

LISLE COMMUNITY UNIT SCHOOL DISTRICT 202
BOARD ROOM
5211 CENTER AVENUE
LISLE, ILLINOIS 60532
Finance Committee Meeting
April 25, 2022
6:15 PM

Members of the public are welcome to attend all meetings of the Lisle Community Unit School District 202 Board of Education, including those held via video conferencing. Anyone wishing to view the meeting or provide comment is encouraged to review the information below.

In-Person Meeting Viewing: Guests are welcome to attend the meeting in-person in the Board Room and the Junior High Auditorium. Capacity will be limited based on social distancing guidelines.

Remote Meeting Viewing: The proceedings of the meeting will be streamed live and can be viewed using the following link: <http://www.youtube.com/c/LisleDistrict202>. Guests will join the meeting in view-only mode and will not be seen or heard in the meeting. A recording of the meeting will also be available on the School District website.

Public Comment: Public comments can be made in-person or via email at publiccomment@lisle202.org. Comments must be received by 5:00 p.m. on the day in which the meeting is held. Comments submitted by the deadline will not be read aloud during the meeting, but rather will be provided to the School Board prior to the start of the meeting and will become part of the meeting record.

Please see the "Meeting Dates, Agendas and Minutes" page for links to the Board of Education meeting agendas, minutes and video feeds.

AGENDA

- | | |
|--|----|
| 1. Call to Order | |
| 2. Public Comment | |
| 3. Minutes from the March 21, 2022 Finance Committee Meeting | 2 |
| 4. Investment Concentration and Collateral Report | 4 |
| 5. Quarterly Financial Update | 15 |
| 6. Financial Projection | 19 |
| 7. Agenda Topics for Future Finance Committee Meetings | |
| 8. Adjournment | |

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202
BOARD OF EDUCATION
FINANCE COMMITTEE MINUTES
MARCH 21, 2022

Record of minutes of the Finance Committee of the Whole Meeting of the Board of Education of Lisle Community Unit School District No. 202, DuPage County, Illinois, which was held in the BoardRoom of the Administrative Office, 5211 Center Avenue, Lisle, Illinois on March 21, 2022.

The meeting was called to order at 6:45 p.m. by Chairperson McConville.

Present: Eunice McConville, Finance Committee Chairperson
Pam Ahlmann
Dan Helderle
Lisa Kiener-Barnett
Steven Lesniak
Wendy Nadeau
Greg Nagler

Also Present: Dr. Keith Filipiak, Superintendent
David Wilkinson, Director of Finance
Dr. Linda Kotalik, Assistant Superintendent
Jennifer Law, Director of Student Services
Jenna Engler, Communications Coordinator
Trent Schalk, District Technology Specialist

Public Comment

None

Minutes from the February 28, 2022 Finance Committee Meeting

The minutes from the February 28, 2022 Finance Committee Meeting were reviewed. Those present came to a consensus that the minutes accurately reflect the meeting's discussion.

Student Fee Schedule - School Year 2022-2023

Administration presented a recommended fee schedule for the 2022-2023 school year. The fee schedule includes a waiver of the books/supplies fee for another year. Board Members in attendance referred the Student Fee Schedule - School Year 2022-2023 as presented for action at the next Regular School Board Meeting.

Regular and Extra-Curricular/Co-Curricular Transportation Extension

The Administration presented a recommendation to extend the contract with Westway Coach for an additional year. The proposed rate increase is 10% for regular routes and 3% for field trips and co-curricular routes. The \$100,000 increase will be included in the 2022-2023 budget. Major factors contributing to a higher percentage increase is more specifically outlined in the proposal letter provided by Westway Coach. Board Members in attendance referred the Regular and Extra-Curricular Transportation Extension, as presented, for action at the next Regular School Board Meeting.

Special Education/Homeless/Other Transportation Services Extension

The Administration presented a recommendation to extend the contract with Sunrise Southwest for an additional year. The proposed rate increase is performance based and capped at 13%. The additional cost to be included in the 2022-2023 budget is an approximately \$100,000 increase from the current school year. Board Members in attendance referred the Special Education/Homeless/Other Transportation Extension, as presented, for action at the next Regular School Board Meeting.

Asphalt Sealcoating Bid and Contract

The Administration provided a summary of the bids received for asphalt sealcoating of parking lots located at Lisle Senior High, Lisle Junior High, Lisle Elementary, and Wilde Field. Sealcoating is performed at the District every 2 years. The lowest bid was received from Patriot Pavement Maintenance for a total cost of \$30,896. Board Members in attendance referred the Asphalt Sealcoating Bid and Contract, as presented, for action at the next Regular School Board Meeting.

Technology Requests 2022-2023

Dr. Kotalik and Mr. Schalk provided an overview of the technology hardware purchases for the upcoming school year. The cost for technology purchase requests and software for FY2023 total \$292,378 and \$249,750 respectively. While technology expenditures do not require Board action, Administration wanted to notify the committee and obtain authorization to move forward with the Technology plan as presented. Dr. Kotalik commended Mr. Schalk for his evaluation of the District's technology needs, which has been an invaluable service provided to students and staff. The Committee authorized the Administration to proceed with the purchases as presented.

Agenda Topics for Future Finance Committee Meetings

None

Adjournment

At 7:09 p.m. by Ms. Ahlmann and Mr. Nagler



Lisle Community Unit School District #202/General Fund (10108-101)

Type	% Allocation	Instrument	Original Cost
SEC	51.48%	US TREASURY Total AAAM rating from Moody's	\$15,719,462.73
SDA	13.11%	BANK OF CHINA Total Collateralized/Insured - See pages 10-11	\$4,002,399.88
MM	10.87%	ISDLAF Money Market Total AAAM rating from S&P	\$3,319,296.06
CD	8.19%	CUSTOMERS BANK Total See pages 3-9	\$2,499,800.00
CD	0.82%	CIBC BANK USA / PRIVATE BANK - MI Total	\$249,900.00
CD	0.82%	FIRST NATIONAL BANK Total	\$249,900.00
CD	0.82%	PROSPECT BANK / EDGAR COUNTY B&TC Total	\$249,900.00
CD	0.82%	ALLEGIANCE BANK TEXAS Total	\$249,800.00
CD	0.82%	GBC INTERNATIONAL BANK Total	\$249,800.00
CD	0.82%	NEW OMNI BANK, N.A. Total	\$249,800.00
CD	0.82%	TEXAS BRAND BANK Total	\$249,800.00
CD	0.82%	THIRD COAST BANK, SSB Total	\$249,800.00
CD	0.82%	VERITEX COMMUNITY BANK Total	\$249,800.00
CD	0.82%	WESTERN ALLIANCE BANK / TORREY PINES BANK Total	\$249,800.00
CD	0.82%	CFG BANK Total	\$249,700.00
CD	0.82%	FIRST CAPITAL BANK Total	\$249,700.00
CD	0.82%	FIRST PRIORITY BANK Total	\$249,700.00
CD	0.82%	KS STATEBANK / KANSAS STATE BANK OF MANHATTAN Total	\$249,600.00
SEC	0.82%	STATE BANK OF INDIA Total	\$249,199.06
SEC	0.82%	SYNCHRONY BANK Total	\$249,198.52
SEC	0.82%	BMW BANK NORTH AMERICA Total	\$249,198.42
SEC	0.82%	HINGHAM INSTITUTION SVGS Total	\$249,149.34
SEC	0.82%	GOLDMAN SACHS BANK USA Total	\$249,148.53
SEC	0.82%	JOHN MARSHALL BANK Total	\$249,000.00
Grand Total			\$30,532,852.54

FDIC



T 630 657 6400
2135 City Gate Lane, 7th Fl. Naperville, IL 60563 pmanetwork.com

April 14, 2022

Keith Filipiak
Lisle Community School District #202
5211 Center Avenue
Lisle, IL 60532

Mr. Filipiak,

Per your request, we have compiled this additional collateral information regarding the District's deposits. Attached you will find a copy of the Letters of Credit issued by FHLB Pittsburgh for deposits at Customers Bank, along with a copy of the ICS statement for Bank of China.

Please feel free to contact me if you require any additional information or if you have any questions.

Sincerely,

Jeremy S Lindstrom
Sr. Credit Risk Analyst

Provider	Purchase Date	Maturity Date	Transaction #	Amount Invested + Total Interest
Customers Bank				
	08-Jun-21	03-Jun-22	290096	\$1,000,499.39
	14-Jun-21	10-Jun-22	290199	\$1,250,638.04
			Provider Totals:	\$2,251,137.43

Current LOC #	FHLB	LOC Start	LOC End	LOC Amount
HLB8315211590040	Pittsburgh	06/08/21	06/08/22	\$1,000,500.00
HLB8315211650023	Pittsburgh	06/14/21	06/14/22	\$1,250,638.04
			Total:	\$2,251,138.04



copy

Irrevocable Standby Letter of Credit

To: **PMA Financial Network as Letter of credit agent for Lisle Community Unit School Dist**
David J. Lutter
2135 CityGate Lane, 7th Floor
Naperville IL 60563

Letter of Credit No. **HLB8315211590040**

Date: **June 08, 2021**

Ladies and Gentlemen:

At the request, and for the account, of **Customers Bank**, having its principal office at **701 Reading Ave, West Reading, PA 19611**, the Federal Home Loan Bank of Pittsburgh (the "FHLB") hereby issues in your favor its Irrevocable Standby Letter of Credit No. **HLB8315211590040**, whereby, subject to the terms and conditions contained herein, the FHLB authorizes you to draw hereunder on the FHLB up to U.S. **\$1,000,500.00** (the "Maximum Credit Amount"), available in one drawing only, to be made at any time from the date hereof until the FHLB's close of business on **June 08, 2022** (the "Expiration Date").

Funds under this Letter of Credit are available to you following your presentation to the FHLB, prior to the FHLB's close of business on the Expiration Date and on a day upon which the FHLB is open for business (a "business day"), of your completed certificate in the form of Exhibit A hereto purportedly signed on your behalf by one of your authorized officers or other representatives, which shall be conclusive for all purposes under this Letter of Credit. Presentation of your certificate in the form of Exhibit A must be made prior to 11:00 a.m., Pittsburgh time, to be effective for that business day (the "Effective Date"); if presentation is made after 11:00 a.m., Pittsburgh time, it will be deemed to have been made at 9:00 a.m. on the next business day, which will be the Effective Date. The FHLB will make payment on the Effective Date of any presentation of a draft. Any drawing under this Letter of Credit will be paid from funds of the FHLB. Only one drawing is permitted under this Letter of Credit. Presentation of your certificate, as aforesaid, must be made at the FHLB's office at 601 Grant Street, Pittsburgh, Pennsylvania 15219-4455, Attention: Product Delivery Group. If the FHLB is closed for any reason on the Expiration Date, the Expiration Date of this Letter of Credit will be extended automatically to the fifth succeeding business day following the Expiration Date.

To the extent that state law is applicable, this Letter of Credit shall be governed by the laws (exclusive of the choice of law provisions) of the Commonwealth of Pennsylvania, including Article 5 of the Uniform Commercial Code as in effect in said Commonwealth, and to the extent not inconsistent with Article 5 of the Uniform Commercial Code in effect in said Commonwealth, this Letter of Credit shall be subject to the provisions (to the extent such provisions are consistent with this Letter of Credit) of the International Standby Practices 1998 (ISP98) (International Chamber of Commerce Publication No. 590).

All documents presented to the FHLB in connection with any drawing and all other communications with respect to this Letter of Credit shall be in writing and shall be addressed to the FHLB at the address indicated in the preceding paragraph, specifically referring to the number of this Letter of Credit.

This Letter of Credit is not transferable or assignable, either in whole or in part, except with the express prior written consent of the FHLB.

copy
copy

This Letter of Credit sets forth in full the undertaking of the FHLB, and such undertaking shall not be modified, amended or amplified in any way except by a writing executed by the FHLB.

Very truly yours,

Federal Home Loan Bank of Pittsburgh

By: _____

Maria Hines

Title: _____

COR Member Services

**Exhibit A
Beneficiary's Certificate
Irrevocable Standby Letter of Credit**

Federal Home Loan Bank of Pittsburgh
601 Grant Street
Pittsburgh, Pennsylvania 15219-4455

Attention: Product Delivery Group

Re: Irrevocable Standby Letter of Credit No. _____ ("Letter of Credit")

Ladies and Gentlemen:

The undersigned beneficiary ("Beneficiary") of the Letter of Credit issued by you for the account of _____ ("Member") hereby demands payment of U.S. \$ _____ ("Demand Amount") under the Letter of Credit.

The undersigned hereby certifies as follows:

1. The Beneficiary is entitled to payment from the Member in the amount of this drawing.
2. The Beneficiary demanded that the Member pay such amount to the Beneficiary, and the Member failed to make such payment.
3. The Member has notified the Beneficiary in writing that it is unable to pay the amount of such demand due to the Member's insolvency, receivership or conservatorship.
4. The Demand Amount is no greater than the Maximum Credit Amount (as defined in the Letter of Credit).

Please make payment by wire transfer to the Beneficiary's Account Number _____ at _____ in immediately available funds.

By: _____
(Authorized Signer)

Title: _____



Irrevocable Standby Letter of Credit

To: PMA Financial Network, Inc.
FBO Lisle Community Unit School Dist
2135 City Gate Lane, 7th Floor
Naperville, IL 60563
Attn: D. James Lutter, SVP

Letter of Credit No. **HLB8315211650023**

June 14, 2021

Ladies and Gentlemen:

At the request, and for the account, of Customers Bank, having its principal office at 1015 Penn Avenue, Suite 102, Wyomissing, PA 19610, the Federal Home Loan Bank of Pittsburgh (the "FHLB") hereby issues in your favor its Irrevocable Standby Letter of Credit No. **HLB8315211650023**, whereby, subject to the terms and conditions contained herein, the FHLB authorizes you to draw hereunder on the FHLB up to U.S. \$1,250,638.04 (the "Maximum Credit Amount"), available in one drawing only, to be made at any time from the date hereof until the FHLB's close of business on June 14, 2022 (the "Expiration Date").

Funds under this Letter of Credit are available to you following your presentation to the FHLB, prior to the FHLB's close of business on the Expiration Date and on a day upon which the FHLB is open for business (a "business day"), of your completed certificate in the form of Exhibit A hereto purportedly signed on your behalf by one of your authorized officers or other representatives, which shall be conclusive for all purposes under this Letter of Credit. Presentation of your certificate in the form of Exhibit A must be made prior to 11:00 a.m., Pittsburgh time, to be effective for that business day (the "Effective Date"); if presentation is made after 11:00 a.m., Pittsburgh time, it will be deemed to have been made at 9:00 a.m. on the next business day, which will be the Effective Date. The FHLB will make payment on the Effective Date of any presentation of a draft. Any drawing under this Letter of Credit will be paid from funds of the FHLB. Only one drawing is permitted under this Letter of Credit. Presentation of your certificate, as aforesaid, must be made at the FHLB's office at 601 Grant Street, Pittsburgh, Pennsylvania 15219-4455, Attention: Product Delivery Group. If the FHLB is closed for any reason on the Expiration Date, the Expiration Date of this Letter of Credit will be extended automatically to the fifth succeeding business day following the Expiration Date.

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All documents presented to the FHLB in connection with any drawing and all other communications with respect to this Letter of Credit shall be in writing and shall be addressed to the FHLB at the address indicated in the preceding paragraph, specifically referring to the number of this Letter of Credit.

This Letter of Credit is not transferable or assignable, either in whole or in part, except with the express prior written consent of the FHLB.

This Letter of Credit sets forth in full the undertaking of the FHLB, and such undertaking shall not be modified, amended or amplified in any way except by a writing executed by the FHLB.

