

Treasurer's Report

September 19, 2021

Financial statements were distributed to the Mayor, Clerk and Council in advance of the meeting.

The Village is on very solid financial footings. August was a good month with General Fund revenue of \$902,000 exceeding expenses of \$882,000 by \$ 20,000. In August, the Village collected \$773,000 of real estate taxes and \$95,000 of municipal income tax. Also in August, the Village paid \$280,000 for Police, Fire, Service and Administration expenses and transferred \$600,000 to other Funds- primarily the Capital Improvement Fund, as had been budgeted.

For the eight months year-to-date, General Fund revenue exceeds expenses by \$ 2,487,000. Revenue from real estate taxes and municipal income taxes are favorable to budget for the 8 months. Expenses are on or near budget, with most variances attributable to timing of payments.

The General Fund cash balance is \$7.6 million representing over 12 months of operating needs.

At this time and if revenues and expenses follow last year's pace, the Village could complete calendar 2021 with a current year 2021 operating surplus in excess of our planned surplus of \$777,000 for the General Fund.

Again, the village is on solid financial footing and the surplus in 2021 will be available to use in 2022 and future years.

As the books of the Village are maintained essentially on a cash basis, there can be large variances based on when cash is received, and expenses are paid. Month-over-month, and year-over-year, it is not uncommon to have a surplus one period and a shortfall the next period.

As mentioned in my report last month, I have spent time in September reviewing the Long-Range Planning Committee report of September 2020. There are many revenue and expense options noted in that report. Those options need to be evaluated for the current environment and to address a longer-term imbalance in our future revenues and expenses. We'll undertake this evaluation with the involvement of the Budget and Finance Committee which will convene in early October.

Steven L. Siemborski

Treasurer, Village of Gates Mills

Chair, Budget/Finance Committee