

LISLE COMMUNITY UNIT SCHOOL DISTRICT 202
BOARD ROOM
5211 CENTER AVENUE
LISLE, ILLINOIS 60532
Finance Committee Meeting
April 26, 2021
6:30 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. Viewing areas will be located in the Board Room and the Junior High Auditorium. Capacity will be limited to 50 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 March 22, 2021 Finance Committee Meeting | 2 |
| 4. FY2021 Audit Engagement Letter | |
| 5. Intergovernmental Agreement for Joint Purchasing of Managed Information Technology Services | |
| 6. Seventh Amendment to Purchase and Sale Agreement for Tate Woods School | |
| 7. Investment Concentration and Collateral Report | 4 |
| 8. Quarterly Financial Update | 10 |
| 9. Financial Projection | 14 |
| 10. Agenda Topics for Future Finance Committee Meetings | |
| 11. Adjournment | |

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202
BOARD OF EDUCATION
FINANCE COMMITTEE MINUTES
MARCH 22, 2021

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 22, 2021.

The meeting was called to order at 6:30 p.m. by Chairperson McConville.

Present: Eunice McConville, Finance Committee Chairperson
Meg Sima
Pam Ahlmann
Dan Helderle
Lisa Kiener-Barnett
Wendy Nadeau
Ranee Sims

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

Public Comment

None

Minutes from the February 22, 2021 Finance Committee Meeting

The minutes from the February 22, 2021 Finance Committee Meeting were reviewed. Those present came to a consensus that the minutes accurately reflect the meeting's discussion.

Regular and Extra-Curricular/Co-Curricular Transportation Extension

The Administration presented a recommendation to extend its contract with Westway Coach for an additional year. The proposed rate increase is approximately 4% for regular routes and 2.3% for field trips and co-curricular routes. The cost, which will be included in the 2021-2022 budget, is estimated at \$1,247,000 which is approximately a \$46,000 increase from the current school year. Board Members in attendance referred the Regular and Extra-Curricular Transportation Extension for action at the next Regular School Board Meeting.

Special Education/Homeless/Other Transportation Services Extension

The Administration presented a recommendation to extend its contract with Sunrise Southwest for an additional year. The proposed rate increase is approximately 5% and includes a provision for continued payment of 80% or 40% of the regular route charge during service interruptions due to unexpected school closure. The cost to be included in the 2021-2022 budget is \$650,000, which is approximately a \$30,000 increase from the current school year. Board Members in attendance referred the Special Education/Homeless/Other Transportation Extension for action at the next Regular School Board Meeting.

Overview of Additional Expenditures Related to COVID-19 through February 2021

The Administration provided a written summary of the costs incurred to implement remote learning and hybrid learning as well as foregone revenues related to Board-approved fee waivers. Administration also included Federal reimbursements as part of their overview of COVID-related costs.

Technology Requests 2021-2022

Dr. Kotalik provided a written presentation of the technology hardware purchases for elementary, junior high, and high school for the upcoming school year. The cost for technology purchase requests for FY2022 total \$325,530. 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. The Committee authorized the administration to proceed with the purchases.

Staffing Plan 2021-2022

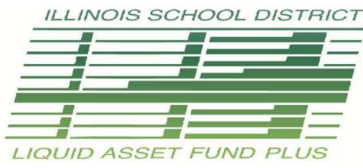
Administration and the Finance Committee discussed the written report provided by Administration regarding the planned changes to District staffing which increases its certified staff by +1.65 and +0.2 classified staff. Board Members in attendance referred the 2021-2022 Staffing Plan for action at the next Regular School Board Meeting

Agenda Topics for Future Finance Committee Meetings

None

Adjournment

At 7:14 p.m. by Ms. Ahlmann and Ms. Sims



Total Portfolio - Provider
Internal Use Only
Allocation Report
 As of: 03/31/21

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	61.92%	Money Market Account AAAM rating from S&P	\$18,284,077.32
SDA	20.32%	BANK OF CHINA (ICS - DDA) Collateralized/Insured	\$6,001,362.85
CD	5.93%	CUSTOMERS BANK - LOC See pages 3-6	\$1,750,000.00
CD	0.85%	BANK 7	\$249,800.00 FDIC
CD	0.85%	FIELDPOINT PRIVATE BANK & TRUST	\$249,800.00
CD	0.85%	MERRICK BANK	\$249,800.00
CD	0.85%	MISSION NATIONAL BANK	\$249,800.00
CD	0.85%	THIRD COAST BANK, SSB	\$249,800.00
CD	0.85%	WESTERN ALLIANCE BANK / TORREY PINES BANK	\$249,800.00
CD	0.85%	CIBC BANK USA / PRIVATE BANK - MI	\$249,700.00
CD	0.85%	PREFERRED BANK	\$249,700.00
CD	0.85%	SERVISFIRST BANK	\$249,700.00
CD	0.85%	FINANCIAL FEDERAL BANK	\$249,600.00
CD	0.85%	LANDMARK COMMUNITY BANK	\$249,600.00
CD	0.84%	BANK OF CHINA	\$249,500.00
CD	0.84%	TEXAS CAPITAL BANK	\$249,400.00
SEC	0.84%	MAGNOLIA BANK INC/MAG KY	\$249,055.83
SDA	0.00%	CITIBANK	\$2.08
100.00%			\$29,530,498.08



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

April 6, 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	25-Jan-21	28-Oct-21	287453	\$1,751,077.09
Provider Totals:				\$1,751,077.09

Current LOC #	FHLB	LOC Start	LOC End	LOC Amount
HLB8315210250021	Pittsburgh	01/25/21	11/02/21	\$1,751,077.09
Total:				\$1,751,077.09



copy

Irrevocable Standby Letter of Credit

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

Letter of Credit No. **HLB8315210250021**

January 25, 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. HLB8315210250021, whereby, subject to the terms and conditions contained herein, the FHLB authorizes you to draw hereunder on the FHLB up to U.S. \$1,751,077.09 (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 November 2, 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: **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.

** 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: _____

Lisle School District 202

Quarterly Financial Update

For the Nine Months Ending March 31, 2021

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 2020 levy in June 2021 will be deferred to FY2022 on the accrual basis of accounting.

The District has received 119% 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 has collected more interest than budgeted as a result of a higher than normal balance in the ISDLAF money market fund. These higher balances are the result of limited investment opportunities in the current banking environment.

The District has received 63% of the budgeted other local revenue through March. Administration anticipates that other local revenue will fall below budget as a result of student/athletic fees being waived and no student lunch receipts this school year.

State and Federal Sources - The District has received approximately \$1.4 million, or 67%, of the budgeted State payments through March. The States obligations for the 2021 project year are approximately \$227,000 with 98% of the balance having been outstanding less than 30 days.

Federal payments of approximately \$909,000, or 73% 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 61% 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 71% of the budget through March appears slightly favorable.

Purchased Services - Purchased services expenditures are approximately \$2,353,000 through March. Current year expenditures are trending approximately \$885,000 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 and hybrid learning during the pandemic. Overall, spending 50% of the budget through March is favorable in comparison to 69% of budget spent at this time during the prior fiscal year.

Supplies and Materials - Spending 68% of the supplies and materials budget is reasonable having completed three-quarters of the current fiscal year. Supplies and materials expenditures of approximately \$1.3 million is higher than the \$1.1 million 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. New activity buses were purchased in the 3rd quarter utilizing resources in the Transportation fund. The remaining 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 \$1,876,000 for out-of-district special education, alternative learning, and career and technical education students have been paid year-to-date. The District has spent 75% of the tuition budget through March. Although this appears higher than expected having completed seven 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 \$1,717,000, or 72% of budget. The tuition costs will continue to be monitored as the year progresses.

The \$1.2 million of expenditures in the Debt Services Fund relates to the December bond payments. 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 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, 2021

	<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	\$ 11,120,412	\$ 520,599	\$ 183,150	\$ 2,291,800	\$ 461,803	\$ 2,673,622	\$ 804,793	\$ -	\$ 18,056,179		
Revenue:											
Local Sources:											
Property Taxes	24,259,104	3,890,819	1,207,561	997,468	928,067	-	4,416	4,416	31,291,851	31,275,100	100%
Interest	69,624	7,588	2,683	7,995	2,586	7,363	2,270	-	100,109	83,900	119%
Other Local	359,763	100,675	-	21,800	-	-	-	-	482,238	770,800	63%
State Sources	1,066,917	-	-	330,798	-	-	-	-	1,397,715	2,082,096	67%
Federal Sources	876,910	32,558	-	-	-	-	-	-	909,468	1,248,998	73%
Total Revenue	26,632,318	4,031,640	1,210,244	1,358,061	930,653	7,363	6,686	4,416	34,181,381	35,460,894	96%
Expenditures:											
Salaries	10,617,381	774,470		6,857		-		-	11,398,708	18,553,093	61%
Employee Benefits	3,755,081	177,774		(11)	667,137	-		-	4,599,981	6,524,717	71%
Purchased Services	1,319,123	354,566	-	674,966		-		4,416	2,353,071	4,746,279	50%
Supplies and Materials	739,551	563,272		177		-		-	1,303,000	1,920,643	68%
Capital Outlay	15,456	19,627		111,936		119,827		-	266,846	771,500	35%
Other Objects	1,821,738	-	1,213,875	-	-	-		-	3,035,613	3,940,160	77%
Non-capitalized Equipment	96,140	72,318		-		-		-	168,458	251,095	67%
Termination Benefits	-	-		-		-			-	-	-
Total Expenditures	18,364,470	1,962,027	1,213,875	793,925	667,137	119,827		4,416	23,125,677	36,707,487	63%
Revenue Over (Under)											
Expenditures	8,267,848	2,069,613	(3,631)	564,136	263,516	(112,464)	6,686	-	11,055,704	(1,246,593)	
Other Sources/(Uses)											
Other Sources	8,895	30	1,000,000	-	-	-	-	-	1,008,925	851,900	118%
Other (Uses)	(1,000,000)	-	-	-	-	-	-	-	(1,000,000)	(851,900)	117%
Total Other Sources/(Uses)	(991,105)	30	1,000,000	-	-	-	-	-	8,925	-	
Fund Balance - March 31, 2021	\$ 18,397,155	\$ 2,590,242	\$ 1,179,519	\$ 2,855,936	\$ 725,319	\$ 2,561,158	\$ 811,479	\$ -	\$ 29,120,808		

**Lisle Community Unit School District 202
State Funding Update
Vouchers Awaiting Processing by Comptroller
March 31, 2021**

<u>Program Name</u>	<u>Project Yr</u>	<u>Voucher Date</u>	<u>Amount</u>
Special Education - Private Facility Tuition	2021	3/29/2021	\$ 40,365.70
Special Education - Orphanage - Individual	2021	3/29/2021	\$ 13,170.50
State Free Lunch & Breakfast	2021		\$ -
Driver Education	2021	12/28/2020	\$ 5,165.09
	2021	3/29/2021	\$ 5,165.09
Transportation - Regular and Vocational	2021	3/29/2021	\$ 61,289.53
Transportation - Special Education	2021	3/29/2021	\$ 102,305.00
Grant Total			<u>\$ 227,460.91</u>
		<u>Days Outstanding</u>	
		0-30	\$ 222,295.82
		31-60	\$ -
		61-90	\$ -
		91-120	\$ 5,165.09
			<u>\$ 227,460.91</u>

Lisle Community Unit School District 202

An Analysis of the District's Financial History and
Projection of the District's Future Financial Condition



April 26, 2021

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 less than 1% annually since FY2016 with total OPERATING FUNDS revenue of \$33,340,634 for FY2020. Investment earnings improved during this time period and new property EAV has seen a healthy increase of on average approximately \$3.7 million annually. These additional property tax receipts will help to offset historically low interest rates in the coming years. State and federal sources have remained mostly flat over the last five years. During this time period, CPI has increased on average 1.5% per year.

