

September 2, 2016

To: Ken Suer, Chairman  
Financial Planning Committee of City Council

From: Wayne S. Davis, City Manager *WSD*

Subject: Financial Planning Committee Meeting September 6, 2016

As a reminder, the Financial Planning Committee is scheduled to meet on Tuesday, September 6 at 4:30 p.m. in City Hall. The agenda for this meeting is as follows:

1. Review of the 2017 Operating and Capital Budget – A copy of the 2017 Operating and Capital Budget and the Five Year Forecast has been prepared by staff for the initial review of the Financial Planning Committee. The proposed budget continues with the current level of services with some minor modifications. Katie Smiddy and Tonyia Burnett will be present to discuss the proposed 2017 Budget with the Committee.
2. August 2016 Income Tax Reports – The Income Tax Reports for August will be presented at the meeting for the Committee's review and discussion. The August report is attached. Staff will be prepared to answer any questions on this report at Tuesday's meeting.
3. Resolution Accepting Amounts & Rates - In accordance with ORC section 5705.34, each taxing authority must pass a Resolution to accept and authorize the necessary tax levies and to certify the levies to the County Auditor. The County will send out their Resolution following the Budget Commission meeting on September 8 after which time the amounts will be made available to the City. The County legislation is normally considered by City Council at its October Business Session meeting.
4. Other Business–The purpose of this agenda item is to provide an opportunity to discuss any issue or ask questions that may be on your mind.

Also attached are the minutes from the August 6, 2016 meeting of the Financial Planning Committee for review and approval at Monday's meeting.

Should you have questions or concerns regarding the above agenda items, or have additional items to be discussed at the meeting, please do not hesitate to contact me.

c: Financial Planning Committee Members (2)  
Mayor and City Council Members (4)  
Katie Smiddy, Finance Director  
Connie Gaylor, Administrative Coordinator  
File



**AGENDA**

**September 6, 2016  
Montgomery City Hall  
10101 Montgomery Road**

**4:30 P.M.**

- 1. Call to Order**
- 2. Guests and Residents**
- 3. Communications**
- 4. New Business**
  - a. Review of the 2017 Operating and Capital Budget
  - b. August 2016 Income Tax Reports
  - c. Resolution Accepting Amounts & Rates
- 5. Approval of Minutes: August 6, 2016**
- 6. Other Business**
- 7. Adjournment**

September 2, 2016

To: Wayne Davis, City Manager  
From: Katie Smiddy, Finance Director *ds*  
Subject: 2017 Annual Operating Budget

#### Introduction

It is necessary for City Council to pass the annual appropriation ordinance for 2017.

#### Financial Impact

Total City expenditures, which include the departmental budgets, debt service and transfers as contained in the 2016 Operating and Capital Budget, are \$28,171,651.

#### Background

The Annual Operating budget is prepared and submitted annually to the Montgomery City Council in accordance with Article IV, Section 4.02 (3) of the Montgomery City Charter.

The budget is the primary fiscal planning tool for moving the City forward toward accomplishing its mission-Providing superior services and engaging with you to enhance our community. It also provides the resources to support the City's goal of becoming a higher performing organization.

Briefly, this budget accomplishes three key objectives:

- Continues stewardship of City resources in a prudent manner while delivering superior services;
- Follows priorities from the 2016 strategic plan for new initiatives;
- Provides additional resources for the City's capital assets; specifically, technology improvements, street/sidewalk/curb infrastructure maintenance and enhancements to the parks.

#### Staff Recommendation

It is recommended that City Council authorize and direct the preparation of legislation adopting the 2017 Annual Operating and Capital Budget.

## Attachment to 2017 Appropriation Ordinance

| General Fund                       |              |                    |
|------------------------------------|--------------|--------------------|
| 101 Police Department              | Personnel    | 3,119,797          |
|                                    | Nonpersonnel | 457,062            |
|                                    | <b>Total</b> | <b>\$3,576,859</b> |
| 106 Disaster Services              | Personnel    | 0                  |
|                                    | Nonpersonnel | 9,300              |
|                                    | <b>Total</b> | <b>\$9,300</b>     |
| 201 Public Health and Welfare      | Personnel    | 58,179             |
|                                    | Nonpersonnel | 0                  |
|                                    | <b>Total</b> | <b>\$58,179</b>    |
| 301 Recreation                     | Personnel    | 226,870            |
|                                    | Nonpersonnel | 93,752             |
|                                    | <b>Total</b> | <b>\$320,622</b>   |
| 303 City Parks                     | Personnel    | 301,941            |
|                                    | Nonpersonnel | 206,000            |
|                                    | <b>Total</b> | <b>\$507,941</b>   |
| 317 Swaim and Terwilliger Lodges   | Personnel    | 0                  |
|                                    | Nonpersonnel | 31,600             |
|                                    | <b>Total</b> | <b>\$31,600</b>    |
| 321 Special Events                 | Personnel    | 0                  |
|                                    | Nonpersonnel | 104,250            |
|                                    | <b>Total</b> | <b>\$104,250</b>   |
| 405 Landmarks Commission           | Personnel    | 0                  |
|                                    | Nonpersonnel | 13,250             |
|                                    | <b>Total</b> | <b>\$13,250</b>    |
| 406 City Beautiful                 | Personnel    | 0                  |
|                                    | Nonpersonnel | 123,411            |
|                                    | <b>Total</b> | <b>\$123,411</b>   |
| 407 Development                    | Personnel    | 363,883            |
|                                    | Nonpersonnel | 426,100            |
|                                    | <b>Total</b> | <b>\$789,983</b>   |
| 408 Planning Commission            | Personnel    | 0                  |
|                                    | Nonpersonnel | 11,000             |
|                                    | <b>Total</b> | <b>\$11,000</b>    |
| 409 Historical Building Operations | Personnel    | 0                  |
|                                    | Nonpersonnel | 43,700             |
|                                    | <b>Total</b> | <b>\$43,700</b>    |
| 701 City Administration            | Personnel    | 457,200            |
|                                    | Nonpersonnel | 23,600             |
|                                    | <b>Total</b> | <b>\$480,800</b>   |
| 702 Finance Department             | Personnel    | 570,815            |
|                                    | Nonpersonnel | 61,225             |
|                                    | <b>Total</b> | <b>\$632,040</b>   |
| 703 Legal Administration           | Personnel    | 0                  |
|                                    | Nonpersonnel | 218,000            |
|                                    |              |                    |

