

LISLE COMMUNITY UNIT SCHOOL DISTRICT 202
BOARD ROOM
5211 CENTER AVENUE
LISLE, ILLINOIS 60532
Finance Committee Meeting
February 28, 2022
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 in the Board Room and the Junior High Auditorium. Capacity will be limited based on social distancing guidelines.

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

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

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

AGENDA

1. Call to Order
2. Public Comment
3. Minutes from the January 24, 2022 Finance Committee Meeting 2
4. Audit Services Proposal
5. Skyward Business Software Agreement Renewal
6. Transportation Agreement Extensions 4
7. 2021 Real Estate Tax Levy - Debt Service Abatement 6
8. Student Fees for 2022-2023 School Year 9
9. Agenda Topics for Future Meetings
10. Adjournment

LISLE COMMUNITY UNIT SCHOOL DISTRICT NO. 202
BOARD OF EDUCATION
FINANCE COMMITTEE MINUTES
JANUARY 24, 2022

Record of minutes of the Finance Committee of the Whole Meeting of the Board of Education of Lisle Community Unit School District No. 202, DuPage County, Illinois, which was held in the Board Room of the Administrative Office, 5211 Center Avenue, Lisle, Illinois on January 24, 2022.

The meeting was called to order at 7:00 p.m. by Chairperson McConville.

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

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

Public Comment

None

Minutes from the December 20, 2021 Finance Committee Meeting

The minutes from the December 20, 2021 Finance Committee meeting were reviewed. Those present came to a consensus that the minutes accurately reflect the meeting's discussion.

TRS Supplemental Savings Plan (SSP) Employer Participation

In order to comply with Illinois School Pension Code requiring TRS to offer an optional defined contribution benefit (Sec 457 plan), Administration recommends adopting the TRS SSP and the SSP Employer Participation Agreement. TRS has contracted with Voya Financial to develop and offer the Section 457 plan. While Lisle District 202 already offers a Section 457 plan, TRS is asking all school districts to adopt the prototype plan. The District's legal counsel also recommends that the District move forward in adopting the plan. Board Members present agreed with the recommendation to adopt the TRS Supplemental Savings Plan (SSP) Agreement, as presented, at the next Regular School Board Meeting.

Investment Concentration & Collateral Report

Mr. Wilkinson presented and discussed the Investment Concentration and Collateral Report for the quarter ending December 31, 2021. PMA Financial Network continues to perform a weekly search for worthy investments complying with our investment policy. Administration will continue to work with PMA to identify investment opportunities that comply with Board Policy 4:30 Revenues and Investments. No further action is needed at this time.

Quarterly Financial Update

Administration provided an executive summary of financial results for the second quarter of FY2022 on the accrual basis of accounting. No further action is necessary at this time.

FY2022 School Maintenance Project Grant Update

Administration reported that Lisle District 202 was awarded a grant of \$50,000 that will go towards the Lisle Senior High roofing project this summer. The Finance Committee expressed their gratitude for the Administration's efforts in identifying and applying for the grant. No further action is needed at this time.

Special Use Permit Update - Tate Woods School

Administration shared that the Village of Lisle Board overturned the Mayor's veto and approved the Tate Woods School Special Use Permit. Next steps include working with engineers to meet lot coverage requirements and installation of fencing before Kindi takes occupancy of the building. The Finance Committee commended Administration's collaboration with Kindi Academy and the Village to obtain the Special Use Permit. No further action is necessary at this time.

Agenda Topics for Future Finance Committee Meetings

- Village of Lisle - Impact of TIF on the School District
- Facility Master Planning Committee will be meeting

Adjournment

At 7:20 p.m. by Ms. Ahlmann and Mr. Helderle

FOR DISCUSSION

**Lisle Community Unit School District 202
Finance Committee Meeting
February 28, 2022**

SUBJECT: Transportation Agreement Extensions

BACKGROUND DATA: Section 5/29-6.1 of the Illinois School Code (105 ILCS 5/29-6.1) provides that a school district may, after exercising two one-year extensions, continue to extend a transportation contract on a year-to-year basis provided no timely request to go out to bid has been received from another contractor.

The current one-year extensions with both Westway Coach and Sunrise Transportation expire at the end of the 2021-2022 school year. No other parties have expressed interest in becoming the District’s transportation providers. As a result, the Administration would like to extend the contracts with Westway Coach and Sunrise for the 2022-2023 school year.

Westway Coach is asking for a 10% increase for all regular routes and a 4% increase for field trips/co-curricular charters. Sunrise requested a 15% increase for special education transportation for next school year. Subsequent conversations among the SASSED member districts resulted in an incentive based fee structure subject to route performance metrics. The following table illustrates proposed increases based on the percentage of requested routes successfully served for each district:

Performance Range	Billing Increase
70% or Less	0% increase
70.1% - 79.9%	7% increase
80.0% - 89.9%	10% increase
90.0% - 99.9%	12% increase
100%	15% increase

Key factors influencing the requests of both providers include the following:

Labor Shortage – Driver wages are increasing by double digits to retain existing drivers, attract more applicants, and remain competitive amidst the nationwide bus driver shortage. Sign on bonuses of several thousand dollars are also becoming common in the industry in an attempt to attract more qualified drivers.