Total expenditures have remained mostly flat since FY2016 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 \$39,034,148 for FY2020 including \$6 million in capital expenditures, primarily for the construction of Lisle Elementary School.

REVIEW OF PROJECTIONS

Annual revenues across ALL FUNDS are estimated to exceed annual expenditures by \$264,000 in FY2021. Net income for the OPERATING FUNDS only (Educational, Operations and Maintenance, Transportation, and Working Cash Funds) is projected to be a surplus of \$828,000 in FY2021 with an anticipated surplus of \$258,000 in FY2026. The District anticipates a healthy increase in property tax revenues during FY2022 as the result of the remaining portion of a mixed-use residential and retail development in Downtown Lisle being added to the tax rolls. However, this increase will be offset by the \$1 million debt service abatement approved by the Board with the 2020 tax levy. A significant decrease in interest earnings over the next few years will impact revenues as interest rates have fallen precipitously over the last 12 months.

While the District’s revenues and fund balances are adequate during the projection period to cover payroll and regular bills; uncertainty in the State and Federal economic climates could alter funding levels for education and significantly impact this picture. This uncertainty has been magnified in light of recent events surrounding the COVID-19 pandemic. 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 may also gain new momentum as taxpayers endure economic hardship during the recession. 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

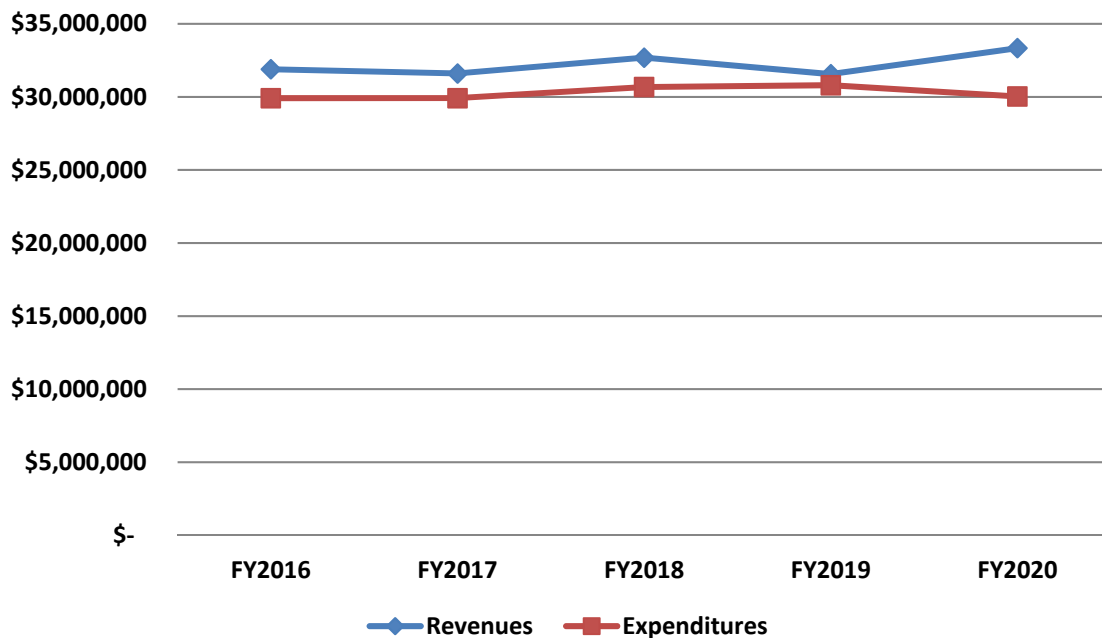
roof replacement, HVAC units, educational enhancements, and other necessary facilities improvements will reduce some of the fund balances available to withstand these uncertainties.

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.

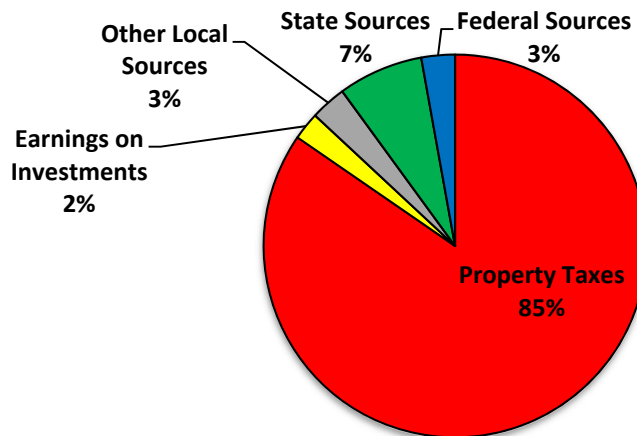


Note: A detailed breakdown of the revenues and expenditures is shown on the Historical Performance – Operating Funds statement at the back of this report

For the past five (5) years revenues have exceeded expenditures in the OPERATING FUNDS annually by an average of approximately \$1.9 million. The 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.

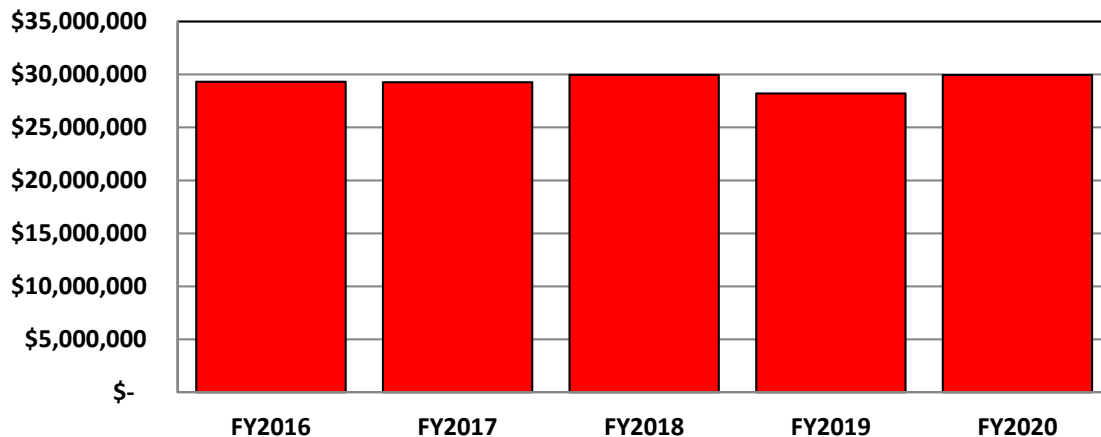
REVENUE

The following pie chart illustrates the composition of Lisle School District’s revenue for the fiscal year ended June 30, 2020. 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.



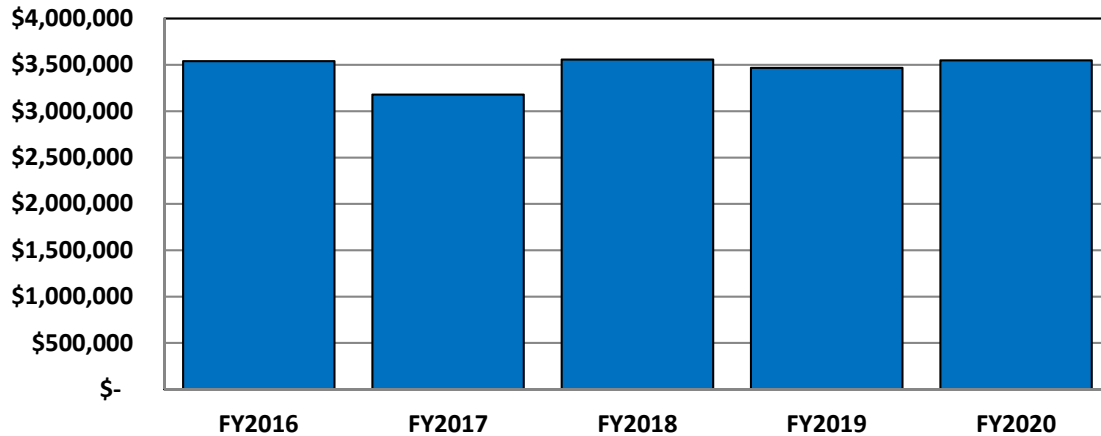
PROPERTY TAX REVENUE

Property taxes currently account for approximately 85% 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 less than 1% annually since 2016. While CPI has averaged 1.5% during this time period, a debt service abatement in FY2020 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 2016 through 2019's State and Federal sources were adjusted to reflect **net collections** of approximately \$179,000, \$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 is 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.



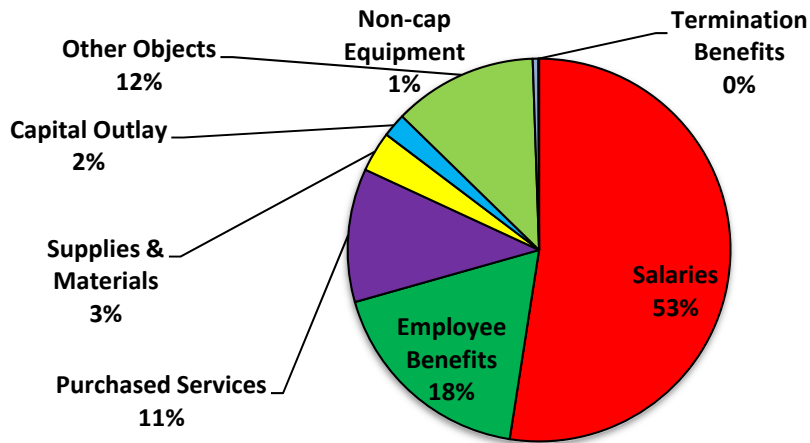
EXPENDITURES

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.

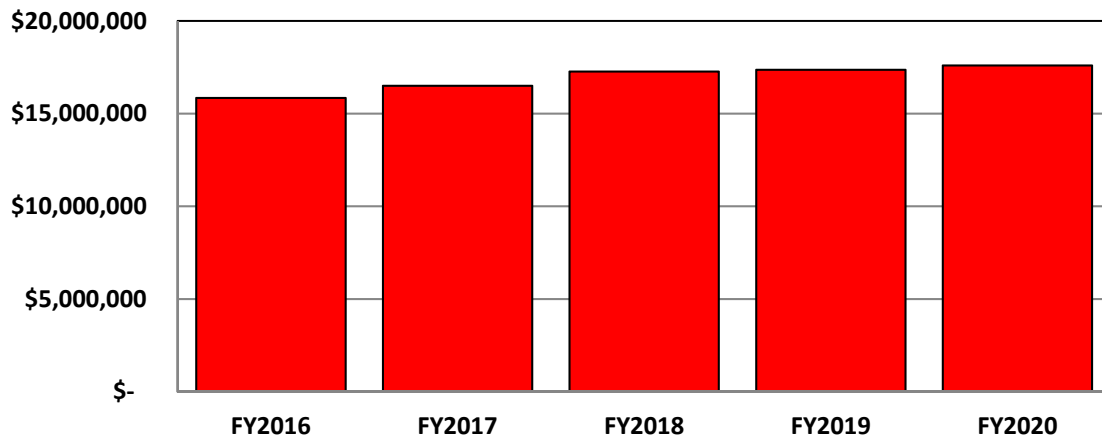
5. **Capital Outlay** - Expenditures for the acquisition of fixed assets or additions to fixed assets. These are expenditures for land or existing buildings, improvements of grounds, construction of buildings, additions to buildings, remodeling of buildings, initial equipment, additional equipment, and 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, 2020. Total expenditures for FY2020, excluding the capital outlay costs for Lisle Elementary School, were \$33,548,596. As evident in the below chart, salaries and employee benefits account for the majority of the cost of operating the school district.



