

June 2, 2016

To: Chris Dobrozsi, Chairman  
Financial Planning Committee of City Council

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

Subject: Financial Planning Committee Meeting June 6, 2016

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

1. May 2016 Income Tax Report– The Income Tax Report for the first five months of 2016 will be presented at the meeting for the Committee’s review and discussion. Staff will be prepared to answer any questions on this report at Monday’s meeting.
2. 2017 Tax Budget– A component of the preparation work for the 2016 annual operating and capital budget is the preparation and submission of the City’s 2017 Tax Budget for City Council approval. In accordance with the Ohio Revised Code it is necessary for City Council to pass a Resolution approving the tax budget for the fiscal year beginning January 1, 2017 for submission to the Hamilton County Auditor. Failure to pass a tax budget before July 15<sup>th</sup> and submit a tax budget to the County Auditor before July 20<sup>th</sup> of each year can jeopardize the City’s share of Local Government and Local Government Assistance Funds. As discussed at the June 1, 2016 City Council Business Session Meeting, it is recommended that City Council hold a Public Hearing on June 22, 2016 on the 2017 Tax Budget prior to consideration of its passage on July 6, 2016.
3. Update on 2015 Financial Audit– Staff will be prepared to provide an update on the financial audit of the City which is being completed by the State Auditor’s Office.
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 May 2, 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 item, 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**

**June 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. May 2016 Income Tax Report
  - b. 2017 Tax Budget
  - c. Update on 2015 Financial Audit
5. Approval of Minutes: May 2, 2016
6. Other Business
7. Adjournment

June 1, 2016

To: Wayne Davis, City Manager

From: Katie Smiddy, Finance Director *js*

Subject: 2016 May Income Tax Variance Report

**Year to Date**

For the month of May 2016, the City's total income tax receipts were \$664,238, which is an increase of \$124,173 or 22.99% compared to the actual amount collected in May 2015 of \$540,065. A portion of the variance is attributable to a timing difference of individual and business returns that were received in April but posted to the system in May. This increase keeps us on pace to meet our income tax revenue projection for 2016. For the month of May, year-to-date revenues were higher than estimated revenues by \$137,357.

	2016	2015	% Change
May Actual	\$664,238	540,065	22.99%

	YTD Actual	YTD Estimate	% Change
2016	\$4,392,259	\$4,059,459	8.20%

A breakdown by category for May 2016 is as follows:

- *Withholding*- May withholding collections were \$519,159 or an increase of \$30,080 or 6% when compared to May 2015 collections of \$489,079.
- *Business*- In May 2016, net profits from businesses located within or doing business within Montgomery were \$25,740. This is an increase of \$21,036 or 447% compared to May 2015 collections of \$4,704.
- *Resident*- Revenues of \$119,339 were collected in May 2016 from residents living in Montgomery, which is an increase of \$73,057 or 157% compared to May 2015 collections of \$46,282.

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 MAY 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

CITY OF MONTGOMERY  
 END OF MONTH REPORT  
 31 MAY 2016

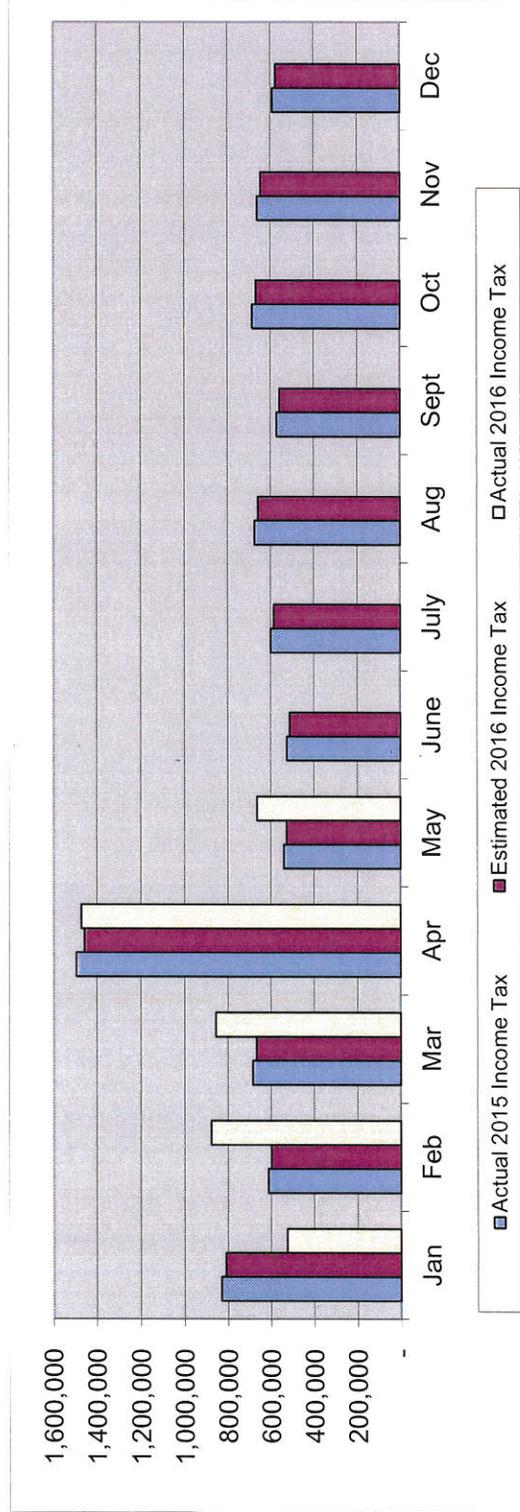
	2014	2015	2016	2016 vs 2015	2016	2015	2016 vs 2015
	Month-to-date	Month-to-date	Month-to-date	Month percent	Year-to-date	Year-to-date	Year percent
May							
Business	12,930.75	4,704.39	25,740.19	447.1	289,078.17	284,508.80	1.6
Resident	27,158.29	46,281.83	119,338.61	157.8	1,117,191.08	1,059,413.48	5.4
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		-100.0	289,078.17	337,723.75	-14.4
Resident	70,483.42	45,207.48		-100.0	1,117,191.08	1,104,620.96	1.1
Withholding	406,036.16	425,372.81		-100.0	2,985,989.80	3,242,491.61	-7.9
Non-resident							
TOTAL	534,099.50	523,795.24	0.00	-100.0	4,392,259.05	4,684,836.32	-6.2
July							
Business	39,265.30	43,778.14		-100.0	289,078.17	381,501.89	-24.2
Resident	98,568.92	119,709.27		-100.0	1,117,191.08	1,224,330.23	-8.7
Withholding	469,138.51	436,937.69		-100.0	2,985,989.80	3,679,429.30	-18.8
Non-resident							
TOTAL	606,972.73	600,425.10	0.00	-100.0	4,392,259.05	5,285,261.42	-16.8
August							
Business	19,419.83	11,565.02		-100.0	289,078.17	393,066.91	-26.4
Resident	93,554.36	65,336.37		-100.0	1,117,191.08	1,289,666.60	-13.3
Withholding	507,208.45	597,441.74		-100.0	2,985,989.80	4,276,871.04	-30.1
Non-resident							
TOTAL	620,182.64	674,343.13	0.00	-100.0	4,392,259.05	5,959,604.55	-26.2

