

BUDGET COMMISSION

The Geauga County Budget Commission met in special session on Monday, July 22, 2021 at 10:01 a.m. in the Auditor's office at 215 Main Street, Chardon, Ohio. Present: Geauga County Auditor Charles E. Walder and Geauga County Prosecutor James R. Flaiz.

Also Present: Chief Deputy Auditor Ron Leyde, Deputy Auditor Kristen Sinatra and Deputy Auditor Tammy Most

Meeting was advertised: General purpose

Geauga County Department of Developmental Disabilities (DODD)

Don Rice, Superintendent of Geauga County Department of Developmental Disabilities, along with Dave Carlson, Director of Business Operations addressed the Budget Commission with regard to their departments unique financing needs. This meeting was scheduled as a continuation of the April discussion which centered around the carry over balances and possible reduction of levy collections. The Budget Commission had an interest in understanding what actions the Board of DODD might take.

A discussion began surrounding continuous levies versus termed levies. Specifically, the Budget Commission's role as the only scrutiny as to "need" for continuous levies because the taxpayer's ability to decide via a vote to renew, has been removed.

Mr. Rice and Mr. Carlton shared a cash flow report detailing actual and projected revenue and expenses from 2019-2026 (attachment #1). After reviewing the report Mr. Flaiz stated that the carryover balances are too high. He understands that the State has allowed for up to 40% of total prior year's expenses including reserve balances, to be carried over, these balances are much higher than 40%. He also noted the non-operating cash balance in the cash flow report is still projected to be at 8.2 million in 2026. The DODD's revenue has reached maximum balances in about 3 years. The Budget Commission felt the department was taking in too much revenue and owed some back to the taxpayer. This report further confirmed what the Budget Commission had thought back in April.

Mr. Rice stated that he took the information from the April meeting back to his Board and they have agreed to consider a voluntary roll back of tax collection if their carry over balances exceed 75% of the previous year's total expenditures. (See Resolution 21-95(A) attachment #2) The Commission asked if the 75% figure includes reserve account balances and Mr. Rice confirmed that, yes, the 75% does include reserve balances.

Furthermore, since the DODD's balances currently do exceed the 75% benchmark, Mr. Rice has presented to his Board a second resolution, (21-96(A) attachment #3) which agrees to voluntarily reduce collections of the 2015 1mill levy to .75mills for the 2021 tax year which will be collected in 2022. The Budget Commission thanked Mr. Rice for his efforts. They further shared, that the actions of the Board of DODD was a responsible move and in the best interest of the taxpayers.

