

**Business Office Update
April 23, 2018 Meeting**

Millburn Elementary Water Issues

- WELL ISSUES
 - At the March 12, 2018 meeting, we discussed the need to service the well that serves the new addition of Millburn Elementary School.
 - Terry Miller initially received a quote from Water Well Solutions. Water Well Solutions has serviced our well and water equipment for the past few years. He then made several calls to obtain additional quotes for servicing our 200' deep 8" well. The results are listed below:
 - Water Well Solutions supplied a quote to Mr. Miller
 - Hoover & Boysen are out of business
 - Municipal Well & Pump, JA Schwall & Huemann said they didn't service wells our size and referred us to Water Well Solutions
 - A copy of the Water Well Solutions quote is attached to the agenda. The cost of servicing the well is \$13,100 if they are able to pull it, clean it and reinstall it. Unfortunately, the pump did need replacement, so the final cost is estimated to be in the \$20,000 - \$25,000 range.
 - Dr. Lind and I are recommending that the board approve this expenditure. I can share the fact that the last time I had to install a new pump in a school building well in the mid to late 1990's, the cost was in the \$20,000 to \$25,000 range.
 - The district has funds available in the budget for both the service of the well as well as the replacement of the pump.
- HOT WATER HEATER
 - At the last meeting, the board toured several of the areas where mechanical equipment is located at Millburn Elementary School. One of those pieces of equipment, the approximately 19 year old hot water heater that served the kitchen began leaking. The hot water heater was shut off and drained after the lunch dishes were washed on Friday, April 13, 2018. To replace the 250 gallon hot water heater would have been \$16,000 plus labor for removal and installation along with a 6-8 week wait for the new hot water heater to be manufactured.
 - The plumbing supplier looked at the water requirements for the dishwasher in the kitchen and recommended that a commercial 80 gallon gas hot water heater with high (quick) recovery rate replace the existing water heater. The water heater was available for delivery on Tuesday, April 17, 2018 for an installed cost of \$16,000. I authorized the purchase and installation of the water heater because this was an emergency because it serves the kitchen.
 - Afterwards, I was able to find the same water heater online for a cost ranging from \$10,500 and \$12,300, so the \$11,500 cost of the water heater is a reasonable cost for the quick delivery.
 - The district will realize significant cost savings as a result of this replacement. We are going from a 250 gallon electric water heater with a 1,000,000 BTU heater to an 80 gallon gas water heater with a 399,000 BTU heater.
 - We still have another identical water heater to the one that failed. I want to start the process to explore the possible replacement of the water heater that serves the balance of the 1999 addition this summer. My plan is to contact the utility company regarding any incentives they may have for purchasing a more efficient water heater and also to see if we can obtain any incentives for the unit that we just replaced.

Coop 90's Assignment of Representative and Alternate for Voting Purposes

- Dr. Lind and I are recommending that the Business Manager be appointed as the Representative to the Coop 90's Health & Dental Insurance Board and the Superintendent be appointed the Alternate. A copy of the resolution is linked to the board agenda.

LCD Settlement

- We recently received a check for \$11,383.07 from the LCD Flat Panel Antitrust Settlement. Our claim was originally filed in the Fall of 2016. This settlement was the result of a suit brought by the Illinois Attorney General on behalf of the State of Illinois. The lawsuit claimed that the defendants conspired to fix, raise, maintain or stabilize prices of TFT-LCD Flat Panels resulting in overcharges to consumers.

Summer Projects

- A copy of the proposed summer projects for 2018 will be reviewed at the board meeting and is attached to the board agenda.
- The summer project list is a working document and what is attached to the agenda is the document as it stands at this point in time. The project list typically includes more items than we are able to complete. It also includes items for the future.

Plow Truck

- The 2018 Ford F250 assembly line was shut down before our 2018 Ford F250 was manufactured. We were among 6 units of government that ordered F250's through the state purchasing bid. However, we will receive a 2019 Ford F250 at the same cost as the 2018 we originally ordered. We can anticipate delivery of our new truck in September or October, 2018.

IUPC Utility Budget Recommendations for 2018-19

- Millburn District 24 is a member of the IUPC utility cooperative made up of a large number of school districts in northeastern Illinois as well as other governmental units. Over the years, the cooperative has enabled the members to obtain both electric and gas at a rate that typically is lower than the rate charged by the utility.
- Natural Gas – Based on current market conditions and assuming normal weather, the budget recommendation is 0% increase over our actual 2017-18 expenditures.
- Electricity - The recommendation for electricity is a 4-6% increase over the 2017-18 expenditures. Despite the energy rate reduction as a result of locking in lower rates, the approved utility delivery increases will result in an increased overall cost for electricity.

Authority to Dispose of Local Records

- The district has been working for the past 2-3 years to obtain an "Application for the Authority to Dispose of Local Records." We received our approval from the Illinois State Archives in February.
- We are now be able to dispose of records that are older than the retention requirements listed on our approved application. In order to dispose of records, we will need to file a "Local Records Disposal Certificate" with the Secretary of State 30 days prior to disposal of any records. In actuality, we have been told that we should count on a 60-90 day turnaround for approval of our certificate. I'm anticipating that we will be able to begin disposing of records no longer required to be maintained during the summer of 2018.

Property Tax Prepayments

- The Lake County Treasurer's office will be making a distribution of property taxes and interest in early May, 2018. This is a result of the unprecedented amount of property tax prepayments that were made to the Lake County Treasurer prior to the end of 2017. The receipts were invested and local units of government will receive both the property tax payments as well as a proportionate share of the interest earned.

Activities

- Attended an Illinois Association of School Business Managers Webinar on Managing Change on April 18, 2018.
- Attended a Com Ed webinar on Energy Efficiency for School Districts on April 19, 2018
- April 19 & 20, 2018 - Attended two webinars provided by the district's financial software vendor, SDS, on the new site-based reporting requirements. This new reporting process is the result of a new Federal Government requirement that is being implemented for the reporting of the Fiscal Year 2019 (2018-19 school year).
- Attended the Northeastern Illinois Association of School Business Officials meeting on April 20, 2018. The topics for the meeting included changes in equalized assessed value in Lake County as well as a discussion of the property tax distribution process. Speakers included Carla Wycoff, Lake County Clerk; Kipp Wilson, Tax Extension Administrator; David Stolman, Lake County Treasurer; and Tricia Jones, Lake County Deputy Treasurer.