Financial Advisory Committee
Friday, November 6, 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 30, 2026 meeting
3. Discussion Items
   3.A. Fund Balance Stabilization
4. Public Comment
5. Adjournment

District 58 Financial Advisory Committee

Minutes of October 30, 2026

The Financial Advisory Committee met on Friday, October 30, 2026 at 7:00 a.m. at the Downers Grove Civic Center.

Call to Order

The meeting was called to order at 7:01 a.m. by Darren Hughes.

Present

Darren Hughes, Steve Olczyk, Kevin Barto, Jason Fugitt, Greg Harris, Erik Jacobson, Michelle Kovar, Jason Morris, Kevin Russell, Chris Sagan, Susan Sierakowski, Jason Suchy, Craig Young, Nick Brand, Leland Wagner, Boyar Zekiri. Ray Coyne from Oppenheimer attended as a guest.

Absent

Bryan Bolton, Scott Cimo, Tim Cruse, Amy Dunbar, Jason Fugitt, Joe Wojciechowski, Tony Stampfl, Jeffery Villalobos, Laura Stone, Julian Chavez.

Approval of Minutes

Steve Olczyk moved and Nick Brand seconded the motion to approve the minutes from the October 9, 2026 meeting. Motion carried.

Fund Balance Stabilization

Dr. Harris reviewed information about the District's fund balance policy and challenges with the annual low cash point each spring as the District awaits its property tax proceeds. In the short term, the District is using its excess referendum arbitrage funds to cover the low cash point, but those will only be available through 2028. A long-term solution would be for the Board to issue working cash bonds that raise enough money to cover the low cash point. Other ways to increase revenue/reduce expenditures, such as cutting transportation, closing a building, increasing class size, or cutting programs, would directly affect students. A working cash bond issue would allow the District time to advocate with the State for increased revenue/less proration on mandated categorical payments.

The committee discussed the pros and cons of the timing of a bond issuance, as well as how much the District needs ($7.5 million) and what the impact would be to the taxpayer.

Public Comment

There was no public comment.

Adjournment

Boyar Zekiri moved and Craig Young seconded the motion to adjourn the meeting. Motion carried. The meeting was adjourned at 8:13 a.m.

Downers Grove Grade School District 58

We Envision. We Seek. We Believe.

Financial Advisory Committee

November 6, 2026

Why does the District have a fund balance problem?

- **Macroeconomics:** Very high inflation in 2021 and 2022 caused District's costs to increase dramatically more quickly than new revenue
- **State Funding:** Stagnant Evidence-Based Funding and increased proration to state reimbursements to the District for transportation and special education have resulted in millions of dollars in lost revenue over the last decade
- **Interim Housing Center:** The opening of the IHC in 2022 has resulted in millions of dollars of new expenditures (with no additional revenue and increasingly diminished reimbursements due to state proration)

Inflation Example: Transportation

Fiscal Year	Total Expenditures	Year-Over-Year % Increase
2019	$4,412,755.00	
2020	$3,455,198.00	-20.7%
2021	$3,398,933.00	-1.6%
2022	$4,769,996.00	40.3%
2023	$5,892,406.00	23.5%
2024	$6,753,066.00	14.6%
2025	$8,135,880.00	20.5%

Proration in 2026

- Over the last five years, Special Education transportation costs have increased by 164% while state reimbursements have only increased by 54%
- If District 58 were reimbursed at the same percentage in FY 2026 as it was in FY 2025, the District would have received an additional **$264K** in revenue.
- 61% proration in SPED transportation means the District lost $931,500 in revenue from MCATs not being fully funded
- **THIS IS JUST ONE MANDATED CATEGORICAL FOR ONE YEAR!**
- The problem will only get worse in FY 2027 and beyond as the transportation costs increase beyond CPI and the General Assembly refuses to commit sufficient dollars to mandated categoricals

Estimated IHC Costs (Before Reimbursements): 2026

- Transportation: $452,673
- Specialized Programming: $470,678
- Student Supports & Indirect Costs: $68,118
- Total Spend in 2026: **$991,469**

The Proposed Solution

→A working cash bond issuance that would generate $7.5 million in increased fund balances for the District

- This is NOT money that can be spent on any program or new initiative
- The money needs to be held in reserve so that the District is able to meet its April and May obligations while it waits for property taxes in June of every year
- The Board Education has a certain amount of capacity to issue non-referendum debt called a debt service extension base (DSEB)
- The District repays the debt through an annual property tax levy extended directly to local taxpayers (separate from the operating levy)

