

BOARD MEMO – INFORMATION ITEM



PUTNAM COUNTY COMMUNITY UNIT SCHOOL DISTRICT #535

*Providing Foundations Together,
Cultivating Individual Growth*

To: Board of Education

From: Cody Martzluf, Superintendent

Date: Tuesday, September 22, 2026

RE: Finance Committee Meeting

Recommendation: I would like to schedule a finance committee meeting in October to review financing via debt certificates and a preview of the 2026 Levy.

Background:

- I am planning to have John Vezzetti from Bernardi Securities present to the board on the process of issuing debt certificates. Here are some key reminders about debt certificates:
 - **Debt certificates are a financing tool** that allows an Illinois school district to borrow money for capital needs and other lawful district purposes. They generally evidence the district's obligation under an installment purchase or financing arrangement.
 - **They can be used to finance major capital projects**, such as building renovations, additions, facility improvements, roofs, HVAC systems, infrastructure, technology, equipment, and other significant district needs.
 - **There is no separate property-tax levy dedicated specifically to paying debt certificates.** The district must make the principal and interest payments from revenues otherwise legally available to it.
 - As a result, repayment may come from sources such as **operating revenues, fund balances, transfers, Evidence-Based Funding, CPPRT, local revenues, or other legally available district resources**, depending upon the financing structure and applicable restrictions.
 - Debt certificates can be particularly useful when a district has a **significant capital need but does not want or need to pursue a referendum** for additional taxing authority.
 - **In simple terms:** debt certificates allow a school district to **borrow money today for a major project and repay that borrowing over several years from existing district revenues**, rather than imposing a new dedicated property-tax levy.
- As part of the tentative levy preview, I want to remind the Board that the District is expected to see a significant increase in Equalized Assessed Valuation (EAV) this year. A major factor is the second Marquis Energy ethanol plant coming off the enterprise zone, which will add substantial taxable value to the District.
- This increase in EAV will have an important impact on the District's levy and overall property tax base. I will review the preliminary EAV assumptions, the effect on the tentative levy, and what this growth may mean for the District's tax rate and future revenue.
- I recommend scheduling a Finance Committee meeting on Tuesday, October 20, 2026, at 5:30 p.m., approximately one hour before the regular board meeting, if the committee members are available.