

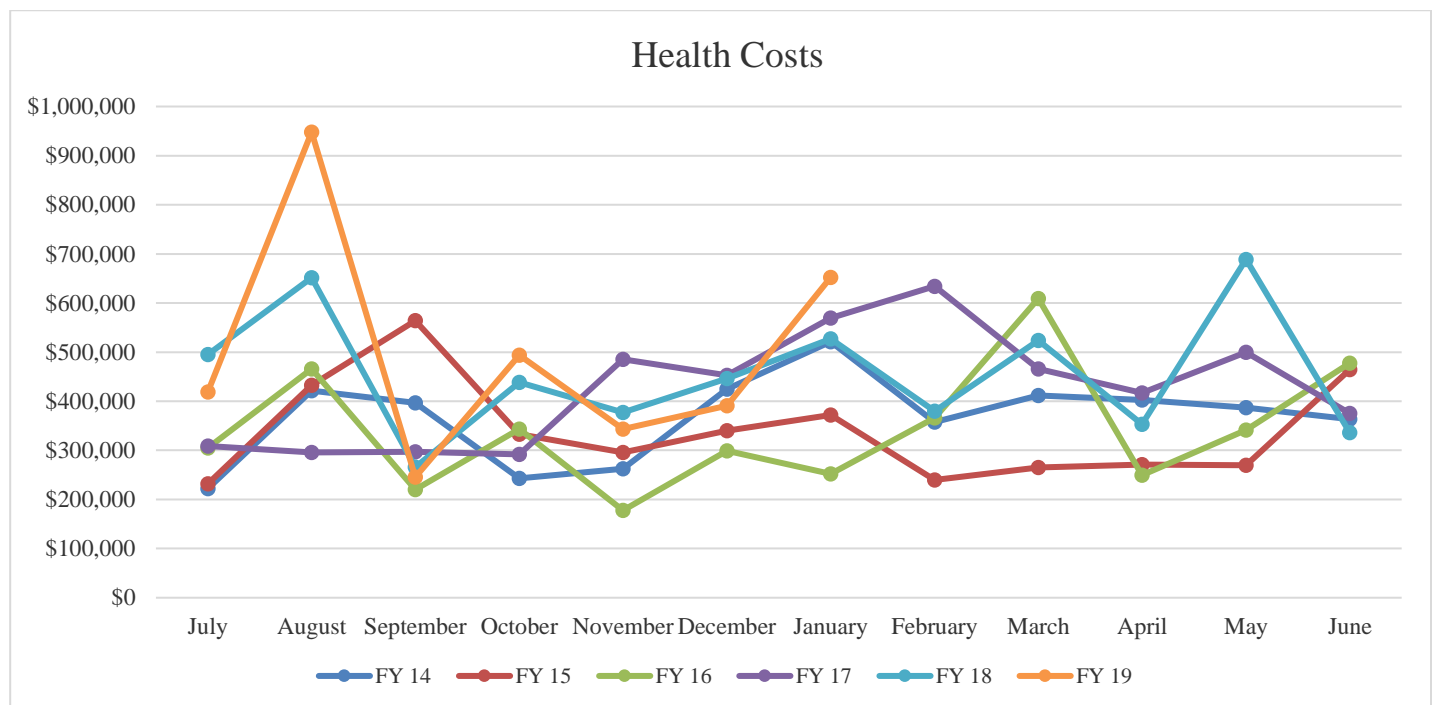
# February 2019 Busine\$\$ Report

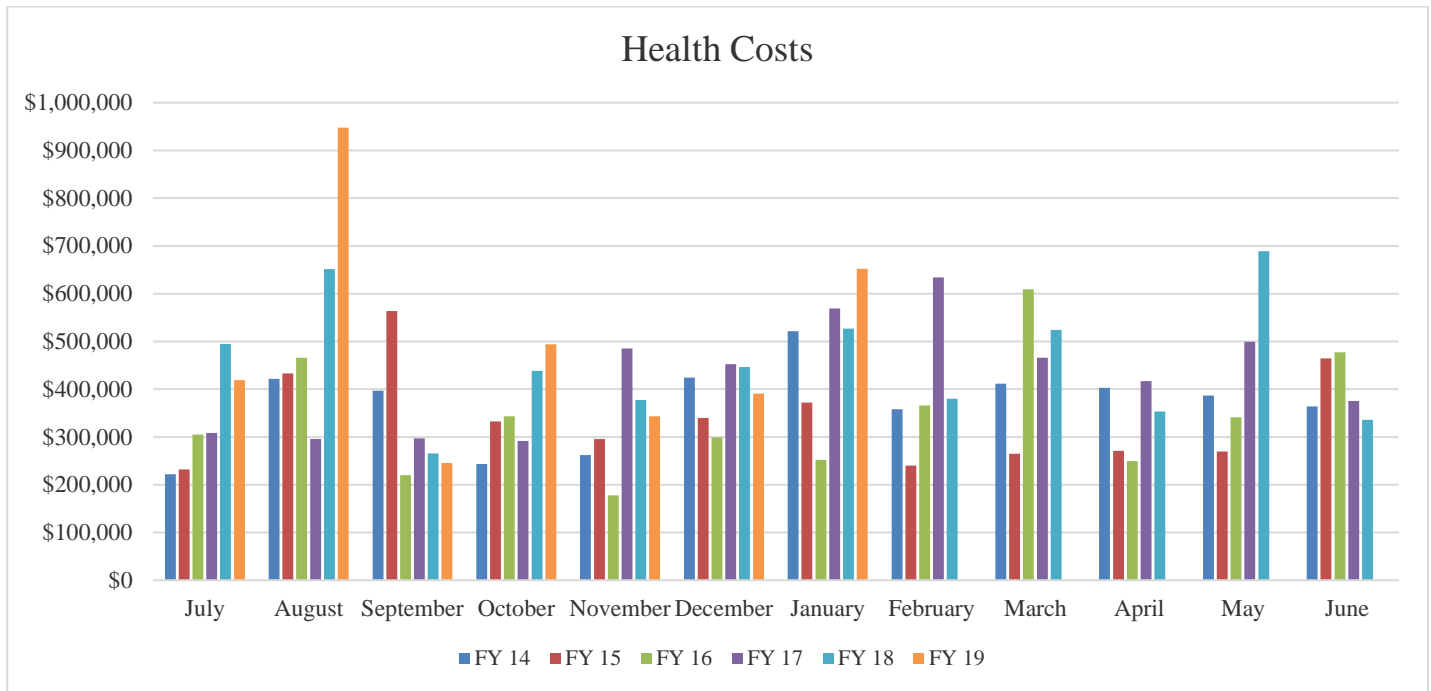
BY DAVE BLACKBURN

**Health Claims** – The January 2019 health claims of \$651,868 were higher than the last five years’ January costs. See the orange lines (FY 19) in the charts below. We have spent \$166,917 more than last year at this time.

## Health Insurance Claim Costs

	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16</u>	<u>FY 17</u>	<u>FY 18</u>	<u>FY 19</u>	<b>Difference</b> <b>FY 18 v. FY 19</b>
July	\$222,162	\$231,894	\$304,875	\$308,581	\$494,819	\$419,087	(\$75,732)
August	\$421,391	\$432,872	\$466,102	\$295,643	\$651,398	\$947,930	\$296,532
September	\$397,066	\$563,910	\$220,212	\$296,759	\$265,806	\$245,585	(\$20,221)
October	\$243,165	\$332,572	\$343,562	\$291,870	\$438,396	\$494,083	\$55,687
November	\$262,462	\$296,013	\$177,750	\$485,458	\$377,441	\$343,531	(\$33,910)
December	\$424,641	\$339,803	\$298,825	\$452,775	\$446,263	\$390,824	(\$55,439)
January	\$521,242	\$371,855	\$251,916	\$569,301	\$527,056	\$651,868	\$124,812
February	\$357,697	\$240,010	\$366,194	\$634,151	\$379,903		
March	\$411,642	\$264,983	\$609,034	\$465,978	\$524,062		
April	\$402,767	\$270,826	\$249,562	\$416,898	\$353,226		
May	\$386,683	\$269,454	\$341,218	\$499,554	\$688,841		
June	<u>\$363,790</u>	<u>\$464,321</u>	<u>\$477,279</u>	<u>\$375,392</u>	<u>\$336,172</u>		
Totals	\$4,414,708	\$4,078,512	\$4,106,528	\$5,092,359	\$5,483,382	\$3,492,908	\$291,729





As has been 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).

**County School Facility Tax** – Dixon Public Schools’ October sales tax amount was \$119,419.09 (our 16<sup>th</sup> payment). Five months ago we began allocating \$60,000/month to the Bond & Int. Fund - 30 to meet our future bond payment obligation. The remaining \$59,419.09 will go in Capital Projects Fund – 60.

