

CITY OF TWINSBURG, OHIO

ORDINANCE 47-2016

AN ORDINANCE ADOPTING THE TAX BUDGET OF THE CITY OF TWINSBURG, OHIO, FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2017, AND SUBMITTING THE SAME TO THE COUNTY AUDITOR

WHEREAS, the City of Twinsburg is required under Ohio Revised Code (ORC) 5705.28 to prepare and submit a Tax Budget for fiscal year 2017 to the Summit County Auditor on or before July 15, 2016; and

WHEREAS, a tentative tax budget for the City of Twinsburg for the fiscal year 2017 has been presented to Council as required by law.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Twinsburg, County of Summit and State of Ohio:

SECTION I: The Tax Budget of the City of Twinsburg, Ohio for the fiscal year beginning January 1, 2017, is hereby adopted, a copy of which attached as Exhibit A and is incorporated into this Ordinance as if fully rewritten herein.

SECTION II: The Clerk of Council is hereby authorized and directed to submit a certified copy of this Ordinance to the Auditor of Summit County, Ohio in accordance with State law.

SECTION III: It is found and determined that all formal actions of this Council concerning and relating to the adoption of this ordinance were taken in an open meeting or meetings of this Council and any of its committees that resulted in such formal action, were in meetings open to the public and in full compliance with all legal requirements, including without limitation, those set forth in Section 121.22 of the Ohio Revised Code.

SECTION IV: That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

PASSED: _____

APPROVED: _____

EFFECTIVE: _____

Sam Scaffide, President of Council

Submitted to the Mayor for approval this
_____ day of _____, 2016

Approved by the Mayor _____, 2016

Ted Yates, Mayor

ATTEST:

Shannon Collins
Clerk of Council

1st Rdg. _____
2nd Rdg. _____
3rd Rdg. _____

Passed: _____

Yes _____ No _____

CERTIFICATE OF POSTING

I, Shannon Collins, Clerk of Council, of the City of Twinsburg, State of Ohio, do hereby certify that publication of the foregoing ordinances, resolutions was duly made by posting true copies thereof at five of the most public places in said City as determined by Section 113.02 of the Codified Ordinances of the City of Twinsburg; each for a period of fifteen days commencing on the _____ day of _____, 2016

Shannon Collins
Clerk of Council
City of Twinsburg

CITY OF TWINSBURG

Memo

DATE: May 5, 2016
TO: Mayor Yates
CC: David Maistros, Law Director
Shannon Collins
FROM: Karen Howse
Finance Director
RE: Requested Legislation

1. Nature of legislation:

2017 Annual Tax Budget

2. Why is it being proposed? :

As required by the Ohio Revised Code Section 5705.281—a Political Subdivision must adopt a Tax Budget or an Alternative Tax Budget annually on or before July 20th.

The Annual Tax Budget serves the municipality in three ways:

- 1.) It allows the Summit County Fiscal Officer's office to set property tax rates. This action affects only those funds that have property tax as a source of revenue. In the case of Twinsburg, the following three Fund Accounts rely on property tax revenue: Police Pension, Fire Pension and Park Land Acquisitions. Those funds that do not rely on property taxes as a source of revenue are still reported on the tax budget as a means to simply apprise Council that the fund(s) exist.
- 2.) It allows the municipality to participate in the distribution of the Local Government Funds, which is a form of State Revenue sharing.
- 3.) It produces a "Certificate of Estimated Resources (C.O.E.R)" which controls the appropriations of the Council. The C.O.E.R can be amended throughout the year. Therefore, the estimated revenue is used only as guidance and is not finite.

The Annual Tax Budget does not do the following:

- 1.) It does not appropriate anything for the current or coming year.
- 2.) It does not commit the municipality to any of the figures in the budget with the exception of revenues generated from property taxes and the amounts of money used to pay down debt obligation.
- 3.) It makes no assumptions to next year's capital improvement budget.

