

**Business Office Update
September 12, 2012 Meeting**

FY2013 Budget – Upcoming Dates

- September 12, 2012 – Discuss proposed changes to Tentative Budget that is on display (see attached)
- September 19, 2012 – FY2013 budget hearing & adoption
- Prior to October 15, 2012 – File budget with the County Clerk; Post on the District & ISBE website
- October 24, 2012 – First Reading of the 2012 pay 2013 Property Tax Levy & Approval for Publication of the “Truth in Taxation Statement”
- November 14, 2012 – Discussion of Property Tax Levy
- November 28, 2012 – Truth in Taxation Hearing & Property Tax Levy Adoption
- December – File “Certificate of Tax Levy” with the county clerk on or before Friday, December 21, 2012.

Restructuring of Building & Grounds Department

- Attached is a proposed organizational chart for the Building & Grounds Department
- I am proposing that the district fill the “Director of Maintenance” position that has been vacant since October, 2011. The job description for the Director of Maintenance and the Head Custodian are attached.
- The net cost of the personnel changes in the department will be approximately \$58,000 less than was budgeted in FY12 and approximately \$6000 more than was originally included in the FY13 Operations and Maintenance budget.
- The cost of contracted services in FY12 was approximately \$40,000 less than was spent in FY11. However, as we continue to discover and take care of deferred maintenance, there may be an increase in this budget area for FY13 as we bring building systems up to acceptable standards. Once this process is complete, the costs for contracted services will be reduced as we have our own staff performing routine maintenance.

Summer Projects

- The summer was much too short to complete all of the items on our Summer Projects List.
- See the attached update on the summer projects

Audit Update

- The Audit is nearing completion. With the fact that we broke out in detail many more expenditures in FY12 than in FY11, it has taken a bit longer to compile the accruals.
- There is one adjustment of \$16,000 in revenue that I already know we will need to make. \$16,000 of the Corporate Personal Property Tax Replacement revenue will need to be transferred from the Education Fund to the IMRF/Social Security Fund.
- Once the audit is complete, I will schedule a date for the auditor to report to the Board of Education.

Budget Update

- There are a few areas that I will be recommending changes prior to adoption of the FY2013 budget. Attached are the following:
 - A spreadsheet showing the changes recommended
 - The cash summary page of the budget showing that all funds will end FY2013 with a cash balance
 - The page from the budget showing that, even with the changes, the district will have a balanced budget.
- I have also attached a partial list of budget changes from FY12 to FY13

<u>RECOMMENDED CHANGES FROM TENTATIVE BUDGET FOR ADOPTION ON 9/19/12</u>					
EDUCATION FUND					
Revenue	FY12 BUD	FY12 REVENUE	TENT FY13	CHANGES FY13	FINAL REC FY13
General State Aid	\$ 2,845,121.00	\$ 1,845,074.00	\$ 2,450,000.00	\$ (100,324.00)	\$ 2,349,676.00
Expenditures	FY12 BUD	FY12 EXP	TENT FY13	CHANGES FY13	FINAL REC FY13
Elementary Workbooks	\$ 40,000.00	\$ -	\$ 50,000.00	\$ -	\$ 50,000.00
Elementary Textbook	\$ 10,000.00	\$ 2,132.50	\$ 11,500.00	\$ 5,000.00	\$ 16,500.00
Textbooks Replace/Add	\$ -	\$ 67,772.87	\$ -	\$ -	\$ -
Middle School Textbook	\$ -	\$ -	\$ 3,700.00	\$ 3,150.00	\$ 6,850.00
RtI Supplies	\$ 2,200.00	\$ -	\$ 7,325.00	\$ 100.00	\$ 7,425.00
RtI Software	\$ -	\$ 500.00	\$ 1,500.00	\$ 750.00	\$ 2,250.00
PBIS Supplies	\$ 2,200.00	\$ -	\$ 7,325.00	\$ 1,000.00	\$ 8,325.00
Choir Supplies	\$ 800.00	\$ 926.48	\$ 500.00	\$ 1,000.00	\$ 1,500.00
Choir Purchased Services	\$ -	\$ -	\$ -	\$ 900.00	\$ 900.00
TRANSPORTATION					
Revenue	FY12 BUD	FY12 REVENUE	TENT FY13	CHANGES FY13	FINAL REC FY13
State Reg Transp	\$ 492,377.00	\$ 312,903.79	\$ 380,486.00	\$ 66,920.00	\$ 447,406.00
State Sp Ed Transp	\$ 42,642.00	\$ 51,121.34	\$ 104,400.00	\$ 92,434.00	\$ 196,834.00
Expenditures	FY12 BUD	FY12 EXP	TENT FY13	CHANGES FY13	FINAL REC FY13
Salaries	\$ 572,205.00	\$ 551,480.67	\$ 476,250.00	\$ 23,750.00	\$ 500,000.00
Benefits	\$ 70,000.00	\$ 56,414.26	\$ 36,552.00	\$ 9,000.00	\$ 45,552.00

