

March 28, 2024

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

From: Brian Riblet, City Manager *BKR*

Subject: Financial Planning Committee Meeting April 1, 2024

As a reminder, the Financial Planning Committee is scheduled to meet on Monday, April 1 at 4:30 p.m. at City Hall. The agenda for this meeting is as follows:

1. February 2024 Income Tax Reports - Please see the February 2024 Income Tax Reports attached for the Committee's review and discussion. Staff will be prepared to answer any questions on this report at Monday's meeting.
2. Update on Red Tree Investments Group - Maura Gray, Finance Director, will provide an update on the contract with Red Tree Investments Group. Staff will be prepared to answer any questions the Committee may have at the meeting.
3. Update on 2024 BAN Renewal - Maura Gray, Finance Director, will provide an update on the 2024 Bond Anticipation Notes renewal. Staff will be prepared to answer any questions the Committee may have at the meeting.
4. Other Business - The purpose of this agenda item is to provide an opportunity to discuss any issue that may be on your mind, give feedback and insight into the team's performance, ask questions and provide constructive suggestions to enhance the team's performance in the future.

Also, attached are the minutes from the February 5, 2024 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 (3)
Maura Gray, Finance Director
Connie Gaylor, Executive Assistant/Clerk of Council, File

AGENDA

April 1, 2024
City Hall
4:30 P.M.

1. Call to Order
2. Guests and Residents
3. Communications
4. New Business
 - a. February 2024 Income Tax Reports
 - b. Update on Red Tree Investments Group
 - c. Update on 2024 BAN Renewal
5. Approval of Minutes: February 5, 2024
6. Other Business
7. Adjournment

MARCH 15, 2024

To: Brian Riblet, City Manager
 From: Maura Gray, Finance Director/Tax Commissioner *mg*
 Subject: 2024 February Income Tax Variance Report

Year to Date

For the month of February, the City’s total income tax receipts were \$831,476 which is an increase of \$150,098 or 22% when compared to the 2023 February collections of \$681,378. Actual collections are up 11% over estimated collections.

	2024	2023	% Change
MTD February Actuals	831,476	681,378	22%
YTD Collections	2,038,223	1,834,565	11.1%
	YTD Actual	YTD Estimate	% Change
2024 Estimated Collections	2,038,223	1,855,739	9.8%

A breakdown by category for February 2024 and variances are as follows:

Business- In February 2024, net profits from businesses located within or doing business within Montgomery was \$17,032. This is an increase of \$7,943 or 87% when compared to February 2023 collections of \$9,089.

Individual- Revenues of \$91,917 were collected in February 2024 from individual tax accounts in Montgomery. This is an increase of \$47,423 or 106% when compared to February 2023 collections of \$44,494. Part of this increase in revenue can be attributed to the 134 new individual accounts that were added in the RITA system.

Withholding- February 2024 withholding collections were \$722,527; an increase of \$94,732 or 15% when compared to February 2023 collections of \$627,794. Overall, year-to-date collections are up 11.1% from last year.

The following schedules break down collections by source and provides a graph comparing actual and estimated income tax revenues for 2023 and 2024. Also included are End of Month reports showing the comparison between month-to-date

and year-to-date. Starting with our October 2023 report, refunds are included in the net reporting amounts as they are included in the RITA Reports. Prior to the transition to RITA, refunds were not included in the gross monthly totals.

Overall, our total collections have exceeded our 2024 estimate by 9.8%.

c: Financial Planning Committee Members (2)
Mayor and City Council Members (3)
Connie Gaylor, Administrative Coordinator
Laura Braun, Finance Specialist

