



FINANCE DEPARTMENT

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612 West Broad Street ✦ Newton Falls, OH 44444

April 17, 2024

Honorable Mayor David Hanson and Council,

RE: Executive Summary, 2023 Regulatory Basis Financial Statements – All Governmental Funds

Ohio law (ORC 117.38) requires the Village to file an annual financial report with the Auditor of State by 60 days following fiscal year-end. This report was filed on Wednesday, February 28th.

The following discussion is on our Combined Statement of Receipts, Disbursements, and Changes in Fund Balances - All Governmental Fund Types (page 1).

The General “Governmental” activity on this Regulatory Basis report represents more than just the General Fund (100) activity. It’s a compilation of 9 Funds 100, 101, 216, 221, 510, 706, 707, 709, 711 identified on the Statement of Cash position. (Note, fund 221 is the Income tax fund).

Total General Fund Cash receipts increased \$664,423 (28%). Municipal Income Tax, Intergovernmental Revenue and Earning on investments represent \$492,445 of this increase or 74%.

To break this down, the General fund income taxes increased \$135,190, which could be due to a number of things, including our delinquent filer letter campaigns, utility newsletters, and taxpayer informational content (posted to our webpage). It’s too early to gauge if this is the beginning of a trend.

Intergovernmental revenue increased \$101,476 due to Grants received for Gas Station Cleanup and Kayak/Canoe Launch. Earnings on investments increased \$255,779 due primarily to the U.S. Federal Reserve implementation of interest rate hikes.

		2023 General	2022 General	GF Change
Cash Receipts				
Property and Other Local Taxes	10%	\$ 297,816	\$ 285,535	\$ 12,281
Municipal Income Tax	38%	1,156,901	1,021,711	\$ 135,190
Intergovernmental	7%	225,804	124,328	\$ 101,476
Charges for Services	13%	405,186	366,238	\$ 38,948
Fines, Licenses and Permits	19%	582,143	541,540	\$ 40,603
Earnings on Investments	7%	213,783	(41,996)	\$ 255,779
Miscellaneous	5%	161,436	81,290	\$ 80,146
<i>Total Cash Receipts</i>		3,043,069	2,378,646	664,423 28%

The Charges for Services are primarily Refuse Consumer Charges. Fines, Licenses & Permits are primarily Court collections.

Total Cash Disbursements were \$2,467,301. Of these total disbursements, Fund 100 “General Fund” expenditures represented (87%) or \$2,137,255. Of this amount, Police, Mayor, Council, Administration and the Munit Court made up 77%. The changes by department are summarized below:

To Summarize the General Fund (100 only) Expenditures:				
Department:	2023		2022	GF
	General (100)	2023	General (100)	Change
Police & Police Support	710,853	33%	527,539	183,313
Fire	75,228	4%	72,962	2,266
Zoning	67,709	3%	84,557	(16,849)
Mayor, Council, Administration	302,325	14%	367,979	(65,654)
Muni Court	639,324	30%	623,264	16,060
Buildings & Grounds	224,545	11%	207,697	16,848
Transfers, Advances, Other	117,271	5%	(37,704)	154,976
	2,137,255	100%	1,846,295	290,960

The above 2023 General Fund (fund 100 on the SOC) increase in Police expenditures of \$183,313 was due primarily to 2022 police expenditures reclassified to the ARPA of \$236,211.

The Special Revenue (200 series on the SOC), excluding those funds mentioned in the General Governmental discussion (above) and adding funds 504, 708 and 710 is primarily made up of the Street Construction fund (201) and Court Activities Funds (including 222 and 223) funds.

The Capital Projects (400 series on the SOC) is primarily the capital improvement fund (400) principal and interest related activity.

Sincerely,

Sean M. Housley, CPA
Finance Director, Village of Newton Falls