

**FINANCE COMMITTEE MINUTES
JANUARY 19, 2016**

The Finance Committee meeting was held on January 19, 2016 at North Royalton City Hall, 14600 State Road. The meeting was called to order at 6:14 p.m.

PRESENT: Committee Members: Chairman Larry Antoskiewicz, Vice Chair Gary Petrusky, Paul Marnecheck; Council: John Nickell, Dan Langshaw, Steve Muller, Dan Kasaris; Administration: Mayor Robert Stefanik, Finance Director Eric Dean, Recreation Director Jason Swim; Other: Lou Krzepina.

APPROVAL OF MINUTES

Moved by Mr. Petrusky, seconded by Mr. Marnecheck to **approve the November 17, 2015 Finance Committee minutes and the November 23, 2015 Special Finance Committee minutes.** Yeas: 3. Nays: 0. **Motion carried.**

UNFINISHED BUSINESS

1. Monthly Finance report including tax collections status

Mr. Dean reviewed the report, a copy of which is attached to these minutes. He said that we ended the year with \$11.47 million, which is down slightly from last year. The decrease is associated with less capital project money last year than we had this year. He said we ended the year a little better than he thought. It looks like we are going to have \$1.5 million in the General Fund. He said that he was projecting less, but our expenses were lower than he thought they would be and the revenue is slightly higher. Mr. Antoskiewicz asked Mr. Dean to highlight some of the items he is speaking about. Mr. Dean said that salt and less overtime for snow removal helped a bit. Another beneficial item is fuel costs being way down. He said it's overall just miscellaneous expenses that our Department Heads were very judicious with and we were under budget a little more than he expected. Mr. Marnecheck said it looks like we had our best January ever, and he asked Mr. Dean if he thinks this is a trend or an anomaly. Mr. Dean said that we had a really good income tax collection last year; we were up over half a million. He said our first month was up \$111,000 gross, \$107,000 net.

2. Overtime

Mr. Dean reviewed the report, a copy of which is attached to these minutes. He said we were under 98% of our 2015 budget for overtime. He said that overall we were projecting around \$91,000 in savings in overtime and salt due to the favorable weather at the end of last year.

NEW BUSINESS

1. Purchase of vehicle for Cemetery

Mr. Swim said that he requested quotes for this vehicle, including from the State Cooperative Purchasing Program, and we were actually able to find one that came in lower than the state pricing. He said we are replacing a 1981 dump truck with this purchase.

ADJOURNMENT

Moved by Mr. Petrusky, seconded by Mr. Marnecheck to **adjourn the Finance Committee meeting.** Yeas: 3. Nays: 0. **Motion carried.**

Finance Committee meeting adjourned at 6:20 p.m.

**CITY OF NORTH ROYALTON
Summary of Overtime Budgets
2016 Fiscal Year**

Fund	Department	2016 Budget	2016 Actual	
General Fund	Police Department	\$ 145,000.00	\$ 1,347.44	0.93%
General Fund	Animal Control	2,000	125	6.25%
General Fund	Fire Department	5,000	-	0.00%
General Fund	Dispatch	2,000	260	13.00%
General Fund	Cemetery	-	-	0.00%
General Fund	Parks & Recreation	10,000	-	0.00%
General Fund	Building Department	1,000	-	0.00%
General Fund	Mayor's Office	2,000	86	4.29%
General Fund	Finance Department	2,000	263	13.17%
General Fund	Engineering	100	-	0.00%
General Fund	Legislative Activity	1,000	-	0.00%
General Fund	Mayor's Court	5,000	55	1.10%
Police Facility Operating	Jail	20,000	804	4.02%
EMS Fund	Fire Department	400,000	7,094	1.77%
SCMR	Storms Sewer and Drainage	10,000	125	1.25%
SCMR	Streets	20,000	-	0.00%
SCMR	Snow removal	35,000	-	0.00%
Office on Aging	Senior Assistance	2,000	136	6.80%
Community Diversion	Police Department	5,000	-	0.00%
Waste Water	Treatment	78,000	1,009	1.29%
Waste Water	Maintenance	30,000	-	0.00%
		\$ 775,100	\$ 11,305	1.46%

