

**BUDGET COMMISSION**

The Geauga County Budget Commission met in special session on Tuesday, February 20, 2018 at 10:00 a.m. in the Auditor’s Conference Room at 231 Main Street, Chardon, Ohio. Present: Geauga County Auditor Charles E. Walder, Geauga County Prosecutor James R. Flaiz, and County Treasurer C. P. Hitchcock. Also Present: Chief Deputy Auditor Ron Leyde, Deputy Auditors Beverly Sustar, Heather Penrod and Kristen Sinatra.

**2019 Amendments**

**Chester Township – 2019 Amendment #1**

Motion by Charles E. Walder, seconded by C. P. Hitchcock, to amend Chester Township’s 2019 Official Certificate of Estimated Resources as follows to reflect “actual” January 1, 2019 unencumbered cash balances and changes to tax revenue due to the new real estate values and rates for collection in 2019:

General	Increase the 1/1/19 unencumbered cash balance from	345,582.14	estimated to	516,844.53	actual
	Decrease tax revenue	12,279.00	estimated to	640,721.00	actual
	Decrease other source revenue	1,643.00	estimated to	221,820.00	actual
Motor Veh	Increase the 1/1/19 unencumbered cash balance from	4,190.84	estimated to	4,855.38	actual
Gasoline Tax	Increase the 1/1/19 unencumbered cash balance from	37,346.38	estimated to	54,029.55	actual
Road & Bridg	Increase the 1/1/19 unencumbered cash balance from	612,335.74	estimated to	1,245,591.53	actual
	Increase tax revenue	34,624.00	estimated to	1,763,336.00	actual
	Increase other source revenue	2,500.00	estimated to	202,480.00	actual
Cemetary	Decrease the 1/1/19 unencumbered cash balance from	487.97	estimated to	16,304.56	actual
Fire Levy	Increase the 1/1/19 unencumbered cash balance from	127,174.14	estimated to	152,374.43	actual
	Increase tax revenue	20,161.00	estimated to	917,651.00	actual
	Increase other source revenue	2,698.00	estimated to	182,394.40	actual
Police Levy	Increase the 1/1/19 unencumbered cash balance from	578,639.65	estimated to	904,328.36	actual
	Increase tax revenue	33,412.00	estimated to	1,348,032.00	actual
	Increase other source revenue	4,470.00	estimated to	261,979.31	actual
Ambulance	Increase the 1/1/19 unencumbered cash balance from	458,306.56	estimated to	512,508.50	actual
Educ & Enfr	Increase the 1/1/19 unencumbered cash balance from	-	estimated to	6,225.00	actual
Misc Grants	Increase the 1/1/19 unencumbered cash balance from	-	estimated to	6.18	actual
Spec Assess	Increase the 1/1/19 unencumbered cash balance from	14,529.86	estimated to	15,591.71	actual
	New General Fund Total	1,379,385.53			
	New Special Revenue Funds Total	7,978,880.20			
	New Capital Project Funds Total	-			
	New Special Assessment Funds Total	44,591.71			
	New Fiduciary Funds Total	-			
	Grand Total New Certificate- All Funds	<u>9,402,857.44</u>			
	Net Change in Beginning balances	1,250,066.45			
	Net Change in Tax Revenue	100,476.00			
	Net Change in Other Source Revenue	<u>11,311.00</u>			
		<u>1,361,853.45</u>			

Voice vote: three ayes. Motion carried

**Russell 1545 Park District – Certificate #1**

Motion by C. P. Hitchcock, seconded by James Flaiz, to amend the Russell Park District’s 2019 Official Certificate of Estimated Resources as follows to reflect “actual” January 1, 2019 unencumbered cash balances and estimated revenue due to the new Local Government & Public Library estimates in 2019:

Bank statements were received from Karen Agler supporting the total carryover balances.