**Countywide Sales Tax Revenues**

	<b><u>FY 18</u></b>	<b><u>FY 19</u></b>	<b><u>Diff 19 v. 18</u></b>
July	\$112,390.43	\$121,787.41	\$9,396.98
August	\$114,519.33	\$124,324.66	\$9,805.33
September	\$114,384.71	\$119,577.80	\$5,193.09
October	\$110,898.10	\$119,419.09	\$8,520.99
November	\$115,962.00		
December	\$123,609.44		
January	\$93,605.52		
February	\$88,089.56		
March	\$110,296.18		
April	\$104,551.20		
May	\$130,584.99		
June	<u>\$131,214.25</u>		
YTD	\$1,350,105.71	\$485,108.96	\$32,916.39

**State of Illinois Mandated Categorical Payments – Transportation** – On September 25, 2018 the Illinois State Board of Education put in for disbursement \$105,242.26 in Regular and Vocational Transportation and \$268,894.64 in Special Education Transportation (Total 1st payment currently owed by the State = \$374,136) and on December 27, 2018 the Illinois State Board of Education has put in for disbursement \$103,615.54 in Regular and Vocational Transportation and \$261,121.72 in Special Education Transportation (Total 2<sup>nd</sup> payment currently owed by the State = \$364,737).

**On January 24, 2019 we received the initial payments for regular and special ed. transportation totaling \$374,136.** This will enable us to make payments on the February obligations and now we await the second payments from the State of Illinois. Below is the history of when transportation payments arrived in our three previous fiscal years.

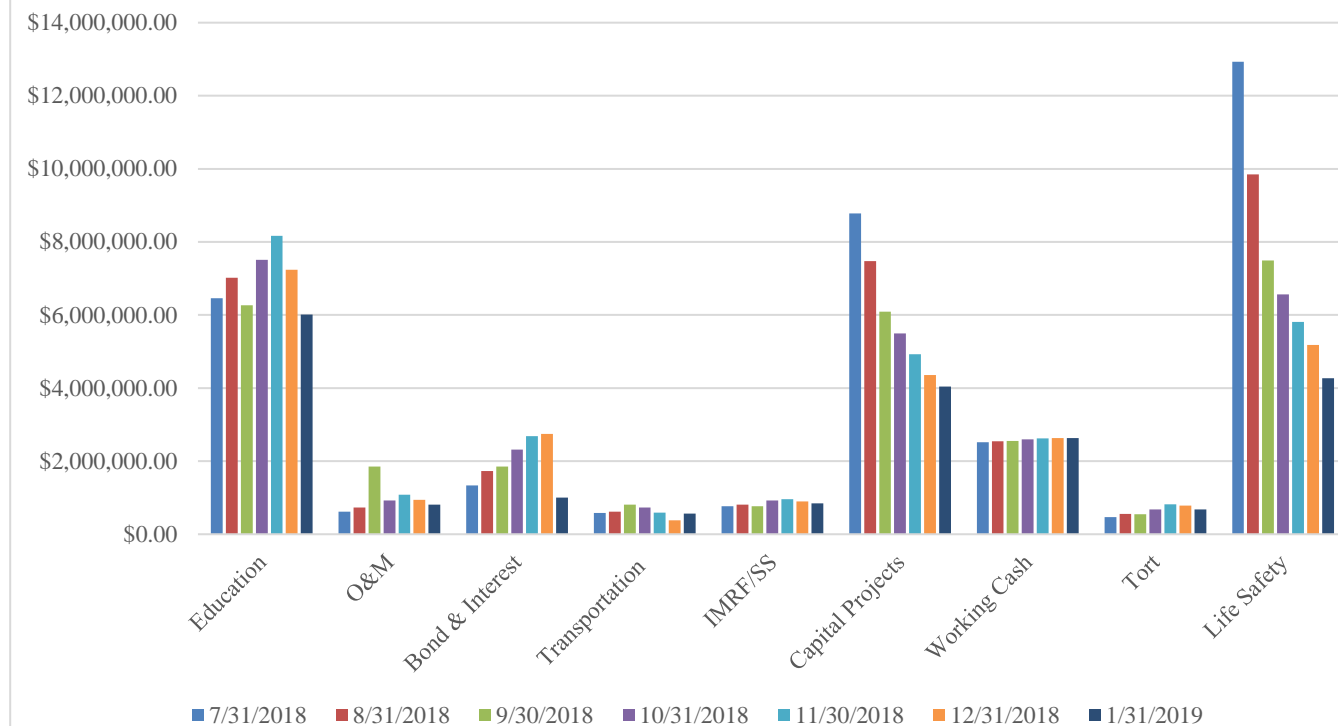
### State of Illinois Transportation Payments

