

2023 Meeting Schedule

The Committee reviewed the meeting schedule and agreed to move the September 25 meeting to Tuesday, September 26, due to the Yom Kippur holiday. The 2023 meeting schedule is as follows:

February 27	June 26
March 27	September 26
April 24	October 23
May 22	November 27

All meetings will begin at 7:00 p.m. at the Civic Center unless another location is selected.

Village Financial Update

Mr. Haycox introduced Ron Wynne, the Village’s Director of Finance, and thanked him for coming to the meeting. Mr. Wynne provided some background on himself and referred to a presentation that he prepared for this meeting and has been distributed to members (a copy is attached to these minutes). Mr. Wynne explained that the Village has 33 separate operating funds and he would be focusing on the General Fund this evening. The first page of his presentation shows the Village’s history of receipts from 2009 through 2022. He reminded everyone of the economic downturn in 2007 and 2008 and advised that in 2010, Village residents approved an income tax increase from 1-1/2% to 2%. This increase was expected to increase annual revenues to \$11 to \$12 million, however, business began to pick up and revenues increased to \$14.5 million in 2011 and were up to \$20.3 million by 2019. At that time, 64% of revenues were from income tax from Progressive Insurance employees.

Mr. Wynne stated that, in 2020, Governor DeWine instituted a State of Emergency in response to the Covid pandemic and because the Governor included a provision to keep withholding taxes flowing as usual, the Village saw no change in income. That year, 69% of revenues were from Progressive.

In 2021, income tax revenue dropped to \$19 million due to the lifting of the state of emergency and employers starting to withhold based upon where their employees were working. Mr. Wynne advised that Progressive changed their withholding policy early and income tax revenues were sent to the employee’s home community, or if the employee lived in a township, the employee retained that money.

Mr. Wynne described that, in 2022, Village income tax revenue dropped to \$9 million. This amount is net of \$2 million in income tax refunds for 2021 that had to be paid, so approximately \$11 million was collected. Of that, only \$3 million in revenue came from Progressive.

Mr. Wynne further explained that the possibility of tax refunds for 2020 is an issue still being decided by the Ohio Supreme Court. It is possible that individuals will be able to apply for refunds for that year and he expects those refunds would impact the Village by at least \$2 million.

Mr. Wynne described that the Total General Fund column on page one of his presentation includes property taxes, money from recreation programs, etc.

Mr. Haycox asked if Progressive is providing any guidance about their intentions. Mr. Wynne responded that he, Mayor Bodnar and Ms. Wolgamuth meet regularly with a representative of Progressive. "We have been advised that their buildings are only at 10% capacity right now. They need additional employees and are currently unable to find enough, so they do not want to force employees to return to the office and risk losing more." He added that Progressive is selling the properties they own in the neighboring communities and not re-leasing others. "The employees from those buildings will ultimately come to work in the Village, putting the Village in a good position, but for now they continue to work from home."

Mrs. Ferris asked if Progressive has talked about selling its Mayfield Village properties. Mr. Wynne responded, "No, just the one building on Beta Drive was sold." Mrs. Ferris asked how many Progressive employees previously worked in the Village and Mr. Wynne advised 7,000 to 8,000 people.

Mr. Wynne stated that net profit taxes are up in the Village and the biggest increase is from Lexis-Nexis. Although they are not located in the Village, they pay taxes where they sell their services. He believes the increase must have something to do with how Progressive uses their services.

Mr. Haycox asked if taxes from bonuses still come to the Village. Mr. Wynne replied that it depends where the employee is working and added that some key executives continue to work from home.

Mrs. Batcheller asked if the Village is losing revenue from other local companies as well. Mr. Wynne advised that all other businesses remain steady. He has heard that Rockwell Automation may not be returning and may not renew its current lease.

Mr. Wynne moved on to the next page of his presentation—Expenditures. He explained that 70% to 80% of expenditures are for personnel wages and benefits. These costs increased from \$11 million to \$15 million over the last decade, primarily as the result of hiring a full-time workforce in the Police, Fire and Service Departments. He added that the "Total All Funds" column includes debt payments and capital expenses.

