

**FOR ACTION**

**Lisle Community Unit School District No. 202  
Board of Education Meeting  
June 23, 2025**

**SUBJECT:** Debt Services Fund Interest Transfer

**RECOMMENDATION:** The Administration recommends that the Board approve the resolution to transfer earned interest from the Debt Services Fund to the Educational Fund.

**BACKGROUND DATA:** The District has historically transferred interest earned in the Working Cash Fund to the Educational Fund in accordance with the Illinois School Code. This year, the Administration is also recommending the transfer of interest earned in the Debt Services Fund to the Educational Fund. Recent increases in interest income have made it more beneficial for the District to utilize these resources in the Educational Fund where they can be applied directly to student instruction and support rather than remaining in the Debt Services Fund.

This transfer is authorized under Section 9(c) of the Local Government Debt Reform Act (50 ILCS 420/9(c)), which permits interest earned in debt service funds to be transferred to the fund most in need, as determined by the Board. The Board resolution affirms that the Educational Fund is the most in need of such interest.

While this transfer was not included in the original FY2025 Budget, the Administration believes it is appropriate to proceed. The transfer will be reported as an "Other Financing Source/Use" and will not impact the overall revenues or expenditures of either fund. The Administration intends to include this transfer in the FY2026 Budget moving forward.

**FINANCIAL IMPACT:** The approximate amount of interest to be transferred is \$45,900. The actual amount will reflect all interest earned in the Debt Services Fund during FY2025 and will be transferred to the Educational Fund as of June 30, 2025.

**SUGGESTED MOTION:** That the Board of Education approve the attached resolution authorizing the transfer of earned interest from the Debt Services Fund to the Educational Fund at the end of the 2025 Fiscal Year.