



ROSELLE SCHOOL DISTRICT 12

Administration Office

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Dr. Mary Henderson, Superintendent

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To: Dr. Mary Henderson, Superintendent
Board of Education

From: Dr. Gregory Harris, Assistant Superintendent of Finance & Operations/CSBO

Re: Monthly Business Report

Date: September 21, 2021

Two months of data does not provide the Board of Education with a great deal of insight into how the district's budget is faring at this point in the fiscal year. With so much time left, it is difficult to analyze the accuracy of the forecasted budget surplus, but there are still some nuggets of information that may be gleaned from what is currently available. Firstly, it would appear that the district is running up very large deficits under several objects at the same time--namely purchased services, supplies, and other. This is due to the modified accrual basis of accounting that the district utilizes. Many of the bills that were paid in the month of July will be booked into FY 2021 when the audit is completed next month. In other words, several small and large checks that the district wrote in the current fiscal year actually belong in the previous one. When these accruals are correctly recorded, the district's year-to-date totals in many areas will drop significantly.

On the revenues side, funds from all sources (local, state, and federal) appear to be coming in as anticipated for the first couple of months of the year. The coming months, especially October through December, will give us the data we need to know how well the district is going to do with the collections of local property taxes. So far the district has collected more than \$9.8 million from the 2020 levy, with at least another \$530,000 anticipated before all is said and done. The district typically receives relatively small amounts in the final months of a calendar year, and we are hopeful these amounts add up to what we need to hit our targets for the FY 2022 budget.

In being consistent with the stated goal for this year of delivering fully audited financials from FY 2021 with far greater expediency than previous experiences, I am pleased to share that the auditors are working in the AO office this week. We are anticipating our annual visit from our lead auditor, Mr. Andy Mace, at the October board meeting. Having the audit done so much earlier in the new fiscal year will make it easier for the Board of Education to make sense of the current year's data, because it provides assurances that all of the accruals are correct and that we are truly looking at accurate data for FY 2022. Having this done by October, as opposed to February or March, will be an advantage for the monitoring of the district's fiscal health.

At this evening's meeting, the board will hold a budget hearing and then take action on adopting a budget for the 2021-2022 fiscal year. The budget being presented to the Board of Education is very similar to the display budget discussed at the August meeting. The business office has spent some time sharpening things up over the past month to create a budget that is more accurate given new information on revenues and expenditures. Additional revenue includes roughly \$24,000 in fund balance from NDSEC, \$6,000 in tuition from other school districts for mainstreaming services, and a

The vision of Roselle District 12 is to prepare students to ethically engage in our global society.

\$5,000 donation to the Spring Hills playground project. New expenditures added to this budget mainly consists of the Spring Hills classroom libraries. The projected surplus is approximately \$61,000.