Very truly yours,

Federal Home Loan Bank of Pittsburgh

By:  **Maria Hines**

Title: **COR Member Services**

Exhibit A
Beneficiary's Certificate
Irrevocable Standby Letter of Credit

copy

Federal Home Loan Bank of Pittsburgh
601 Grant Street
Pittsburgh, Pennsylvania 15219-4455

Attention: Product Delivery Group

Re: Irrevocable Standby Letter of Credit No. _____ ("Letter of Credit")

Ladies and Gentlemen:

The undersigned beneficiary ("Beneficiary") of the Letter of Credit issued by you for the account of _____ ("Member") hereby demands payment of U.S. \$ _____ ("Demand Amount") under the Letter of Credit.

The undersigned hereby certifies as follows:

1. The Beneficiary is entitled to payment from the Member in the amount of this drawing.
2. The Beneficiary demanded that the Member pay such amount to the Beneficiary, and the Member failed to make such payment.
3. The Demand Amount is no greater than the Maximum Credit Amount (as defined in the Letter of Credit).

Please make payment by wire transfer to the Beneficiary's Account Number _____ at _____ in immediately available funds.

** To be effective, this Drawing Certificate must be signed by any of the two following authorized signers of PMA Financial Network, Inc.: Michael R. English, James O. Davis, Laura Clarke or David J. Lutter.*

By: _____
(Authorized Signer)

By: _____
(Authorized Signer)

Title: _____

Title: _____

Bank of China
410 Madison Avenue
New York, NY 10017

LISLE COMMUNITY UNIT SCHOOL DIST
C/O PMA FINANCIAL NETWORK
2135 CITYGATE LANE, 7TH FL
NAPERVILLE, IL 60563

Contact Us
646-231-3120
XKMAO@BOCUSA.COM



Account
LISLE COMMUNITY UNIT SCHOOL DIST

Date
03/31/2022

Page
1 of 2

IntraFi® Network DepositsSM Monthly Statement

Demand or Savings Option (formerly known as ICS®)

The following information is a summary of activity in your account(s) for the month of March 2022 and the list of FDIC-insured institution(s) that hold your deposits as of the date indicated. These deposits have been placed by us, as your agent and custodian, in deposit accounts through IntraFi Network Deposits. Funds in your deposit accounts at the FDIC-insured institutions at which your funds have been placed will be "deposits," as defined by federal law.

Summary of Accounts

Account ID	Deposit Option	Interest Rate	Opening Balance	Ending Balance
*****658	Demand	0.57%	\$4,002,673.74	\$4,003,475.57
TOTAL			\$4,002,673.74	\$4,003,475.57

DETAILED ACCOUNT OVERVIEW

Account ID: *****658
Account Title: LISLE COMMUNITY UNIT SCHOOL DIST

Account Summary - Demand

Statement Period	3/1-3/31/2022	Average Daily Balance	\$4,002,382.75
Previous Period Ending Balance	\$4,002,673.74	Interest Rate at End of Statement Period	0.57%
Total Program Deposits	0.00	Statement Period Yield	0.38%
Total Program Withdrawals	(491.12)	YTD Interest Paid	2,407.93
Interest Capitalized	1,292.95	YTD Taxes Withheld	0.00
Taxes Withheld	(0.00)		
Current Period Ending Balance	\$4,003,475.57		

Account Transaction Detail

Date	Activity Type	Amount	Balance
03/11/2022	Withdrawal	(\$491.12)	\$4,002,182.62
03/31/2022	Interest Capitalization	1,292.95	4,003,475.57

Summary of Balances as of March 31, 2022

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
BOKF, National Association	Tulsa, OK	4214	\$248,430.23
Bank OZK	Little Rock, AR	110	248,430.23
Bank of the West	San Francisco, CA	3514	248,426.80
Bell Bank	Fargo, ND	19581	28,631.96
Citizens Bank, National Association	Providence, RI	57957	248,423.24
First Horizon Bank	MEMPHIS, TN	4977	248,430.23
First International Bank & Trust	Watford City, ND	10248	248,430.23
First National Bank of Omaha	Omaha, NE	5452	248,430.23
First United Bank and Trust Company	Durant, OK	4239	248,400.58
FirstBank	Nashville, TN	8663	248,430.23
Pacific Western Bank	Beverly Hills, CA	24045	248,430.23
Pinnacle Bank	Omaha, NE	10634	248,430.23
Rockland Trust Company	Rockland, MA	9712	248,430.23
Truist Bank	Charlotte, NC	9846	248,430.23
Umpqua Bank	Roseburg, OR	17266	248,430.23
United Bank	Fairfax, VA	22858	248,430.23
WesBanco Bank, Inc.	Wheeling, WV	803	248,430.23

Lisle School District 202

Quarterly Financial Update

For the Nine Months Ending March 31, 2022

Budget Compared to Actual

The attached report compares revenues and expenditures through March with the adopted budget. Below are some of the highlights of the year-to-date activity:

Revenue:

Local Sources - The District has received 100% of budgeted property taxes through the month of March. Collections from the 2021 levy in June 2022 will be deferred to FY2023 on the accrual basis of accounting.

The District has received 82% of the budgeted interest income for the year. The District expects to collect the balance of the budgeted interest over the remainder of the year. While interest rates remain low, investment opportunities are starting to improve with rates slowly starting to increase.

The District has received more than 100% of the budgeted other local revenue through March. A surge in corporate personal property tax receipts has resulted in higher revenues than initially anticipated by the Illinois Department of Revenues estimates. The remaining rental income and athletic/activity fees, etc. will be collected throughout the rest of the year.

State and Federal Sources - The District has received approximately \$1.7 million, or 77%, of the budgeted State revenues through March. The State has made all of the mandated categorical payments for the 2021 project year. The States obligations for the 2022 project year are approximately \$309,000 with 97% of the balance having been outstanding less than 30 days.

Federal revenues of approximately \$1.7 million, or 103% of budget, have been collected. All of the ESSER II relief funds have been received. The District also applied for and received some of the ESSER III funding initially budgeted for FY2023. National School Lunch reimbursements have also been higher than anticipated as more students participate in the free lunch program being offered to all students.

Expenditures:

Salaries – On the accrual basis of accounting, July and August salary payments for 10-month staff are recorded in June of the prior fiscal year. As a result, salary expenses during the first quarter do not include teaching and instructional support staff. While year-to-date salaries compared to budget of 63% appears lower than expected, the difference will be accounted for during the 4th quarter of the fiscal year.

Employee Benefits - The District has completed nine of the twelve months for the year. The costs of benefits are typically equal throughout the year. Therefore spending 75% of the budget through March appears reasonable.

Purchased Services - Purchased services expenditures are approximately \$3,447,000 through March. Current year expenditures are roughly \$1.1 million higher than this period in the prior year. Approximately 70% of this increase is attributable to resuming transportation costs as a result of full in-person learning. Overall, spending 76% of the budget through March is reasonable despite being higher than the 50% of budget spent at this time during the prior fiscal year.

Supplies and Materials - Spending 66% of the supplies and materials budget is reasonable have completed three-quarters of the fiscal year. Supplies and materials expenditures of approximately \$1.1 million is lower than the \$1.3 million spent at this point in the prior fiscal year. Supply costs related to remote learning devices and personal protective equipment (PPE) were more significant at this time in the prior year as the district adapted to the needs of the pandemic.

Capital Outlay – Expenditures for facility renovations occur primarily during the summer months when construction activity takes place. Additional costs may occur sporadically over the course of the year as needs arise. The majority of the capital outlay expenditures for the fiscal year relate to bleacher and HVAC work at Lisle Senior High School. The remaining budget will be utilized for the roofing work at Lisle Senior High this summer.

Other Objects (Includes Tuition and Debt Repayment) - Tuition payments of approximately \$1,775,000 for out-of-district special education, alternative learning, and career and technical education students have been paid year-to-date. The District has spent 72% of the tuition budget through March. For comparison, tuition expenditures at this time last year were approximately \$1,876,000, or 75% of budget. The tuition costs will continue to be monitored as the year progresses.

The \$1.5 million of expenditures in the Debt Services fund relates to the June and December bond payments.

Non-capitalized Equipment - The majority of the non-capitalized expenditures for the year relate to staff laptops at Lisle Junior High School along with new blinds and carpet at Lisle Senior High.

Termination Benefits – Through March, there have been no payments made to terminated or retiring employees as compensation for unused sick or vacation days.

Lisle Community Unit School District 202
Budget Compared to Actual - All Funds
For the Nine Months Ending March 31, 2022

	<u>Educational</u>	<u>Operations & Maint.</u>	<u>Debt Services</u>	<u>Trans- portation</u>	<u>Municipal Ret/Soc Sec</u>	<u>Capital Projects</u>	<u>Working Cash</u>	<u>Tort</u>	<u>Total</u>	<u>Budget</u>	<u>Percent Realized</u>
Fund Balance - July 1, 2021	\$ 10,560,729	\$ 1,108,229	\$ 1,179,072	\$ 2,409,079	\$ 512,520	\$ 3,205,228	\$ 809,211	\$ -	\$ 19,784,068		
Revenue:											
Local Sources:											
Property Taxes	26,332,184	2,795,526	504,739	998,921	898,633	-	4,619	4,619	31,539,241	31,543,700	100%
Interest	5,228	547	209	585	195	624	180	-	7,568	9,200	82%
Other Local	774,687	106,051	-	71,145	-	50	-	-	951,933	947,400	100%
State Sources	1,293,314	-	-	338,873	-	50,000	-	-	1,682,187	2,195,545	77%
Federal Sources	1,561,337	113,804	-	12,276	-	-	-	-	1,687,417	1,636,655	103%
Total Revenue	29,966,750	3,015,928	504,948	1,421,800	898,828	50,674	4,799	4,619	35,868,346	36,332,500	99%
Expenditures:											
Salaries	11,034,327	844,480		36,947		-		-	11,915,754	18,859,400	63%
Employee Benefits	4,037,127	173,449		-	704,311	-		-	4,914,887	6,556,970	75%
Purchased Services	1,602,887	383,239	-	1,443,440		13,225		4,619	3,447,410	4,516,601	76%
Supplies and Materials	587,310	527,677		3,859		-		-	1,118,846	1,699,164	66%
Capital Outlay	-	82,889		-		587,030		-	669,919	1,038,800	64%
Other Objects	1,820,538	-	1,500,250	-	-	-		-	3,320,788	4,001,344	83%
Non-capitalized Equipment	87,532	46,024		-		-		-	133,556	237,157	56%
Termination Benefits	-	-		-		-			-	1,500	-
Total Expenditures	19,169,721	2,057,758	1,500,250	1,484,246	704,311	600,255		4,619	25,521,160	36,910,936	69%
Revenue Over (Under)											
Expenditures	<u>10,797,029</u>	<u>958,170</u>	<u>(995,302)</u>	<u>(62,446)</u>	<u>194,517</u>	<u>(549,581)</u>	<u>4,799</u>	<u>-</u>	<u>10,347,186</u>	<u>(578,436)</u>	
Other Sources/(Uses)											
Other Sources	11,145	-	-	-	-	1,250,000	-	-	1,261,145	1,250,200	101%
Other (Uses)	(1,250,000)	-	-	-	-	-	-	-	(1,250,000)	(1,250,200)	100%
Total Other Sources/(Uses)	(1,238,855)	-	-	-	-	1,250,000	-	-	11,145	-	
Fund Balance - March 31, 2022	\$ 20,118,903	\$ 2,066,399	\$ 183,770	\$ 2,346,633	\$ 707,037	\$ 3,905,647	\$ 814,010	\$ -	\$ 30,142,399		

**Lisle Community Unit School District 202
State Funding Update
Vouchers Awaiting Processing by Comptroller
March 31, 2022**

<u>Program Name</u>	<u>Project Yr</u>	<u>Voucher Date</u>	<u>Amount</u>
Special Education - Private Facility Tuition	2022	3/16/2022	\$ 64,556.18
Special Education - Orphanage - Individual	2022	3/28/2022	\$ 65,276.23
State Free Lunch & Breakfast	2022	3/29/2022	\$ 1,145.76
Driver Education	2022	9/24/2021	\$ 5,374.14
	2022	12/22/2021	\$ 5,374.14
	2022	3/28/2022	\$ 5,374.14
Transportation - Regular and Vocational	2022	3/28/2022	\$ 57,256.13
Transportation - Special Education	2022	3/28/2022	\$ 104,777.55
Grant Total			<u>\$ 309,134.27</u>

Days Outstanding

0-30	\$ 298,385.99
31-60	\$ -
61-90	\$ -
91-120	\$ 5,374.14
121-150	\$ -
151-180	\$ -
181-210	\$ 5,374.14
	<u>\$ 309,134.27</u>



Past Financial Performance and Future Financial Projections

April 25, 2022

EXECUTIVE SUMMARY

The following analysis focuses on both the historical performance and projected financial condition of Lisle Community Unit School District 202. Preparing and evaluating this analysis on an annual basis allows the District to utilize a “proactive” management style in conducting its financial affairs. Because resources available to public schools are limited, it is imperative to focus on what actions need to be taken now in order to continuously be assured that adequate resources are available to not only our students of today but also to our students of the future.

REVIEW OF PAST PERFORMANCE

Lisle School District’s financial position has remained strong over the past five years. The District has experienced an average increase in revenue of slightly more than 1% annually since FY2017 with total OPERATING FUNDS revenue of \$33,622,244 for FY2021. During this time period, CPI has increased on average 1.8% per year. New property EAV has been healthy with average increases of approximately \$3.7 million annually. Investment earnings improved during this time period before falling precipitously during the most recent fiscal year to less than \$100,000. State sources have remained mostly flat over the last five years. Federal sources increased during FY2021 as a result of the Elementary and Secondary School Emergency Relief Funds (ESSER) in response to the COVID-19 pandemic.

Total expenditures have increased by about 1% annually since FY2017 in the OPERATING FUNDS. Negotiated salary contracts have included 3% to 4% annual raises and the total increase in salary expenditures have been around 2% over the past five years. The District has been able to contain other major costs such as health insurance and property insurance by participating in self-insured cooperatives with other school districts. Total expenditures across ALL FUNDS were \$34,365,522 for FY2021 including half a million in capital expenditures, primarily for the bleacher and HVAC work at Lisle Senior High School.

REVIEW OF PROJECTIONS

The net change in fund balances for the OPERATING FUNDS (Educational, Operations and Maintenance, Transportation, and Working Cash Funds) over the course of the six year projection period is projected to be a deficit of \$25,000. Annual revenues and other sources in the OPERATING FUNDS is estimated to exceed annual expenditures and other uses by \$1,151,000 in FY2022. In FY2027 the OPERATING FUNDS are anticipated to have an overall deficit of \$598,000. The District anticipates a healthy increase in property tax revenues during FY2024 as the result of the 2021 CPI reaching the 5% cap under the Property Tax Extension Limitation Law (PTELL). However, this increase will be offset by higher operating costs across all areas including salary and benefits. A significant decrease in interest earnings over the next few years will impact revenues as interest rates have fallen precipitously over the last 24 months.

The District's revenues and fund balances appear adequate during the projection period to cover payroll and regular bills. A surge in Federal revenues from the ESSER relief funds provided an additional \$1.8 million to fund the school districts programs over the next two years. These dollars are a one-time funding supplement and cannot be relied upon to fund program for the long-term. Uncertainty in the State and Federal economic climates could alter funding levels for education and significantly impact this picture. A substantial downturn in the State's economy may lead to a reduction in budget dollars available for the Evidence Based Funding Formula (EBF) and mandated categorical grants. If the State does not have the funds to both address its pension crisis and fund EBF, pension reform may take center stage which has the potential to shift a large portion of these costs to local school districts greatly impacting the District budget. A property tax freeze is also always a possibility as taxpayers endure economic hardship from large inflation increases. Tax freeze legislation would severely limit the District's ability to generate revenues that would keep pace with the cost increases from one year to the next. Finally, additional costs related to roof replacement, HVAC units, educational enhancements at the junior high, and other necessary facilities improvements will reduce some of the fund balances available to withstand these uncertainties.

