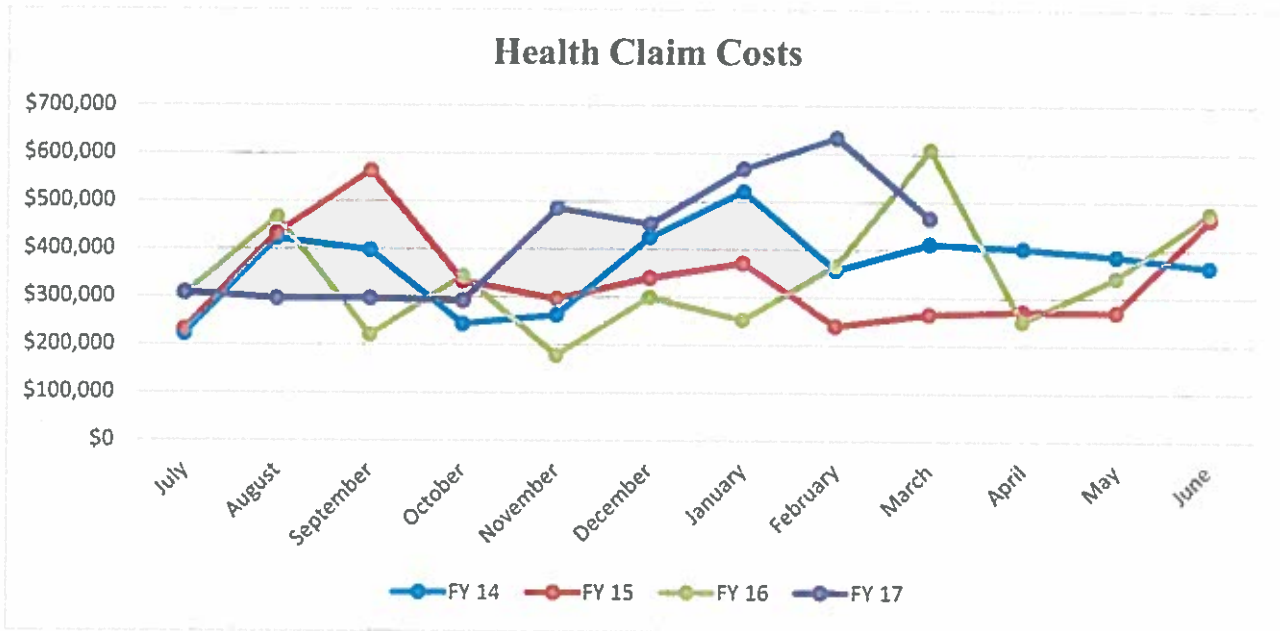


**Health Claims** – The March 2017 health claims (\$465,978) were less than a year ago, but higher than the similar months in previous two claim years. See the purple (FY 17) line in the chart below. These first nine months of the new FY 17 fiscal year are trending considerably higher than FY 16 and we are currently \$762,047 higher than we were at this time last year.

As is repeatedly mentioned in the past Dixon USD #170 is and has been self-insured for over 30 years. That means that the District utilizes a third party administrator, in our case IPMG, to process and pay claims based on the District’s Health Plan and then purchases excess reimbursement coverage for claimants who exceed \$125,000 per year (there is also an additional aggregating specific of another \$112,000 obligation to the District for claims over the \$125,000 threshold). We have received \$200,972 in excess reimbursement so far this fiscal year. Even with higher claim costs this year, being self-insured remains a very cost effective method of providing health coverage.

