

### FACT SHEET – FY12 BUDGET

- SEDOL's fund balance is currently made up of federal and grant funds – ALL of which are reserved or restricted funds. This impacts cash flow or working cash. The estimated fund balance for this fiscal year is \$675,817; this amount is contingent upon receiving 4 payments from ISBE.
- If SEDOL does not get the 2<sup>nd</sup> FY11 payment by June 30, the fund balance will be reduced to (\$624,183).
- Tuition rates increased 4.48% from 1995 to 2003 (7-year average). From 2003 to 2011, SEDOL kept tuition rates low by using restricted federal reserve funds. From 2003 to 2011 (8-year average), tuition rates increased 2.33%, which is a difference of 2.15% per year from the 1995-2003 average and the 2004-2011 average.
- SEDOL has NO unrestricted fund balance and will have to borrow to meet payroll next year.
- Enrollment has dropped, which impacts costs to programs. However, it is SEDOL's philosophy that students should be educated in their home district if possible.
- SEDOL has reduced staff the last 3 years to coincide with a decrease in enrollment and the service delivery model.

2009-10	45 fewer staff than 2008-09
2010-11	80 fewer staff than 2009-10
2011-12	90 fewer staff than 2010-11

More staff cuts than any of our member districts.

- SEDOL's budget is 91% personnel costs.
- SEDOL's expenditures and revenues have gone down for the last 3 years. SEDOL received \$1.9 million in ARRA funds; member districts received \$19.7 million over 2 years.
- The only salary increase to the current budget is what has been negotiated: 6% retirement cost of \$500,000 and paraprofessional raises of \$140,000 for 2012. No salary increases have been budgeted for administrative, clerical, custodial and non-union related services staff. The Board is currently negotiating with the SEDOL Teachers' Union.
- Health insurance is projected at a 5% increase, which is below current medical trends.
- SEDOL did budget \$160,000 to cover interest payments to borrow money to meet payroll due to no cash balance or working cash fund.
- Other expenditures such as supplies, equipment and capital outlay have been reduced.
- SEDOL is recommending a 10% tuition increase for 2011-12 which would only leave a fund balance of \$38,205. SEDOL will also have to increase rates for 2012-13 by at least 9%. These percentages could come down if past due state payments are received.