CITY OF MONTGOMERY  
 END OF MONTH REPORT  
 31 MAY 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	289,078.17	465,998.25	-37.9
Resident	64,101.49	95,946.78		-100.0	1,117,191.08	1,385,613.38	-19.3
Withholding	404,765.95	403,802.50		-100.0	2,985,989.80	4,680,673.54	-36.2
Non-resident							
TOTAL	522,557.76	572,680.62	0.00	-100.0	4,392,259.05	6,532,285.17	-32.7
October							
Business	50,811.99	49,493.62		-100.0	289,078.17	515,491.87	-43.9
Resident	191,017.25	202,142.90		-100.0	1,117,191.08	1,587,756.28	-29.6
Withholding	406,636.90	432,863.59		-100.0	2,985,989.80	5,113,537.13	-41.6
Non-resident							
TOTAL	648,466.14	684,500.11	0.00	-100.0	4,392,259.05	7,216,785.28	-39.1
November							
Business	9,662.33	22,468.50		-100.0	289,078.17	537,960.37	-46.2
Resident	53,033.62	67,277.38		-100.0	1,117,191.08	1,655,033.66	-32.4
Withholding	540,511.53	571,953.31		-100.0	2,985,989.80	5,685,490.44	-47.4
Non-resident							
TOTAL	603,207.48	661,699.19	0.00	-100.0	4,392,259.05	7,878,484.47	-44.2
December							
Business	37,623.56	54,542.86		-100.0	289,078.17	592,503.23	-51.2
Resident	169,962.24	109,929.28		-100.0	1,117,191.08	1,764,962.94	-36.7
Withholding	393,799.81	425,584.20		-100.0	2,985,989.80	6,111,074.64	-51.1
Non-resident							
TOTAL	601,385.61	590,056.34	0.00	-100.0	4,392,259.05	8,468,540.81	-48.1

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

	Actual 2015			Actual 2016			Total	2016		Actual Variance	%
	Business	Resident	Withholding	Business	Resident	Withholding		Estimate	Variance		
Jan	23,513	107,848	697,917	17,542	93,584	413,319	524,444	809,033	(304,833)	-36.76%	
Feb	23,144	35,600	554,901	19,898	62,306	794,997	877,201	598,664	263,556	42.95%	
Mar	32,625	59,799	591,955	34,852	113,308	707,260	855,421	667,672	171,042	24.99%	
Apr	200,522	809,884	483,267	191,046	728,655	551,253	1,470,954	1,457,209	(22,720)	-1.52%	
May	4,704	46,282	489,079	25,740	119,339	519,159	664,238	526,881	124,173	22.99%	
June	53,215	45,207	425,373	523,795	-	-	-	511,008	0.00%	0.00%	
July	43,778	119,709	436,938	600,425	-	-	-	585,767	0.00%	0.00%	
Aug	11,565	65,336	597,442	674,343	-	-	-	657,881	0.00%	0.00%	
Sept	72,931	95,947	403,803	572,681	-	-	-	558,700	0.00%	0.00%	
Oct	49,494	202,143	432,864	684,500	-	-	-	667,790	0.00%	0.00%	
Nov	22,469	67,277	571,953	661,699	-	-	-	645,545	0.00%	0.00%	
Dec	54,543	109,929	425,584	590,056	-	-	-	575,651	0.00%	0.00%	
<b>Totals</b>	<b>592,503</b>	<b>1,764,963</b>	<b>6,111,075</b>	<b>289,078</b>	<b>1,117,192</b>	<b>2,985,989</b>	<b>4,392,259</b>	<b>8,261,800</b>	<b>332,800</b>	<b>22.8%</b>	<b>15.5%</b>





Providing superior services with integrity.  
Partnering with you to build a great community!

June 30, 2016

**TO:** Wayne Davis, City Manager  
**FROM:** Katie M. Smiddy, Finance Director *KMS*  
**SUBJECT:** 2017 Tax Budget

**REQUEST**

In accordance with ORC Section 5705.28, each taxing authority must pass a resolution adopting a tax budget prior to July 15<sup>th</sup> and submit such tax budget to the County Auditor. It is necessary for City Council to pass a resolution approving the tax budget for the fiscal year beginning January 1, 2017 and submit the said tax budget to the Hamilton County Auditor.