Current Date Represents This Percentage of the Year

4%

City of North Royalton
City Income Tax Collections
1/19/2016

Net Receipts

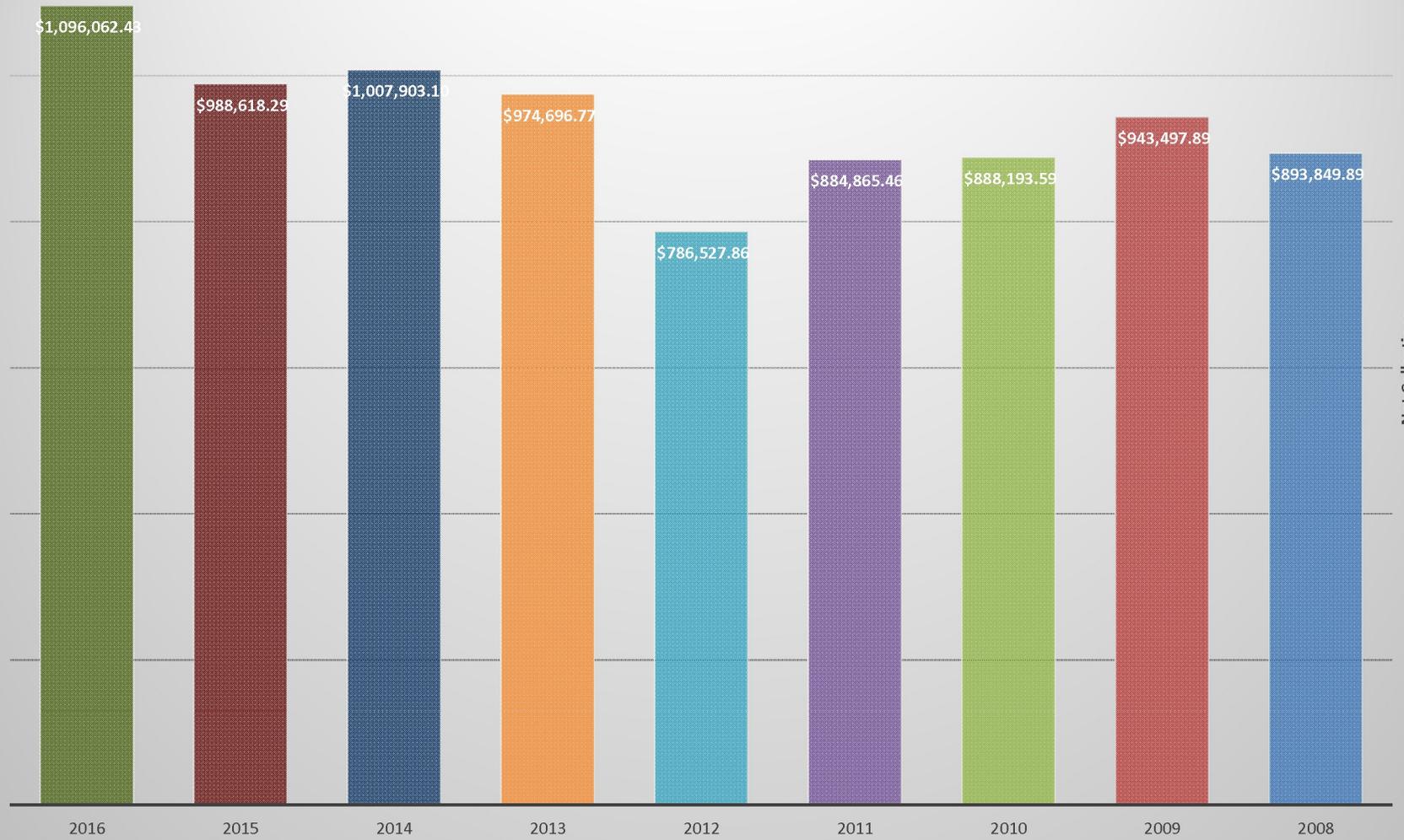
Current Income taxes collected by R.I.T.A. for the period of December, 2015
and distributed to the city in January, 2016 \$ 1,096,062.43

Current Year to date collection of
Income Tax distributed to City January 1, 2015 to January, 2016 \$ 1,096,062.43

Prior Year to date collection of
Income Tax Distributed to City January 1, 2014 to December, 2015 \$ 988,618.29
Increase (Decrease) in Income Tax collections for Current Fiscal Year \$ 107,444.14

