Financial Advisory Committee

Friday, October 30, 2026 7:00 AM Central

Downers Grove Civic Center
850 Curtiss Street
Downers Grove, Illinois 60515

1. Opening Items
   - 1.A. Call to Order and Roll Call
2. Approval of Minutes
   - 2.A. Minutes of the October 9, 2026 meeting
3. Discussion Items
   - 3.A. Fund Balance Stabilization
4. Public Comment
5. Adjournment

District 58 Financial Advisory Committee

Minutes of October 9, 2026

The Financial Advisory Committee met on Friday, October 9, 2026 at 7:00 a.m. at the Downers Grove Civic Center.

Call to Order

The meeting was called to order at 7:03 a.m. by Darren Hughes.

Present

Darren Hughes, Steve Olczyk, Kevin Barto, Jason Fugitt, Greg Harris, Michelle Kovar, Kevin Russell, Chris Sagan, Jason Suchy, Craig Young, Nick Brand, Amy Dunbar. Ray Coyne from Oppenheimer attended as a guest.

Absent

Scott Cimo, Tim Curse, Susan Sierakowski, Joe Wojciechowski, Tony Stampfl, Jeffery Villalobos, Laura Stone, Erik Jacobson, Julian Chavez, Boyar Zekiri

Approval of Minutes

Nick Brand moved and Steve Olczyk seconded the motion to approve the minutes from the September 11, 2026 meeting. Motion carried.

Year-to-Date Report

Dr. Harris reviewed the Year-to-Date report, including revenues, expenditures, and fund balances as compared to the budget.

Fund Balance Stabilization

The committee discussed the option of a working cash bond sale under the District's debt service extension base (DSEB) to address low cash points in May-June of each year. The District is looking to build its fund balance to facilitate cash flow throughout the year. The current shortfall is between $6-8 million. Building cash reserves is preferable to taking out short-term tax anticipation warrants. The committee discussed the impact of bonds to taxpayers, which is calculated to be $26 in year 1 on a $500,000 property. The committee also discussed the interest rate environment.

The five-year financial plan will be shared at the next meeting. It will include a comparison of fund balances with and without a working cash bond sale.

An additional meeting is scheduled for October 30, 2026 to continue the discussion around fund balance stabilization and address additional questions from this meeting.

Public Comment

There was no public comment.

Adjournment

Nick Brand moved and Jason Fugitt seconded the motion to adjourn the meeting. Motion carried. The meeting was adjourned at 8:00 a.m.

Downers Grove Grade School District 58

We Envision. We Seek. We Believe.

Financial Advisory Committee

October 30, 2026

Debt Service Extension Base definition

- DSEB = The legal maximum that District 58 can raise from property taxes to pay for principal and interest payments on non-referendum debt
- Approximately ***$1.8 million*** per year
- Grows by CPI annually
- Has been used recently to fund capital projects
  - Lester addition (2018)
  - Pierce Downer roof (2021)

