

## **Business Office Update November 7, 2011**

### **FEMA Snow Emergency Reimbursement**

- The district received a check from FEMA for \$11,848.50. This represents 75% of the cost of cleanup from the February, 2011 snow emergency.

### **Insurance Reimbursement**

- The district recently received a check from the insurance company in the amount of \$4934.36 for repairs to a rooftop air conditioning unit that was damaged at Millburn West as a result of a power surge during the major power outage in July, 2011.

### **Intergovernmental Utilities Purchasing Cooperative (IUPC)**

- Millburn District 24 belongs to the IUPC and benefits by historically obtaining gas and electric at very competitive rates. The members of the IUPC collectively saved \$2.4 million in one year as a result of purchasing gas and electricity through the Cooperative.
- The IUPC will be conducting a Request for Proposals for Administrative Services early next year.

### **Coop 90's Health Insurance Cooperative**

- Through the Coop 90's, we will be offering a wellness screening in our buildings in the next few months. Employees and dependents that carry health insurance through the school district will receive the screening at no cost. The screening includes: a Health Risk Assessment, and blood tests to screen for: anemia, infections & certain cancers; heart disease & stroke, Kidney disease, nutritional and gastrointestinal disorders; liver & gallbladder abnormalities, diabetes, and a blood pressure reading.
- A copy of the medical and dental premium/claim comparison is attached for your information. Be aware that the medical usage for the June – September period is higher than normal (95.9%). In September, the % of claims/premiums is only 57.1%. Typically, teachers have more medical procedures completed in the summer. The Coop 90's rates are based on the experience of all of the members. The benefit to being a member of a larger group is that the risk is spread among more lives.
- The Coop 90's board will discuss plan design changes at their meeting in January, 2012. Preliminary renewal rate projections will be available to Coop 90's employers in February, 2012.

### **Appraisal of Buildings & Contents for Insurance Purposes**

- An appraisal of Millburn Central and moveable equipment will be conducted. Moveable equipment consists of equipment with a value of more than \$500 and having a useful life of one year or more. The liability insurance group (CLIC) requires that appraisals be conducted every 10 years.

### **Potential Impact of HB 3793 on Millburn District 24**

- House Bill 3793 would not allow any increase in a district's property tax levy in any calendar year where the district's Equalized Assessed Valuation (EAV) is less than the previous calendar year. While we don't yet know the EAV for Calendar Year 2011 pay 2012, the local assessors that I spoke with estimate a 5-10% reduction in Millburn District 24's EAV. While the bill provides property tax relief for homeowners, the bill makes no provision for the district to recover the loss in funding. HB 3793 would be effective immediately and would have the following impact on Millburn District 24
  - A reduction of approximately \$65,000 for the current school year
  - A reduction of approximately \$263,000 for the 2012-13 school year assuming a CPI of 3%

### **Health/Life Safety Annual Inspection**

- The Regional Office of Education (ROE) recently conducted the district's Health/Life Safety Inspection. Overall, the inspection was positive. The district will need to provide some additional information to the ROE that wasn't available the day of the inspection. We are taking action to respond to the following items that were noted during the inspection:
  - Bleachers at both buildings require an annual safety inspection
  - Installation of an illuminated exit sign in the shower/locker rooms at both buildings
  - Custodians will begin keeping a log of their monthly emergency lighting checks.
  - District staff will place a number on each of the emergency lights at Central.
  - Installation of a fire alarm signal in the "old boiler room" at Central
  - Installation of an emergency shut off switch in the west boiler room at Central.
  - Move boxes in two storage rooms at Central that are less than 24 inches from the ceiling.
  - Replace two emergency lights in the gymnasium at Central (lights were already on order prior to the inspection)
  - Principals will review the need to keep aisles and doorways clear of furniture and equipment with staff members.
  - Fireproof the stage curtains at Central School if it is determined that the last fireproofing was more than 5 years ago.

### **Annual Property Tax Levy**

- The Property Tax Levy for Calendar Year 2011 pay 2012 will be on the agenda for adoption at the November 21, 2011 board meeting. The legal notice will appear in the newspaper one time between November 8, 2011 and November 13, 2011. The tentative levy is posted in the Business Office section of the District's web page.

### **School Bus Lease Costs for the 2012-13 School Year**

- Mr. Lind and I met with a representative from Midwest Transit regarding school bus leasing. We are in the process of comparing the total cost to the district of a one year lease versus a two year lease.

### **IMRF Authorized Agent**

- IMRF has recently changed their procedure for nomination and election of IMRF Executive Trustees. As a result, at the November 21, 2011 board meeting, a recommendation will be on the agenda to appoint Dr. Johns as the authorized agent delegating the authority to nominate and cast a ballot for IMRF Executive Trustees.

# COOPERATIVE 90 MEDICAL PLAN PREMIUM/CLAIM COMPARISON

	Sep-11			Jun-11 through Sep-11		
	PREMIUMS	PAID CLAIMS	PAID CLAIMS AS A % OF PREMIUMS	PREMIUMS	PAID CLAIMS	PAID CLAIMS AS A % OF PREMIUMS
Millburn School District	102,659.00	58,654.29	57.1%	\$467,638.69	\$448,521.31	95.9%
Total Medical Plan Cooperative	\$196,348.00	\$141,107.92	71.9%	\$836,334.69	\$783,441.52	93.7%

\* Total Medical Plan Cooperative includes \$46,000 that was paid by Stop Loss Insurance

# DENTAL PLAN PREMIUM/CLAIM COMPARISON

	Sep-11			Jun-11 through Sep-11		
	PREMIUMS	PAID CLAIMS	PAID CLAIMS AS A % OF PREMIUMS	PREMIUMS	PAID CLAIMS	PAID CLAIMS AS A % OF PREMIUMS
Millburn School District	9,872.00	5,321.53	53.9%	\$39,432.00	\$33,384.97	84.7%
Total Medical Plan Cooperative	\$19,716.00	\$12,360.36	62.7%	\$78,585.00	\$60,343.19	76.8%