**FINANCIAL IMPACT**

Failure to pass a tax budget before July 15<sup>th</sup> and submit a tax budget to the County Auditor before July 20<sup>th</sup> of each year may jeopardize the City's share of the Local Government Fund.

**BACKGROUND**

The tax budget requires the City to estimate revenues and expenditures for funds which derive revenues from real and personal property taxes.

The City of Montgomery has two (2) funds which derive money from property taxes: the General Fund and Fire Levy Fund. Detailed schedules for these funds have been included in the 2017 tax budget.

Assessed Valuation:

It is estimated that the total assessed valuation for the year 2016, collected in 2017, for the City of Montgomery is estimated to be \$524 million. This is an estimated .6% increase property values from the assessed valuation for tax year 2016 of \$521 million.

General Fund:

The General Fund collects 4.5 mills (3 mills inside, 1.5 mills outside) on real property. It is estimated at \$2,050,000 million will be collected in property taxes in 2017 for the General Fund; this is an increase of 1% that is expected to be collected in 2016.

Income tax collections in the General Fund are estimated to be \$6,341,758 of the total income tax collection of \$8.4 million estimated for 2017; the assumption is that **total** income tax revenues are estimated to increase 1% over the amount collected in 2016. The amount of income tax revenues allocated to the General Fund is 76% in 2017. It is estimated that the General Fund will have a cash balance of approximately \$11.7 million at the end of fiscal year 2017.

Other General Fund revenues are estimated to remain relatively flat due to the continued economic uncertainty. Total revenues of the General Fund for 2017 are estimated at \$9,836,595 as compared to \$9,775,890 estimated for 2016. This is an increase of \$60,705

or approximately .62% which is attributed to the estimated increase in income and property tax revenues.

Expenditures of the General Fund are estimated to be \$10,375,343 in 2017, as compared to \$10,012,171 in 2016. This is an increase of \$363,172, which can be attributed to increased allocations to capital equipment.

Transfers from the General Fund programmed for 2016 and estimated for 2017 are as follows:

	<b>2016</b>	<b>2017</b>
School Resource Officer	\$49,000	\$52,800
Environmental Impact Tax	\$35,500	\$31,500
Street Maintenance & Repair	\$450,000	\$575,000
Municipal Pool	\$ 15,000	\$15,000
Total	\$540,000	\$674,300

Fire Levy Fund:

The Fire Levy is a 5.55 mill permanent levy with no expiration date. Total revenues in the Fire Levy Fund are estimated to be \$2,162,294 in 2017 as compared to \$2,141,987 in 2016; this is an increase of \$20,307.

Total expenditures for the 2017 Fire Levy Fund are estimated at \$2,783,782, as compared to \$2,582,474 estimated for 2016. This is an increase of \$201,308 or 7.8%, which can be attributed to \$191,744 proposed for capital equipment.

The estimated ending cash balance for the Fire Levy Fund for 2017 is \$3,277,891. This is \$621,488 less than estimated 2016 ending cash balance. This is an operating reserve of 14.1 months, which is slightly higher than the targeted balance of 6 to 12 months.

Other Operating Funds:

The other operating funds addressed in the 2017 Tax Budget are estimated to be continuations of current budget spending levels with adjustments made for healthcare and personnel costs by labor contracts.

Capital Projects Spending:

Capital spending is projected at \$2,258,300 being spent on permanent improvements. The permanent improvement projects are outlined in page 7 of the 2016 Tax Budget. These projects were taken from the 2015-2019 Capital Improvement Program and are projects which were reviewed and approved by Council on an individual basis. The presentation of these projects in this tax budget is intended to indicate a level of spending for capital outlay.

Debt Service:

A schedule of Outstanding Debt is presented in the 2017 Tax Budget. It is estimated that the City will have approximately \$13 million outstanding in debt as of January 1, 2017 for Special Obligation and Special Assessment debt. Debt service payments for this debt in 2017 will be \$465,883 for principal repayment and \$548,705 for interest expense.

It is estimated by January 1, 2017, there will no outstanding General Obligation Debt carried by the City.

**STAFF RECOMMENDATION**

It is recommended that the City Council hold a Budget Hearing on June 22, 2016 to discuss the 2017 Tax Budget.

It is recommended that City Council place this resolution on the July 6, 2016, Business agenda for consideration that evening.

**City of Montgomery, Ohio  
Hamilton County, Ohio  
June 18, 2016**

This Budget must be adopted by the Council of Montgomery Ohio on or before July 15th, and two copie must be submitted to the County Auditor on or before July 20th. FAILURE TO COMPLY WITH SEC. 5705.28 R.C. SHALL RESULT IN LOSS OF LOCAL GOVERNMENT FUND ALLOCATION.

**To the County Auditor of said County:**

The following Budget year beginning January 1, 2017, has been adopted by Council and is herewith submitted for consideration of the County Budget Commission.

