



Jill Thompson
Athens County Auditor

ROLE OF THE BUDGET COMMISSION

2019 LOCAL GOVERNMENT OFFICIALS CONFERENCE – AUDITOR OF STATE

MARCH 7, 2019





County Auditor
County Treasurer
County Prosecutor

THE COUNTY BUDGET COMMISSION



ADDITIONAL MEMBERS: OHIO REVISED CODE §5705.27



“In such counties, where the electors have voted the affirmative, the county budget commission shall consist of such two elected members in addition to the county auditor, county treasurer and the prosecuting attorney.”

MEETINGS OF THE BUDGET COMMISSION

The commission shall meet at the office of the county auditor:

- First Monday in February
- First Monday in August



Ohio Revised Code §5705.27

SECRETARY OF THE BUDGET COMMISSION

“The **auditor** shall be the secretary of the commission and shall keep a full and accurate record of all proceedings.”



Ohio Revised Code §5705.27

PRIMARY RESPONSIBILITIES



1. Local Government Distribution based on locally approved formula
2. Verify all tax levies are properly authorized and allocated (Inside and Outside Millage)
3. Set the tax rates and millage
4. Approve Official and Amended Certificates

Ohio Revised Code §5747.53, §5705.34-36

TAX BUDGET DEADLINES

Adopted on or before January 15th: Tax budget must be filed with the county auditor on or before January 20th by School Districts and the City of Cincinnati

Adopted or before July 15th: Tax budgets must be filed with the county auditor on or before July 20th by all other subdivisions and taxing units

Ohio Revised Code §§705.28, §§705.30

WAIVING THE REQUIREMENT OF TAX BUDGET

- The Budget Commission may waive the requirement that the taxing authority of a subdivision or other taxing unit adopt a tax budget.
- If the tax budget is waived, the county budget commission shall require any information be provided in lieu of the tax budget in order for the county budget commission to perform their duties.



ORC § 5705.281

Ohio Revised Code §5705.281

BUDGET HEARINGS – TAX BUDGET WAIVERS


The waiver was enacted to allow for more accurate and timely reporting.

The Budget Commission may set requirements for filing in lieu of tax budgets.

Budget Hearings are not mandatory and may be waived by the Budget Commission



Ohio Revised Code §5705.281




THE BUDGET COMMISSION
From the Desk of the County Auditor

RELATIONSHIPS AND ROLES

<input type="checkbox"/>	County Auditor
<input type="checkbox"/>	County Treasurer
<input type="checkbox"/>	County Prosecutor

Ohio Revised Code §5705.27

WHAT IS THE AUDITOR'S ROLE?



- Secretary of the Budget Commission
- Calculates, Prepares and Distributes Local Government Funds
- Receives Financial Reports and/or Tax Budgets from political subdivisions
- Prepares Official and Amended Certificates
- Prepares/Receives Resolution Accepting Amounts and Rates

Ohio Revised Code §5705.27, §5705.281, §5705.34-36

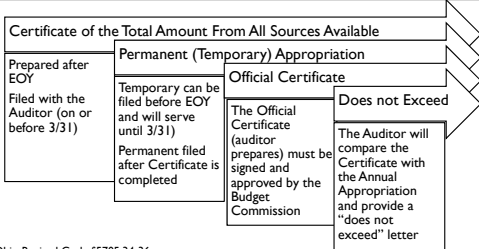
REPORTING TIMELINES

- **Certificate of the Total Amount from All Sources Available for Expenditures, and Balances:** Filed after books close for the year, used to prepare Official Certificate (on or before 3/31)
- **Temporary or Permanent Appropriation:** Filed anytime prior to or following receipt of the Official Certificate
- ***The Official Certificate must be signed and approved and the Appropriation filed with the Auditor prior to expending funds.** (Exception: Temporary Appropriation and No later than 3/31)

(Schools are on a different fiscal year)

Ohio Revised Code §5705.34-36

BUDGET TIMELINE



Ohio Revised Code §5705.34-36

ATHENS COUNTY BUDGET HEARING PROCESS



- Review: the actual Annual Financial Reports from the prior year *in lieu of* the tax budget
- Compares: Beginning Balance with the previous year Ending Balance
- Carry Over: Calculates percentage of Year-end Balance with actual expenses from prior year
- Requests: Written explanation for any discrepancies or excessive balances
- Reviews prior year audits or AUP and Management Letters