Insurance – Liability insurance costs have been sky rocketing in the transportation industry over the past few years due to escalating claims from lawsuits, fires, floods, and trucking accidents. Excess liability carriers are leaving the industry leading to less competition and double digit increases from those companies still in the market.

Inflation – The cost to purchase new vehicles and fleet maintenance costs have increased significantly as supply chain issues create inflationary pressures.

A 10% increase in the cost of regular routes is approximately \$100,000, with the state reimbursing the District for approximately 30% of the expenditures. Charters increasing by 4% would add approximately \$4,000 to the District's athletic and field trip transportation budgets.

The cost of special education transportation could potentially increase by \$80,000-\$100,000 for SY22-23 depending on Sunrise's level of performance. Approximately 80% of the increase would be offset by state reimbursement.

While no formal action is requested at the meeting, the Administration will share additional information and solicit the Finance Committee's feedback on how to proceed with the transportation contract extensions.

FOR DISCUSSION

Lisle Community Unit School District 202 Finance Committee Meeting February 28, 2022

SUBJECT: 2021 Real Estate Tax Levy Abatement

BACKGROUND DATA: The 2021 bond and interest levy of \$1,496,250 was established at issuance of the Series 2019 Bonds. The bond and interest amount is levied by the County Clerk unless the District files a tax abatement before the end of March. The Board of Education has the option to abate all or part of the debt service levy if the District has adequate resources to make the required bond payments without the tax levy. Any abatement of the Bond and Interest Levy requires a resolution of the Board that is filed separately with the County Clerk.

During approval of the 2021 Tax Levy, the Finance Committee expressed its desire to consider a \$250,000 debt service abatement once more information was available on the sale of Tate Woods and the Lisle Junior High renovation project. With the special use permit approved by the Village of Lisle, the School District is moving forward with the sale of Tate Woods to Kindi Academy with an anticipated closing date in April 2022. The Administration outlined a possible financing plan for the Lisle Junior High renovation which utilized \$5 million in fund balances and the issuance of \$15 million in bonds for the \$20 million dollar project.

Since approval of the tax levy in December, the 2021 CPI-U came in at 7%. As this figure attests to, and the District is already experiencing, inflation is significantly impacting the cost of goods and services. Labor shortages are driving wages hire as the District heads into negotiations with both unions. Transportation costs are expected to increase by double digits next school year. The upcoming insurance renewal is predicted to increase by close to 10%. Based on these inflationary pressures, the Administration recommends **no abatement** of the bond and interest levy at this time.

Included in BoardBooks is a summary of the two options being considered and the potential tax impact on the owner of a \$300,000 home. Also included in BoardBooks is a five year history of the Lisle 202 tax levy.

If directed by the Finance Committee, the Administration will prepare an action item for the March 21st Regular Board Meeting to abate \$250,000 of the bond and interest levy and transfer resources from the Education Fund to make the required payments. The resolution, if approved by the Board, will be filed with the DuPage County Clerk.

Lisle Community Unit School District 202

Tax Levy Scenarios

TAX IMPACT ON EXISTING \$300,000 HOME

	CPI	New Property	Abatement	Total
Option 1: CPI + New Construction	1.4%	0.0%	3.2%	4.6%
	\$66	\$0	\$142	\$208
Option 2: CPI + New Construction - \$250,000 Debt Abatement	1.4%	0.0%	2.4%	3.8%
	\$66	\$0	\$107	\$173

Lisle Community Unit School District 202

Tax Levy History

Tax Levy Year	2016	2017	2018	2019	2020
Consumer Price Index (CPI)	0.7%	2.1%	2.1%	1.9%	2.3%
Tax Levy Increase (Current Homeowner)*	1.0%	2.1%	-0.5%	3.4%	0.2%
	\$50	\$98	(\$24)	\$158	\$8
Bond & Interest Abatement	\$0	\$0	\$580,000	\$300,000	\$1,000,000
					\$1,880,000

* Increases calculated for a \$300,000 home

FOR DISCUSSION

Lisle Community Unit School District No. 202 Finance Committee Meeting February 28, 2022

SUBJECT: Student Fees for School Year 2022-2023

BACKGROUND DATA: Based on the economic impact of the global pandemic, the Board of Education approved suspending student book and supply fees for the 2020-2021 and 2021-2022 school years.

The Administration typically provides a recommended fee schedule for the upcoming school year at the February meeting. Historically, the schedule includes an increase in fees closely tied to the increase in the prior year's Consumer Price Index (CPI). For the calendar year 2021, the CPI increase was 7.0%.

The Administration would appreciate direction from the Committee in advance of formally approving the 2022-2023 fee schedule at the March Board Meeting. In particular,

1. Should student book and supply fees be waived for the 2022-2023 school year?
2. Should fees be increased by CPI?
3. Should a \$25 technology fee be added to the elementary school fees with the move to 1:1 devices? The technology fee increase occurred at the High School in SY2016-2017 and at the Junior High in SY2017-2018 when those schools moved to 1:1 chromebooks.

The School District collects approximately \$185,000 in book and supply fees each year which accounts for less than 1% of total revenues.