



Finance Committee Meeting Minutes

December 4, 2023

6:00 - 7:30 pm

Present: Commissioners Powers and Sokolowski.
Staff: Executive Director Rini, Directors Bachewicz, Hamilton, Quinn, and Scumaci, Superintendent Adamson, Finance Supervisor Nge and Executive Assistant Greninger

Topic: Presentation of the Proposed 2024 Budget

Executive Director Rini presented the budget for fiscal year 2024. During this meeting, we will provide an overview of the proposed budget and highlight key areas. At the January 8, 2024 meeting, we will request the Board's formal approval of the 2024 Proposed Budget, the Budget and Appropriation Ordinance, the 2024 Organizational Chart and 2024 Full-Time and Part-Time Wage Scales.

Each Board Member received a copy of Commissioner Power's questions and answers, which were reviewed.

Executive Director Rini explained that staff is presenting a spend down budget for 2024 due to earnings in the two prior years significantly surpassed budgeted expectations and resulted in reaching fund balance targets, and two major projects planned in 2024 that will be funded by operational repair and replacement dollars in the Corporate and Recreation Funds. A \$500,000 transfer from the Corporate Fund into the Capital Fund represents dollars above the target balance, and is the first for the District. It is what we have been planning to do for a long time, and represents a significant accomplishment. This is how we will fund our Capital Improvement Plan without issuing bonds, or incurring further debt. Our goal is to continue to make regular transfers regularly.

We will intentionally spend down these operating funds to reduce balances to their targeted levels. If not for strong financial performance over the last few years, we would not be in a position to make these transfers out of the operating funds. Commissioner Sokolowski asked if we do this yearly. Director Scumaci said it depends on our annual performance. It is like putting money in a savings account. When the Corporate and Recreation funds meet their targets, we can put the excess in the savings account.

Director Scumaci proceeded with the presentation. We have budgeted to receive \$65,000 less in Corporate Replacement Taxes based on information from Illinois Department of Revenue. Most of the tax dollars we receive goes to pay the bond debt. Commissioner Sokolowski asked what the split is from tax versus revenue from fees. Director Scumaci said we are at 35.9% taxes

versus 64.1% of our revenue from fees. The repayment of debt makes up the majority of the taxes collected by the District. Now that we have reached target fund balances, we plan to continue to self-fund our Capital Improvement Plan through planned transfers. We will also continue to look for options to refinance existing debt to reduce payments.

Both the Recreation Fund and Corporate funds are budgeted to end above their targets – even with transfers to Capital, and the funding of several large projects with operational dollars. The Ancillary Funds also reflect strong balances. The Operational Repair and Replacement funds have served us well. They provide funding for many small to mid-sized projects, but can also fund larger projects without using bond money. They also make sure there are funds available to keep our programs outfitted with good equipment and amenities, and provide good customer experience. The Recreation Operational Repair Fund will be used next year to re-plaster the FVRC indoor pool. Director Scumaci finished reviewing the budget presentation. There being no further questions, the committee meeting was adjourned at 7:30 pm.

Respectfully submitted by:



Lisa Scumaci
Director of Finance and IT