**Health Insurance Claim Costs**

	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16</u>	<u>FY 17</u>	<u>Difference FY 16 v. FY 17</u>
July	\$222,162	\$231,894	\$304,875	\$308,581	\$3,706
August	\$421,391	\$432,872	\$466,102	\$295,643	(\$170,458)
September	\$397,066	\$563,910	\$220,212	\$296,759	\$76,547
October	\$243,165	\$332,572	\$343,562	\$291,870	(\$51,692)
November	\$262,462	\$296,013	\$177,750	\$485,458	\$307,709
December	\$424,641	\$339,803	\$298,825	\$452,775	\$153,950
January	\$521,242	\$371,855	\$251,916	\$569,301	\$317,384
February	\$357,697	\$240,010	\$366,194	\$634,151	\$267,957
March	\$411,642	\$264,983	\$609,034	\$465,978	(\$143,056)
April	\$402,767	\$270,826	\$249,562		
May	\$386,683	\$269,454	\$341,218		
June	<u>\$363,790</u>	<u>\$464,321</u>	<u>\$477,279</u>		
Totals	\$4,414,708	\$4,078,512	\$4,106,528	\$3,800,516	\$762,047



**State of Illinois Mandated Categorical Payments** - Our FY 17 GSA payments have arrived as promised (\$205,765.12 twice per month). On the other hand, as of April 12, 2017, we have yet to receive any **FY 17** categorical payments for Special Education: Private Facility Tuition, Funding for Children Requiring Sp. Ed. Services and Personnel or for Transportation: Reg./Voc. and Special Education. FRIS status shows that the first, second and third payments have been disbursed, but not yet processed by the Comptroller's Office.

<b>FY 17</b>		<b>Outstanding</b>
<b>Fund</b>		<b>As of 4.12.17</b>
Education	Sp. Ed. - Personnel	\$324,900.36
Education	Children Req. Sp. Ed. Services	\$267,844.71
Education	Sp. Ed. - Private Facility Tuition	\$158,859.53
		<b>\$751,604.60</b>
Transportation	Reg. Ed. & Voc.	\$249,852.63
Transportation	Sp. Ed.	\$419,761.76
		<b>\$669,614.39</b>

Since we have already received 100% of our local property taxes from the 2015 levy extended in 2016 for the FY 17 school year there isn't much more revenue outstanding other than these categorical payments which are being severely delayed due to the state's backlog of owed payments.

I mentioned last month that a breaking point on the horizon should we not receive any categorical payments was in the Transportation Fund. We had a fund balance of \$772,377 in the Transportation Fund as of 6/30/16 when we began the fiscal year. We have received \$686,496 from local property taxes, \$0.00 from the State of Illinois (\$1,027,650 was budgeted), and have spent

\$1,545,031 as of the April 12, 2017. We are currently short of cash in the Transportation Fund. **This situation now necessitates a loan from the Working Cash Fund, the District's "In-house Bank."** **There will be a resolution requiring board action at the April 19<sup>th</sup> Board of Education meeting authorizing the Treasurer to transfer \$669,614.39 (the current amount owed by the State of Illinois) from the Working Cash to the Transportation Fund.** This is a loan which will allow us to meet our FY 17 Transportation obligations and afford us some time to determine if, or when, the State of Illinois processes the four categorical payments owed. With this resolution we are obligated to repay the Working Cash Fund back the amount borrowed.

**State of Illinois Budget** – The Illinois General Assembly has left the Springfield for a two-week spring break without any reported progress on a budget.

The House did approve (65-45-1 largely along party lines) an \$817 million spending plan that Rep. Greg Harris (Democrats – Chicago) called a “lifeline” that would take money from special funds to help universities and human services. The Senate had adjourned for spring break before the House had voted on the bill. Governor Rauner has indicated that he disapproves of the measure and has once again repeated his demand that lawmakers approve a property tax freeze before he’ll sign any stopgap budget bill.

Reports are the Senate continues work on a “Grand Bargain” to end the budget drought, but it is hard to find any verifiable proof. Some Senators had promised to deliver a vote back in January to break a two-year stalemate, but things seem to have stalled. The House and Senate return the week of April 24 and they are scheduled to adjourn May 31, ideally with next year’s budget in place.