

**FINANCE COMMITTEE MINUTES  
JULY 18, 2017**

The Finance Committee meeting was held on July 18, 2017 at North Royalton City Hall, 14600 State Road. The meeting was called to order at 6:22 p.m.

**PRESENT:** Committee Members: Chairman Larry Antoskiewicz, Paul Marnecheck; Council: John Nickell, Dan Langshaw, Cheryl Hannan, Dan Kasaris; Administration: Mayor Robert Stefanik, Asst. Law Director Donna Vozar, Finance Director Eric Dean, Fire Chief Robert Chegan, Safety Director Bruce Campbell; Other: Lou Krzepina, Gloria Kacik, Staci Kling, Max Kling, Aaron Herkel, Patrick Watrobski, Liam Parsons, Becca Koetter, Sofia Rakic, Tyler Frantz, Manal Vakil, Michael Spisak, Matthew Hu, Allison Liptak, Dakotah Allen, Matt Piccolomini.

Moved by Mr. Marnecheck, seconded by Mr. Antoskiewicz to **excuse Councilman Petrusky**. Roll Call: Yeas: 2. Nays: 0. **Motion carried.**

**APPROVAL OF MINUTES**

Moved by Mr. Marnecheck, seconded by Mr. Antoskiewicz to **approve the June 20, 2017 Finance Committee minutes**. Yeas: 2. Nays: 0. **Motion carried.**

**UNFINISHED BUSINESS**

**1. Monthly Finance report including tax collections status**

Mr. Dean reviewed the reports, copies of which are attached to these minutes. Mr. Antoskiewicz asked Mr. Dean what he felt was the reason for the increase. Mr. Dean said that there was an increase in withholding at the end. We get our money from RITA on the 1<sup>st</sup> and 15<sup>th</sup> of the month, so right before the 15<sup>th</sup> we received a nice increase. He said that he feels that we are up because of an extra pay that was distributed to us. Mr. Marnecheck asked if Mr. Dean feels that this is an actual raise or is it simply because we received money earlier. Mr. Dean said that probably because we received it early. He imagines that we will stay steady for the rest of the year. One thing he is concerned about is that when the State did their budget, they changed some things for us. One of them was the final payment for people's taxes in the 4<sup>th</sup> quarter. They used to be due December 31<sup>st</sup> and now it will be due January 15<sup>th</sup> so some of this money could possibly go into next year which would show as a decrease for December because a lot of people pay right before the due date. Mr. Nickell said that this increase is good with the EMS levy coming up. If it doesn't pass, it will be a very large hit on our bottom line and our daily operations. Mr. Langshaw said one thing that stood out in the state budget was that they were looking to centralize the municipal income tax with RITA municipalities. He asked for an update on this matter. Mr. Dean said the original state budget had some areas where the state was taking over city income tax, specifically in the net profits. They basically watered it down at the end so he does not believe that it will be a big issue. Discussion on the possibility of this occurring in future state budgets and type of businesses that would be involved ensued.

**2. Overtime**

Mr. Dean reviewed this report, a copy of which is attached to these minutes. Mr. Marnecheck asked if the Police overtime is reflective of the overtime that was needed due to the recent case. Mr. Dean said yes.

**NEW BUSINESS**

None

**MISCELLANEOUS**

Mr. Kasaris asked when the budget process will start for next year. Mr. Dean said that we will keep the same schedule and start in October with the directors and then present it to Council by the first meeting in November. This way it can be adopted by the end of the year.

**ADJOURNMENT**

Moved by Mr. Marnecheck, seconded by Mr. Antoskiewicz to **adjourn the Finance Committee meeting**. Yeas: 2. Nays: 0. **Motion carried. Finance Committee meeting adjourned at 6:32 p.m.**