Immediate Impact on Homeowners: Year 1*

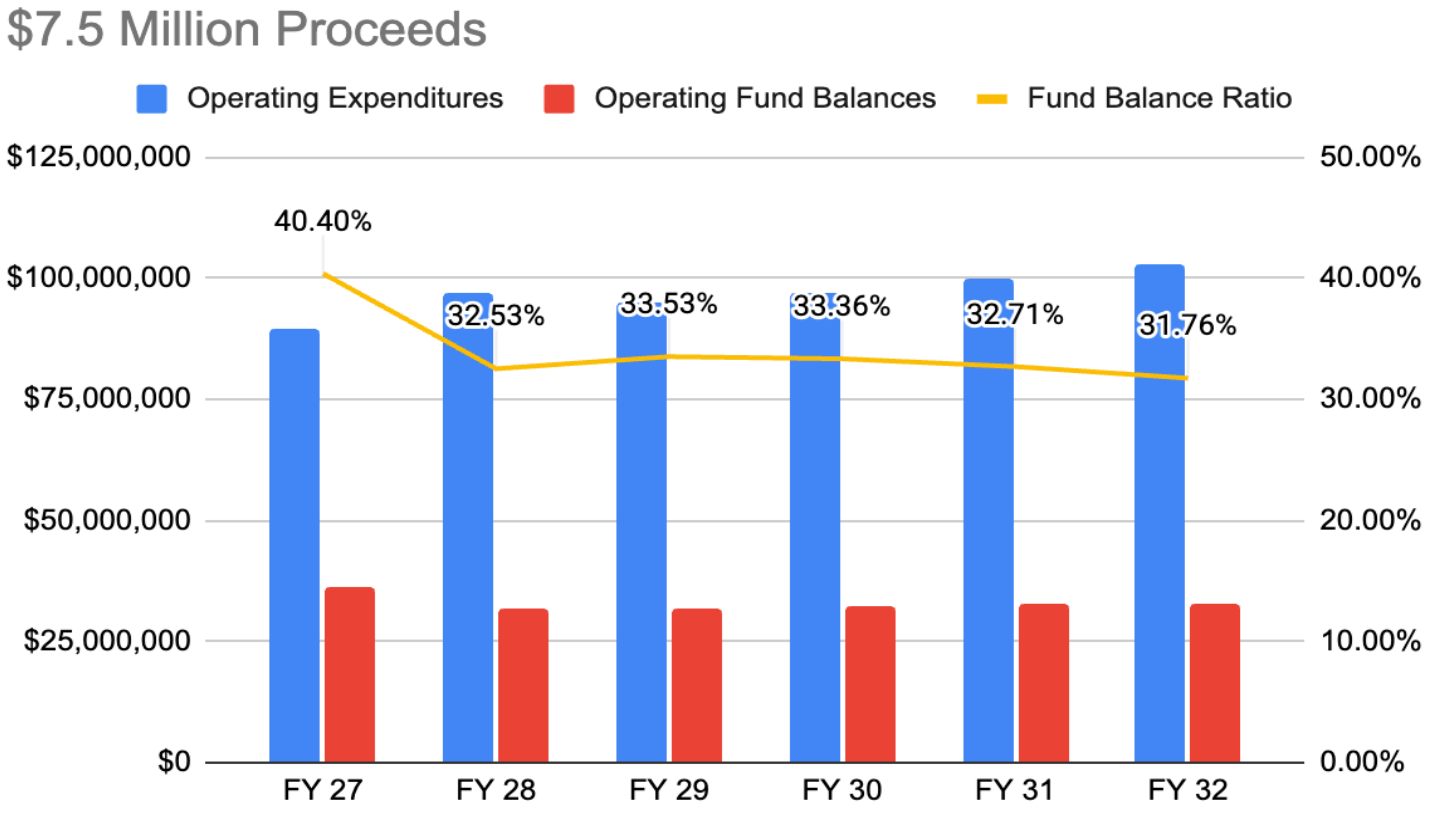
Value of House	Non-Referendum tax burden before bond sale in 2027	Non-Referendum tax burden after bond sale in 2027	Delta
$300,000	$28	$43	$15
$400,000	$37	$57	$20
$500,000	$46	$72	$26
$600,000	$56	$85	$30
$700,000	$65	$99	$34
$800,000	$74	$114	$39
$900,000	$84	$128	$44
$1,000,000	$93	$142	$49
$1,100,000	$102	$156	$54
$1,200,000	$111	$170	$59

* The amount of the debt will not affect this table

Tax Bill Breakdown for $500,000 Home

District 58 2026	Estimated 2026 Amount	% of Tax Bill
Operating Levy	$3,124	84.3%
Referendum Debt	$512	13.8%
Non-Referendum Debt	$72	1.9%

