,887,730.81	70,167.19
NON-INSTRUCTION	10,519	300,000	310,519	195,605.50	114,913.50
DEBT SERVICE	-	347,700	347,700	347,700.00	-
TOTAL EXPENDITURES	$ 97,048,320	$ 3,828,113	$ 100,876,433	$ 97,703,699.60	$ 3,172,733.40
ENCUMBERED PURCHASE ORDERS					(1,517,666.00)
TOTAL EXPENDITURES NET ENCUMBERED PURCHASE ORDERS	$ 97,048,320	$ 3,828,113	$ 100,876,433	$ 97,703,699.60	$ 1,655,067.40
TOTAL REVENUE LESS EXPENDITURES	$ -	$ -	$ -	$ 3,648,342.72	$ 2,130,676.72
Balance as a Percentage of the Total Budget					2.11%

SCHOOL NUTRITION FUND

REVENUE	$ 4,158,426	$ -	$ 4,158,426	$ 3,991,448.50	$ 166,977.50
EXPENDITURES	4,158,426	-	4,158,426	4,058,548.81	99,877.19
TOTAL REVENUE LESS EXPENDITURES	$ -	$ -	$ -	$ (67,100.31)	$ 67,100.31