General	Certify the 1/1/19 unencumbered cash balance	67,480.72
	Certify other source revenue	7,471.00
Land Purchase	Certify the 1/1/19 unencumbered cash balance	248,726.78
	Certify other source revenue	-
	New General Fund Total	74,951.72
	New Special Revenue Fund Total	<u>248,726.78</u>
	Grand Total New Certificate- All Funds	<u>323,678.50</u>

Voice vote, three ayes. Motion carried

**Hambden Township – 2018 Amendment #1**

Motion by James Flaiz, seconded by Charles E. Walder, to amend the Hambden Township 2019 Official Certificate of Estimated Resources as follows to reflect “actual” January 1, 2019 unencumbered cash balances and changes to tax revenue due to the new real estate values and rates for collection in 2019:

General	Increase the 1/1/19 unencumbered cash balance from	12,978.00	estimated to	183,453.54	actual
	Increase tax revenue	2,285.00	198,567.00	estimated to	200,852.00
	Increase other source revenue	305.00	125,760.00	estimated to	126,065.00
Motor Vehicle	Increase the 1/1/19 unencumbered cash balance from	-	estimated to	8,975.36	actual
Gasoline Tax	Increase the 1/1/19 unencumbered cash balance from	-	estimated to	49,664.58	actual
	Increase other source revenue	306,886.37	200.00	estimated to	307,086.37
Road & Bridge	Increase the 1/1/19 unencumbered cash balance from	-	estimated to	356,499.00	actual
	Increase tax revenue	(304,649.00)	352,344.00	estimated to	47,695.00
Cemetery	Increase the 1/1/19 unencumbered cash balance from	-	estimated to	4,995.97	actual
Fire Levy	Decrease the 1/1/19 unencumbered cash balance from	-	estimated to	150,532.38	actual
	Increase tax revenue	7,777.00	388,218.00	estimated to	395,995.00
	Increase other source revenue	640.00	53,438.00	estimated to	54,078.00
Park Levy	Increase the 1/1/19 unencumbered cash balance from	1,500.00	estimated to	81,942.22	actual
	Increase tax revenue	321.00	26,309.00	estimated to	26,630.00
	Increase other source revenue	43.00	19,840.00	estimated to	19,883.00
EMS Billing	Increase the 1/1/19 unencumbered cash balance from	-	estimated to	235,455.03	actual
Perm Imprv	Increase the 1/1/19 unencumbered cash balance from	-	estimated to	115,003.92	actual
	Increase tax revenue	767,980.00	84,189.00	estimated to	852,169.00
	Increase other source revenue	138.00	11,263.00	estimated to	11,401.00
Cutts Road	Increase the 1/1/19 unencumbered cash balance from	-	estimated to	(323,622.00)	actual
	Increase other source revenue	604,000.00	-	estimated to	604,000.00
Misc Cap Imp	Increase the 1/1/19 unencumbered cash balance from	-	estimated to	(12,600.00)	actual
	New General Fund Total	510,370.54			
	New Special Revenue Fund Total	1,934,781.91			
	New Capital Project Funds Total	479,398.92			
	Grand Total New Certificate- All Funds	<u>2,924,551.37</u>			*negative carryover balances due to advances not repaid
	Net Change in Beginning balances	786,209.37			
	Net Change in Tax Revenue	12,565.00			
	Net Change in Other Source Revenue	<u>605,682.00</u>			*Cutts Road new Revenue = \$604,000
		<u>1,404,456.37</u>			

Voice vote, three ayes. Motion carried.

**2019/2020 School District Budget Hearings were called to order at 10:00 a.m.****Current and Future Values**

Real Property values increased 36,981,800 last year for a total countywide of \$3,217,988,640  
New construction increased assessed values by \$26,973,440. In 20108 145 New Residential Permits were issued averaging \$350,750. There were 27 new Commercial permits averaging \$368,926ed for New Commercial construction in 2018, and 18 Commercial addition permits averaging 1,311,056

**Auditor's Remarks**

Mr. Walder stated that last year there were 216 BOR filings, with 166 of which being residential, 17 agricultural, 28 commercial and 5 industrial. 80% were handled informally. He believes that the BOR board is doing a better job of vetting, they are considering all the stakeholders. They are closely following BTA rules and regulations, and trying to follow what the BTA would do if someone filed a complaint. He believes the BOR is now a bit more factual in how they are determining outcomes. Recent arm's length sales are first. Second is if there is a valid appraisal. And finally if there are mitigating circumstances.

