

**VILLAGE OF GATES MILLS**  
**FINANCIAL REPORT FOR THE FIVE MONTHS ENDED MAY 31, 2024**  
**June 17, 2024**

**MONTHLY RESULTS AND FINANCIAL POSITION**

The financial statements were provided to the Mayor, Clerk, Treasurer and Council prior to the June 2024 Council meeting.

The Village is almost halfway through its fiscal year and at this point appears in good shape to achieve or slightly better its break-even 2024 budget. Real estate tax revenues are up slightly, RITA projects a higher level of municipal income, traffic camera receipts are steady and Village expenses are in line with budget. The Mayfield Road culvert replacement is nearly complete with no complications that would require added Village funds.

**GENERAL FUND**

Year-to-date revenue was \$3,600,729 including \$701,000 in traffic camera receipts. Excluding those receipts, revenue would have been \$2,890,729 ahead of last year's amount of \$2,612,963 by \$277,766. Real estate tax collections were ahead of last year by \$67,240. Real estate tax collections are dependent on the county's billing and collection and taxpayer timing of payments. Municipal income tax receipts are up 17% at this point. In response to our request for an updated 2024 projection and based on current information, etc., RITA is of the view that our collections will be roughly \$2.3 to \$2.4 million. The Village budgeted \$2.1 million.

The traffic camera enforcement program in combination with Lyndhurst Municipal Court and the vendor started in mid-August 2023, so there were no gross collection receipts in the revenue category nor expenditures last year. Gross collections in 2024 were \$701,000. Expenses to Lyndhurst Municipal Court and to Sensys Gatso appear in the Police Department expenditure categories and were \$316,200 in 2024 for a margin of 55%. Lyndhurst Municipal Court increased its per citation fee by \$5 starting this spring. We do not see a need to increase the violation charge at this time.

Other sources of revenue were \$471,760, above 2023's year-to-date amount of \$394,602. We achieved higher receipts in ambulance income, interest, and SRO reimbursements, and lower receipts in the Mills Building rental income.

Expenditures for 2024 were \$3,433,663 compared to \$2,874,133 in 2023. Excluding transfers to other funds from the General Fund, Village expenditures year-to-date 2024 were \$2,637,163 compared to \$2,377,633 in 2023. Traffic camera expenses accounted for \$316,200 and the new sidearm mower and tractor with attachments were \$175,000. Village expenditures are budgeted and controlled via its four departments - (Administration, Police, Fire and Service) and Transfers from the General Fund to other specific funds such as the Capital Improvement Fund.

The Administration Department incurred \$391,270 in 2024, \$27,844 over the prior year due to legal and professional fees being \$7,000 higher and insurance being \$13,000 higher. Legal and professional fees were due to more timely invoicing occasioned by the switch in law firms, more legal matters, using a broadband consulting firm and other annual services.

The Police Department incurred \$1,077,276 YTD of which, \$316,200 was associated with the traffic camera program. Excluding those costs to discuss comparability, actual expenditures in 2024 were \$761,076 compared to \$746,644 in 2023. The largest difference was in higher personnel costs of \$40,609 and \$10,000 lower dispatch operating costs.

The Fire Department costs of \$262,832 were below the prior year of \$309,282. Quarterly ambulance and EMS costs are \$40,000 lower this year due to the lower volume of EMS calls. Year-to-date calls are 78 this year compared to 99 last year. Ambulance income was much higher as the data entry and billing backlog from the outside service provider from the third quarter was caught up and billings were collected and remitted to us. Fire department runs were up this year from 83 to 98, but we have been able to stay close to budgeted dollars so far.

In the Service Department, and excluding capital expenditures, we have spent \$717,819, \$12,983 less than the prior year amount of \$730,902. We spent \$35,008 more on personnel costs, \$11,122 less on salt due to a milder winter and more at the Community House for the new roof and gutter project. We also took delivery and paid for the new sidearm mower and tractor with attachments at a cost of \$175,000.

In summary, for the first five months of the year, the Village operated with a General Fund surplus of \$167,065 compared to a shortfall of \$261,170 in 2023. 2023 included a \$250,000 road program overrun due to unforeseen subsurface conditions that was paid for in January of 2023. For 2024, the largest variance is traffic camera net receipts.

The General Fund cash balance as of May 31, 2024 was \$7,747,489 compared to the beginning of the year balance of \$7,580,000.

#### **OTHER FUNDS**

The Village is required to maintain other special purpose funds by statute or contract. Cash in these special purpose funds amounted to \$2,214,615 at May 31, 2024. The increase from the end of 2023 was due to transfers from the General Fund into certain of these funds. In the first five months, the Village remitted \$65,523 to the Gates Mills Land Conservancy as its share of levy dollars collected. Over the summer months, we expect to expend \$1,000,000 for the Mayfield Road culvert replacement, County Line Road repaving, and the Village road program. Those three projects have started earlier than prior year paving and road projects.

This report will be published on the Village website.

Steven L. Siemborski  
Mayor, Village of Gates Mills.