3. Do you need an emergency clause? No



Department Head Signature

DATE: May 5, 2016

ALTERNATIVE TAX BUDGET INFORMATION

2017

Political Subdivision/Taxing Unit



For the Fiscal Year Commencing **January 1, 2017**

Fiscal Officer Signature

Karen Howse, Finance Director

Date May 5th, 2016

COUNTY OF SUMMIT

Background

Substitute House Bill No. 129 (HB129) effective June 3, 2002, was enacted by the 124th General Assembly in part to allow a county budget commission to waive the requirement that a taxing authority adopt a tax budget for a political subdivision or other taxing unit, pursuant to Ohio Revised Code (ORC) Section 5705.281.

Under the law in effect prior to June 3, 2002, the budget commission could only waive the tax budget for a subdivision or other taxing unit that was receiving a share of the county undivided local government fund or the county undivided local government revenue assistance fund under an alternative method or formula pursuant to ORC Sections 5747.53 and 5747.63. Thus, tax budgets could be waived only for counties, municipalities, townships, and park districts. This restriction is now removed.

Ohio Revised Code Section 5705.281

Under the amended version of this section pursuant to HB 129, a county budget commission, by an affirmative vote of a majority of the commission, including an affirmative vote by the county auditor, may waive the tax budget for any subdivision or other taxing unit. However, the commission may require the taxing authority to provide any information needed by the commission to perform its duties, including the division of the tax rates as provided under ORC Section

County Budget Commission Duties

The county budget commission must still certify tax rates to each subdivision or other taxing unit, by March 1 for school districts and by September 1 for all other taxing authorities under ORC Section 5705.35, even when a tax budget is waived. Also, the commission is still required to issue an official certificate of estimated resources under ORC Section 5705.35 and amended official certificates of estimated resources under ORC Section 5705.36.

Therefore, when a budget commission is setting tax rates based on a taxing unit's need, for purposes of ORC Sections 5705.32, 5705.34, and 5705.341, its determination must be based on that other information the commission asked the taxing authority to provide under ORC Section 5705.281, when the tax budget was waived. Also, an official certificate must be based on that other information the commission asked the taxing authority to provide.

County Budget Commission Action

At a May 7, 2002 Summit County Budget Commission meeting, the commission with an affirmative vote of all members waived the requirement for taxing authorities of subdivisions or other taxing units (Including Schools) to adopt a tax budget as provided under ORC Section 5705.281, but shall require the filing of this Alternative Tax Budget Information document on an annual basis.

Alternative Tax Budget Information Filing Deadline

For all political subdivisions excluding school districts, the fiscal officer must file one copy of this document with the County Fiscal Officer on or before July 20th. For school districts the fiscal officer must file one copy of this document with the County Fiscal Officer on or before January 20th.

GUIDELINES FOR COMPLETING THE ALTERNATIVE TAX BUDGET INFORMATION

SCHEDULE 1

The general purpose of schedule 1 is to meet the requirement of Ohio Revised Code (ORC) Section 5705.04 which requires the taxing authority of each subdivision to divide the taxes levied into separate levies. For help use the schedule B issued by the budget commission for the current year and add any new levies. This will help to ensure that no levies are missed.

In column 1 list only those individual funds which are requesting general property tax revenue. In column 2 purpose refers to the following terms, inside, current expenses, and special levy for example. In column 4 levy type refers to renewal, additional, and replacement for example. In column 9 identify the amount of general property tax you wish to request.

SCHEDULE 2

The general purpose of schedule 2 is to demonstrate the need to produce property tax revenues to cover the estimated expenditures for the budget year. ORC Section 5705.341 states in part;

"Nothing in this section or any section of the ORC shall permit or require the levying of any rate of taxation, whether within the 10 mill limitation or whether the levy has been approved by the electors, the political subdivision or the charter of a municipal corporation in excess of such 10 mill limitation, unless such rate of taxation for the ensuing fiscal year is clearly required by a budget properly and lawfully, adopted under this chapter or by other information required per ORC 5705.281."

Property tax revenue includes real estate taxes, personal property taxes, homestead and rollback.

