

FINANCE COMMITTEE MINUTES

June 19, 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, Mayor Spremulli, and Matt Stuczynski.

The meeting was called to order at 6:02 p.m.

Minutes from the prior meeting were reviewed and approved.

Accounts Payable for the month of June 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 on a year to date basis, but are expected to even out by year end. This is likely a result of some residents pre-paying the full year 2018 taxes in late 2017 in expectation of the cap on SALT deductions. Expenditures are all near or under budget, with the exception of the year-to-date Streets Budget, which is skewed based on salt purchases.

RITA income to date appears extremely high, but will only be slightly ahead of projections once RITA reverses a \$75,000 deposit made in error.

Old Business:

The Committee discussed the Bond legislation and the need to amend one of the budget ordinances. Total cost of the road projects came in much lower than expected, but the allocation between the Pepperwood North contract and the asphalt project require a different allocation between the ordinances. Matt Stuczynski provided his analysis of the bonds offered by various lenders, the repayment options, interest rates, etc. After discussion and analysis, the Committee voted to recommend that the Zions Bank proposal be selected, based on the terms offered and the flexibility to re-amortize the obligation if necessary.

The Committee also discussed and reaffirmed the decision to adopt legislation to roll back the RITA credit to .125%, which is expected to generate additional revenue of approximately \$87,000 per year once fully phased in.

The Fiscal Officer reported that the State auditors have completed the audit, and the report was briefly discussed. Only minor issues were noted by the auditors, mostly related to problems with the old accounting software. The audit report is available on the website.

Council President Kvacek inquired as to an apparent surplus of collection for the existing Chagrin Valley Trails bond, which is expected to be paid off in the next few years. If that surplus exists when the obligation is satisfied, a decision will then need to be made whether it would be equitable to refund those excess funds to CVT property owners, or use those funds for other capital projects. Council will need to address this in a few years.

New Business. The Committee discussed a Budget amendment to allocate funds for cleaning and sealing of the park shelter roof, and the cleaning and painting of railings and trim on Village Hall. Councilmembers were generally in favor of investing in a pressure washer so that the service department could perform cleaning annually, which could reduce these costs going forward.

The meeting adjourned at 6:55pm.

Respectfully submitted by Alex Goetsch, Committee Chair