Signed
<b>Katie M. Smiddy, Director of Finance</b>

---

**SCHEDULE A**

**SUMMARY OF AMOUNTS REQUIRED FROM GENERAL PROPERTY TAX APPROVED BY BUDGET COMMISSION,  
AND COUNTY AUDITOR'S ESTIMATED RATES**

For Municipal Use	For Budget Commission Use			For County Auditor Use	
FUND	Budget Year Amount Requested of Budget Commission Inside/Outside	Budget Year Amount Approved Budget Commission 10 Mill Limitation	Budget Year Amount Derived From Levies Outside 10 Mill Limitation	County Auditor's Estimate of Tax Rate to be Levied	
				Inside 10 Mill Limit Budget Year	Outside 10 Mill Limit Budget Year
<b>GOVERNMENT FUNDS</b>					
GENERAL FUND	2,050,000				
FIRE LEVY FUND	1,786,717				
<b>PROPRIETARY FUNDS</b>					
<b>FIDUCIARY FUNDS</b>					
<b>TOTAL ALL FUNDS</b>	<b>3,836,717</b>				



FUND NAME: GENERAL FUND  
 FUND TYPE/CLASSIFICATION: GOVERNMENTAL-GENERAL

DESCRIPTION	2014 Actual	2015 Actual	Current Year Estimated for 2016	Budget Year Estimated for 2017
REVENUES				
Local Taxes				
General Property Taxes-Real Estate	1,942,940	2,061,727	2,030,000	2,050,000
Tangible Personal Property Taxes	-	-	-	-
Municipal Income Taxes	6,162,952	6,424,913	6,278,968	6,341,758
Other Local Taxes	89	93	50	50
Total Local Taxes	8,105,981	8,486,732	8,309,018	8,391,808
Intergovernmental Revenues				
Local Government- State	36,168	31,401	15,750	15,750
Local Government- County	112,026	122,155	105,000	105,000
Estate Tax	-	17,062	-	-
Cigarette Tax	195	120	150	150
Liquor Tax	21,768	19,568	20,000	20,000
Property Tax Allocation	241,552	256,244	252,232	254,717
Other State Shared Taxes and Permits	-	-	-	-
Total State Shared Taxes and Permits	411,709	446,549	393,132	395,617
Federal Grants or Aid				
State Grants or Aid	4,261	-	-	-
Other Grants or Aid	-	1,589	2,000	2,000
Total Intergovernmental Revenues	415,970	448,138	395,132	397,617
Interest Income	83,246	100,077	85,000	85,000
Special Assessments	135	-	-	-
Building and Construction Permits	292,231	269,379	390,000	350,000
Charges for Services	367,285	382,276	363,925	364,849
Fines, Licenses and Permits	173,328	141,882	165,250	168,250
Miscellaneous Revenues	54,120	72,884	60,065	70,445
Other Financing Sources:				
Lease Payments	600,000	-	-	-
Transfers	-	16,139	-	1,126
Reimbursements	83,408	-	-	-
Other Sources	11,979	10,773	7,500	7,500
TOTAL REVENUES	10,187,683.00	9,928,280.51	9,775,890	9,836,595

0.62%

FUND NAME: GENERAL FUND

FUND TYPE/CLASSIFICATION: GOVERNMENTAL-GENERAL

DESCRIPTION	2014 Actual	2015 Actual	Current Year Estimated for 2016	Budget Year Estimated for 2017
<b>EXPENDITURES</b>				
Security of Persons and Property				
Personal Services and Benefits	2,679,508	2,789,659	3,073,965	3,204,691
Travel Transportation	18,959	19,960	25,500	26,265
Contractual Services	258,378	339,623	360,784	370,111
Supplies and Materials	51,784	25,970	103,962	146,684
Capital Outlay	-	-	-	-
Total Security of Persons and Property	3,008,629	3,175,212	3,564,211	3,747,751
Public Health Services				
Personal Services and Benefits	-	-	-	-
Travel Transportation	-	-	-	-
Contractual Services	-	-	-	-
Supplies and Materials	55,379	54,936	57,900	58,179
Capital Outlay	-	-	-	-
Total Public Health Services	55,379	54,936	57,900	58,179
Leisure Time Activities				
Personal Services and Benefits	388,253	334,109	496,667	524,874
Travel Transportation	4,363	7,110	9,000	9,000
Contractual Services	387,665	448,213	428,255	417,013
Supplies and Materials	27,582	101,799	107,037	125,010
Capital Outlay	-	-	-	-
Total Leisure Time Activities	807,863	891,230	1,040,959	1,075,897
Community Environment				
Personal Services and Benefits	241,878	301,877	343,668	364,416
Travel Transportation	6,072	6,937	13,800	9,100
Contractual Services	311,121	272,300	481,650	464,100
Supplies and Materials	2,192	5,207	6,850	6,850
Capital Outlay	-	-	-	-
Total Community Environment	561,263	586,321	845,968	844,466
Basic Utility Services				
Personal Services and Benefits	-	-	-	-
Travel Transportation	-	-	-	-
Contractual Services	615,979	509,687	611,587	611,587
Supplies and Materials	-	-	-	-
Capital Outlay	-	-	-	-
Total Basis Utility Services	615,979	509,687	611,587	611,587

