

FINANCE COMMITTEE MINUTES

May 15, 2019

ATTENDEES

Alex Goetsch, Chairperson
Terry Hemmelgarn, Committee Member
Nickol Sell, Fiscal Officer

Also in attendance: Council Members Kathleen Hale, Kathleen Esposito, Ryan Rubin, Council President Kvacek, and Mayor Spremulli.

The meeting was called to order at 6:00 p.m.

Minutes from the prior meeting were reviewed and approved.

Accounts Payable for the month of May 2019 were reviewed and approved.

Financial Statements were reviewed and approved. The Committee noted that real estate tax revenue collections are a bit behind last year, but are expected to even out by year end. Expenditures are all on or under budget, with the exception of the year-to-date Streets Budget, which is skewed based on salt purchases. An amendment to the Budget will probably be necessary to cover additional salt expenditures for the balance of the current commitment, as well as a portion of the 2020 commitment. Total additional salt expenditures this year will likely be around \$25,000.

Old Business:

The Committee discussed the Bond legislation and process discussed at the March 13, 2019 Special Finance meeting. The Mayor confirmed that it would be possible to reduce the RITA credit to .125% or .15% instead of eliminating it entirely. According to projections based on 2017 revenue, a reduction to .15% would realize additional revenue of approximately \$69,000, or \$87,000 at .125%. Any change to the credit, if made in 2019, would not begin to generate additional revenue until 2020, with the full effect not kicking in until 2021.

All council members and the Mayor felt that a reduction of the credit to .125% would be the most appropriate. The Mayor intends to introduce legislation in June to reduce the credit to .125% effective January 1, 2020.

The Fiscal Officer reported that the State auditors have almost completed their record review, and that the process has gone much smoother this year because the new accounting software used by the Village also electronic sharing of data with the Auditor. The total cost to the Village for the audit is expected to be about \$8,000. This expense was not allocated in the 2019 Budget, so an amendment will be necessary.

The Mayor also reported that he expects that the recently enacted Ohio gas tax increase could result in increased revenues to the Village of approximately \$8-10,000 per year. That number is a vague estimate, and the increased gas tax is expected to be rolled out incrementally, so it is unlikely that the Village will realize the full amount of the increased revenue until 2020 or perhaps longer.

New Business. The Committee reviewed and recommended that the Mayor discontinue the Village participation in the Greater Cleveland Safety Council monthly luncheon program. The cost of this program exceeds the 2% discount on worker's compensation premiums. That same discount can be obtained by paying premiums in full each year. Further, the Mr. Nagle reports that the educational value of the program is nil.

The meeting adjourned at 7:00pm.

Respectfully submitted by Alex Goetsch, Committee Chair