Ohio Revised Code §5705.281

AT THE BUDGET REVIEW

- The County Auditor prepares and distributes an Annual Review Worksheet
- The Budget Commission considers:
 - Audit Recommendations/Findings
 - Actual Revenue/Expense/Carryover
 - Trends and any communications from the previous year
 - Expiring tax levies
- The Budget Commission may ask for additional information prior to a motion



Some Village
Budget Commission
Annual Review
1/1/17 thru 12/31/17

Fund	Millage	Beginning Balance 10/1/17	Annual Revenue	Annual Expenses	Ending Balance 12/31/17	Percent Carryover
General Fund	2.50	113,841.00	128,316.00	129,874.00	112,283.00	86.46%
Street	3.00	31,285.00	40,926.00	36,138.00	36,073.00	99.82%
Police*	2.00	7,948.00	54,028.00	59,919.00	10,157.00	19.95%
Fire	1.50	1,933.00	20,545.00	19,191.00	2,387.00	12.44%
Total:	5.00	153,207.00	243,815.00	236,122.00	160,900.00	68.14%

Financial Statements Received: 23-Jan-18

AUP: 2014-2015

Comments:

*1.50 mill Police Levy expires Calendar Year 2019

Levy Expires Calendar Year 2018

Levy Expires Calendar Year 2019

Expiring Levy has already been renewed or replaced

COMMISSION MAY WAIVE THE HEARING

The Budget Commission may:

1. Continue at the current rate
2. Reduce millage
3. Increase millage (no higher than what was approved at the ballot)



Ohio Revised Code §5705.281

REQUEST A FULL HEARING

- Members of the political subdivision are scheduled to appear before the Board
- They are asked to provide any answers that were not received to the satisfaction of the board following the desk review
- All documents provided to the Board will be entered into the record
- Testimony will be gathered
- Board may make a decision at the hearing or at a future meeting (Prior to deadline for RAAR: October 1st)



Ohio Revised Code §5705.281

FOLLOWING HEARING – AUDITOR DUTIES

The Auditor will prepare the Resolution Accepting Amounts and Rates reflecting the decision of the Budget Commission.

* Levies that are on the ballot and have not yet been approved will not be included on the Resolution.

Resolution must be signed, approved and filed in the office of the County Auditor no later than October 1st

(An updated Resolution may be requested following the finalization of the election results.)

Ohio Revised Code §5705.34-35

ADDITIONAL RESPONSIBILITIES – END OF YEAR

1. Evaluate Fixed Sum Levies (Emergency, Bond, etc.)
2. Request information for Bond Review – Make necessary rate adjustment recommendations
3. Verify election results for tax levies
4. Review tax rates by taxing district
5. Budget Commission Approval and Notification for any adjustments
6. File Tax Rate Report (DTE 27) with the Ohio Department of Taxation

Ohio Revised Code §5705.31.32

Estimated Average Annual Property Tax Levy
For Bonds of Subdivisions of the State

Annual Interest Rate	4.75%
Years	30
Payments Per Year	1
Amount	\$ 60,600,000.00
Settlement Date	12/1/2018
Maturity Date	12/1/2048
Valuation Totals TY 2017	\$ 695,635,610.00

