



**Verbatim Response Document**

SMALL GROUP WORK ACTIVITY

**SESSION #3**

WEDNESDAY, MARCH 25, 2015

**ACTIVITY**

**TASK #1: FINANCIAL OVERVIEW DISCUSSION**

Reflect on tonight's presentation. Take some time to discuss the Strengths, Weaknesses, Opportunities, and Challenges of Lisle CUSD 202's financial outlook. As a small group, complete the Task #1 Activity Poster on your table focusing on the prompt questions included in each box.

<b>TASK #1- When considering Lisle CUSD 202's financial health and future</b>				
<b>TABLE #</b>	<b>What does your small group see as <u>STRENGTHS</u> of the District's financial outlook?</b>	<b>What does your small group see as <u>WEAKNESSES</u> of the District's financial outlook?</b>	<b>What does your small group see as the District's financial <u>OPPORTUNITIES</u>?</b> <i>For example: student programs, learning resources, staff development, facilities, etc.</i>	<b>What does your small group see as <u>CHALLENGES</u> of the District's financial outlook?</b>
<b># 1</b>	<ul style="list-style-type: none"> <li>*Reserves</li> <li>*Low Debt</li> <li>*Favorable Bond Rating</li> <li>*Sup-has strong financial background</li> </ul>	<ul style="list-style-type: none"> <li>*Factors beyond our control</li> </ul>	<ul style="list-style-type: none"> <li>*Should we payoff bond? What is the rate? Benefits of debt?</li> <li>*There will be <u>opportunities</u> in 2019 w/ bond paid off-facility needs-</li> <li>*Are we using cloud services for tech? Are we cost effective?</li> <li>*Continue professional development</li> <li>*Do we participate in speech and debate-student programs</li> <li>*Social-emotional curriculum district wide</li> <li>*Violence prevention</li> </ul>	<ul style="list-style-type: none"> <li>*Possible facility needs</li> <li>*Community support for decisions made</li> </ul>
<b># 2</b>	<ul style="list-style-type: none"> <li>*Credit rating</li> <li>*Fund balances/cash reserves</li> <li>*Growing revenues</li> <li>*Well financially managed</li> </ul>	<ul style="list-style-type: none"> <li>*Unknown state financials/laws</li> <li>*Facilities-current needs due to age</li> </ul>	<ul style="list-style-type: none"> <li>*manage technologies: web-based/downloads; one-on-one</li> <li>*Staff/Administration education</li> <li>*Financially responsible use of technologies</li> <li>*Other revenue options</li> <li>*Do we run without debt?</li> </ul>	<ul style="list-style-type: none"> <li>*Unknown state financials/laws</li> <li>*Do we renovate/repair/build new</li> <li>*Do we run without debt</li> </ul>
<b># 3</b>	<ul style="list-style-type: none"> <li>*Good financial planning</li> <li>*Bonds will up and we'll be debt</li> </ul>	<ul style="list-style-type: none"> <li>*Being too conservative can affect day to day facility needs.</li> </ul>	<ul style="list-style-type: none"> <li>*Selling the Meadows</li> <li>*Our facilities' future</li> </ul>	<ul style="list-style-type: none"> <li>*Selling the Meadows</li> <li>*Our facilities' future</li> </ul>

