

maintenance, or to supplement future loan payments. Presently the loss of expected revenue due to emergency closure of businesses in the Village also places the estimated FY21 beginning balance lower than expected.

The State Requirement for General Fund cash reserve is the equivalent of 1/12, or one average month, of annual expenses and transfers. Because of the unpredictable nature of revenues in the Village, that may fluctuate with the amount of snow, the goal of six months operating reserve is advisable. However, since the offseason (May to November) this year will be further affected by COVID recovery and normal operations could be at risk, the General Fund cash reserve may be projected at a three-month coverage.

The Village General Fund continues to finance Capital improvement expenses for System Development that is not sustained by System Development fees. Required support for depreciation replacement expenditures if not covered by rates, is transferred from the General Fund. These development projects continue to require support from the General and Enterprise funds in the FY21 budget. A good portion of Incremental GRT set aside into reserves and slated to subsidize the construction for the Village priority Wastewater Treatment Plant (WWTP) upgrade will be expended in FY20. Reserves have been directed to fund the construction of the Wastewater Treatment Plant, to fund capital improvement projects, and for debt service/matching funds for grant opportunities.

Finance Director Grabowski summarized the individual budget sheets by department. Discussion took place and changes to the draft budget will be brought back to the Council at its May 12, 2020 Regular Council Meeting.

5. ADJOURNMENT

MOTION: To Adjourn.

Motion: Councilor Stagg

Second: Councilor Kern

Passed: 4-0

The workshop was adjourned at 12:30 p.m.

Christof Brownell, Mayor

ATTEST: _____
Ann M. Wooldridge, Village Clerk