

Finance Committee Meeting: 8/31/2021

Call to order: 6:02 pm

Committee Members present: Ralph Waszak, Michael Lyons, Sue Ann Philipbar

Others present: Mayor Michael Wheeler, Sandra Turk, Chris Papp, and Charles Boester

I. -Sandra Turk reviewed the mid-year financials for 2021 including the overall revenue/allocation statement.

Highlights include:

- a. 2021 revenue (through July 31) shows 52.6% collection, while it should be at 58%. General fund revenues are at 58.7% collection (on target). Income Tax collections are 12.4% higher than 2020's year-to-date-primarily due to net profits being more than 100% higher than expected.
- b. Expenditures through July 31 are at 44.5%, lower than the 58% budgeted. General fund expenditures are also lower than expected at 55%.
- c. Although a drop in carryover cash balance is forecasted in 2022 (from 3.5M in 2021 to 2.4M predicted in 2022), if the income tax revenues continue to be higher than expected, this will positively impact our 2022 cash balance.
- d. We discussed that some project's expenses do roll into the next year -especially those completed in Nov and Dec, such as the paving project. Thus, there was a \$454K paving bill that fell onto 2021's expenditures for work completed in 2021. Mr. Papp and Ms. Turk try to minimize these occurrences.

II. - An overview of the recommended 2022 budget was reviewed by Ms. Turk.

- a. The budget schedule follows:
  - 7/19-8/6 prepare base budget and distribute to depts.
  - 8/9-8/31 depts. review base budgets
  - 9/1-9/15 Mayor conducts dept. budget reviews
  - 9/15-9/30 Mayor's budget recommendations are prepared and distributed to council
  - 10/1-12/15 Discuss budget during scheduled council work sessions
  - 12/21/21 Adopt 2022 Budget Appropriation Resolution
- b. 2022 Village-wide budget parameters were reviewed by Ms. Turk
  - Income tax revenue is estimated to be flat, however thru Jul 2021 it is up 12.4%
  - 2% salary increases (union and non-union employees) are budgeted
  - 5% increase in hospital costs are included in the budget
  - 2% Worker's Comp increase are included in the budget
  - 5% increase in electric and gas is included in the budget
  - 10% increase in fuel costs are included in the budget
  - 3% increase in property insurance is included in the budget
  - Flat growth in all other operating categories is predicted
  - Capital Improvement allocation of \$2,900,000 is included

III. -2021 Capital Project update was reviewed by Mr. Papp. Overall, we are projected to complete 53% of the capital projects this year (\$4.72 M projected/ \$8.84 M budgeted).

- a. 13 of the 14 items from *Car and Major Equipment* items have been purchased or are close to completion. The corrosion repair to engine #14 is at 0% completion.
- b. 4 of 12 projects from *Utilities/Projects* are >50% completed. Mr. Papp projects 4 additional project may be completed as well (annual concrete program, traffic signal replacement at Broadview and 303, Wheatly/Brecksville eyebrow repairs, survey/design sidewalk to GE).  
-The Mayor suggested we also complete the path that goes from Ridgeview through Richfield Woods park.
- c. 4 of 9 *Enterprise Fund Projects* are approx. 50% or more completed.

IV. -Costs to date for the Briarwood/Pulte project were reviewed. Without the legal expenses from 2007 through 2011, the Briarwood expenses total **\$436,646.75**.

- a. From 9/1/00 through 7/13/21 Service identified \$245,875.31 for engineering services, sewer line repairs, utility study, & general design.
- b. From 2012 through 7/31/21 Finance identified \$190,771.44 for legal services.
- c. Individual invoices for the legal expenses from 2007 through 2011 still need to be reviewed.

A motion was made by Ralph Waszak to adjourn the meeting at 8:00 pm

Shea A. [Signature]  
10/5/21