The next page of the presentation is Fund Balances. Mr. Wynne described how the General Fund Balance grew from \$1.7 million in 2009 to \$41 million in 2022. He stated that, over these years, the Village made a conscious effort to pay for all projects in cash, incurred no new debt and was able to build the reserves. Mr. Haycox commented that the strong reserves gives the Village the ability to wait for Progressive employees to return to the office without the need to reduce services and thanked Mr. Wynne for his efforts to build them. Mr. Wynne added that, when Covid hit, the Village cut back on spending and projects which also increased the General Fund. He advised that at the end of 2022, we used \$3 million of the reserves. "Funds had been transferred into another fund for Civic Center renovations or a complete rebuild. When that project was put on hold, the money was transferred back into the General Fund, so the General Fund Balance actually increased slightly."

Mr. Granakis asked what the expense budget is for 2023. Mr. Wynne replied that it is \$16 million with \$5 million in capital expenditures. He stated, "We won't need to borrow, but will need to reduce the General Fund to cover the expenses."

Mrs. Calo asked when the Montebello residents will start paying taxes. Mr. Wynne advised that property taxes are paid once an occupancy permit is issued. He pointed out that the Village receives only 6 cents for every dollar paid in

property taxes. The rest of the money goes to the County, the schools, library and Metroparks. Mrs. McNally asked, "So the bulk of Village revenues come from income taxes?" Mr. Wynne responded, "By far. Between residential and commercial property taxes, the Village only receives \$800,000 to \$900,000 annually."

Mr. Wynne reviewed that last sheet of his presentation—Outstanding Debt. He described that Village debt decreased from \$16 million in 2009 to \$2.4 million in 2022. He is being conscious of using existing funds versus taking on debt to finance projects. Mr. Haycox asked about pre-paying the debt. Mr. Wynne responded that the Village had intended to pay it off early, as soon as permitted, but he doesn't want to end up borrowing at a higher interest rate.

Mrs. McNally asked how the Village is faring compared to other communities. Mr. Wynne stated, "We are the poster child for cities hurt by people working from home. Other cities have taken a hit, but on a much smaller scale." He believes Highland Heights revenues were down by about \$1.5 million last year. Mrs. LaRiche-Goldstein asked about larger communities like Beachwood or Solon. Mr. Wynne advised that our low population makes it more difficult to balance out, explaining that larger cities that have people working from home now get those income tax revenues.

Mrs. Juncisek stated that there has been very little day-to-day impact to residents and services. Mr. Wynne agreed and stated that the Village is trying not to lay off any employees, adding, "We are not automatically filling retirements and feel that it is better to reduce the workforce by attrition."

Mr. Haycox thanked Mr. Wynne for navigating us over the years. "You have done a tremendous job."

Council Report

Mrs. Juncisek provided the following report:

- Chief Matias provided Council with a recap of the photo enforcement program after one year. The result is a 22% reduction in cars traveling at speeds over 85 mph. Mrs. Juncisek noted that last year there were 772 traffic stops and 533 citations issues. Of those, 160 were for speeds over 90 mph and 30 for speeds over 100 mph. She added that there is still obviously work to do, as it is dangerous for police to pull out when people are travelling at those speeds, but the program is working.
- Officer Chris Cross and K-9 Leo retired. Mrs. Ferris asked if the dog would be replaced and Mrs. Juncisek said she was not sure.
- Long-time Recreation Department employee, Sean Supler, took a new position in another city and left the Village. He primarily handled senior programming and youth sports. Ms. Wolgamuth advised that a new employee has been hired and will have the same job description as Mr. Supler.
- Recreation Director Shane McAviney provided Council with an annual report. Overall, programming has increased across the board. A lot is going on in recreation with little impact on programs. Mrs. Batcheller asked if the Village was going to start charging for Grove concerts. She said that she and her husband have tried to attend several times and could not get in due to the size of the crowds. They also were not able to get into the Senior Anniversary Party and she feels this is discouraging for residents. Ms. Wolgamuth advised that the

Recreation Board had discussed the issue and, for this year, there will not be a charge for shows at The Grove. Mrs. Juncisek added that Shane is booking lesser-known bands to reduce crowd size and concerts will be less frequent this year. She agreed that the Senior Party was a “big ticket” this year, however, that event is limited to residents only. Mrs. McNally commented that the Village-only night at The Grove was very nice and suggested that be done once a month.

