



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 Treasurer's Report

Date: April 20, 2021

At the last regular meeting of the Board of Education, I reported on the problem with the data included in the monthly treasurer's report related to our fund balances. With the balance of the educational fund being very low and the debt service fund being shown as negative, I was worried about the community getting a false impression of the district's financial status. As I explained to the Board on that evening, this was due to the difference between accrual and cash accounting and the changeover in the business office in the last year. With the help of our auditor, those accruals have been reversed and the district's fund balances are at last accurate. This is good timing as school districts are ending the time of the year when they typically would have their lowest cash balances. We can use the data available to us at the end of March to conclude that we have enough cash on hand to meet payroll and pay bills until tax receipts are deposited in May or June. For many districts in Illinois, this is not always the case; many need to borrow money to keep them afloat until taxes come in from the county.

The forecasted surplus for this fiscal year has grown some since the last meeting as the administration continues to be conservative with finances as we endure through the current environment. At the most recent meeting of the Finance Committee, we discussed using some of this anticipated surplus now so that we can relieve some of the pressure on the FY 22 budget. It is already known that the PA project will be a major barrier to producing a balanced budget since a majority of the funds will come from leftover referendum bond proceeds and a state grant that were earned in previous fiscal years. In essence, before the major budget work for FY 22 was even started, the district was already approximately \$120,000 in the red. At present, the idea would be to use some of these proceeds to knock out expenditures that we anticipate in the next fiscal year within the next couple of months. This may include, but is not limited to, paying off the balance on the new pickup truck and/or replacing the park at Spring Hills.

Aside from carefully monitoring the revenues and expenditures of the district, the district office is also busily completing bank reconciliations and working with Skyward to make sure the system supports their proper completion. This has been a big job, but progress is being made. Our internal controls audit will be underway soon following a delay caused by some personal/family issues with the lead auditor. Lastly, work on the FY 22 budget continues as we look to finalize staffing/hiring decisions and administrators are sharpening their pencils and refining their building/department budgets for the next year.