|   |              |                    |
|---|--------------|--------------------|
|   | <b>Total</b> | <b>\$218,000</b>   |
| <b>705 City Council</b>                               | Personnel    | 17,304             |
|   | Nonpersonnel | 3,750              |
|   | <b>Total</b> | <b>\$21,054</b>    |
| <b>707 Mayor's Court</b>                              | Personnel    | 86,076             |
|   | Nonpersonnel | 76,775             |
|   | <b>Total</b> | <b>\$162,851</b>   |
| <b>708 Civil Service Commission</b>                   | Personnel    | 0                  |
|   | Nonpersonnel | 4,150              |
|   | <b>Total</b> | <b>\$4,150</b>     |
| <b>709 Public Works Administration</b>                | Personnel    | 532,025            |
|   | Nonpersonnel | 139,500            |
|   | <b>Total</b> | <b>\$671,525</b>   |
| <b>712 Community and Information Services</b>         | Personnel    | 486,253            |
|   | Nonpersonnel | 144,290            |
|   | <b>Total</b> | <b>\$630,543</b>   |
| <b>715 General Government</b>                         | Personnel    | 10,000             |
|   | Nonpersonnel | 1,471,270          |
|   | <b>Total</b> | <b>\$1,481,270</b> |
| <b>Total General Fund Transfers/Cash Advances Out</b> |              | <b>699,006</b>     |
| <b>Total General Fund</b>                             | Personnel    | 6,230,343          |
|   | Nonpersonnel | 4,360,991          |
|   | <b>Total</b> | <b>10,591,334</b>  |

**Special Revenue Funds**

|  |              |                    |
|--|--------------|--------------------|
| <b>219 Community Oriented Policing Solutions</b> | Personnel    | 156,516            |
|  | Nonpersonnel | 3,500              |
|  | <b>Total</b> | <b>\$160,016</b>   |
| <b>223 Fire Department</b>                       | Personnel    | 2,191,628          |
|  | Nonpersonnel | 726,694            |
|  | <b>Total</b> | <b>\$2,918,322</b> |
| <b>261 Street Maintenance and Repair</b>         | Personnel    | 758,515            |
|  | Nonpersonnel | 285,579            |
|  | <b>Total</b> | <b>\$1,044,094</b> |
| <b>209 Memorial Fund</b>                         | Personnel    | 0                  |
|  | Nonpersonnel | 3,000              |
|  | <b>Total</b> | <b>\$3,000</b>     |
| <b>210 Parks &amp; Recreation</b>                | Personnel    | 0                  |
|  | Nonpersonnel | 500                |
|  | <b>Total</b> | <b>\$500</b>       |
| <b>215 Law Enforcement</b>                       | Personnel    | 0                  |
|  | Nonpersonnel | 12,300             |
|  | <b>Total</b> | <b>\$12,300</b>    |
| <b>216 Drug Enforcement</b>                      | Personnel    | 0                  |
|  | Nonpersonnel | 400                |
|  | <b>Total</b> | <b>\$400</b>       |
| <b>217 DUI Enforcement and Education</b>         | Personnel    | 0                  |
|  | Nonpersonnel | 1,000              |

|  |              |                  |
|--|--------------|------------------|
|  | <b>Total</b> | <b>\$1,000</b>   |
| <b>218 Mayor's Court Technology Fund</b>   | Personnel    | 0                |
|  | Nonpersonnel | 13,295           |
|  | <b>Total</b> | <b>\$13,295</b>  |
| <b>220 Law Enforcement Assistance Fund</b> | Personnel    | 0                |
|  | Nonpersonnel | 1,600            |
|  | <b>Total</b> | <b>\$1,600</b>   |
| <b>227 Environmental Impact Area I</b>     | Personnel    | 0                |
|  | Nonpersonnel | 15,000           |
|  | <b>Total</b> | <b>\$15,000</b>  |
| <b>228 Environmental Impact Area II</b>    | Personnel    | 0                |
|  | Nonpersonnel | 75,000           |
|  | <b>Total</b> | <b>\$75,000</b>  |
| <b>229 Environmental Impact Area III</b>   | Personnel    | 0                |
|  | Nonpersonnel | 5,000            |
|  | <b>Total</b> | <b>\$5,000</b>   |
| <b>230 Environmental Impact Area IV</b>    | Personnel    | 0                |
|  | Nonpersonnel | 1,500            |
|  | <b>Total</b> | <b>\$1,500</b>   |
| <b>265 State Highway Fund</b>              | Personnel    | 0                |
|  | Nonpersonnel | 54,000           |
|  | <b>Total</b> | <b>\$54,000</b>  |
| <b>266 Permissive MVL Fund</b>             | Personnel    | 0                |
|  | Nonpersonnel | 79,000           |
|  | <b>Total</b> | <b>\$79,000</b>  |
| <b>275 Municipal Pool</b>                  | Personnel    | 0                |
|  | Nonpersonnel | 263,450          |
|  | <b>Total</b> | <b>\$263,450</b> |
| <b>485 Arts and Amenities</b>              | Personnel    | 0                |
|  | Nonpersonnel | 94,200           |
|  | <b>Total</b> | <b>\$94,200</b>  |
| <b>Total Special Revenue Funds</b>         | Personnel    | 3,106,659        |
|  | Nonpersonnel | 1,635,018        |
|  | <b>Total</b> | <b>4,741,677</b> |