## TASK #1- When considering Lisle CUSD 202's financial health and future

TABLE #	What does your small group see as <b>STRENGTHS</b> of the District's financial outlook?	What does your small group see as <b>WEAKNESSES</b> of the District's financial outlook?	What does your small group see as the District's financial <b>OPPORTUNITIES</b> ? <i>For example: student programs, learning resources, staff development, facilities, etc.</i>	What does your small group see as <b>CHALLENGES</b> of the District's financial outlook?
	<ul style="list-style-type: none"> <li>free</li> <li>*Tax Base composition is diverse</li> <li>*Not relying on state funding for high %</li> </ul>	<ul style="list-style-type: none"> <li>*Need to spend the funds on facility needs and requirements</li> </ul>	<ul style="list-style-type: none"> <li>*Refinance</li> </ul>	<ul style="list-style-type: none"> <li>*How to spend # with no regrets or minimal.</li> <li>*Variable costs.</li> </ul>
# 4	<ul style="list-style-type: none"> <li>*Bond rating</li> <li>*Future vision</li> <li>*Good financial management</li> <li>*Maintain current salaries/benefits</li> <li>*Maintaining retention of quality staff</li> <li>*Pooling with other districts</li> <li>*Intergovernmental Agreements</li> </ul>	<ul style="list-style-type: none"> <li>*Reliance on State and Government</li> <li>*Limited new avenues of revenue</li> </ul>	<ul style="list-style-type: none"> <li>*Sponsorship by local business "advertising"</li> <li>*Review costs of benefits – spousal surcharge</li> <li>*Bring back the track</li> </ul>	<ul style="list-style-type: none"> <li>*Retaining quality staff while staying fiscally responsible</li> <li>*Keeping up with unpredictable expenses; i.e. fuel costs</li> </ul>
# 5	<ul style="list-style-type: none"> <li>*Minimal debt</li> <li>*ISBE rating/moody rating</li> <li>*Partnerships to cut/save money</li> </ul>	<ul style="list-style-type: none"> <li>*Future uncertainties-taxes/revenue</li> <li>*Land locked or built out</li> <li>*Legislative factors</li> </ul>	<ul style="list-style-type: none"> <li>*Becoming debt free</li> <li>*Considering new facilities</li> </ul>	<ul style="list-style-type: none"> <li>*Keeping up with technology</li> <li>*Updating facilities</li> <li>*Maintaining higher standards in classroom</li> </ul>
# 6	<ul style="list-style-type: none"> <li>*Financial reserves</li> <li>*Financial health awards</li> <li>*Tax rate</li> <li>*We're <b>NOT</b> dependent on state funding.</li> <li>*Savings of 10% for many years.</li> <li>*Bonds-debt free by 2019</li> </ul>	<ul style="list-style-type: none"> <li>*We have a facility that's not used for education</li> <li>*Land locked-Could district boundaries change to have <b>more</b> Lisle residents attending our schools?</li> <li>*Outdated elementary school buildings</li> <li>*Cost for two principals at K-5 level</li> </ul>	<ul style="list-style-type: none"> <li>*<b>Curriculum</b> Cooperatives between districts-rather than reinventing the wheel ourselves again and again.</li> <li>*Fix or build w/o debt and <b>additional</b> tax dollars.</li> <li>*Support <b>Curriculum</b> and Instruction</li> <li>*We want a vision for funding for <b>this</b> as much as for a facilities discussion.</li> <li>*Professional Development – Conferences - Time</li> </ul>	<ul style="list-style-type: none"> <li>*If reserves are too high, is it possible for state to take them back? (Lose our reserves)*</li> <li>*What's the financial plan for student programs? Going forward?</li> </ul>
# 7	<ul style="list-style-type: none"> <li>*Financial reserves</li> <li>*Timing of debt forgiveness</li> <li>*Intergov't shared resource agreements</li> <li>*Fiscally responsible</li> </ul>	<ul style="list-style-type: none"> <li>*What to do with bldg. needs</li> <li>*Meadows School</li> <li>*Transportation costs</li> <li>*\$12-21K/Student expenses(How compare to other districts)</li> </ul>	<ul style="list-style-type: none"> <li>*Pay off debt prior to 2019 with revenue surplus</li> <li>*Future bond issues</li> <li>*Continue staff education</li> </ul>	<ul style="list-style-type: none"> <li>*Pension fundings</li> <li>*Changes in gov't funding</li> <li>*Economy</li> <li>*High taxes</li> <li>*Size of school district</li> </ul>