FUND NAME: GENERAL FUND

FUND TYPE/CLASSIFICATION: GOVERNMENTAL-GENERAL

DESCRIPTION	2014 Actual	2015 Actual	Current Year Estimated for 2016	Budget Year Estimated for 2017
Public Works				
Personal Services and Benefits	465,862	476,532	503,218	519,771
Travel Transportation	1,581	4,534	4,000	4,500
Contractual Services	94,643	87,591	116,500	119,700
Supplies and Materials	675	10,352	10,300	16,050
Capital Outlay	-	-	-	-
Total Public Works	562,761	579,009	634,018	660,021
General Government				
Personal Services and Benefits	1,371,676	1,410,178	1,482,431	1,526,347
Travel Transportation	36,026	43,009	53,267	53,765
Contractual Services	836,541	902,399	1,081,880	1,007,180
Supplies and Materials	74,992	47,037	99,950	115,850
Capital Outlay	81,550	-	-	-
Total General Government	2,400,785	2,402,623	2,717,528	2,703,142
<b>Total General Fd Before Other Uses</b>	<b>8,012,659</b>	<b>8,199,017</b>	<b>9,472,171</b>	<b>9,701,043</b>
Debt Service				
Redemption of Principal				
Interest				
Total Debt Service				
Other Uses of Funds				
Transfers				
to Street Maintenance Fund	420,000	425,000	450,000	575,000
to Municipal Pool	-	24,000	15,000	15,000
to Downtown Improvement Fund	-	2,000,000	-	-
to General Bond Retirement	2,450,000			
to School Resource Officer Fund	48,000	25,000	49,500	52,800
to Environmental Impact	10,911	20,000	25,500	31,500
-	-			
Total Other Uses of Funds	2,928,911	2,494,000	540,000	674,300
Advances Out				
<b>TOTAL EXPENDITURES</b>	<b>10,941,570</b>	<b>10,693,017</b>	<b>10,012,171</b>	<b>10,375,343</b>
Revenues over/(under) Expenditures	(753,887)	(764,737)	(236,281)	(538,748)
Beginning Unencumbered Balance	14,742,775	13,988,888	13,988,888	13,752,607
Ending Cash Balance	13,988,888	13,224,151	13,752,607	13,213,859
Estimated Encumbrances (outstanding at year end)	156,883		160,000	-
Estimated Ending Unencumbered Fund Balance	13,832,005	13,224,151	13,592,607	13,213,859

FUND NAME: FIRE LEVY FUND

FUND TYPE/CLASSIFICATION: GOVERNMENTAL-SPECIAL REVENUE FUND

DESCRIPTION	2014 Actual	2015 Actual	Current Year Estimated for 2016	Budget Year Estimated for 2017
<b>REVENUES</b>				
Real Estate				
Real Estate Property Tax	1,720,550	1,740,492	1,769,000	1,786,717
Personal Property Tax	-	-	-	-
Property Tax Allocation	204,708	218,745	210,258	212,364
Other	61,812	17,441	12,729	15,213
Interest	31,157	30,230	25,000	23,000
EMS Fees	144,820	145,402	125,000	125,000
Total Real Estate Taxes	2,163,047	2,152,311	2,141,987	2,162,294
Transfer from General Fund				
Miami Conservancy	-	-	-	-
Charter Fire Force				
Proceeds From Debt				
Charter Fire Force				
<b>TOTAL REVENUES</b>	2,163,047	2,152,311	2,141,987	2,162,294
<b>EXPENDITURES</b>				
Personal Services and Benefits	1,742,007	1,852,903	2,180,094	2,269,738
Travel Transportation	24,105	17,033	37,500	31,950
Contractual Services	213,699	239,533	260,610	267,200
Supplies and Materials	85,460	18,291	23,400	23,150
Capital Outlay		36,822	80,870	191,744
	-	-	-	-
<b>TOTAL EXPENDITURES</b>	2,065,271	2,164,581	2,582,474	2,783,782
Revenues over/(under) Expenditures	97,776	(12,271)	(440,487)	(621,488)
Beginning Unencumbered Balance	4,242,090	4,339,866	4,339,866	3,899,379
Ending Cash Balance	4,339,866	4,327,595	3,899,379	3,277,891
Estimated Encumbrances (outstanding at year end)	8,630	20,000	30,000	30,000
Estimated Ending Unencumbered Fund Balance	4,331,236	4,307,595	3,869,379	3,247,891

## STATEMENT OF PERMANENT IMPROVEMENTS

DESCRIPTION	Estimated Cost of Permanent Improvements	Amount to be Budgeted During Current Year	Name of Paying Fund
<b>City Parks</b>			
Parking Lot Repairs/Striping	\$10,000	\$10,000	Capital Improvement Fund
Asphalt Path Repairs	\$10,000	\$10,000	Capital Improvement Fund
Resurface Tennis Courts	\$15,000	\$15,000	Capital Improvement Fund
Resurface Basketball Courts	\$10,000	\$10,000	Capital Improvement Fund
Installation and Relocation of Playground Equipment	\$0	\$0	Capital Improvement Fund
<b>Swaim and Terwilliger Lodges</b>			
Building Repair and Maintenance	\$3,000	\$3,000	Capital Improvement Fund
Staining/Sealing deck	\$3,800	\$3,800	Capital Improvement Fund
HVAC Replacement	\$8,000	\$8,000	Capital Improvement Fund
<b>Special Events</b>			
Sound System	\$2,500	\$2,500	Capital Improvement Fund
<b>Public Works Administration</b>			
HVAC Replacement	\$8,000	\$8,000	Capital Improvement Fund
<b>City Beautiful</b>			
Eligible Projects	\$0	\$0	Community Block Grant Fund
<b>Street Maintenance and Repair</b>			
Annual Resurfacing	\$900,000	\$900,000	Capital Improvement Fund
Asphalt Surface Treatments	\$125,000	\$125,000	Capital Improvement Fund
Crack Sealing Program	\$75,000	\$75,000	Capital Improvement Fund
Curb Repairs	\$47,500	\$47,500	Capital Improvement Fund
Contingencies	\$30,000	\$30,000	Capital Improvement Fund
Sidewalk Repairs	\$40,000	\$40,000	Capital Improvement Fund
Small Drainage Projects	\$80,000	\$80,000	Capital Improvement Fund
Replace antiquated pedestrian crossing from Pioneer Park to	\$32,500	\$32,500	Capital Improvement Fund
Guard Rail Replacement	\$25,000	\$25,000	Capital Improvement Fund
Renovation of Public Works Facility	\$450,000	\$450,000	Capital Improvement Fund
<b>Municipal Pool</b>			
Basketball Court	\$0	\$0	Capital Improvement Fund
Water Feature	\$15,000	\$15,000	Capital Improvement Fund
Main Pump	\$25,000	\$25,000	Capital Improvement Fund
<b>Vintage Club North or GRA</b>	\$300,000	\$300,000	Tax Increment Financing
<b>Urban Redevelopment Fund</b>			
Heritage District Pedestrian Improvements	\$15,000	\$15,000	Urban Redevelopment Fund
Streetscape Fill-in Projects	\$20,000	\$20,000	Urban Redevelopment Fund
Public Common Area Construction	\$0	\$0	Urban Redevelopment Fund
<b>Cemetery Expendable Trust</b>			
Asphalt Road and Curb Repairs	\$4,000	\$4,000	Capital Improvement Fund
Sealing of Asphalt Walking Paths	\$4,000	\$4,000	Capital Improvement Fund
<b>TOTAL PERMANENT IMPROVEMENTS</b>	<b>\$2,258,300</b>	<b>\$2,258,300</b>	
<b>Break Down by Name of Paying Fund</b>			
Capital Improvement Fund	\$1,923,300	\$1,923,300	
Tax Increment Financing	\$300,000	\$300,000	
Urban Redevelopment Fund	\$35,000	\$35,000	
<b>Total of all Funds</b>	<b>\$2,258,300</b>	<b>\$2,258,300</b>	

