

School District U-46

Elgin, Illinois

August 22, 2022

The Finance Committee of the Board of Education met at 4:30 p.m. via Zoom and made available to the public in Room 140 of the Educational Services Center, 355 East Chicago Street, Elgin, Illinois, to review proposed changes to the Fiscal Year 2023 Budget. In attendance were Board members Sue Kerr, Melissa Owens, Kate Thommes, John Devereux, Dawn Martin, and Eva Porter as well as Tony Sanders, Superintendent, Trisha Olson, Chief Legal Officer, Ann Williams, Deputy Superintendent of Operations, Suzanne Johnson, Deputy Superintendent of Instruction, Brian Lindholm, Chief of Staff, Mark Moore, Assistant Superintendent of Human Resources, and Dale Burnidge, Director of Financial Operations.

1. Open Meeting and Introduction

Ms. Owens opened the meeting and stated everyone present.

2. Presentation and Discussion of the Fiscal Year 2023 Tentative Budget

Mr. Burnidge began the presentation by reviewing the district's total revenue for all funds budgeted at \$690,522,874.

Local sources (property taxes) remain the largest total revenue. Mr. Burnidge stated the property tax revenue is projected to grow at 2.5% or \$8.1 million. The Consumer Price Index was 1.4% for calendar year 2020 and 7.0% for calendar year 2021. Due to the Property Tax extension limitation law or PTELL, the district's tax levy will be limited to a 5% increase for levy year 2022. This will be the first time since PTELL was passed in 1991 that the levy will be capped.

Evidence-Based Funding (EBF) is the second largest revenue source, \$233.2 million. Mr. Burnidge stated the district is estimating a 9.9% or \$20.9 million increase for Evidence-Based Funding bringing the total amount to \$233 million. Mr. Burnidge stated this is the sixth year for the EBF formula and the district has received increased funding in five of the six years. The district is now at a 63% of the adequacy target.

State categorical funds are projected to increase 4.7% or \$1.4 million. Mr. Burnidge stated Transportation and Early Childhood are the majority of these funds. The district received all four quarterly payments in FY22 and anticipates four quarterly payments in FY23 for a total of \$31.8 million or 4% of our revenue.

The Federal funds are 11% of the district's total revenue. Mr. Burnidge stated the district's Federal reimbursements are projected to decline 10.8% or \$8.9 million. The Elementary and Secondary School Emergency Relief (ESSER) funds and the Food and Nutrition reimbursements will be lower in FY23.

The Operating funds show \$627.2 million in revenue and \$623.2 million in expenses for a net increase of \$5.0 million. The operating funds are 92% of the total budget.

The special revenue funds, debt service, and capital project funds are also listed, to bring the district to its total budget of \$690.5 million in revenue and \$669.4 million in

expenditures. The Debt Service fund is showing an \$11 million deficit, due to the timing of the debt payments.

Mr. Burnidge stated the public hearing for the FY2023 budget will be on September 12, 2022. At that time, the district will present the estimated final fund balances for FY2022 and have the final adoption of the budget on September 26, 2022.

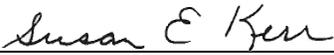
3. Public Participation

There were no public comments.

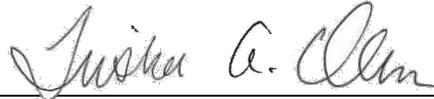
4. Adjournment

Ms. Owens adjourned the meeting.

Approved this 26th day of September 2022.



President



Secretary