

# School City of East Chicago



## 2023 Budget Public Hearing

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**SEPTEMBER 6, 2022**

# Calendar 2021 Summary

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## A. Education Fund

- Total Revenue \$28.5 Million with \$28.4 Million coming from State Grants
- Total Expenditures \$27.6 Million including \$3.5 Million transferred to Operations Fund
- Added to Reserves \$874,000
- Cash Reserves at YE 2021 \$12.2 Million

## B. Operations Fund

- Revenue \$8 Million Taxes + \$3.5 Million transfer in from Education Fund + other revenues total = \$13.7 Million
- Total Expenditures \$12 Million
- Added to Reserves \$1.7 Million
- Cash Reserves at YE 2021 \$9.1 Million

# More Summary

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- A. Education Fund is currently balanced and able to support Operations Fund
  - Increases in expenses will reduce amount that Education can offer to support the Operations Fund
  - We project that payroll increases and normal inflation will reduce the subsidy and eliminate it by 2024 without increases in funding from the State
  
- B. Operations Fund is not able to balance long term, property taxes cannot be increased without a referendum. This fund relies on a subsidy from the Education Fund.
  - As the subsidy is reduced this fund will lose reserves and eventually need to make cuts

# Calendar 2023 Preview

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- A. Education Fund we project \$27 Million in revenues and the proposed budget is \$28.1 Million PLUS \$2 Million in transfers to Operations. We project a \$3 Million deficit in this fund in 2023 unless the State helps out with more funding.
- B. Operations Fund we project \$8 Million in tax revenues plus the \$2 Million transferred from Education and the proposed budget is \$15.2 Million. We project a \$5 Million deficit in this fund in 2023.

# 2023 Budget Timeline

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- A. September 6, 2022 – Introduce 2023 Budget and Host Public Hearing
- B. September 19, 2022 – School Board to adopt 2023 Budget and Capital Plan and Bus Replacement Plan
- C. December 2022 – State will send preliminary notice of 2023 Budget for final review
- D. January 2023 – State will certify 2023 Budgets for all units of government