CITY OF MONTGOMERY
END OF MONTH TAX REPORT 2/2024

ACCOUNT TYPE	MONTH	MTD 2022	MTD2023	MTD2024	MTD/LYMTD %	YTD 2022	YTD 2023	YTD 2024	YTD/LYTD %
Business Taxpayer	JAN	25,330.08	24,107.24	10,639.50	-55.87%	25,330.08	24,107.24	10,639.50	-55.87%
Individual Taxpayer	JAN	151,266.85	188,552.63	335,451.49	77.91%	151,266.85	188,552.63	335,451.49	77.91%
Withholding	JAN	1,074,100.32	940,526.74	860,656.46	-8.49%	1,074,100.32	940,526.74	860,656.46	-8.49%
		1,250,697.25	1,153,186.61	1,206,747.45	4.64%	1,250,697.25	1,153,186.61	1,206,747.45	4.64%
Business Taxpayer	FEB	18,057.86	9,089.18	17,032.26	87.39%	43,326.94	33,196.42	27,671.76	-16.64%
Individual Taxpayer	FEB	23,357.17	44,493.95	91,917.05	106.58%	174,624.02	233,046.58	427,368.54	83.38%
Withholding	FEB	668,609.25	627,794.92	722,526.54	15.09%	1,742,709.57	1,568,321.66	1,583,183.00	0.95%
		710,024.28	681,378.05	831,475.85	22.03%	1,960,721.53	1,834,564.66	2,038,223.30	11.10%

MONTHLY DISTRIBUTION REPORT

DWFRMMD



PERIOD 02 DISTRIBUTION FOR MONTGOMERY

Date	Variance	Distribution	Withholder			Individual			Net Profit		
			Tax	PI	Ref/Adj	Tax	PI	Ref/Adj	Tax	PI	Ref/Adj
02/01/2024		4,607.51	2,946.99	0.00	0.00	1,660.52	0.00	0.00	0.00	0.00	0.00
02/02/2024		36,060.57	35,063.63	0.00	0.00	802.94	0.00	0.00	194.00	0.00	0.00
02/05/2024		49,516.58	1,222.71	0.00	0.00	48,179.87	0.00	0.00	114.00	0.00	0.00
02/06/2024		471.84	5,569.23	0.00	-5,167.39	70.00	0.00	0.00	0.00	0.00	0.00
02/07/2024		12,488.96	1,485.71	0.00	0.00	5,630.86	0.00	0.00	5,372.39	0.00	0.00
02/08/2024		1,720.03	506.84	0.00	0.00	918.64	117.80	0.00	176.75	0.00	0.00
02/09/2024		1,162.41	1,137.24	0.00	0.00	198.00	0.00	-172.83	0.00	0.00	0.00
02/10/2024		3,419.81	3,419.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
02/12/2024		15,969.35	2,737.55	0.00	0.00	9,291.30	0.00	0.00	3,940.50	0.00	0.00
02/13/2024		2,322.14	2,327.53	0.00	0.00	0.00	0.00	0.00	-5.39	0.00	0.00
02/14/2024		14,420.35	13,854.34	0.00	0.00	512.48	0.00	0.00	53.53	0.00	0.00
02/15/2024		12,730.88	12,765.88	0.00	0.00	0.00	0.00	0.00	-35.00	0.00	0.00
02/16/2024		9,852.14	9,708.03	0.00	0.00	216.52	449.80	-509.54	-12.67	0.00	0.00
02/17/2024		17,319.86	17,319.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
02/20/2024		53,382.74	44,438.61	0.00	0.00	903.63	0.00	0.00	8,040.50	0.00	0.00
02/21/2024		67,998.38	62,361.10	925.21	0.00	4,712.07	0.00	0.00	0.00	0.00	0.00
02/22/2024		5,815.52	1,416.09	0.00	0.00	3,833.94	0.00	0.00	565.49	0.00	0.00
02/23/2024		17,147.73	13,488.82	0.00	0.00	3,055.86	74.51	0.00	528.54	0.00	0.00
02/24/2024		35,608.34	35,608.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
02/26/2024		71,572.12	66,091.70	0.00	0.00	5,480.42	0.00	0.00	0.00	0.00	0.00
02/27/2024		24,160.39	24,763.23	222.03	-483.62	273.42	0.00	-614.67	0.00	0.00	0.00
02/28/2024		353,757.40	352,668.26	0.00	0.00	842.14	0.00	0.00	247.00	0.00	0.00
02/29/2024		9,995.73	5,076.39	0.00	0.00	4,304.34	0.00	0.00	615.00	0.00	0.00
03/01/2024		6,854.35	5,367.35	0.00	0.00	1,472.00	0.00	0.00	15.00	0.00	0.00
03/02/2024		1,416.07	1,416.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
03/04/2024		1,192.99	1,129.99	0.00	0.00	63.00	0.00	0.00	0.00	0.00	0.00
03/05/2024		362.19	445.51	16.65	0.00	150.03	0.00	0.00	-250.00	0.00	0.00
03/06/2024		34.93	34.93	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
03/09/2024		114.54	114.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
03/12/2024		0.00	2,527.38	0.00	0.00	0.00	0.00	0.00	-2,527.38	0.00	0.00

