

July 30, 2021

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

From: Brian K. Riblet, City Manager *BKR*

Subject: Financial Planning Committee Meeting August 2, 2021

As a reminder, the Financial Planning Committee is scheduled to meet on Monday, August 2 at 4:30 p.m. The agenda for this meeting is as follows:

1. July 2021 Income Tax Report-The Income Tax Report for the month of July will be presented at the meeting for the Committee's review. Staff will be prepared to answer any questions on this report at Monday's meeting.
2. Update on the 2022 Budget Preparation-Staff will provide an update to the Committee on the status of the 2022-2026 operating budget.
3. Update on the Gerri Harbison Memorial Project-Staff will provide an update to the Gerri Harbison Memorial Project.
4. Other Business - The purpose of this agenda item is to provide an opportunity to discuss any issue or ask questions.

Also, attached are the minutes from the July 6, 2021 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)  
Katie Smiddy, Finance Director  
Connie Gaylor, Administrative Coordinator  
File

**AGENDA**

August 2, 2021

4:30 P.M.

City Hall

1. Call to Order
2. Guests and Residents
3. Communications
4. New Business
  - a. July 2021 Income Tax Report
  - b. Update on the 2022 Budget Preparation
  - c. Update on Gerri Harbison Memorial Project
5. Approval of Minutes: July 6, 2021
6. Other Business
7. Executive Session
8. Adjournment

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City of Montgomery  
Financial Planning Committee Meeting  
July 6, 2021

**Present**

Brian Riblet, City Manager  
Katie Smiddy, Finance Director  
Connie Gaylor, Clerk of Council  
Terry Donnellon, Law Director

**Council Committee Members Present**

Ken Suer, Chair  
Mike Cappel  
Lee Ann Bissmeyer

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The Financial Planning Committee of Council convened its meeting for July 6, 2021 at 4:30 p.m. with Mr. Suer presiding.

**June 2021 Income Tax Report**

Ms. Smiddy reported for the month of June, the City's total income tax receipts were \$852,325 which is an increase of \$166,571 or 24.29% compared to the 2020 June collections of \$685,754. The increase in 2021 total collections is a direct result of the decrease in 2020 filings due to the extended filing date.

Ms. Smiddy reported the June 2021 withholding collections were \$496,221; an increase of \$9,134 or 1.88% when compared to June 2020 collections of \$487,087. The change to the filing deadline did not affect withholding collections. At the mid-point of the year, withholding revenue is up slightly at 2.04%.

Ms. Smiddy reported in June 2021, net profits from businesses located within or doing business within Montgomery were \$61,639. This is a decrease of \$20,571, or (25.02) % when compared to June 2020 collections of \$82,210. The 2020 filing extension did not apply to business returns and in the month of April business revenue was up 56.41%. Despite the June decrease, year to date collections is up 43.66%.

Ms. Smiddy reported revenues of \$294,466 were collected in June 2021 from residents living in Montgomery, which is an increase of \$178,008 or 152.85% when compared to June 2020 collections of \$116,458. Year-to-date collections are up 151.68%. The increase is due in part to the decreased 2020 collections and the May 17 extended filing deadline. Staff also saw an increase in the amount of 2<sup>nd</sup> quarter declaration payments.

**Montgomery Living Memorial Fund**

Mr. Riblet explained to the Committee that with the adoption of Ordinance No. 14 passed in 2004 the Montgomery Living Memorial Fund was established. He stated that the fund is directed by the Finance Committee and operates as a fund in which gifts of cash can be received to be dedicated to the memory of people or organizations who have contributed to the community. He explained that the Living Memorial Fund will be utilized to house donations to the Gerri Harbison Memorial project. He explained that in order to keep the Committee and City Council informed of the progress of the memorial project that a fundraising committee of volunteers had been formed to solicit private donations to fund the project. He explained that the funds would be tracked



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separately within the fund to ensure that all funds collected were expended solely for the funding of Mrs. Harbison's memorial. He added that all work done would be done by the volunteers and not by staff during normal working hours.

Mr. Riblet explained that the recognition policy has been modified to allow \$100 per year of service to be spent from City funds. He stated that he hoped to get support to move forward and that his goal is to be transparent and clear about all fundraising efforts.

