



# City of Independence, Ohio

"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, October 22, 2021

Re: Finance Department Updates

### **Third Quarter Financial Results**

Subtracting out the High Incident Drug Trafficking Area (HIDTA) and Strike Force funds that are routed through Independence's books, Total Cash Received during the first nine (9) months of the year was \$35.1 million. Not including the cash paid out for those two funds, Total Cash Paid Out during the first nine months of the year was \$28.7 million, for a Cash Increase attributable to Independence's operations of \$6.4 million.

The reason the City's Cash Balance has increased by that amount so far this year is because although some \$17.9 million has been appropriated (allocated) for capital purchases, infrastructure projects and property purchases here in 2021, only \$8.2 million had actually been paid out for those uses through the end of September.

If all slated capital purchases and infrastructure projects for 2021 were completed and paid for before the end of the year, that \$6.4 million cash increase would actually become a \$3.3 million cash decrease, calculated as follows:

Capital/Infrastructure Appropriated	\$17.9 Million
Less Capital/Infrastructure Paid For	<u>- 8.2 Million</u>
Capital/Infrastructure left to be paid for	\$ 9.7 Million
Cash Increase through September 30	<u>6.4 Million</u>
Decrease of current cash balance	\$ 3.3 Million

Now that likely won't happen, and some capital purchases slated for 2021 will actually be paid for in 2022. The same with some infrastructure projects that were budgeted for in 2021 but will not be completely paid for until 2022 - That cash will be carried over into 2022 and utilized then to pay for those purchases and projects.



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## **Remaining Part of 2021**

At least one new member of Council will be elected on November 2 due to only six of the seven incumbents running for re-election. Because of that, it would be unfair for a 2022 Annual Appropriations Ordinance to be adopted in December before at least one new member of Council was able to vote on it.

So the schedule for the remaining part of this year and the first part of 2022 looks roughly as follows:

Mid/Late November Mayor and Finance meet with Council and Council-elect to review the 2022 Operating Budget (Annual Appropriation Ordinance) and updates and modifications to the 2022 – 2026 Capital Improvement Plan

Early/Mid December Complete that process

December 14, 2021 Council votes on a Temporary 2022 Appropriations Ordinance so that the City can legally operate on January 1, 2022

January 11, 2022 Council votes on a 2022 Annual Appropriations Ordinance and the 2022 – 2026 Capital Improvement Plan

If those deadlines aren't met, the legal deadline for the Annual Appropriations Ordinance isn't until the end of March, and the 2021 – 2025 Capital Improvement Plan wasn't approved by Council this year until the February Council Meeting. So there's some flexibility built into the above-noted time-table if needed.

## **Ray Charles' Appreciation For Our Country**

Last Sunday's weekly *Parade* edition had a great quote in it from the late Ray Charles from back in 1988. Most of us would likely still agree with it:

*"I think you can overcome any obstacle in this country. I was born and raised in a small town, dirt poor and blind, you name it. And yet, here I am today. I'm blessed."*

Anyone looking for a good movie to watch should consider the movie "*Ray*." It's an excellent look into Ray Charles' life, his many struggles and battles, and his ultimate overcoming them.