PURPOSE OF BONDS AND NOTES	Authority for Levy Outside 10 Mill Limit	Date of Issue	Due Date	Ordinance or Resolution	Serial or Term	Rate of Interest	Amount of Bonds & Notes Outstanding Beginning of Budget Year 1-1-17	Amount Required for Interest	Amount Required for Principal
<b>INSIDE THE 10 MILL LIMIT</b>									
<b>Special Assessments</b>									
Montgomery Woods Sidewalk- Special Assessment		09/97	12/17	97-17	S	6.00%	6,000	360	6,000
Tanager Woods 1999		12/04	12/19	99-8	S	6.00%	14,649	3,567	4,883
Various Purpose Refunding 2003		Various	Various	030-3	S	3.80-2.00%	695,000	25,625	155,000
<b>Total</b>							<b>715,649</b>	<b>29,552</b>	<b>165,883</b>
<b>General Obligation Notes</b>									
<b>Total</b>									
<b>Special Obligation Revenue Bonds</b>									
Series 2013 Bonds- Vintage Club		05/13	12/37	09-13	S	4.30%	12,643,647	519,153	300,000
<b>Grand Total</b>							<b>13,359,296</b>	<b>548,705</b>	<b>465,883</b>

FUND	Estimated Unencumbered Fund Balance 1-Jan-17	Budget Year Estimated Receipts	Total Available for Expenditures	Budget Year Expenditures and Encumbrances			Estimated Unencumbered Fund Balance 31-Dec-17
				Personal Services	Other	Total	
<b>GOVERNMENTAL-SPECIAL REVENUE:</b>							
209 Memorial Fund	27,477	3,000	30,477	-	4,000	4,000	26,477
210 Parks and Recreation	10,334	500	10,834	-	500	500	10,334
215 Law Enforcement	49,313	1,200	50,513	-	1,600	1,600	48,913
216 Drug Enforcement	6,071	1,000	7,071	-	400	400	6,671
217 DUI Enforcement and Education	13,284	1,000	14,284	-	13,284	13,284	1,000
218 Mayor's Court Technology	44,655	15,278	59,933	-	14,689	14,689	45,244
219 School Resource Officer	5,177	138,020	143,197	134,657	3,350	138,007	5,190
220 Law Enforcement Assistance	1,600	1,600	3,200	-	1,600	1,600	1,600
227 Environmental I	11,500	15,000	26,500	-	5,000	5,000	21,500
228 Environmental II	31,000	33,000	64,000	-	30,000	30,000	34,000
229 Environmental III	5,500	9,000	14,500	-	5,000	5,000	9,500
230 Environmental IV	3,000	3,000	6,000	-	1,500	1,500	4,500
261 Street Maintenance and Repair	536,620	988,978	1,525,598	757,021	276,579	1,033,600	491,998
265 State Highway	45,657	32,650	78,307	-	54,000	54,000	24,307
275 Municipal Pool	105,123	231,300	336,423	-	251,682	251,682	84,741
485 Art and Amenities	571,134	31,800	602,934	-	44,800	44,800	558,134
<b>Total Special Revenue Funds</b>	<b>1,467,445</b>	<b>1,506,326</b>	<b>2,973,771</b>	<b>891,678</b>	<b>707,984</b>	<b>1,599,662</b>	<b>1,374,109</b>
<b>DEBT SERVICE FUNDS:</b>							
322 Special Assessment Bond Retirement	155,176	14,810	169,986	-	16,810	16,810	153,176
324 General Bond Retirement	619,887	336,777	956,664	-	11,900	11,900	944,764
328 Reserve Bond Retirement	82,315	177,188	259,503	-	186,625	186,625	72,878
331 Vintage Club Tax Increment Financing	3,003,756	2,063,254	5,067,010	-	1,882,780	1,882,780	3,184,230
<b>Total Debt Service Funds</b>	<b>3,861,134</b>	<b>2,592,029</b>	<b>6,453,163</b>	-	<b>2,098,115</b>	<b>2,098,115</b>	<b>4,355,048</b>
<b>CAPITAL PROJECT FUNDS:</b>							
410 Capital Improvements	3,150,595	1,753,884	4,904,479	-	2,032,294	2,032,294	2,872,185
416 CDBG	-	-	-	-	-	-	-
460 Urban Redevelopment Fund	454,574	3,600	458,174	-	62,532	62,532	395,642
461 Triangle Tax Increment	2,871	155,800	158,671	-	153,900	153,900	4,771
463 Vintage Club Capital Construction-North	-	-	-	-	-	-	-
480 Downtown Improvements	2,087,270	10,000	2,097,270	-	2,248,726	2,248,726	2,097,270
<b>Total Capital Project Funds</b>	<b>5,695,310</b>	<b>1,923,284</b>	<b>7,618,594</b>	-	<b>2,248,726</b>	<b>2,248,726</b>	<b>5,369,868</b>
<b>PROPRIETARY: ENTERPRISE FUNDS</b>							
<b>Total Enterprise Funds</b>	-	-	-	-	-	-	-
<b>INTERNAL SERVICE FUNDS:</b>							
<b>Total Internal Service Funds</b>	-	-	-	-	-	-	-
<b>FIDUCIARY: TRUST AND AGENCY FUNDS</b>							
546 Trust Reimbursements	82,375	35,000	117,375	-	50,000	50,000	67,375
601 State Fees	2,690	10,000	12,690	-	2,690	2,690	10,000
836 Historical Trust Fund	31,910	550	32,460	-	500	500	31,960
840 Cemetery Expendable Trust	327,383	41,500	368,883	-	35,350	35,350	333,533
875 Compensated Absence	224,500	68,000	292,500	-	25,000	25,000	267,500
890 Unclaimed Monies Fund	4,978	1,000	5,978	-	2,126	2,126	3,852
<b>Total Trust and Agency Funds</b>	<b>673,836</b>	<b>156,050</b>	<b>829,886</b>	-	<b>115,666</b>	<b>115,666</b>	<b>714,220</b>
<b>TOTAL FOR MEMORANDUM ONLY</b>	<b>11,697,725</b>	<b>6,177,689</b>	<b>17,875,414</b>	<b>891,678</b>	<b>5,170,491</b>	<b>6,062,169</b>	<b>11,813,245</b>