**TASK #1- When considering Lisle CUSD 202's financial health and future**

TABLE #	What does your small group see as <b>STRENGTHS</b> of the District's financial outlook?	What does your small group see as <b>WEAKNESSES</b> of the District's financial outlook?	What does your small group see as the District's financial <b>OPPORTUNITIES</b> ? <i>For example: student programs, learning resources, staff development, facilities, etc.</i>	What does your small group see as <b>CHALLENGES</b> of the District's financial outlook?
				<ul style="list-style-type: none"> <li>*High teacher costs</li> <li>*Technology adaptation</li> </ul>
# 8	<ul style="list-style-type: none"> <li>*Money in reserve (surplus)</li> <li>*Debt free in 2019</li> <li>*Continued to only spend what is collected at a local level (since federal/state \$ is unknown)</li> <li>*Sharing costs</li> </ul>	<ul style="list-style-type: none"> <li>*\$8 million debt</li> <li>*Facilities deteriorating</li> <li>*Landlocked community (little opportunity for new business revenue)</li> </ul>	<ul style="list-style-type: none"> <li>*Bringing more commercial revenue since there isn't much land to build residential tax revenue.</li> <li>*Having \$ available for improvements for student learning (technology, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>*How to spend \$ (facilities)</li> <li>*Budgeting for uncertainties (plan for the worst case scenarios?)</li> </ul>
# 9	<ul style="list-style-type: none"> <li>*Current reserves!</li> <li>*Employees watching over our district-the money guy and Keith</li> </ul>	<ul style="list-style-type: none"> <li>*Old buildings</li> <li>*A lot of unknown info.-missing links</li> </ul>	<ul style="list-style-type: none"> <li>*Restructuring facilities-Kindergarten with age appropriate kids.</li> <li>*Hire staff for curriculum development (for Common Core)</li> <li>*Quit taking teachers out of the classroom.</li> </ul>	<ul style="list-style-type: none"> <li>*Hire staff for curriculum development (for Common Core)</li> <li>*Quit taking teachers out of the classroom.</li> <li>*Immediate upkeep of buildings-safety</li> <li>*State of IL</li> </ul>
# 10	<ul style="list-style-type: none"> <li>*Mostly independent of state funding</li> <li>*Strong reserves</li> <li>*Strong Bond Rating</li> </ul>	<ul style="list-style-type: none"> <li>*Inability to predict unexpected revenues and expenditures</li> </ul>	<ul style="list-style-type: none"> <li>*Ability to address facility issues without passing a referendum.</li> <li>*Unused property (Meadows)</li> <li>*Expanding staff and programs (Full Day K., summer school)</li> </ul>	<ul style="list-style-type: none"> <li>*Uncertainty with future student population</li> <li>*Uncertainty with future State contributions</li> <li>*Decision on what to do with available resources/funds</li> </ul>
# 11	<ul style="list-style-type: none"> <li>*Comparative tax rate is low</li> <li>*Debt will be paid off in next 3 years</li> <li>*Time for planning facility modification and making informed decisions about the future</li> </ul>	<p>State:</p> <ul style="list-style-type: none"> <li>*Delayed payment</li> <li>*Potential negative fiscal consequences of bankruptcy</li> </ul> <p>Local:</p> <ul style="list-style-type: none"> <li>*Weak business base (Downtown)</li> <li>*Land locked-No large new businesses projected</li> </ul>	<ul style="list-style-type: none"> <li>*District has ample monetary reserves</li> <li>*Debt will be paid off in next three years</li> <li>*Time for planning facility modification and making informed decisions about the future</li> </ul>	<ul style="list-style-type: none"> <li>*Unknown variable with the state</li> <li>*Where do we put additional learning resources</li> <li>*Staffing costs</li> </ul>

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# 12	<ul style="list-style-type: none"> <li>*Cash reserves</li> <li>*Debt balance</li> <li>*Good bond rating</li> <li>*Low tax rate</li> </ul>	<ul style="list-style-type: none"> <li>*Legislative uncertainty</li> <li>*Funding uncertainty</li> <li>*Percent savings in budget potentially decreasing</li> </ul>	<ul style="list-style-type: none"> <li>*Timing good to decide allocations in the future</li> <li>*Being proactive</li> <li>*Consider on-line course instructions</li> <li>*Consolidating facilities e.g. 1 elementary school</li> </ul>	<ul style="list-style-type: none"> <li>*Legislative uncertainty</li> <li>*State fiscal health poor</li> <li>*CPI</li> <li>*Economic uncertainty in county, state, nationally</li> </ul>
# 13	<ul style="list-style-type: none"> <li>*Debt free in 2019</li> <li>*Saving 10% for past 11 years</li> <li>*One of the lower taxes in DuPage</li> <li>*Excellent Credit Ratings</li> <li>*Proven Community Support</li> </ul>	<ul style="list-style-type: none"> <li>*Financial State of IL</li> <li>*Legislative factors</li> </ul>	<ul style="list-style-type: none"> <li>*Flexibility to maintain programs</li> <li>*Stay competitive with neighboring districts and state-wide initiatives</li> </ul>	<ul style="list-style-type: none"> <li>*Older buildings-maintenance</li> <li>*Keeping up with technology</li> </ul>
# 14	<ul style="list-style-type: none"> <li>*Running surplus</li> <li>*Great bond rating</li> <li>*Coop purchasing</li> <li>*Fiscally conservative/balances</li> </ul>	<ul style="list-style-type: none"> <li>*90% revenue from residence and commercial</li> <li>*Taxes for school exceed CPI</li> <li>*Facilities cost</li> <li>*High cost per student</li> <li>*Pension funding</li> <li>*Illinois legislative</li> </ul>	<ul style="list-style-type: none"> <li>*Take advantage of being debt free</li> <li>*Small school district</li> </ul>	<ul style="list-style-type: none"> <li>*Illinois legislative</li> <li>*Infrastructure aging</li> </ul>
# 15	<ul style="list-style-type: none"> <li>*Debt free in 2019</li> <li>*Positive cash revenues</li> <li>*High ratings</li> <li>*90% of total revenue is local</li> <li>*Current property tax rate is low</li> <li>*Participate in cooperatives and partner with local entities</li> <li>*Continue to attract and keep quality teachers</li> </ul>	<ul style="list-style-type: none"> <li>*Buildings in need of repair</li> <li>*Mobility and low income are on rise</li> </ul>	<ul style="list-style-type: none"> <li>*Have opportunities to make choices about future</li> </ul>	<ul style="list-style-type: none"> <li>*Uncertainty of future</li> <li>*Legislative factors</li> </ul>