MONTHLY DISTRIBUTION REPORT

DWFRMMD



PERIOD 02 DISTRIBUTION FOR MONTGOMERY

Date	Variance	Distribution	Withholder			Individual			Net Profit		
			Tax	PI	Ref/Adj	Tax	PI	Ref/Adj	Tax	PI	Ref/Adj
PRD 02 2024		831,475.85	727,013.66	1,163.89	-5,651.01	92,571.98	642.11	-1,297.04	17,032.26	0.00	0.00
PRD 02 2023	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PRD 02 2022	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PRD 02 2024-2023	0.00%	831,475.85	727,013.66	1,163.89	-5,651.01	92,571.98	642.11	-1,297.04	17,032.26	0.00	0.00
PRD 02 2023-2022	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PRD 02 2024-2022	0.00%	831,475.85	727,013.66	1,163.89	-5,651.01	92,571.98	642.11	-1,297.04	17,032.26	0.00	0.00
PRD 02 TAXYR 24		698,255.27	681,961.17	0.00	0.00	12,323.10	0.00	0.00	3,971.00	0.00	0.00
PRD 02 TAXYR 23		133,671.45	44,468.34	238.68	-483.62	76,768.02	0.00	-1,297.04	13,977.07	0.00	0.00
PRD 02 TAXYR 22		-2,882.11	585.99	925.21	-5,167.39	3,434.37	300.52	0.00	-2,960.81	0.00	0.00
PRD 02 TAXYR 21		1,915.08	0.00	0.00	0.00	0.00	267.08	0.00	1,648.00	0.00	0.00
PRD 02 TAXYR 20		395.16	-1.84	0.00	0.00	0.00	0.00	0.00	397.00	0.00	0.00
PRD 02 TAXYR 19		74.51	0.00	0.00	0.00	0.00	74.51	0.00	0.00	0.00	0.00
PRD 02 TAXYR 18		46.49	0.00	0.00	0.00	46.49	0.00	0.00	0.00	0.00	0.00
PRD 02 TAXYR 17		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
YTD 2024		2,038,223.30	1,587,670.12	1,163.89	-5,651.01	434,516.22	1,226.20	-8,373.88	42,129.63	157.13	-14,615.00
YTD 2023		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
YTD 2022		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
YTD 02 2024-2023	0.00%	2,038,223.30	1,587,670.12	1,163.89	-5,651.01	434,516.22	1,226.20	-8,373.88	42,129.63	157.13	-14,615.00
YTD 02 2023-2022	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
YTD 02 2024-2022	0.00%	2,038,223.30	1,587,670.12	1,163.89	-5,651.01	434,516.22	1,226.20	-8,373.88	42,129.63	157.13	-14,615.00
YTD 2024 ABOVE		2,038,223.30									
YTD 2024 RETAINER		61,146.70									
YTD 2024 AVERAGE %		3.00%									
PRD 02 ABOVE		831,475.85									
PRD 02 RETAINER %		3.00%									
PRD 02 RETAINER		24,944.28	24,345.15	599.13							
TOTAL ADVANCE RECONCILIATION		831,475.85	811,505.05	19,970.80							

MONTHLY DISTRIBUTION REPORT

DWFRMMD



PERIOD 02 DISTRIBUTION FOR MONTGOMERY

Date	Variance	Distribution	Withholder			Individual			Net Profit		
			Tax	PI	Ref/Adj	Tax	PI	Ref/Adj	Tax	PI	Ref/Adj
PRD 02 NET		806,531.57	787,159.90	19,371.67							

RECONCILIATION NET TO BE CREDITED TO YOUR ACCOUNT ON 03/14/2024

THE AMOUNTS REPRESENT COLLECTIONS FROM JANUARY 2024 THROUGH FEBRUARY 2024 DISTRIBUTED TO YOU FEBRUARY 2024 THROUGH MARCH 2024