SCHEDULE 3

The general purpose of schedule 3 is to produce an Official Certificate of Estimated Resources for all funds. In column 3, total estimated receipts should include all revenues plus transfers in excluding property taxes and local government revenue. All taxing authorities, except school districts, must submit a list of all tax transfers.

SCHEDULE 4

The general purpose of schedule 4 is to provide inside/charter millage for debt service. The basic security for payment of general obligation debt is the requirement of the levy of ad valorem property taxes within the 10 mill limitation imposed by Ohio law. Ohio law requires a levy and collection of ad valorem property tax to pay debt service on general obligation debt as it becomes due, unless that debt service is paid from other sources.

SCHEDULE 5

The general purpose of schedule 5 is to provide for the proper amount of millage to cover debt service requirements on voted bond issues. Major capital improvement projects are sometimes financed through the use of voted bonds. The taxing authority seeks voter approval of general obligation bonds and of the levy of property taxes outside the indirect debt limitation in whatever amount is necessary to pay debt service on those bonds.

In column 6 you must take into consideration any carry over plus or minus cash balance estimated for the current year. This can happen because there are no sure things concerning tax payments and the valuation of personal property taxpayers.

SCHEDULE 6

The general purpose of schedule 6 is to properly account for tax anticipation notes. See schedule 6 for more details.

*** Please reproduce all pages as necessary.**

DIVISION OF TAXES LEVIED

Levies Inside and Outside 10 Mill Limitation, Inclusive Of Debt Levies
List All Levies Of The Taxing Authority, including charter millage.

City of Twinsburg

SCHEDULE 1

I	II	III	IV	V	VI	VII	VIII	IX
Fund Type/Name	Purpose of Levy	Millage Type Inside "I" Outside "O" Charter "C"	Date Authorized By Voters MM/DD/YY	Number Of Years Levy To Run	Tax Year Begins/ Ends	Collection Year Begins/ Ends	Maximum Rate Authorized	Estimated Gross \$ AMOUNT from Levy in Budget Year 2017
Police Pension	Police pension exp	C		permanent			.30 mils	\$171,800.00
Fireman's Fund	Fire pension exp	C		permanent			.30 mils	\$171,800.00
*Park Fund	Debt Service	O	11/2/1999	8	99/21		1.68 mils	\$836,213.00
Totals								\$1,179,813.00

* Figure includes debt plus estimated county administration fees.

STATEMENT OF FUND ACTIVITY

Always complete for General Fund. Also complete for any fund that will receive property tax.

Fund: General Fund

SCHEDULE 2

	I	II	III	IV	V
Description	FOR 2014 ACTUAL	FOR 2015 ACTUAL	FOR 2015 ACTUAL	2016 CURRENT YEAR ESTIMATE	2017 BUDGET YEAR ESTIMATE
Revenues					
Property Taxes					
Personal Property Tax Reimbursements					
Local Government, LGRA from County	347,386	210,449		210,301	210,250
LLGSF (Library Local Government)					
Income Tax	22,878,022	19,651,710		19,500,000	19,600,000
Transfers-in	0	0		0	0
Other Revenue	2,970,145	2,970,783		3,026,787	3,000,000
Total Revenues	26,195,553	22,832,942		22,737,088	22,810,250
Total Expenditures	27,793,711	28,824,904		27,718,151	26,500,000
Revenues over/(under) Expenditures	(1,598,158)	(5,991,962)		(4,981,063)	(3,689,750)
Beginning Cash Fund Balance	26,827,088	25,228,930		19,236,968	14,255,905
Ending Cash Fund Balance	25,228,930	19,236,968		14,255,905	10,566,155
Encumbrances (at year end)	480,550	325,152		400,000	400,000
Ending Unencumbered Fund Balance	24,748,380	18,911,816		13,855,905	10,166,155