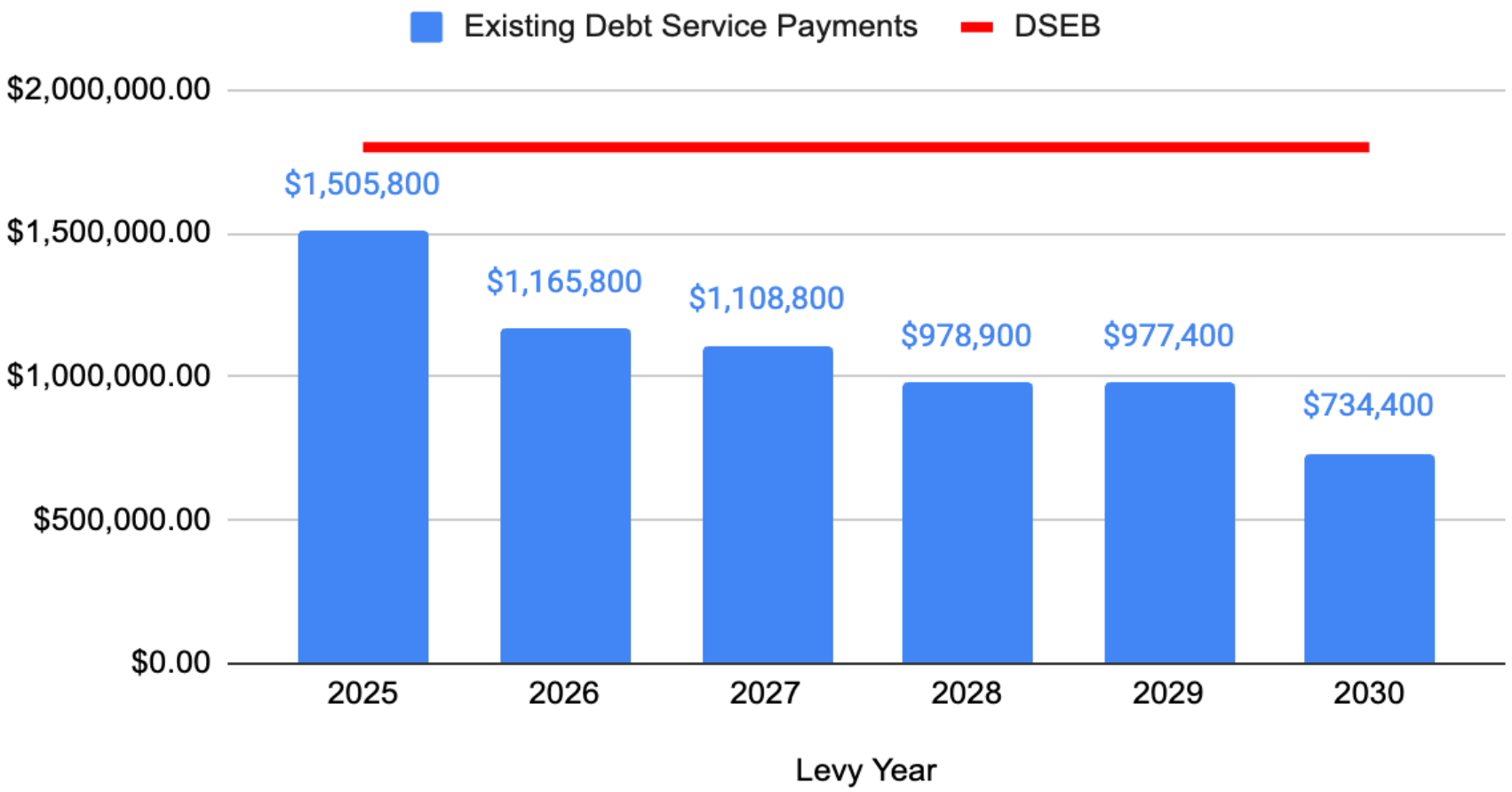
→ If any amount of non-referendum debt would cause the District to have a debt service payment of ***$1.9 million*** in a year, that debt is not a possibility

- DSEB caps total amount of principal the District can borrow
- DSEB dictates repayment timeline, keeping each annual installment at or below the $1.8M ceiling

Debt Service Extension Base - an analogy

- Think of DSEB like a household's monthly budget for a car payment
- A family needs a car that costs $40,000
- After mortgage, utilities, and groceries, the family has $800 a month to make car payments
  - Financing $40,000 over 3 years is around $1,200 a month
  - To fit car payments under the $800/month ceiling, the family needs to extend the repayment period to 5 years
- In the same way the family needs to stretch out the loan to 8 years, the District needs to stretch out the repayment period for many years because of a limited budget for debt service in 2026-2030

