

City of Montgomery
Financial Planning Committee Meeting
December 11, 2023

Present

Brian Riblet, City Manager
Tracy Henao, Asst. City Manager
Maura Gray, Finance Director
Connie Gaylor, Clerk of Council

Council Committee Members Present

Ken Suer, Chair
Craig Margolis
Lee Ann Bissmeyer

The Financial Planning Committee of Council convened its meeting for December 11, 2023 at 4:00 p.m. at City Hall with Mr. Suer presiding.

October 2023 Income Tax Report

Ms. Gray explained that the October report will be the first month of collection with RITA. She explained there would be a 30-day lag time in reporting now as RITA will be collecting all the information.

Ms. Gray reported that for the month of October, the City's total income tax receipts were \$1,088,681 which is a decrease of \$76,583 or (6.57%) when compared to the 2022 October collections of \$1,165,264. Total collections are up 11% when compared to 2022.

Ms. Gray explained that in October 2023, net profits from businesses located within or doing business within Montgomery were \$75,032. This is an increase of \$26,961 or 56% when compared to October 2022 collections of \$48,071. Year to date collections is up by 103%.

Ms. Gray closed by reporting that revenues of \$184,669 were collected in October 2023 from residents living in Montgomery, which is a decrease of \$58,991 or (24%) when compared to October 2022 collections of \$243,660. Collections are up for the year by 1%. Ms. Gray added that there is a large refund still being reviewed but acknowledged that RITA found errors in the return that saved the City over \$100,000. She explained that the error would have not been caught if done in house as RITA has access to prior federal reporting that the City does not have.

Mr. Riblet asked the Committee if moving forward they would like to consider moving the meeting to another week as the report would always be a month behind.

Mr. Suer stated that he felt keeping the meeting the same would be fine and that it would be taken into consideration that the reporting would be in the rear. e

Proposed Year End Transfers and Appropriation

Ms. Gray provided an overview of the changes. She explained that total estimated General Fund intra-fund transfers are \$97,000. Total reduction in all funds' appropriation is \$1,060,000. Appropriation increases total \$294,000. She explained that a General Fund intra-fund transfer of \$97,000 from the General Fund 101 department level personnel to non-personal objects. The Recreation Department and Finance Department are utilizing personnel savings to cover additional contract services costs for each department. There is a reduction of appropriation in Fund 329 Montgomery Quarter TIF of \$500,000, and Fund 331 Vintage Club TIF by \$500,000.

There is also a recommendation for a \$60,000 reduction of appropriation in Fund 480 Downtown Improvements due to appropriating \$60,000 more than is necessary for the fund. The General Fund general government requires an additional \$250,000 in appropriation due to increased Income Tax refunds. Fund 324, the General Bond Retirement Fund, was also impacted by the increase in Income Tax refunds and requires an additional \$32,000 in appropriations. Fund 209 Memorials Fund experienced increased donations. The City's commitment to the existing donations has increased by \$4,000. Fund 227 Special Assessments expenditures requires and additional appropriation of \$6,000 as expenditures were higher than expected. Fund 461 Triangle TIF fund expenditures slightly exceeded original estimates and it requires an appropriation increase of \$2,000. All Fund balances are sufficient to support these increases in appropriations.

Mr. Margolis made a motion to accept the proposed changes to the 2023 Appropriations. Mr. Suer seconded. The Committee unanimously agreed.

Minutes

Mr. Margolis moved to accept the minutes of the October 9, 2023 meeting of the Financial Planning Committee as amended. Mr. Suer seconded. The Committee unanimously agreed.

Other Business

Mr. Riblet provided an update on the progress of the modification plan for the Safety Center. He stated that he anticipated bringing a final design for this part of the modification to the Law and Safety Committee soon. He explained that this modification would be a segway for a larger project at the Safety Center. He stated that the review of the Safety Center layout and ingress/egress are part of the Strategic Plan.

Mr. Riblet reported that the Hamilton County Auditor now offers the ability to request that the tax settlement be disbursed on a monthly or quarterly basis. He stated that if that is the direction the City chose to go that the money could be invested at a 5.7% rate. He added that this is something that would benefit smaller townships and cities, but he would advise to be considerate of the cities relationship with the County, so we do not jeopardize any future grants. Ms. Gray distributed an analysis on a property tax advance if the Committee chose to take the option. The Committee discussed and took the analysis under advisement.

Mr. Riblet explained that staff had met with Red Tree Investment Group at the suggestion of Ms. Gray. Ms. Gray explained that the Group reviews investments, diversification and market trends specific to public entities. Mr. Riblet explained that the cost of the analysis was \$10,000. The Committee discussed that was a nominal fee for a possible return on investment as a result of their services. Mr. Riblet stated that an update will be given at a future meeting.

Adjournment

Mr. Margolis moved for adjournment. Mr. Suer seconded. The Committee unanimously agreed.

The Financial Planning Committee of Council was adjourned at 4:55 p.m.

A handwritten signature in cursive script that reads "Ken Suer". The signature is written in black ink and is positioned above a horizontal line.

Chair