Collection Detail by Type					
	Distributed January 2016	Distributed January 2015	Difference	% change	
WITHHOLDING	\$ 494,567.23	\$ 453,604.43	\$ 40,962.80	9.03%	
INDIVIDUAL TAXES	\$ 533,841.48	\$ 473,540.22	\$ 60,301.26	13%	
NET PROFIT TAXES	\$ 103,571.56	\$ 93,281.96	\$ 10,289.60	11%	
TOTAL GROSS RECEIPTS	<u>\$ 1,131,980.27</u>	<u>\$ 1,020,426.61</u>	<u>\$ 111,553.66</u>	11%	
3% withholding for collection fees	(33,959.41)	(30,612.80)	(3,346.61)	11%	
legal fees/court costs	(1,958.43)	(1,195.52)	(762.91)	64%	
TOTAL LEGAL FEES AND COLLECTION COSTS	<u>(35,917.84)</u>	<u>(31,808.32)</u>	<u>(4,109.52)</u>	13%	
TOTAL NET RECEIPTS	<u><u>1,096,062.43</u></u>	<u><u>988,618.29</u></u>	<u><u>107,444.14</u></u>	11%	

Year to Date Income Tax



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

Month Received	General Fund		General Fund	Police Facility	scmr	Total SCMR Fund	Office on Aging	Income Tax Fund	Storm Sewer Fund	Refunds	Overhead & Legal Fees	Net Receipts
	Original	Additional Tax			Additional Tax							
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			-			-						-
March			-			-						-
April			-			-						-
May			-			-						-
June			-			-						-
July			-			-						-
August			-			-						-
September			-			-						-
October			-			-						-
November			-			-						-
December			-			-						-
Total	\$ 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
Check Figure												\$ 1,096,062.43
			FUND: 101	207		211	219	213	443			
Original Fiscal Budget			\$ 11,300,000.00	\$ 200,000.00		\$ 1,700,000.00	\$ 175,000.00	\$ 700,000.00	\$ 630,000.00	\$ (300,000.00)	\$ (450,000.00)	\$ 13,955,000.00
			7%	8%		9%	8%	6%	12%	4%	8%	8%

NOTES: Shaded columns reflect the additional tax.
Italicized numbers reflect subtotals in a fund.

Month-to-Date Revenues as Percentage of Total Annual Budget
8%

Month Received	General Fund		General Fund	Police Facility	scmr	Total SCMR Fund	Office on Aging	Income Tax Fund	Storm Sewer Fund	Refunds	Overhead & Legal Fees	Net Receipts
	Original Tax	Additional Tax			Additional Tax							
January	\$ 603,572.49	\$ 137,079.61	\$ 740,652.10	\$ 16,666.67	\$ 137,079.61	\$ 137,079.61	\$ 14,583.33	\$ 38,755.16	\$ 68,539.80	\$ 4,149.94	\$ (31,808.32)	\$ 988,618.29
February	849,399.58	187,529.93	1,036,929.51	16,666.67	187,529.93	187,529.93	14,583.33	53,070.44	93,764.96	(6,836.90)	(42,375.74)	1,353,332.20
March	668,551.57	133,895.58	802,447.15	16,666.67	133,895.58	133,895.58	14,583.33	41,726.75	66,947.79	(12,987.54)	(33,094.97)	1,030,184.76
April	788,528.99	150,615.90	939,144.89	16,666.67	150,615.90	150,615.90	14,583.33	47,143.97	75,307.95	(21,866.64)	(59,323.56)	1,162,272.51
May	1,290,484.67	198,227.92	1,488,712.59	16,666.67	198,227.92	198,227.92	14,583.33	80,229.55	99,113.96	(5,114.60)	(59,690.46)	1,832,728.96
June	749,625.28	161,669.74	911,295.02	16,666.67	161,669.74	161,669.74	14,583.33	43,045.54	80,834.87	(71,167.07)	(35,328.14)	1,121,599.96
July	534,717.06	166,288.51	701,005.57	16,666.67	166,288.51	166,288.51	14,583.33	31,305.90	83,144.26	(45,491.38)	(30,016.55)	937,486.31
August	1,104,255.22	169,117.78	1,273,373.00	16,666.67	169,117.78	169,117.78	14,583.33	67,590.49	84,558.89	(28,168.30)	(48,419.19)	1,549,302.67
September	711,230.11	235,088.58	946,318.69	16,666.67	156,725.72	156,725.72	14,583.33	43,701.21	-	(20,225.49)	(37,602.41)	1,120,167.72
October	457,607.33	44,262.28	501,869.61	16,666.67	91,521.47	91,521.47	14,583.33	20,746.37	-	(11,619.57)	(20,694.19)	613,073.69
November	905,802.20	143,602.79	1,049,404.99	16,666.67	269,617.24	269,617.24	14,583.33	56,091.97	-	(15,732.63)	(42,545.36)	1,348,086.21
December	672,295.87	239,246.61	911,542.48	16,666.67	159,497.74	159,497.74	39,583.37	43,908.31	-	(1,818.50)	(38,830.48)	1,130,549.59
Total	\$ 9,336,070.37	\$ 1,966,625.23	\$ 11,302,695.60	\$ 200,000.04	\$ 1,981,787.14	\$ 1,981,787.14	\$ 200,000.00	\$ 567,315.66	\$ 652,212.48	\$ (236,878.68)	\$ (479,729.37)	\$ 14,187,402.87
Check Figure												\$ 14,187,402.87
			FUND: 101	207		211	219	213	443			
Original Fiscal Budget			\$ 11,200,000.00	\$ 200,000.00		\$ 1,400,000.00	\$ 175,000.00	\$ 700,000.00	\$ 630,000.00	\$ (325,000.00)	\$ (450,000.00)	\$ 13,530,000.00
			101%	100%		142%	114%	81%	104%	73%	107%	105%