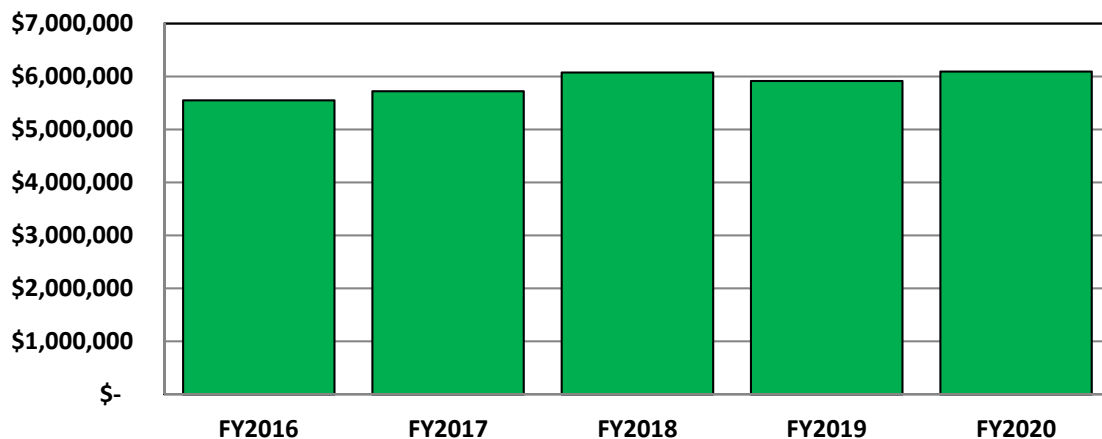
SALARY EXPENDITURES

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 FY2016 through FY2020. 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.



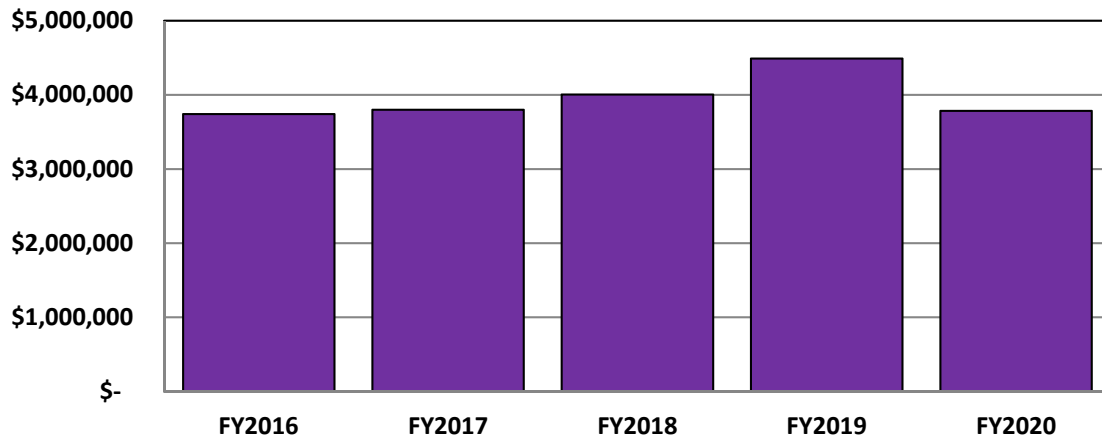
EMPLOYEE BENEFIT EXPENDITURES

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 FY2016 through FY2020. 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.



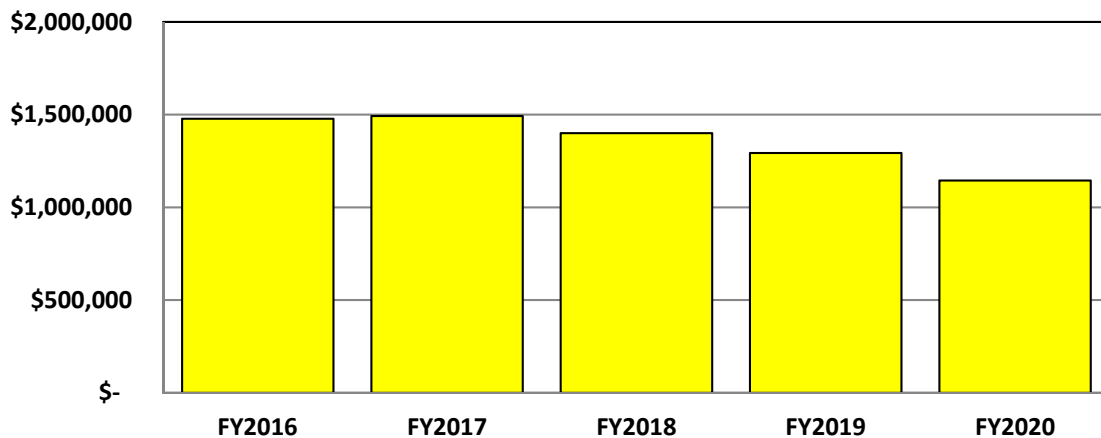
PURCHASED SERVICE EXPENDITURES

The cost of purchased services increased approximately 5% from FY2016 through FY2019 with a significant decrease in FY2020 as a result of the COVID-19 shutdown. 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.



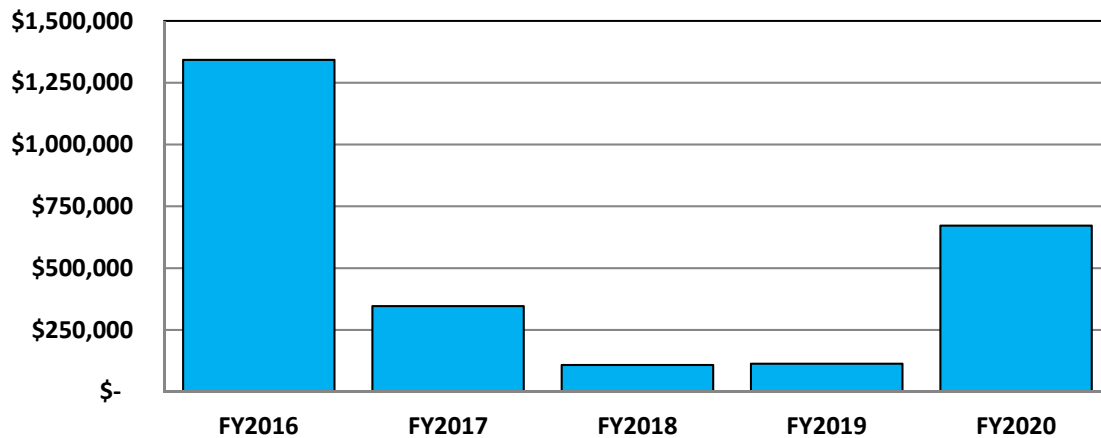
SUPPLIES & MATERIALS EXPENDITURES

The supplies and materials expenditures have decreased since FY2016 even before the impact of the COVID shutdown on FY2020. The following chart reflects the growth pattern of supplies and materials expenditures in the District.



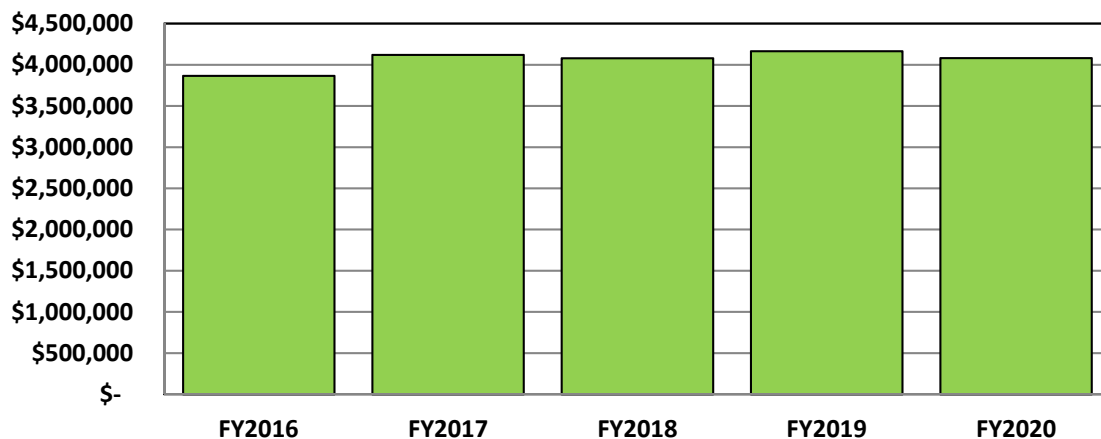
CAPITAL OUTLAY EXPENDITURES

The School District typically spends on average approximately \$500,000 per year for capital outlay. Re-roofing a portion of Lisle Senior High School and installing new roof top units resulted in above average expenditures in FY2016. Re-paving the parking lot at Lisle Senior High during the summer of 2019 contributed to the FY2020 expenditures. 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.



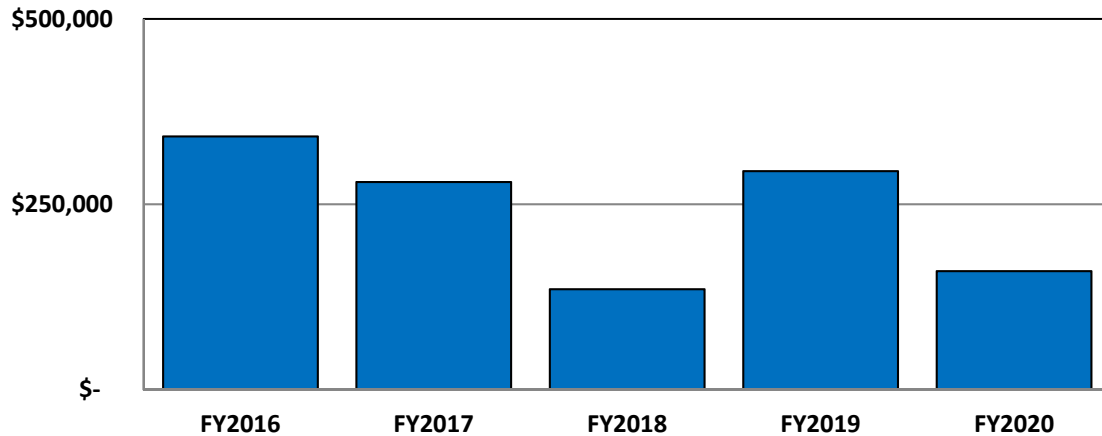
OTHER OBJECT EXPENDITURES

Tuition and other expenditures have increased by an average rate of 1% from FY2016 through FY2020. Other object expenditures also include bond and capital lease payments. The average expenditures, including debt service payments, for the past five years have been approximately \$4,000,000. 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 growth pattern of tuition and other expenditures in the District.



NON-CAPITALIZED EQUIPMENT EXPENDITURES

The School District typically spends on average approximately \$240,000 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, 2020:

Educational Fund	\$11,120,410
Operations and Maintenance Fund	520,600
Debt Services Fund	183,150
Transportation Fund	2,291,800
Illinois Municipal Retirement Fund	461,801
Capital Projects Fund	2,673,622
Working Cash Fund	804,793
Tort Fund	-
Fund Balance Available	<u><u>\$18,056,176</u></u>

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 (PTEL) caps property tax increases for current property owners at the lesser of the Consumer Price Index (CPI) or 5%. The District was temporarily exempt from this law since the successful Education Fund tax rate increase passed in 2004. The 2007 property tax levy was the last year of the PTEL exemption. The following is the actual and projected CPI used to determine property taxes for the next six years.

Tax Levy Year	CPI	
2020	2.3%	Actual
2021	1.4%	Actual
2022	2.0%	Projected
2023	2.0%	Projected
2024	2.0%	Projected
2025	2.0%	Projected
2026	2.0%	Projected

The projected CPI of 2% for tax levy years 2022-2026 is based on the five-year average CPI increase. A 1% percent difference in this estimate would have an impact of approximately \$310,000 on the District's annual property tax revenue. A \$500,000 bond abatement was also assumed for the 2021 tax levy.