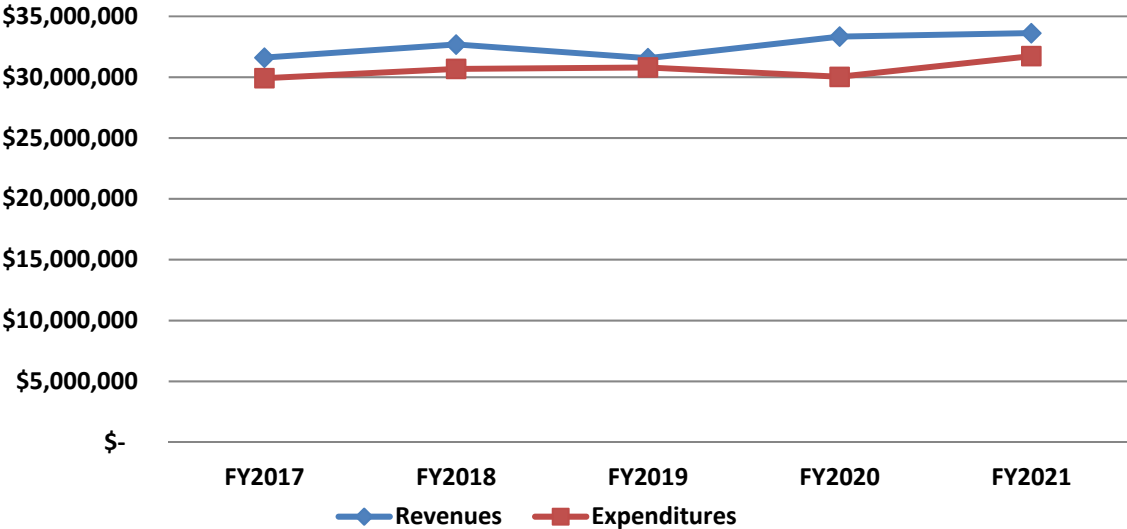
Reviewing the financial projections such as this on a regular basis will allow the District to determine the long-term effect of these issues and the financial decisions being made today. The greatest challenge for the Board of Education over the next few years will be to find an acceptable median between the vision our learning community has for the education of our children and how to best fund this vision given the economic climate and the resources available.

HISTORICAL FINANCIAL REVIEW

In developing a long-term financial plan for a school district, it is critical to first review the historical trends in the District’s revenues and expenditures. The operating funds consist of the Educational Fund, Operations & Maintenance Fund, Transportation Fund, and Working Cash Fund. These funds are considered the core of the District’s operations and constitute the majority of activity occurring in the District.

Additional funds utilized by the District include the Debt Services, Municipal Retirement/Social Security Fund, Capital Projects, and Tort Funds. These funds are included in the financial projection to facilitate the reconciliation of figures in this report to the annual financial report filed with the Illinois State Board of Education.

The following chart reflects the trend in Lisle School District 202's revenues and expenditures in the OPERATING FUNDS over the past five fiscal years.

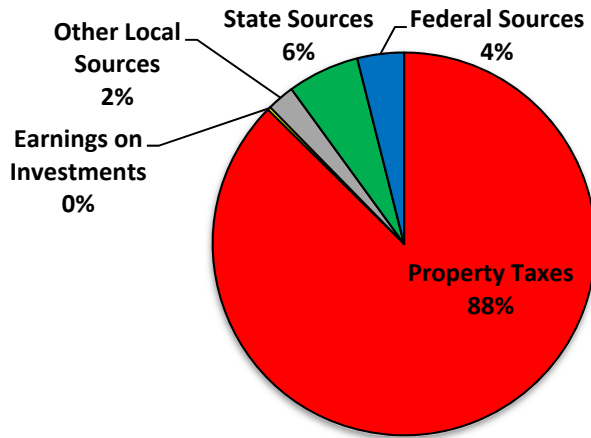


Note: A detailed breakdown of the revenues and expenditures is shown on the Historical Performance – Operating Funds statement at the back of this report

For the past five (5) years, revenues have exceeded expenditures in the OPERATING FUNDS annually by an average of approximately \$1.9 million. The net revenues is BEFORE transfers of \$750,000 annually to the Capital Projects fund for current and future capital improvements at the Districts facilities. The following discussion will look specifically at the trends in the District’s revenue and the costs associated with providing an education to approximately 1,450 students.

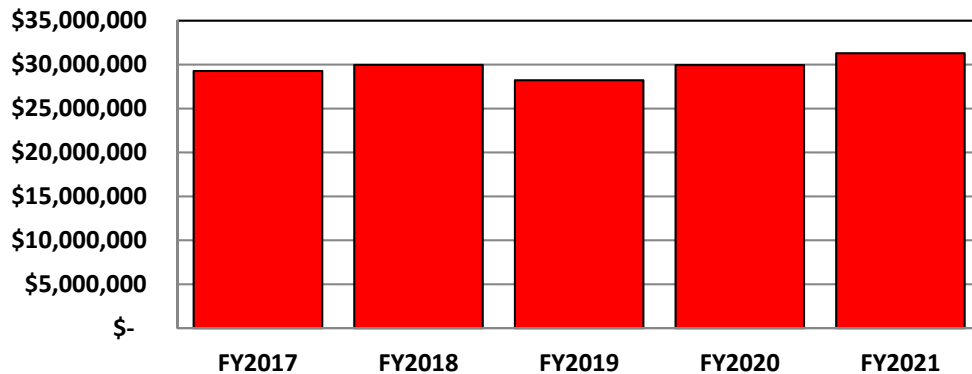
REVENUE

The following pie chart illustrates the composition of Lisle School District's revenue for the fiscal year ended June 30, 2021. As evident in the chart below, Lisle School District relies almost exclusively on property taxes and State and Federal sources to fund the operations of the District.



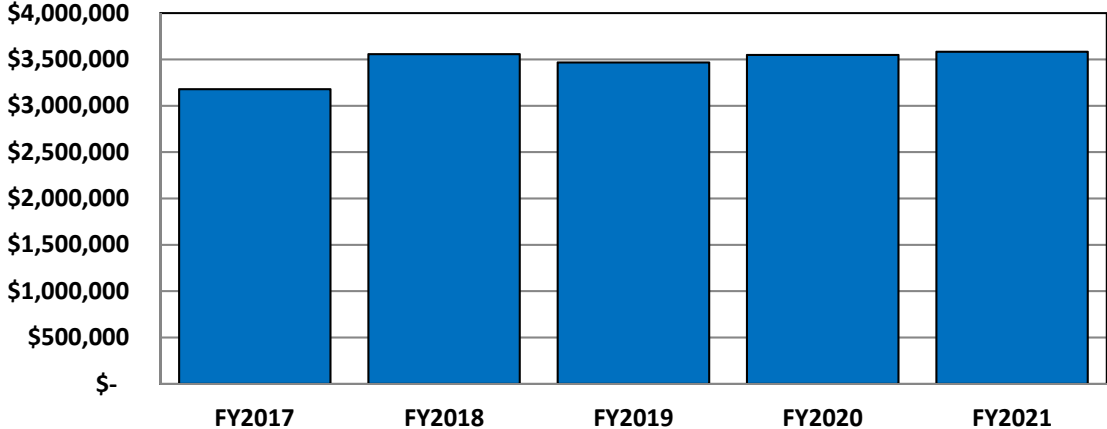
PROPERTY TAX REVENUE

Property taxes currently account for approximately 88% of the District's revenue. The following chart reflects the growth pattern of property tax revenue over the past five years. On average, the property tax levy has increased 1.3% annually since 2017. While CPI has averaged 1.8% during this time period, debt service abatements in FY2019 thru FY2021 contributed to a lower growth rate. Property tax revenue on the cash basis decreased in FY2019 due to the tax objection settlement in the Operations & Maintenance Fund and the DuPage County Treasurer distributing 53% of the 2017 tax levy in June of 2018.



STATE AND FEDERAL SOURCE REVENUE

State and Federal sources currently account for approximately 10% of the District’s total revenue. The following chart reflects the growth pattern of State and Federal sources over the past five years. Fiscal years 2017 through 2019’s State and Federal sources were adjusted to reflect **net collections** of approximately \$108,000, (\$228,000), and (\$50,000) respectively, remitted by the Illinois State Board of Education in the subsequent fiscal year (missed the June 30th cutoff) to better reflect trend data. Fiscal Year 2020 and 2021 are reported on the accrual basis of accounting so revenue adjustments were not necessary. Total State and Federal sources have been approximately \$3.5 million annually over the past five years.



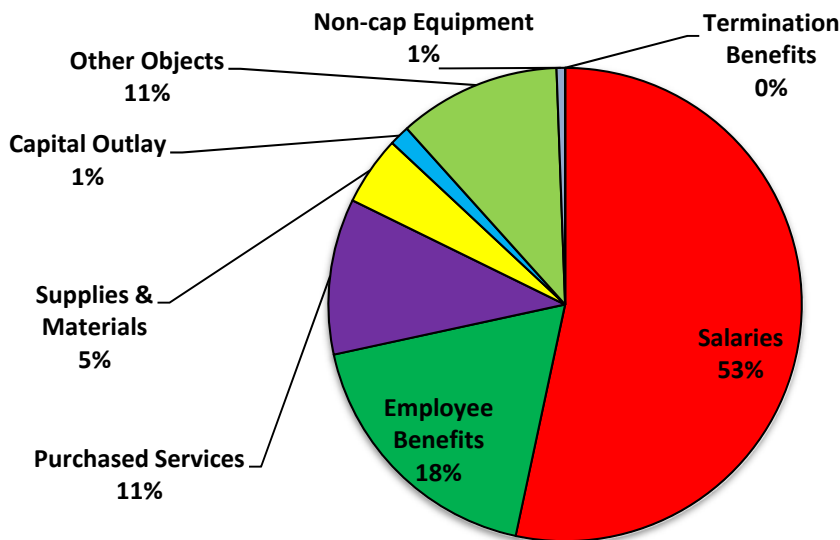
EXPENDITURES

Lisle School District 202’s expenditures can be broken down into eight (8) different categories. These categories and their descriptions are as follows:

- 1. Salaries** - Amounts paid to permanent, temporary or substitute employees of the District.
- 2. Employee Benefits** - Fringe benefits paid on behalf of the employees but not directly to the employees. This includes medical, dental, life, and disability insurance, Social Security contributions, Teachers Retirement System (TRS) contributions, the Illinois Municipal Retirement Fund (IMRF) contributions, and tuition reimbursements.
- 3. Purchased Services** - Amounts paid for personal services rendered by personnel who are not on the payroll of the District. Examples include, but are not limited to, legal services, audit services, telephone services, postage, property insurance, the cost of private contractors used to transport regular and special education students, contracts related to the upkeep of building and grounds and equipment, and any type of contractual services related to the enhancement of the teaching or instructional process.
- 4. Supplies and Materials** - Amounts paid for material items that are consumed, worn out, or deteriorated in use. These primarily include textbooks, library books, and utilities.

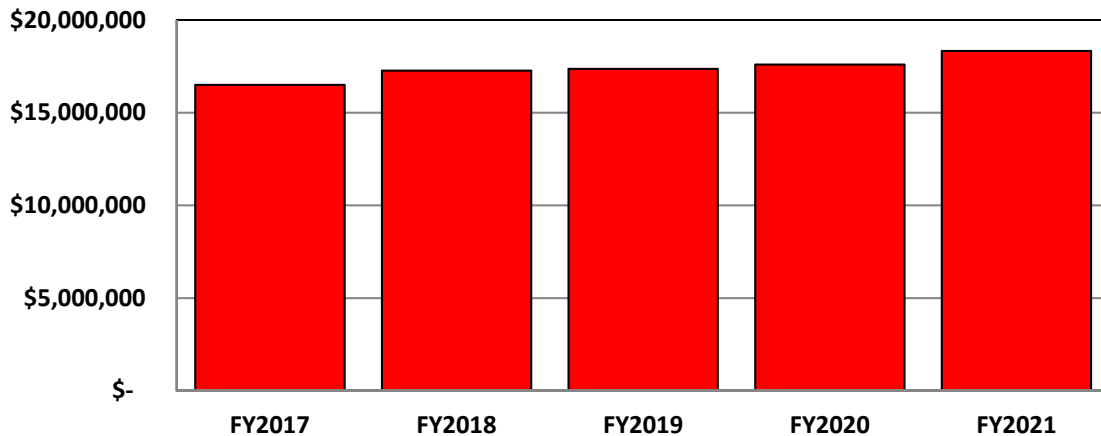
5. **Capital Outlay** - Expenditures for the acquisition of fixed assets or additions to fixed assets. These are expenditures for land or existing buildings, improvements of grounds, construction of buildings, additions to buildings, remodeling of buildings, initial equipment, additional equipment, and replacement of equipment.
6. **Other Objects** - Tuition paid to other educational facilities such as the Special Education Co-op for services rendered to students residing in the District. "Other" also includes the repayment of debt in the Debt Services Fund.
7. **Non-capitalized Equipment** – Items that would be classified as capital assets except that they cost less than the capitalization threshold but more than the \$500 minimum value established by School Code.
8. **Termination Benefits** – Payments made to terminated or retiring employees as compensation for unused sick or vacation days.

The following pie chart illustrates the composition of Lisle School District's expenditures for the fiscal year ending June 30, 2021. Total expenditures for FY2021, including capital outlay costs, were \$34,368,522. As evident in the below chart, salaries and employee benefits account for the majority of the cost of operating the school district.



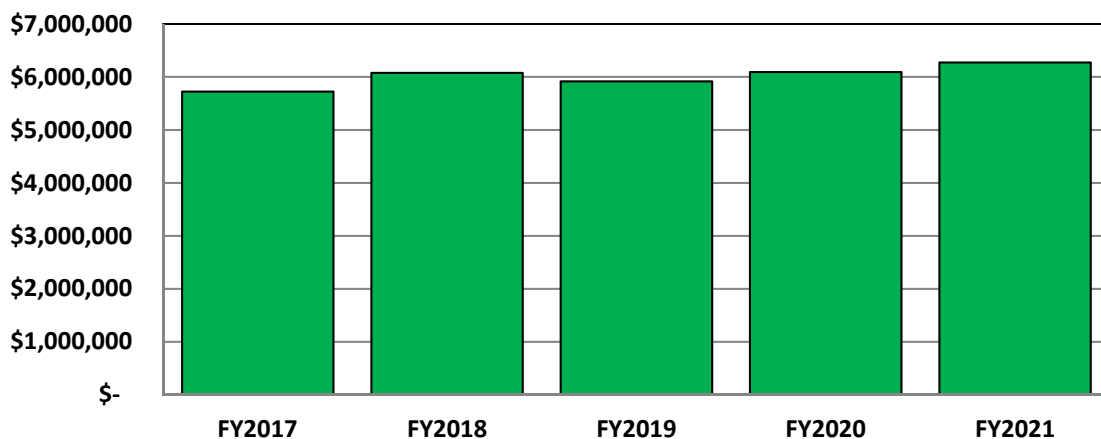
SALARY EXPENDITURES

The largest operating expenditure of the District is the cost of salaries. Approximately half of the District's operating expenditures are attributed to this expense item. Salary expenditures have increased at an average rate of approximately 2% from FY2017 through FY2021. These increases are from annual salary increases, the change in the number of employees, and cost savings through attrition. The following chart reflects the growth pattern of salary expenditures in the District.