OFFICIAL CERTIFICATE OF ESTIMATED RESOURCES

The Budget Commission of Hamilton County, Ohio, hereby makes the following Official Certificate of Estimated Resources for the City of Montgomery, Ohio for the BUDGET YEAR beginning January 1, 2017.

FUND	Estimated Unencumbered Fund Balance 1-Jan-17	Real Estate Property Tax	Personal Property Tax	Local Government Allocation	Rollback, Homestead and Personal Prop Tax Exemption	Other Sources	Total
<b>GOVERNMENTAL FUND TYPES</b>							
General Fund	13,752,607	2,050,000	-	105,000		7,681,595	23,589,202
Special Revenue Funds	5,366,824	1,786,717	-			1,881,903	9,035,444
Debt Service Funds	3,861,134	-	-			2,592,029	6,453,163
Capital Project Funds	5,695,310	-	-			1,923,284	7,618,594
<b>PROPRIETARY FUND TYPES</b>							
Enterprise Funds	-	-	-				-
Internal Service Funds	-	-	-				-
<b>FIDUCIARY FUND TYPE</b>							
Trust and Agency Funds	673,836	-	-			156,050	829,886
<b>TOTAL ALL FUNDS</b>	<b>29,349,711</b>	<b>3,836,717</b>	<b>-</b>	<b>105,000</b>	<b>-</b>	<b>14,234,861</b>	<b>47,526,289</b>

The Budget Commission further certifies that its action on the foregoing budget and the County Auditor's estimate of the rate of each tax necessary to be levied within and outside the 10 mill limitation is set forth in the proper columns of the preceding pages and the total amount approved for each must govern the amount of appropriation from such fund.

Date

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Budget Commission



FUND	Estimated Unencumbered Fund Balance 1-Jan-17	Real Estate Property Tax	Personal Property Tax	Local Government Allocation	Rollback, Homestead and Personal Prop Tax Exemption	Other Sources	Total
<b>GOVERNMENTAL-SPECIAL REVENUE:</b> 100 General Fund							
<b>GOVERNMENTAL-SPECIAL REVENUE:</b>							
<b>TOTAL SPECIAL REVENUE FUNDS</b>							
<b>DEBT SERVICE FUNDS</b>							
<b>TOTAL DEBT SERVICE FUNDS</b>							
<b>CAPITAL PROJECT FUNDS</b>							
<b>TOTAL CAPITAL PROJECT FUNDS</b>							



**COUNTY AUDITOR'S ESTIMATE**  
**Tax Levies and Rates for**  
**Assessed Valuation      \$ \_\_\_\_\_**

	Amount Approved By Budget Commission	County Auditor's Estimate of Rate in Mills
<b>LEVIES WITH IN 10 MILL LIMITATION</b>		
COUNTY		
TOWNSHIP		
SCHOOL		
VILLAGE		
CITY		
<b>TOTAL</b>		
<b>LEVIES OUTSIDE 10 MILL LIMITATION</b>		
COUNTY		
TOWNSHIP		
SCHOOL		
VILLAGE		
CITY		
STATE		
<b>TOTAL</b>		
<b>TOTAL LEVY FOR ALL PURPOSES</b>		

# 2017 Tax Budget

---

Presented by: Katie Smiddy

## ORC Section 5705.28

---

- Each taxing authority must pass a resolution adopting the tax budget prior to July 15<sup>th</sup> and submit such tax budget to County Auditor
- Failure to pass the tax budget before July 15<sup>th</sup> and submit a tax budget to the County Auditor before July 20<sup>th</sup> of each year may jeopardize the City's share of the Local Government Fund.

