

**BUDGET COMMISSION**

The Geauga County Budget Commission met in special session on Thursday, April 15, 2021 at 9:30 a.m. at 470 Center Street, Building #8, Chardon, Ohio. Present: Geauga County Auditor Charles E. Walder, Geauga County Prosecutor James R. Flaiz, and Chief Deputy Treasurer Caroline Mansfield via WebEx as representative for Treasurer C. P. Hitchcock

Also Present: Chief Deputy Auditor, Ron Leyde, Chief Compliance Officer, Kate Jacob McClain, and Deputy Auditors, Pamela McMahan, Kristen Sinatra, and Tammy Most.

Meeting Advertised: Meeting with County Departments which receive voted levied revenue  
Regular Business

James Flaiz called the meeting to order at 9:30am.

**Berkshire LSD – Restructure of Bond Debt**

Motion by Charles Walder seconded by James Flaiz to approve the proposed restructure of Bond debt and transfer the anticipated interest savings (approximately \$518,662 in TY 2021 & \$574,612 in TY 2022) into the Permanent Improvement Fund; used solely for over-runs and upgrades for the new construction on school building.

Berkshire Local School District Treasurer, Beth McCaffery and Superintendent, John Stoddard were in attendance. The material supporting the over-runs and upgrades, previously requested by the Budget Commission, was submitted by Berkshire LSD to the Auditor's office and received on 4/13/21. The information was very thorough and complete. Ms. McCaffery noted that the process of refinancing the bond has produced an A-1 Moody rating, lowered the interest rate to 2.56% and will realize \$5.7 million in savings over the life of the bond.

The Budget Commission agreed to work with Ms. McCaffery before recalculating the bond rate at the end of the year to ensure there will be funds to pay the obligation. The Budget Commission was pleased with the efforts by Berkshire LSD and anticipated savings to the taxpayers.

The Berkshire LSD school board will pass a resolution at their next meeting to determine the exact amount that will be transferred from the bond fund to the permanent improvement fund for the noted tax years. Once that has been completed it will be forwarded to the Auditor's office.

Voice vote: Three ayes. Motion carried.

Meet with Geauga County departments which receives levied tax revenue.

Geauga County Levied Department roundtable

Mr. Flaiz began by stating the purpose of this meeting is to provide oversight to budgets for those departments within the county that receive levied money. This will be an annual process going forward. One of the main functions of the Budget Commission is to test need and reasonableness of levied dollars for all taxing districts within the county.

Mr. Walder shared that there are several characteristics which could impact levies.

Levy type: Additional, Renewal, Replacement – increase and decrease

State Credit eligibility: Levies voted on prior to 2014

Term: Fixed versus continuous

It is wise to investigate options prior to changing or proposing a levy.

Mr. Walder continued to explain, once a continuous levy is passed by the voters, it will never go on the ballot again. Therefore, the Budget Commission is the sole over-sight on behalf of the taxpayer to ensure the levy remains reasonable and is in-fact necessary.

Department of Aging:

Gauga County Department of Aging						
2034 Special Revenue (Levy) Fund	2018	2019	2020	2021	2022	
Estimated Beginning Cash Balance Per Tax Budget	2,145,249	1,757,645	1,521,887	974,115	1,886,548	
Actual Beginning Cash Balance	2,472,267	2,378,329	2,051,334	2,060,101		
<b>Actual Beginning Unencumbered Balance</b>	<b>2,269,887</b>	<b>2,247,945</b>	<b>1,908,662</b>	<b>1,886,548</b>		
Estimated Revenue	3,476,793	3,513,885	3,618,471	3,609,189		
<b>Actual Revenue</b>	<b>3,705,745</b>	<b>3,703,749</b>	<b>3,584,738</b>			
Estimated Expense *	3,913,177	4,220,862	4,553,018	3,913,923		
<b>Actual Current Year Expense **</b>	<b>3,597,302</b>	<b>3,900,360</b>	<b>3,433,299</b>			
<b>Carryover Expenses</b>	<b>202,380</b>	<b>130,385</b>	<b>142,672</b>			
Estimated Ending Balance	1,708,865	1,050,668	587,340	669,381		
<b>Actual Ending Cash Balance</b>	<b>2,378,329</b>	<b>2,051,334</b>	<b>2,060,101</b>			
* Includes Transfers Out of						
** Includes Transfers Out of						

Representing the Department of Aging were: Jessica Kaluga, Fiscal Officer and Jessica Boalt, Director. Ms. Kaluga asked if she might provide additional reports because the reports provided do not have the same financial information as she sees.