Other Matters

Mrs. LaRiche-Goldstein asked about the cost to rent the Community Room. Ms. Wolgamuth advised that it is \$200 to rent with a \$300 security deposit. The rental includes 6 hours and each additional hour is \$50. Mrs. LaRiche-Goldstein stated that, years ago, committee members received a reduced rental cost. Ms. Wolgamuth advised that practice had stopped when the new Community Room was built because the \$200 rental for that facility is relatively low. Mrs. Juncisek agreed and said that other communities charge more for their rentals. Ms. Wolgamuth reminded the group that residents are able to book the Community Room a year in advance and non-residents are limited to 60-days out and must have a Village sponsor. Currently, the Community Room is not being rented due to a burst sprinkler pipe that flooded the building, but it is expected to reopen soon.

Mr. Williams noted that Mrs. Juncisek had been elected by Council to serve as Council President *Pro Tem* for 2023.

Mr. Haycox reminded the committee members to let him or Ms. Wolgamuth know if they have ideas for meeting topics. Mrs. McNally suggested it would be nice to hear from some local business and we could have a business night. Mr. Haycox added that we had previously talked about visiting the label plant on Beta Drive.

Mrs. Batcheller stated that she has seen on television an organization that provides police departments with kits for their cars to be used if they stop someone with autism. Ms. Wolgamuth will pass that on to Chief Matias to make sure he is aware of it.

There being no further business, the meeting was adjourned at 7:55 p.m.

Respectfully submitted,

Diane Wolgamuth
Director of Administration

Village Financial Update
Citizens Advisory Committee
January 30, 2023

Mayfield Village Receipts 2009-2022

Year	Income Tax	Total General Fund	Total All Funds
2009	\$9,521,249	\$12,342,010	\$15,773,658
2010	\$10,852,132	\$13,208,127	\$16,243,424
2011	\$14,582,595	\$17,353,502	\$19,687,843
2012	\$14,977,106	\$18,037,178	\$20,344,031
2013	\$16,062,517	\$18,384,214	\$20,621,241
2014	\$15,819,278	\$18,100,726	\$21,306,310
2015	\$16,740,664	\$18,969,935	\$22,217,296
2016	\$17,416,653	\$19,739,268	\$22,094,164
2017	\$18,520,139	\$20,848,528	\$23,191,586
2018	\$19,867,262	\$23,416,330	\$25,997,475
2019	\$20,311,310	\$24,757,906	\$26,773,573
2020	\$21,051,875	\$24,934,947	\$27,150,434
2021	\$19,368,383	\$23,391,133	\$24,154,763
2022	\$9,017,128	\$13,701,380	\$15,731,142

Mayfield Village Expenditures 2009-2022

Year	Total General Fund	Total All Funds
2009	\$11,339,497	\$15,605,206
2010	\$10,919,970	\$18,404,988
2011	\$11,434,531	\$15,829,517
2012	\$11,803,623	\$16,082,699
2013	\$12,365,180	\$16,458,776
2014	\$12,317,525	\$18,029,093
2015	\$13,314,374	\$21,683,651
2016	\$12,859,772	\$18,794,401
2017	\$13,603,645	\$18,073,592
2018	\$14,817,097	\$21,685,934
2019	\$15,939,744	\$21,023,780
2020	\$14,589,631	\$18,384,000
2021	\$15,889,420	\$17,555,728
2022	\$15,509,606	\$18,507,929

Mayfield Village Fund Balances 2009-2022

Year	Total General Fund Balance	Total All Village Fund Balances
2009	\$1,687,215	\$6,807,952
2010	\$2,907,322	\$4,646,388
2011	\$6,813,292	\$8,504,714
2012	\$10,125,941	\$12,773,445
2013	\$10,681,114	\$16,941,215
2014	\$12,546,062	\$20,222,257
2015	\$12,282,277	\$20,755,902
2016	\$14,609,789	\$24,055,665
2017	\$17,729,672	\$29,173,659
2018	\$21,460,313	\$33,485,200
2019	\$24,828,475	\$39,234,993
2020	\$33,623,790	\$48,001,427
2021	\$41,125,503	\$54,600,462
2022	\$41,967,277	\$51,823,676

Mayfield Village Outstanding Debt 2009-2022

Year	Total Outstanding Debt
2009	\$16,317,184
2010	\$14,958,524
2011	\$13,267,634
2012	\$11,785,808
2013	\$10,010,668
2014	\$7,881,128
2015	\$5,956,899
2016	\$5,649,056
2017	\$4,960,513
2018	\$4,264,486
2019	\$3,826,355
2020	\$3,425,305
2021	\$2,920,993
2022	\$2,453,672