MONTHLY DISTRIBUTION REPORT

DWFRMMD



CASH PERIOD 02 DISTRIBUTION FOR MONTGOMERY

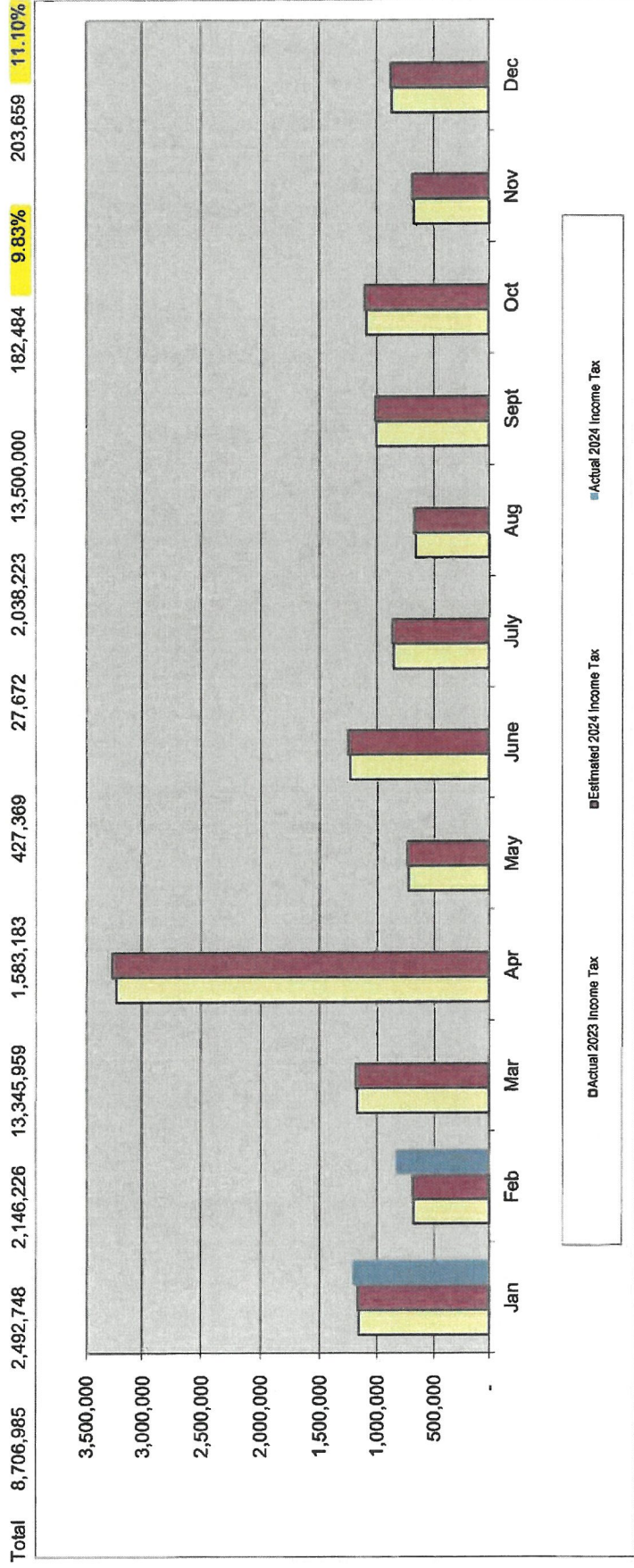
Date	Withholder			Individual			Net Profit			
	Distribution	Tax	PI	Ref/Adj	Tax	PI	Ref/Adj	Tax	PI	Ref/Adj
CSH 03 2024	831,475.85	727,013.66	1,163.89	-5,651.01	92,571.98	642.11	-1,297.04	17,032.26	0.00	0.00
CSH 03 2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CSH 03 2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CSH 03 2024-2023	0.00%	727,013.66	1,163.89	-5,651.01	92,571.98	642.11	-1,297.04	17,032.26	0.00	0.00
CSH 03 2023-2022	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CSH 03 2024-2022	0.00%	727,013.66	1,163.89	-5,651.01	92,571.98	642.11	-1,297.04	17,032.26	0.00	0.00
CSH										
YTD 2024	2,905,636.10	2,183,375.28	2,886.08	-5,651.01	497,696.75	2,070.77	-14,194.07	256,227.17	7.13	-16,782.00
CSH										
YTD 2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CSH										
YTD 2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CSH										
YTD 03 2024-2023	0.00%	2,183,375.28	2,886.08	-5,651.01	497,696.75	2,070.77	-14,194.07	256,227.17	7.13	-16,782.00
CSH										
YTD 03 2023-2022	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CSH										
YTD 03 2024-2022	0.00%	2,183,375.28	2,886.08	-5,651.01	497,696.75	2,070.77	-14,194.07	256,227.17	7.13	-16,782.00
YTD 2024 ABOVE	2,905,636.10									
YTD 2024 RETAINER	62,224.80									
YTD 2024 AVERAGE %	2.14%									