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 \$3,900,000 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	
2020	\$5,840,740	\$274,731	Actual
2021	\$2,925,000	\$138,000	Projected
2022	\$2,925,000	\$138,000	Projected
2023	\$2,925,000	\$138,000	Projected
2024	\$2,925,000	\$138,000	Projected
2025	\$2,925,000	\$138,000	Projected
2026	\$2,925,000	\$138,000	Projected

The projected new EAV for 2021-2026 is based on 75% of the five-year average of new property.

2. **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 severely limit investment yields. Approximately \$500,000 of food service revenues, school fees, and activity income were added back in FY2022 as a result of these items being waived during FY2021 during the pandemic. The remaining local source revenues are expected to increase by projected CPI of 2% during the projection period.
3. **State Sources** – State Sources under the evidence based funding model are expected to remain mostly flat during the projection period. Approximately 7% 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.
4. **Federal Sources** – Federal source revenues are expected to increase significantly during FY2021 and FY2022 as a result of Elementary and Secondary School Emergency Relief Funds (ESSER) in response to the pandemic. ESSER fund are anticipated to total approximately \$1.7 million over the next two years. Existing federal source revenues are projected to remain constant during the projection period.

EXPENDITURES

1. **Salaries** - The negotiated agreements between the Board of Education and the Certified and Classified staff will expire August 2022 and June 2021, respectively. The Certified contract includes an average salary increase of 3% for FY2022. The Classified contract includes a salary increase of 3.3% for FY2021. The Administrators received a 3.3% increase in salaries for FY2021.

Salaries for FY2021 are projected to increase 4% based on using the budgeted amounts for the current fiscal year and the impact of the pandemic. Total salaries are expected to increase approximately 2% in FY2022 based on the 10 year average for negotiated agreements and the staffing changes outlined in the March 2021 Staffing Plan. Additional staffing positions of approximately \$200,000 will be offset by \$30,000 in savings based on the salary differential for retiring staff members. The salary increases are projected to be around 3.6% for FY2023 thru FY2026. The financial projection will be impacted by approximately \$185,000 (compounded annually) for every 1% the future negotiated contracts increase/decrease from the projected amounts.

2. **Employee Benefits** – Employee benefits for FY2021 were forecasted using the current budgeted expenditures for the fiscal year. Benefits are expected to decrease in FY2022 with a 2% decrease in the health insurance premiums based on the District’s upcoming renewal in July 2021. Historical increases in health insurance rates have been approximately 1.9% over the last ten years by participating in the District’s insurance co-op.

Employee benefit costs are projected to increase approximately 2% annually for FY2023 thru FY2026 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 2% annually, which is consistent with historical trends and the projected Consumer Price Index. Transportation expenditures are estimated to increase by \$500,000 in FY2022 to offset the decrease during the pandemic and 2.4% annually thereafter based on the 5-year average for these costs.
4. **Supplies & Materials** - Supplies and materials are projected to increase 2% annually, which is consistent with historical trends and the projected Consumer Price Index. FY2022 includes a \$200,000 reduction for one-time COVID related costs during FY2021.

- 5. Capital Outlay** – Capital outlay expenditures are projected to be around \$182,000 annually if you exclude the cost of construction and renovation projects. These annual expenditures are projected to increase 2% annually, which is consistent with the projected Consumer Price Index.

The additional costs that follow reflect the capital improvements outlined in the October 2020 Facility Needs Plan presentation, a summary of which is included in the back of this report.

Fiscal Year	Amount
2022	\$575,000
2023	\$440,000
2024	\$2,255,000
2025	\$565,000
2026	\$1,686,000

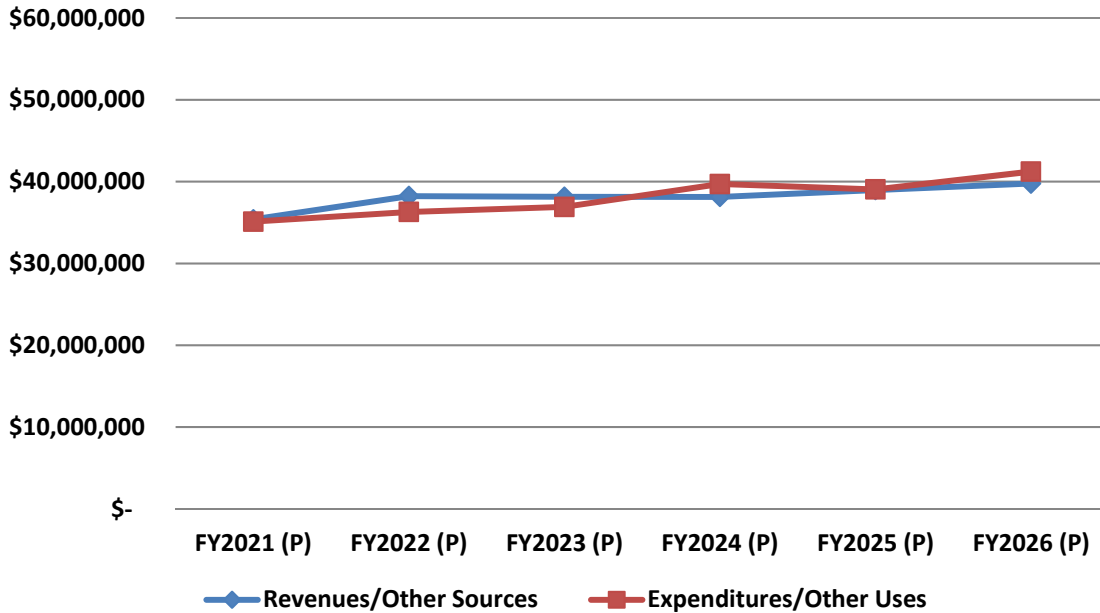
- 6. Other Objects** – Other object expenditures are based on 100% of the budgeted figures for FY2021. Approximately 60% of the expenditures in other objects are tuition costs impacted by the number of students requiring special education services from outside facilities. The cost of tuition can significantly change from year-to-year based on the specific needs of the students enrolled. Tuition costs are projected to increase by estimated CPI of 2%.

The remaining expenditures in other objects relate to the repayment of outstanding debt service obligations. Debt service payments of approximately \$1.5 million will remain relatively constant during the projection period.

- 7. Non-Capitalized Equipment** – Non-capitalized equipment has historically been approximately \$240,000 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 \$15,000 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 include proceeds of \$2 million from the sale of Tate Woods Elementary School. Expenditures in FY2021 include COVID related costs for personal protective equipment and implementing hybrid/remote learning.



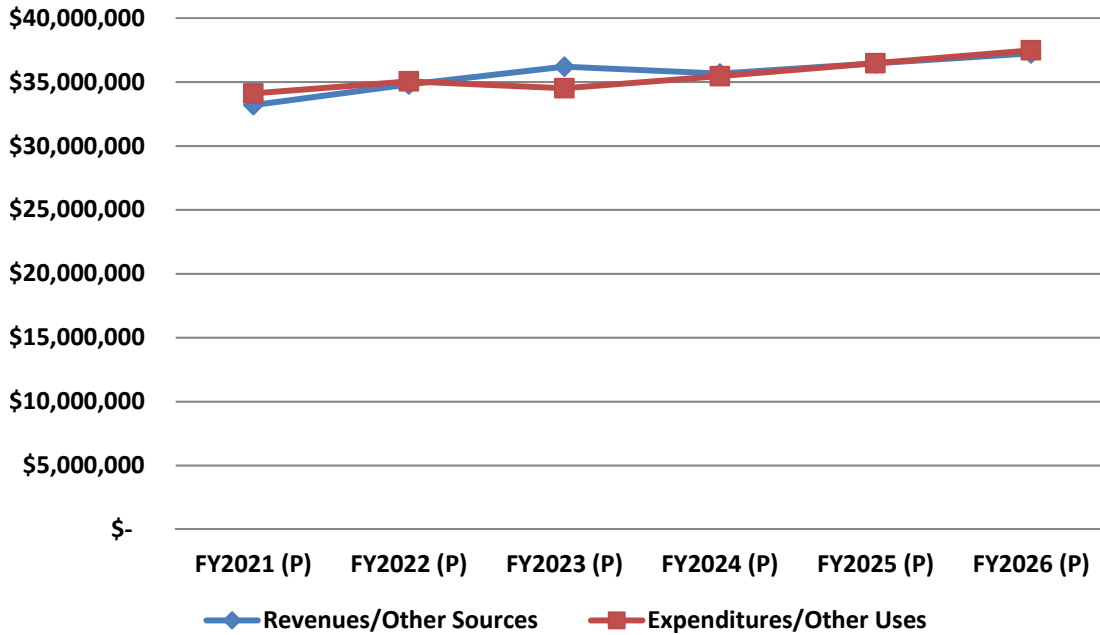
Note: A detailed breakdown of the revenues and expenditures is shown on the Projected Statements of Revenues & Expenditures – All Funds at the back of this report

The revenue and expenditure projections form the following projected annual surpluses/deficits for the District. The “Projected Surplus/(Deficit)” 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. The “Projected Total” column indicates the total of these annual surpluses/deficits and other sources/uses. In other words, it is projected that Lisle School District 202’s revenues and other sources over the next six years, across all funds, will be \$329,000 more than the projected revenues and other sources over this time period. The reduction is the result of spending down fund balance for construction of Lisle Elementary School and capital improvements outlined in the Facility Needs Plan.

Fiscal Year Ending	Projected Surplus/(Deficit)	Projected Other Sources/(Uses)	Projected Total
June 30, 2021	\$264,000	\$6,000	\$270,000
June 30, 2022	(\$66,000)	\$2,000,000	\$1,934,000
June 30, 2023	\$1,234,000	-	\$1,234,000
June 30, 2024	(\$1,565,000)	-	(\$1,565,000)
June 30, 2025	(\$86,000)	-	(\$86,000)
June 30, 2026	(\$1,458,000)	-	(\$1,458,000)
Total All Years	(\$1,677,000)	\$2,006,000	\$329,000

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.



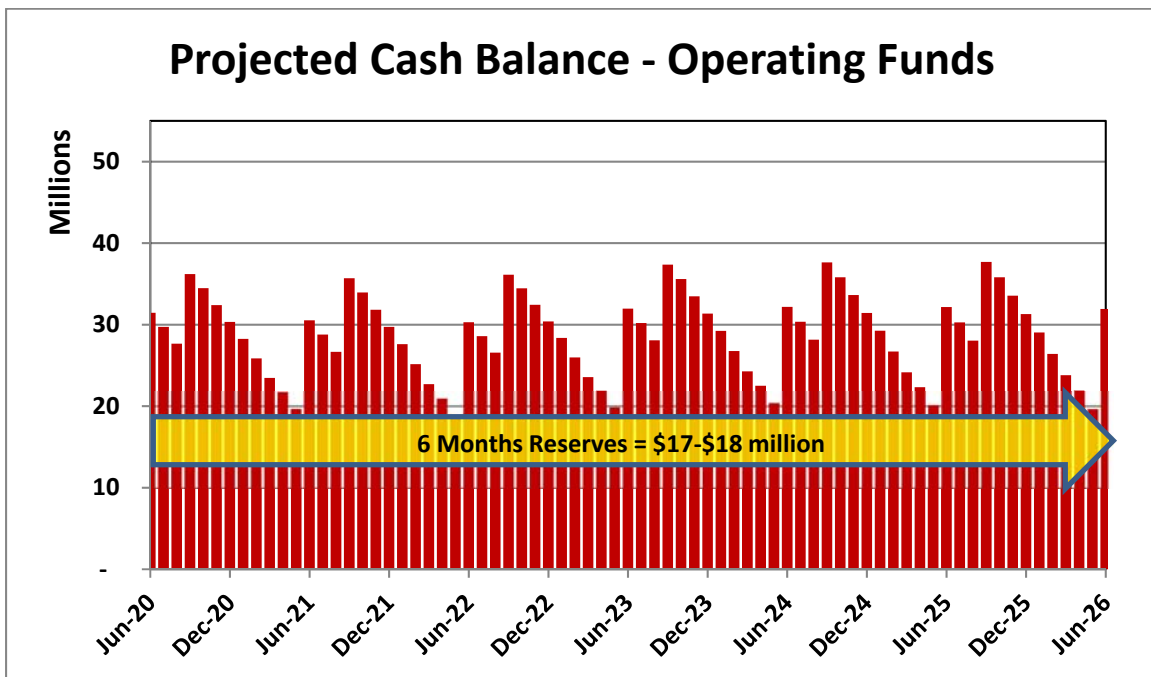
Note: A detailed breakdown of the revenues and expenditures is shown on the Projected Statements of Revenues & Expenditures - Operating Funds at the back of this report

The revenue and expenditure projections form the following projected annual surpluses/deficits for the District. The “Projected Surplus/(Deficit)” 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 abatements and the Capital Projects Fund for capital outlay expenditures. The “Projected Total” column indicates the total of these annual surpluses/deficits and other sources/uses. In other words, it is projected that Lisle School District 202’s revenues and other uses over the next six years, across the operating funds only, will be \$471,000 more than the projected expenditures and other sources over this time period.