Existing Debt Service Payments and DSEB



Debt Service Extension Base - capacity

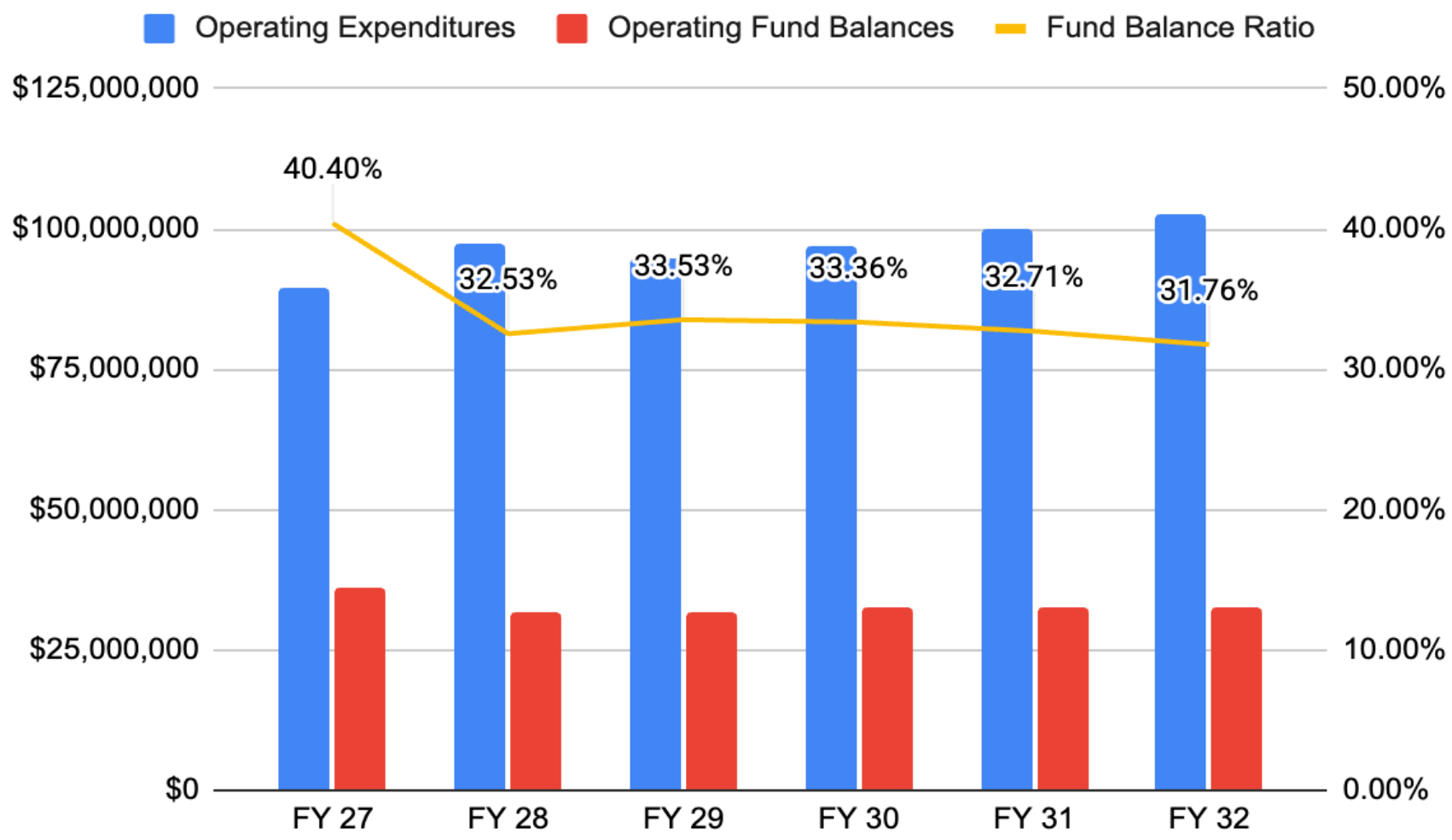
	Existing Debt	Remaining Capacity
2026	$1,165,800	$634,200
2027	$1,108,800	$691,200
2028	$978,900	$821,100
2029	$977,400	$822,600
2030	$734,400	$1,065,600
2031 & Beyond	$0	$1,800,000

DSEB ($1.8M)
minus existing debt



Debt Service Extension Base - summary

- DSEB is an annual limit on the total amount of debt service–it is NOT a cap on the total principal amount of non-referendum debt the District is allowed to issue
- Unused annual DSEB capacity directly informs the annual debt service of the new bond
  - Higher available DSEB allows for larger annual payments in the first years of repayment period, making the timeline shorter
  - Lower available DSEB stretches the repayment timeline because the District cannot make large payments in the first several years (due to existing debt payments)
- To get the $7.5 million now, the repayment timeline has to be extended to 2034 to keep principal and interest payments below the DSEB ceiling


Operating Expenditures
Operating Fund Balances
Fund Balance Ratio
$125,000,000
$100,000,000
$75,000,000
$50,000,000
$25,000,000
$0
50.00%
40.00%
30.00%
20.00%
10.00%
0.00%
40.40%
32.53%
33.53%
33.36%
32.71%
31.76%
FY 27
FY 28
FY 29
FY 30
FY 31
FY 32

Potential 2027 Bond Issuance

→ A $7.5M issuance stabilizes fund balances at an acceptable level over a multi-year horizon

- Insulates the District against short-term revenue fluctuations or unforeseen expenditures without requiring painful cuts to programming
- Buys time to have thoughtful conversations through strategic planning process about long-term fiscal planning
- The $7.5M figure does not substantially burden future boards with constrained borrowing capacity
- The structure of the repayments keeps tax impact level and predictable through the next 8-9 levy years

Discussion