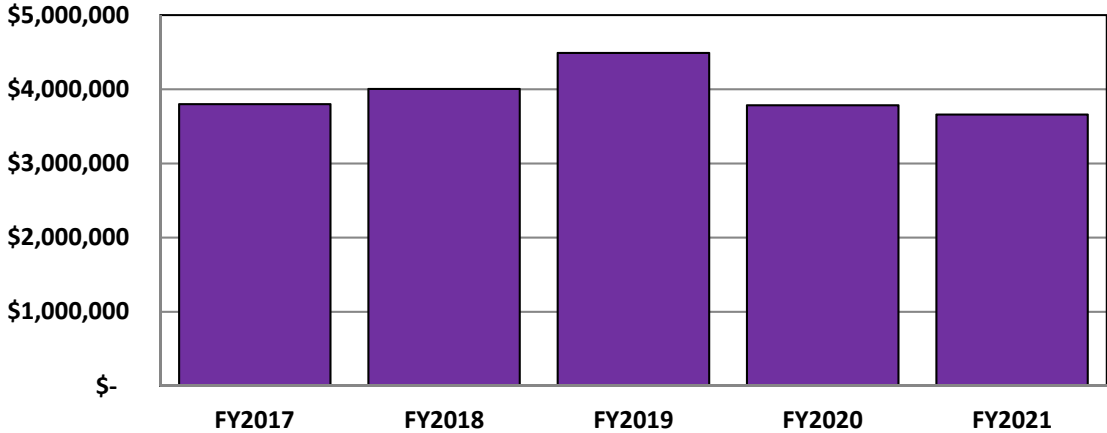
EMPLOYEE BENEFIT EXPENDITURES

The cost of employee benefits accounts for 18% of the total expenditures of the District. Benefits have increased at an average rate of approximately 2% from FY2017 through FY2021. The District has been able to control the cost of health insurance by participating in a self-insurance cooperative (Educational Benefits Cooperative) with more than one hundred (100) other school districts. The following chart reflects the growth pattern of benefits expenditures in the District.



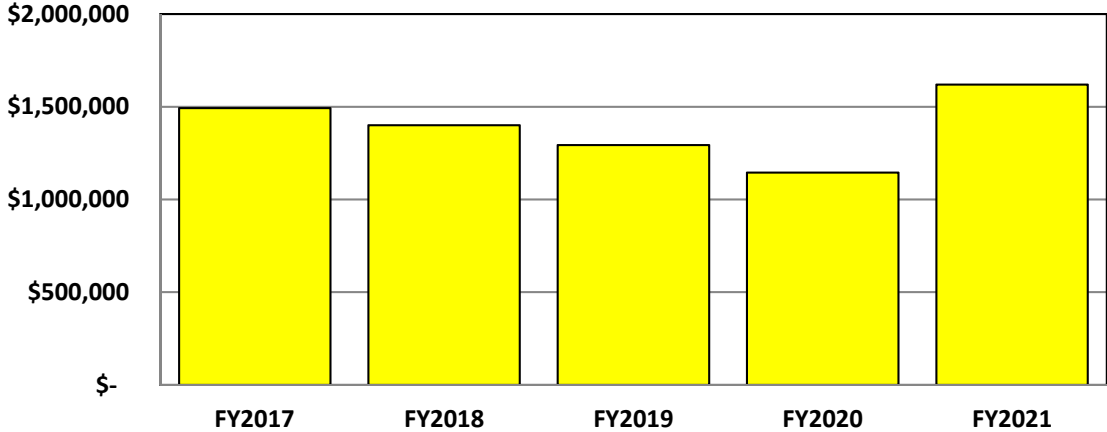
PURCHASED SERVICE EXPENDITURES

The cost of purchased services increased approximately 6% from FY2017 through FY2019 with a significant decrease in FY2020 and FY2021 as a result of the COVID-19 shutdown and hybrid learning. A significant purchased service is the cost of transportation and food service along with property/casualty, liability, and workers' compensation insurance. The District has been able to mitigate some of the insurance increases by participating in two self-insurance pools with over sixty (60) other school districts. The following chart reflects the growth pattern of purchased service expenses in the District.



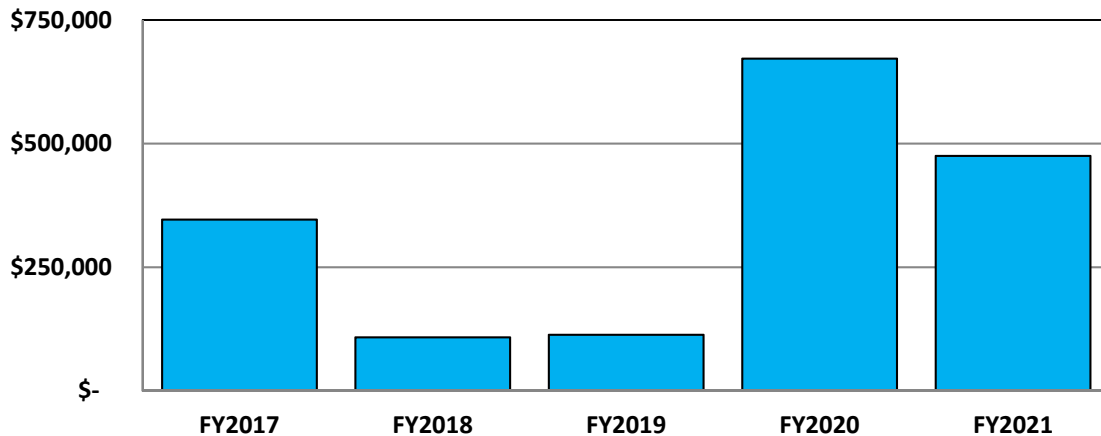
SUPPLIES & MATERIALS EXPENDITURES

The supplies and materials expenditures have decreased since FY2016 even before the impact of the COVID shutdown in FY2020. The most recent fiscal year saw a significant increase in costs for personal protective equipment and other pandemic related supplies required to implement social distancing and safety protocols at the schools. The following chart reflects the growth pattern of supplies and materials expenditures in the District.



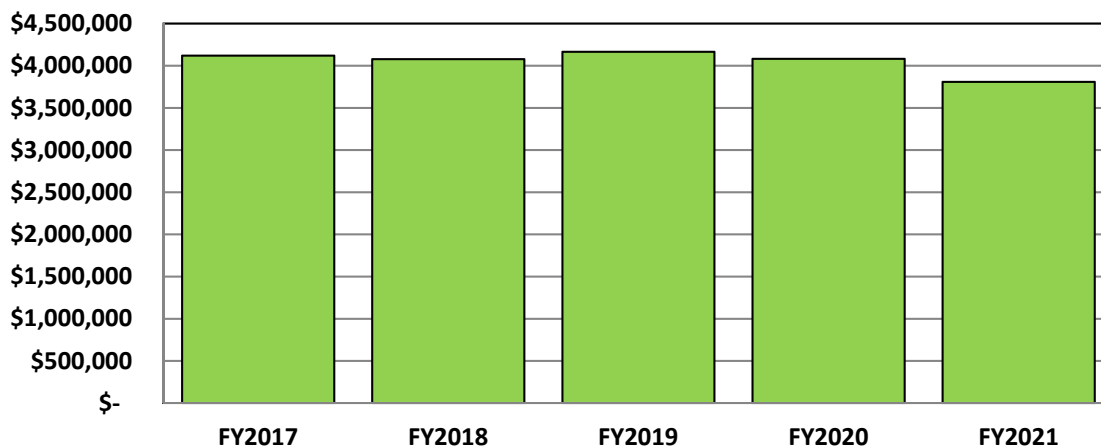
CAPITAL OUTLAY EXPENDITURES

The School District typically spends around \$500,000 per year for capital outlay. Re-paving the parking lot at Lisle Senior High during the summer of 2019 contributed to the higher than average expenditures in FY2020. FY2021 reflects expenditures for new bleachers and HVAC units at Lisle Senior High. The following chart reflects the pattern of capital outlay expenditures in the District, excluding the costs to construct Lisle Elementary School in the Capital Projects Fund.



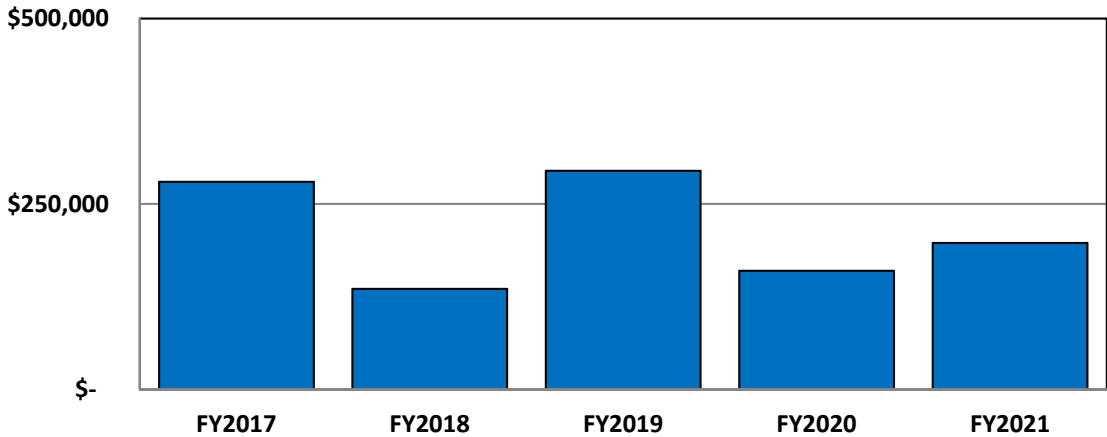
OTHER OBJECT EXPENDITURES

Tuition and other expenditures have been around \$4.1 million annually from FY2017 through FY2020 with a drop to \$3.8 million in FY2021. Other object expenditures also include bond and capital lease payments. The tuition expenditures are impacted by the number of students requiring special education services from outside facilities. The cost of tuition can significantly change from year-to-year based on the specific needs of the students enrolled. The following chart reflects the pattern of tuition and other expenditures in the District.



NON-CAPITALIZED EQUIPMENT EXPENDITURES

The School District typically spends on average approximately \$215,000 per year for non-capitalized equipment. The purchase of technology equipment, furniture, maintenance equipment, and other educational equipment with a unit cost of less than \$5,000, but greater than \$500, is a typical cost in this category. Also included are buildings and grounds improvements below the District's \$25,000 capitalization threshold. The following chart reflects the pattern of non-capitalized equipment expenditures in the District.



CURRENT FUND CONDITION

The following summarizes the accrual basis fund balances, with early taxes deferred, as of June 30, 2021:

Educational Fund	\$10,560,728
Operations and Maintenance Fund	1,108,229
Debt Services Fund	1,179,072
Transportation Fund	2,409,079
Municipal Retirement & Social Security Fund	512,520
Capital Projects Fund	3,205,228
Working Cash Fund	809,212
Tort Fund	-
Fund Balance Available	\$19,784,068

PROJECTIONS

The following six-year financial projection was derived by incorporating trends in the District’s revenue and expenditures with assumptions made on several critical issues that will determine the District’s future financial condition. Please note that all projections are based on assumptions and should be considered as such when making all financial decisions.

ASSUMPTIONS USED IN MAKING THE PROJECTIONS

REVENUES

1. **Property Taxes:**

Consumer Price Index - The Property Tax Extension Limitation Law (PTELL) caps property tax increases for current property owners at the lesser of the Consumer Price Index (CPI) or 5%. The following is the actual and projected CPI used to determine property taxes for the next six years.

Tax Levy Year	CPI	CPI Used for PTELL	
2021	1.4%	1.4%	Actual
2022	7.0%	5.0%	Actual
2023	2.5%	2.5%	Projected
2024	2.5%	2.5%	Projected
2025	2.5%	2.5%	Projected
2026	2.5%	2.5%	Projected
2027	2.5%	2.5%	Projected

The projected CPI of 2.5% for tax levy years 2023-2027 is based on the five-year average CPI increase. A 1% percent difference in this estimate would have an impact of approximately \$315,000 on the District’s annual property tax revenue. No bond abatements were assumed for future tax levy years.

New Property - The District receives approximately \$50,000 of additional property tax revenue for each \$1,000,000 of equalized assessed value (typically 1/3 of market value) of new property. New property has been approximately \$3,700,000 annually for the past five years. The following is the projected equalized assessed value of new property in the District and the associated property tax revenue.

Tax Levy Year	New EAV	New Taxes	
2021	\$975,050	\$46,119	Actual
2022	\$2,775,000	\$131,255	Projected
2023	\$2,775,000	\$131,255	Projected
2024	\$2,775,000	\$131,255	Projected
2025	\$2,775,000	\$131,255	Projected
2026	\$2,775,000	\$131,255	Projected
2027	\$2,775,000	\$131,255	Projected

The projected new EAV for 2022-2027 is based on 75% of the five-year average of new property.

- Earnings on Investment and Other Local Sources** - Earnings on investments are projected to remain at historically low levels during the projection period. The historically low interest rates will limit investment yields. The current waiver of the books and supplies fee has been carried through the projection period. Corporate Personal Property Tax Receipts (CPPRT) were reduced by \$300,000 in FY2023 to offset the recent surge in receipts that is above the historical norm. The remaining local source revenues are expected to increase by projected CPI of 2.5% during the projection period.
- State Sources** - State Sources under the evidence based funding model are expected to remain mostly flat during the projection period. Approximately 6% of the District’s revenue is in the form of State grants. Any reduction in funding for programs outside the funding formula would result in a decrease to the District’s state funding sources.
- Federal Sources** - Federal source revenues are expected to increase significantly during FY2022 and FY2023 as a result of Elementary and Secondary School Emergency Relief Funds (ESSER) in response to the pandemic. ESSER fund are anticipated to total approximately \$1.8 million over the next two years. Existing federal source revenues are projected to remain constant during the projection period.

EXPENDITURES

- Salaries** - The negotiated agreements between the Board of Education and the Certified and Classified staff will expire August 2022 and June 2022, respectively. The Certified and Classified contracts include an average salary increase of 3% for FY2022. The Administrators also received a 3% increase in salaries for FY2022.

Total salaries are expected to increase approximately 3.8% in FY2023 based on the 10 year average for negotiated agreements (3.5%) and the staffing changes outlined in the March 2022 Staffing Plan. Additional staffing positions of approximately \$200,000 will be offset by anticipated savings of \$100,000 from the salary differential for retiring staff members. The salary increases are projected to be around 3.2% for FY2024 thru FY2027. The financial projection will be impacted by approximately \$200,000 (compounded annually) for every 1% the future negotiated contracts increase/decrease from the projected amounts.

- 2. **Employee Benefits** – Employee benefits for FY2022 were forecasted using the current budgeted expenditures for the fiscal year. Benefit costs are expected to go up in FY2023 with an 8% increase in the health insurance premiums based on the District’s upcoming renewal in July 2022. Historical increases in health insurance rates have been approximately 2.5% over the last ten years by participating in the District’s insurance co-op.

Employee benefit costs are projected to increase approximately 2.6% annually for FY2024 thru FY2027 based on the ten-year average health insurance increases. Benefit costs for all years of the projection reflect adjustments for retired administrators and teachers that will start or stop receiving retiree health insurance benefits.

- 3. **Purchased Services** – Most purchased services are projected to increase 3% annually, which is consistent with the five year historical trends of the Consumer Price Index. Transportation expenditures are estimated to increase by 189,000, or 10%, in FY2023 based on the contract renewals with Westway Coach and Sunrise. Future increases of 5% are projected thereafter based on the 5-year average for these costs.

- 4. **Supplies & Materials** - Supplies and materials in the Education Fund are projected to increase 3% annually, which is consistent with historical trends in the Consumer Price Index. The Operations & Maintenance Fund projects increases closer to 6% as a result of rising gas and electric energy costs in the current economic environment.

- 5. **Capital Outlay** – Capital outlay expenditures are projected to be around \$100,000 annually if you exclude the cost of construction and renovation projects. A significant portion of the equipment costs will be to purchase new multifunction copiers to replace the districts aging fleet of machines.