This page is CASH BASIS

THE AMOUNTS REPRESENT COLLECTIONS FROM DECEMBER 2023 THROUGH FEBRUARY 2024 DISTRIBUTED TO YOU JANUARY 2024 THROUGH MARCH 2024

City of Montgomery
Schedule of Income Tax Collections by Source
Actual 2023 Compared to 2024 Estimate & Actual

	Actual 2023			Actual 2024			2024			Budget vs		Actual	
	Withholding	Individual	Business	Withholding	Individual	Business	Estimate	Variance	%	Variance	%	monthly	%
Jan	940,527	188,553	24,107	860,656	335,451	10,640	1,166,497	40,251	3.45%	53,561	4.64%		
Feb	627,795	44,494	9,089	722,527	91,917	17,032	689,243	142,233	20.64%	150,098	22.03%		
Mar	899,790	172,013	96,344	-	-	-	1,181,630	-	0.00%	-	0.00%		
Apr	975,929	1,090,134	1,156,923	-	-	-	3,260,186	-	0.00%	-	0.00%		
May	640,777	62,415	25,532	-	-	-	737,135	-	0.00%	-	0.00%		
June	554,911	225,305	450,898	-	-	-	1,245,325	-	0.00%	-	0.00%		
July	758,587	81,089	16,209	-	-	-	865,764	-	0.00%	-	0.00%		
Aug	570,856	69,776	24,605	-	-	-	672,915	-	0.00%	-	0.00%		
Sept	688,337	211,736	102,823	-	-	-	1,014,472	-	0.00%	-	0.00%		
Oct	828,980	184,669	75,032	-	-	-	1,101,247	-	0.00%	-	0.00%		
Nov	623,069	104,359	(47,118)	-	-	-	688,162	-	0.00%	-	0.00%		
Dec	597,427	58,205	211,781	-	-	-	877,425	-	0.00%	-	0.00%		
Total	8,706,985	2,492,748	2,146,226	1,583,183	427,369	27,672	13,500,000	182,484	9.83%	203,659	11.10%		



These Minutes are a draft of the proposed minutes from the Financial Planning Committee of City Council meeting. They do not represent the official record of proceedings until formally adopted by the Government Affairs Committee of City Council.

City of Montgomery
Financial Planning Committee Meeting
February 5, 2024

Present

Brian Riblet, City Manager
Maura Gray, Finance Director
Connie Gaylor, Clerk of Council

Council Committee Members Present

Ken Suer, Chair
Craig Margolis

Council Committee Members Absent

Lee Ann Bissmeyer

The Financial Planning Committee of Council convened its meeting for February 5, 2024 at 4:30 p.m. at City Hall with Mr. Suer presiding.

December 2023 Income Tax Report

Ms. Gray reported that for the month of December, the City's total income tax receipts were \$867,413 which is a decrease of \$168,989 or (16.31%) when compared to the 2022 December collections of \$623,842. Total collections are up 8.59% when compared to 2022.

Ms. Gray explained that in December 2023, net profits from businesses located within or doing business within Montgomery were \$211,781. This is a decrease of \$165,105 or (43.81%) when compared to December 2022 collections of \$376,886. Year to date collections are up by 56.87%.

Ms. Gray explained that revenues of \$58,205 were collected in December 2023 from residents living in Montgomery, which is a decrease of \$19,905 or (25.48%) when compared to December 2022 collections of \$78,110. Collections are up for the year by 2.73%.

Ms. Gray stated that overall, the total collections have exceeded our original 2023 estimate by 20.9% and our 2023 collections outpaced 2022 collections by 8.59%.