**Debt Service Funds**

|  |              |                    |
|--|--------------|--------------------|
| <b>322 Special Assessment Bond Retirement</b>        | Personnel    | 0                  |
|  | Nonpersonnel | 16,010             |
|  | <b>Total</b> | <b>\$16,010</b>    |
| <b>324 General Bond Retirement</b>                   | Personnel    | 0                  |
|  | Nonpersonnel | 12,200             |
|  | <b>Total</b> | <b>\$12,200</b>    |
| <b>328 Reserve Bond Retirement</b>                   | Personnel    | 0                  |
|  | Nonpersonnel | 176,625            |
|  | <b>Total</b> | <b>\$176,625</b>   |
| <b>331 Vintage Club Tax Increment Financing Fund</b> | Personnel    | 0                  |
|  | Nonpersonnel | 2,019,045          |
|  | <b>Total</b> | <b>\$2,019,045</b> |

|                          |              |                  |
|--------------------------|--------------|------------------|
| Total Debt Service Funds | Personnel    | 0                |
|                          | Nonpersonnel | 2,223,880        |
|                          | <b>Total</b> | <b>2,223,880</b> |

---

**Capital Projects Funds**

|  |              |                    |
|--|--------------|--------------------|
| 410 Capital Improvements                   | Personnel    | 0                  |
|  | Nonpersonnel | 3,540,144          |
|  | <b>Total</b> | <b>\$3,540,144</b> |
| 460 Urban Redevelopment Fund               | Personnel    | 0                  |
|  | Nonpersonnel | 287,650            |
|  | <b>Total</b> | <b>\$287,650</b>   |
| 461 Triangle Equivalent TIF                | Personnel    | 0                  |
|  | Nonpersonnel | 153,900            |
|  | <b>Total</b> | <b>\$153,900</b>   |
| 463 Vintage Club Capital Construction Fund | Personnel    | 0                  |
|  | Nonpersonnel | 6,500,000          |
|  | <b>Total</b> | <b>\$6,500,000</b> |
| Total Capital Projects Funds               | Personnel    | 0                  |
|  | Nonpersonnel | 10,481,694         |
|  | <b>Total</b> | <b>10,481,694</b>  |

---

**Fiduciary Funds**

|                               |              |                 |
|-------------------------------|--------------|-----------------|
| 875 Compensated Absence       | Personnel    | 27,000          |
|                               | Nonpersonnel | 0               |
|                               | <b>Total</b> | <b>\$27,000</b> |
| 546 Trust Reimbursements      | Personnel    | 0               |
|                               | Nonpersonnel | 50,000          |
|                               | <b>Total</b> | <b>\$50,000</b> |
| 601 State Fees                | Personnel    | 0               |
|                               | Nonpersonnel | 10,000          |
|                               | <b>Total</b> | <b>\$10,000</b> |
| 836 Historical Trust Fund     | Personnel    | 0               |
|                               | Nonpersonnel | 500             |
|                               | <b>Total</b> | <b>\$500</b>    |
| 840 Cemetery Expendable Trust | Personnel    | 0               |
|                               | Nonpersonnel | 44,850          |
|                               | <b>Total</b> | <b>\$44,850</b> |
| 890 Unclaimed Moneys Fund     | Personnel    | 0               |
|                               | Nonpersonnel | 716             |
|                               | <b>Total</b> | <b>\$716</b>    |
| Total Fiduciary Funds         | Personnel    | 27,000          |
|                               | Nonpersonnel | 106,066         |
|                               | <b>Total</b> | <b>133,066</b>  |

---

**Total All Funds**

|              |                   |
|--------------|-------------------|
| Personnel    | 9,364,002         |
| Nonpersonnel | 18,807,649        |
| <b>Total</b> | <b>28,171,651</b> |

September 1, 2016

To: Wayne Davis, City Manager  
 From: Katie Smiddy, Finance Director *ks*  
 Subject: 2016 August Income Tax Variance Report

**Year to Date**

For the month of August 2016, the City's total income tax receipts were \$602,901, which is a decrease of \$71,442, or 10.5% compared to the actual amount collected in August 2015 of \$674,343. The variance is attributable to the changes by House Bill 5, which has caused a shift in the date patterns of how the payments are being paid. This decrease will not adversely impact our income tax revenue projection for 2016. August, year-to-date revenues were higher than estimated revenues by \$92,201.

|               |           |         | %      |
|---------------|-----------|---------|--------|
|               | 2016      | 2015    | Change |
| August Actual | \$602,901 | 674,343 | -10.5% |

|      | YTD         |             | %      |
|------|-------------|-------------|--------|
|      | YTD Actual  | Estimate    | Change |
| 2016 | \$6,260,760 | \$5,814,114 | 7.68%  |

A breakdown by category for August, 2016 is as follows:

- *Withholding*- August withholding collections were \$536,103 or a decrease of \$61,339 or (10.2%) when compared to August 2015 collections of \$597,442.
- *Business*- In August 2016, net profits from businesses located within or doing business within Montgomery were \$19,709. This is an increase of \$8,144 or 70% compared to August 2015 collections of \$11,565.
- *Resident*- Revenues of \$47,089 were collected in August 2016 from residents living in Montgomery, which is a decrease of \$18,247 or (27.9%) compared to August 2015 collections of \$65,336.

