

BUDGET COMMISSION

The Geauga County Budget Commission met in special session on Monday, August 26, 2019 at 10:36 a.m. in the Auditor’s office at 215 Main Street, Chardon, Ohio.

Present: Geauga County Auditor - Charles E. Walder, Geauga County Prosecutor - James R. Flaiz, and Geauga County Treasurer - C. P. Hitchcock

Also Present: Deputy Auditor Heather Penrod and Deputy Auditor Kristen Sinatra

The Special Meeting was advertised for the following purpose:

- 2020 Tax Budget Hearings – Reconvene
- Middlefield Township
- Geauga County
- Regular Business

Mr. Walder reconvenes the 2020 Tax Budget Hearings: call to order at 10:36 a.m.

2020 BUDGET HEARINGS

Geauga County

10:30 AM  
26-Aug-19

Gerry Morgan and Adrian Gorton attended the hearing representing Geauga County.

General Fund	Tax Budget	Budget Commission
Estimated 1/1/2020	5,000,000.00	5,000,000.00
Estimated 2020 Revenue	30,307,018.00	\$30,307,018.00
Estimated Transfers	10,000.00	\$10,000.00
Total	35,317,018.00	35,317,018.00
Estimated Expenditures	35,317,018.00	\$35,317,018.00

Revenue under Expenditures  
Local Government Funds will be updated in January  
- 2020 Real Estate Receipts estimated at 98% of Values.  
**1004 thru 6031 Funds**

- 2020 Real Estate Receipts estimated at 98% of Values.

Total millage for Tax Year 2019 (2020 Collection)
2.5 Inside General Fund - 1001
2.5 Outside Road & Bridge
1.2 Outside Children's Services
1.2 Outside Mental Health
4.3 Outside DD/Metzenbaum
1 Outside Senior Citizens
0.2 Outside Health District
<b>12.9</b>
2.7 Outside Park - memo only
2.5 Outside Library - memo only
<b>18.1</b>

The focus of the budget review was mainly with the General Fund. The Budget Commission expressed concern with regard to the estimated revenue versus actual revenue (growing); creating an even greater actual ending cash balance. The observation was that a fix was made to the beginning balance but not to the ending balance. The Budget Commission asked if a zero ending balance for 2020 tax year is a realistic figure, and if a significant contribution will be made to Capital/Building fund (once created) next year. The County representatives confirmed the action. The Budget Commission reiterated that Zero Based Budgeting is not an appropriate or transparent method for preparing a budget for government entities; income matching expenses is misleading to the taxpayers. Additionally, starting the year with zero cash leaves nothing to cover expenses within the first quarter of the year. All parties in attendance acknowledged that correcting the impact of the County’s use of Zero Based Budgeting will be a multi-year process. The parties hope that the County accomplishes the earlier referenced transfer to a new Capital/Building Fund; and that the County progresses away from the zero based philosophy and starts developing its budgets as truthful, legal, and accurate. Administrator Morgan stated that he believes that they can commit to showing an ending balance in 2021.

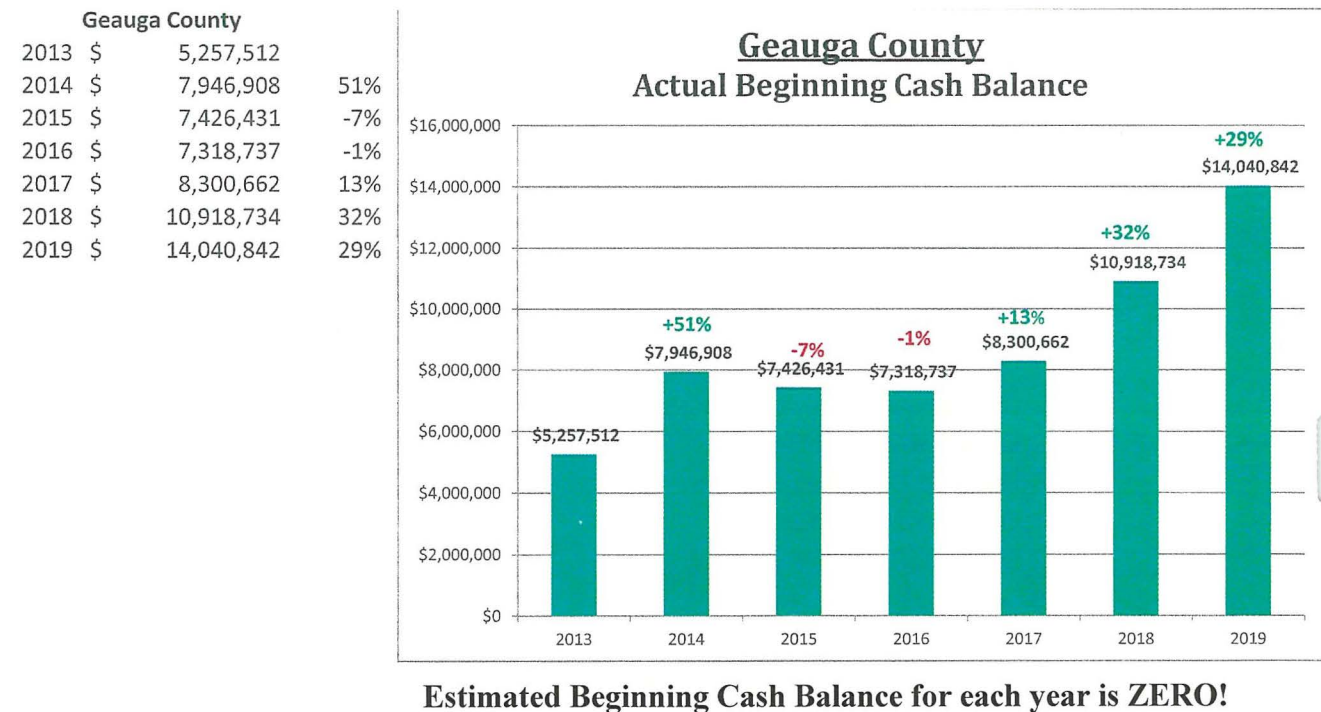
Mr. Gorton interjected that many entities within the County budget over appropriate versus what they actually spend. He noted that additional conversation will be shared next spring during the budget kick-off to the County departments and other elected officials Offices’ instructing them to have their budgets reflect an “average” use for expected expenditures.