City of North Royalton  
City Income Tax Collections  
7/14/2017

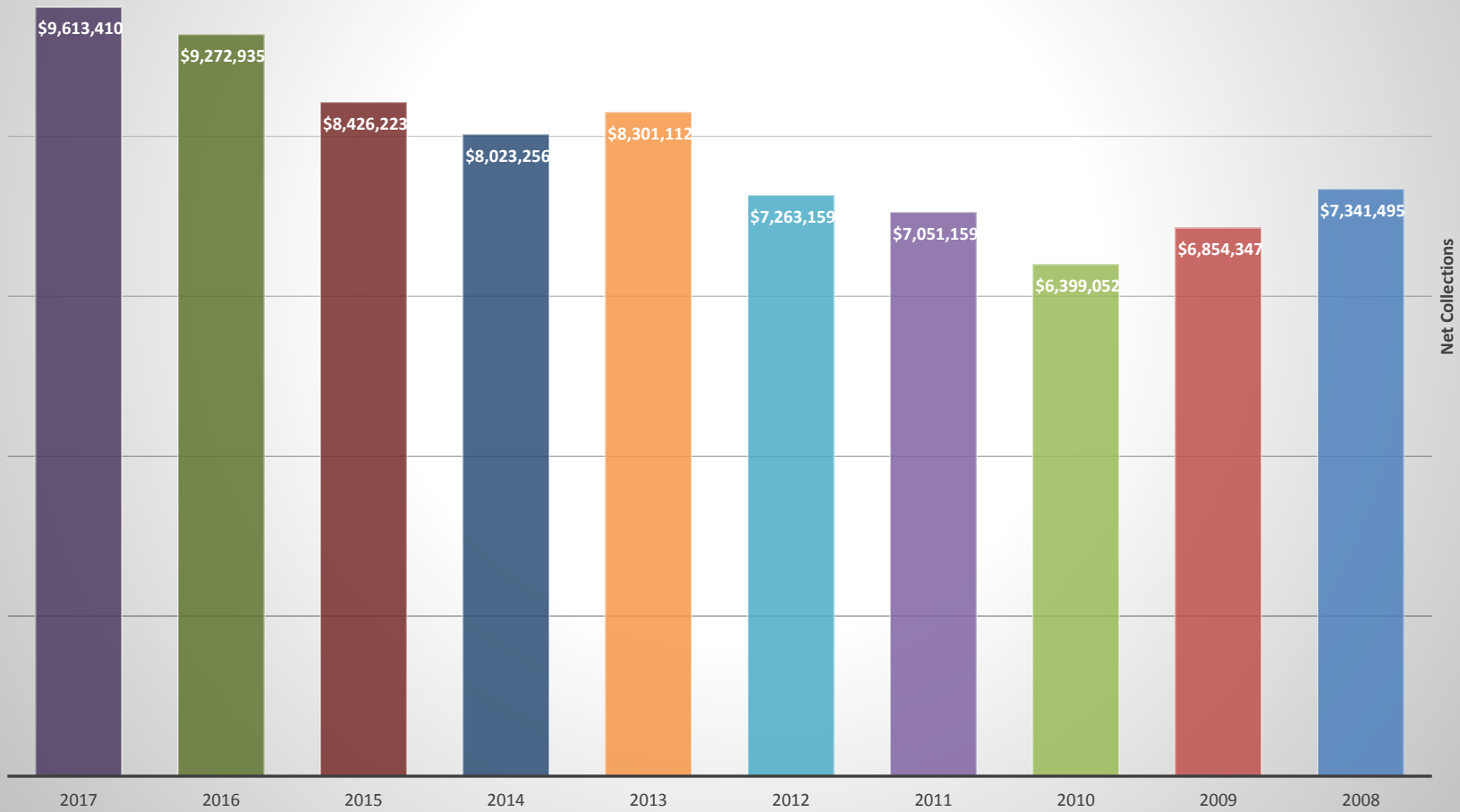
<b>CURRENT MONTHLY RECEIPTS</b>	<b>Net Receipts</b>
collections for the month of June-2017 / July-2017	received in <b>\$ 1,497,886.82</b>

<b>YEAR TO DATE RECEIPTS</b>	<b>Net Receipts</b>
Fiscal Year 2017	<b>\$ 9,613,410.16</b>
Fiscal Year 2016	<b>\$ 9,272,934.70</b>
Increase (Decrease)	<b>\$ 340,475.46</b>

<b>COLLECTION DETAIL</b>
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	This Year	Prior Year	Difference	%
	July-2017	July-2016		
WITHHOLDING	\$ 484,705.00	\$ 452,033.97	\$ 32,671.03	7.23%
INDIVIDUAL TAXES	\$ 914,399.18	\$ 932,497.73	\$ (18,098.55)	-2%
NET PROFIT TAXES	\$ 151,193.19	\$ 160,220.71	\$ (9,027.52)	-6%
<b>TOTAL GROSS RECEIPTS</b>	<b>\$ 1,550,297.37</b>	<b>\$ 1,544,752.41</b>	<b>\$ 5,544.96</b>	<b>0%</b>
3% withholding for collection fees	(46,508.92)	(46,342.57)	(166.35)	0%
legal fees/court costs	(5,901.63)	(4,428.78)	(1,472.85)	33%
<b>TOTAL LEGAL FEES AND COLLECTION COSTS</b>	<b>(52,410.55)</b>	<b>(50,771.35)</b>	<b>(1,639.20)</b>	<b>3%</b>
<b>TOTAL NET RECEIPTS</b>	<b>1,497,886.82</b>	<b>1,493,981.06</b>	<b>3,905.76</b>	<b>0%</b>