The following schedule breaks down collections by source and provides a graph comparing actual and estimated income tax revenues for 2015 and 2016. There is also an End of Month report attached showing the comparison between month-to-date and year-to-date.

CITY OF MONTGOMERY  
 END OF MONTH REPORT  
 31 AUG 2016

|              | 2014          | 2015          | 2016          | 2016 vs 2015  | 2016         | 2015         | 2016 vs 2015 |
|--------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|
| May          | Month-to-date | Month-to-date | Month-to-date | Month percent | Year-to-date | Year-to-date | Year percent |
| Business     | 12,930.75     | 4,704.39      | 25,740.19     | 447.1         | 289,078.17   | 284,508.80   | 1.6          |
| Resident     | 27,158.29     | 46,281.83     | 119,338.61    | 157.8         | 1,117,191.08 | 1,059,413.48 | 5.4          |
| Withholding  | 456,055.64    | 489,079.05    | 519,159.44    | 6.1           | 2,985,989.80 | 2,817,118.80 | 5.9          |
| Non-resident |               |               |               |               |              |              |              |
| TOTAL        | 496,144.68    | 540,065.27    | 664,238.24    | 22.9          | 4,392,259.05 | 4,161,041.08 | 5.5          |
| June         |               |               |               |               |              |              |              |
| Business     | 57,579.92     | 53,214.95     | 42,163.54     | -20.7         | 331,241.71   | 337,723.75   | -1.9         |
| Resident     | 70,483.42     | 45,207.48     | 122,100.35    | 170.0         | 1,239,291.43 | 1,104,620.96 | 12.1         |
| Withholding  | 406,036.16    | 425,372.81    | 423,368.53    | -0.4          | 3,409,358.33 | 3,242,491.61 | 5.1          |
| Non-resident |               |               |               |               |              |              |              |
| TOTAL        | 534,099.50    | 523,795.24    | 587,632.42    | 12.1          | 4,979,891.47 | 4,684,836.32 | 6.2          |
| July         |               |               |               |               |              |              |              |
| Business     | 39,265.30     | 43,778.14     | 18,719.00     | -57.2         | 349,960.71   | 381,501.89   | -8.2         |
| Resident     | 98,568.92     | 119,709.27    | 81,961.10     | -31.5         | 1,321,252.53 | 1,224,330.23 | 7.9          |
| Withholding  | 469,138.51    | 436,937.69    | 577,287.79    | 32.1          | 3,986,646.12 | 3,679,429.30 | 8.3          |
| Non-resident |               |               |               |               |              |              |              |
| TOTAL        | 606,972.73    | 600,425.10    | 677,967.89    | 12.9          | 5,657,859.36 | 5,285,261.42 | 7.0          |
| August       |               |               |               |               |              |              |              |
| Business     | 19,419.83     | 11,565.02     | 19,709.44     | 70.4          | 369,670.15   | 393,066.91   | -5.9         |
| Resident     | 93,554.36     | 65,336.37     | 47,088.52     | -27.9         | 1,368,341.05 | 1,289,666.60 | 6.1          |
| Withholding  | 507,208.45    | 597,441.74    | 536,103.09    | -10.2         | 4,522,749.21 | 4,276,871.04 | 5.7          |
| Non-resident |               |               |               |               |              |              |              |
| TOTAL        | 620,182.64    | 674,343.13    | 602,901.05    | -10.5         | 6,260,760.41 | 5,959,604.55 | 5.0          |

