

VILLAGE OF GATES MILLS
FINANCIAL REPORT FOR THE ONE MONTH ENDED JANUARY 31, 2024
February 15, 2024

MONTHLY RESULTS AND FINANCIAL POSITION

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

GENERAL FUND

Revenue for the month was \$478,000, \$134,000 ahead of the prior year. Receipts from real estate taxes and municipal income taxes are based on collections by the taxing agencies (Cuyahoga County and RITA). The Village is dependent on the timing of those agencies' billing and collection activities and on the timing of taxpayer remittances.

For real estate taxes, receipts of \$98,000 are slightly behind the prior year by \$7,000. Real estate taxes are the Village's most predictable source of income. Municipal income tax revenue was \$128,000, behind prior year by \$26,000.

The traffic camera enforcement program in combination with the Lyndhurst Court and the vendor started in mid-August. So, there were no gross collection receipts in the revenue category nor expenditures last year. Gross collections in 2024 were \$167,000. Expenses to the Lyndhurst Court and Sensys Gatso appear in the Police expenditure categories and were \$74,000 in 2024.

Other sources of revenue (excluding the traffic camera receipts) were \$80,000 equal to 2023 of \$79,000. We achieved higher receipts in ambulance income and lower receipts in the Mills Building rental income due to a timing of payment last year.

Expenditures for 2024 were \$871,000 compared to \$1,036,000 in 2023. Excluding transfers to other funds from the General Fund, Village expenditures in January 2024 were \$676,000 compared to \$540,000 in January 2023. Traffic camera expenses accounted for \$73,000 of this \$136,000 overage. 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 \$169,000 in 2024, \$40,000 over prior year due to legal and professional fees being \$25,000 higher and insurance being \$12,000 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 \$249,000, \$73,000 associated with the traffic camera program. Excluding those costs so as to discuss comparability, actual expenditures in 2024 were \$175,000

compared to \$158,000 in 2023. Higher costs were attributable to an additional \$15,000 in dispatch operating costs and \$12,000 in health cost reimbursements.

The Fire Department costs of \$114,000 were essentially equal to prior year of \$116,000. Quarterly ambulance and EMS costs were the same level in each year, and due to the small increase in rates in 2024, volume was flat to down a bit. 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.

In the Service Department, we spent \$142,000, \$6,000 above the prior year's amount of \$136,000. The largest difference was due to two new replacement HVAC units for the Mills Building that failed during the winter storm.

In summary, for the first month of the year, the Village operated with a General Fund shortfall of \$196,000 compared to a shortfall of \$195,000 in 2023.

The General Fund cash balance on December 31 was \$7,187,000 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 \$2,168,000 on December 31, 2024. The increase from the end of 2023 was due to transfers from the General Fund into certain of these funds.

This report will be published on the Village website.

Please direct any questions or comments to Treasurer@gatesmillsvillage.com.

Steven L. Siemborski
Mayor, Village of Gates Mills.