## TASK #2: QUESTIONS - MANAGING FINANCIAL RESOURCES

As a small group, discuss the question below. The recorder should enter the group's thoughts on the GREEN Task #2 Activity Sheet located in the center of your table.

- What additional questions do you have about how Lisle CUSD 202 has been managing the community's financial resources?

<b>TASK #2: What additional questions do you have about how Lisle CUSD 202 has been managing the community's financial resources?</b>	
<b>TABLE #</b>	<b>SUGGESTIONS</b>
<b># 1</b>	<ul style="list-style-type: none"> <li>*We wonder if there is an advantage to paying off the bond early?</li> <li>*Are we learning/collaborative with other school districts regarding best financial practices?</li> <li>*Are we missing federal programs/opportunities because we have less federal funding?</li> </ul>
<b># 2</b>	<ul style="list-style-type: none"> <li>*What happens if the state goes bankrupt?</li> <li>*What would happen if state takes money from our district to give other (poorer) districts?</li> </ul>
<b># 3</b>	<ul style="list-style-type: none"> <li>*How many businesses make up the 40% of property taxes – are we relying on just a few companies – are we diversified.</li> <li>*Building up Ogden Ave. and downtown are key.</li> <li>*If we implement full day kindergarten and other programs what are the expenditures associated with that and how will these long term reoccurring expenses be handled?</li> </ul>
<b># 4</b>	<ul style="list-style-type: none"> <li>*Are you able to “pool” insurance benefits for the employees with other agencies?</li> </ul>
<b># 5</b>	<ul style="list-style-type: none"> <li>*What is the District's plan for future loss of funding, i.e., SB16, TRS, ACA, State bankruptcy and how does it affect future spending?</li> </ul>
<b># 6</b>	<ul style="list-style-type: none"> <li>*No Response</li> </ul>
<b># 7</b>	<ul style="list-style-type: none"> <li>*Pay off mortgage early?</li> <li>*Financial position of the Meadows Center?</li> </ul>
<b># 8</b>	<ul style="list-style-type: none"> <li>*Can we run below what we are collecting locally? (Since we cannot depend on state/federal funding) (without sacrificing what we offer to staff/students/community); i.e. if we are collecting 90%, can we spend 80-85%?</li> </ul>
<b># 9</b>	<ul style="list-style-type: none"> <li>*Does the Meadows building pay for itself?</li> <li>*Parking</li> <li>*How much do we spend on subs?</li> <li>*Breakdown of financials for each building?</li> <li>*New building? How will it be financed?</li> <li>*What happens if IL goes bankrupt?</li> </ul>
<b># 10</b>	<ul style="list-style-type: none"> <li>*How are reserves invested, interest earned?</li> </ul>

<b>TASK #2: What additional questions do you have about how Lisle CUSD 202 has been managing the community's financial resources?</b>	
<b>TABLE #</b>	<b>SUGGESTIONS</b>
<b># 11</b>	*No Response
<b># 12</b>	*What are the administrative salary costs? *How do percent of expenditures in Lisle compare with other school districts? *Are there more opportunities for partnership with other intergovernmental services? E.g. have Park District Preschool use same curriculum as school?
<b># 13</b>	*How do we plan to improve the security and to build safety into the front entrances of the schools? What is the back-up plan if we lose revenue to State being unable to fund?
<b># 14</b>	*How does Lisle compare on spending percentage as shown on slide 25? *Impact of TIFs on School District Revenue.
<b># 15</b>	*How does the incorporation status of the different neighborhoods affect finances?
<b># 16</b>	*No Response