

City of Montgomery
City Council Public Hearing Minutes
June 19, 2024

Present

Brian Riblet, City Manager
Terry Donnellon, Law Director
Tracy Henao, Asst. City Manager
Gary Heitkamp, Public Works Director
Maura Gray, Finance Director
John Crowell, Police Chief
Paul Wright, Fire Chief
Kevin Chesar, Community Development Director
Matthew Vanderhorst, Community and Information Serv. Dir.
Amy Frederick, Community Engagement Coordinator
Connie Gaylor, Clerk of Council

City Council Members Present

Ron Messer, Mayor
Sasha Naiman, Vice Mayor
Lee Ann Bissmeyer
Chris Dobrozsi
Craig Margolis
Catherine Mills-Reynolds
Ken Suer

City Council convened its Public Hearing for June 19, 2024 at 6:00 p.m. at City Hall with Mayor Messer presiding.

Mayor Messer requested a motion to dispense with roll call as all members were present.

Mr. Margolis made the motion to dispense with roll call. Vice Mayor Naiman seconded. City Council unanimously agreed.

Mayor Messer explained that the Public Hearing was to hear a presentation on the 2024 Tax Budget.

Mayor Messer explained the process for the Public Hearing. He explained that in a public hearing Council has the following options when considering an application:

- Approve the Recommendation
- Deny the Recommendation
- Remand the matter to Staff for more specific information or
- Take the matter under advisement and vote at another public meeting within thirty days.

Mayor Messer explained that if City Council chooses the final option, it is suggested that they announce the date and time of the subsequent hearing when the matter will be discussed and considered for vote.

Mayor Messer asked Finance Director Maura Gray to make her presentation.

NEW BUSINESS

2025 Tax Budget

Ms. Gray explained that as a part of the preparation required for the 2025 annual operating and capital budget is the approval and submission of the City's Tax Budget. The Ohio Revised Code requires City Council to pass a Resolution approving the Tax Budget by July 15 and to submit the approved budget to the County Auditor before July 20 of each year. She stated that failure to approve and submit the Tax Budget by the required deadline could jeopardize the City's share of Local Government Funds.

Ms. Gray explained that the Tax Budget requires the City to estimate revenues and expenditures for funds which derive revenues from real and personal property taxes. There are many variables affecting the 2025 Tax Budget. This is not a biennium Budget year for the State, so the variability of our Tax Budget is minimized.

57 The City of Montgomery has two (2) funds which derive money from property taxes: the General Fund and Fire
58 Levy Fund. Detailed schedules for these funds have been included in the 2025 Tax Budget.

59
60 Assessed Valuation:

61
62 The total assessed valuation for the year 2023 collected in 2024 for the City of Montgomery is estimated
63 to be \$804 million. It is important to note that 2023 was a six-year revaluation year and the city
64 experienced an increase of \$145 million in property valuation, a 22% increase from the previous year.
65 2025 valuation should remain relatively flat.

66
67 General Fund:

68
69 The General Fund collects 4.5 mills (3 mill inside, 1.5 mills outside) on real property. It is estimated that
70 \$2,690,000 will be collected in property taxes in 2024 for the General Fund; it is expected that this
71 number will remain relatively constant in 2025.

72
73 Income tax collections in the General Fund are estimated to be \$10.1 million of the total income tax
74 collection of \$13.5 million estimated in 2024. The total income tax received in 2023 was just under 12.5
75 million. Income tax is allocated 75% to the General Fund, 25% to the Capital Fund, and 5% to the
76 General Bond Retirement Fund. The General Fund allocation of 2025 income tax revenue is expected to
77 be 10.3 million.

78
79 Other General Fund revenues are estimated to remain relatively flat. Total revenues of the General Fund
80 for 2025 are estimated at \$15,397,260 as compared to \$15,313,939 estimated for 2024.

81
82 Expenditures of the General Fund are estimated to be \$ 13,971,975 in 2025, as compared to \$13,861,195
83 in 2024.

84
85 Transfers from the General Fund programmed for 2024 and estimated for 2025 are as follows:

86

Line Item	2024	2025
School Resource Officer	\$21,550	\$21,550
Environmental Impact Tax	\$15,000	\$21,000
Street Maintenance & Repair	\$500,000	\$500,000
Municipal Pool	\$0	\$0
Capital Improvement	\$0	\$0
Total	\$536,550	\$542,550

87
88 It is estimated that the General Fund will have a balance of approximately \$19.2 million at the end of
89 fiscal year 2025.

90
91 Fire Levy Fund:

92
93 The Fire Fund consists of two permanent levies with no expiration date. The 5.55 mill levy was passed in
94 1999 and a 6.0 mill levy was approved by the voters in May of 2018. Total revenues in the Fire Levy
95 Fund are estimated to be \$6,146,420 in 2025, keeping estimated revenues close to the 2024 levels.

96
97 Total expenditures for the 2025 Fire Levy Fund are estimated at \$5,247,357 as compared to \$5,511,501
98 estimated for 2024.

99
100 The estimated ending balance for the Fire Levy Fund for 2025 is \$15,023,291. This is \$899,063 higher
101 than the estimated 2024 ending balance. This balance exceeds the City's fund balance reserve policy of 6
102 to 12 months.

103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154

Other Operating Funds:

The other operating funds addressed in the 2025 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 \$4,403,929 to be spent on permanent improvements. These projects were taken from the 2022-2026 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 an estimated level of spending for capital outlay.

Debt Service:

A schedule of Outstanding Debt is presented in the 2025 Tax Budget. It is estimated that the City will have approximately \$43,360,000 million of outstanding debt as of January 1, 2025, for Special and General Obligation debt. Debt service payments for this debt in 2025 will be \$1,885,000 for principal repayment and \$1,421,780 for interest expense.

Ms. Gray concluded her presentation and asked for any questions.

Mrs. Mills-Reynolds asked if the 22% revenue is allocated in advance.

Ms. Gray replied it was but clarified that the increase in the tax was not proportional to the assessed value of the property.

Mrs. Bissmeyer if the Montgomery Quarter was included in the Tax Budget.

Ms. Gray replied that is was based on the Tax Increment Financing (TIF) base values.

Mrs. Bissmeyer asked if the payroll income from the businesses as the Montgomery Quarter were being accounted for.

Ms. Gray replied yes, they were.

Mr. Dobrozsi asked if the increase of 22% was based on the assessed value.

Ms. Gray replied that yes, they were based on the assessed value.

Mr. Suer stated that some counties have done away with the requirement to file a Tax Budget although Hamilton County still requires it.

Ms. Gray stated that she anticipates that in the near future, Hamilton County will drop the requirement as the acceptance of the Tax Budget by them is not an approval to spend the submitted budget.

Mrs. Bissmeyer made a motion to accept the 2025 Tax Budget and to add to the July 10, 2024 agenda. Vice Mayor Naiman seconded. City Council unanimously agreed.

Mayor Messer asked if there was any further business to be heard in the Public Hearing. There being none, he asked for a motion to adjourn from the Public Hearing.

Mr. Margolis made a motion to adjourn. Mrs. Bissmeyer seconded. City Council unanimously agreed.

155

156

The meeting was adjourned at 5:59 p.m.

157

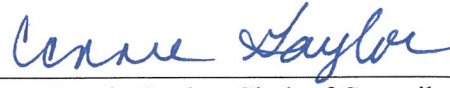
158

159

160

161

162



Connie Gaylor, Clerk of Council