

October 6, 2023

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

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

Subject: Financial Planning Committee Meeting October 9, 2023

As a reminder, the Financial Planning Committee is scheduled to meet on Monday, October 9 at 4:00 p.m. at City Hall. The agenda for this meeting is as follows:

1. September 2023 Income Tax Report - Please see the attached September 2023 Income Tax Reports for the Committee's review and discussion. Staff will be prepared to answer any questions on this report at Monday's meeting.
2. 2024 Budget Update - Staff will be present to update the Committee on the 2024 Budget process.
3. RITA Update - Staff will be present to update the Committee on the transition to RITA.
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 August 14, 2023 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)  
Maura Gray, Finance Director  
Connie Gaylor, Clerk of Council/Executive Assistant  
File



## **FINANCIAL PLANNING COMMITTEE OF CITY COUNCIL**

10101 Montgomery Road • Montgomery, Ohio 45242  
(513) 891-2424 • Fax (513) 891-2498

### **AGENDA**

October 9, 2023  
City Hall  
4:00 P.M.

1. Call to Order
2. Guests and Residents
3. Communications
4. New Business
  - a. September 2023 Income Tax Report
  - b. 2024 Budget Update
  - c. RITA Update
5. Approval of Minutes: August 14, 2023
6. Other Business
7. Adjournment

OCTOBER 1, 2023

To: Brian Riblet, City Manager

From: Maura Gray, Finance Director/Tax Commissioner *mg*

Subject: 2023 September Income Tax Variance Report

**Year to Date**

For the month of September, the City's total income tax receipts were \$1,002,896 which is an increase of \$24,500 or 2.5% when compared to the 2022 September collections of \$784,654. Total collections are up 13% when compared to 2022.

	2023	2022	% Change
MTD September Actuals	1,002,896	978,396	2.5%
YTD Collections	10,709,556	9,464,245	13.2%
	YTD Actual	YTD Estimate	% Change
2023 Estimated Collections	10,709,556	8,625,035	24.2%

A breakdown by category for September 2023 and an explanation of the variances are as follows:

**Business-** In September 2023, net profits from businesses located within or doing business within Montgomery were \$102,823. This is a decrease of \$9,882 or (8)% when compared to September 2022 collections of \$112,706. Although collections are down 8% for the month, year to date collections are up by 106%.

**Resident-** Revenues of \$211,736 were collected in September 2023 from residents living in Montgomery, which is a decrease of \$24,060 or (10.2%) when compared to September 2022 collections of \$235,796. This decrease is due to an exceptionally large payment made by one resident in 2022 for \$32,000. Collections are up for the year by 4%.

**Withholding-** September 2023 withholding collections were \$688,337; an increase of \$58,443 or 9% when compared to September 2022 collections of \$629,894. Year-to-date collections are up 3%.

