

City of Montgomery  
Financial Planning Committee Meeting  
August 14, 2023

Present

Brian Riblet, City Manager  
Tracy Henao, Asst. City Manager  
Maura Gray, Finance Director  
Connie Gaylor, Clerk of Council

Council Committee Members Present

Ken Suer, Chair  
Lee Ann Bissmeyer  
Mike Cappel

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The Financial Planning Committee of Council convened its meeting for August 14, 2023 at 4:30 p.m. at City Hall with Mr. Suer presiding.

July 2023 Income Tax Report

Ms. Gray reported that for the month of July, the City's total income tax receipts were \$855,885. This is an increase of \$179,531 or 26.5% when compared to the 2022 July collections of \$676,354. The majority of the 2022 returns that have been received to date have all been entered in the system. Collections are up 17% when compared to 2022.

Ms. Gray explained that in July 2023, net profits from businesses located within or doing business within Montgomery were \$16,209. This is an increase of \$3,963 or 32% when compared to July 2022 collections of \$12,246. This increase is attributed to a larger volume of payments received for the month. Overall, collections are up for the year by 127.5%.

Ms. Gray closed by reporting that revenues of \$81,089 were collected in July 2023 from residents living in Montgomery, which is a decrease of (\$10,047) or (11%) when compared to July 2022 collections of \$91,136. Although collections are down 11% for the month, the year to date total is a 5.04% increase. In 2022, an individual taxpayer remitted a very large payment which was due to a large salary increase. This same resident has not yet filed for 2022 as they have an extension.

2024 Budget Update

Ms. Gray provided an update on the 2024 Budget preparation process. She reported that she has been very impressed with the transparency of the process as this is her first budget cycle since becoming employed with the City. Ms. Gray explained that income tax revenues are on track to reach \$13M as estimated. She stated that revenues for the Montgomery Quarter would start to be seen in 2024 now that the MQ Phase I is open and almost completed.

Ms. Gray explained that Hamilton County Auditor's Office is working to complete the six-year reevaluation of properties. She stated that the evaluations are physical evaluations, and she anticipates a 12% increase in values. Ms. Gray reported that expenses are remaining below estimates for 2023 and the out years. She explained that the main increase would be with the RITA fees. She explained that they would charge 3% of the income tax collections then in May of the following year they would issue rebates back to the City. Ms. Gray praised to Finance Specialist Derek Morgan for his strong leadership role throughout the budget process.

Mr. Riblet added that the City's finances are very solvent. He stated that at the Budget Review Session in September, staff will utilize the fiscal tool from Baker Tilly to demonstrate forecasting.

He explained that at this time the City has 17-18 months of reserves, and that staff would be making requests to advance some funds for larger projects that are included in the Strategic Plan such as the Montgomery Quarter Phase II, Safety Center expansion, Hopewell Cemetery expansion, and possibly a Swaim Lodge expansion project. He stated that the City is well advanced of the GFOA suggested reserves of two months. He added this would be discussed in greater detail at the budget review meeting.

Mr. Cappel asked how many full-time firefighter positions there were to be when at full staff.

Mr. Riblet replied, 24. He explained that staff met with MSA Design to create a floor design to accommodate additional bunk rooms for the growing staff at this time. He stated that ultimately staff would recommend flipping the fire and police department spaces within the Safety Center to allow more space and to have access for the fire service vehicles directly onto Montgomery Road. He added this design would be safer to avoid traffic and pedestrians coming into the parking lot off of Hopewell Road going to the municipal pool.

The Committee discussed the Budget Review meeting scheduled for Wednesday, September 13. Mr. Cappel moved to cancel the September Financial Planning Meeting due to the Budget Review meeting. Mrs. Bissmeyer seconded. The Committee unanimously agreed.

#### RITA Update

Ms. Gray provided an update to the Committee on the progress of transitioning to RITA for income tax collections. She explained that staff are currently working with RITA representatives to conduct data extraction. She stated that RITA is being very responsive to Finance staff as they work through the process. She stated that the temporary part time position that helped with income tax tasks ended in May. Sharon Savitt, who is working part time, will be done by the end of August and Cindy Abner, also part time, will work through the end of the year. She added that Laura Braun, who will remain as the staff representative for income tax has been integral in working with RITA during the transition. She praised Laura for taking on a leadership role in the process.

Mr. Suer stated that one reason he was supportive of transitioning to RITA was that it would be less intensive on staff and more efficient online. He stated that more of the surrounding communities are working with RITA now, so he expects it to work out well. He added that there would be a need to educate the public with an increasing number of articles.

Ms. Gray stated that a Welcome Letter has been drafted, will be sent to residents, and following articles will be in the Montgomery Bulletin. Ms. Gray reported that she found that she could also compile monthly collection reports for the Committee.

#### Minutes

Mr. Cappel moved to accept the minutes of the June 2, 2023 meeting of the Financial Planning Committee as written. Mrs. Bissmeyer seconded. The Committee unanimously agreed.

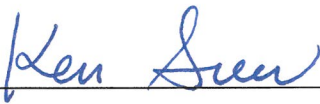
#### Other Business

There was no other business to discuss.

Adjournment

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

The Financial Planning Committee of Council was adjourned at 5:08 p.m.

  
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Chair