The additional costs that follow reflect the capital improvements outlined in the October 2021 Facility Needs Plan presentation, a summary of which is included in the back of this report. Also included below is \$20 million dollars in renovations for Lisle Junior High over four fiscal years

Fiscal Year	Amount
2023	\$2,333,000
2024	\$4,250,000
2025	\$9,300,000
2026	\$5,000,000
2027	\$1,318,000

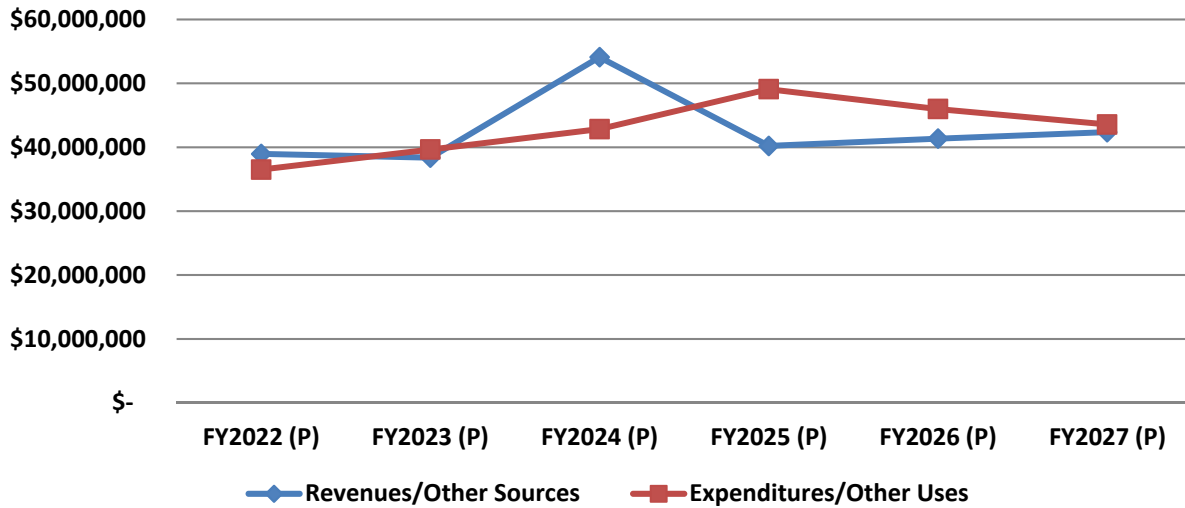
- 6. Other Objects** – Other object expenditures are based on 95% of the budgeted figures for FY2022. Approximately 60% of the expenditures in other objects are tuition costs impacted by the number of students requiring special education services from outside facilities. The cost of tuition can significantly change from year-to-year based on the specific needs of the students enrolled. Tuition costs are projected to increase by estimated CPI of 3%.

The remaining expenditures in other objects relate to the repayment of outstanding debt service obligations. Debt service payments of approximately \$1.5 million are anticipated to increase by \$400,000 starting in FY2024 with the issuance of bonds for the Lisle Junior High renovations. The additional debt service payments will be funded by utilizing current operating fund balances until the Series 2019 bonds are paid off in FY2030.

- 7. Non-Capitalized Equipment** – Non-capitalized equipment has historically been approximately \$215,000 annually. These annual expenditures are projected to remain flat over the projection period.
- 8. Termination Benefits** – Termination benefits are projected to remain flat at approximately \$9,000 per year based on the five-year historical average.

SIX YEAR PROJECTION - ALL FUNDS

The following chart illustrates the projected revenues, expenditures, and other sources/uses over the next six years. Other sources in FY2022 includes proceeds of \$2 million from the sale of Tate Woods and \$15 million from the issuance of bonds in FY2024. Expenditures in FY2023 thru FY2026 include capital outlay of \$20 million for renovation of Lisle Junior High School.



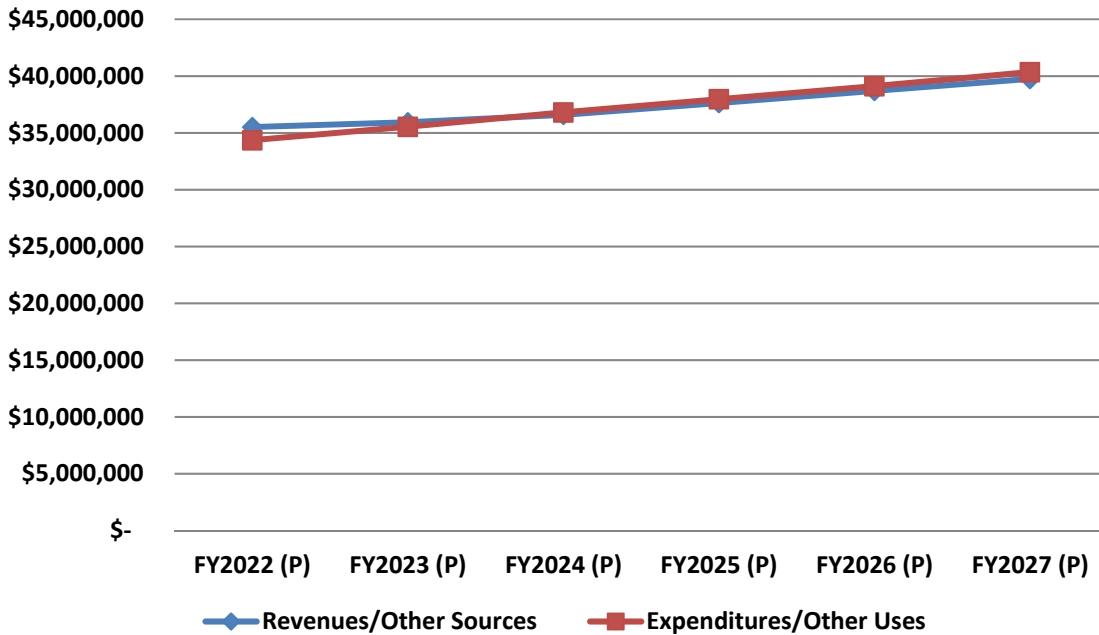
Note: A detailed breakdown of the revenues and expenditures is shown on the Projected Statements of Revenues & Expenditures – All Funds at the back of this report

The revenue and expenditure projections form the following projected annual surpluses/deficits for the District. The “Projected Revenues Over / (Under) Expenses” column indicates the difference between the revenues received by the District for a given fiscal year compared to the expenditures disbursed in the same fiscal year. The “Projected Other Sources / (Uses)” column reflects the sale of fixed assets such as the sale of Tate Woods Elementary School and the issuance of bonds for Lisle Junior High renovations. The “Projected Change in Fund Balances” column indicates the total of these annual revenues/expenditures and other sources/uses. In other words, it is projected that Lisle School District 202’s expenditures and other uses over the next six years, across all funds, will be \$2,286,000 more than the projected revenues and other sources over this time period. The reduction is the result of spending down fund balance for renovations at Lisle Junior High School and capital improvements outlined in the Facility Needs Plan.

Fiscal Year Ending	Projected Revenues Over / (Under) Expenses	Projected Other Sources / (Uses)	Projected Change in Fund Balances
June 30, 2022	\$447,000	\$2,000,000	\$2,447,000
June 30, 2023	(1,279,000)	-	(1,279,000)
June 30, 2024	(3,750,000)	15,000,000	11,250,000
June 30, 2025	(8,879,000)	-	(8,879,000)
June 30, 2026	(4,627,000)	-	(4,627,000)
June 30, 2027	(1,198,000)	-	(1,198,000)
Total All Years	(\$19,286,000)	\$17,000,000	(\$2,286,000)

SIX YEAR PROJECTION - OPERATING FUNDS

The following chart illustrates the projected revenues, expenditures, and other sources/uses over the next six years for the operating funds only. The operating funds consist of the Educational Fund, Operations & Maintenance Fund, Transportation Fund, and Working Cash Fund. These funds are considered the core of the District’s operation. Excluded are the Debt Services Fund, Municipal Retirement/Social Security Fund, Capital Projects Fund and Tort Fund.



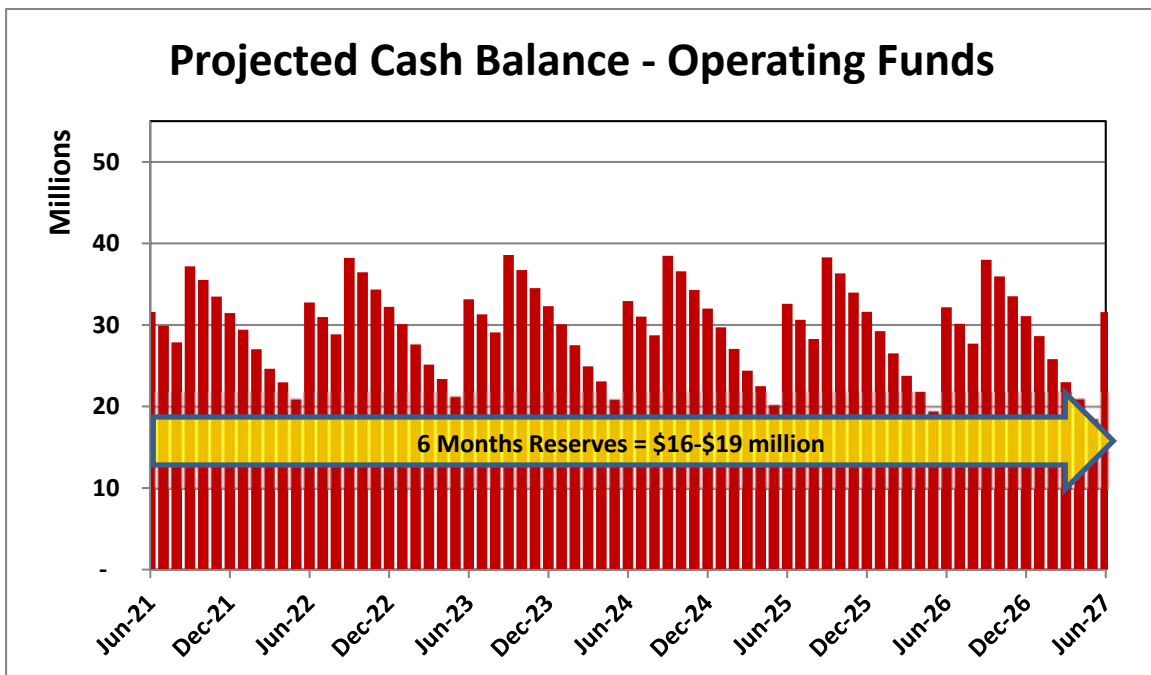
Note: A detailed breakdown of the revenues and expenditures is shown on the Projected Statements of Revenues & Expenditures - Operating Funds at the back of this report

The revenue and expenditure projections form the following projected annual surpluses/deficits for the District. The “Projected Revenues Over / (Under) Expenses” column indicates the difference between the revenues received by the District for a given fiscal year compared to the expenditures disbursed in the same fiscal year. The “Projected Other Sources / (Uses)” column reflects transfers to non-operating funds and consist primarily of transfers to the Debt Services Fund for bond payments and the Capital Projects Fund for capital outlay expenditures. The “Projected Change in Fund Balances” column indicates the total of these annual revenues/expenditures and other sources/uses. In other words, it is projected that Lisle School District 202’s expenditures and other uses over the next six years, across the operating funds only, will be \$25,000 more than the projected revenues and other sources over this time period.

Fiscal Year Ending	Projected Revenues Over / (Under) Expenses	Projected Other Sources / (Uses)	Projected Change in Fund Balances
June 30, 2022	\$2,401,000	(\$1,250,000)	\$1,151,000
June 30, 2023	1,144,000	(750,000)	394,000
June 30, 2024	934,000	(1,150,000)	(216,000)
June 30, 2025	815,000	(1,150,000)	(335,000)
June 30, 2026	729,000	(1,150,000)	(421,000)
June 30, 2027	552,000	(1,150,000)	(598,000)
Total All Years	\$6,575,000	(\$6,600,000)	(\$25,000)

PROJECTED CASH FLOW - OPERATING FUNDS

Because the majority of Lisle School District’s revenue is generated through property taxes, it is imperative to insure the District has adequate cash flow between the June and September property tax collection dates so payroll and other expenditures can be honored. The chart below summarizes the projected cash balances as of May (lowest cash point during the year) and as of June (the end of the fiscal year).



PROJECTED CASH FLOW - OPERATING FUNDS			
Fiscal Year	Projected Increase/(Decrease)	May Cash Balance (Lowest Point)	June Cash Balance (Year End)
June 30, 2022	\$1,151,000	\$20,903,000	\$32,737,000
June 30, 2023	\$394,000	\$21,233,000	\$33,131,000
June 30, 2024	(\$216,000)	\$20,863,000	\$32,915,000
June 30, 2025	(\$335,000)	\$20,195,000	\$32,580,000
June 30, 2026	(\$421,000)	\$19,431,000	\$32,159,000
June 30, 2027	(\$598,000)	\$18,503,000	\$31,561,000

Current cash balances are adequate to cover payroll and regular expenditures through the projection period. The District will have a strong cash position with the May 2027 cash balance (low point) in the operating funds being approximately 47% of the operating expenditures for the year. This aligns with the Districts fund balance policy of maintaining a 25%-50% reserve exclusive of early tax receipts.

SUMMARY

When the community approved the referendum in 2004, the School Board made a commitment that they would not ask for another tax increase through referendum for at least ten years. The combination of strong tax revenues and cost control measures over the past seventeen years has enabled the District to build a solid fund balance reserve and maintain its promise to the community.

Having these reserve levels has provided the District financial stability even during years when property tax increases were capped at the Consumer Price Index of less than 2%, the State of Illinois was many months delinquent in their remittance of funds to the District, and the added operational costs of a pandemic.

Looking ahead, maintaining adequate reserves improves the District’s ability to handle future pandemics, economic downturns, unfunded mandates, and regulatory changes. As the buildings age and the District reviews the facility plan for the future, the fund balances will be utilized for the anticipated roof, HVAC, electrical, and other infrastructure needs along with the Lisle Junior High renovations. The COVID-19 pandemic has produced a significant investment of federal dollars that can be used to address learning gaps and offset any additional costs in the short-term. While the COVID-19 federal assistance packages have also improved the fiscal condition of the State of Illinois in the short term, pension debt and structural budget deficits may continue to impact funding for education in the long-term. Local economic hardship could also influence the property tax base and raise the probability of a state-wide property tax freeze in an effort to provide relief to those hit hard by recent inflation.

This financial projection is one of many steps in the District’s goal of managing a plan for financial integrity. The intent of this report is to assist the Board of Education in developing a multi-year plan for securing the District’s financial future.