## Year to Date Income Tax



**CITY OF NORTH ROYALTON  
Income Tax Receipts Summary**

**2017**

Month Received	#101 - General Fund			#207 Police Facility	#211 SCMR Fund		#219 Office on Aging	#213 - Income Tax	#443 - Storm Water	Refunds	Overhead & Legal Fees	Net Receipts
	Original Tax	Additional Tax	#101 - General		Additional Tax	#211 - SCMR						
January	\$ 913,255.01	\$ 167,494.28	\$ 1,080,749.29	\$ 16,666.67	\$ 167,494.28	\$ 167,494.28	\$ 14,583.33	\$ 56,982.26	\$ 83,747.14	\$ (6,377.22)	\$ (45,405.77)	\$ 1,368,439.98
February	613,248.70	181,032.16	794,280.86	16,666.67	181,032.16	181,032.16	14,583.33	38,497.99	90,516.08	(3,852.86)	(37,510.67)	1,094,213.56
March	494,526.68	120,268.36	614,795.04	16,666.67	120,268.36	120,268.36	14,583.33	31,121.48	60,134.18	(9,242.41)	(28,964.46)	819,362.19
April	816,414.19	178,713.64	995,127.83	16,666.67	178,713.64	178,713.64	14,583.33	47,417.81	89,356.82	(38,348.58)	(66,436.60)	1,237,080.92
May	1,409,089.03	296,186.40	1,705,275.43	16,666.67	236,949.12	236,949.12	14,583.33	83,281.51	59,237.28	(71,766.85)	(63,828.56)	1,980,397.93
June	1,042,026.76	338,696.30	1,380,723.06	16,666.67	225,797.53	225,797.53	14,583.33	63,092.10	-	(32,695.45)	(52,138.48)	1,616,028.76
July	<b>1,010,492.21</b>	<b>288,452.53</b>	<b>1,298,944.74</b>	<b>16,666.67</b>	<b>192,301.68</b>	<b>192,301.68</b>	<b>14,583.33</b>	<b>61,027.96</b>	-	<b>(33,227.01)</b>	<b>(52,410.55)</b>	<b>1,497,886.82</b>
August			-			-						-
September			-			-						-
October			-			-						-
November			-			-						-
December			-			-						-
Total	<u>\$ 6,299,052.58</u>	<u>\$ 1,570,843.67</u>	<u>\$ 7,869,896.25</u>	<u>\$ 116,666.69</u>	<u>\$ 1,302,556.77</u>	<u>\$ 1,302,556.77</u>	<u>\$ 102,083.31</u>	<u>\$ 381,421.11</u>	<u>\$ 382,991.50</u>	<u>\$ (195,510.38)</u>	<u>\$ (346,695.09)</u>	<u>\$ 9,613,410.16</u>
Original Fiscal Budget			<u>\$ 11,405,000.00</u>	<u>\$ 200,000.00</u>		<u>\$ 2,000,000.00</u>	<u>\$ 175,000.00</u>	<u>\$ 720,000.00</u>	<u>\$ 650,000.00</u>	<u>\$ (300,000.00)</u>	<u>\$ (450,000.00)</u>	<u>\$ 14,400,000.00</u>
			69%	58%		65%	58%	53%	59%	65%	77%	67%