Fiscal Year Ending	Projected Surplus/(Deficit)	Projected Other Sources/(Uses)	Projected Total
June 30, 2021	\$828,000	(\$1,744,000)	(\$916,000)
June 30, 2022	\$1,531,000	(\$1,775,000)	(\$244,000)
June 30, 2023	\$2,183,000	(\$500,000)	\$1,683,000
June 30, 2024	\$699,000	(\$500,000)	\$199,000
June 30, 2025	\$491,000	(\$500,000)	(\$9,000)
June 30, 2026	\$258,000	(\$500,000)	(\$242,000)
Total All Years	\$5,990,000	(\$5,519,000)	\$471,000

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, 2021	(\$916,000)	\$19,666,000	\$30,529,000
June 30, 2022	(\$244,000)	\$18,823,000	\$30,285,000
June 30, 2023	\$1,683,000	\$19,854,000	\$31,968,000
June 30, 2024	\$199,000	\$20,379,000	\$32,167,000
June 30, 2025	(\$9,000)	\$20,126,000	\$32,158,000
June 30, 2026	(\$242,000)	\$19,652,000	\$31,916,000

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 2026 cash balance (low point) in the operating funds being approximately 50% 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 sixteen 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% and the State of Illinois often being many months delinquent in their remittance of funds to the District.

Looking ahead, maintaining adequate reserves improves the District’s ability to handle future economic downturns, unfunded mandates, and regulatory changes such as discussions about shifting the State’s pension liability to the local school district. As the buildings age and the District reviews the facility plan for the future, the fund balances may be utilized for the anticipated roof, parking lot, HVAC, electrical, and other infrastructure needs. 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. However, the COVID-19 pandemic has greatly increased the fiscal vulnerability of the State of Illinois which could have a significant long-term impact on local school district finances. 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 the economic downturn.

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 FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Beginning Fund Balances	\$ 18,056,000	\$ 18,326,000	\$ 20,260,000	\$ 21,494,000	\$ 19,929,000	\$ 19,843,000
Revenues:						
Property Taxes	\$ 31,291,000	\$ 31,281,000	\$ 32,348,000	\$ 33,598,000	\$ 34,359,000	\$ 35,143,000
Earnings on Investments	103,000	9,000	19,000	52,000	104,000	100,000
Other Local Sources	617,000	1,158,000	1,176,000	1,044,000	1,063,000	1,082,000
State Sources	2,082,000	2,103,000	2,303,000	2,303,000	2,303,000	2,303,000
Federal Sources	1,281,000	1,680,000	2,297,000	1,139,000	1,139,000	1,139,000
Total	<u>\$ 35,374,000</u>	<u>\$ 36,231,000</u>	<u>\$ 38,143,000</u>	<u>\$ 38,136,000</u>	<u>\$ 38,968,000</u>	<u>\$ 39,767,000</u>
Expenditures:						
Salaries	\$ 18,338,000	\$ 18,735,000	\$ 19,289,000	\$ 19,918,000	\$ 20,617,000	\$ 21,342,000
Employee Benefits	6,278,000	6,357,000	6,499,000	6,662,000	6,826,000	6,958,000
Purchased Services	3,854,000	4,483,000	4,554,000	4,651,000	4,750,000	4,852,000
Supplies & Materials	1,824,000	1,660,000	1,693,000	1,726,000	1,760,000	1,795,000
Capital Outlay	641,000	815,000	583,000	2,400,000	712,000	1,834,000
Other Objects	3,940,000	3,990,000	4,034,000	4,087,000	4,132,000	4,187,000
Non-Cap Equipment	235,000	242,000	242,000	242,000	242,000	242,000
Termination Benefits	-	15,000	15,000	15,000	15,000	15,000
Total	<u>\$ 35,110,000</u>	<u>\$ 36,297,000</u>	<u>\$ 36,909,000</u>	<u>\$ 39,701,000</u>	<u>\$ 39,054,000</u>	<u>\$ 41,225,000</u>
Revenues Over/(Under) Expenditures	<u>\$ 264,000</u>	<u>\$ (66,000)</u>	<u>\$ 1,234,000</u>	<u>\$ (1,565,000)</u>	<u>\$ (86,000)</u>	<u>\$ (1,458,000)</u>
Other Sources/(Uses)	<u>\$ 6,000</u>	<u>\$ 2,000,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Change in Fund Balances	<u>\$ 270,000</u>	<u>\$ 1,934,000</u>	<u>\$ 1,234,000</u>	<u>\$ (1,565,000)</u>	<u>\$ (86,000)</u>	<u>\$ (1,458,000)</u>
Ending Fund Balances	<u><u>\$ 18,326,000</u></u>	<u><u>\$ 20,260,000</u></u>	<u><u>\$ 21,494,000</u></u>	<u><u>\$ 19,929,000</u></u>	<u><u>\$ 19,843,000</u></u>	<u><u>\$ 18,385,000</u></u>

[1] Sale of Tate Woods Elementary School

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

	Estimated FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Beginning Fund Balances	\$ 14,738,000	\$ 13,822,000	\$ 13,578,000	\$ 15,261,000	\$ 15,460,000	\$ 15,451,000
Revenues:						
Property Taxes	\$ 29,151,000	\$ 29,884,000	\$ 30,435,000	\$ 31,164,000	\$ 31,907,000	\$ 32,664,000
Earnings on Investments	89,000	7,000	14,000	36,000	77,000	77,000
Other Local Sources	592,000	1,133,000	1,151,000	1,019,000	1,038,000	1,057,000
State Sources	2,082,000	2,103,000	2,303,000	2,303,000	2,303,000	2,303,000
Federal Sources	1,281,000	1,680,000	2,297,000	1,139,000	1,139,000	1,139,000
Total	<u>\$ 33,195,000</u>	<u>\$ 34,807,000</u>	<u>\$ 36,200,000</u>	<u>\$ 35,661,000</u>	<u>\$ 36,464,000</u>	<u>\$ 37,240,000</u>
Expenditures:						
Salaries	\$ 18,338,000	\$ 18,715,000	\$ 19,268,000	\$ 19,897,000	\$ 20,595,000	\$ 21,319,000
Employee Benefits	5,388,000	5,436,000	5,544,000	5,677,000	5,804,000	5,899,000
Purchased Services	3,850,000	4,454,000	4,549,000	4,646,000	4,745,000	4,847,000
Supplies & Materials	1,824,000	1,660,000	1,693,000	1,726,000	1,760,000	1,795,000
Capital Outlay	266,000	240,000	143,000	145,000	147,000	148,000
Other Objects	2,466,000	2,514,000	2,563,000	2,614,000	2,665,000	2,717,000
Non-Cap Equipment	235,000	242,000	242,000	242,000	242,000	242,000
Termination Benefits	-	15,000	15,000	15,000	15,000	15,000
Total	<u>\$ 32,367,000</u>	<u>\$ 33,276,000</u>	<u>\$ 34,017,000</u>	<u>\$ 34,962,000</u>	<u>\$ 35,973,000</u>	<u>\$ 36,982,000</u>
Revenues Over/(Under) Expenditures	<u>\$ 828,000</u>	<u>\$ 1,531,000</u>	<u>\$ 2,183,000</u>	<u>\$ 699,000</u>	<u>\$ 491,000</u>	<u>\$ 258,000</u>
Other Sources/(Uses)	<u>\$ (1,744,000)</u> [1]	<u>\$ (1,775,000)</u> [2]	<u>\$ (500,000)</u> [3]	<u>\$ (500,000)</u> [3]	<u>\$ (500,000)</u> [3]	<u>\$ (500,000)</u> [3]
Net Change in Fund Balances	<u>\$ (916,000)</u>	<u>\$ (244,000)</u>	<u>\$ 1,683,000</u>	<u>\$ 199,000</u>	<u>\$ (9,000)</u>	<u>\$ (242,000)</u>
Ending Fund Balances	<u>\$ 13,822,000</u>	<u>\$ 13,578,000</u>	<u>\$ 15,261,000</u>	<u>\$ 15,460,000</u>	<u>\$ 15,451,000</u>	<u>\$ 15,209,000</u>

[1] Includes transfers of \$1 million from the Ed Fund to the Debt Services Fund for bond abatement and \$750,000 from O&M to Capital Projects for the capital improvement plan.

[2] Includes transfers of \$525,000 from the Ed Fund to the Debt Services Fund for bond abatement and \$1.25 million from Ed to Capital Projects for the capital improvement plan.

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

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
	FY2021										
Beginning Fund Balances	\$ 2,674,000	[1]	\$ 3,057,000		\$ 5,708,000		\$ 5,772,000		\$ 4,031,000		\$ 3,991,000
Revenues:											
Property Taxes	\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Earnings on Investments	8,000		1,000		4,000		14,000		25,000		20,000
Other Local Sources	-		-		-		-		-		-
State Sources	-		-		-		-		-		-
Federal Sources	-		-		-		-		-		-
Total	<u>\$ 8,000</u>		<u>\$ 1,000</u>		<u>\$ 4,000</u>		<u>\$ 14,000</u>		<u>\$ 25,000</u>		<u>\$ 20,000</u>
Expenditures:											
Salaries	\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Employee Benefits	-		-		-		-		-		-
Purchased Services	-		25,000		-		-		-		-
Supplies & Materials	-		-		-		-		-		-
Capital Outlay	375,000		575,000		440,000		2,255,000		565,000		1,686,000
Other Objects	-		-		-		-		-		-
Non-Cap Equipment	-		-		-		-		-		-
Termination Benefits	-		-		-		-		-		-
Total	<u>\$ 375,000</u>		<u>\$ 600,000</u>		<u>\$ 440,000</u>		<u>\$ 2,255,000</u>		<u>\$ 565,000</u>		<u>\$ 1,686,000</u>
Revenues Over/(Under) Expenditures	<u>\$ (367,000)</u>		<u>\$ (599,000)</u>		<u>\$ (436,000)</u>		<u>\$ (2,241,000)</u>		<u>\$ (540,000)</u>		<u>\$ (1,666,000)</u>
Other Sources/(Uses)	<u>\$ 750,000</u>	[1]	<u>\$ 3,250,000</u>	[2]	<u>\$ 500,000</u>	[3]	<u>\$ 500,000</u>	[3]	<u>\$ 500,000</u>	[3]	<u>\$ 500,000</u>
Net Change in Fund Balances	<u>\$ 383,000</u>		<u>\$ 2,651,000</u>		<u>\$ 64,000</u>		<u>\$ (1,741,000)</u>		<u>\$ (40,000)</u>		<u>\$ (1,166,000)</u>
Ending Fund Balances	<u><u>\$ 3,057,000</u></u>		<u><u>\$ 5,708,000</u></u>		<u><u>\$ 5,772,000</u></u>		<u><u>\$ 4,031,000</u></u>		<u><u>\$ 3,991,000</u></u>		<u><u>\$ 2,825,000</u></u>

[1] Transfer from the O&M Fund to the Capital Projects Fund for the capital improvement plan.