Lisle Community Unit School District 202
Projected Statements of Revenues & Expenditures - Accrual Basis
ALL FUNDS

	Estimated FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Beginning Fund Balances	\$ 19,784,000	\$ 22,231,000	\$ 20,952,000	\$ 32,202,000	\$ 23,323,000	\$ 18,696,000
Revenues:						
Property Taxes	\$ 31,544,000	\$ 32,790,000	\$ 34,450,000	\$ 35,412,000	\$ 36,408,000	\$ 37,425,000
Earnings on Investments	9,000	53,000	108,000	199,000	278,000	210,000
Other Local Sources	1,330,000	1,048,000	920,000	942,000	966,000	989,000
State Sources	2,196,000	2,416,000	2,491,000	2,533,000	2,576,000	2,622,000
Federal Sources	1,873,000	2,066,000	1,122,000	1,122,000	1,122,000	1,122,000
Total	<u>\$ 36,952,000</u>	<u>\$ 38,373,000</u>	<u>\$ 39,091,000</u>	<u>\$ 40,208,000</u>	<u>\$ 41,350,000</u>	<u>\$ 42,368,000</u>
Expenditures:						
Salaries	\$ 18,859,000	\$ 19,584,000	\$ 20,109,000	\$ 20,768,000	\$ 21,426,000	\$ 22,150,000
Employee Benefits	6,557,000	7,040,000	7,235,000	7,441,000	7,621,000	7,803,000
Purchased Services	4,387,000	4,649,000	4,803,000	4,989,000	5,183,000	5,385,000
Supplies & Materials	1,568,000	1,635,000	1,706,000	1,780,000	1,857,000	1,939,000
Capital Outlay	1,019,000	2,555,000	4,323,000	9,373,000	5,074,000	1,393,000
Other Objects	3,899,000	3,966,000	4,442,000	4,513,000	4,593,000	4,673,000
Non-Cap Equipment	213,000	214,000	214,000	214,000	214,000	214,000
Termination Benefits	3,000	9,000	9,000	9,000	9,000	9,000
Total	<u>\$ 36,505,000</u>	<u>\$ 39,652,000</u>	<u>\$ 42,841,000</u>	<u>\$ 49,087,000</u>	<u>\$ 45,977,000</u>	<u>\$ 43,566,000</u>
Revenues Over/(Under) Expenditures	<u>\$ 447,000</u>	<u>\$ (1,279,000)</u>	<u>\$ (3,750,000)</u>	<u>\$ (8,879,000)</u>	<u>\$ (4,627,000)</u>	<u>\$ (1,198,000)</u>
Other Sources/(Uses)	\$ 2,000,000	\$ - [1]	\$ 15,000,000	\$ - [2]	\$ -	\$ -
Net Change in Fund Balances	<u>\$ 2,447,000</u>	<u>\$ (1,279,000)</u>	<u>\$ 11,250,000</u>	<u>\$ (8,879,000)</u>	<u>\$ (4,627,000)</u>	<u>\$ (1,198,000)</u>
Ending Fund Balances	<u>\$ 22,231,000</u>	<u>\$ 20,952,000</u>	<u>\$ 32,202,000</u>	<u>\$ 23,323,000</u>	<u>\$ 18,696,000</u>	<u>\$ 17,498,000</u>

[1] Sale of Tate Woods Elementary School

[2] Issuance of bonds for Lisle Junior High renovations

Lisle Community Unit School District 202
Projected Statements of Revenues & Expenditures - Accrual Basis
OPERATING FUNDS

	Estimated FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Beginning Fund Balances	\$ 14,887,000	\$ 16,038,000	\$ 16,432,000	\$ 16,216,000	\$ 15,881,000	\$ 15,460,000
Revenues:						
Property Taxes	\$ 30,133,000	\$ 30,397,000	\$ 32,005,000	\$ 32,944,000	\$ 33,908,000	\$ 34,895,000
Earnings on Investments	8,000	39,000	81,000	122,000	160,000	157,000
Other Local Sources	1,302,000	1,019,000	890,000	911,000	933,000	956,000
State Sources	2,196,000	2,416,000	2,491,000	2,533,000	2,576,000	2,622,000
Federal Sources	1,873,000	2,066,000	1,122,000	1,122,000	1,122,000	1,122,000
Total	<u>\$ 35,512,000</u>	<u>\$ 35,937,000</u>	<u>\$ 36,589,000</u>	<u>\$ 37,632,000</u>	<u>\$ 38,699,000</u>	<u>\$ 39,752,000</u>
Expenditures:						
Salaries	\$ 18,859,000	\$ 19,584,000	\$ 20,109,000	\$ 20,768,000	\$ 21,426,000	\$ 22,150,000
Employee Benefits	5,592,000	6,041,000	6,205,000	6,373,000	6,519,000	6,661,000
Purchased Services	4,358,000	4,619,000	4,797,000	4,983,000	5,177,000	5,379,000
Supplies & Materials	1,568,000	1,635,000	1,706,000	1,780,000	1,857,000	1,939,000
Capital Outlay	119,000	222,000	73,000	73,000	74,000	75,000
Other Objects	2,399,000	2,469,000	2,542,000	2,617,000	2,694,000	2,773,000
Non-Cap Equipment	213,000	214,000	214,000	214,000	214,000	214,000
Termination Benefits	3,000	9,000	9,000	9,000	9,000	9,000
Total	<u>\$ 33,111,000</u>	<u>\$ 34,793,000</u>	<u>\$ 35,655,000</u>	<u>\$ 36,817,000</u>	<u>\$ 37,970,000</u>	<u>\$ 39,200,000</u>
Revenues Over/(Under) Expenditures	<u>\$ 2,401,000</u>	<u>\$ 1,144,000</u>	<u>\$ 934,000</u>	<u>\$ 815,000</u>	<u>\$ 729,000</u>	<u>\$ 552,000</u>
Other Sources/(Uses)	<u>\$ (1,250,000)</u> [1]	<u>\$ (750,000)</u> [1]	<u>\$ (1,150,000)</u> [2]	<u>\$ (1,150,000)</u> [2]	<u>\$ (1,150,000)</u> [2]	<u>\$ (1,150,000)</u> [2]
Net Change in Fund Balances	<u>\$ 1,151,000</u>	<u>\$ 394,000</u>	<u>\$ (216,000)</u>	<u>\$ (335,000)</u>	<u>\$ (421,000)</u>	<u>\$ (598,000)</u>
Ending Fund Balances	<u>\$ 16,038,000</u>	<u>\$ 16,432,000</u>	<u>\$ 16,216,000</u>	<u>\$ 15,881,000</u>	<u>\$ 15,460,000</u>	<u>\$ 14,862,000</u>

[1] Transfer from the Education Fund to the Capital Projects Fund for the capital improvement plan.

[2] Includes Education Fund transfers of \$750,000 to the Capital Projects Fund for the capital improvement plan and \$400,000 to the Debt Services Fund for bond payments.

Note: The Illinois State Board of Education defines "operating funds" as the Educational, Operations and Maintenance, Transportation and Working Cash Funds (Excludes Debt Services, IMRF, Capital Projects, and Tort Funds).

Lisle Community Unit School District 202
Projected Statements of Revenues & Expenditures - Accrual Basis
CAPITAL PROJECTS FUND

	Estimated FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Beginning Fund Balances	\$ 3,205,000	\$ 5,532,000	\$ 3,935,000	\$ 15,459,000	\$ 6,982,000	\$ 2,844,000
Revenues:						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Earnings on Investments	1,000	11,000	24,000	73,000	112,000	49,000
Other Local Sources	-	-	-	-	-	-
State Sources	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-
Total	<u>\$ 1,000</u>	<u>\$ 11,000</u>	<u>\$ 24,000</u>	<u>\$ 73,000</u>	<u>\$ 112,000</u>	<u>\$ 49,000</u>
Expenditures:						
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	-	-	-	-	-
Purchased Services	24,000	25,000	-	-	-	-
Supplies & Materials	-	-	-	-	-	-
Capital Outlay	900,000	2,333,000	4,250,000	9,300,000	5,000,000	1,318,000
Other Objects	-	-	-	-	-	-
Non-Cap Equipment	-	-	-	-	-	-
Termination Benefits	-	-	-	-	-	-
Total	<u>\$ 924,000</u>	<u>\$ 2,358,000</u>	<u>\$ 4,250,000</u>	<u>\$ 9,300,000</u>	<u>\$ 5,000,000</u>	<u>\$ 1,318,000</u>
Revenues Over/(Under) Expenditures	\$ (923,000)	\$ (2,347,000)	\$ (4,226,000)	\$ (9,227,000)	\$ (4,888,000)	\$ (1,269,000)
Other Sources/(Uses)	<u>\$ 3,250,000</u> [1]	<u>\$ 750,000</u> [2]	<u>\$ 15,750,000</u> [3]	<u>\$ 750,000</u> [2]	<u>\$ 750,000</u> [2]	<u>\$ 750,000</u> [2]
Net Change in Fund Balances	\$ 2,327,000	\$ (1,597,000)	\$ 11,524,000	\$ (8,477,000)	\$ (4,138,000)	\$ (519,000)
Ending Fund Balances	<u>\$ 5,532,000</u>	<u>\$ 3,935,000</u>	<u>\$ 15,459,000</u>	<u>\$ 6,982,000</u>	<u>\$ 2,844,000</u>	<u>\$ 2,325,000</u>

[1] Transfer of \$1.25 million from the Education Fund to the Capital Projects Fund for the capital improvement plan and \$2 million from the sale of Tate Woods.

[2] Transfer of \$750,000 from the Education Fund to the Capital Projects Fund for the capital improvement plan.

[3] Transfer of \$750,000 from the Education Fund to the Capital Projects Fund for the capital improvement plan & \$15 million bond issuance for Junior High renovation

**LISLE COMMUNITY UNIT SCHOOL DISTRICT 202
ESTIMATED FINANCIAL PROFILE SUMMARY**

	FY2022				FY2023				FY2024			
1. Fund Balance to Revenue Ratio:	Total	Ratio	Score	4	Total	Ratio	Score	4	Total	Ratio	Score	4
Total Sum of Fund Balance (Funds 10, 20, 40, 70 + (50 & 80 if negative))	16,039,585.85	0.452	Weight	0.35	16,431,446.75	0.457	Weight	0.35	16,215,847.14	0.448	Weight	0.35
Total Sum of Direct Revenues (Funds 10, 20, 40, & 70)	35,512,182.00		Value	1.40	35,935,708.47		Value	1.40	36,188,904.98		Value	1.40
Less: Operating Debt Pledged to Other Funds (Minus Funds 10 & 20)	0.00				0.00				(400,000.00)			
2. Expenditures to Revenue Ratio:	Total	Ratio	Score	4	Total	Ratio	Score	4	Total	Ratio	Score	4
Total Sum of Direct Expenditures (Funds 10, 20 & 40)	33,109,844.15	0.932	Adjustment	0	34,793,847.57	0.968	Adjustment	0	35,654,504.59	0.985	Adjustment	0
Total Sum of Direct Revenues (Funds 10, 20, 40, & 70)	35,512,182.00		Weight	0.35	35,935,708.47		Weight	0.35	36,188,904.98		Weight	0.35
Less: Operating Debt Pledged to Other Funds (Minus Funds 10 & 20)	0.00				0.00				(400,000.00)			
Possible Adjustment:		0	Value	1.40		0	Value	1.40		0	Value	1.40
3. Days Cash on Hand:	Total	Days	Score	3	Total	Days	Score	3	Total	Days	Score	3
Total Sum of Cash & Investments (Funds 10, 20 40 & 70)*	16,039,585.85	174.39	Weight	0.10	16,431,446.75	170.01	Weight	0.10	16,215,847.14	163.72	Weight	0.10
Total Sum of Direct Expenditures (Funds 10, 20, 40 divided by 360)	91,971.79		Value	0.30	96,649.58		Value	0.30	99,040.29		Value	0.30
4. Percent of Short-Term Borrowing Maximum Remaining:	Total	Percent	Score	4	Total	Percent	Score	4	Total	Percent	Score	4
Tax Anticipation Warrants Borrowed (Funds 10, 20 & 40)	0.00	100.00	Weight	0.10	0.00	100.00	Weight	0.10	0.00	100.00	Weight	0.10
EAV x 85% x Combined Tax Rates (Fund 10, 20, & 40)	25,609,055.00		Value	0.40	25,832,740.72		Value	0.40	27,199,567.86		Value	0.40
5. Percent of Long-Term Debt Margin Remaining:	Total	Percent	Score	4	Total	Percent	Score	4	Total	Percent	Score	4
Long-Term Debt Outstanding (Principal only)	11,540,000.00	87.47	Weight	0.10	10,560,000.00	88.82	Weight	0.10	9,535,000.00	90.17	Weight	0.10
Total Long-Term Debt Allowed (EAV x 13.8%)	92,116,589.62		Value	0.40	94,533,865.43		Value	0.40	97,014,574.14		Value	0.40
	Total Profile Score: 3.90				Total Profile Score: 3.90				Total Profile Score: 3.90			

Estimated Financial Profile Designation:

RECOGNITION

RECOGNITION

RECOGNITION

* Projection score does not factor in nominal balances for current liabilities

**LISLE COMMUNITY UNIT SCHOOL DISTRICT 202
ESTIMATED FINANCIAL PROFILE SUMMARY**

	FY2025				FY2026				FY2027			
1. Fund Balance to Revenue Ratio:	Total	Ratio	Score	4	Total	Ratio	Score	4	Total	Ratio	Score	4
Total Sum of Fund Balance (Funds 10, 20, 40, 70 + (50 & 80 if negative))	15,881,036.31	0.427	Weight	0.35	15,460,096.93	0.404	Weight	0.35	14,863,588.59	0.378	Weight	0.35
Total Sum of Direct Revenues (Funds 10, 20, 40, & 70)	37,232,250.03		Value	1.40	38,299,389.78		Value	1.40	39,351,392.11		Value	1.40
Less: Operating Debt Pledged to Other Funds (Minus Funds 10 & 20)	(400,000.00)				(400,000.00)				(400,000.00)			
2. Expenditures to Revenue Ratio:	Total	Ratio	Score	4	Total	Ratio	Score	4	Total	Ratio	Score	4
Total Sum of Direct Expenditures (Funds 10, 20 & 40)	36,817,060.86	0.989	Adjustment	0	37,970,329.16	0.991	Adjustment	0	39,197,900.45	0.996	Adjustment	0
Total Sum of Direct Revenues (Funds 10, 20, 40, & 70)	37,232,250.03		Weight	0.35	38,299,389.78		Weight	0.35	39,351,392.11		Weight	0.35
Less: Operating Debt Pledged to Other Funds (Minus Funds 10 & 20)	(400,000.00)				(400,000.00)				(400,000.00)			
Possible Adjustment:		0	Value	1.40		0	Value	1.40		0	Value	1.40
3. Days Cash on Hand:	Total	Days	Score	3	Total	Days	Score	3	Total	Days	Score	3
Total Sum of Cash & Investments (Funds 10, 20 40 & 70)*	15,881,036.31	155.28	Weight	0.10	15,460,096.93	146.57	Weight	0.10	14,863,588.59	136.50	Weight	0.10
Total Sum of Direct Expenditures (Funds 10, 20, 40 divided by 360)	102,269.61		Value	0.30	105,473.14		Value	0.30	108,883.06		Value	0.30
4. Percent of Short-Term Borrowing Maximum Remaining:	Total	Percent	Score	4	Total	Percent	Score	4	Total	Percent	Score	4
Tax Anticipation Warrants Borrowed (Funds 10, 20 & 40)	0.00	100.00	Weight	0.10	0.00	100.00	Weight	0.10	0.00	100.00	Weight	0.10
EAV x 85% x Combined Tax Rates (Fund 10, 20, & 40)	27,997,703.19		Value	0.40	28,816,547.63		Value	0.40	29,655,755.47		Value	0.40
5. Percent of Long-Term Debt Margin Remaining:	Total	Percent	Score	4	Total	Percent	Score	4	Total	Percent	Score	4
Long-Term Debt Outstanding (Principal only)	8,455,000.00	91.50	Weight	0.10	7,325,000.00	92.83	Weight	0.10	6,135,000.00	94.14	Weight	0.10
Total Long-Term Debt Allowed (EAV x 13.8%)	99,560,380.33		Value	0.40	102,172,992.24		Value	0.40	104,854,162.96		Value	0.40
	Total Profile Score: 3.90				Total Profile Score: 3.90				Total Profile Score: 3.90			

Estimated Financial Profile Designation:

RECOGNITION

RECOGNITION

RECOGNITION

* Projection score does not factor in nominal balances for current liabilities

Lisle Community Unit School District 202

Historical Performance

ALL FUNDS

	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020[^]</u>	<u>FY2021[^]</u>
Revenues:					
Property Taxes	\$ 29,263,552	\$ 29,965,229	\$ 28,211,184	\$ 29,938,693	\$ 31,291,850
Earnings on Investments	229,173	391,769	986,610	827,575	97,165
Other Local Sources	1,312,741	1,229,552	1,168,475	1,072,987	832,231
State Sources [1]	2,119,925	2,468,335	2,445,137	2,545,319	2,172,662
Federal Sources [2]	1,059,039	1,088,093	1,021,658	1,003,192	1,410,206
Total	<u>\$ 33,984,430</u>	<u>\$ 35,142,978</u>	<u>\$ 33,833,064</u>	<u>\$ 35,387,766</u>	<u>\$ 35,804,114</u>
Expenditures:					
Salaries	\$ 16,498,751	\$ 17,266,513	\$ 17,361,820	\$ 17,598,333	\$ 18,336,045
Employee Benefits	5,722,969	6,077,173	5,916,934	6,092,469	6,272,910
Purchased Services	3,800,412	4,004,832	4,490,382	3,783,577	3,658,954
Supplies & Materials	1,492,690	1,400,437	1,293,349	1,144,686	1,619,300
Capital Outlay	782,129	3,798,519	25,297,030	6,157,474	475,082
Other Objects	4,119,311	4,077,822	4,164,364	4,081,237	3,808,839
Non-Cap Equipment	279,958	135,411	294,807	159,876	197,392
Termination Benefits	14,470	4,289	12,023	16,496	-
Total	<u>\$ 32,710,690</u>	<u>\$ 36,764,996</u>	<u>\$ 58,830,709</u>	<u>\$ 39,034,148</u>	<u>\$ 34,368,522</u>
Revenus Over/(Under) Expenditures	<u>\$ 1,273,740</u>	<u>\$ (1,622,018)</u>	<u>\$ (24,997,645)</u>	<u>\$ (3,646,382)</u>	<u>\$ 1,435,592</u>
Other Sources/(Uses)	\$ -	\$ 1,831	\$ 14,198,202 [3]	\$ -	\$ 8,925
Net Change in Fund Balances	<u>\$ 1,273,740</u>	<u>\$ (1,620,187)</u>	<u>\$ (10,799,443)</u>	<u>\$ (3,646,382)</u>	<u>\$ 1,444,517</u>

[^] Accrual basis of accounting

[1] State Sources adjusted to a modified cash basis to better reflect **net collections** of \$152,977, (\$274,619), and (\$10,814) remitted by the Illinois State Board of Education in the subsequent fiscal year for FY2017 thru FY2019, respectively.

