

LISLE COMMUNITY UNIT SCHOOL DISTRICT 202
BOARD ROOM
5211 CENTER AVENUE
LISLE, ILLINOIS 60532
Finance Committee Meeting
January 25, 2021
6:45 PM

Due to current conditions, the January 25, 2021 Finance Committee Meeting will be held virtually. 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. Viewing areas will be located in the Board Room and the Junior High Auditorium. Capacity will be limited to 10 individuals per room.

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 within 24 hours of the meetings conclusion.

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 December 14, 2020 Finance Committee Meeting | 2 |
| 4. Architect Professional Services Proposal - Summer 2022 Work | |
| 5. Multi-Function School Activity Bus Purchase | |
| 6. Quarterly Financial Update | 4 |
| 7. Investment Concentration and Collateral Report | 8 |
| 8. Agenda Topics for Future Finance Committee Meetings | |
| 9. Adjournment | |

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202
BOARD OF EDUCATION
FINANCE COMMITTEE MINUTES
DECEMBER 14, 2020

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 Board Room of the Administrative Office, 5211 Center Avenue, Lisle, Illinois on December 14, 2020.

The meeting was called to order at 6:19 p.m. by Chairperson McConville.

Present: Eunice McConville, Finance Committee Chairperson
Pam Ahlmann
Dan Helderle
Lisa Kiener-Barnett
Wendy Nadeau
Meg Sima (telephonically per Board Policy 2:220)
Randee Sims

Also Present: Dr. Keith Filipiak, Superintendent
David Wilkinson, Director of Finance
Jenna Engler, Communications Coordinator
Tom Markum, Athletic Director

Public Comment

None

Minutes from the November 23, 2020 Finance Committee Meeting

The minutes from the November 23, 2020 Finance Committee Meeting were reviewed. Those present came to a consensus that the minutes accurately reflect the meeting's discussion.

2020 Real Estate Tax Levy

Administration advised that no significant changes were made to the Tentative 2020 Real Estate Tax Levy since its presentation at the November 23, 2020 Finance Committee. In addition to the Final Property Tax Levy, the Administration discussed the proposed resolution to abate \$1 million from the Debt Service Levy for levy year 2020. Board Members did not have additional questions and referred the final 2020 Real Estate Tax Levy and resolution to abate a portion of the Debt Service Levy, as presented, for Board action at the next Regular School Board Meeting.

SY 2020-2021 Second Semester Student Parking Fee Waiver - Lisle Senior High School

Administration provided a recommendation to waive second semester parking fees. Historically, the District collects approximately \$20,000 in parking fees. The Board previously approved a waiver of the first semester 2020-2021 parking fees. Those present came to a consensus and referred the recommendation, as presented, for Board action at the next Regular School Board Meeting.

DECA Club Program Costs

DECA Club was originally approved by the Board in 2017. The Club has been very successful in terms of student participation and accomplishments. As such, the Administration identified costs for trips to nationals not originally anticipated. After discussion with Mr. Markum and Mr. Wilkinson, the Finance Committee authorized Administration to increase DECA club registration fees from \$41 to \$58 (similar to Drill Team), the

District to fund competition costs through the State level, and allow the Club to fundraise to help defray costs associated with National competition.

Agenda Topics for Future Finance Committee Meetings

- The Finance Committee recommends that the Board consider reviewing clubs and activities fee structure; Mrs. McConville will share this recommendation at the next Regular School Board Meeting.

Meeting was called to Adjourn

At 6:51 p.m. by Ms. Ahlmann and Ms. Sims

Lisle School District 202

Quarterly Financial Update

For the Six Months Ending December 31, 2020

Budget Compared to Actual

The attached report compares revenues and expenditures through December 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 December. Collections from the 2020 levy in June 2021 will be deferred to FY2022 on the accrual basis of accounting.

The District has received 103% of the budgeted interest income for the year. The collection of interest is contingent on the maturity dates of the various investments and will not be consistent throughout the entire school year. The District expects to collect more interest than budgeted as a result of a higher than normal balance in the ISDLAF money market fund.

The District has received 45% of the budgeted other local revenue through December. The remaining corporate personal property taxes, student lunch receipts, and student/athletic fees will be collected throughout the rest of the year.

State and Federal Sources - The District has received approximately \$810,000, or 39%, of the budgeted State payments through December. The State has made all of the mandated categorical payments for the 2020 project year. The States obligations for the 2021 project year are approximately \$250,000 with 99% of the balance having been outstanding less than 30 days.

Federal payments of approximately \$399,000, or 32% of budget, have been collected. The budgeted Federal grants are expected to be received throughout the remainder of the fiscal year.

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 36% appears lower than expected, the difference will be accounted for during the 4th quarter of the fiscal year.

Employee Benefits - The District has completed six of the twelve months for the year. The costs of benefits are typically equal throughout the year. Therefore spending 45% of the budget through December appears reasonable.

