

City of Montgomery
Financial Planning Committee Meeting
June 1, 2020

Present

Brian Riblet, City Manager
Tracy Roblero, Asst. City Manager/Acting Comm. Dev. Dir.
Katie Smiddy, Finance Director
Connie Gaylor, Clerk of Council

Council Committee Members Present

Ken Suer, Chair
Mike Cappel (Teleconference)
Lee Ann Bissmeyer
(Teleconference)

The Financial Planning Committee of Council convened its meeting for June 1, 2020 at 4:30 p.m. as a hybrid meeting held at City Hall and by telephone conference with Mr. Suer presiding. This remote access meeting was allowed by emergency legislation adopted last week by the Ohio General Assembly and approved by the Governor. The emergency legislation added language to RC Section 121.22 allowing public meetings by telephone conference during the current pandemic and declared State of Emergency. As required by the statute, notice of the telephonic meeting was publicized more than 24 hours in advance to allow public access through the same conference call in service. The public was also given a backup number to call in the event there were technical difficulties. This Notice was posted on the City's website and a similar Notice was sent to The Cincinnati Enquirer.

May 2020 Income Tax Report

Ms. Smiddy reported for the month of May 2020, the City's total income tax receipts were \$707,639, which is a decrease of \$71,444 or (9.1) % compared to the 2019 May collections of \$779,083. The amount of tax mail has continued to be steady May however, approximately 59% of the active tax accounts have not filed returns or extensions.

Ms. Smiddy reported in May 2020, withholding collections were \$580,623; a decrease of \$5,273 or (0.9) % when compared to May 2019 collections of \$585,896. Withholding collections have not been affected by extensions, and year-to-date revenue is up 7.7% over 2019 collections.

Ms. Smiddy reported in May 2020, in May 2020, net profits from businesses located within or doing business within Montgomery were \$40,919. This is an increase of \$26,210, or 178.1 % when compared to May 2019 collections of \$14,709. Staff posted all business returns prior to the end of May which accounts for the increase in business revenues.

Ms. Smiddy reported that revenues of \$86,097 were collected in May 2020 from residents living in Montgomery, which is a decrease of \$92,381 or (51.7) % compared to May 2019 collections of \$178,478. At the end of May 2019, 88% of Individual accounts were either filed or had submitted extensions; compared to only 42% to date.

Mr. Suer stated that the outlook looks positive at this time.

Other Business

Allocation of Local Government Fund Renewal

Ms. Smiddy explained to the Committee that she received a request by the Hamilton County Budget Commission to pass legislation that, if passed, would renew the formulas for the Local Government Fund distribution. She stated that the current agreement expires this year. She stated that a Resolution would need to be passed by mid-July and asked for a motion of support from the Committee to add this Resolution to the June 3 Business session for consideration that evening.

Mr. Suer asked if this request was to reaffirm the current formula or were there proposals to change the formula.

Ms. Smiddy explained that while the formulas were changed 10 years ago, there was no change to them at this time. She explained that the allocation is based on factors such as population, annual property valuation and lane miles. She added that Hamilton County Auditor Dusty Rhodes recommended to keep the current formula and allocation.

Mr. Riblet added that staff did not receive the notification about the renewal until the prior week when Law Director Terry Donnellon informed them based on another municipality's renewal.

Mr. Cappel made a motion to support the legislation. Mrs. Bissmeyer seconded. The Committee unanimously agreed.

Update on Internal Operations Covid-19 related to Revenue and Projections

Ms. Smiddy explained that Management Partners reached out to her to offer their forecasting tool regarding revenues. She stated that this tool will look at the past 3 years of historical revenues and expenses, investments, collective bargaining terms, and assumptions. She explained that she had a meeting scheduled with them that week to review the preliminary findings of the projection tool and would share that information at a future meeting.

Mr. Suer asked if staff were confident in the use of the projection tool.

Ms. Smiddy replied that the goal is to utilize it now as a model but to use it yearly as a comparison to our monitoring processes.

Mr. Riblet stated that there would be no fees incurred to utilize the tool that Management Partners shared it as a reflection of the longstanding relationship we have had with them.

Mr. Riblet explained that staff is still researching budget reductions of all departments and has identified approximately \$2M in reductions. He stated that approximately \$123 thousand of prior year purchase orders have been identified that could be closed. He added that staff is being cautious and are getting prepared to make a formal recommendation soon.

Mr. Suer asked if we would be on track for the upcoming budget process.

Ms. Smiddy replied that we are on track and that staff will soon schedule department meetings to begin going over the 2021 requests.

Mr. Suer asked Ms. Roblero for an overview of the economic health of the City due to Covid-19.

Ms. Roblero explained that she only knew of one business that would be closing and it was a fitness facility, "Fitness Coach". She added that there have been new businesses opening such as the Montgomery Public House microbrewery. She added that she feels this is a positive sign and that development was not slowing down. She did state that Building C in the Vintage Club was being pushed off until a time that it was more marketable. She added that G.E. Credit Union has pushed their grand opening back until August.

Mrs. Bissmeyer asked if anyone had purchased the Rudino's liquor license since their closing.

Ms. Roblero replied that she is not aware of anyone looking for that at this time. She stated she had been in contact with Mr. Rudd who has confirmed this.

Mrs. Bissmeyer asked about the status of the European Café.

Ms. Roblero stated that she has an email out to the new owner and sees movement at this time.

Mr. Riblet stated that he spoke with the previous owners who relayed that the new owners wanted to be open by Bastille Day or mid-July.

Minutes

Mr. Cappel moved to accept the minutes of the May 4, 2020 meeting of the Financial Planning Committee as written. Mrs. Bissmeyer seconded. The Committee unanimously agreed.

Adjournment

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

The Financial Planning Committee of Council was adjourned at 5:00 p.m.



Chair