[2] Federal Sources adjusted to a modified cash basis to better reflect **net collections** of (\$44,530), \$46,469, and (\$39,649) remitted in the subsequent fiscal year for FY2017 thru FY2019, respectively.

[3] Issuance of Series 2019 Bonds

Lisle Community Unit School District 202

Historical Performance

OPERATING FUNDS

	FY2017	FY2018	FY2019	FY2020 [^]	FY2021 [^]
Revenues:					
Property Taxes	\$ 26,946,202	\$ 27,667,354	\$ 26,192,526	\$ 28,037,101	\$ 29,151,806
Earnings on Investments	195,213	260,418	757,451	707,191	84,760
Other Local Sources	1,287,061	1,204,859	1,143,177	1,047,831	802,810
State Sources [1]	2,119,925	2,468,335	2,445,137	2,545,319	2,172,662
Federal Sources [2]	1,059,039	1,088,093	1,021,658	1,003,192	1,410,206
Total	\$ 31,607,440	\$ 32,689,059	\$ 31,559,949	\$ 33,340,634	\$ 33,622,244
Expenditures:					
Salaries	\$ 16,498,751	\$ 17,266,513	\$ 17,361,820	\$ 17,598,333	\$ 18,336,045
Employee Benefits	4,899,171	5,241,824	5,082,781	5,231,417	5,363,630
Purchased Services	3,797,293	3,998,584	4,204,949	3,711,077	3,651,325
Supplies & Materials	1,492,690	1,400,437	1,293,349	1,144,686	1,619,300
Capital Outlay	346,371	79,113	68,062	149,763	252,693
Other Objects	2,587,852	2,556,150	2,483,159	2,021,635	2,311,139
Non-Cap Equipment	279,958	135,411	294,807	159,876	197,392
Termination Benefits	14,470	4,289	12,023	16,496	-
Total	\$ 29,916,556	\$ 30,682,321	\$ 30,800,950	\$ 30,033,283	\$ 31,731,524
Revenues Over/(Under) Expenditures	\$ 1,690,884	\$ 2,006,738	\$ 758,999	\$ 3,307,351	\$ 1,890,720
Other Sources/(Uses)	\$ (11,040,000) [3]	\$ (35,000)	\$ (7,794,000) [3]	\$ (2,819,000) [3]	\$ (1,741,000) [4]
Net Change in Fund Balances	\$ (9,349,116)	\$ 1,971,738	\$ (7,035,001)	\$ 488,351	\$ 149,720

[^] Accrual basis of accounting

[1] State Sources adjusted to a modified cash basis to better reflect **net collections** of \$152,977, (\$274,619), and (\$10,814) remitted by the Illinois State Board of Education in the subsequent fiscal year for FY2017 thru FY2019, respectively.

[2] Federal Sources adjusted to a modified cash basis to better reflect **net collections** of (\$44,530), \$46,469, and (\$39,649) remitted in the subsequent fiscal year for FY2017 thru FY2019, respectively.

[3] Includes cumulative transfers of \$25 million to the Capital Projects Fund for the construction of Lisle Elementary School

[4] Includes transfers of \$1 million for debt service abatement and \$750,000 for future capital improvements

Note: ISBE defines "operating funds" as the Educational, Operations and Maintenance, Transportation and Working Cash Funds

Operating Fund Balance Review

FY2022				
	Fund Balance (Early Taxes Deferred) 6/30/2022	Adjustments	Adjusted Fund Balance 6/30/2022	Total Expenditures FY2022
Educational Fund	\$ 11,834,365	\$ -	\$ 11,834,365	\$ 28,319,145
Operations & Maintenance Fund	\$ 1,321,090	\$ -	\$ 1,321,090	\$ 2,854,439
Transportation Fund	\$ 2,069,919	\$ -	\$ 2,069,919	\$ 1,936,260
Working Cash Fund	\$ 814,212	\$ -	\$ 814,212	\$ -
Totals	\$ 16,039,586	\$ -	\$ 16,039,586	\$ 33,109,844
Fund Balance % or Days of Annual Operating Expenditures			48%	174

FY2023				
	Fund Balance (Early Taxes Deferred) 6/30/2023	Adjustments	Adjusted Fund Balance 6/30/2023	Total Expenditures FY2023
Educational Fund	\$ 12,725,315	\$ -	\$ 12,725,315	\$ 29,765,966
Operations & Maintenance Fund	\$ 1,451,069	\$ -	\$ 1,451,069	\$ 2,901,145
Transportation Fund	\$ 1,435,557	\$ -	\$ 1,435,557	\$ 2,126,737
Working Cash Fund	\$ 819,505	\$ -	\$ 819,505	\$ -
Totals	\$ 16,431,447	\$ -	\$ 16,431,447	\$ 34,793,848
Fund Balance % or Days of Annual Operating Expenditures			47%	170

FY2024				
	Fund Balance (Early Taxes Deferred) 6/30/2024	Adjustments	Adjusted Fund Balance 6/30/2024	Total Expenditures FY2024
Educational Fund	\$ 13,065,104	\$ -	\$ 13,065,104	\$ 30,448,894
Operations & Maintenance Fund	\$ 1,514,770	\$ -	\$ 1,514,770	\$ 2,973,281
Transportation Fund	\$ 810,895	\$ -	\$ 810,895	\$ 2,232,329
Working Cash Fund	\$ 825,078	\$ -	\$ 825,078	\$ -
Totals	\$ 16,215,847	\$ -	\$ 16,215,847	\$ 35,654,505
Fund Balance % or Days of Annual Operating Expenditures			45%	163

FY2025				
	Fund Balance (Early Taxes Deferred) 6/30/2025	Adjustments	Adjusted Fund Balance 6/30/2025	Total Expenditures FY2025
Educational Fund	\$ 13,357,390	\$ -	\$ 13,357,390	\$ 31,384,074
Operations & Maintenance Fund	\$ 1,554,869	\$ -	\$ 1,554,869	\$ 3,089,812
Transportation Fund	\$ 137,963	\$ -	\$ 137,963	\$ 2,343,174
Working Cash Fund	\$ 830,814	\$ -	\$ 830,814	\$ -
Totals	\$ 15,881,036	\$ -	\$ 15,881,036	\$ 36,817,061
Fund Balance % or Days of Annual Operating Expenditures			43%	155

FY2026				
	Fund Balance (Early Taxes Deferred) 6/30/2026	Adjustments	Adjusted Fund Balance 6/30/2026	Total Expenditures FY2026
Educational Fund	\$ 13,021,455	\$ -	\$ 13,021,455	\$ 32,299,332
Operations & Maintenance Fund	\$ 1,568,533	\$ -	\$ 1,568,533	\$ 3,211,462
Transportation Fund	\$ 33,390	\$ -	\$ 33,390	\$ 2,459,535
Working Cash Fund	\$ 836,718	\$ -	\$ 836,718	\$ -
Totals	\$ 15,460,097	\$ -	\$ 15,460,097	\$ 37,970,329
Fund Balance % or Days of Annual Operating Expenditures			41%	146

FY2027				
	Fund Balance (Early Taxes Deferred) 6/30/2027	Adjustments	Adjusted Fund Balance 6/30/2027	Total Expenditures FY2027
Educational Fund	\$ 12,582,851	\$ -	\$ 12,582,851	\$ 33,277,739
Operations & Maintenance Fund	\$ 1,548,755	\$ -	\$ 1,548,755	\$ 3,338,476
Transportation Fund	\$ (110,812)	\$ -	\$ (110,812)	\$ 2,581,685
Working Cash Fund	\$ 842,794	\$ -	\$ 842,794	\$ -
Totals	\$ 14,863,589	\$ -	\$ 14,863,589	\$ 39,197,900
Fund Balance % or Days of Annual Operating Expenditures			38%	136

FACILITIES PLAN SUMMARY

DISTRICT 202

10-Year Plan Summary By Building

Description	FY2022	FY2023	FY2024	FY2025	FY2026	FY27-31	Total
Lisle Sr High	\$787,000	\$483,000	-	-	\$1,318,000	\$1,218,000	\$3,806,000
Lisle Jr High	-	-	\$2,055,000	-	-	339,000	2,394,000
Wilde Field	-	-	-	-	-	1,686,000	1,686,000
Lisle Elem	-	-	-	-	-	-	-
Schiesher	-	-	-	\$400,000	-	-	400,000
Tate Woods	50,000	-	-	-	-	-	50,000
Total	\$837,000	\$483,000	\$2,055,000	\$400,000	\$1,318,000	\$3,243,000	\$8,336,000

Note: Facility Needs Plan includes a cost estimate for demolition of Schiesher Elementary School. A determination regarding options and associated costs to be considered by the Facility Master Planning Committee.

The Plan assumes the pending sale of Tate Woods Elementary School.



AN OVERVIEW OF PAST FINANCIAL PERFORMANCE AND FUTURE FINANCIAL PROJECTIONS

April 25, 2022

LISLE 202
COMMUNITY UNIT SCHOOL DISTRICT



Agenda



- Executive Summary
- Past Performance Highlights
- Key Projection Assumptions
- Financial Projection Highlights
- Factors Impacting the Financial Future



Executive Summary



- Financial position has remained strong
- No change in operating fund balances
- Operating fund balances align with policy
- Resources earmarked for capital improvements
- Impact of inflation?



Projection Process



- Today's financial projection is a **WORKING DOCUMENT**
- Continually review assumptions
- Update the projection for new information
- Periodically create “what if” scenarios



Funds

Operating Funds:

- Educational Fund
- Operations & Maintenance Fund
- Transportation Fund
- Working Cash Fund

Non-operating Funds:

- Debt Services Fund
- IMRF/SS Fund
- Capital Projects Fund
- Tort Fund



Historical Financial Results

OPERATING FUNDS

Amounts in Millions

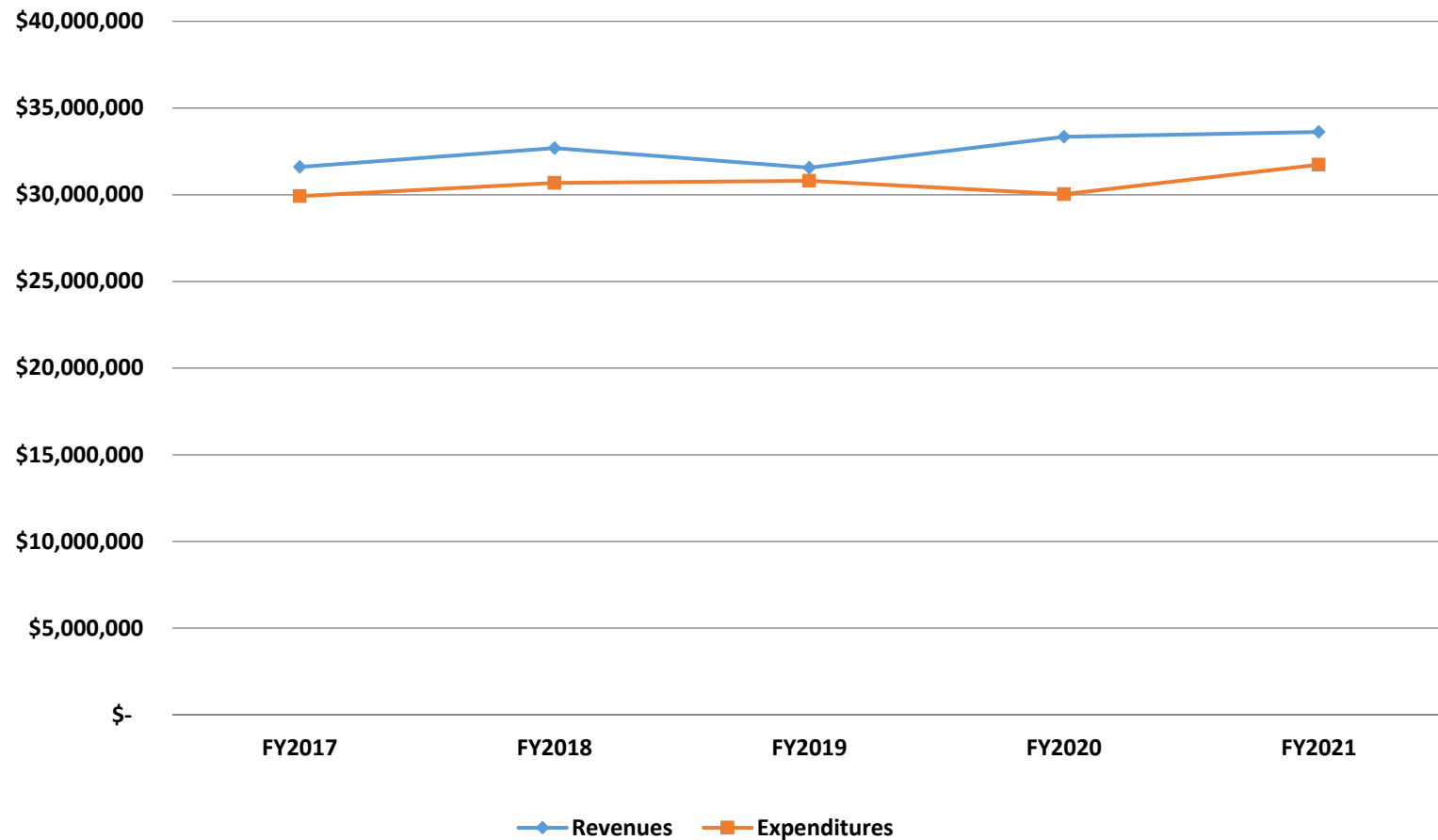
	FY2017	FY2018	FY2019	FY2020	FY2021
Revenues	\$31.6	\$32.7	\$31.6	\$33.3	\$33.6
Expenditures	29.9	30.7	30.8	30.0	31.7
Excess/(Deficiency)	\$1.7	\$2.0	\$0.8	\$3.3	\$1.9
Other Sources/(Uses)	(11.0)	-	(7.8)	(2.8)	(1.7)
Net Change	(\$9.3)	\$1.9	(\$7.0)	\$0.5	\$0.2



Note – FY2017 thru FY2019 state and federal sources were adjusted to a modified cash basis to better reflect net collections remitted in the subsequent fiscal year from the Illinois State Board of Education.