Purchased Services - Purchased services expenditures are approximately \$1,718,000 through December. Current year expenditures are trending approximately \$565,000 lower

than this period in the prior year. A significant portion of the cost reduction is attributable to lower food service and transportation costs as a result of remote learning during the pandemic. Overall, spending 36% of the budget through December is favorable in comparison to 49% of budget spent at this time during the prior fiscal year.

Supplies and Materials - Spending 46% of the supplies and materials budget is reasonable having completed half of the current fiscal year. Supplies and materials expenditures of approximately \$880,000 is higher than the \$789,000 spent at this point in the prior fiscal year. Supply costs are higher as a result of personal protective equipment (PPE) needs during the pandemic and the purchase of a large number of Chromebooks and iPads at the elementary school to support remote learning.

Capital Outlay – Expenditures for capital outlay have been nominal with no major construction projects occurring during the past summer. The majority of the capital outlay expenditures will take place in June for the summer 2021 work at Lisle Senior High School.

Other Objects (Includes Tuition and Debt Repayment) - Tuition payments of approximately \$1,305,000 for out-of-district special education, alternative learning, and career and technical education students have been paid year-to-date. The District has spent 55% of the tuition budget through December. Although this appears higher than expected having only completed a little over four months of the academic year, SASSED requires the District to prepay the tuition for the entire year during the first quarter of the school year. For comparison, tuition expenditures at this time last year were approximately \$1,220,000, or 52% of budget. The tuition costs will continue to be monitored as the year progresses.

The remaining budget will be utilized for the June bond payments.

Non-capitalized Equipment - The majority of the equipment expenditures for the year relate to staff laptops at Lisle Elementary School and additional sanitizing equipment throughout the District.

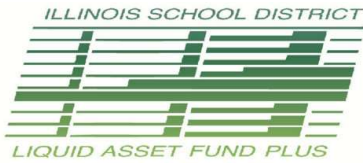
Termination Benefits – Through December, there have been no payments made to terminated or retiring employees as compensation for unused sick or vacation days.

Lisle Community Unit School District 202
Budget Compared to Actual - All Funds
For the Six Months Ending December 31, 2020

	<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, 2020	\$ 11,124,410	\$ 520,599	\$ 183,150	\$ 2,291,800	\$ 461,803	\$ 2,673,622	\$ 804,793	\$ -	\$ 18,060,177		
Revenue:											
Local Sources:											
Property Taxes	24,151,112	3,873,499	1,202,185	993,028	923,936	-	4,396	4,396	31,152,552	31,275,100	100%
Interest	60,754	6,373	2,218	6,784	2,235	6,337	1,950	-	86,651	83,900	103%
Other Local	259,882	66,750	-	20,985	-	-	-	-	347,617	770,800	45%
State Sources	643,706	-	-	167,204	-	-	-	-	810,910	2,082,096	39%
Federal Sources	399,004	600	-	-	-	-	-	-	399,604	1,248,998	32%
Total Revenue	25,514,458	3,947,222	1,204,403	1,188,001	926,171	6,337	6,346	4,396	32,797,334	35,460,894	92%
Expenditures:											
Salaries	6,233,750	520,089		3,254		-		-	6,757,093	18,553,093	36%
Employee Benefits	2,387,713	117,057		(11)	439,478	-		-	2,944,237	6,524,717	45%
Purchased Services	1,085,550	259,891	-	367,968		-		4,396	1,717,805	4,746,279	36%
Supplies and Materials	533,395	346,501		62		-		-	879,958	1,920,643	46%
Capital Outlay	5,450	18,499		-		41,486		-	65,435	771,500	8%
Other Objects	1,323,362	-	1,213,875	-	-	-		-	2,537,237	3,940,160	64%
Non-capitalized Equipment	88,987	49,108		-		-		-	138,095	251,095	55%
Termination Benefits	-	-		-		-			-	-	-
Total Expenditures	11,658,207	1,311,145	1,213,875	371,273	439,478	41,486		4,396	15,039,860	36,707,487	41%
Revenue Over (Under)											
Expenditures	13,856,251	2,636,077	(9,472)	816,728	486,693	(35,149)	6,346	-	17,757,474	(1,246,593)	
Other Sources/(Uses)											
Other Sources	-	30	1,000,000	-	-	-	-	-	1,000,030	851,900	117%
Other (Uses)	(1,000,000)	-	-	-	-	-	-	-	(1,000,000)	(851,900)	117%
Total Other Sources/(Uses)	(1,000,000)	30	1,000,000	-	-	-	-	-	30	-	
Fund Balance - December 31, 2020	\$ 23,980,661	\$ 3,156,706	\$ 1,173,678	\$ 3,108,528	\$ 948,496	\$ 2,638,473	\$ 811,139	\$ -	\$ 35,817,681		

**Lisle Community Unit School District 202
State Funding Update
Vouchers Awaiting Processing by Comptroller
December 31, 2020**

