



**THE HEART OF CUYAHOGA COUNTY**

**6800 Brecksville Road  
Independence, Ohio 44131  
216.524.4131**

**MEMORANDUM**

To: Mayor Gregory P. Kurtz  
Members of Council

From: Finance Director Vernon Blaze

Date: Friday, December 1, 2023

Re: Finance Office and Related Topic Updates

**Year-to-Date Financial Snapshot (Through October)**

For the first ten (1) months of 2023, the City's "high-level" financial snapshot is as follows:

January 1, 2023 Cash Balance	\$40,072,939
Plus Total Revenue 1 <sup>st</sup> Ten Months	<u>48,120,992</u>
Equals Total Cash Available	\$88,193,931
Less:	
Operating Expenses	32,393,612
Debt Principal	301,787
Debt Interest	326,084
Capital/Infrastructure	<u>7,014,980</u>
Equals Total Cash Out	<u>\$40,036,463</u>
Equals 10/31/2023 Cash Balance	\$48,157,468

## Year-to-Date Financial Snapshot (Through October) – Continued

The results of the first ten months of 2023 has resulted in a Cash Balance increase of almost \$8.1 million since January 1 – due at least in part to the long lead times now needed from the ordering to the delivery of various capital purchases.

Lead times that used to total in the “months” range can now easily total in the “years” range.

Some large capital equipment orders placed here in 2023 won’t be received until 2024 or even 2025. But to be in a position to place an order now and therefore issue a purchase order, the funds have to also be available now.

So as stated in past Weekly Updates, the year-to-date results does not mean that the City has anywhere close to \$48 million to do what it wants to.

Encumbrances (Purchase Orders), or commitments to expend money against that \$48 million, currently total \$29.7 million.

The most current payroll paid out today totaled over \$700,000 due to unused vacation and holiday payouts. December will also be a three-payroll month instead of a two-payroll one, so that will add an additional \$500,000+ to December’s wages, salaries, and benefits.

Just over \$1.6 million in principal and interest payments were made this week prior to today’s due date.

The point is that while the City is in a much better financial position than many communities, there are no shortages of uses for its revenue and ultimately, its cash, and there are valid reasons for 2023’s cash increase.

The City’s complete 12-page **Cash Flow Summary** through October is available on the City’s website at:

[https://www.independenceohio.org/departments/finance/financial\\_data.php](https://www.independenceohio.org/departments/finance/financial_data.php)