Mr. Walder asked about the form used for Alternative Tax Budgets. He found it to be confusing to someone like himself who was unfamiliar with the form. It was determined that this was a form that is no longer published and has for a period of time been generated by the Auditor's office. Mr. Walder promised that he would look into the alternatives to using the current form to make them more

**Treasurer's Remarks**

Mr. Hitchcock spoke about recent legislation that would allow the value complaint to be retroactive for 3 years. Treasurer Hitchcock presented the summary of tax collection for 2018. Taken as a whole, taxes were collected at 97.85% of current tax charges. With prior year delinquent collections, all districts met or exceeded the estimated certified revenue. Delinquent collection represented 2.00% of current charges. Though collections did exceed the 98% certified revenue, it did not meet 100% of current charges. About \$4 million is still outstanding in oil delinquencies. He believes that those pending taxes receipts will be eliminated, through bankruptcy. The tax is in mediation. For planning purposes continue to use the 98% figure that the Budget Commission certifies.

Mr. Walder asked about GAAP reporting. His concern is with school mergers, comparing apples to apples. Some adjustment will be needed with the Newbury transfer. Ms. Penler from West Geauga stated that the transfer will be more of a cash transfer. West Geauga will need to reserve funds to pay for outstanding liabilities. Ms. McCaffrey stated that the financial conversion will be the smallest hurdle West Geauga will face with the merger.

Mr. Walder thanked the school treasurers for meeting with him last year and he hopes that they can do that again.

**Levy Plans**

West Geauga has the Auditor's office to certify Tax Revenue and has filed with the Board of Elections for a renewal of an existing \$2,350,000.00 Emergency Levy for Tax 2020, first due in 2021.

Ms. Brudno stated that Chardon School Board is looking into a Bond levy, but have not decided to go forward yet.

Mr. asked if anyone was considering substitute levies. West Geauga indicated that they had talked about them.

**Construction**

Berkshire Treasurer Beth McCaffrey informed the group that they will be cutting trees and moving dirt very soon. They expect to have the pad for the new campus poured in place by September of this year.

**Bond Levies and Emergency Levies**

The Auditor's office will contact each school district in October or November to determine January balances if any, and calculate rate requirements for 2019 collection year.

**Settlement Recap**

Should be prepared and mailed in April.

**2018/2019 School Year School District Official Certificates of Estimated Resources**

Upon the review of the school districts estimates, inside and outside millage available to be levied, renewal and/or additional levies not hereto considered for certification until after voter approval and balances and receipts adjusted as needed, it was moved and seconded as follows to certify 2018/2019 school year tax budgets by approving/adopting official Certificates of Estimated Resources for the local school districts as follows:

**Berkshire LSD** – Motion by Charles E. Walder, seconded by C. P. Hitchcock, to approve the Berkshire Local School District 2019/2020 budget as presented:

		<u>Tax Receipts</u>	<u>All Other Sources &amp; Balances</u>	<u>Total</u>
4.50	Inside General Fund	1,518,184.00	13,457,395.92	20,768,176.92
45.30	Outside General Fund	5,792,597.00		
2.50	Outside Perm. Impr.	382,392.00	177,075.02	559,467.02
3.65	Bond Levy	1,231,417.00		1,231,417.00
<u>55.95</u>	<u>Total Mills</u>			
	All Other Funds			<u>34,042,985.64</u>
	Total - All Funds			<u>56,602,046.58</u>

Per debt schedule \$1,346,150 due in calendar year 2020 will need to revise Bond rate in November.

Voice vote: three ayes. Motion carried.

**Cardinal LSD** – Motion by C. P. Hitchcock, seconded by James Flaiz, to approve the Cardinal Local School District 2019/2020 budget as presented:

		<u>Tax Receipts</u>	<u>All Other Sources &amp; Balances</u>	<u>Total</u>
3.50	Inside General Fund	1,078,019.00	5,144,660.00	14,476,733.00
53.10	Outside General Fund	8,254,054.00		
1.00	Inside Perm. Impr.	308,005.00	5,411,434.00	5,719,439.00
2.27	Outside Bond	699,172.00	830,736.00	1,529,908.00
0.75	Outside Library	231,004.00	362,011.00	593,015.00
<u>60.62</u>	<u>Total Mills</u>			
	All Other Funds			<u>1,420,700.00</u>
	Total - All Funds			<u>23,739,795.00</u>

\$226,650 Library Payment in FY 2020

\$711,063 School Improvement Bond – additional payment of \$693,851 due after levy expires

Voice vote: three ayes. Motion carried.