<u>Program Name</u>	<u>Project Yr</u>	<u>Voucher Date</u>	<u>Amount</u>
Special Education - Private Facility Tuition	2021	12/28/2020	\$ 40,365.70
Special Education - Orphanage - Individual	2021	12/28/2020	\$ 26,341.01
Special Education - Orphanage - Summer Individual	2021	12/14/2020	\$ 8,761.00
Driver Education	2021	9/28/2020	\$ 5,165.09
	2021	12/28/2020	\$ 5,165.09
Transportation - Regular and Vocational	2021	12/28/2020	\$ 61,289.53
Transportation - Special Education	2021	12/28/2020	\$ 102,304.99
Grant Total			<u>\$ 249,392.41</u>
		<u>Days Outstanding</u>	
		0-30	\$ 244,227.32
		31-60	\$ -
		61-90	\$ -
		91-120	\$ 5,165.09
			<u>\$ 249,392.41</u>



Total Portfolio - Provider
Internal Use Only
Allocation Report
 As of: 12/31/20

PMA Financial Network
 2135 CityGate Lane
 7th Floor
 Naperville, Illinois 60563
 Telephone . 630-657-6400
 Facsimile . 630-718-8701

Lisle Community School District #202 / GENERAL FUND (10108-101)

Type	% Alloc.	Instrument	Original Cost
MM	64.98%	Money Market Account AAAM rating from S&P	\$23,558,893.77
TS	8.96%	ISDLAF+ TERM SERIES Collateralized/Insured	\$3,250,000.00
CD	6.90%	CUSTOMERS BANK - LOC See pages 3-6	\$2,500,000.00
CD	0.69%	BANK 7	\$249,800.00 FDIC
CD	0.69%	FIELDPOINT PRIVATE BANK & TRUST	\$249,800.00
CD	0.69%	MECHANICS SAVINGS, A DIVISION OF MAINE COMMUN	\$249,800.00
CD	0.69%	MERRICK BANK	\$249,800.00
CD	0.69%	THIRD COAST BANK, SSB	\$249,800.00
CD	0.69%	WESTERN ALLIANCE BANK / TORREY PINES BANK	\$249,800.00
CD	0.69%	CIBC BANK USA / PRIVATE BANK - MI	\$249,700.00
CD	0.69%	SERVISFIRST BANK	\$249,700.00
CD	0.69%	BANK RHODE ISLAND	\$249,600.00
CD	0.69%	BROOKLINE BANK	\$249,600.00
CD	0.69%	FINANCIAL FEDERAL BANK	\$249,600.00
CD	0.69%	LANDMARK COMMUNITY BANK	\$249,600.00
CD	0.69%	BANK OF CHINA	\$249,500.00
CD	0.69%	TEXAS CAPITAL BANK	\$249,400.00
SEC	0.69%	MAGNOLIA BANK INC/MAG KY	\$249,055.83
CDR	0.68%	Amarillo National Bank	\$246,464.43
CDR	0.68%	First International Bank & Trust	\$246,464.43
CDR	0.68%	Israel Discount Bank of New York	\$246,464.43
CDR	0.68%	Valley National Bank / 1st United Bank	\$246,464.43
CDR	0.68%	BLUE SKY BANK	\$244,998.98
CDR	0.68%	CIT Bank, National Association	\$244,998.98
CDR	0.68%	Community West Bank, National Association	\$244,998.98
CDR	0.68%	PINNACLE BANK	\$244,998.98
CDR	0.68%	Security Bank	\$244,998.98
CDR	0.68%	Texas Community Bank, National Association	\$244,998.98
CDR	0.68%	United Community Bank	\$244,998.98
CDR	0.68%	Westfield Bank, FSB	\$244,998.98
CDR	0.59%	BOKF, National Association	\$214,142.28
CDR	0.11%	Bank OZK	\$40,008.16
SDA	0.00%	CITIBANK	\$2.08
100.00%			\$36,253,451.68



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

January 8, 2021

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 Letter of Credit issued by FHLB Pittsburgh for deposits at Customers Bank.

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	19-Jun-20	12-Mar-21	283694	\$2,502,741.90
Provider Totals:				\$2,502,741.90

Current LOC #	FHLB	LOC Start	LOC End	LOC Amount
HLB8315201710018	Pittsburgh	06/19/20	03/17/21	\$2,502,741.90
Total:				\$2,502,741.90



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. **HLB8315201710018**

June 19, 2020

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. HLB8315201710018, whereby, subject to the terms and conditions contained herein, the FHLB authorizes you to draw hereunder on the FHLB up to U.S. \$2,502,741.90 (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 March 17, 2021 (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).

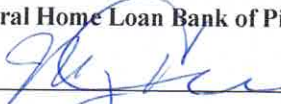
All documents presented to the FHLB in connection with any drawing and all other communications with respect to this Letter of Credit shall be in writing and shall be addressed to the FHLB at the address indicated in the preceding paragraph, specifically referring to the number of this Letter of Credit.

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.

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:  **Marla Hines**

Title: **GOR 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.

** 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: _____