Motion by James Flaiz, seconded by Charles E. Walder, approving the summary of the historic of the department of Aging revenue and expenses. Thereby, supporting the preparation of the 2022 budget process; sufficient need and use of levied revenue.

Voice vote: Three ayes. Motion carried.

**Department of Mental Health:**

Geauga County Department of Mental Health								
2001 Special Revenue (Levy) Fund			2018	2019	2020	2021	2022	
Estimated Beginning Cash Balance Per Tax Budget			2,162,843	2,705,099	3,172,026	3,480,816	3,854,262	
Actual Beginning Cash Balance			2,913,796	3,454,249	3,813,134	4,224,533		
Actual Beginning Unencumbered Balance			2,668,329	3,164,575	3,277,307	3,779,705		
Estimated Revenue			4,986,070	5,303,746	3,567,480	6,436,472		
Actual Revenue			5,886,555	6,208,861	7,133,216			
Estimated Expense *			4,986,070	5,303,746	5,835,461	6,436,472		
Actual Current Year Expense **			5,182,933	5,675,451	6,314,008			
Carryover Expenses			163,169	174,524	407,810			
Estimated Ending Balance			2,162,843	2,705,099	904,045	3,480,816		
Actual Ending Cash Balance			3,454,249	3,813,135	4,224,533			
* Includes Transfers Out of								
** Includes Transfers Out of								

Representing the Department of Mental Health: Jim Mausser, and Jim Adams, Director  
Mr. Adams advised that his department is basically the same as an insurance company. They contract for all the services they provide. As a result, 6 months of cash on hand is very typical at the end of a year, so that they may fulfil their obligations.

Motion by Charles E Walder, seconded by Caroline Mansfield, approving the summary of the historic revenue and expenses of the department of Mental Health. Thereby, supporting the preparation of the 2022 budget process; sufficient need and use of levied revenue.

Voice vote: Three ayes. Motion carried.

**Department of Developmental Disabilities:**

Geauga County Board of Developmental Disabilities						
2027 General (Levy) Fund	2018	2019	2020	2021	2022	
Estimated Beginning Cash Balance Per Tax Budget	3,810,392	3,851,955	7,030,412	3,172,368	4,163,511	
Actual Beginning Cash Balance	4,623,200	8,272,809	5,335,031	6,833,930		
<i>Actual Beginning Unencumbered Balance</i>	<i>4,345,021</i>	<i>8,129,034</i>	<i>5,031,672</i>	<i>6,671,551</i>		
Estimated Revenue	16,716,206	16,841,029.00	16,657,496	14,076,824		
<i>Actual Revenue</i>	<i>17,830,031</i>	<i>17,132,861.33</i>	<i>16,789,551</i>			
Estimated Expense *	17,190,304	18,102,797.00	16,668,250	16,552,000		
<i>Actual Current Year Expense **</i>	<i>13,963,626</i>	<i>19,967,154</i>	<i>15,054,211</i>			
<i>Carryover Expenses</i>	<i>216,796</i>	<i>103,485</i>	<i>236,440</i>			
Estimated Ending Balance	3,336,294	2,590,187	7,019,658	697,192		
<i>Actual Ending Cash Balance</i>	<i>8,272,809</i>	<i>5,335,031</i>	<i>6,833,930</i>			
2096 Reserve Fund	2018	2019	2020	2021	2022	
Estimated Balance		\$0	\$0	2,000,000	4,000,000	
<i>Actual Beginning Unencumbered Balance</i>		<i>\$0</i>	<i>2,000,000</i>	<i>4,000,000</i>	<i>5,700,000</i>	
Estimated Revenue		.00	.00	\$0		
<i>Actual Revenue</i>		<i>2,000,000</i>	<i>2,000,000</i>	<i>1,700,000</i>		
Estimated Expense		\$0	\$0	\$0		
<i>Actual Expense</i>		<i>\$0</i>	<i>\$0</i>	<i>\$0</i>		
Estimated Ending Balance		\$0	\$0	2,000,000		
<i>Actual Ending Balance</i>		<i>2,000,000.00</i>	<i>4,000,000</i>	<i>5,700,000</i>		
* Includes Transfers Out of	8,100,000	9,200,000	8,500,000	9,946,000		
** Includes Transfers Out of	5,300,000	12,000,000	8,810,000			

