

## **Treasurer's Report for February 2022 Activity**

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

The Village continues to be in a very solid financial position. In February, the Village received \$1,358,000. Revenue from municipal income taxes and real estate taxes were \$516,000 and \$815,000, respectively. For the year, Real estate taxes collected are \$995,000, slightly above prior year of \$979,000. For the year, Municipal income tax revenue was \$756,000 down from 2021 when the Village received a non-recurring receipt of \$2,000,000. Excluding that large receipt, revenue in 2021 would have been \$471,000 and so the 2022 figure of \$756,000 is quite favorable. Overall, the tax receipts to date are stronger than were budgeted in December.

Other revenue of \$77,000 for the two months, was significantly less than prior year due to decreases in all Other Source categories—Notably, permits and licenses, interest income, Mills Building rental income, other rental income and Misc. income. Permits and licenses are a function of building and commercial activity. Interest is down as expected and budgeted. Mills building revenue should increase starting July with occupancy of the first-floor space following the renovations. Fines and costs should increase mid-year from traffic camera enforcements.

Expenditures for the month were \$397,000 and \$1,344,000 for the year which includes \$451,000 of transfers from the General Fund to Other special purpose funds. Departmental expenses were \$397,000 in February and \$495,000 in January. Transfers are consistent with the Appropriation approved by Council in January to establish funding for eventual 2022 costs that are borne by other village funds such as Capital improvements. The Departmental expenditures are the operating costs to run the Village. Compared to prior year, there were some notable differences. In Administration, legal and professional services were doubled compared to last year at this time and income tax collection expense was down due to lower receipts this year. The Police Department is generally in line with last year except for higher dispatch operating costs. In the Fire Department, our EMS costs were paid in February this year, where they were billed and paid in March last year. With very tough winter weather in January and February, Service Department costs were up in compensation, overtime and salt.

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.

At month-end February, 2022, General Fund cash was \$7,863,000 and cash in other funds was \$1,431,000 for a total cash position of \$9,294,000. We ended 2021 and started 2022 with combined cash of \$8,266,000.

This report will be posted on the Village's website.

Steven L. Siemborski

Treasurer, Village of Gates Mills

Chair, Budget/Finance Committee