

## FY2012 Budget Amendment

- A review of the district budget resulted in my finding a few areas that required me to recommend in May that the FY2012 budget be amended. This doesn't mean that we are overspending. The total expenditures for the FY2012 adopted budget (\$16,067,157) is equal to the expenditures for the tentative FY2012 amended budget (\$16,067,157). Without the budget amendment, the expenditure budget would have been exceeded in both the Transportation Fund (\$5941) and IMRF/Social Security Fund (\$6075).

### Listed below is the May 7, 2012 explanation regarding the need for the budget amendment:

- IMRF/Social Security Fund – An estimated shortfall of \$10,000 was identified in the IMRF/Social Security Fund. This is primarily due to the fact that the Millburn Before and After School Program salaries were included in the Education Fund budget, but the IMRF/Social Security fund did not reflect the IMRF/Social Security benefits for this program. To allow for a \$10,000 cushion for any surprises, I am also recommending that in addition to adding \$10,000 to the Community Services account, \$5000 be added to both the regular and special education instruction accounts.
- Transportation Fund – An estimated shortfall of \$17,571 was identified in the Transportation fund. This is primarily due to the addition of a bus route in the fall as well as the fact that we had three bus drivers that were out for long-term illnesses during this school year. This resulted in the district exhausting the funds that were budgeted for substitute drivers. I am recommending that the transportation budget be increased by \$20,000.
- Tort Fund & Education Fund – I did not alter the original tentative budget for the Tort Fund that was presented in June, 2011 prior to my employment. The fund began with a negative cash balance of (\$47,607) with anticipated revenue of \$45,186 with an estimated ending cash balance of (\$158,421). I submitted the budget to ISBE as adopted. However, I received a call from ISBE telling me that no fund could begin the year with a negative cash balance. They suggested that I show temporary loans between funds to bring the starting balance to \$0.00. I made the adjustments, but I would like to include this in the budget amendment.
  - This process reduces the Education fund starting balance by (\$47,607) from \$104,925 to \$57,318.
  - The expenditures of \$156,000 from the Tort Fund will also need to be shifted from the Tort Fund to the Education Fund.
  - I am also recommending a reduction in the Education Fund expenditures in the amount of (\$40,000) to account for the increase in expenditures of \$20,000 in the Transportation Fund and \$20,000 in the IMRF/Social Security Fund.

- “On Behalf” Payments - Local school districts are required to add an amount that represents both the revenue and expenditures for the “On Behalf” payments that the state makes on behalf of the school districts for the Teacher Retirement System. This has no impact on the actual revenue or expenditures of the district. I have added \$1,770,000 to the “On Behalf” line of the “Budget Summary” of the Tentative FY2012 Amended Budget.

**BUDGET TO ACTUAL COMPARISON - MAY 31, 2012**

**CURRENT MONTH - MAY 31, 2012**

	MAY BUDGET EST 9-15-11	ACTUAL	DIFFER	% DIFFER
REVENUE	\$774,361	\$660,284	\$ (114,077)	-14.73%
EXPENDITURES	\$1,056,294	\$1,062,198	\$ 5,904	0.56%
TOTAL DIFFER			\$ (119,981)	

**YTD - MAY 31, 2012**

	TOTAL BUDGET EST 9-15-11	YTD BUDGET EST	ACTUAL	DIFFER	% DIFFER	% OF TOTAL EST BUD YTD
REVENUE	\$16,265,526	\$10,204,921	\$ 10,665,754	\$ 460,833	4.52%	65.57%
EXPENDITURES	\$17,083,053	\$15,831,880	\$ 15,485,108	\$ (346,772)	-2.19%	90.65%
TOTAL DIFFER				\$ 807,605		

\* Total Budget Expenditures includes \$1 million TAW payment in FY2012 from FY2011 TAW

MONTH	PROPERTY TAXES	STATE AID OR GRANTS	FEDERAL	OTHER	TEMPORARY LOANS	TOTAL RECEIPTS	SALARY & BENEFITS	OTHER	TEMPORARY LOANS	TOTAL EXPENDITURES	CASH BALANCE
JULY - MAY EST	\$5,202,094	\$3,738,050	\$214,839	\$1,049,938	\$0	\$10,204,921	\$10,470,049	\$4,361,831	\$1,000,000	\$15,831,880	(\$2,636,976)
JULY - MAY ACTUAL	\$5,633,584	\$3,658,729	\$321,440	\$1,042,001	\$0	\$10,655,754	\$10,171,605	\$4,313,503	\$1,000,000	\$15,485,108	(\$1,839,371)