**Chardon LSD** – Motion by James Flaiz, seconded by Charles E. Walder, to approve the Chardon Local School District 2019/2020 budget as presented:

		<u>Tax Receipts</u>	<u>All Other Sources &amp; Balances</u>	<u>Total</u>
4.50	Inside General Fund	3,010,945.00	18,858,870.00	46,634,093.00
74.18	Outside General Fund	24,764,278.00		
2.00	Outside Permanent Imp	1,290,263.00	1,597,270.00	2,887,533.00
<u>80.68</u>	<u>Total Mills</u>			
	All Other Funds			<u>12,218,675.00</u>
	Total - All Funds			<u>61,740,301.00</u>

Voice vote: three ayes. Motion carried.

**Kenston LSD** – Motion by Charles E. Walder, seconded by C. P. Hitchcock, to approve the Kenston Local School District 2019/2020 budget as presented:

		<u>Tax Receipts</u>	<u>All Other Sources &amp; Balances</u>	<u>Total</u>
4.50	Inside General Fund	3,621,142.00	16,001,322.79	48,204,222.79
81.49	Outside General Fund	28,581,758.00		
3.64	Outside Bond Fund	2,929,102.00	2,674,834.30	5,603,936.30
0.70	Outside Bond Fund	563,288.00	-	563,288.00
<u>90.33</u>	<u>Total Mills</u>			
	All Other Funds			<u>14,442,243.39</u>
	Total - All Funds			<u>68,813,690.48</u>

Kenston comingles bond levies revenues. Rates should be steady for next 5 years.

Mr. Flaiz questioned the data presented by the treasurer, specifically that the 2016/2017 actual ending balance was reported to be \$12,393,157 but the 2017/2018 actual beginning balance was reported to be \$11,814,039. Mr. Flaiz asked why there was a discrepancy of approximately \$600,000. Mr. Butto could not provide an explanation and stated that he would follow up with Ms. Sustar and provide that information

Voice vote: two ayes, one no. Motion carried.

**Newbury LSD** – Motion by C. P. Hitchcock, seconded by James Flaiz, to approve the Newbury Local School District 2019/2020 budget as presented:

		<u>Tax Receipts</u>	<u>All Other Sources &amp; Balances</u>	<u>Total</u>
5.10	Inside General Fund	890,755.00	6,265,928.00	10,760,018.00
48.69	Outside General Fund	3,603,335.00		
1.00	Outside Perm. Impr.	154,412.00	10,900.00	165,312.00
4.49	Emergency (2019 TY)	784,213.00	1,255,079.00	2,039,292.00
<u>59.28</u>	<u>Total Mills</u>			
	All Other Funds			<u>731,783.00</u>
	Total - All Funds			<u>13,696,405.00</u>

Newbury will continue to collect Expiring Emergency Levies for first half fiscal 2019/2020 in the estimated amount of 1,253,000. This revenue is included in other sources because it is not ongoing.

Voice vote: three ayes. Motion carried.

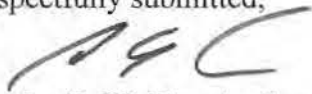
**West Geauga LSD** – Motion by James Flaiz, seconded by Charles E. Walder, to approve the West Geauga Local School District 2019/2020 budget as presented

		<u>Tax Receipts</u>	<u>All Other Sources &amp; Balances</u>	<u>Total</u>
3.50	Inside General Fund *	2,301,202.00	19,998,373.57	34,568,689.57
38.80	Outside General Fund	12,269,114.00		
1.00	Inside Perm. Imprv.	657,487.00	1,790,335.74	2,447,822.74
0.00	Outside Perm Imprv.	-		
0.00	Outside Bond Fund	-	21,516.47	21,516.47
9.03	Emergency	5,937,104.00	90,446.40	6,027,550.40
<u>52.33</u>	<u>Total Mills</u>			
	All Other Funds			<u>2,290,529.00</u>
	Total - All Funds			<u>45,356,108.18</u>

:  
 \* \$158,100.00 from General Fund real estate to debt service to pay principal and interest on Energy Conservation notes

Voice vote: three ayes. Motion carried.

Being no further business to conduct it was moved by Caroline Mansfield to adjourn the February 25, 2019 special meeting at 10:57 a.m.

Respectfully submitted,  
  
 Charles E. Walder, Auditor  
 Secretary/Budget Commission