CITY OF MONTGOMERY  
 END OF MONTH REPORT  
 31 AUG 2016

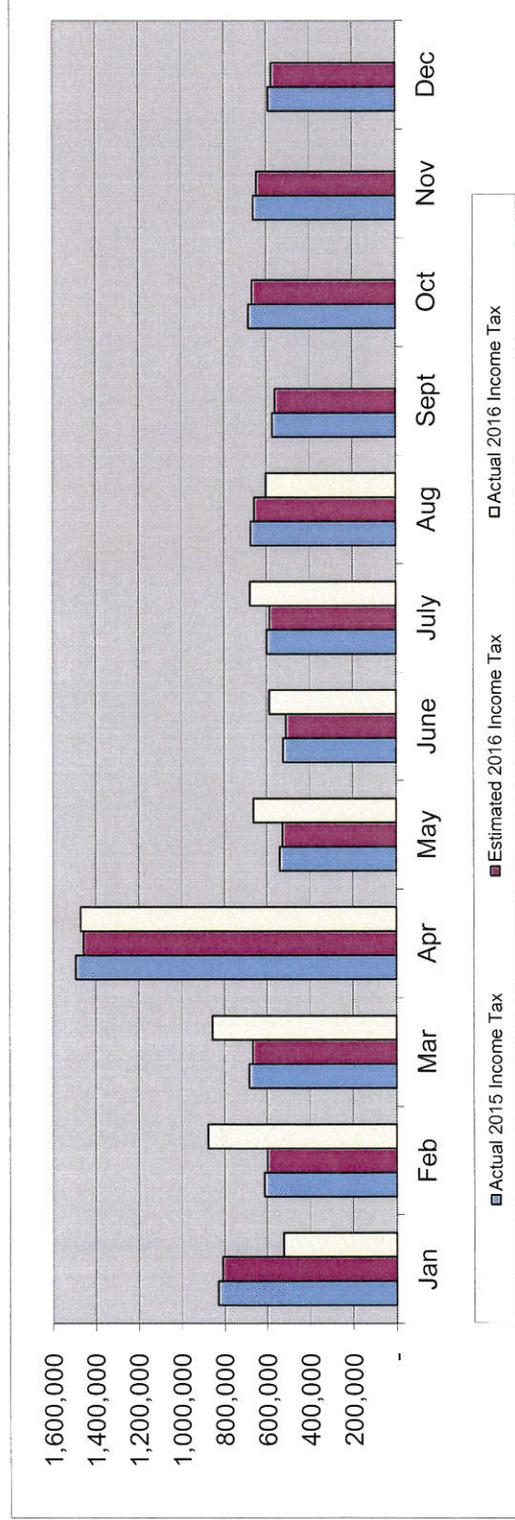
|              | 2014          | 2015          | 2016          | 2016 vs 2015  | 2016         | 2015         | 2016 vs 2015 |
|--------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|
|              | Month-to-date | Month-to-date | Month-to-date | Month percent | Year-to-date | Year-to-date | Year percent |
| September    |               |               |               |               |              |              |              |
| Business     | 53,690.32     | 72,931.34     | -100.0        | 369,670.15    | 465,998.25   | -20.6        |              |
| Resident     | 64,101.49     | 95,946.78     | -100.0        | 1,368,341.05  | 1,385,613.38 | -1.2         |              |
| Withholding  | 404,765.95    | 403,802.50    | -100.0        | 4,522,749.21  | 4,680,673.54 | -3.3         |              |
| Non-resident |               |               |               |               |              |              |              |
| TOTAL        | 522,557.76    | 572,680.62    | 0.00          | 6,260,760.41  | 6,532,285.17 | -4.1         |              |
| October      |               |               |               |               |              |              |              |
| Business     | 50,811.99     | 49,493.62     | -100.0        | 369,670.15    | 515,491.87   | -28.2        |              |
| Resident     | 191,017.25    | 202,142.90    | -100.0        | 1,368,341.05  | 1,587,756.28 | -13.8        |              |
| Withholding  | 406,636.90    | 432,863.59    | -100.0        | 4,522,749.21  | 5,113,537.13 | -11.5        |              |
| Non-resident |               |               |               |               |              |              |              |
| TOTAL        | 648,466.14    | 684,500.11    | 0.00          | 6,260,760.41  | 7,216,785.28 | -13.2        |              |
| November     |               |               |               |               |              |              |              |
| Business     | 9,662.33      | 22,468.50     | -100.0        | 369,670.15    | 537,960.37   | -31.2        |              |
| Resident     | 53,033.62     | 67,277.38     | -100.0        | 1,368,341.05  | 1,655,033.66 | -17.3        |              |
| Withholding  | 540,511.53    | 571,953.31    | -100.0        | 4,522,749.21  | 5,685,490.44 | -20.4        |              |
| Non-resident |               |               |               |               |              |              |              |
| TOTAL        | 603,207.48    | 661,699.19    | 0.00          | 6,260,760.41  | 7,878,484.47 | -20.5        |              |
| December     |               |               |               |               |              |              |              |
| Business     | 37,623.56     | 54,542.86     | -100.0        | 369,670.15    | 592,503.23   | -37.6        |              |
| Resident     | 169,962.24    | 109,929.28    | -100.0        | 1,368,341.05  | 1,764,962.94 | -22.4        |              |
| Withholding  | 393,799.81    | 425,584.20    | -100.0        | 4,522,749.21  | 6,111,074.64 | -25.9        |              |
| Non-resident |               |               |               |               |              |              |              |
| TOTAL        | 601,385.61    | 590,056.34    | 0.00          | 6,260,760.41  | 8,468,540.81 | -26.0        |              |

CITY OF MONTGOMERY  
 END OF MONTH REPORT  
 31 AUG 2016

|              | 2014          | 2015          | 2016          | 2016 vs 2015  | 2016         | 2015         | 2016 vs 2015 |
|--------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|
|              | Month-to-date | Month-to-date | Month-to-date | Month percent | Year-to-date | Year-to-date | Year percent |
| January      |               |               |               |               |              |              |              |
| Business     | 30,088.07     | 23,512.73     | 17,541.54     | -25.3         | 17,541.54    | 23,512.73    | -25.3        |
| Resident     | 98,433.64     | 107,848.39    | 93,583.69     | -13.2         | 93,583.69    | 107,848.39   | -13.2        |
| Withholding  | 561,961.06    | 697,916.73    | 413,319.13    | -40.7         | 413,319.13   | 697,916.73   | -40.7        |
| Non-resident |               |               |               |               |              |              |              |
| TOTAL        | 690,482.77    | 829,277.85    | 524,444.36    | -36.7         | 524,444.36   | 829,277.85   | -36.7        |
| February     |               |               |               |               |              |              |              |
| Business     | 19,554.96     | 23,143.93     | 19,898.25     | -14.0         | 37,439.79    | 46,656.66    | -19.7        |
| Resident     | 35,972.00     | 35,599.97     | 62,305.68     | 75.0          | 155,889.37   | 143,448.36   | 8.6          |
| Withholding  | 526,120.56    | 554,901.24    | 794,997.47    | 43.2          | 1,208,316.60 | 1,252,817.97 | -3.5         |
| Non-resident |               |               |               |               |              |              |              |
| TOTAL        | 581,647.52    | 613,645.14    | 877,201.40    | 42.9          | 1,401,645.76 | 1,442,922.99 | -2.8         |
| March        |               |               |               |               |              |              |              |
| Business     | 65,548.31     | 32,625.34     | 34,852.22     | 6.8           | 72,292.01    | 79,282.00    | -8.8         |
| Resident     | 93,912.57     | 59,799.20     | 113,308.35    | 89.4          | 269,197.72   | 203,247.56   | 32.4         |
| Withholding  | 560,970.14    | 591,954.77    | 707,260.46    | 19.4          | 1,915,577.06 | 1,844,772.74 | 3.8          |
| Non-resident |               |               |               |               |              |              |              |
| TOTAL        | 720,431.02    | 684,379.31    | 855,421.03    | 24.9          | 2,257,066.79 | 2,127,302.30 | 6.0          |
| April        |               |               |               |               |              |              |              |
| Business     | 162,577.53    | 200,522.41    | 191,045.97    | -4.7          | 263,337.98   | 279,804.41   | -5.8         |
| Resident     | 871,031.68    | 809,884.09    | 728,654.75    | -10.0         | 997,852.47   | 1,013,131.65 | -1.5         |
| Withholding  | 423,546.54    | 483,267.01    | 551,253.30    | 14.0          | 2,466,830.36 | 2,328,039.75 | 5.9          |
| Non-resident |               |               |               |               |              |              |              |
| TOTAL        | 1,457,155.75  | 1,493,673.51  | 1,470,954.02  | -1.5          | 3,728,020.81 | 3,620,975.81 | 2.9          |

