
MEMO FROM THE FINANCE DIRECTOR'S OFFICE

DATE: October 3, 2023
TO: Council and Administration
FROM: Mollie Gilbride, Finance Director
RE: September 2023 Financial Reports

We have completed the month of September 2023 and are 75% through the year. The following spreadsheets are attached: The Income Tax Comparison, Revenue Comparison, Income Tax by Source and the Recreation Center Operating Profit and Loss.

GENERAL FUND

The general fund ended the month with 81.77% of the estimated revenue collected. The income tax in the general fund is 4.21% behind this time last year. Tallmadge withholding taxes within the general fund are ahead of last year's figures by 2.41%, or \$160,086. The JEDD withholding in the general fund is 15.50% ahead of last year, or \$134,465. This is once again the result of a one-time increase for bonuses paid out by an employer in the JEDD and has been consistent from month to month. We have issued over \$120,000 in refunds for the JEDD this year with 75% of those being for work from home refunds for 2022. Tallmadge net profit taxes are still lagging the previous year by 36.29%, or \$777,404, and the main cause for the overall decrease in income tax collections. Individual tax collections slowed down this month but continue to be ahead of last year's collections by 5.54%, or \$75,501. Overall, we have collected 81.68% of the income tax estimate as of September and continue to stay in line with the anticipated budget. I will continue to monitor collections closely.

The Recreation Center ended the month with a \$277,953 net operating loss which is 7.64% more than this time last year. Revenue is up 7.80%. Membership revenue is up \$69,502 or 13.71%. Silver Sneakers and other insurance-based memberships are getting back to pre-pandemic figures and make up 65% of the membership increase. Summer and no school camp revenue is also seeing an increase over last year of \$12,557, or 12.67%. These increases have helped offset decreases we have seen in other areas, such as basketball court rentals. Payroll is up 8.91%, or \$64,115. Total expenses are up 7.77% from this time last year with payroll accounting for much of the increase.

We have received \$545,681 in Local Government Funds through September, which is 2.04% more than last year.

Third quarter interest revenue was distributed this month with \$279,745 being credited to the General Fund, with total interest receipts for the year being \$626,702.

The unencumbered balance in the general fund is \$10,251,168.

FIRE FUND

The fire fund ended the month with an unencumbered balance of \$913,308. I transferred \$175,000 to the fire fund this month. Ambulance fees continue to outpace last year and are up 13.58%, or \$55,934. We have already exceeded the current year's estimate for ambulance billings by 3.97%. Property tax collections ended up 1.09% over the prior year after our second half settlements.

We are continuing to monitor personnel expenses in the fire department. It is likely that a year-end re-appropriation is going to be needed for personnel expenses due to the amount of additional overtime required this year. As previously discussed, we have seen a decrease in the number of part-time fire fighter shifts being filled by part-timers and have had to fill those with full-time overtime shifts to maintain minimum staffing. There are also leave buyouts that full-time fire fighters are contractually allowed to request throughout the year that we are anticipating being higher than normal because less leave is being used due to staffing needs. I will be working with the administration and the fire department administration to come up with an estimate of our additional funding needs and what can be done to minimize that amount.

SAFETY SERVICE INCOME TAX FUND

The safety service income tax fund ended the month with an unencumbered balance of \$458,383. Income tax collections as of September are \$1,201,960. This is a decrease from the prior year of 5.20%, or \$65,923. This is the result of the large decrease in net profit payments over the prior year. This fund is seeing more of a decrease because it does not receive any of the funds from the JEDD which offset the decreases in the general fund. However, just like the general fund, receipts are coming in in line with estimates with 81.02% of the estimate collected.

STREET MAINTENANCE AND REPAIR FUND

The street fund has an unencumbered balance of \$839,543. I transferred \$210,365 from the general fund. Motor vehicle license and gasoline taxes are 3.01% behind this time last year. This is because we have not received our Permissive Tax reimbursement from Summit County yet for 2023. We are in the process of submitting this year's paving expenses for reimbursement. Expenses are running in line with projections.

SEWER OPERATING FUND

The sewer operating fund ended the month with an unencumbered balance of \$4,223,457. Sewer revenues are currently up 23.62% over last year due to the rate increase that became effective on April 1, 2022, and the additional increase that was effective January 1, 2023. Expenses are in line with the budget.

WATER OPERATING FUND

The water operating fund ended the month with an unencumbered balance of \$1,954,772. Water revenues continue to come in as anticipated. Expenses are in line with the budget.

STORM WATER

The storm water revenue ended the month at 67.97% of projection with \$343,269 collected. This is 34.55% ahead of last year due to the rate increase that went into effect January 1.

If you have any questions, please feel free to contact me.