Attachment #1

Geauga County Cash Flow Projections Through The Year 2026

Year	Actual 2019	Actual 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026
REVENUES:								
Local Tax Levies								
Levy Description	\$ 9,700,195	\$ 9,923,318	\$ 9,792,669	\$ 9,792,669	\$ 9,792,669	\$ 9,792,669	\$ 9,792,669	\$ 9,792,669
Existing, N/A, Continuing, 3/3 Voted Mills, 3 Est Effective Mills, Passed 2004, Collected 2005, End X	\$ 3,047,918	\$ 3,188,094	\$ 3,145,781	\$ 3,145,781	\$ 3,145,781	\$ 3,145,781	\$ 3,145,781	\$ 3,145,781
Subtotal Local Tax Levy Revenue	\$ 12,748,113	\$ 13,111,412	\$ 12,938,450	\$ 12,938,450	\$ 12,938,450	\$ 12,938,450	\$ 12,938,450	\$ 12,938,450
Local Revenue Other	\$ 217,313	\$ 912,046	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Revenue DODD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Revenue ODE	\$ 671,708	\$ 661,646	\$ 569,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
State Revenue Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Revenue	\$ 2,627,732	\$ 1,026,218	\$ 429,000	\$ 510,000	\$ 510,000	\$ 510,000	\$ 510,000	\$ 510,000
Miscellaneous Revenue	\$ 867,996	\$ 1,132,378	\$ 1,822,171	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000
TOTAL REVENUES	\$ 17,132,862	\$ 16,843,700	\$ 15,758,621	\$ 14,748,450	\$ 14,748,450	\$ 14,748,450	\$ 14,748,450	\$ 14,748,450
EXPENSES:								
Personnel Expenses	\$ 5,667,999	\$ 5,214,467	\$ 5,343,000	\$ 4,701,000	\$ 4,842,030	\$ 4,987,291	\$ 5,136,910	\$ 5,291,017
Locally Funded Services	\$ 3,427,331	\$ 1,944,439	\$ 5,508,078	\$ 3,605,700	\$ 3,641,757	\$ 3,678,175	\$ 3,714,956	\$ 3,752,106
Other Expenses	\$ 2,402,640	\$ 1,266,148	\$ 1,565,000	\$ 1,596,300	\$ 1,628,226	\$ 1,660,791	\$ 1,694,006	\$ 1,727,886
Waiver Match	\$ 4,098,410	\$ 3,291,994	\$ 5,964,175	\$ 5,000,000	\$ 5,050,000	\$ 5,100,500	\$ 5,151,505	\$ 5,203,020
TOTAL EXPENSES	\$ 15,596,380	\$ 11,717,048	\$ 18,380,253	\$ 14,903,000	\$ 15,162,013	\$ 15,426,757	\$ 15,697,377	\$ 15,974,029
TRANSFERS:								
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers Out	\$ 4,474,259	\$ 3,573,567	\$ 1,268,655	\$ -	\$ -	\$ -	\$ -	\$ -
NET TRANSFERS	\$ (4,474,259)	\$ (3,573,567)	\$ (1,268,655)	\$ -	\$ -	\$ -	\$ -	\$ -
DEMOGRAPHICS:								
Full-Time Equivalents (FTEs)	72	66	59	59	59	59	59	59
Individual Options (10) Waivers	193	199	210	210	210	210	210	210
Level One (LV1) Waivers	93	100	100	100	100	100	100	100
Self-Empowered Life Funding (SELF) Waivers	2	3	3	3	3	3	3	3
TOTAL WAIVERS	268	302	313	313	313	313	313	313
Non-Waiver Individuals Served	543	591	591	591	591	591	591	591
TOTAL INDIVIDUALS SERVED	811	893	904	904	904	904	904	904
CHECKLIST:								
Do you operate a school? (Y/N)	No							
Are you privatized? (Y/N)	Yes							
Beginning Operating Cash Balance, December 31	\$ 8,272,809	\$ 5,335,032	\$ 6,888,117	\$ 2,997,830	\$ 2,843,280	\$ 2,429,717	\$ 1,751,410	\$ 802,483
In-Year Variance	\$ 1,536,482	\$ 5,126,652	\$ (2,621,632)	\$ (154,550)	\$ (413,563)	\$ (678,307)	\$ (948,927)	\$ (1,225,579)
<i>In-Year Variance in Mills (if Negative)</i>			\$ (1)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)
Net Transfers	\$ (4,474,259)	\$ (3,573,567)	\$ (1,268,655)	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Operating Cash Balance	\$ 5,335,032	\$ 6,888,117	\$ 2,997,830	\$ 2,843,280	\$ 2,429,717	\$ 1,751,410	\$ 802,483	\$ (423,096)

Attachment #2

**GEAUGA COUNTY BOARD OF
DEVELOPMENTAL DISABILITIES**

July 21, 2021

Resolution: 21-95(A)

WHEREAS, the Geauga County Board of Developmental Disabilities has reached a 2021 total carry-over balance amount of approximately \$14 million in comparison to a typical year's expenditure of approximately \$16 million;

WHEREAS, the Geauga County Budget Commission requested that the board provide leadership in determining an appropriate level of carry-over balance prior to the board considering a voluntary roll-back of levy collections;

WHEREAS, Ohio Revised Code 5705.222 allows for a Reserve Balance Account for a carry-over balance amount of 40% to be used for future expenditures;

WHEREAS, the Ohio Department of Developmental Disabilities has directed county boards to set aside funds for Medicaid rate increases which began in 2021 and will increase through 2025;

WHEREAS, the Geauga County Board of Developmental Disabilities considers the Reserve Balance Account as an amount to address future expenditures in 2024 and beyond;

WHEREAS, a minimum carry-over balance of at least 25% must be available to maintain funding expenditures until the levy revenue is received in March of each year;

NOW, THEREFORE, BE IT RESOLVED that the Geauga County Board of Developmental Disabilities will consider a voluntary roll back in levy collections when the carry-over balance exceeds 75% of the previous year's total expenditure which represents 35% above the 40% allowed in the Reserve Balance Account.