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

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

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

	FY2021				FY2022				FY2023			
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))	13,822,971.49	0.429	Weight	0.35	13,559,541.17	0.396	Weight	0.35	15,220,787.89	0.420	Weight	0.35
Total Sum of Direct Revenues (Funds 10, 20, 40, & 70)	32,195,194.00		Value	1.40	34,281,980.98		Value	1.40	36,199,307.68		Value	1.40
Less: Operating Debt Pledged to Other Funds (Minus Funds 10 & 20)	(1,000,000.00)				(525,000.00)				0.00			
2. Expenditures to Revenue Ratio:	Total	Ratio	Score	3	Total	Ratio	Score	4	Total	Ratio	Score	4
Total Sum of Direct Expenditures (Funds 10, 20 & 40)	32,366,225.51	1.005	Adjustment	0	33,275,411.29	0.971	Adjustment	0	34,017,324.96	0.940	Adjustment	0
Total Sum of Direct Revenues (Funds 10, 20, 40, & 70)	32,195,194.00		Weight	0.35	34,281,980.98		Weight	0.35	36,199,307.68		Weight	0.35
Less: Operating Debt Pledged to Other Funds (Minus Funds 10 & 20)	(1,000,000.00)				(525,000.00)				0.00			
Possible Adjustment:			Value	1.05	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)*	13,822,971.49	153.74	Weight	0.10	13,579,541.17	146.91	Weight	0.10	15,261,523.89	161.51	Weight	0.10
Total Sum of Direct Expenditures (Funds 10, 20, 40 divided by 360)	89,906.18		Value	0.30	92,431.70		Value	0.30	94,492.57		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)	24,774,950.00		Value	0.40	25,397,839.57		Value	0.40	25,865,798.07		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	87.34	Weight	0.10	10,560,000.00	88.84	Weight	0.10	9,535,000.00	90.28	Weight	0.10
Total Long-Term Debt Allowed (EAV x 13.8%)	91,217,112.80		Value	0.40	94,626,925.09		Value	0.40	98,164,200.53		Value	0.40
	Total Profile Score: 3.55				Total Profile Score: 3.90				Total Profile Score: 3.90			
Estimated Financial Profile Designation:	<u>RECOGNITION</u>				<u>RECOGNITION</u>				<u>RECOGNITION</u>			

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

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

	FY2024				FY2025				FY2026			
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))	15,398,994.60	0.432	Weight	0.35	15,367,482.59	0.421	Weight	0.35	15,104,113.18	0.406	Weight	0.35
Total Sum of Direct Revenues (Funds 10, 20, 40, & 70)	35,660,924.60		Value	1.40	36,463,594.33		Value	1.40	37,240,916.83		Value	1.40
Less: Operating Debt Pledged to Other Funds (Minus Funds 10 & 20)	0.00				0.00				0.00			
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)	34,961,218.80	0.980	Adjustment	0	35,972,816.09	0.987	Adjustment	0	36,981,175.70	0.993	Adjustment	0
Total Sum of Direct Revenues (Funds 10, 20, 40, & 70)	35,660,924.60		Weight	0.35	36,463,594.33		Weight	0.35	37,240,916.83		Weight	0.35
Less: Operating Debt Pledged to Other Funds (Minus Funds 10 & 20)	0.00				0.00				0.00			
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)*	15,461,229.69	159.20	Weight	0.10	15,452,007.93	154.63	Weight	0.10	15,211,749.05	148.08	Weight	0.10
Total Sum of Direct Expenditures (Funds 10, 20, 40 divided by 360)	97,114.50		Value	0.30	99,924.49		Value	0.30	102,725.49		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)	26,485,157.19		Value	0.40	27,116,656.51		Value	0.40	27,760,532.02		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	91.69	Weight	0.10	7,325,000.00	93.06	Weight	0.10	6,135,000.00	94.40	Weight	0.10
Total Long-Term Debt Allowed (EAV x 13.8%)	101,833,703.85		Value	0.40	105,640,377.89		Value	0.40	109,589,350.28		Value	0.40
	Total Profile Score: 3.90				Total Profile Score: 3.90				Total Profile Score: 3.90			
Estimated Financial Profile Designation:	<u>RECOGNITION</u>				<u>RECOGNITION</u>				<u>RECOGNITION</u>			

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

Lisle Community Unit School District 202

Historical Performance

ALL FUNDS

	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020[^]</u>
Revenues:					
Property Taxes	\$ 29,308,671	\$ 29,263,552	\$ 29,965,229	\$ 28,211,184	\$ 29,938,693
Earnings on Investments	117,298	229,173	391,769	986,610	827,575
Other Local Sources	1,287,402	1,312,741	1,229,552	1,168,475	1,072,987
State Sources [1]	2,502,512	2,119,925	2,468,335	2,445,137	2,545,319
Federal Sources [2]	1,038,262	1,059,039	1,088,093	1,021,658	1,003,192
Total	<u>\$ 34,254,145</u>	<u>\$ 33,984,430</u>	<u>\$ 35,142,978</u>	<u>\$ 33,833,064</u>	<u>\$ 35,387,766</u>
Expenditures:					
Salaries	\$ 15,849,174	\$ 16,498,751	\$ 17,266,513	\$ 17,361,820	\$ 17,598,333
Employee Benefits	5,551,661	5,722,969	6,077,173	5,916,934	6,092,469
Purchased Services	3,740,142	3,800,412	4,004,832	4,490,382	3,783,577
Supplies & Materials	1,478,256	1,492,690	1,400,437	1,293,349	1,144,686
Capital Outlay	1,342,357	782,129	3,798,519	25,297,030	6,157,474
Other Objects	3,865,684 [3]	4,119,311	4,077,822	4,164,364	4,081,237
Non-Cap Equipment	341,497	279,958	135,411	294,807	159,876
Termination Benefits	27,443	14,470	4,289	12,023	16,496
Total	<u>\$ 32,196,214</u>	<u>\$ 32,710,690</u>	<u>\$ 36,764,996</u>	<u>\$ 58,830,709</u>	<u>\$ 39,034,148</u>
Revenue Over/(Under) Expenditures	<u>\$ 2,057,931</u>	<u>\$ 1,273,740</u>	<u>\$ (1,622,018)</u>	<u>\$ (24,997,645)</u>	<u>\$ (3,646,382)</u>
Other Sources/(Uses)	\$ -	\$ -	\$ 2,000	\$ 14,198,000 [4]	\$ -
Net Change in Fund Balances	<u>\$ 2,057,931</u>	<u>\$ 1,273,740</u>	<u>\$ (1,620,018)</u>	<u>\$ (10,799,645)</u>	<u>\$ (3,646,382)</u>

[^] Accrual basis of accounting

[1] State Sources adjusted to a modified cash basis to better reflect **net collections** of \$82,802, \$152,977, (\$274,619), and (\$10,814) remitted by the Illinois State Board of Education in the subsequent fiscal year for FY2016 thru FY2019, respectively.

[2] Federal Sources adjusted to a modified cash basis to better reflect **net collections** of \$96,194, (\$44,530), \$46,469, and (\$39,649) remitted in the subsequent fiscal year for FY2016 thru FY2019, respectively.

[3] Does not include debt service "expenditures" of \$3,345,000 related to Series 2015 Bond refunding.

[4] Issuance of Series 2019 Bonds

Lisle Community Unit School District 202

Historical Performance

OPERATING FUNDS

	FY2016	FY2017	FY2018	FY2019	FY2020 [^]
Revenues:					
Property Taxes	\$ 26,979,298	\$ 26,946,202	\$ 27,667,354	\$ 26,192,526	\$ 28,037,101
Earnings on Investments	111,904	195,213	260,418	757,451	707,191
Other Local Sources	1,261,940	1,287,061	1,204,859	1,143,177	1,047,831
State Sources	[1] 2,502,512	2,119,925	2,468,335	2,445,137	2,545,319
Federal Sources	[2] 1,038,262	1,059,039	1,088,093	1,021,658	1,003,192
Total	<u>\$ 31,893,916</u>	<u>\$ 31,607,440</u>	<u>\$ 32,689,059</u>	<u>\$ 31,559,949</u>	<u>\$ 33,340,634</u>
Expenditures:					
Salaries	\$ 15,849,174	\$ 16,498,751	\$ 17,266,513	\$ 17,361,820	\$ 17,598,333
Employee Benefits	4,749,894	4,899,171	5,241,824	5,082,781	5,231,417
Purchased Services	3,707,089	3,797,293	3,998,584	4,204,949	3,711,077
Supplies & Materials	1,478,256	1,492,690	1,400,437	1,293,349	1,144,686
Capital Outlay	1,342,357	346,371	79,113	68,062	149,763
Other Objects	2,418,686	2,587,852	2,556,150	2,483,159	2,021,635
Non-Cap Equipment	341,497	279,958	135,411	294,807	159,876
Termination Benefits	27,443	14,470	4,289	12,023	16,496
Total	<u>\$ 29,914,396</u>	<u>\$ 29,916,556</u>	<u>\$ 30,682,321</u>	<u>\$ 30,800,950</u>	<u>\$ 30,033,283</u>
Revenue Over/(Under) Expenditures	<u>\$ 1,979,520</u>	<u>\$ 1,690,884</u>	<u>\$ 2,006,738</u>	<u>\$ 758,999</u>	<u>\$ 3,307,351</u>
Other Sources/(Uses)	\$ (5,037,000) [3]	\$ (11,040,000) [3]	\$ (35,000)	\$ (7,794,000) [3]	\$ (2,819,000) [3]
Net Change in Fund Balances	<u>\$ (3,057,480)</u>	<u>\$ (9,349,116)</u>	<u>\$ 1,971,738</u>	<u>\$ (7,035,001)</u>	<u>\$ 488,351</u>

[^] Accrual basis of accounting

[1] State Sources adjusted to a modified cash basis to better reflect **net collections** of \$82,802, \$152,977, (\$274,619), and (\$10,814) remitted by the Illinois State Board of Education in the subsequent fiscal year for FY2016 thru FY2019, respectively.

[2] Federal Sources adjusted to a modified cash basis to better reflect **net collections** of \$96,194, (\$44,530), \$46,469, and (\$39,649) remitted in the subsequent fiscal year for FY2016 thru FY2019, respectively.

