



2012 Tentative Tax Budget

2012 Tentative Tax Budget Report

- Based on the Administration's Tentative Tax Budget, the projected General Fund structural deficit for 2012 totals approximately \$25.8 million
 - Revenue is estimated to be \$341.6 million for 2012
 - Expenditures estimated to be \$369.2 million for 2012
 - 0.5% Expenditure Savings of \$1.8 million

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Revenue Increases:

- Property Tax increased \$3.3 million based on 6.1 mills which incorporates a property value decrease 7.3% overall and the complete phaseout of Tangible Personal Property in 2012
- Income Tax increased 5.1% over 2010 actual, or \$12.5 million
- Other Miscellaneous increases, primarily EMS receipts by \$750K due to a new contractor and “advanced life savings” certified support vehicles and staff

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Revenue Decreases:

- Proposed State Reductions to the Local Government Fund in the amount of \$9.2 million for 2012
- Reduction in investment earnings per the City Treasurer in the amount of \$2.2 million due to lower interest rates
- Other miscellaneous decreases in the amount of \$1.7 million based on actual receipts in 2010 and year to date 2011 for fines, street use permits and other governmental revenue

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Expenditure Increases:

- Volatile Cost Drivers
 - Health Insurance Costs 13.5% Increase - \$4.9 million
 - CRS Contribution Increase to 18% of Payroll - \$684,160
 - Fuel Expenses at \$4.27 a gallon - \$1.4 million

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Expenditure Increases:

- Adjustments Related to Actions Taken in 2011
 - Pool Restoration - \$725,970
 - Partial School Nurse Restoration - \$651,500
 - Repay TIF Districts - \$1 million in 2012
 - EMS Contract - \$350,000
 - ED Attorney - \$90,000

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Expenditure Increases:

- Other Adjustments
 - Removal of 2012 Across-the-Board Cut - \$17.8 million
 - Elimination of planned Streetlight Assessment - \$1.25 million
 - Termination of COPS Hiring Grant - \$1.25 million

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Expenditure Needs:

- Strategic Investments
 - Washington Park
 - Cincinnati Riverfront Park
 - The Banks
- Stabilize Operations
 - \$ 2 million Across-the-Board Contractual Services and Supplies cut
 - Generic Department Cuts (\$500,000 for Public Services, \$300,000 for Parks, \$150,000 for Fire Department etc.)

2012 Tentative Tax Budget Resolution

Three Versions of Tentative Tax Budget:

- Administration's Version at 6.1 mills
- Version B at 4.6 mills requested by Councilmember Bortz
- Version C at 5.51 mills requested by Mayor Mallory

2012 Tentative Tax Budget Resolution

General Fund Operating Millage	Admin Version	Version B	Version C
Description	Max Millage	Current Millage	Rollback Policy Millage
Estimated Millage	6.1 Mills	4.6 Mills	5.51 Mills
Total City Property Value	\$ 5,424,066,631	\$ 5,424,066,631	\$ 5,424,066,631
mills	0.0061	0.0046	0.00551
Gross	\$ 33,086,806	\$ 24,950,707	\$ 29,886,607
Collection Rate	97%	97%	97%
Revenue Estimate	\$ 32,094,202	\$ 24,202,185	\$ 28,990,000
Difference to Council Policy of \$28.99M	\$ 3,104,202	\$ (4,787,815)	\$ -

2012 TTB Resolution

	Admin Version	Version B	Version C
	Max Millage	Current Millage	Rollback Policy Millage
2012 General Fund Budget	6.1 Mills	4.6 Mills	5.51 Mills
Revenues	\$ 341,641,200	\$ 333,749,185	\$ 338,535,000
Expenditures	369,239,500	369,239,500	369,239,500
Expenditures Savings (.5%)	(1,841,198)	(1,841,198)	(1,841,198)
General Fund Structural Deficit	\$ (25,757,102)	\$ (33,649,117)	\$ (28,863,302)
Projected 2011 Ending Balance*	2,718,026	2,718,026	2,718,026
Projected 2012 Ending Balance	\$ (23,039,076)	\$ (30,931,091)	\$ (26,145,276)

*2011 General Fund Balance needs to be maintained in 2012

2012 TTB Resolution

Annual Taxes Paid by Property Owner on \$100,000	Admin Version Max Millage	Version B Current Millage	Version C Rollback Policy Millage
Market Value 35% of Value	\$ 100,000 35%	\$ 100,000 35%	\$ 100,000 35%
Assessed Value Mills	35,000 0.00610	35,000 0.00460	35,000 0.00551
Total Before Credits Less 12.5% State and County Discounts	\$ 214 87.5%	\$ 161 87.5%	\$ 193 87.5%
Annual Taxes Due	\$ 187	\$ 141	\$ 169
Annual Increase to 2011 Millage	\$ 46	\$ -	\$ 28
Monthly Increase	\$ 3.83	\$ -	\$ 2.32

2012 TTB Resolution

Annual Taxes Paid by Property Owner \$92,700 estimated value (\$100,000 reduced by 7.3%	Admin Version Max Millage	Version B Current Millage	Version C Rollback Policy Millage
Market Value 35% of Value	\$ 92,700 35%	\$ 92,700 35%	\$ 92,700 35%
Assessed Value Mills	32,445 0.00610	32,445 0.00460	32,445 0.00551
Total Before Credits Less 12.5% State and County Discounts	\$ 198 87.5%	\$ 149 87.5%	\$ 179 87.5%
Annual Taxes Due	\$ 173	\$ 131	\$ 156
Annual Increase to 2011 Millage Rate	\$ 32	\$ (10)	\$ 15
Monthly Increase	\$ 2.68	\$ (0.87)	\$ 1.29

2012 Tentative Tax Budget Resolution

Key Dates:

- Last scheduled Finance Committee to recommend a Tentative Tax Budget Resolution is June 27th
- Last scheduled Council Meeting to approve a Tentative Tax Budget Resolution is July 1st
- Due to County Auditor's Office by July 20th
- The County Budget Commission sets the millage for 2012 by October and City Council accepts through a Resolution

2012 Tentative Tax Budget Resolution

Other Notes:

- The Resolution can include a target millage rate for the County Auditor's Office
- The Debt Service Millage is set at the same dollar amount as 2011 to make existing debt service payments
- Any additional changes to the proposed State Budget would impact the projected budget deficit for 2012
- 2012 budget process will commence in the coming months and a final budget will be approved by Council no later than December 31, 2011