**Schedule of Income Tax Collections by Source  
Actual 2015 Compared to 2016 Estimate & Actual**

|               | Actual 2015    |                  | Actual 2016      |                  | Total            | 2016 Estimate    | Estimate Variance | %            | Actual Variance | %            |
|---------------|----------------|------------------|------------------|------------------|------------------|------------------|-------------------|--------------|-----------------|--------------|
|               | Business       | Resident         | Business         | Resident         |                  |                  |                   |              |                 |              |
| Jan           | 23,513         | 107,848          | 17,542           | 93,584           | 413,319          | 809,033          | (284,588)         | -35.18%      | (304,833)       | -36.76%      |
| Feb           | 23,144         | 35,600           | 19,898           | 62,306           | 794,997          | 598,664          | 278,537           | 46.53%       | 263,556         | 42.95%       |
| Mar           | 32,625         | 59,799           | 34,852           | 113,308          | 707,260          | 667,672          | 187,749           | 28.12%       | 171,042         | 24.99%       |
| Apr           | 200,522        | 809,884          | 191,046          | 728,655          | 551,253          | 1,457,209        | 13,745            | 0.94%        | (22,720)        | -1.52%       |
| May           | 4,704          | 46,282           | 25,740           | 119,339          | 519,159          | 526,881          | 137,357           | 26.07%       | 124,173         | 22.99%       |
| June          | 53,215         | 45,207           | 42,164           | 122,100          | 423,369          | 511,008          | 76,625            | 14.99%       | 63,838          | 12.19%       |
| July          | 43,778         | 119,709          | 436,938          | 81,961           | 577,288          | 585,767          | 92,201            | 15.74%       | 77,543          | 12.91%       |
| Aug           | 11,565         | 65,336           | 597,442          | 47,089           | 536,103          | 657,881          | (54,979)          | -8.36%       | (71,442)        | -10.59%      |
| Sept          | 72,931         | 95,947           | 403,803          | 637,000          | 637,000          | 558,700          | 88,300            | 0.00%        | 0.00%           | 0.00%        |
| Oct           | 49,494         | 202,143          | 432,864          | 637,000          | 637,000          | 667,790          | (30,790)          | 0.00%        | 0.00%           | 0.00%        |
| Nov           | 22,469         | 67,277           | 571,953          | 637,000          | 637,000          | 645,545          | (8,545)           | 0.00%        | 0.00%           | 0.00%        |
| Dec           | 54,543         | 109,929          | 425,584          | 637,000          | 637,000          | 575,651          | 61,349            | 0.00%        | 0.00%           | 0.00%        |
| <b>Totals</b> | <b>592,503</b> | <b>1,764,963</b> | <b>2,917,670</b> | <b>1,368,342</b> | <b>4,522,748</b> | <b>8,261,800</b> | <b>446,646</b>    | <b>67.9%</b> | <b>301,156</b>  | <b>44.7%</b> |



September 2, 2016

To: Wayne Davis, City Manager  
From: Katie Smiddy, Finance Director *ds*  
Subject: Resolution Accepting the Amounts and Rates

Request

It is necessary for City Council to pass a resolution accepting the amounts and rates as determined by the Hamilton County Budget Commission.

Financial Impact

Resolution authorizes the necessary tax levies to be collected for budget year 2017 to the County Auditor.

Background

In accordance with ORC section 5704.34, each taxing authority must pass a resolution to accept and authorize the necessary tax levies and to certify the levies to the County Auditor. The preliminary amounts are from the 2017 tax budget and are estimates of the amounts the City will receive in property taxes:

|              | Millage | 2016 Estimate |
|--------------|---------|---------------|
| General Fund | 4.50    | \$2,287,800   |
| Fire/EMS     | 5.55    | \$1,918,192   |

Staff Recommendation

A copy of the resolution from the Hamilton County Budget Commission has not been received by the City but it is anticipated that they will be available for the October Business Meeting of City Council. It is recommended that the City Council consider a resolution accepting the amounts and rates as determined by the Hamilton County Budget Commission at its September Work Session for the purpose of placing it on the October Business Session for approval that evening.