SUMMARY OF CASH TRANSACTIONS

	A	B	C	D	E	F	G	H	I	J	K
1			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
2	Description	Acct #	Educational	Operations & Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
3	BEGINNING CASH BALANCE ON HAND July 1, 2012 ⁷		504,413	137,439	1,360,160	246,409	135,513	971,204	3,762	15,927	0
4	Total Direct Receipts & Other Sources ⁸		11,092,711	1,349,514	2,243,379	1,022,098	534,718	156,000	2,571	117,274	0
5	OTHER RECEIPTS										
6	Interfund Loans Payable (Loans from Other Funds)	411									
7	Interfund Loans Receivable (Repayment of Loans)	141									
8	Notes and Warrants Payable	433	3,000,000								
9	Other Current Assets	199									
10	Total Other Receipts		3,000,000	0	0	0	0	0	0	0	0
11	Total Direct Receipts, Other Sources, & Other Receipts		14,092,711	1,349,514	2,243,379	1,022,098	534,718	156,000	2,571	117,274	0
12	Total Amount Available		14,597,124	1,486,953	3,603,539	1,268,507	670,231	1,127,204	6,333	133,201	0
13	Total Direct Disbursements & Other Uses ⁹		11,065,570	1,391,685	2,279,745	896,002	567,553	351,000	0	75,000	0
14	OTHER DISBURSEMENTS										
15	Interfund Loans Receivable (Loans to Other Funds) ¹⁰	141									
16	Interfund Loans Payable (Repayment of Loans)	411									
17	Notes and Warrants Payable	433	3,000,000								
18	Other Current Liabilities	499									
19	Total Other Disbursements		3,000,000	0	0	0	0	0	0	0	0
20	Total Direct Disbursements, Other Uses, & Other Disbursements		14,065,570	1,391,685	2,279,745	896,002	567,553	351,000	0	75,000	0
21	ENDING CASH BALANCE ON HAND June 30, 2013 ⁷		531,554	95,268	1,323,794	372,505	102,678	776,204	6,333	58,201	0

	A	B	C	D	E	F
1						
2	Millburn School District 24 34-049-0240-04					
3	DEFICIT BUDGET SUMMARY INFORMATION - Operating Funds Only					
4		EDUCATIONAL	OPERATIONS & MAINTENANCE	TRANSPORTATION	WORKING CASH	TOTAL
5	Direct Revenues	11,090,411	1,349,514	1,022,098	2,571	13,464,594
6	Direct Expenditures	10,941,334	1,241,685	896,002		13,079,021
7	Difference	149,077	107,829	126,096	2,571	385,573
8	Estimated Fund Balance - June 30, 2013	531,554	95,268	372,505	6,333	1,005,660
9	<div>Balanced budget, no deficit reduction plan is required.</div>					
10						
11						
12	<p>A deficit reduction plan is required if the local board of education adopts (or amends) the 2012-13 school district budget in which the "operating funds" listed above result in direct revenues (line 9) being less than direct expenditures (line 19) by an amount equal to or greater than one-third (1/3) of the ending fund balance (line 81).</p>					
13	<p>Note: The balance is determined using only the four funds listed above. That is, if the estimated ending fund balance is less than three times the deficit spending, the district must adopt and file with ISBE a deficit reduction plan to balance the shortfall within three years.</p>					
14	<p>The School Code, Section 17-1 (105 ILCS 5/17-1) - If the Annual Financial Report (AFR) for the applicable (budget) fiscal year reflects a deficit as defined above, then the school district shall adopt and submit a deficit reduction plan to ISBE within 30 days after acceptance of the AFR.</p>					
15	<p>The deficit reduction plan, if required, is developed using ISBE guidelines and format.</p>					