

FINANCE COMMITTEE MINUTES

September 19, 2016

Attendees: Peg Conway (committee member), Tom Muething (committee member), Scot Lahrmer, Kathy Harcourt, Chief Wallace, and Ed Hattenbach

Others in attendance: Ron Regula

The minutes of the August 29, 2016 meeting were approved as submitted.

Mr. Lahrmer reviewed the financial statements for August, 2016. Earnings tax revenue was \$146,993 which was down by 32% from the corresponding period in 2015. Year to date earnings tax revenue is \$2,742,000, which has exceeded the budgeted projection for the year. Our share of JEDZ revenues was \$22,746 for the quarter. Year to date revenue for the general fund is \$3,909,234 vs \$3,556,743 for 2015.

Expenditures were \$222,418 for August, 2016 and year to date are \$2,482,752. General fund expenditures for 2015 were \$2,900,000. Some of the transfers from the general fund have not been made for 2016 for streets and capital expenditures. Police overtime was \$13,200.

The Financial Sustainability Plan was updated from the initial plan implemented in 2013. At the end of 2015, the general fund balance was approximately \$880,000 greater than the anticipated balance from the initial plan. This was achieved through higher than anticipated revenue and keeping expenditures in check.

The updated Financial Sustainability Plan assumes, under the best case scenario, that revenues will increase by 3% per year and expenses by 2%. With this in mind, the Village could begin to address some of the capital and infrastructure needs a bit more aggressively provided that the Police Levy is maintained at 10 mills. If the police levy is reduced to 9 mills and revenues and expenses increase by 3% per year, we could see a return to deficit spending as soon as 2018. This assumption is based upon real estate values remaining relatively unchanged.

A ten year analysis of real estate valuations for Amberley Village and comparable communities and Hamilton County overall has shown that Amberley's real estate values have declined or remained flat, and this mirrors the Hamilton County overall. The comparable communities of Indian Hill, Montgomery, and Wyoming have fared better and are increasing at a faster rate than Amberley and Hamilton County. The real estate market in Amberley Village has improved, but the overall impact will not be known until after the property revaluations are prepared by the county in 2017.

The committee will recommend to council what change, if any, is to be made to the Police Levy. This will be done in time for the levy to be placed on the May 2, 2017 ballot. This recommendation will be presented at the council meeting of November 14.

Ms. Conway introduced a motion to accept the property tax rates as determined by the Hamilton County Budget Commission and authorizing the necessary tax levies and certifying them to the county auditor. The motion was seconded by Mr. Muething. The motion passed unanimously.

The audit report of Amberley Village for the years ended December 31, 2014 and 2015 was presented. There were no adverse findings and management letter comments. The total cost for this audit, which is required by the State of Ohio, was \$13,804.

Mr. Muething moved to appropriate \$1,600 to pay for the JEDZ Fund additional services. The motion was seconded by Ms. Conway, and passed unanimously.

There being no further business, the meeting was adjourned.

Edward Hattenbach
Chairman, Finance Committee