NOTES: Shaded columns reflect the additional tax.
Italicized numbers reflect subtotals in a fund.

Month-to-Date Revenues as Percentage of Total Annual Budget
105%

CITY OF NORTH ROYALTON
ELECTED OFFICIALS SALARIES

- mayor and council receive increase
- council receive increase only

YEAR	NON-UNION	MAYOR		COUNCIL PRESIDENT		COUNCIL		per pay	diff
	INCREASES	\$INCREASE	TOTAL	\$INCREASE	TOTAL	\$INCREASE	TOTAL		
2012	2.75%	\$ 2,319.48	86,664.34	\$ 386.50	14,441.15	\$ 297.14	11,102.38		
2013	2.00%	\$ 1,733.29	\$ 88,397.63	\$ 288.82	\$ 14,729.98	\$ 222.05	\$ 11,324.43	\$ 943.70	
2014	1.75%	\$ 1,546.96	89,944.58	\$ 257.77	14,987.75	\$ 198.18	11,522.60		
2015	1.75%	\$ 1,574.03	\$ 91,518.61	\$ 262.29	\$ 15,250.04	\$ 201.65	\$ 11,724.25	\$ 977.02	\$ (33.32)
2016	3.00%	\$ 2,745.56	94,264.17	\$ 457.50	15,707.54	\$ 351.73	12,075.98		
2017	2.00%	\$ 1,885.28	\$ 96,149.46	\$ 314.15	\$ 16,021.69	\$ 241.52	\$ 12,317.49	\$ 1,026.46	

**City of North Royalton
2015 Year End Fund Report Highlights**

Total Fund Balance (all City Funds)

2015 Beginning Fund Balance	\$ 14,066,659.67
2014 Revenues	46,444,994.30
2014 Expenses	<u>(49,037,809.53)</u>
2015 Ending Fund Balance	<u>\$ 11,473,844.44</u>

2015 Net Change in Fund Balance \$ (2,592,815.23)

Fund Type	Fund Balance at 1/1/15	Fund Balance at 12/31/15	difference
General Fund/Special Revenue Funds	3,788,172.53	4,380,575.36	592,402.83
Debt	1,410,500.93	1,032,409.22	(378,091.71)
Capital Improvement	6,587,026.72	2,794,975.91	(3,792,050.81)
Enterprise Funds (Wastewater)	1,682,061.39	2,675,854.86	993,793.47
Agency	583,459.83	590,029.09	6,569.26
Total 2013 Fund Balance	<u>14,051,221.40</u>	<u>11,473,844.44</u>	

Fund Description

<u>General Fund:</u>	Unrestricted revenue for city operations or transfers to other funds
<u>Special Revenue Funds:</u>	Restricted revenue - can only be used for specific purpose
<u>Debt:</u>	Restricted for Debt payments
<u>Capital Improvement:</u>	Restricted for Capital Projects
<u>Enterprise Funds (Wastewater):</u>	Restricted for Waste Water Facility
<u>Agency:</u>	Money held for other entities (in escrow/trust)