

Monroe Elementary School District

Tentative Budget

2016-2017 School Year



Budget Hearing on September 22, 2016 at 6:30 P.M.

Superintendent's Office

What Are The Key Factors In The School District Budget Form?

Each year, the budget is entered/adopted on the School District Budget Form (ISBE 50-36) provided by ISBE. The budget once adopted by the local school board, specifies the function and object of expenditures and the revenue necessary to meet estimated expenses and liabilities. All school district accounts are identified by fund.

Download the School District Budget Form from the ISBE website
<http://www.isbe.net/sfms/budget/default.htm>

Fund

The school district's accounting records, budgets and financial reports are organized and reported on a fund basis.

A fund is established for specific activities and objectives and is operated in accordance with laws, regulations, restrictions or other designated purposes.

Each fund is a separate and independent accounting entity with its own assets, liabilities and fund balance.

The number of funds created depends on the school district's operations, rather than size. Nine reporting funds are listed on the School District Budget Form (ISBE 50-36).

The following account codes/definitions are provided in the accounting rules [23 IAC 100] and are used to designate nine funds for reporting purposes:

10	Educational
20	Operations & Maintenance
30	Debt Service
40	Transportation
50	Municipal Retirement/Social Security
60	Capital Projects
70	Working Cash
80	Tort
90	Fire Prevention & Safety

10 - Educational Fund - The most varied and the largest volume of transactions will be recorded in the Educational Fund. This is due most because the Educational Fund covers transactions that are not specifically covered in another fund. Certain expenditures that must be charged to this fund include the direct costs of instruction, health and attendance services, lunch programs, all costs of administration (even those for buildings and grounds), and related

insurance costs. Certain revenues that must be credited to this fund include educational tax levies, tuition and textbook rentals.

The salaries of janitors, engineers, and other custodial employees and all costs of fuel, lights, gas, water, telephone service, and custodial supplies and equipment shall be charged to this fund. The school board may approve, by resolution, to charge to the Operations and Maintenance Fund all salaries of janitors, engineers, or other custodial employees and all costs of fuel, lights, gas, water, telephone service, and custodial supplies and equipment or any one or more of these items, per Section 17-7 of the Illinois School Code (105 ILCS 5/17-7).

20 - Operations & Maintenance Fund - All costs of maintaining, improving, or repairing school buildings and property, renting buildings and property for school purposes, or for the payment of premiums for insurance on school buildings shall be charged to the Operations and Maintenance Fund and paid from the tax levied for that purpose.

30 - Debt Service Fund - Bonds are generally issued to finance the construction of buildings, but may also be issued for other purposes. Taxes are levied to provide cash to retire these bonds and to pay related interest. To protect the bondholders, these tax collections must be accounted for in the Debt Service Fund and maintained in separate bond and interest accounts for each bond issue. If the school board pledges other revenue to pay principal, interest, or service charges on long-term debt, a separate set of accounts shall also be established for each additional debt issue (not applicable to pledged revenue in the Transportation Fund).

40 - Transportation Fund - If a school district pays for transporting pupils for any purpose, a Transportation Fund must be created. Costs of transportation, including the purchase of vehicles and insurance on buses, are to be paid from this fund. Moneys received for transportation purposes from any source must be deposited into this fund, except for the portion of state reimbursement applicable to other funds (e.g., utility costs from the Operations and Maintenance Fund) as provided in Section 29-5 of the Illinois School Code (105 ILCS 5/29-5).

50 - Municipal Retirement/Social Security Fund - This fund is created if a separate tax is levied for the school district's share of retirement benefits for covered employees or a separate tax is levied for the purpose of providing resources for the district's share of Social Security and/or Medicare only payments for covered employees. If any of these taxes are not levied, payments for such purposes shall be charged to the fund where the salaries are charged.

60 - Capital Projects Fund - All proceeds of each construction bond issue (other than Fire Prevention and Safety) shall be placed in the Capital Projects Fund to separately identify these special funds from operating funds. Such moneys are to be spent for the purpose specified in the bond indenture and on the ballot. A separate account is also established:

- If a capital improvement tax is levied in accordance with Section 17-2.3 of the Illinois School Code (105 ILCS 5/17-2.3). The moneys received from such levy shall be accumulated until spent for the capital improvements described in the resolution and on the ballot, per Section 17-2.3.
- For receipts from other long-term financing agreements (including impact fee agreements); construction or maintenance grants used to finance a capital project; capital leases; or lease purchase agreements (not applicable to Transportation Fund receipts).

