

Treasurer's Report

October 8, 2021

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

The Village is on very solid financial footing. September was a solid month as General Fund revenues exceeded expenses by \$ 105,000, which adds to the surplus. In September, the Village collected \$140,000 of rollback from the State and \$149,000 of municipal income tax. Also in September, the Village paid \$240,000 for Police, Fire, Service and Administration expenses.

For the nine months year-to-date, General Fund revenue exceeds expenses by \$ 2,592,000. Revenue from real estate taxes and municipal income taxes are favorable to budget for the 9 months. Expenses are on or near budget, with most variances attributable to timing of payments.

The General Fund cash balance is \$7.7 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 year 2021 with an operating surplus in excess of our planned surplus of \$777,000 for the General Fund.

As to the Capital Improvement Fund, in September, the Village paid \$285,000 from the Capital Improvement Fund for the 2021 Road Program, as budgeted. This brought the Capital Improvement Fund to a balance of \$536,400. We expect to spend \$400,000 in October and November to complete the 2021 Road Program.

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, the Long-Range Planning Committee report of September 2020 identified many revenue and expense options. 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 use the Budget and Finance Committee to undertake this and have scheduled a meeting for October 21st.

Steven L. Siemborski

Treasurer, Village of Gates Mills

Chair, Budget/Finance Committee