Representing the Board of Developmental Disabilities: Don Rice, Superintendent and Dave Carlson, Director of Business Operations. Mr. Rice began by referring to a regulation – Sub HB #166 that permitted the creation of a “reserve balance fund”. The legislation also stated, “The total balance of this fund shall not exceed 40% of the total expenditures for all services in the preceding calendar year.” Mr. Rice further informed the Commission that he is obligated to repay approximately \$5Million in 2022 for a Medicaid match program. The Commission acknowledged this and requested the 5-year projection which the county development disability board has prepared pursuant to section 5126.053 of the Revised Code. Mr. Rice agreed to provide the 5-year projection.

Motion by James Flaiz, seconded by Charles E Walder, to table the approval for progression onto the 2022 budget preparation for the department of MRDD; pending the receipt and review of the 5-year forecast. Requested to submit at the May 3<sup>rd</sup> meeting at 9:30 a.m.

Voice vote: Three ayes. Motion carried.

**Department of Job and Family Services:**

Geauga County Job & Family Services						
2029 - Special Revenue (Levy) Fund	2018	2019	2020	2021	2022	
Estimated Beginning Cash Balance Per Tax Budget	1,140,937	2,205,189	2,402,447	4,233,561	7,182,995	
Actual Beginning Cash Balance	2,605,382	3,537,065	4,807,876	7,079,397		
<b>Actual Beginning Unencumbered Balance</b>	<b>2,181,016</b>	<b>2,985,177</b>	<b>4,281,963</b>	<b>6,652,437</b>		
Estimated Revenue	4,994,486	5,413,659	5,358,629	5,843,500		
<b>Actual Revenue</b>	<b>5,414,594</b>	<b>6,011,966</b>	<b>6,525,687</b>			
Estimated Expense *	13,215,325	5,413,659	5,415,796	5,343,500		
<b>Actual Current Year Expense **</b>	<b>4,306,709</b>	<b>4,543,121</b>	<b>4,043,551</b>			
<b>Carryover Expenses</b>	<b>176,201</b>	<b>198,034</b>	<b>210,615</b>	<b>426,959</b>		
Estimated Ending Balance	0	0	2,345,280	500,000		
<b>Actual Ending Cash Balance</b>	<b>3,537,065</b>	<b>4,807,876</b>	<b>7,079,397</b>			
<b>* Estimated Transfers Out</b>	<b>3,000,000</b>	<b>2,900,000</b>	<b>2,927,400</b>	<b>3,111,750</b>		
<b>**Actual Transfers Out</b>	<b>2,927,066</b>	<b>3,033,500</b>	<b>2,751,043</b>			

Representing the Department of Job and Family Services: Alyssa Parnaby, Finance Administrator and Craig Swenson, Esq., Executive Director. The Commission acknowledged the difficulties that this department has faced in 2020 due to COVID and staff vacancies. Mr. Swenson advised that the difficulties facing this department are likely to increase significantly once schools are fully open in person again. Most child abuse is reported by peers, teachers, or staff at schools. He also said he is looking for funding to build a new Youth Center. The current facility is not adequate.

Motion by Charles E Walder, seconded by Caroline Mansfield, approving the summary of the historic revenue and expenses of the department of Job and Family Services. Thereby, supporting the preparation of the 2022 budget process; sufficient need and use of levied revenue.

Voice vote: Three ayes. Motion carried.

**Regular Business:**  
**Prior Minutes**

Motion by James Flaiz, seconded by Charles E Walder, to approve the minutes of the April 5, 2021 - special session/Health District Budget Hearings.

Voice vote: Three ayes. Motion carried

**2021 Amendments**

**Montville Township – Amendment #2**

Motion by Charles E. Walder, seconded by Caroline Mansfield, to amend Montville Township’s Official Certificate of Estimated Resources to reflect the following changes to revenue previously certified:

**Special Revenue Funds**

Increase LCRF Fund –(Interest) other source revenue 4.60 from 0.00 to 4.60

<u>New Special Revenue Fund Total:</u>	<u>\$1,341,904.02</u>
<b>New 2021 Certificate Total:</b>	<b>\$1,589,545.10</b>

Voice vote: Three ayes. Motion carried.