Financial Statements for the Community Improvement Corporation

Ms. Gray reported to the Committee that the 2023 Financial Statements and Corporation Tax Return for the Montgomery Community Improvement Corporation (CIC) have been completed and reviewed. Ms. Gray explained the following:

- The **Statement of Net Position** reflects that the corporation had assets net of liabilities of \$59,848.34 as of December 31, 2023.
- The **Statement of Financial Activities** reflects Grants Received of \$90,000, Interest Income of \$0, Grants Awarded of \$5,242 and Professional Fees expensed in the amount of \$36,000 for the year ended December 31, 2023.
- The **Statement of Cash Flow** reflects the corporation decreased its cash position from \$2,123,757.45 to \$59,848.34 as the result of funds transferred to the City of Montgomery as directed in the October 2022 meeting of the entity and cash payments to grantees in the amount of \$23,314.11. Funds are in a demand deposit account at Fifth Third Bank.

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Financial Planning Committee Minutes
February 5, 2024
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Ms. Gray explained that the Corporation's tax return, Form 990, was also included and stated that once accepted by the Trustees of the CIC would be filed with the Internal Revenue Service prior to the due date.

Mr. Margolis made a motion to accept the 2023 financial statements for the Montgomery Improvement Corporation. Mr. Suer seconded. The Committee unanimously agreed.

Review of 2023 Revenues and Expenses

Ms. Gray presented a new document to the Committee that is a dashboard view of the City's end of year financials. She explained the document reflects an interactive file that allows the user to view the City's financials in detail. She added that it is her goal to provide this to Council at the end of each year.

Ms. Gray provided a summary of the end of year financials. She explained that the General Fund unencumbered year-end balance closed at \$16,128,840. The overall City unencumbered year-end balance is \$49,128,633. In total, the city's revenue exceeded expenses by \$1,293,245.

Ms. Gray stated the General Fund Revenues exceeded the original estimate by \$1,962,231 or 15 %. The revised estimate, our Final Certificate of Resources, shows a variance of 1%. Cash basis Income taxes are \$1.2 over the original estimate. Property taxes remained flat in 2023. Interest earnings exceeded the original estimate by almost \$350,000 or 50%. Miscellaneous income outpaced the original estimate by close to \$600,000. This was due to a Cincinnati Waterworks reimbursement for the Delray water main project. General Fund Expenditures include transfers out and the year ended with \$1.3 million in appropriation savings. All departments were within their appropriation and most appropriation savings are due to vacant positions in departments and savings in contractual services for Community Development.

Ms. Gray explained that purchase orders open at year end are \$5,166,697. A substantial portion, 80%, of the year end encumbrances is for Construction in Process in Capital Project Funds. The Regional Income Tax Authority has one large refund that has been identified, but not yet issued. These funds have been encumbered.

The Committee and staff discussed the elements of the dashboard document reflecting revenue and expense by the different funds.

Mr. Suer stated thanked Ms. Gray for the new view of financials and her thorough explanation and felt good with the financial state of the City.

Minutes

Mr. Margolis moved to accept the minutes of the December 11, 2023 meeting of the Financial Planning Committee as amended. Mr. Suer seconded. The Committee unanimously agreed.

These Minutes are a draft of the proposed minutes from the Financial Planning Committee of City Council meeting. They do not represent the official record of proceedings until formally adopted by the Government Affairs Committee of City Council.

Financial Planning Committee Minutes
February 5, 2024
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Other Business

Mr. Riblet explained to the Committee that he received a Letter of Engagement from Hamilton County for grant funding of \$380,400 to be used for the Huntersknoll drainage improvement project. He explained that he anticipates bringing legislation to Council soon for this grant.

Mr. Riblet explained that he also applied for \$500,000 in grant funds from the State Capital Budget grant program. He stated that the City will not receive that as grant funds will initially be distributed to communities who have not received grant funding in the last year, but we will be considered for Tier 2 funds. He explained that he and Ms. Henao met with Senator Blessing and Representative Miranda who will work on our behalf to receive a portion of the funds. He suggested to the Committee that funds budgeted for Huntersknoll drainage improvements be repurposed towards pickleball expansion at Weller Park. The Committee discussed his suggestion. Mr. Riblet stated that he would provide an update once a decision is made by the State for grant funding.

Adjournment

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

The Financial Planning Committee of Council was adjourned at 5:20 p.m.

Chair