Fund: Goudreau Park

	I	II	III	IV	V
Description	FOR 2014 ACTUAL	FOR 2015 ACTUAL	FOR 2015 ACTUAL	2016 CURRENT YEAR ESTIMATE	2017 BUDGET YEAR ESTIMATE
Revenues					
Property Taxes	826,264	856,548		849,050	849,100
Personal Property Tax Reimbursements					
Local Government, LGRA from County					
LLGSF (Library Local Government)					
Income Tax					
Transfers-in					
Other Revenue(Public Utility)	14,155	15,536		15,000	15,100
Total Revenues	840,419	872,084		864,050	864,200
Total Expenditures	837,724	862,072		849,013	849,213
Revenues over/(under) Expenditures	2,695	10,012		15,037	14,987
Beginning Cash Fund Balance	49,764	52,459		62,471	77,508
Ending Cash Fund Balance	52,459	62,471		77,508	92,495
Encumbrances (at year end)					
Ending Unencumbered Fund Balance	52,459	62,471		77,508	92,495

STATEMENT OF FUND ACTIVITY

Always complete for General Fund. Also complete for any fund that will receive property tax.

Fund: Fire Pension

SCHEDULE 2

I	II	III	IV	V
Description	FOR 2014 ACTUAL	FOR 2015 ACTUAL	2016 CURRENT YEAR ESTIMATE	2017 BUDGET YEAR ESTIMATE
Revenues				
Property Taxes	179,757	172,986	168,600	169,000
Personal Property Tax Reimbursements				
Local Government, LGRA from County				
LLGSF (Library Local Government)				
Income Tax				
Transfers-in	579,890	246,031	435,000	438,500
Other Revenue	4,133	3,046	2,800	2,500
Total Revenues	763,780	422,063	606,400	610,000
Total Expenditures	601,381	599,323	606,400	610,000
Revenues over/(under) Expenditures	162,399	(177,260)	0	0
Beginning Cash Fund Balance	14,861	177,260	0	0
Ending Cash Fund Balance	177,260	0	0	0
Encumbrances (at year end)				
Ending Unencumbered Fund Balance	177,260	0	0	0

Fund: Police Pension

I	II	III	IV	V
Description	FOR 2014 ACTUAL	FOR 2015 ACTUAL	2016 CURRENT YEAR ESTIMATE	2017 BUDGET YEAR ESTIMATE
Revenues				
Property Taxes	179,757	172,985	168,600	169,000
Personal Property Tax Reimbursements				
Local Government, LGRA from County				
LLGSF (Library Local Government)				
Income Tax				
Transfers-in	580,000	107,291	404,000	408,500
Other Revenue	1,685	3,046	2,800	2,500
Total Revenues	761,442	283,322	575,400	580,000
Total Expenditures	512,812	557,764	575,400	580,000
Revenues over/(under) Expenditures	248,630	(274,442)	0	0
Beginning Cash Fund Balance	25,812	274,442	0	0
Ending Cash Fund Balance	274,442	0	0	0
Encumbrances (at year end)				
Ending Unencumbered Fund Balance	274,442	0	0	0

STATEMENT OF FUND ACTIVITY

List All Funds Individually Unless Reported On Schedule 2.

SCHEDULE 3

I	II		III	IV	V	VI
Fund Name (Show funds of same type grouped together)	Beginning Estimated Unencumbered 2017 Fund Balance	Estimated Transfers-In	Estimated Other Revenues	Total Resources Available for Expenditures	Total Budget Year Expenditures & Encumbrances	Estimated Ending Unencumbered Balance
Parks & Recreation	165,087		31,000	196,087	30,000	166,087
Liberty Park	38,768		9,000	47,768	30,000	17,768
*SCMR	1,256,903	2,500,000	855,000	4,611,903	3,000,000	1,611,903
State Highway Improvement	674,586		50,000	724,586	25,000	699,586
Permissive Tax	0		0	0	0	0
Municipal Motor Vehicle	151,655		145,000	296,655	150,000	146,655
Drug Law Enforcement	11,288		0	11,288	11,288	0
Law Enforcement	17,228		0	17,228	17,228	0
Enhanced 911	11,795		0	11,795	0	11,795
OPOTA Grant	2,774		0	2,774	0	2,774
Federal Grants	0		1,000,000	1,000,000	1,000,000	0
State Grants	0		300,000	300,000	300,000	0
*Employee Payout Reserve	102,791	100,000	0	202,791	50,000	152,791
*General Bond Retirement	207,592	861,444	0	1,069,036	1,069,036	0
*Capital Improvement	315,759	3,000,000	5,000	3,320,759	2,500,000	820,759
Sewer Improvement	385,484		300,000	685,484	200,000	485,484

STATEMENT OF FUND ACTIVITY

List All Funds Individually Unless Reported On Schedule 2.