**Chester Township – Amendment #3**

Motion by Caroline Mansfield, seconded by Charles E. Walder, to amend Chester Township’s Official Certificate of Estimated Resources to reflect the following changes to revenue previously certified:

**Special Revenue Funds**

Established a new Fire & Rescue, Ambulance & EMS Service Fund #2283

Increase F&R, A&EMS Service other source revenue 979,852.00 from 0.00 to 979,852.004.60

<u>New Special Revenue Fund Total:</u>	<u>\$11,735,563.14</u>
<b>New 2021 Certificate Total:</b>	<b>\$13,510,555.34</b>

Voice vote: Three ayes. Motion carried.

**Geauga County – Amendment #6**

Motion by James Flaiz, seconded by Charles E Walder, to amend the 2021 Geauga County Official Certificate of Estimated Resources to reflect the following changes to revenue previously certified:

**Special Revenue Funds**

Increase #2015 Sheriff other source revenue 10,459.62 from 997,000.00 to 1,007,459.62

**New Special Revenue Funds Total:** **\$102,846,636.49**

**New 2021 Certificate Total:** **\$210,860,404.84**

Voice vote: Three ayes. Motion carried.

**2020/2021 School Amendments**

**Berkshire Local School District 2020/2021 - Amendment #7**

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

**Special Revenue Fund**

Increase in Idea Part B Fund 516 other source revenue 3,028.66 from 285,290.74 to 288,319.40

Increase in Title I Fund 572 other source revenue 32,933.24 from 240,623.25 to 273,556.49

Increase in Title IIA Fund 590 other source revenue 2,368.00 from 39,456.07 to 41,824.07

Increase in Title IV Fund 599 other source revenue 56.09 from 15,885.15 to 15,941.24

***Net adjustment: \$38,385.99***

**New Special Revenue Fund Total:** **\$6,270,906.29**

**New 2020/2021 Certificate Total:** **\$36,941,262.89**

Voice vote: Three ayes. Motion carried.

**2021/2022 School Amendments**

**Cardinal Local School District 2021/2022 - Amendment #1**

Motion by Caroline Mansfield seconded by James Flaiz to amend the Cardinal LSD Official Certificate of Estimated Resources to reflect the following changes to revenue previously certified:

Request per Treasurer for a new certificate reflecting additional tax revenue due to increase from 95% to 98% collection rates.

General Fund: Increase tax revenue 296,239.61 from 9,959,071.00 to 10,255,310.00

Debt Service Fund: Increase tax revenue 27,057.00 from 856,775.00 to 883,832.00

Capital Projects Fund: Increase tax revenue 10,366.00 from 328,266.00 to 338,632.00

**New General Fund Total:** **14,301,451.00**

**New Debt Service Fund Total:** **2,434,746.00**

**New Capital Projects Fund Total:** **1,254,970.00**

**New 2021/2022 Certificate Total:** **19,321,667.00**

Voice vote: Three ayes. Motion carried

**Chardon Local School District 2021/2022 - Amendment #1**

Motion by James Flaiz seconded by Charles Walder to amend the Chardon LSD Official Certificate of Estimated Resources to reflect the following changes to revenue previously certified:

Request per Treasurer for a new certificate reflecting additional tax revenue due to increase from 95% to 98% collection rates.

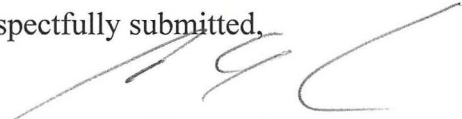
General Fund: Increase tax revenue 875,792.00 from 27,733,410.00 to 28,609,202.00  
Capital Improvement Fund: Increase tax revenue 40,288.00 from 11,776,085.0 to 11,816,373.00

<b>New General Fund Total:</b>	<b>56,760,120.00</b>
<b>New Capital Improvement Total:</b>	<b>11,816,373.00</b>
<b>New 2021/2022 Certificate Total:</b>	<b>82,819,911.00</b>

Voice vote: Three ayes. Motion carried

General Discussion:  
Next meeting is scheduled for 9:00 a.m. May 3<sup>rd</sup>; Engineer’s Office is scheduled to appear at 9:00 and Board of Developmental Disabilities at 9:30 to provide their 5-year forecast.

Being no further business to conduct it was moved by Caroline Mansfield to adjourn the April 15, 2021 - special meeting at 11:18 a.m.

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

