



AGENDA MEMORANDUM

DATE: January 28, 2025

TO: Forest Preserve District Finance and Administration Committee

FROM: David Petschke, Director of Finance
Benjamin Haberthur, Executive Director

VIA: David Petschke, Director of Finance

SUBJECT: Presentation and Approval of an Ordinance Amending Ordinance NO. FP-O-24-05-0603 Entitled "ORDINANCE FOR THE ANNUAL BUDGET APPROPRIATION FISCAL YEAR 2024-2025."

PURPOSE:

The purpose of this memorandum is to provide the Committee with information to approve an amendment to the Annual Budget Appropriation Ordinance for Fiscal Year 2024-2025. The Annual Budget Appropriation Ordinance for Fiscal Year 2024-2025 will be amended to increase the budgeted revenues and expenditures for both the Hughes Creek Golf Club and Settler's Hill Golf Course as presented in the Landscapes Golf Management's (LGM) six-month "stub" budget that was approved at the January 14, 2025 Full Commission meeting.

BACKGROUND:

The Forest Preserve District of Kane County (District) board approved an Ordinance authorizing the Annual Budget Appropriation for the fiscal year 2024-2025 on May 14, 2024. Since that time, the District issued a request for proposal (RFP) for golf management services and selected LGM's golf management proposal.

An amendment of the Annual Budget Appropriation Ordinance is necessary because the management proposal, unlike the prior cash lease, shows all revenues and expenditures for the management of the courses on the District's financial statements. This information was not known when the Annual Budget Appropriation was approved for fiscal year 2024-2025. In order to comply with State Statute and Governmental Audit Standards Board (GASB) standards it is necessary to amend the budget to authorize the additional revenue & expenses necessary to operate the courses in the current fiscal year's budget.

Finance staff worked with the District's Corporate Counsel and the District's Audit Firm to review the Amendment to the Annual Budget Appropriation Ordinance for Fiscal Year 24-25. The amendment as presented will ensure compliance with State Statute, compliance with GASB standards and compliance with the District's Fund Balance policy. It will also allow the District to remain eligible for the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting.

In the future, LGM will present a fiscal year budget on February 1st of each year for the golf activity that will be incorporated into the District's annual budget process and presented to the Board for approval in May of each year.

FINANCIAL IMPACT:

The amendment to the Annual Budget Appropriation Ordinance will authorize:

- An increase to the budget across various general ledger revenue accounts illustrated in exhibit A in the amount of \$1,334,754.01.
- An increase to the budget across various general ledger expense accounts as illustrated in exhibit A in the amount of \$1,456,849.93

RECOMMENDATION:

Staff recommends that the Committee approve the Ordinance amending the Ordinance for the Annual Budget Appropriation Fiscal Year 2024-2025 as presented.

ATTACHMENT: *Exhibit A*