SCHEDULE 3

I	II	III	IV	V	VI	
Fund Name (Show funds of same type grouped together)	Beginning Estimated Unencumbered 2017 Fund Balance	Estimated Transfers-In	Estimated Other Revenues	Total Resources Available for Expenditures	Total Budget Year Expenditures & Encumbrances	Estimated Ending Unencumbered Balance
Special Assessment Bond	114,344	0	25,720	140,064	25,720	114,344
Water Utility	178,834	0	200,000	378,834	100,000	278,834
Sewer Revenue	458,769	0	3,000,000	3,458,769	2,950,000	508,769
*Gleneagles Golf Course	101,473	450,000	860,000	1,411,473	1,070,000	341,473
*Fitness Center	69,774	200,000	1,300,000	1,569,774	1,400,000	169,774
Reserve	633,754	0	40,000	673,754	30,000	643,754
Unclaimed Funds	849	0	0	849	200	649
Community Theater	98,945	0	0	98,945	35,000	63,945

UNVOTED GENERAL OBLIGATION DEBT

(Include General Obligation Debt To Be Paid From Inside/Charter Millage Only)

(Do Not Include General Obligation Debt Being Paid By Other Sources)

(Do Not Include Special Obligation Bonds & Revenue Bonds)

SCHEDULE 4

I Purpose of Bonds or Notes	II Date Of Issue	III Final Maturity Date	IV Principal Amount Outstanding At The Beginning Of The Calendar Year	V Amount Required To Meet Calendar Year Principal & Interest Payments
Special Assessments				
Liberty-Cannon-Ravenna Road	12/2003	2023	105,000	17,678
2005 Waterline Chamberlin Road	09/2005	2025	29,000	4,450
Grand Total of Special Assessments			\$ 134,000	\$ 22,128

General Bond Obligation				
Darrow Road - 95 Acres(Refinanced in 2013)	4/16/2013	2022	1,190,000	211,180
Various Purpose Refunding Bonds, Series 2011B	12/2011	2021	1,655,000	369,375
New Golf Club House(Est.)	2017	2047	3,000,000	350,000
Total Other Debt			\$ 5,845,000	\$ 930,555
Edgewood	6/2011	2041	287,438	11,498
Haverhill and Croyden	7/2011	2041	289,309	11,573
Post Road Sanitary	1/2013	2043	791,160	29,856
Sunview Drive Improvements	7/2013	2043	568,720	21,064
Seren Court & Belmeadow Drive	7/2014	2044	201,667	7,333
Cobblestone and Old Pond Land Reconstruction	8/2014	2035	465,733	16,632
Darrow Rd Sanitary-Tinkers Lane to Tinkers Creek Imprv	8/2014	2043	76,351	2,828
Westwood Dr. Water/Sanitary/Storm Improvement	1/2015	2045	740,049	25,967
Total of ODOT Loans			\$ 3,420,427	\$ 126,751

Grand Total of General Obligation Debt			\$ 9,265,427	\$ 1,057,306
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VOTED DEBT OUTSIDE 10 MILL LIMIT

(Bonds Or Notes Must Actually Be Issued In Order To Commence Collection Of Property Taxes For Debt Service)

SCHEDULE 5

I Purpose Of Notes Or Bonds	II Authorized By Voters On MM/DD/YY	III Date Of Issue	IV Final Maturity Date	V Principal Amount Outstanding At The Beginning Of The Calendar Year	VI Amount Required To Meet Calendar Year Principal & Interest Payments
Park Land and Conservation Refunding Bonds, Series 2011A Acquisition(Refinanced)	11/02/99	02/01/11	2021	\$ 3,135,000	\$ 836,213