Historical Financial Results

OPERATING FUNDS

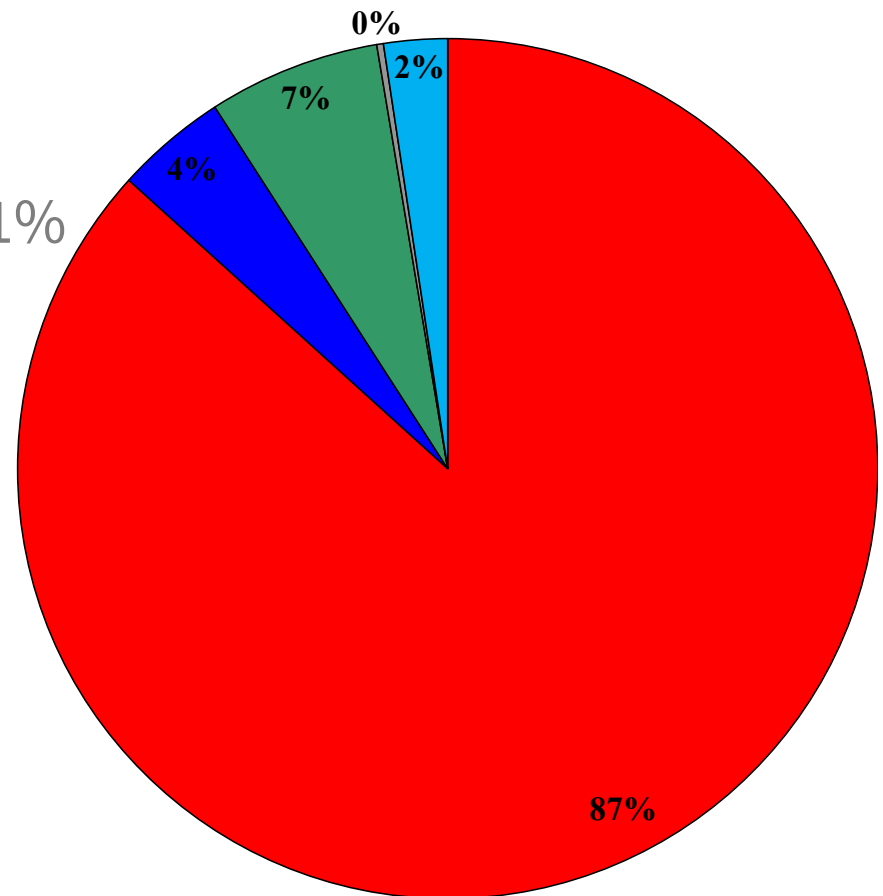


Note – Excludes Other Sources/(Uses) consisting of \$23.4 million dollars of transfers to non-operating funds.

Historical Financial Results

REVENUE - FY2021 - OPERATING FUNDS

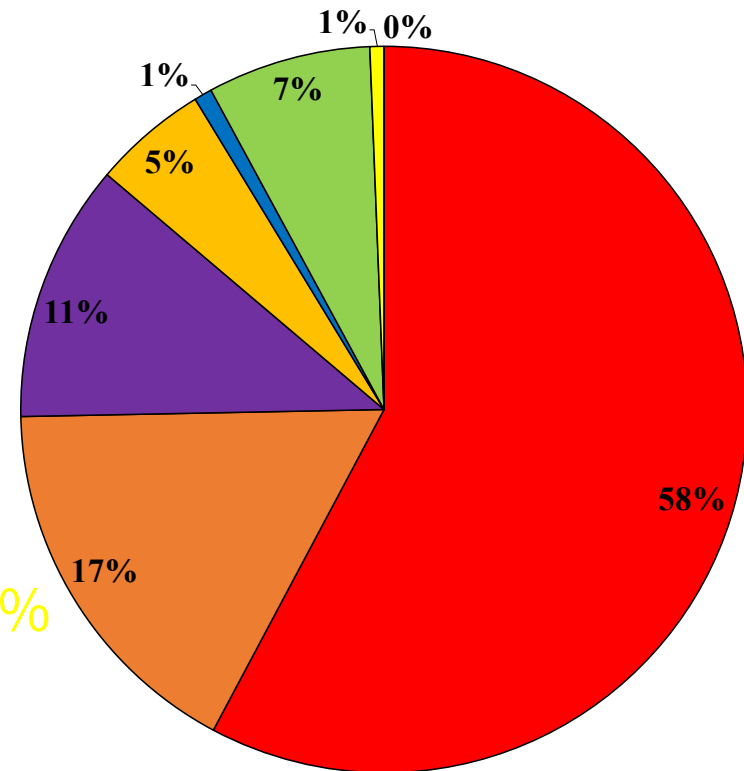
- Property Taxes – 87%
- Earnings on Investment – <1%
- Other Local Sources – 2%
- State Sources – 7%
- Federal Sources – 4%



Historical Financial Results

EXPENDITURES – FY2021 – OPERATING FUNDS

- Salaries – 58%
- Employee Benefits – 17%
- Purchased Services – 11%
- Supplies & Materials – 5%
- Capital Outlay – 1%
- Other Objects – 7%
- Non-capitalized Equipment – 1%
- Termination Benefits - <1%



Projection Assumptions

Revenue – Property Taxes – CPI

- Capped by Consumer Price Index (CPI) for PTELL
- 5 Year Average = 2.5%
- 10 Year Average = 2.0%

Tax Levy Year Projection

- ✓ 2022 5% (2021 CPI – PTELL Cap)
- ✓ 2023-2027 2.5% (5 Year Average)



Projection Assumptions

Revenue - Property Taxes - New Property

HISTORICAL NEW PROPERTY EQUALIZED ASSESSED VALUE	
2017	\$2,087,137
2018	\$3,094,890
2019	\$6,588,360
2020	\$5,840,740
2021	\$975,050

Historical New Property:

- 5 Yr Average = \$3,700,000
- 10 Yr Average = \$4,500,000

Projection		
Tax Year	New EAV	New Taxes
2022-2027	\$2,775,000	\$131,000/yr

Projection Assumptions

Revenue

Earnings on Investments

- Ranges from .25% to 1%
- Interest rates have dropped precipitously since 2020 but should start to increase.

State Sources

- Remain mostly flat

Federal Sources

- Elementary and Secondary School Emergency Relief Funds (ESSER) = \$1.8 million



Projection Assumptions

Expenses

Salaries

- Certified employment contract:
 - Expires at the end of SY2022
 - 10 Year Average Increases = 3.5%
- Classified employment contract:
 - Expires at the end of FY2022
 - 10 Year Average Increases = 3.7%
- 2022 Staffing Plan and retiree savings



Note: 1% Difference is approximately \$200k Compounded Annually

Projection Assumptions

Expenses

Employee Benefits

- FY2022 increase of 8% (PPO = 7.5%, HMO = 8.7%)
- Increase of 2.5% (10 Year Average)

Purchased Services & Supplies

- Inflation and COVID-19 Impact – Transportation & Energy

Other Objects

- Ups and downs of private placement tuition
- Increase by 2.9% - CPI 5-yr average
- Additional \$400,000 for Junior High bonds debt service



Projection Assumptions

Expenses

Capital Outlay

Fiscal Year	Base Expenditures	Junior High Renovations	Other Projects	Total
FY2023	\$222,000	\$1,850,000	\$483,000	\$2,555,000
FY2024	\$73,000	\$4,250,000	\$-	\$4,323,000
FY2025	\$73,000	\$8,900,000	\$400,000	\$9,373,000
FY2026	\$74,000	\$5,000,000	\$-	\$5,074,000
FY2027	\$75,000	\$-	\$1,318,000	\$1,393,000

Projected Financial Results

OPERATING FUNDS

Amounts in Millions

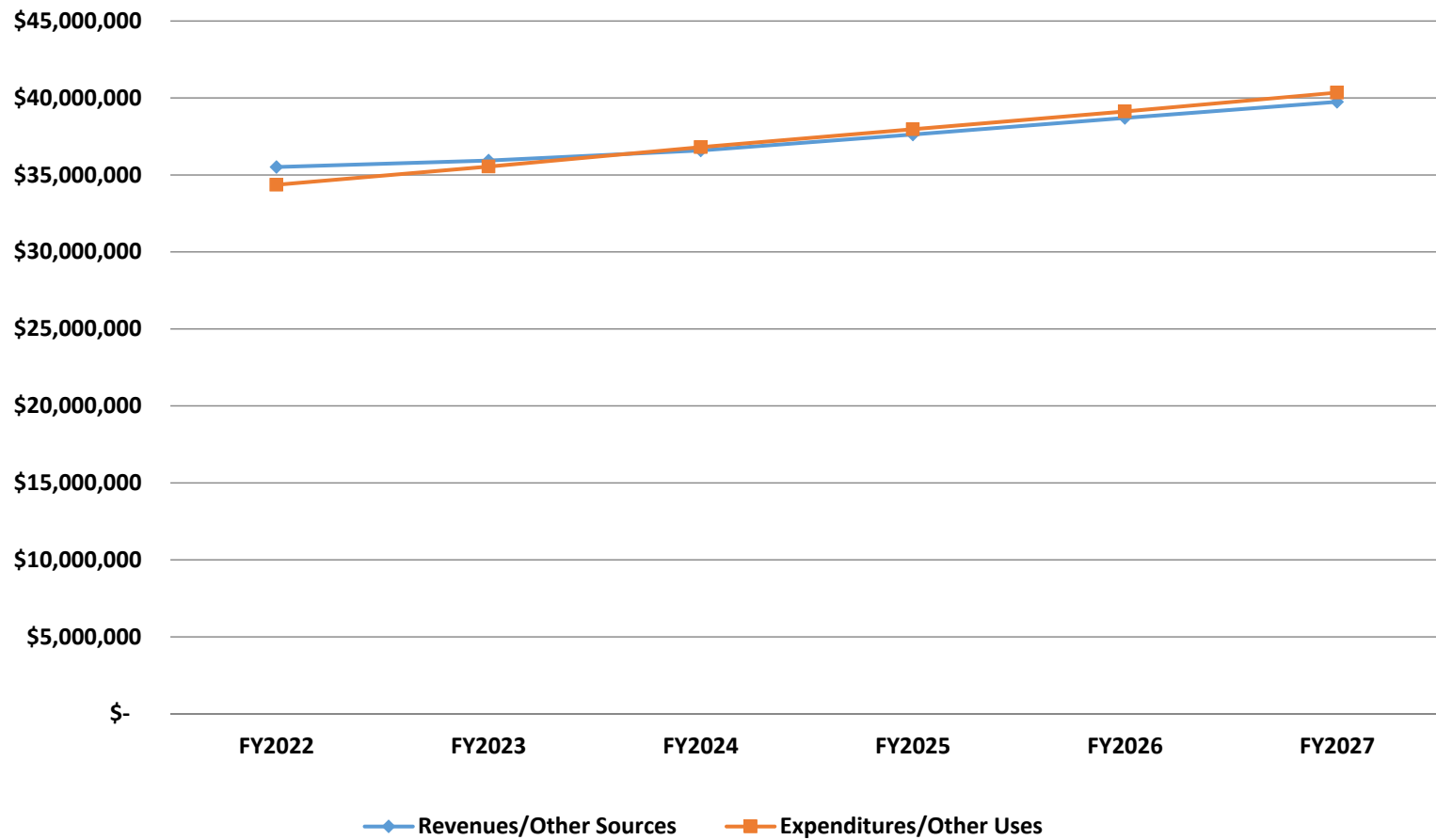


	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues	\$35.5	\$35.9	\$36.6	\$37.6	\$38.7	\$39.8
Expenditures	\$33.1	\$34.8	\$35.7	\$36.8	\$38.0	\$39.2
Excess/(Deficiency)	\$2.4	\$1.1	\$.9	\$.8	\$.7	\$.6
Other Sources/(Uses)	(\$1.3)	(\$.7)	(\$1.1)	(\$1.1)	(\$1.1)	(\$1.2)
Net Change	\$1.1	\$.4	(\$.2)	(\$.3)	(\$.4)	(\$.6)

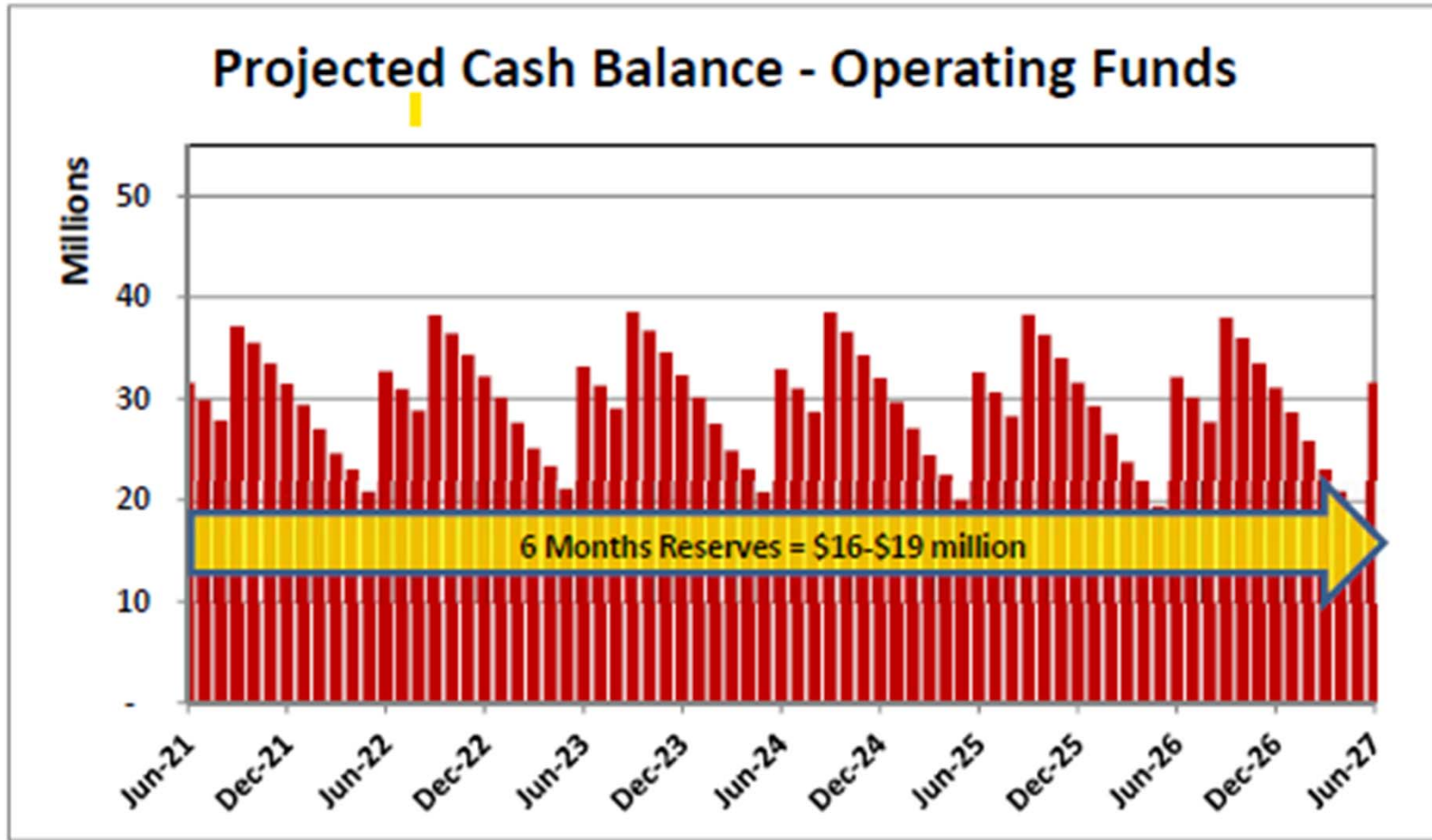


Cumulative Net Change = -\$25,000

Projected Financial Results OPERATING FUNDS



Projected Cash Balances OPERATING FUNDS



Looking Ahead

- Sale of Tate Woods Elementary
- Schiesher Elementary School
- Facility Needs Improvements
- Lisle Junior High Enhancements
- CPI & New Property
- Inflation
- Property Tax Freeze



Questions?

