

City of Montgomery
Financial Planning Committee Meeting
October 7, 2019

Present

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

Council Committee Members Present

Ken Suer, Chair
Lee Ann Bissmeyer

Council Committee Members Absent

Mike Cappel

The Financial Planning Committee of Council meeting was called to order at 4:30 p.m. by Chairman Suer.

Mr. Suer welcomed a group of Sycamore High School students who were in attendance to observe the meeting as part of their Government class assignment.

September 2019 Income Tax Report

Ms. Smiddy explained that for the month of September 2019, the City's total income tax receipts were \$880,402, which is an increase of \$787.00 or (.09) % compared to the actual amount collected in September 2018 of \$879,615. Year-to-date revenues are up 7.4% compared to 2018 collections, which keeps us on track to meet our income tax revenue projection for 2019.

Ms. Smiddy stated that Withholding collections for September 2019 were \$596,317; an increase of \$54,822 or 10.1% when compared to September 2018 collections of \$541,495. She explained that other than a slight decrease in March, withholding collections have remained steady throughout the year. Revenue collections for withholding are 8.8% higher than this time period in 2018.

Ms. Smiddy stated that for Business withholdings collections in September 2019, net profits from businesses located within or doing business within Montgomery were \$68,875. This is a decrease of \$44,221, or (39.1%) when compared to September 2018 collections of \$113,096. This decrease is attributable to a negative distribution from the State of Ohio, and a large estimated payment that was remitted by a business in September of 2018. Year-to-date business collections are 2.2% higher than 2018.

Ms. Smiddy stated that for Resident withholdings collected in September 2019 \$215,211 were from residents living in Montgomery, which is a decrease of \$9,814 or (4.3%) compared to September 2018 collections of \$225,025. At the end of the third quarter, resident revenue collections are 6.9% higher than this time period last year.

Mr. Suer stated that regarding American Structure Point's review of city facilities, he felt that the items identified that needed to be done such as the roof at City Hall, validated the requested funding. He stated it was good to have a professional review of the facilities as well as a projected timeline.

Review of the 2nd Half Real Estate Taxes

Ms. Smiddy reported that the 2nd half property tax collections have been received from the County Auditor for 2019. She stated that total collections for 2019 of \$9,937,549 are up \$3,650,634 or 58.07% compared to 2018 collections of \$6,286,914. General Fund property tax collections are up \$22,302 or 1.0%, Fire Levy collections are up \$3,508,930 or 198.91% and Tax Increment Financing Districts are up \$313,447 or 15.45%.

Other Business

- Ms. Smiddy explained that she would like to pursue refinancing the Vintage Club, Phase I, bonds prior to the November 28 Thanksgiving holiday. She explained that by doing this the City could save 2.4 million in interest by lowering the interest rate from 4.2% to 3%. She asked for a motion by the Committee to move forward with legislation for the October 23 Work Session for the refinancing of the bonds.

Mrs. Bissmeyer moved to support the refinance of the Vintage Club Phase I bonds. Mr. Suer seconded. The Committee unanimously agreed.

- Ms. Smiddy explained to the Committee that there will be a need to bring legislation to Council for the financing of the roundabout and/or the Montgomery Quarter Infrastructure. She explained that the timing is still to be determined as to when the bonds would be issued but having the legislation in place would allow the bonds to be issued as soon as it is prudent to do so. She stated that the bonds would not exceed \$15.5 million and would include Phase I of the Montgomery Quarter work. She stated that there is not a need for a motion that this was more for informational purposes for the Committee.

Mr. Riblet added that the bid opening for the roundabout construction was held and that John R. Jurgensen provided the lowest and best bid at approximately \$7.3 million. He explained that the Engineers estimate was \$7.8 million. He stated that a Resolution for the contract to Jurgensen would be on the October 23 Work Session agenda for Council's consideration at the November 6 Business Session.

- Mr. Riblet explained that the City has purchased a used Trolley Car from an individual to be used for special events. He stated the private owner was glad to sell it to a local government so it will be taken care of. Mr. Riblet stated that the purchase price of the trolley was \$5,000 and that a neighboring city is interested in splitting the costs in order to share the vehicle. Mr. Riblet stated that the trolley is currently being stored at the Public Works facility and staff will thoroughly inspect it for maintenance issues and any restoration needs.

Minutes

Mrs. Bissmeyer moved to accept the minutes of the September 3, 2019 meeting of the Financial Planning Committee as written. Mr. Suer seconded. The Committee unanimously agreed.

Adjournment

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

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

Chair *Ken Suer*