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

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

Operating Fund Balance Review

FY2021				
	Fund Balance (Early Taxes Deferred) 6/30/2021	Adjustments	Adjusted Fund Balance 6/30/2021	Total Expenditures FY2021
Educational Fund	\$ 9,628,455	\$ -	\$ 9,628,455	\$ 27,950,699
Operations & Maintenance Fund	\$ 980,503	\$ -	\$ 980,503	\$ 2,880,997
Transportation Fund	\$ 2,404,820	\$ -	\$ 2,404,820	\$ 1,534,530
Working Cash Fund	\$ 809,193	\$ -	\$ 809,193	\$ -
Totals	\$ 13,822,971	\$ -	\$ 13,822,971	\$ 32,366,226
Fund Balance % or Days of Annual Operating Expenditures			43%	153

FY2022				
	Fund Balance (Early Taxes Deferred) 6/30/2022	Adjustments	Adjusted Fund Balance 6/30/2022	Total Expenditures FY2022
Educational Fund	\$ 9,959,735	\$ -	\$ 9,959,735	\$ 28,296,761
Operations & Maintenance Fund	\$ 958,870	\$ -	\$ 958,870	\$ 2,978,532
Transportation Fund	\$ 1,847,162	\$ -	\$ 1,847,162	\$ 2,000,119
Working Cash Fund	\$ 813,774	\$ -	\$ 813,774	\$ -
Totals	\$ 13,579,541	\$ -	\$ 13,579,541	\$ 33,275,411
Fund Balance % or Days of Annual Operating Expenditures			41%	146

FY2023				
	Fund Balance (Early Taxes Deferred) 6/30/2023	Adjustments	Adjusted Fund Balance 6/30/2023	Total Expenditures FY2023
Educational Fund	\$ 11,994,028	\$ -	\$ 11,994,028	\$ 29,015,103
Operations & Maintenance Fund	\$ 988,136	\$ -	\$ 988,136	\$ 2,954,314
Transportation Fund	\$ 1,460,921	\$ -	\$ 1,460,921	\$ 2,047,908
Working Cash Fund	\$ 818,439	\$ -	\$ 818,439	\$ -
Totals	\$ 15,261,524	\$ -	\$ 15,261,524	\$ 34,017,325
Fund Balance % or Days of Annual Operating Expenditures			45%	161

FY2024				
	Fund Balance (Early Taxes Deferred) 6/30/2024	Adjustments	Adjusted Fund Balance 6/30/2024	Total Expenditures FY2024
Educational Fund	\$ 12,684,673	\$ -	\$ 12,684,673	\$ 29,875,009
Operations & Maintenance Fund	\$ 901,429	\$ -	\$ 901,429	\$ 2,989,364
Transportation Fund	\$ 1,051,911	\$ -	\$ 1,051,911	\$ 2,096,846
Working Cash Fund	\$ 823,216	\$ -	\$ 823,216	\$ -
Totals	\$ 15,461,230	\$ -	\$ 15,461,230	\$ 34,961,219
Fund Balance % or Days of Annual Operating Expenditures			44%	159

FY2025				
	Fund Balance (Early Taxes Deferred) 6/30/2025	Adjustments	Adjusted Fund Balance 6/30/2025	Total Expenditures FY2025
Educational Fund	\$ 13,195,105	\$ -	\$ 13,195,105	\$ 30,759,768
Operations & Maintenance Fund	\$ 809,229	\$ -	\$ 809,229	\$ 3,066,088
Transportation Fund	\$ 619,568	\$ -	\$ 619,568	\$ 2,146,961
Working Cash Fund	\$ 828,106	\$ -	\$ 828,106	\$ -
Totals	\$ 15,452,008	\$ -	\$ 15,452,008	\$ 35,972,816
Fund Balance % or Days of Annual Operating Expenditures			43%	154

FY2026				
	Fund Balance (Early Taxes Deferred) 6/30/2026	Adjustments	Adjusted Fund Balance 6/30/2026	Total Expenditures FY2026
Educational Fund	\$ 13,511,804	\$ -	\$ 13,511,804	\$ 31,637,850
Operations & Maintenance Fund	\$ 707,913	\$ -	\$ 707,913	\$ 3,145,046
Transportation Fund	\$ 158,919	\$ -	\$ 158,919	\$ 2,198,280
Working Cash Fund	\$ 833,113	\$ -	\$ 833,113	\$ -
Totals	\$ 15,211,749	\$ -	\$ 15,211,749	\$ 36,981,176
Fund Balance % or Days of Annual Operating Expenditures			41%	148

FACILITIES PLAN SUMMARY

DISTRICT 202



10-Year Plan Summary By Building							
Description	FY2021	FY2022	FY2023	FY2024	FY2025	FY26-30	Total
Lisle Sr High	-	\$825,000	\$390,000	-	\$565,000	\$2,235,000	\$4,015,000
Lisle Jr High	\$50,000	-	50,000	\$1,855,000	-	339,000	2,294,000
Wilde Field	-	-	-	-	-	1,686,000	1,686,000
Lisle Elem	100,000	-	-	-	-	-	100,000
Schiesher	-	-	-	400,000	-	-	400,000
Total	\$150,000	\$825,000	\$440,000	\$2,255,000	\$565,000	\$4,260,000	\$8,495,000

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 26, 2021

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
- Balanced budget in the operating funds
- Fund Balance aligns with policy
- Resources set aside for basic capital improvements
- COVID-19 Impact



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

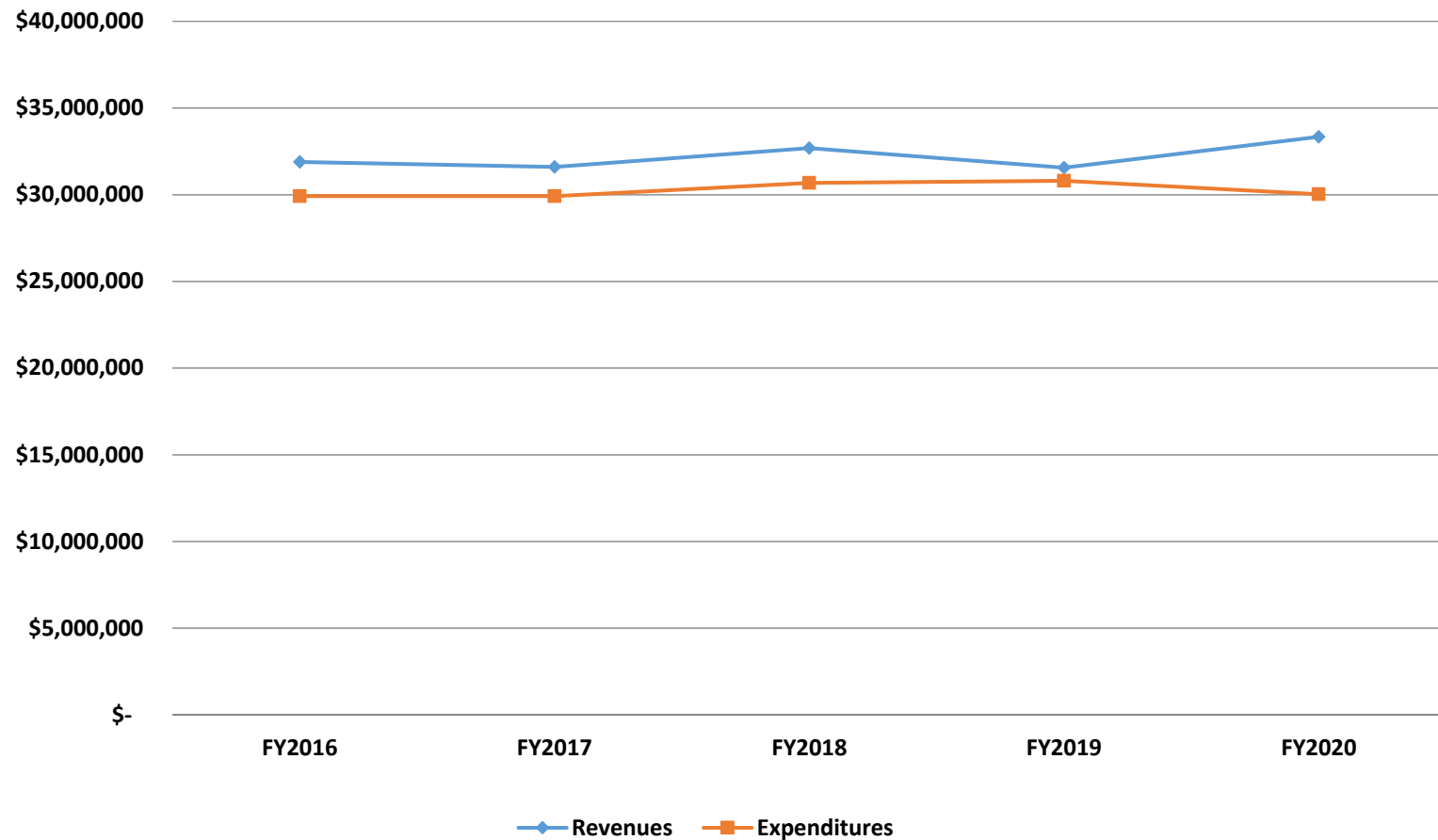
Non-operating Funds:

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



Historical Financial Results

OPERATING FUNDS

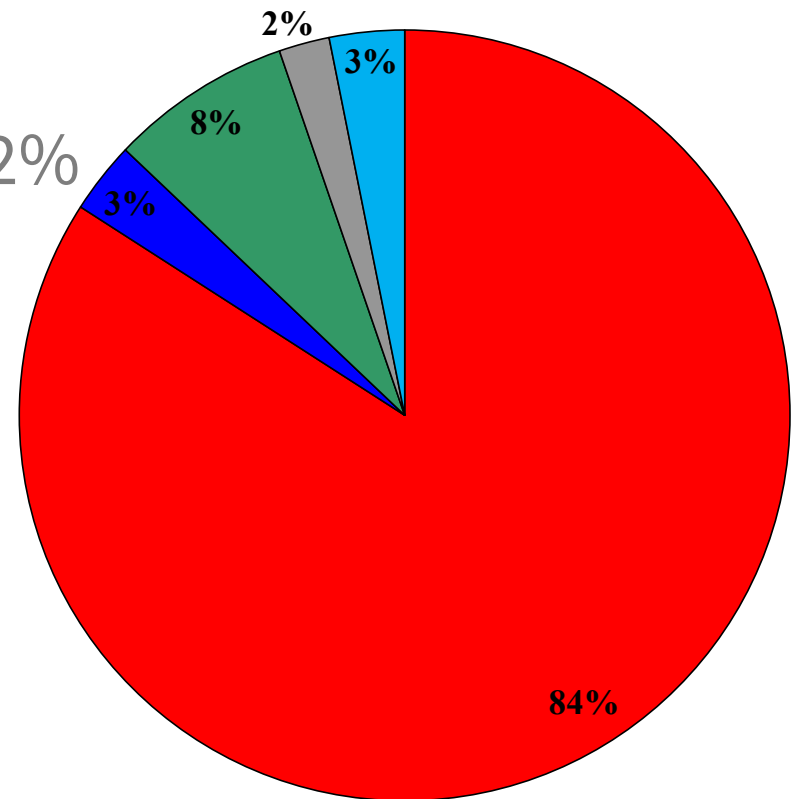


Note – Excludes Other Sources/(Uses) consisting of \$26.6 million dollars of transfers to non-operating funds.