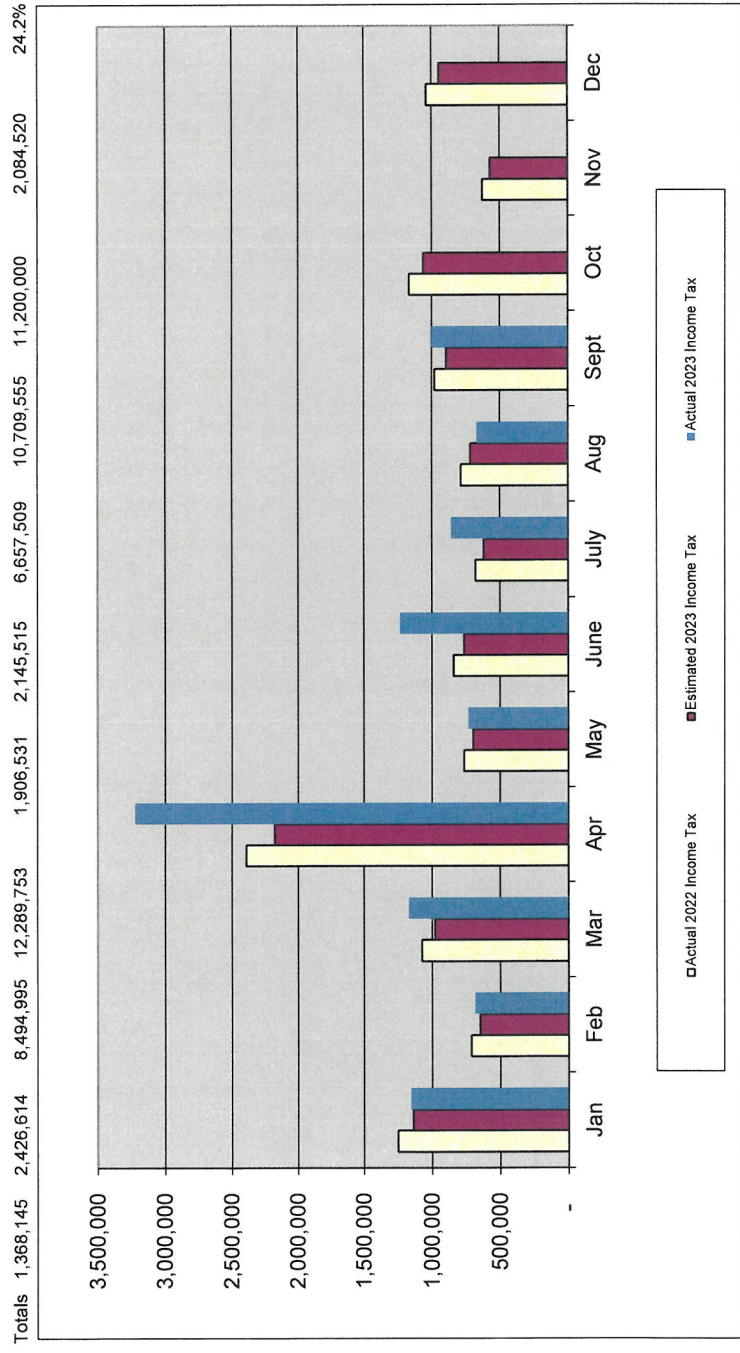
The following schedule breaks down collections by source and provides a graph comparing actual and estimated income tax revenues for 2022 and 2023. There is also an End of Month report attached showing the comparison between month-to-date and year-to-date.

c: Financial Planning Committee Members (2)  
Mayor and City Council Members (3)  
Connie Gaylor, Administrative Coordinator  
Laura Braun, Finance Specialist



**Schedule of Income Tax Collections by Source  
Actual 2022 Compared to 2023 Estimate & Actual**

	Actual 2022			Actual 2023			2023		
	Business	Resident	Withholding	Business	Resident	Withholding	Estimate	Variance	%
Jan	25,330	151,267	1,074,100	24,107	188,553	940,527	1,139,796	13,391	1.17%
Feb	17,997	23,418	668,609	9,089	44,494	627,795	647,065	34,313	5.30%
Mar	66,619	114,578	892,841	96,344	172,013	899,790	978,802	189,345	19.34%
Apr	568,375	1,040,677	780,953	1,156,923	1,090,134	975,929	2,178,060	1,044,906	47.97%
May	22,090	127,402	612,765	25,532	62,415	640,777	694,666	34,058	4.90%
June	69,320	226,107	542,392	450,898	225,305	554,911	763,528	467,587	61.24%
July	12,246	91,136	572,972	16,209	81,089	758,587	616,381	239,505	38.86%
Aug	33,056	52,495	699,103	24,605	69,776	570,856	715,077	(49,840)	-6.97%
Sept	112,706	235,796	629,894	102,823	211,736	688,337	891,640	111,256	12.48%
Oct	48,071	243,660	873,532	-	-	-	1,061,938	568,526	0.00%
Nov	15,448	41,968	566,427	-	-	-	568,526	944,502	0.00%
Dec	376,886	78,110	581,406	-	-	-	-	-	0.00%
<b>Totals</b>	<b>1,368,145</b>	<b>2,426,614</b>	<b>8,494,995</b>	<b>1,906,531</b>	<b>2,145,515</b>	<b>6,657,509</b>	<b>11,200,000</b>	<b>2,084,520</b>	<b>24.2%</b>



