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City of Montgomery
City Council Public Hearing Minutes
June 23, 2021

Present

Brian Riblet, City Manager
Terry Donnellon, Law Director
John Crowell, Police Chief
Gary Heitkamp, Public Works Director
Tracy Henao, Asst. City Manager/Acting Comm. Dev. Dir.
Katie Smiddy, Finance Director
Matthew Vanderhorst, Community and Information Services Dir.
Paul Wright, Fire Chief
Amy Frederick, Community Engagement Coordinator
Connie Gaylor, Clerk of Council

City Council Members Present

Chris Dobrozsi, Mayor
Craig Margolis, Vice Mayor
Lee Ann Bissmeyer
Mike Cappel
Ron Messer
Lynda Roesch
Ken Suer

City Council convened its Public Hearing for June 23, 2021 at 6:45 p.m. in a hybrid meeting at City Hall and by telephone conference with Mayor Dobrozsi presiding. This remote access meeting was allowed by emergency legislation adopted 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.

Mayor Dobrozsi stated that all Council members were in attendance.

Mayor Dobrozsi explained that the Public Hearing was for the purpose of the presentation of the 2022 Tax Budget and asked Finance Director Katie Smiddy to make her presentation. He stated that he would allow for public comment after the presentation and Council questions and discussion. He asked that any guests on the phone line hold their comments until after the presentation and Council discussion as well. He stated that all comments will be limited to three minutes in total.

Mayor Dobrozsi explained the process for the Public Hearing to those in attendance and on the phone line. 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 Dobrozsi 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.

NEW BUSINESS

2022 Tax Budget

Ms. Smiddy explained that as a part of the preparation required for the 2022 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 must 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. Smiddy explained that currently the City has two funds which derive money from property taxes: The General Fund and the Fire Levy fund. She provided a detailed explanation of the following:

58 **Assessed Valuation:**

59 It is estimated that the total assessed valuation for the year 2022, collected in 2021, for the City of Montgomery is
60 estimated to be \$668 million. This is an estimated .15% increase property values from the assessed valuation for
61 tax year 2020 of \$667 million.

62
63 **General Fund:**

64 The General Fund collects 4.5 mills (3 mills inside, 1.5 mills outside) on real property. It is estimated that
65 \$2,635,100 will be collected in property taxes in 2022 for the General Fund; this is an increase of 1% over the
66 2021 anticipated collections.

67
68 Income tax collections in the General Fund are estimated to be \$7,275,000 of the total income tax collection of
69 \$9.1 million estimated for 2022; the assumption is that total income tax revenues are conservatively estimated to
70 remain at 2020 levels. The amount of income tax revenues allocated to the General Fund is 80% in 2021. It is
71 estimated that the General Fund will have a cash balance of approximately \$13.1 million at the end of fiscal year
72 2022.

73
74 Other General Fund revenues are estimated to remain relatively flat due to the economy. Total revenues of the
75 General Fund for 2022 are estimated at \$10,735,000 as compared to \$11,000,000 estimated for 2021. This is a
76 decrease of \$265,000 or approximately 2.4% which is attributed to the conservative estimates in income and
77 property tax revenues.

78
79 Expenditures of the General Fund are estimated to be \$12,600,000 in 2022, as compared to \$12,400,000 in 2021.
80 This is an increase of \$200,000 which can be attributed to increased allocations to capital outlay.

81
82 **Fire Levy Fund:**

83 The Fire Fund consists of two permanent levies with no expiration date. The 5.55 mill levy was passed in 1999
84 and a 6.0 mill levy was approved by the voters in May of 2018. Total revenues in the Fire Levy Fund are
85 estimated to be \$5,740,000 in 2022 keeping estimated revenues at 2021 levels.

86
87 Total expenditures for the 2022 Fire Levy Fund are estimated at \$4,300,000 as compared to \$5,230,000 estimated
88 for 2021. This is a decrease of \$930,000 or approximately 18.0%.

89
90 The estimated ending cash balance for the Fire Levy Fund for 2022 is \$11,850,000. This is \$1,450,000 higher
91 than the estimated 2021 ending cash balance. This is an operating reserve of 29 months, which meets the City's
92 fund balance reserve policy of 6 to 12 months.

93
94 **Other Operating Funds:**

95 The other operating funds addressed in the 2021 Tax Budget are estimated to be continuations of current budget
96 spending levels with adjustments made for healthcare and personnel costs by labor contracts.


97
98 **Capital Projects Spending:**

99 Capital spending is projected at \$11,177,086 being spent on permanent improvements. These projects were taken
100 from the 2017-2021 Capital Improvement Program and are projects which were reviewed and approved by
101 Council on an individual basis. The presentation of these projects in this Tax Budget is intended to indicate a
102 level of spending for capital outlay.

103
104 **Debt Service:**

105 A schedule of Outstanding Debt is presented in the 2022 Tax Budget. It is estimated that the City will have
106 approximately \$65.4 million outstanding in debt as of January 1, 2022 for Special Obligation, Special Assessment
107 and General Obligation debt. Debt service payments for this debt in 2022 will be \$955,000 for principal
108 repayment and \$1,299,560 for interest expense.

110 Ms. Smiddy concluded her presentation and asked for any questions.
111
112 Mayor Dobrozsi opened the floor to City Council questions.
113
114 Mr. Messer referred to the General Fund balances estimated for 2022 and asked why the revenue balances were
115 lower and the expense balances higher from 2019 to 2020.
116
117 Ms. Smiddy replied that typically we estimate 15% less in expenses but when actual expenses come in, they could
118 be higher.
119
120 Mr. Messer asked if the revenues were also estimated lower.
121
122 Ms. Smiddy explained that based on the financial tool that was created by Management Partners last year, the
123 revenues were forecasted to increase by 1%. She stated that it may be lower as we rollback the revenues due to
124 the pandemic but that it we would slowly bring the revenues back up in a conservative approach.
125
126 Mr. Suer and Vice Mayor Margolis thanked Ms. Smiddy for a well put together presentation.
127
128 Mayor Dobrozsi asked for comments from the visitor in City Hall.
129
130 Roberto Rivera, 11936 Seventh Avenue, Sycamore Township-Mr. Rivera stated that the City needed to do more
131 with less, lower property taxes and bring wages down. He stated that the City should follow accounting practices
132 from 1970.
133
134 Mayor Dobrozsi thanked Mr. Rivera for his comments.
135
136 Mayor Dobrozsi asked for any visitors on the phone line who would like to speak. There being no response,
137 Mayor Dobrozsi closed the floor for public comments.
138
139 Mayor Dobrozsi restated that the options available to City Council related to this request were:
140
141 • Approve the Recommendation
142 • Deny the Recommendation
143 • Remand the matter to Staff for more specific information or
144 • Take the matter under advisement and vote at another public meeting within thirty days.
145 Mr. Cappel made a motion to accept the 2022 Tax Budget. Vice Mayor Margolis seconded. City Council
146 unanimously agreed.
147
148 Mayor Dobrozsi asked if there was any further business to be heard in the Public Hearing. There being none, he
149 asked for a motion to adjourn from the Public Hearing.
150
151 Vice Mayor Margolis made a motion to adjourn. Mr. Cappel seconded. City Council unanimously agreed.
152
153 The meeting was adjourned at 6:59 p.m.
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Connie Gaylor, Clerk of Council