Historical Financial Results

REVENUE - FY2020 - OPERATING FUNDS

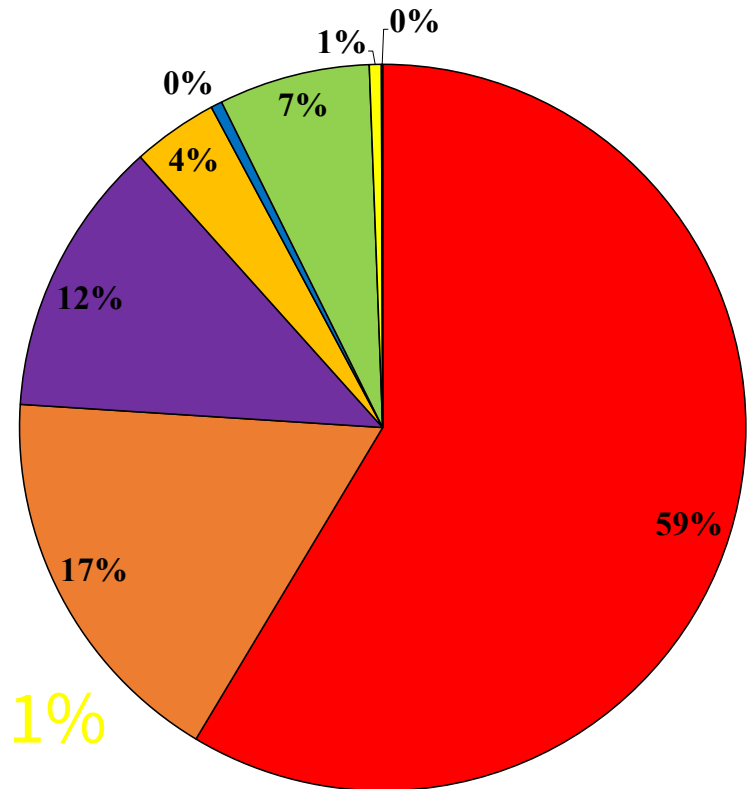
- Property Taxes – 84%
- Earnings on Investment – 2%
- Other Local Sources – 3%
- State Sources – 8%
- Federal Sources – 3%



Historical Financial Results

EXPENDITURES - FY2020 - OPERATING FUNDS

- Salaries – 59%
- Employee Benefits – 17%
- Purchased Services – 12%
- Supplies & Materials – 4%
- 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)
- 5 Year Average = 2.0%
- 10 Year Average = 1.8%

Tax Levy Year Projection

- ✓ 2021 1.4% (2020 CPI)
- ✓ 2022-2026 2.0% (5 Year Average)



Projection Assumptions

Revenue - Property Taxes - New Property

HISTORICAL NEW PROPERTY EQUALIZED ASSESSED VALUE	
2016	\$1,855,700
2017	\$2,087,137
2018	\$3,094,890
2019	\$6,588,360
2020	\$5,840,740

Historical New Property:

- 5 Yr Average = \$3,900,000
- 10 Yr Average = \$4,500,000

Projection		
Tax Year	New EAV	New Taxes
2021-2026	\$2,925,000	\$138,000/yr

Projection Assumptions

Revenue

Earnings on Investments

- Ranges from .05% to .5%
- Interest rates have dropped precipitously

State Sources

- Remain mostly flat

Federal Sources

- Elementary and Secondary School Emergency Relief Funds (ESSER) = \$1.7 million



Projection Assumptions

Expenses

Salaries

- Certified employment contract:
 - 3% increase for FY2022
 - Expires at the end of FY2022
 - 10 Year Average Increases = 3.6%
- Classified employment contract:
 - Expires at the end of FY2021
 - 10 Year Average Increases = 3.7%
- 2021 Staffing Plan and retiree savings



Note: 1% Difference is approximately \$185k Compounded Annually

Projection Assumptions

Expenses

Employee Benefits

- FY2021 decrease of 2% (PPO = .9%, HMO = -4.9%)
- Increase of 2% (10 Year Average)

Purchased Services

- COVID-19 Fluctuations – Food Service & Transportation

Other Objects

- Ups and downs of private placement tuition
- Increase by 2% - CPI 5-yr average



Projection Assumptions

Expenses

Capital Outlay

Fiscal Year	Base Expenditures	Construction Projects	Total
FY2022	\$190,000	\$625,000	\$815,000
FY2023	\$143,000	\$440,000	\$583,000
FY2024	\$145,000	\$2,255,000	\$2,400,000
FY2025	\$147,000	\$565,000	\$712,000
FY2026	\$148,000	\$1,686,000	\$1,834,000

Projected Financial Results

OPERATING FUNDS

Amounts in Millions

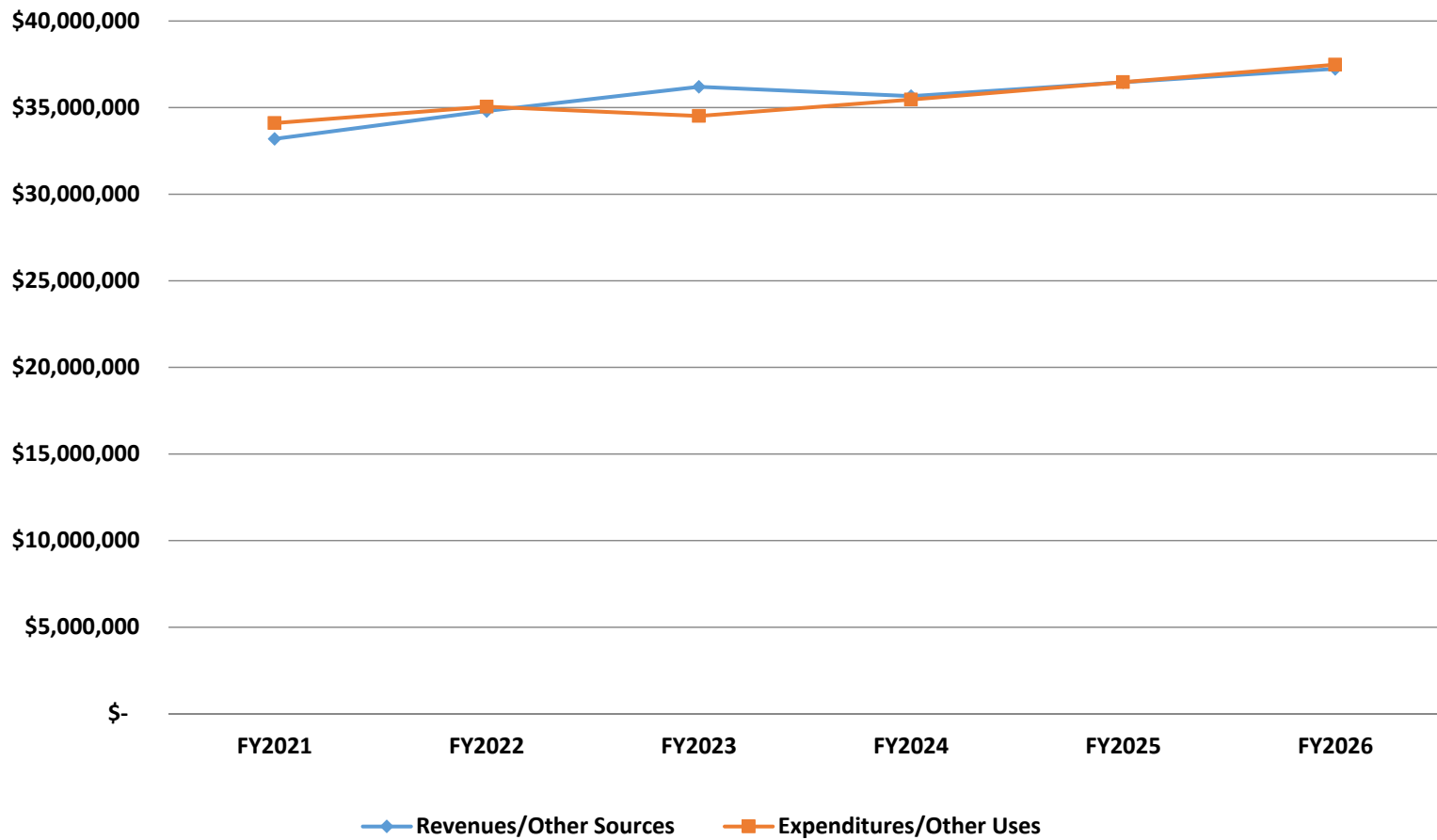


	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Revenues	\$33.2	\$34.8	\$36.2	\$35.7	\$36.5	\$37.2
Expenditures	\$32.4	\$33.3	\$34.0	\$35.0	\$36.0	\$36.9
Excess/(Deficiency)	\$0.8	\$1.5	\$2.2	\$0.7	\$0.5	\$0.3
Other Sources/(Uses)	(\$1.7)	(\$1.8)	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)
Net Change	(\$0.9)	(\$0.3)	\$1.7	\$0.2	\$0	(\$0.2)

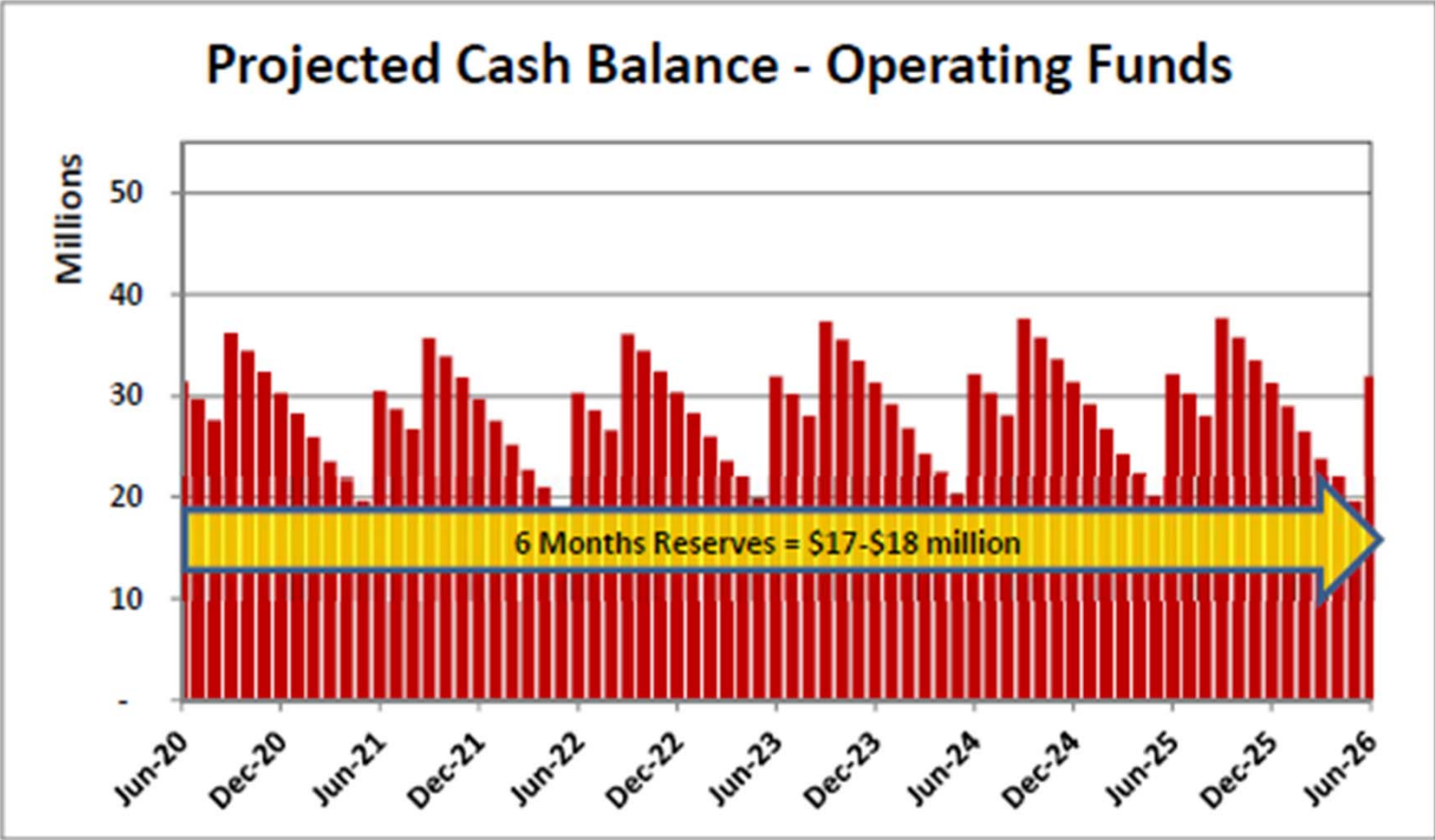


Cumulative Net Change = \$500,000

Projected Financial Results OPERATING FUNDS



Projected Cash Balances OPERATING FUNDS



Looking Ahead

- Sale of Tate Woods Elementary
- Schiesher Elementary School
- Facility Needs Improvements
- Lisle Jr High Enhancements
- Shift of State Pension Obligation
- Property Tax Freeze
- CPI & New Property



Questions?

