



CHELSEA

SCHOOL DISTRICT

BUSINESS OFFICE

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To: Board of Education

From: Nicole Lechner

Re: June Board Report

Date: June 3, 2025

Year-end is fast approaching, and with it comes a significant amount of planning and preparation. We are currently finalizing the 2024–25 budget amendments while also developing the preliminary 2025–26 budget. On June 23rd, we will hold our annual budget hearing and review the preliminary L-4029 tax millage request form.

As we close out the fiscal year, we enter a critical phase in which we manage two budget years simultaneously. This transitional period requires heightened attention to detail, as we work to ensure that expenditures and revenues are properly recorded in the correct fiscal year. From now through the end of July, we will be carefully monitoring all financial activity, coordinating with departments, and making any necessary adjustments to ensure accurate year-end reporting and a clean start to the new fiscal year.

June's final payroll is one of the busiest of the year, as it includes a number of important year-end payments. These include longevity, mentoring stipends, leave payouts, and attendance-based incentives. Once the final payroll is processed, the business office begins working on the accrual of summer-spread teacher wages. These accruals, which reflect earned wages paid over the summer months, are booked back to June 30 to align with audit requirements. Once this process is complete, we begin generating July 1st contracts in our financial system to prepare for the upcoming school year.

Regarding food service operations, we received a single bid in response to our request for proposals. The full proposal and contract documentation have been submitted to the Michigan Department of Education for their approval. Once approved, the formal recommendation will come to the school board.

As the year ends, I want to say thank you to my team, Lynda, Tim, and Tracie for your hard work and support — your efforts have been key to our success.

Respectfully,
Nicole Lechner, Chief Financial Officer
Chelsea School District