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**VILLAGE BOARD MEETING**

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**VILLAGE OF HARRISON****From:**

Alissa Van Eperen, Finance Director/Treasurer

**Meeting Date:**

October 28, 2025

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**Title:**

Debt Service Fund Transfer

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**Recommended Action:**

Motion to approve a transfer \$142,250 from Fund Balance to Debt Service to correct the year-end 2025 negative balance.

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**Issue:**

None.

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**Background and Additional Information:**

Last year, in August, Russ proposed a similar adjustment to address prior year-end fund balance issues in the Debt Service Fund. When the 2025 budget was developed, the exact payment schedule for both the year-end 2024 borrowing and the anticipated 2025 issuance was not yet known. As a result, it appears an estimate was included in the budget; however, it proved insufficient once the actual debt payment structure was finalized.

Due to this shortfall, the projected year-end balance in the Debt Service Fund would be a deficit of \$142,214. Given the healthy status of the General Fund balance, a transfer can be made to cover this deficit.

Looking ahead to the 2026 budget, we have the exact amounts for both principal and interest payments, as no additional debt issuance is planned. Additionally, if the Village transitions to borrowing in arrears, it could help prevent similar budgeting discrepancies in the future.

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**Budget Impacts:**

Unbudgeted item – transfer from general fund to debt service.

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**Attachments:**

None.