

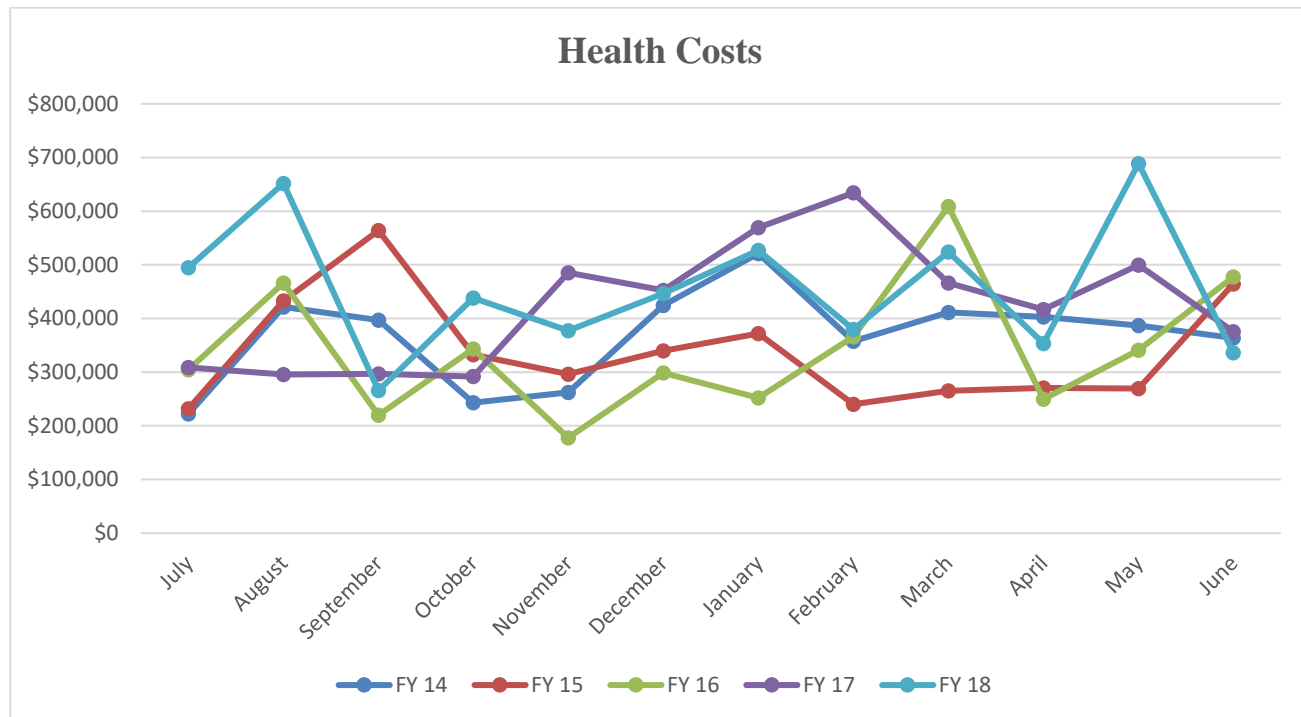
# July 2018 Busine\$\$ Report

BY DAVE BLACKBURN

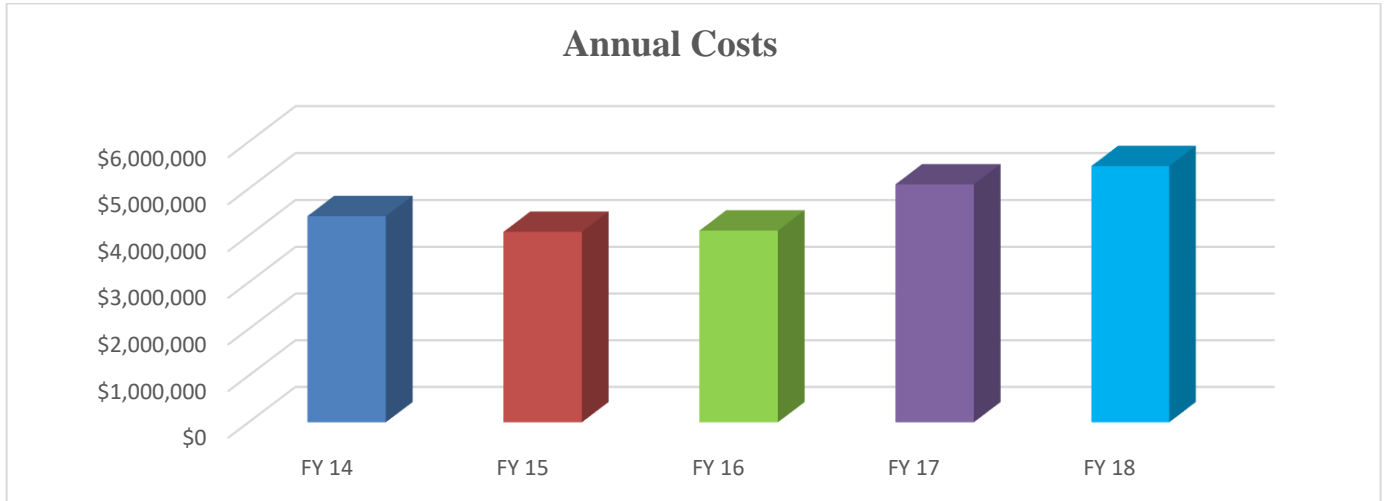
**Health Claims** – The June 2018 health claims of \$336,172 were lower than the last four year’s May costs. See the blue line (FY 18) in the line chart below. For the fiscal year the Board has provided \$4,450,000 (84.2%) toward health claim costs while the employees have contributed \$453,503 (8.58%) in premiums. We exceeded last year’s expenses by \$391,022 which had been an expensive year.

## 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>Difference</u> <u>FY 17 v. FY 18</u>
July	\$222,162	\$231,894	\$304,875	\$308,581	\$494,819	\$186,239
August	\$421,391	\$432,872	\$466,102	\$295,643	\$651,398	\$355,755
September	\$397,066	\$563,910	\$220,212	\$296,759	\$265,806	(\$30,953)
October	\$243,165	\$332,572	\$343,562	\$291,870	\$438,396	\$146,526
November	\$262,462	\$296,013	\$177,750	\$485,458	\$377,441	(\$108,017)
December	\$424,641	\$339,803	\$298,825	\$452,775	\$446,263	(\$6,512)
January	\$521,242	\$371,855	\$251,916	\$569,301	\$527,056	(\$42,245)
February	\$357,697	\$240,010	\$366,194	\$634,151	\$379,903	(\$254,249)
March	\$411,642	\$264,983	\$609,034	\$465,978	\$524,062	\$58,084
April	\$402,767	\$270,826	\$249,562	\$416,898	\$353,226	(\$63,672)
May	\$386,683	\$269,454	\$341,218	\$499,554	\$688,841	\$189,287
June	<u>\$363,790</u>	<u>\$464,321</u>	<u>\$477,279</u>	<u>\$375,392</u>	<u>\$336,172</u>	(\$39,221)
Totals	\$4,414,708	\$4,078,512	\$4,106,528	\$5,092,359	\$5,483,382	\$391,022



**FY 14**      **FY 15**      **FY 16**      **FY 17**      **FY 18**  
 \$4,414,708    \$4,078,512    \$4,106,528    \$5,092,359    \$5,483,382



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). Although being self-insured is a very cost effective method of providing health care it can create some budgeting issues in that it is almost essential to budget “worst case scenario.”

**County School Facility Tax** – Dixon Public Schools’ March sales tax amount of \$110,296.18 (our ninth payment) arrived in early July.