## State and County Revenue Reductions

- The state reduced the Local Government Fund from 2010 levels, it is estimated the City will collect approximately \$145,000 in 2017.
- The state repealed the estate tax beginning in 2013. The City collected \$2.1M in 2013. No Estate Tax revenues are estimated for 2017.
- It is estimated that the total assessed valuation for the year 2016, collected in 2017, for the City of Montgomery is estimated to be \$524M. The assessed valuation for tax year 2016 was \$521M. This is a .6% increase in property value from tax year 2016.

## Allocation of Income Tax Revenues

- The amount of income tax revenues allocated to the General Fund, Bond Retirement Fund and Capital Improvement Fund are apportioned as follows for the 2017 Tax Budget:
  - General Fund receives 76%.
  - Bond Retirement Fund receives 4%.
  - Capital Improvement Fund receives 20%.
- In addition to providing funds for general operations and continue the funding of the City's Capital Improvement Program, funds earmarked for debt retirement will continue annually should debt financing be required for infrastructure in the Gateway Area.

## Background

- The City has 2 funds that derive money from property taxes:
  - General Fund
  - Fire Levy Fund

## General Fund

Description	2014 Actual	2015 Actual	2016 Estimate	2017 Estimate
Revenues	\$ 10,187,683	\$ 9,928,281	\$ 9,775,890	\$ 9,836,595
Expenditures	\$ 10,941,570	\$ 10,693,020	\$ 10,012,171	\$ 10,375,343
Revenues over/(under) Expenditures	\$ (753,886)	\$ (764,737)	\$ (236,281)	\$ (538,748)
Beg Cash Balance	\$ 14,742,775	\$ 13,988,889	\$ 13,988,888	\$ 13,752,607
Ending Cash Balance	\$ 13,988,889	\$ 13,224,151	\$ 13,752,607	\$ 13,213,859

## Fire Levy Fund

Description	2014 Actual	2015 Actual	2016 Estimate	2017 Estimate
Revenues	\$ 2,163,047	\$ 2,152,311	\$ 2,157,437	\$ 2,162,294
Expenditures	\$ 2,065,270	\$ 2,164,581	\$ 2,562,561	\$ 2,783,782
Revenues over/(under) Expenditures	\$ 97,776	\$ (12,271)	\$ (405,124)	\$ (621,488)
Beg Cash Balance	\$ 4,242,090	\$ 4,339,866	\$ 4,014,783	\$ 3,899,379
Ending Cash Balance	\$ 4,339,866	\$ 4,327,595	\$ 3,609,659	\$ 3,277,891

## Capital Improvement Program

Permanent Capital Outlay by Fund	Amount Programmed for 2017
Capital Improvement Fund	\$ 1,923,300
Urban Redevelopment	35,000
Tax Increment Financing Fund	300,000
<b>Total</b>	<b>\$ 2,258,300</b>

## Debt

Purpose of Bonds	Bonds O/S 12/31/17
Special Obligation Revenue Bonds	\$ 12,643,647
General Obligation	0
Special Assessment	\$715,649
Total	\$ 13,359,296

## Questions?

---

*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  
May 2, 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.

**2016 April Income Tax Report**

Mr. Davis explained that for the month of April 2016, the City's total income tax receipts were \$1,470,954, which is a decrease of \$22,720 or 1.52% compared to the actual amount collected in April 2015 of \$1,493,674. Ms. Smiddy stated that despite the decrease we were still on track to meet our income tax revenue projections for 2016. For the month of April, year-to-date revenues were higher than estimated revenues by \$13,745.

**Update of 2015 Financial Audit**

Ms. Smiddy updated the Committee on the status of the 2015 audit. She stated that the State Audit team are in the final stages of the audit process and have been sent narratives on the tax department and payroll processes. Ms. Smiddy explained that she is also focusing on the reconciliation between E-Gov, the software that allows for online registrations for the pool, and CMI, the financial software the finance department uses. She reported there are discrepancies in reports between the two programs in the amount of \$2,357 and that staff is working with both companies to identify the problem.

Ms. Smiddy also stated that the Comprehensive Annual Financial Report (CAFR) is in review with Schonhardt and Associates at this time.

**Municipal Compensation Ordinance**

Mr. Davis updated the Committee on the amended Schedule of Compensation. Mr. Davis explained that highlighted on the amended schedule is the addition of an Assistant to the City Manager and an Assistant City Manager. He stated that as directed in his annual evaluation, he will be working to identify the need for one of the positions and is placing both positions on the wage scale as a placeholder until a determination has been made on which would be more appropriate to retain. He also noted that an upgrade to pay ranges for the Assistant Fire Chief and the Assistant Police Chief was made to bring the scale for these positions into the top 1/3 of comparable salaries in this region. The position of Police Lieutenant has been renamed to Assistant Police Chief to align the title with the expected duties, there will no longer be a lieutenant's position. This change will not have an effect on staff, it is simply a change of title. Mr. Davis also explained that on the amended schedule is the distinction of ranges 1A and 1B of the Department Head range classifications. This amendment between the positions is based on the pay ranges having fallen underneath the top 1/3 of the salary comparison for the area and to be more competitive when in the hiring process.

Mr. Cappel asked if the City utilizes a bonus system.

Mr. Davis replied that there is a merit bonus included when an employee tops out of their salary range. This is a one-time payout and would not result in an increase in their rate of pay.

*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**

May 2, 2016

Page 2

Mr. Cappel made a motion to accept the amended Schedule of Compensation. Mrs. Combs seconded. The committee unanimously agreed.

**Minutes**

Mrs. Combs moved to adopt the minutes of the April 4, 2016 meeting of the Financial Planning Committee. Mr. Cappel seconded. The Committee unanimously agreed.

**Adjournment**

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

The Financial Planning Committee of Council was adjourned at 5:05 p.m.

---

Chair