Mr. Donnellon stated that he felt the biggest goal is for the public to understand that there are not City funds being used outside of the amount allowed in the current policy towards the memorial project. He explained that he met with the members of the volunteer fundraising committee to ensure that Council would be accepting of the members and their objective. He explained that in 2004 when Ordinance 14 was approved the idea was to have funds to memorialize the Mayor and Council Members. He explained that the fundraising committee is responsible for generating the funds and the City only acts as a conduit for the funds coming in and going out.

Mr. Donnellon explained that Mr. Tsuchiya will need to set the extent to which the funds are received. He stated that the City cannot wait until the funds are generated to contract with Mr. Tsuchiya. He stated that the City should authorize a cap on the contract, and it needs to indicate if there are benchmarks and what the payouts are at those benchmarks. He stated that we also need to include language that states that we have the right to terminate the contract without penalty. He advised the Committee that a recommendation to move forward with the project and a contract with Mr. Tsuchiya would be needed. He reiterated that the contract should state a maximum amount, that no funds can be used outside of the recognition policy and that the statute could not be installed until all funds are received.

Mr. Riblet stated that the Chamber of Commerce was currently collecting funds until the City was ready to collect them and then they would transfer those funds to the City to be housed in the Living Memorial Fund.

Mr. Suer stated that there needs to be a strong message that the City is not paying for the sculpture. He stated there would probably be other expenditures that the City will most likely pay for such as a plaque and the bench. He stated that the fundraising committee needs to be clear that they understand and share with the public what it will cost. He also stated that the fundraising committee needs to understand how they will bring the funds to City Hall and the process of the type of payment that will be accepted. He asked if the fundraising committee had guidelines to follow.

Mr. Riblet explained that the Chamber of Commerce is acting as an ad-hoc committee now. He explained that as far as payments are concerned they are keeping it simple in only accepting check or PayPal at this time. He explained that once funds are able to be accepted at City Hall that all forms of payment could be accepted as we have the policies in place to allow for that but that he hopes to limit it to credit card or check payments. He explained that the Chamber will transfer money on a monthly basis for any collections they receive.

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Mr. Riblet explained that regarding infrastructure costs, the City has \$2,300 to use based on Mrs. Harbison's years of service. He stated that the cost of the bench, concrete and items needed to prepare and finish the site, could quickly get to that amount.

Mr. Suer stated that on the website it directs people to the Chamber of Commerce and were we going to continue doing that.

Mr. Riblet replied that we should not use the City website or any City resources for the project. He added that the community has contributed money to fund initial expenses.

Mrs. Bissmeyer stated that this was similar to the Fire Levy Committee in that it is not the City's role to spearhead the fundraising, but staff can volunteer during off hours.

Mr. Donnellon explained that he is not billing for his hours and once all the parameters are set that he will act as a volunteer.

Mr. Suer stated that there has to be consideration that some people do not agree with the project at all. He stated that while he has confidence the project will succeed, the City needs to be careful and mindful of the public perception.

Mr. Donnellon stated that we need to remember that the Living Memorial Fund has been on the books for 17 years now, just looked at on a smaller scale up to this point.

Mr. Suer stated that the Robert Novak Memorial was the last memorial done for a former Council Member/Mayor and it was a joint effort with the family who shared in the costs.

Mrs. Bissmeyer asked if the \$85,000 was a fixed cost.

Mr. Riblet explained that it is estimated that the project would come in under \$70,000, however the goal is to raise \$85,000 to cover incidentals and to have funds for maintenance in the future. He stated that we did not necessarily need to get to \$85,000 but that is the fundraising committee's goal. He added that the committee knows that there will be people who are not supportive.

Mrs. Bissmeyer asked what would happen if the funds were not raised.

Mr. Riblet replied that if a substantial amount was not reached that the scope of the memorial would change.

Mr. Donnellon suggested having the project done in phases and to give the green light to proceed to the next phase once funds are reached.

Mr. Riblet stated that the fundraising committee and Mr. Tsuchiya are confident they can reach their goal.