**NOTES: Shaded columns reflect the additional tax.**

**2016**

Month Received	#101 - General Fund			#207 Police Facility	#211 SCMR Fund		#219 Office on Aging	#213 - Income Tax	#443 - Storm Water	Refunds	Overhead & Legal Fees	Net Receipts
	Original Tax	Additional Tax	#101 - General		Additional Tax	#211 - SCMR						
January	\$ 687,657.65	\$ 152,378.14	\$ 840,035.79	\$ 16,666.67	\$ 152,378.14	\$ 152,378.14	\$ 14,583.33	\$ 42,907.02	\$ 76,189.07	\$ (10,779.75)	\$ (35,917.84)	\$ 1,096,062.43
February	810,749.12	176,274.28	987,023.40	16,666.67	176,274.28	176,274.28	14,583.33	50,452.36	88,137.14	(11,193.15)	(40,385.69)	1,281,558.34
March	654,861.33	136,232.02	791,093.35	16,666.67	136,232.02	136,232.02	14,583.33	40,701.21	68,116.01	(13,894.77)	(34,564.19)	1,018,933.63
April	789,937.21	167,169.20	957,106.41	16,666.67	167,169.20	167,169.20	14,583.33	47,769.13	83,584.60	(33,025.34)	(39,778.76)	1,214,075.24
May	1,298,312.42	196,327.76	1,494,640.18	16,666.67	196,327.76	196,327.76	14,583.33	78,491.61	98,163.88	(43,108.70)	(56,751.76)	1,799,012.97
June	967,541.94	169,020.08	1,136,562.02	16,666.67	169,020.08	169,020.08	14,583.33	56,805.65	84,510.04	(63,355.28)	(45,481.48)	1,369,311.03
July	<b>752,312.62</b>	<b>297,720.93</b>	<b>1,050,033.55</b>	<b>16,666.67</b>	<b>297,720.93</b>	<b>297,720.93</b>	<b>14,583.33</b>	<b>44,980.72</b>	<b>148,860.47</b>	<b>(28,093.26)</b>	<b>(50,771.35)</b>	<b>1,493,981.06</b>
August	716,967.13	158,135.01	875,102.14	16,666.67	158,135.01	158,135.01	14,583.33	43,817.30	79,067.50	(25,235.71)	(36,510.42)	1,125,625.82
September	685,389.31	219,089.77	904,479.08	16,666.67	146,059.84	146,059.84	14,583.33	42,619.05	-	(14,076.58)	(34,864.21)	1,075,467.18
October	815,294.39	156,765.47	972,059.86	16,666.67	211,995.60	211,995.60	14,583.33	51,128.56	-	(3,737.33)	(41,792.91)	1,220,903.78
November	615,043.19	202,695.42	817,738.61	16,666.67	210,522.39	210,522.39	14,583.33	38,363.65	-	(11,470.16)	(33,792.53)	1,052,611.96
December	528,699.07	311,769.28	840,468.35	16,666.67	-	-	14,583.33	33,143.14	-	(12,507.19)	(28,199.38)	864,154.92
Total	<u>\$ 9,322,765.38</u>	<u>\$ 2,343,577.36</u>	<u>\$ 11,666,342.74</u>	<u>\$ 200,000.04</u>	<u>\$ 2,021,835.25</u>	<u>\$ 2,021,835.25</u>	<u>\$ 174,999.96</u>	<u>\$ 571,179.40</u>	<u>\$ 726,628.71</u>	<u>\$ (270,477.22)</u>	<u>\$ (478,810.52)</u>	<u>\$ 14,611,698.36</u>
Original Fiscal Budget			<u>\$ 11,475,000.00</u>	<u>\$ 200,000.00</u>		<u>\$ 1,840,000.00</u>	<u>\$ 175,000.00</u>	<u>\$ 700,000.00</u>	<u>\$ 630,000.00</u>	<u>\$ (300,000.00)</u>	<u>\$ (450,000.00)</u>	<u>\$ 14,270,000.00</u>
			102%	100%		110%	100%	82%	115%	90%	106%	102%

**NOTES: Shaded columns reflect the additional tax.**

Month-to-Date Revenues as Percentage of Total Annual Budget

17%

**CITY OF NORTH ROYALTON**  
**Summary of Overtime Budgets**  
**2017 Fiscal Year**

As of 7/8/2017

Fund	Department	2017 Budget	2017 Actual
General Fund	Police Department	\$ 150,000	\$ 119,806
General Fund	Animal Control	2,000	962
General Fund	Fire Department	5,000	1,385
General Fund	Dispatch	6,500	2,109
General Fund	Cemetery	-	-
General Fund	Parks & Recreation	15,000	10,878
General Fund	Building Department	1,000	977
General Fund	Mayor's Office	2,000	-
General Fund	Finance Department	2,000	664
General Fund	Engineering	100	538
General Fund	Legislative Activity	1,000	72
General Fund	Mayor's Court	5,000	3,221
Police Facility Operating	Jail	23,000	17,704
EMS Fund	Fire Department	400,000	167,946
SCMR	Storms Sewer and Drainage	10,000	4,154
SCMR	Streets	20,000	9,582
SCMR	Snow removal	35,000	6,591
Office on Aging	Senior Assistance	5,000	3,361
Community Diversion	Police Department	5,000	-
Waste Water	Treatment	85,000	33,882
Waste Water	Maintenance	35,000	16,125

<b>\$ 807,600</b>	<b>\$ 399,957</b>	<b>50%</b>
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**Current Date Represents This Percentage of the Year                      54%**