The Budget Commission acknowledged the County representatives’ efforts in making the necessary revisions to the County’s 2020 tax budget.

Motion made by James R. Flaiz, seconded by Charles E. Walder, to approve the 2020 Tax Budget as presented this day with revenue and balances for Geauga County totaling \$156,133,630.26

Voice vote: Three ayes. Motion carried

The below graph was submitted as an exhibit by the Budget Commission



2020 BUDGET HEARINGS				
Middlefield Township			10:50 a.m. August 26, 2019	
Mary Ann Pierce, fiscal officer (via Phone if required)				
hearing representing Middlefield Township.				
Estimated 1/1/2020 Unencumbered Cash Balance			\$	39,790.00
General Fund			Estimated Revenue	\$199,099.00
			Estimated Expense	\$215,700.00
Estimated 12/31/2020 Cash Balance				\$23,189.00
Requested	\$197,891.00	Approved	\$199,099.00	
Estimated 1/1/2020 Unencumbered Cash Balance				\$137,030.25
Road & Bridge			Estimated Revenue	\$547,986.00
			Estimated Expense	\$555,700.00
Estimated 12/31/2020 Cash Balance				\$129,316.25
Requested	\$549,136.00	Approved	\$547,986.00	
Estimated 1/1/2020 Unencumbered Cash Balance				\$16,090.00
Ambulance Fund			Estimated Revenue	\$143,255.00
			Estimated Expense	\$72,000.00
Estimated 12/31/2020 Cash Balance				\$87,345.00
Requested	\$143,561.00	Approved	\$143,255.00	
Debt Fund No Debt				
Special Assessments			No Special Assessments	
2020 TPP/TVLR				
Last distribution currently scheduled for February 2020 in amount of \$1,812				
Total millage for Tax Year 2019 (2020 Collection)				
1.30	Inside General Fund			
1.70	Inside Road & Bridge			
5.00	Outside Road & Bridge			
1.60	Outside Ambulance			
9.60	Total Mills			

Middlefield Township representatives Trustee Paul Porter and Fiscal Office Mary Ann Pierce attended the scheduled Budget Hearing on 8-19-19 and acknowledged that corrections needed to be made to the 2020 Budget which they ha submitted. The Budget Commission granted the township the opportunity to make the necessary revisions, obtain Board of Trustees' approval and resubmit. The parties' understanding was that a Township representative would not have to physically attend the August 26, 2019 meeting. The Township's Fiscal Officer provided a phone contact number should questions arise from the Budget Commission.

Motion by James R. Flaiz, seconded by Charles E. Walder to waive the reading of the 2020 Budget Hearing overview of figures.

Voice vote: Three ayes. Motion carried

Motion by Charles E Walder, seconded by C. P. Hitchcock to approve the 2020 Tax Budget as presented with revenue and balances for Middlefield Township totaling \$1,192,406.25

Voice vote: Three ayes. Motion carried

**2019/2020 School Amendments**

**Berkshire Local School District 2019/2020 - Amendment #2**

Motion by James R. Flaiz, seconded by Charles E. Walder, to amend the Berkshire LSD Official Certificate of Estimated Resources to reflect the following changes to revenue previously certified:

**Special Revenue Funds**

Increase Latchkey other source revenue 13,000, from 28,861.43 to 41,326.00  
Increase Classroom Facilities other source revenue 169,854 from 169,854.00 to 339,708.00  
Decrease Student Activities other source revenue 15,000.00, from 100,473.20 to 85,473.20

**Internal Service Funds**

Increase Device Insurance other source revenue 8,000.00, from 22,974.67 to 30,974.67

New Special Revenue Funds Total:	\$ 5,490,187.07
New Internal Service Funds Total:	\$ 549,897.59
New Total 2019 Certificate:	\$ 55,093,064.15

Voice vote: Three ayes. Motion carried

**2019 Amendments**

**Geauga County – Amendment #8**

Motion by Charles E. Walder, seconded by C. P. Hitchcock, to amend the Geauga County Official Certificate of Estimated Resources to reflect the following changes to revenue previously certified:

**Debt Service Fund**

Increase Water Resources -Parkman Revenue Bond Fund other source revenue 5,000.00, from 103,216.20 to 108,216.20

New Debt Service Fund Total:	\$2,462,631.35
New Total 2019 Certificate:	\$172,124,789.28

Voice vote: Three ayes. Motion carried



General Discussion

Regular meetings for September will be reduced to the third Monday (16<sup>th</sup>) of the month. The first meeting of the month will be cancelled as it falls on Labor Day. Notice will be sent.

A general discussion arose with regard to the Geauga County's preparation of their budget, the role of the Budget Commission, and the training that must be continued with the various entities in Geauga County.

Being no further business to conduct, James R. Flaiz moved to adjourn the August 26, 2019 special meeting at 11:13 a.m.

Respectfully submitted,



Charles E. Walder, Auditor  
Secretary/Budget Commission