Pay	<b><u>FY 16</u></b>		<b><u>FY 17</u></b>		<b><u>FY 18</u></b>		<b><u>FY 19</u></b>	
	Reg Ed- 3500	Sp Ed- 3510	Reg Ed- 3500	Sp Ed- 3510	Reg Ed- 3500	Sp Ed- 3510	Reg Ed- 3500	Sp Ed- 3510
1	12/23/2015	12/22/2015	4/21/2017	4/21/2017	2/13/2018	2/13/2018	1/24/2019	1/24/2019
2	2/24/2016	2/19/2016	6/22/2017	6/22/2017	4/19/2018	4/19/2018		
3	4/27/2016	4/27/2016	8/10/2017	8/10/2017	6/20/2018	6/20/2018		
4	12/29/2016	12/29/2016	10/23/2017	10/23/2017	9/24/2018	9/24/2018		
	\$438,072	\$606,984	\$332,821	\$560,092	\$463,922	\$700,246	\$416,089	\$1,052,122
	Total - Both	\$1,045,056	Total - Both	\$892,914	Total - Both	\$1,164,168	Total - Both	\$1,468,211

To date we have received \$718,793 in local property taxes for the 2018-2019 school year. This is 100.10% of the \$714,743 budgeted so there won't be any more local funds of any substance. We may get an interest payment, but it will be minimal. As of 12/30/18 the Transportation Fund had \$376,949, including funds in investments, according to the Treasurer's Report. In January we will pay the IL Central December invoice for 15 school days and any extracurricular trips and in February we will pay the IL Central January invoice for 18 school days and any extracurricular trips. If we haven't received the initial state payments by then we may be looking at another working cash loan just to meet our obligations.

In April of 2017 the Board of Education authorized a loan in the amount of **\$669,614.59** from the Working Cash Fund to our Transportation Fund due to the fact that we had not received any State of Illinois Mandated Categorical Transportation Funding. **That loan is still owed to the Working Cash Fund.** We will continue to monitor the situation and see how the timely the state makes the transportation payments during this fiscal year. We probably won't be able to repay the entire amount loaned from the Working Cash fund during this fiscal year, but we may be able to reduce the amount owed.

## FY 19 Fund Balances - Treasurers Reports



**Federal Funding - Cash Disbursements Plan Due to Potential Federal Shutdown** – We received the following notice from ISBE’s Nutrition Division, Illinois State Board of Education:

School districts and community-based providers serve a diverse student population with a wide range of social, emotional, and economic needs. U.S. Department of Agriculture (USDA) food programs help supplement the basic nutritional needs of each child so they are prepared to learn and grow. USDA Child Nutrition Programs are entitlement programs; eligible claims are processed and reimbursement is guaranteed. However, ISBE cannot provide reimbursement without available funds from the USDA.

**The recent federal government shutdown and the possibility of a future prolonged impasse has prompted ISBE to develop a cash disbursements plan.** Currently, ISBE has access to \$266 million to reimburse eligible claims as normal through the end of April. Estimated meal claims through Sept. 30, 2019, are \$453 million, which will result in a cash shortfall of \$187 million or 58 percent of the total funding needed in the event that ISBE is not provided any further funding from the USDA. Therefore, the reimbursement model provided below was put in place on Feb. 1, 2019, and will continue through the end of the federal fiscal year, Sept. 30, 2019, unless additional USDA funding is restored.

### Reimbursement Model

As of Feb. 1, 2019, the reimbursement percentages based on the type of entity is listed below (Program, Entity Type, Percentage):

- Summer Food Service Program, All entities, 100%
- Child and Adult Care, All entities, 100%
- School-Based Food Programs, District - Tier 1, 50%
- School-Based Food Programs, District - Tier 2, 25%
- School-Based Food Programs, Non Public, 25%

- School-Based Food Programs, ROE/ISC, 25%
- School-Based Food Programs, COOP, 25%
- School-Based Food Programs, IDJJ, 0%
- School-Based Food Programs, District - Tiers 3 and 4, 0%

Estimated Impact Possibility

**Federal Lunch Revenues**

FY 18	\$37,561	\$51,544		
	\$57,001	\$56,232		
	\$58,972	\$54,907		
	\$60,603	\$60,894		
	<u>\$46,925</u>	<u>\$43,130</u>		
	\$261,062	\$266,707	\$527,769	100.00%
FY 19	\$28,116	2/1/19 Possible Proration		
	\$60,384			
	\$65,577			
	\$59,496			
	<u>\$49,153</u>			
	\$262,726	\$66,677	\$329,403	62.41%
	25.00%			
	Est.			
	Decrease	(\$198,366)		