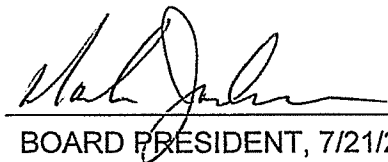
BE IF FURTHER RESOLVED that the Superintendent is directed to take any and all action necessary, including but not limited to electing to cancel these transactions if they are determined to be unneeded.

MOTION:

SECOND:

DISCUSSION:

ROLL CALL:


BOARD PRESIDENT, 7/21/21

Attachment #3

GEAUGA COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

July 21, 2021

Resolution: 21-96(A)

WHEREAS, the Geauga County Board of Developmental Disabilities 2021 carry-over balance was \$13,975,190;

WHEREAS, the Geauga County Board of Developmental Disabilities 2020 total expenditures were \$14,336,114;

WHEREAS, the carry-over balance represents 97% of the 2020 total expenditures which exceeds the 75% amount set by the Geauga County Board of Developmental Disabilities;

NOW, THEREFORE, BE IT RESOLVED to voluntarily reduce the levy collection on the original 2015 1 mill levy to .75 mills for the 2021 tax year which is collected in 2022. The collection amount will return to 1 mill for the 2022 tax year unless the 2022 carry-over balance exceeds 75% of the 2021 expenditures.

BE IF FURTHER RESOLVED that the Superintendent is directed to take any and all action necessary, including but not limited to electing to cancel these transactions if they are determined to be unneeded.


MOTION:

SECOND:

DISCUSSION:

ROLL CALL:

Mr. Jackson	<i>No</i>	<i>Abstain</i>	Mr. Miller	<i>No</i>	<i>Abstain</i>
Mrs. Janson	<i>No</i>	<i>Abstain</i>	Dr. Schmidt	<i>No</i>	<i>Abstain</i>
Mrs. Keiper	<i>No</i>	<i>Abstain</i>	Mr. Suttell	<i>No</i>	<i>Abstain</i>
Mr. Lair	<i>No</i>	<i>Abstain</i>			


 BOARD PRESIDENT, 7/21/21

Prior Minutes

Motion by Charles E. Walder, seconded by James Flaiz, to approve the minutes of the July 22, 2021.

Voice vote: Two ayes. Motion carried

2021 Certificate Amendments

Bainbridge Township – Amendment #4

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

Special Revenue Funds

Increase Fund# 2908 EPA 319 Grant – other source revenue 1705.94 from 226.68 to 1932.62

New Special Revenue Funds Total:	\$21,510,177.63
<u>New 2021 Certificate Total:</u>	<u>\$28,909,262.49</u>

Voice vote: Two ayes. Motion carried.

Village of Burton – Amendment #3

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

General Fund

Increase Other – other source revenue 350,000.00, from 138,652.00 to 488,652.00

<u>New General Fund Total:</u>	<u>\$2,038,988.73</u>
<u>New 2021 Certificate Total:</u>	<u>\$8,315,077.34</u>

Voice vote: Two ayes. Motion carried.

Middlefield Village – Amendment #3

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

Special Revenue Funds

Establish New Fund for Local Fiscal Recover Fund (LFRF)- specified by ARP Act
Increase LFRF other source revenue 141,414.00 from 0.00 to 141,414.00

<u>New Special Revenue Funds Total:</u>	<u>\$6,703,518.55</u>
<u>New 2021 Certificate Total:</u>	<u>\$15,873,558.37</u>

Voice vote: Two ayes. Motion carried.