# END OF MONTH REPORT - City of Montgomery

	MTD TWO YRS AGO	MTD LAST YR	MTD	THIS YR VS LAST YR MONTH %	YTD TWO YRS AGO	YTD LAST YR	YTD	THIS YR VS LAST YEAR %
BUSINESS	22,114.25	25,330.08	24,107.24	(4.83%)	22,114.25	25,330.08	24,107.24	(4.83%)
INDIVIDUAL	272,632.66	151,266.85	188,552.63	24.65%	272,632.66	151,266.85	188,552.63	24.65%
WITHHOLDING	754,152.23	1,074,100.32	940,526.74	(12.44%)	754,152.23	1,074,100.32	940,526.74	(12.44%)
<b>01 JANUARY</b>	<b>1,048,899.14</b>	<b>1,250,697.25</b>	<b>1,153,186.61</b>	<b>(7.80%)</b>	<b>1,048,899.14</b>	<b>1,250,697.25</b>	<b>1,153,186.61</b>	<b>(7.80%)</b>
BUSINESS	14,944.67	17,996.86	9,089.18	(49.50%)	37,058.92	43,326.94	33,196.42	(23.38%)
INDIVIDUAL	20,729.39	23,418.17	44,493.95	90.00%	293,362.05	174,685.02	233,046.58	33.41%
WITHHOLDING	658,419.74	668,609.25	627,794.92	(6.10%)	1,412,571.97	1,742,709.57	1,568,321.66	(10.01%)
<b>02 FEBRUARY</b>	<b>694,093.80</b>	<b>710,024.28</b>	<b>681,378.05</b>	<b>(4.03%)</b>	<b>1,742,992.94</b>	<b>1,960,721.53</b>	<b>1,834,564.66</b>	<b>(6.43%)</b>
BUSINESS	53,010.61	66,619.40	96,343.65	44.62%	90,069.53	109,946.34	129,540.07	17.82%
INDIVIDUAL	126,857.39	114,578.45	172,013.13	50.13%	420,219.44	289,263.47	405,059.71	40.03%
WITHHOLDING	627,421.17	892,840.87	899,790.03	0.78%	2,039,993.14	2,635,550.44	2,468,111.69	(6.35%)
<b>03 MARCH</b>	<b>807,289.17</b>	<b>1,074,038.72</b>	<b>1,168,146.81</b>	<b>8.76%</b>	<b>2,550,282.11</b>	<b>3,034,760.25</b>	<b>3,002,711.47</b>	<b>(1.06%)</b>
BUSINESS	215,061.10	568,375.14	1,156,922.82	103.55%	305,130.63	678,321.48	1,286,462.89	89.65%
INDIVIDUAL	368,989.92	1,040,677.36	1,090,134.39	4.75%	789,209.36	1,329,940.83	1,495,194.10	12.43%
WITHHOLDING	706,378.28	780,953.20	975,929.42	24.97%	2,746,371.42	3,416,503.64	3,444,041.11	0.81%
<b>04 APRIL</b>	<b>1,290,429.30</b>	<b>2,390,005.70</b>	<b>3,222,986.63</b>	<b>34.85%</b>	<b>3,840,711.41</b>	<b>5,424,765.95</b>	<b>6,225,698.10</b>	<b>14.76%</b>
BUSINESS	64,003.47	22,090.21	25,532.50	15.58%	369,134.10	700,411.69	1,311,995.39	87.32%
INDIVIDUAL	496,275.64	127,401.77	62,414.69	(51.01%)	1,285,485.00	1,457,342.60	1,557,608.79	6.88%
WITHHOLDING	727,813.14	612,764.69	640,777.26	4.57%	3,474,184.56	4,029,268.33	4,084,818.37	1.38%