**GENERAL FUND**  
**UPCOMING TAX YEAR 2016**

| NEW ESTIMATED DUPLICATE: |          |          | RES/AG   | EFFECTIVE | OTHER    | PUPP      | TANG PP | TOTAL              | PUPP     | PUPP    | TOTAL     |
|--------------------------|----------|----------|----------|-----------|----------|-----------|---------|--------------------|----------|---------|-----------|
| FULL RATE                | RES/AG   | OTHER    | FACTOR   | RATE      | RATE     | FACTOR    | RATE    | RES/AG             | ELECTRIC | NAT.GAS | REIMB.    |
| INSIDE                   | FACTOR   | FACTOR   | RES/AG   | OTHER     | OTHER    | FULL RATE |         | 508,400,000        |          |         |           |
| 3.00                     | 0.000000 | 0.000000 | 3.000000 | 1,230,900 | 3.000000 | 3.00      | 29,100  | 508,400,000        | 0        | 0       | 1,525,200 |
| <b>OUTSIDE</b>           |          |          |          |           |          |           |         | <b>508,400,000</b> |          |         |           |
| 1.50                     | 0.000000 | 0.000000 | 1.500000 | 615,450   | 1.500000 | 1.50      | 14,550  | 0                  | 0        | 0       | 762,600   |
| 0.00                     | 0.000000 | 0.000000 | 0.000000 | 0         | 0.000000 | 0.00      | 0       | 0                  | 0        | 0       | 0         |
| 0.00                     | 0.000000 | 0.000000 | 0.000000 | 0         | 0.000000 | 0.00      | 0       | 0                  | 0        | 0       | 0         |
| 0.00                     | 0.000000 | 0.000000 | 0.000000 | 0         | 0.000000 | 0.00      | 0       | 0                  | 0        | 0       | 0         |
| 0.00                     | 0.000000 | 0.000000 | 0.000000 | 0         | 0.000000 | 0.00      | 0       | 0                  | 0        | 0       | 0         |
| 0.00                     | 0.000000 | 0.000000 | 0.000000 | 0         | 0.000000 | 0.00      | 0       | 0                  | 0        | 0       | 0         |
| 0.00                     | 0.000000 | 0.000000 | 0.000000 | 0         | 0.000000 | 0.00      | 0       | 0                  | 0        | 0       | 0         |
| 0.00                     | 0.000000 | 0.000000 | 0.000000 | 0         | 0.000000 | 0.00      | 0       | 0                  | 0        | 0       | 0         |
| 0.00                     | 0.000000 | 0.000000 | 0.000000 | 0         | 0.000000 | 0.00      | 0       | 0                  | 0        | 0       | 0         |
| 1.50                     | 0.000000 | 0.000000 | 1.500000 | 615,450   | 1.500000 | 1.50      | 14,550  | 0                  | 0        | 0       | 762,600   |
| <b>NEW LEVY</b>          |          |          |          |           |          |           |         |                    |          |         |           |
| 0.00                     | 0.000000 | 0.000000 | 0.000000 | 0         | 0.000000 | 0.00      | 0       | 0                  | 0        | 0       | 0         |
| <b>TOTAL</b>             |          |          |          |           |          |           |         |                    |          |         |           |
| 4.50                     |          |          | 4.500000 | 1,846,350 | 4.500000 | 4.50      | 43,650  | 0                  | 0        | 0       | 2,287,800 |

|                             | GENERAL FUND     |          |                  |
|-----------------------------|------------------|----------|------------------|
|                             | REAL             | PERSONAL | TOTAL            |
| INSIDE 10 MILL              | 1,525,200        | 0        | 1,525,200        |
| OUTSIDE 10 MILL             | 762,600          | 0        | 762,600          |
| <b>TOTAL</b>                | <b>2,287,800</b> | <b>0</b> | <b>2,287,800</b> |
| Less Roll/Hmstd             | 258,489          |          | 258,489          |
| Less PUPP Reimbursement     | 0                |          | 0                |
| <b>NET LEVY</b>             | <b>2,029,311</b> | <b>0</b> | <b>2,029,311</b> |
| <b>STATE REIMBURSEMENTS</b> | <b>258,489</b>   | <b>0</b> | <b>258,489</b>   |
| <b>GROSS LEVY PROCEEDS</b>  | <b>2,287,800</b> | <b>0</b> | <b>2,287,800</b> |

| NEW CONSTRUCTION | REAPPRAISAL   |
|------------------|---------------|
| RESAG 2,500,000  | RES/AG 0.00   |
| OTHER 500,000    | COMM/IND 0.00 |
| PUPP 0           |               |
| PP 0             |               |

**REVENUE**

|                             |            |                            |            |
|-----------------------------|------------|----------------------------|------------|
| Income Tax                  | 6,341,758  | TOTAL RESOURCES            | 21,011,985 |
| Other local Taxes           | 50         | TOTAL EXPENDITURES         | 10,375,343 |
| Estate Tax                  | 0          | LGF - County               | 0          |
| Cigarette Tax               | 150        | Financial Institutions     | 0          |
| Liquor Tax                  | 20,000     | LGF - Revenue Assistance   | 0          |
| LGF-State                   | 15,750     | Library & LGF Revenue Asst | 0          |
| Grants                      | 0          | REQUIRED TAX LEVY          | 10,636,642 |
| Interest Income             | 2,000      |                            |            |
| Special Assessments         | 85,000     |                            |            |
| Bldg & Construction Permits | 0          |                            |            |
| Charges for Services        | 350,000    |                            |            |
| Fines, Licenses & Permits   | 364,849    |                            |            |
| Miscellaneous               | 168,250    |                            |            |
| Transfers In                | 70,445     |                            |            |
| Advances                    | 1,126      |                            |            |
| TOTAL REVENUE               | 7,419,378  |                            |            |
| BEGINNING CASH BALANCE      | 13,592,607 |                            |            |
| TOTAL RESOURCES             | 21,011,985 |                            |            |

|                             |                  |
|-----------------------------|------------------|
| Real Estate - 0111          | 2,029,311        |
| Personal Property - 0113    | 0                |
| TPP Reimbursement - 0141    | 0                |
| Rollback & Homestead - 0142 | 258,489          |
| PUPP - Reimbursement - 0143 | 0                |
| <b>TOTAL TAX LEVY</b>       | <b>2,287,800</b> |



*These minutes are a draft of the proposed minutes from the Financial Planning Committee of the City Council meeting. They do not represent the official record of proceedings until formally adopted by the Financial Planning Committee of City Council. Formal adoption is noted by signature of the Chair within the minutes.*

City of Montgomery  
Financial Planning Committee Meeting  
August 1, 2016

**Present**

Wayne Davis, City Manager  
Katie Smiddy, Finance Director  
Connie Gaylor, Clerk of Council

**Council Committee Members Present**

Ken Suer, Chair  
Ann Combs  
Mike Cappel

---

The Financial Planning Committee of Council meeting was called to order at 4:30 p.m. by Chairman Suer.