Expenditures which would ordinarily be charged to the Educational Fund, but which may be charged to the Capital Projects Fund (unless paid before the fund is created), include election expenses, fidelity insurance, architect's fees, legal fees for title search on sites, fees for the legal opinion on the bonds, and other such administrative costs directly related to the construction project or issuance of bonds.

Expenditures which would ordinarily be charged to the Operations and Maintenance Fund, but which may be charged to the Capital Projects Fund (unless paid before the fund is created), include the actual construction costs, builder's risk insurance, purchase of land and other site costs, landscaping, parking lots, sidewalks, utility connections, etc., and other items directly related to the construction project.

70 - Working Cash Fund - If a separate tax is levied for working cash purposes or if bonds are sold for this purpose, this fund shall be created. Cash available in this fund may be loaned to any fund for which taxes are levied.

80 - Tort Fund – This fund is created if taxes are levied or bonds are sold for tort immunity or tort judgment purposes.

90 - Fire Prevention and Safety Fund - When a tax is levied or bonds issued for fire prevention, safety, energy conservation, disabled accessibility, school security and specified purposes, such proceeds shall be deposited and accounted for separately within the Fire Prevention and Safety Fund. The .05% levy is to be made only when there are not sufficient funds available in the Operations and Maintenance Fund; School Facility Occupation Tax Fund; or Fire Prevention and Safety Fund as determined by the district on the basis of regulations adopted the ISBE to make such alterations, repairs, or reconstruction, or to purchase and install such permanent fixed equipment ordered or determined necessary.

Budget Summary

The "Budget Summary" shows the estimated change in financial position (fund balance) resulting from the school district's operations during the fiscal year. This information is summarized from the revenue, expenditure and other source/use information, and projects whether the district's financial position will improve or worsen.

Estimated (Beginning) Fund Balance shows what the school district owns, by fund, on July 1 (the beginning of the fiscal year). This can be an estimated fund balance from the district's records as of June 30th of the prior fiscal year or can be retrieved from the previous fiscal year's annual financial report as of June 30th.

Revenues - Summary of receipts/revenues.

Expenditures - Summary of disbursements/expenditures.

Other Sources (Uses) - Summarizes other transactions that do not relate to revenues or expenditures.

SUMMARY OF FY 17 BUDGET

OPERATING FUNDS

Fund	July 1, 2016 Fund Balance	Revenue Projections	Expenditure Projections	Difference	Other Sources (transfers)	Estimated FY 17 June 30 Fund Balances	Difference beginning/ending balance
Education	\$ 1,610,728.00	\$ 1,998,309.42	\$ 1,988,853.00	\$ 9,456.42	\$ -	\$ 1,620,184.42	\$ 9,456.42
Operation and Maintenance	\$ 263,743.00	\$ 133,024.00	\$ 132,060.00	\$ 964.00		\$ 264,707.00	\$ 964.00
Transportation	\$ 284,783.00	\$ 144,511.00	\$ 125,000.00	\$ 19,511.00		\$ 304,294.00	\$ 19,511.00
Working Cash	\$ 592,047.00	\$ 26,367.00		\$ 26,367.00	\$ (115,000.00)	\$ 503,414.00	\$ (88,633.00)
Operating Fund Totals	\$ 2,751,301.00	\$ 2,302,211.42	\$ 2,245,913.00	\$ 56,298.42	\$ (115,000.00)	\$ 2,692,599.42	\$ (58,701.58)

OTHER FUNDS

Bond and Interest	\$ 24,119.00	\$ 55,600.00	\$ 55,600.00	\$ -		\$ 24,119.00	\$ -
IMRF/SS	\$ 37,792.00	\$ 72,020.00	\$ 77,473.00	\$ (5,453.00)		\$ 32,339.00	\$ (5,453.00)
Capital Projects	\$ 46,188.00		\$ 68,000.00	\$ (68,000.00)	\$ 115,000.00	\$ 93,188.00	\$ 47,000.00
Tort	\$ 29,767.00	\$ 240,028.00	\$ 259,267.00	\$ (19,239.00)		\$ 10,528.00	\$ (19,239.00)
Fire Safety	\$ 96,797.00	\$ 25,360.00	\$ 22,000.00	\$ 3,360.00		\$ 100,157.00	\$ 3,360.00
Other Fund Totals	\$ 234,663.00	\$ 393,008.00	\$ 482,340.00	\$ (89,332.00)	\$ 115,000.00	\$ 260,331.00	\$ 25,668.00