Russell Township – Amendment #2

Motion by Charles E. Walder, seconded by James Flaiz, to amend the Russell Township’s Official Certificate of Estimated Resources to reflect the following changes to revenue previously certified as a result of the sale of fixed assets:

Special Revenue Funds

Road and Bridge Fund 2031 Increase other source revenue 28,918 from 3,000 to 31,918

<u>New Special Revenue Funds Total:</u>	<u>\$9,598,154.21</u>
<u>New 2021 Certificate Total:</u>	<u>\$14,459,298.46</u>

Voice vote: Two ayes. Motion carried.

2021/2022 School Amended Certificate

Berkshire LSD – 2021/2022 Amendment #1

Motion by James Flaiz, seconded Charles E. Walder, to amend the Berkshire LSD Official Certificate of Estimated Resources for the 2020/2021 School Year to reflect “actual” July 1, 2021 Unencumbered balances and a revised estimate of Other Source Revenues per their Treasurer’s year-end balance sheet.

	New Fund Totals	Net change over (under) their 2/22/2021 Original Certificate	
General Fund	22,119,215.19	1,170,514.93	in the beginning balances
		242,988.00	in real estate taxes
Special Revenue Funds	5,930,858.41	1,020,385.14	in the beginning balances
		1,606,192.94	in other source revenue
Derbt Service	1,413,585.28	(138,644.72)	in the beginning balances
		41,329.08	in real estate taxes
Capital Project Funds	(3,580,934.78)	(4,087,363.98)	in the beginning balances
		11,911.00	in real estate taxes
Enterprise Funds	386,757.38	39,757.38	in the beginning balances
Internal Service Funds	477,484.68	24,984.68	in the beginning balances
Fiduciary Funds	158,864.76	43,864.76	in the beginning balances
New Total – All Funds	26,905,830.92		
Net Change over original certificate		-24,079.49	

Voice vote: Two ayes. Motion carried

Chardon LSD – 2021/2022 Amendment #2

Motion by Charles E. Walder, seconded by James Flaiz to amend Chardon LSD’s Official Certificate of Estimated Resources for the 2021/2022 School Year to reflect “actual” July 1, 2021 Unencumbered balances and a revised estimate of Other Source Revenues per their Treasurer’s year-end balance sheet.

	New Fund Totals	Net change over (under) their 4/15/2021 Original Certificate	
General Fund	56,947,525.18	2,602,064.92	in the beginning balances
		(2,414,659.74)	in other source revenue
Special Revenue Funds	6,939,501.16	860,427.03	in the beginning balances
		1,069,992.13	in other source revenue
Debt Service	411,500.00	-	in the beginning balance
Capital Project Funds	2,885,464.43	(3,474,998.57)	in the beginning balances
		-	in other source revenue
Enterprise Funds	1,480,651.70	(74,856.74)	in the beginning balances
		231,633.44	in other source revenue
Internal Service Funds	8,089,186.12	948,576.12	in the beginning balance
		30,000.00	in other source revenue
Fiduciary Funds	558,305.72	72,330.72	in the beginning balances
		97,624.00	in other source revenue
New Total – All Funds	77,312,134.31		
Net Change over original certificate		-51,866.69	

Voice vote: Two ayes. Motion carried

Geauga County – Amendment #12

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

Special Revenue Funds

Increase #2069 Workforce Investment Fund other source revenue 165,000 from 385,000 to 550,000.

Increase #2074 Law enforcement Assist. other source revenue 5,000.00, from 3,800.00 to 8,800.00

<u>New Special Revenue Funds Total:</u>	<u>\$104,687,135.78</u>
New 2021 Certificate Total:	\$213,309,090.23

Voice vote: Two ayes. Motion carried.

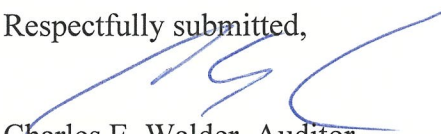
General Discussion:

No updates for 2022 revenue for UDLG. The State should have those figures available by Monday July 26th, and will include the final tally of votes.

Contact with the Geauga County the Park District should be conducted via USPS going forward.

Being no further business to conduct, a motion was made by Charles E. Walder, second by James Flaiz to adjourn the July 22, 2021 special meeting at 11:10 a.m.

Respectfully submitted,


Charles E. Walder, Auditor
Secretary/Budget Commission