**2015 Post Audit Meeting and Review**

Tracy Moore, senior audit manager and Staci Reiley, audit manager, were present to conduct a review of the 2016 financial audit and management report.

Ms. Moore informed the Committee that the audit team completed the 2015 audit in June and issued their audit report as required in accordance with the Government Auditing Standards on June 16, 2016. In this report it was noted that the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 and also GASB statement no. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date. Ms. Moore stated a report on internal controls reflected a clean opinion on internal control measures. Ms. Moore stated that a report on internal control on financial reporting reflected no significant deficiencies or material non-compliances.

Ms. Reiley reviewed the management letter and recommendations on the following processes:

- Pool Memberships
- EMS Billings
- Appropriations

Ms. Reiley stated that there were no instances of noncompliance or other matters that must be reported under Government Auditing Standards.

Mr. Suer thanked Ms. Moore and Ms. Reiley for their efforts and diligence in performing the audit and stated that the Committee and staff takes their recommendations very seriously.

Mr. Davis thanked Ms. Moore and Ms. Reiley for their efforts as well and for the time that they spent meeting with staff to complete this audit.

Ms. Moore complimented staff for being receptive to their needs and promptly responding to their requests for information. She stated that everyone was very nice to work with.

**Review of the 1<sup>st</sup> Half Real Estate Settlement**

Ms. Smiddy reviewed the 1<sup>st</sup> Half Real Estate Settlement Report with the Committee. Ms. Smiddy reported that total collections for 2016 are up \$235,093 or 8.54% compared to 2015. General Fund property tax collections are up \$7,513 or .73%; Fire Levy Collections are up \$28,248 or 3.19% and Tax Increment Financing Districts (TIF) are up \$199,011 or 27.21%. Ms. Smiddy pointed out that most of the increase is the result of catch up

*These minutes are a draft of the proposed minutes from the Financial Planning Committee of the City Council meeting. They do not represent the official record of proceedings until formally adopted by the Financial Planning Committee of City Council. Formal adoption is noted by signature of the Chair within the minutes.*

## **Financial Planning Committee Minutes**

August 1, 2016

Page 2

payments for the Triangle portion of the TIF. Special Assessment collections are up \$321 or .32% which is attributed to slight increases in debt service payments that are supported by assessment collections.

### **June and July 2016 Income Tax Reports**

Ms. Smiddy explained that for the month of June 2016, the City's total income tax receipts were \$587,633 which is an increase of \$63,838 or 12.19% compared to the actual amount collected in June 2015 of \$523,795. Ms. Smiddy stated the variance was attributable to changes in House Bill 5 which changed the due date for second quarter estimates from July to June. For the month of June, year-to-date revenues were higher than estimated revenues by \$76,625.

Ms. Smiddy explained that for the month of July 2016, the City's total income tax receipts were \$677,968 which is an increase of \$77,543 or 12.9% compared to the actual amount collected in July 2015 of \$600,425. Ms. Smiddy stated the variance was also attributed to the changes in House Bill 5 with the due date for second quarter estimates being moved from July to June. For the month of July, year-to-date revenues were higher than estimated revenues by \$92,201.

### **Update on 2017 Budget Preparation**

Mr. Davis shared with the Committee that he and Ms. Smiddy would be meeting with all department heads and staff the week of August 8 to begin the annual budget review process. He stated that a report would be presented to the Committee at the September 6 Financial Planning Committee meeting and then placed on the September 21 Work Session Agenda. If City Council agrees the legislation would be added to the October 5, November 2 and December 7 Business Session agendas for reading and passage.

Mr. Davis stated that he would identify possible meeting dates for the full City Council and staff budget review session at the August 3 Business Session for consideration by City Council.

### **Other Business**

Mr. Davis updated the Committee on the status of the following items:

- Hiring process for the Assistant Finance Director/Tax Commissioner
- The appointment of Robert Uhrig as his Alternate on the Board of Tax Review to replace JoAnne Allen
- Centralized Tax Collection is being pursued at the State level. The City will strongly oppose this.
- The Montgomery Commons and Village Square TIF's will expire this year but will be collected through 2017.
- Horan Associates is currently working with Health Insurance Providers to finalize all quotes for the upcoming benefit year of October 1, 2016 to September 30, 2017.

### **Minutes**

Mrs. Combs moved to adopt the minutes of the June 6, 2016 meeting of the Financial Planning Committee. Mr. Cappel seconded. The Committee unanimously agreed.

*These minutes are a draft of the proposed minutes from the Financial Planning Committee of the City Council meeting. They do not represent the official record of proceedings until formally adopted by the Financial Planning Committee of City Council. Formal adoption is noted by signature of the Chair within the minutes.*

**Financial Planning Committee Minutes**

August 1, 2016

Page 3

**Adjournment**

Mr. Cappel moved for adjournment. Mrs. Combs seconded. The Committee unanimously agreed.

The Financial Planning Committee of Council was adjourned at 5:34 p.m.

---

Chair

DRAFT