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Mrs. Bissmeyer stated that she would hate to lose the funds for the design and never get the project done.

Mr. Donnellon stated that the fundraising committee could ask contributors if they were willing to donate knowing the scope could change or refund their money if it were to change.

Mr. Suer stated that maybe Mr. Tsuchiya could create a relief (a wall-mounted sculpture in which the three-dimensional elements are raised from a flat base) on a plaque as a fall back if the funds were not coming in.

Mr. Cappel asked why there was fear in memorializing a resident.

Mr. Donnellon replied that its issue of where you stop with it as you cannot recognize everyone. He stated there needed to be control measures.

Mr. Cappel asked if it was illegal.

Mr. Donnellon replied it was not illegal to create a memorial.

Mr. Cappel stated he felt it was more about fiscal prudence as a rule. He stated the City needed to be good stewards of money with an opportunity to memorialize someone.

Mr. Suer stated it has everything to do with being fiscally responsible with taxpayer funds and that is has a political aspect to it just like renaming streets.

Mr. Cappel stated that collection \$85,000 would be a tempting amount to hold on to and asked if the City would be liable if someone were to take it.

Mr. Donnellon replied that the fundraising committee would not hold cash, that all payments would run through the City.

Mr. Suer asked how the City would handle refunds.

Mr. Donnellon stated that would only happen if we were not able to achieve the goal of collecting sufficient funds for the project.

Mr. Suer stated that the Committee would need to keep record of the contributions.

Mr. Donnellon explained that once everything is confirmed that all collections will come through the City.

Mr. Suer stated that he would like to receive periodic updates of the fundraising efforts as part of the agenda in order to provide oversight by the Financial Planning Committee.

Mr. Cappel asked where the current funds in the Living Memorial came from.

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Mr. Riblet replied that was from preexisting donations and were not intended for the Harbison Memorial project.

Ms. Smiddy replied that while those funds are available there are no encumbrances against them at this time. She explained that a separate line item would be added specific to the Gerri Harbison Memorial project.

Mr. Cappel what the cap would be from the City.

Mr. Donnellon replied that it would be the \$2,300, as allowed through the recognition policy. Mr. Donnellon explained that in accepting a proposal and conception of the sculpture at Montgomery Park that the expenses have to be consistent with the contract. He stated that the City has no liability other than the \$2,300 which can be cash or in-kind labor/equipment, then the fundraising committee sets their goals from there.

Mr. Cappel made a motion to accept all the information provided as guidelines for the fundraising committee and the City. Mrs. Bissmeyer seconded. The Committee unanimously agreed.

### Minutes

Mr. Cappel moved to accept the minutes of the May 3, 2021 meeting of the Financial Planning Committee as written. Mrs. Bissmeyer seconded. The Committee unanimously agreed.

### Other Business

Mrs. Bissmeyer asked if there were grants or fundraising efforts that we could pursue to support the development of the Hopewell Cemetery expansion.

Mr. Riblet replied that there is a grant that is issued by the Ohio Department of Natural Resources, and he is researching it to see if there would be any qualifications that the City could apply for. He added that in the upcoming budget review there would be funds added to the outlying years as place markers for the expansion. He explained that with the addition of cremation columbarium's that we would have the ability to create revenue to fund the perpetual care of the cemetery.

Mr. Suer asked staff about current ransomware protection. He stated that there continue to be reports of companies and cities being hacked and forced to pay funds to get their information released. He stated that the hackers research and find out how much liability insurance the cities can pay and demand that amount. He asked what MVRMA's (Miami Valley Risk Management Association) position on that is.

Ms. Smiddy responded that we do have coverage for this type of a claim. She added that Bellbrook had an issue and that MVRMA instructed all members to get police involved as soon as possible who would then contact the FBI to track the message and point of access to verify legitimacy of the threat. She stated that they emphasized the importance of immediate law enforcement involvement.

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Mr. Riblet stated that is why it is important to be as prepared as you can be. He stated that having a policy on data breaches along with having the ability to get to a secondary system as soon as possible was vital to continue operations.

### **Adjournment**

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

The Financial Planning Committee of Council was adjourned at 5:55 p.m.

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Chair