# END OF MONTH REPORT - City of Montgomery

	MTD TWO YRS AGO	MTD LAST YR	MTD	THIS YR VS LAST YR MONTH %	YTD TWO YRS AGO	YTD LAST YR	YTD	THIS YR VS LAST YEAR %
05 MAY	1,288,092.25	762,256.67	728,724.45	(4.40%)	5,128,803.66	6,187,022.62	6,954,422.55	12.40%
BUSINESS	61,638.95	69,320.31	450,898.46	550.46%	430,773.05	769,732.00	1,762,893.85	129.03%
INDIVIDUAL	294,465.69	226,106.70	225,305.48	(0.35%)	1,579,950.69	1,683,449.30	1,782,914.27	5.91%
WITHHOLDING	496,220.60	542,392.22	554,911.23	2.31%	3,970,405.16	4,571,660.55	4,639,729.60	1.49%
06 JUNE	852,325.24	837,819.23	1,231,115.17	46.94%	5,981,128.90	7,024,841.85	8,185,537.72	16.52%
BUSINESS	13,905.44	12,246.00	16,208.84	32.36%	444,678.49	781,978.00	1,779,102.69	127.51%
INDIVIDUAL	43,207.80	91,135.53	81,089.26	(11.02%)	1,623,158.49	1,774,584.83	1,864,003.53	5.04%
WITHHOLDING	609,130.69	572,972.07	758,587.12	32.40%	4,579,535.85	5,144,632.62	5,398,316.72	4.93%
07 JULY	666,243.93	676,353.60	855,885.22	26.54%	6,647,372.83	7,701,195.45	9,041,422.94	17.40%
BUSINESS	15,163.58	33,055.96	24,604.91	(25.57%)	459,842.07	815,033.96	1,803,707.60	121.30%
INDIVIDUAL	44,606.38	52,495.02	69,776.07	32.92%	1,667,764.87	1,827,079.85	1,933,779.60	5.84%
WITHHOLDING	711,115.45	699,102.81	570,855.73	(18.34%)	5,290,651.30	5,843,735.43	5,969,172.45	2.15%
08 AUGUST	770,885.41	784,653.79	665,236.71	(15.22%)	7,418,258.24	8,485,849.24	9,706,659.65	14.39%
BUSINESS	74,070.41	112,705.72	102,823.01	(8.77%)	533,912.48	927,739.68	1,906,530.61	105.50%
INDIVIDUAL	249,154.53	235,795.77	211,735.83	(10.20%)	1,916,919.40	2,062,875.62	2,145,515.43	4.01%
WITHHOLDING	577,699.78	629,894.07	688,337.35	9.28%	5,868,351.08	6,473,629.50	6,657,509.80	2.84%
09 SEPTEMBER	900,924.72	978,395.56	1,002,896.19	2.50%	8,319,182.96	9,464,244.80	10,709,555.84	13.16%

# END OF MONTH REPORT - City of Montgomery

	MTD TWO YRS AGO	MTD LAST YR	MTD	THIS YR VS LAST YR MONTH %	YTD TWO YRS AGO	YTD LAST YR	YTD	THIS YR VS LAST YEAR %
BUSINESS	56,672.48	48,071.43	0.00	(100.00%)	590,584.96	975,811.11	1,906,530.61	95.38%
INDIVIDUAL	163,223.09	243,660.18	0.00	(100.00%)	2,080,142.49	2,306,535.80	2,145,515.43	(6.98%)
WITHHOLDING	744,639.05	873,532.02	0.00	(100.00%)	6,612,990.13	7,347,161.52	6,657,509.80	(9.39%)
<b>10 OCTOBER</b>	<b>964,534.62</b>	<b>1,165,263.63</b>	<b>0.00</b>	<b>(100.00%)</b>	<b>9,283,717.58</b>	<b>10,629,508.43</b>	<b>10,709,555.84</b>	<b>0.75%</b>
BUSINESS	15,109.72	15,447.63	0.00	(100.00%)	605,694.68	991,258.74	1,906,530.61	92.33%
INDIVIDUAL	28,823.95	41,967.89	0.00	(100.00%)	2,108,966.44	2,348,503.69	2,145,515.43	(8.64%)
WITHHOLDING	638,614.13	566,426.53	0.00	(100.00%)	7,251,604.26	7,913,588.05	6,657,509.80	(15.87%)
<b>11 NOVEMBER</b>	<b>682,547.80</b>	<b>623,842.05</b>	<b>0.00</b>	<b>(100.00%)</b>	<b>9,966,265.38</b>	<b>11,253,350.48</b>	<b>10,709,555.84</b>	<b>(4.83%)</b>
BUSINESS	44,872.03	376,885.65	0.00	(100.00%)	650,566.71	1,368,144.39	1,906,530.61	39.35%
INDIVIDUAL	269,806.15	78,109.81	0.00	(100.00%)	2,378,772.59	2,426,613.50	2,145,515.43	(11.58%)
WITHHOLDING	554,129.78	581,405.91	0.00	(100.00%)	7,805,734.04	8,494,993.96	6,657,509.80	(21.63%)
<b>12 DECEMBER</b>	<b>868,807.96</b>	<b>1,036,401.37</b>	<b>0.00</b>	<b>(100.00%)</b>	<b>10,835,073.34</b>	<b>12,289,751.85</b>	<b>10,709,555.84</b>	<b>(12.86%)</b>
	<b>10,835,073.34</b>	<b>12,289,751.85</b>	<b>10,709,555.84</b>	<b>(12.86%)</b>	<b>72,762,688.49</b>	<b>84,706,709.70</b>	<b>88,942,427.06</b>	<b>5.00%</b>



*These Minutes are a draft of the proposed minutes from the Financial Planning Committee of City Council meeting. They do not represent the official record of proceedings until formally adopted by the Government Affairs Committee of City Council.*

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.

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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 and 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.

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### **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