

To: Board of Education
From: Margo Empen, Superintendent
Subject: Action Item – Approve FY 27 Designated Depositories – June 24, 2026

PROPOSED MOTION BY THE BOARD OF EDUCATION

That the Board approves the FY 27 designated depositories, as presented.

Moved by _____; Seconded by _____

YEA	NAY	YEA	NAY
____ David Fritts	____	____ Kathleen Schaefer	____
____ Melissa Gates	____	____ Jon Wadsworth	____
____ Linda LeBlanc-Parks	____	____ Linda Wegner	____
____ Brandon Rogers	____		

Recommendation:

In accordance with Dixon USD #170 Board of Education Policy 4:30 Revenue and Investments, on an annual basis the Board will review and approve authorized depositories used for District funds. The purpose of this memorandum is to fulfill the informational requirements established by Policy 4:30, transition financial and banking information effective 7/1/26 regarding the change in Superintendent and formally approve authorized depositories.

Authorized Depositories:

<u>Institution</u>	<u>Account</u>	<u>Purpose</u>
Illinois School District Liquid Asset Fund Plus (ISDLAF+)	Investment	Buy, sell and hold investment securities, as reserve.
Midland State Bank	General Account	Operational account for payment of bills.
Sauk Valley Bank	Activity Account	Fiduciary account for operations of Activity Accounts.
Sauk Valley Bank	Scholarship Fund	Ella Kentner Fund

****The Board will be updated of changes throughout FY 27****

Collateralization:

In accordance with Policy 4:30, the Board shall be informed of collateral agreements, and all funds should be collateralized in accordance with the Public Funds Investment Act, 30 ILCS 235/.

- Exhibit A: Midland States Pledge & Custodial Agreement
- Exhibit B: Sauk Valley Bank – Public Deposits Security Agreement

Signatures have been removed from documents for security reasons.

In the FY 25 Dixon Public Schools #170 Financial Report, prepared by WIPFLI, states the following...

- Page #31: *Of the bank balance, the entire balance was insured and collateralized with securities in the District’s name. Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits might not be recovered. As of June 30, 2025, the District has no custodial credit risk.*
- Page #35: *For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2025, there are no investments with custodial credit risk in that all of its investments are insured.*

Dixon Public Schools, in cooperation with the community, will provide students with a comprehensive educational program that produces well-educated, self-sufficient, and involved citizens.

The Board accepted the FY 25 financial audit at the December 17, 2025 Board meeting, which included this information. Collateralization statements are received and reviewed by the business office monthly and are available for Board review upon request. Cash and investment balances are approved monthly by the Board as presented in the Treasurer's Report and the Balance Sheet.

Recommendation:

- Approval of all current authorized depositories.
- Name Melydi Huyett, Superintendent, as authorized personnel, to the district's ISDLAF+ account through PMA Network, LLC, effective 7/1/26.
- Name Melydi Huyett, Superintendent, as authorized signatory on all operational accounts at identified depositories.
- It is the recommendation of District Administration to approve authorized depositories and changes to banking information, as presented.