Fund Balance at $7.5M



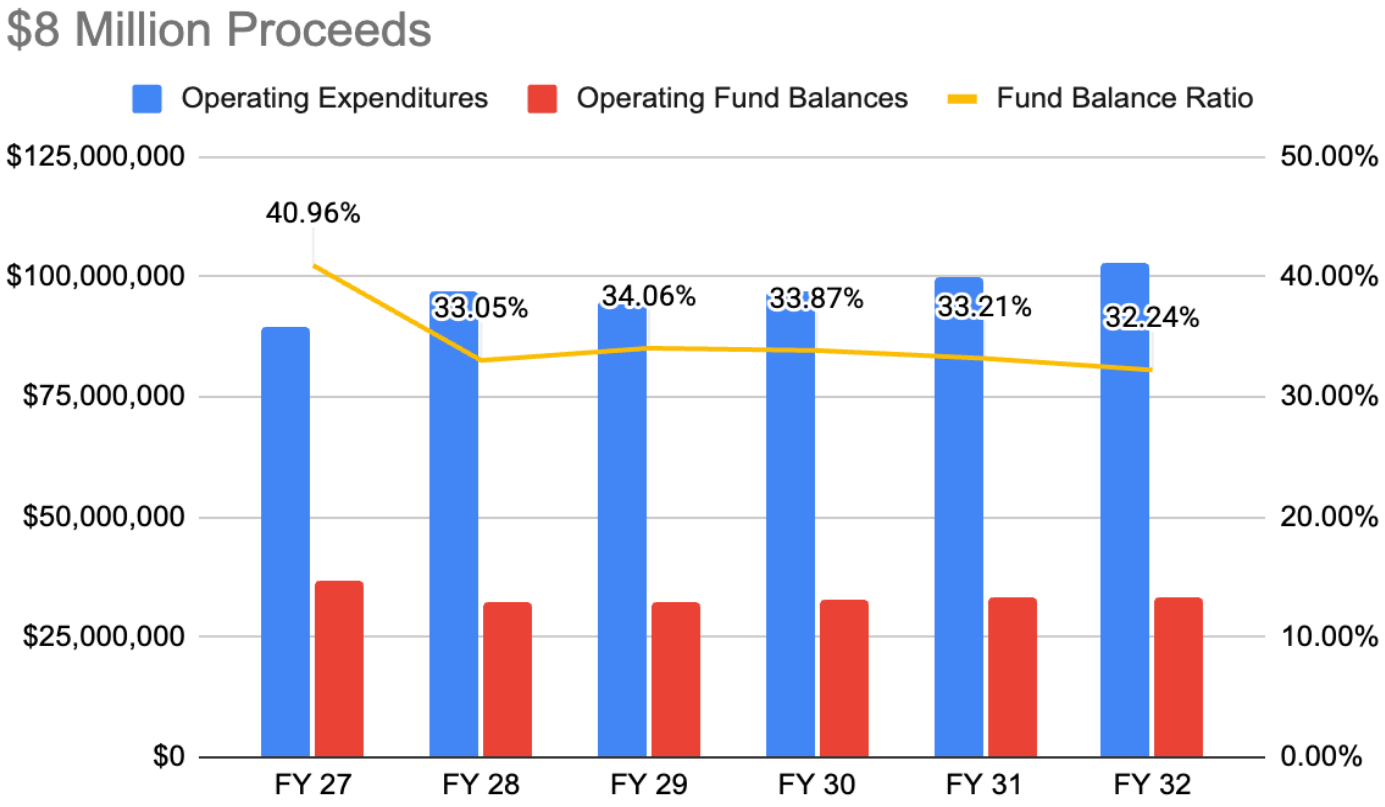
Estimated Long-Term Impact on $500,000 Home - $7.5M Issuance

Year	Non-referendum tax burden before bond sale in 2027	Non-Referendum tax burden after bond sale in 2027	Delta
2026	$46	$72	$26
2027	$44	$76	$32
2028	$39	$76	$37
2029	$39	$76	$37
2030	$30	$76	$46
2031	$0	$76	$76
2032	$0	$76	$76
2033	$0	$76	$76
2034	$0	$42	$42

Total: $448 over 9 years

* $7.5M issuance

Fund Balance at $8M



Estimated Long-Term Impact on $500,000 Home-$8M Issuance

Year	Non-referendum tax burden before bond sale in 2027	Non-Referendum tax burden after bond sale in 2027	Delta
2026	$46	$72	$26
2027	$44	$76	$32
2028	$39	$76	$37
2029	$39	$76	$37
2030	$30	$76	$46
2031	$0	$76	$76
2032	$0	$76	$76
2033	$0	$76	$76
2034	$0	$76	$76
2035	$0	$2	$2

Total: $484 over 10 years

* $8.0M issuance

The Role of the Board of Education

- A Working Cash Fund Bond Resolution of Intent is on the agenda for Monday evening
- *At this time, the amount in the resolution is blank*
- With the Board's adoption, the administration publishes a notice of intent and a notice of hearing
- At the December meeting, the Board will hold a Bond Issue Notification Act (BINA) hearing
- After at least seven days after the BINA hearing (January meeting), the Board adopts the final Board Ordinance, which sets the parameters for the sale

Discussion