**Countywide Sales Tax Revenues**

	<u>FY 18</u>	
2017		
July	\$112,390.43	11.6.2017
August	\$114,519.33	12.6.2017
September	\$114,384.71	1.13.2018
October	\$110,898.10	2.6.2018
November	\$115,962.00	3.5.2018
December	\$123,609.44	4.6.2018
2018		
January	\$93,605.52	5.6.18
February	\$88,089.56	6.6.18
March	\$110,296.18	7.6.18
April		
May		
June		
YTD	\$983,755.27	

**State of Illinois Mandated Categorical Payments – Transportation** – The FY 18 fiscal year has ended and **we have only received three of our four transportation categorical payments** from the State of Illinois. On 6/20/18 we received \$116,109.30 for regular and vocational transportation and \$175,765.02 for special education. The total deposited into the Transportation Fund at that time was \$291,874.32. The fourth payment have been disbursed, but has not been processed by the Comptroller’s Office. The Illinois State Board of Education’s Financial Reimbursement Information System shows that we are owed and additional \$117,784.95 in Regular and Vocational Transportation and \$175,246.40 in Special Education Transportation (Total owed by State = \$293,031.35). Since we utilize the modified accrual method of accounting anything owed at the end of the fiscal year will be considered a receivable for FY 18 as long as the payment is still expected and not officially cancelled.

As of 6/30/18 the Transportation Fund had \$344,232, including funds in investments, according to the Treasurer’s Report. The June costs for IL Central School Bus payable in July is \$38,612.95, leaving approximately \$300,000 awaiting the final payments from the state.

**Transportation 3100 - Regular and Vocational**

Schedule Date	Amount	Status	Processed by Comp.
9/30/2017	\$ 113,918.65	Disbursed	2/13/2018
12/30/2017	\$ 116,109.29	Disbursed	4/19/2018
3/30/2018	\$ 116,109.29	Disbursed	6/20/2018
6/15/2018	<u>\$ 117,784.95</u>	Disbursed	
	\$ 462,922.19		

**Transportation 3510 - Special Education**

Schedule Date	Amount	Status	Processed by Comp.
9/30/2017	\$ 172,861.74	Disbursed	2/13/2018
12/30/2017	\$ 175,765.02	Disbursed	4/19/2018
3/30/2018	\$ 175,765.02	Disbursed	6/20/2018
6/15/2018	<u>\$ 175,854.40</u>	Disbursed	
	\$ 700,246.18		

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.**

**Tax Rates (Northwest Illinois School Districts)/ Dixon USD #170’s Rate** – For the past few years I have tracked the total tax rates for most of the unit school districts and some of the dual districts in the ten counties in the NW corner of Illinois including Boone, Winnebago, Stephenson, Jo Daviess, Carroll, Ogle Dekalb, Lee,

Whiteside and La Salle counties. I will share the most recent information at the July 18, 2018, Board of Education meeting.

**2016-2017** - With the 2015 levy which was extended in 2016 for the FY 17 school year Dixon Unit School District had a total tax rate of \$4.6003 which was 47<sup>th</sup> out of the 53 districts that I gathered. Two of those districts lower than Dixon included Byron and Erie which house nuclear power plants within their boundaries which greatly increases EAV and makes them outliers. Dixon had a Bond and Interest rate of \$0.2527.

The District put a new building ballot questions on for the November 8, 2016 election. That ballot initiative failed: Yes -3,998 (40.25%), No – 5,788 (59.75%). In 2017 the District them sold \$21,390,000 in General Obligation Bonds to correct the life safety violations at Dixon High School identified in the 2015 Health Life Safety Survey.

**2017-2018** - With the 2016 levy which was extended in 2017 for the FY 18 school year Dixon Unit School District had a total tax rate of \$4.9610 which was 44<sup>th</sup> out of the 55 districts that I gathered. (Byron and Erie where again lower than Dixon). Dixon had a Bond and Interest rate of \$0.5829 after the sale of the 2017 GO Bonds.

**2018-2019** - With the 2017 levy which was extended in 2018 for the FY 19 school year Dixon Unit School District had a total tax rate of \$4.9039 which was 45<sup>th</sup> out of the 55 districts that I gathered. (Byron and Erie where again lower than Dixon). Dixon had a Bond and Interest rate of \$0.5623.