



**Finance Committee Meeting**

**Tuesday, November 14, 2023**

**6:00 PM**

**Meeting Called to Order:** The meeting was called to order at 6:00 PM.

**1. Roll Call:** Mr. Barr, Mr. Furey, Mr. Bellan, Ms. Walker, Mr. Post, Mr. Deeds, Ms. Labbe,  
Also in attendance: Ms. Conway-Finance Director, Mr. Vazzana-Law Director and Mayor Scaffide

**2. Audience Participation:** None

**3. Approval of September 26, 2023 Finance Committee Minutes:** A motion to approve the 9/26/23 meeting minutes made and the motion was seconded. Minutes were approved unanimously as submitted.

**4. 2023 Revenue Review:**

General Fund:

- The general fund revenue for 2023 was estimated at \$30.8 million, of which \$25.6 million comes from municipal income tax collections. Income tax is how the general functions of the city are sustained. Update: Through today we are at \$28.9 million.
- Through October 2023, the General Fund collections were at 86% of total collections. With two months remaining in the year, this leaves us in a positive position to meet our total General Fund collection.

Enterprise Funds:

- The enterprise funds, are any type of business activities that are paid from user fees, such as, the golf course, sewer, and fitness center. The theatre fund has been omitted, as the theatre group would like operate on their own starting in 2024. They will receive the money from the city and they will operate independently.
  - Sewer Fund: Revenue estimate for 2023 was \$4.2 million, as of October they have collected \$4.6 million, 11% over their estimate. This is attributed to new businesses and evaluations on businesses to update and get an accurate account on what they should be paying. There will be a sewer rate study in 2024, the last study was 5 years ago in 2018.
  - Golf and Banquet Club: We now receive a rental fee monthly from the restaurant. In the contract with JJB for 2024, they will have to submit to the city their quarterly sales numbers and we will get the greater of regular fee or 6% of their gross sales.

The golf course is weather dependent but they are having a great year in 2023. The subsidy the city is to give the golf course will be cut by more than half this year.

- Fitness Center: The revenue comes from memberships, programming fees, facility rentals and the waterpark. The estimate for 2023 was \$1.54 million, through October they are at 1.05 million. This is lower due to some problems with programs this year, however Jennifer and Michelle are coming up with some new programs for 2024. There will be a rate structure change coming up for 2024.

## **5. 2024 Permanent Appropriations-Revenue Review 2024:**

### General Fund:

- The revenue estimate is \$31.06 million, which is a 1% increase over 2023, due to a significant one-time transfer of \$1.3 million from the ARPA Fund to the General Fund in 2023. Income tax revenue is estimate at \$26.2 million, there will be an increase in 2024 due to new businesses coming into the city.
- There will be an 18% reduction in Building Department fees from the 2023 estimate. The 2023 estimate assumed growth within the city's housing market and that has not come to fruition. The new estimate is more in line with historical data.
- There will be increases to Parks and Recreation and Senior revenue in 2024.
- An increase to investment income from \$175,000 to \$425,000 due to increase in interest rates as well as changes to our bank accounts, which have allowed us to receive monthly interest we had never previously received
- There will be an additional transfer in 2024 from ARPA to the General Fund for approximately \$200,000 for grant monies received to supplement Police Department personnel.

### Enterprise Funds:

- The enterprise fund estimates for 2024 are as follows.
  - Sewer: Will be looking at the rate study. Sewer fees are estimated at \$4.75 million for 2024. There has been an increase in usage due to expanding commercial establishments. A fee of \$2.50 gets deposited into the Water Utility fund for repairs and improvements. As of now this fund does not cover the expenses and the City may want to consider a change in the future
  - Golf Course: Anticipating increased revenue from the restaurant in 2024, due to the change in rental revenue from JJB. The rental amount in 2023 was a fixed monthly amount, however they will now be paying the greater of the monthly rent or 6% of quarterly sales by JJB. The anticipated revenue from the golf course for 2024 is set at 1.64 million, less than a 1% increase over 2023 numbers.
  - Fitness Center: The estimate for Fitness in 2024 is \$1.47 million, which is a 5% decrease to better represent the historical revenue collection and a more accurate estimate going forward.

**7. Next Meeting Date:** November 28, 2023 at 6:00 p.m.

**8. Adjournment:** The meeting was adjourned at 6:35 p.m.