Year	Payment	Principal	Interest	Balance	Millage	Residential Home	Classroom Facilities	Total Tax	Interest
						Value	Millage	School Bond	
						\$ 100,000.00	0.50		
12/1/2018				\$ 60,600,000.00					
12/1/2019	\$ 4,890,416.67	\$ 2,016,666.67	\$ 2,873,750.00	\$ 58,483,333.33	8.21040	\$ 287.36	\$ 17.50	\$ 304.86	4.82421
12/1/2020	\$ 4,794,625.00	\$ 2,016,666.67	\$ 2,777,968.33	\$ 56,466,666.67	8.04959	\$ 281.74	\$ 17.50	\$ 299.24	4.66348
12/1/2021	\$ 4,698,833.33	\$ 2,016,666.67	\$ 2,662,199.67	\$ 54,450,000.00	7.88876	\$ 276.11	\$ 17.50	\$ 293.61	4.50265
12/1/2022	\$ 4,603,041.67	\$ 2,016,666.67	\$ 2,586,375.00	\$ 52,433,333.33	7.72794	\$ 270.48	\$ 17.50	\$ 287.98	4.34181
12/1/2023	\$ 4,507,250.00	\$ 2,016,666.67	\$ 2,490,583.33	\$ 50,416,666.67	7.56712	\$ 264.85	\$ 17.50	\$ 282.35	4.18097
12/1/2024	\$ 4,411,458.33	\$ 2,016,666.67	\$ 2,394,791.67	\$ 48,400,000.00	7.40629	\$ 259.22	\$ 17.50	\$ 276.72	4.02013
12/1/2025	\$ 4,315,666.67	\$ 2,016,666.67	\$ 2,299,000.00	\$ 46,383,333.33	7.24547	\$ 253.59	\$ 17.50	\$ 271.09	3.85929
12/1/2026	\$ 4,219,875.00	\$ 2,016,666.67	\$ 2,203,208.33	\$ 44,366,666.67	7.08465	\$ 247.96	\$ 17.50	\$ 265.46	3.69844
12/1/2027	\$ 4,124,083.33	\$ 2,016,666.67	\$ 2,107,416.67	\$ 42,350,000.00	6.92383	\$ 242.33	\$ 17.50	\$ 259.83	3.53759
12/1/2028	\$ 4,028,291.67	\$ 2,016,666.67	\$ 2,011,625.00	\$ 40,333,333.33	6.76300	\$ 236.71	\$ 17.50	\$ 254.21	3.37675
12/1/2029	\$ 3,932,500.00	\$ 2,016,666.67	\$ 1,915,833.33	\$ 38,316,666.67	6.60218	\$ 231.08	\$ 17.50	\$ 248.58	3.21591
12/1/2030	\$ 3,836,708.33	\$ 2,016,666.67	\$ 1,820,041.67	\$ 36,300,000.00	6.44136	\$ 225.45	\$ 17.50	\$ 242.95	3.05506
12/1/2031	\$ 3,740,916.67	\$ 2,016,666.67	\$ 1,724,250.00	\$ 34,283,333.33	6.28054	\$ 219.82	\$ 17.50	\$ 237.32	2.89422
12/1/2032	\$ 3,645,125.00	\$ 2,016,666.67	\$ 1,628,458.33	\$ 32,266,666.67	6.11971	\$ 214.19	\$ 17.50	\$ 231.69	2.73338
12/1/2033	\$ 3,549,333.33	\$ 2,016,666.67	\$ 1,532,666.67	\$ 30,250,000.00	6.05889	\$ 208.56	\$ 17.50	\$ 226.06	2.57254
12/1/2034	\$ 3,453,541.67	\$ 2,016,666.67	\$ 1,436,875.00	\$ 28,233,333.33	5.99807	\$ 202.93	\$ 17.50	\$ 220.43	2.41170
12/1/2035	\$ 3,357,750.00	\$ 2,016,666.67	\$ 1,341,083.33	\$ 26,216,666.67	5.93725	\$ 197.30	\$ 17.50	\$ 214.80	2.25086
12/1/2036	\$ 3,261,958.33	\$ 2,016,666.67	\$ 1,245,291.67	\$ 24,200,000.00	5.87643	\$ 191.67	\$ 17.50	\$ 209.17	2.09002

Worksheet for Estimated Average Annual Property Tax Levy
for Bonds of Subdivisions of the State
DTE 130

Athens City School District

Payment Description	Amount	Rate
High Payment (12/1/2019)	\$ 4,890,416.67	6.210404
(Low Payment (12/1/2048))	\$ 3,261,958.33	3.549556
Average Payment	\$ 3,501,437.50	6.878480

Home Value (Appraised or Market)	\$ 100,000.00	\$ 40,000.00	Residential Home
Convert to Assessed Value (35% of Appraised)	\$ 35,000.00	\$ 14,000.00	
Convert from Mills to Dollars:	\$ 35.00	\$ 14.00	
Multiply by the Millage	\$ 205.75	\$ 82.30	
Including: Homeowner Rollback (est 10%)	\$ 185.17	\$ 74.07	

Highest Millage Rate:	\$ 287.36	\$ 114.95	Does not include rollback
Lowest Millage Rate:	\$ 124.13	\$ 49.65	

ATHENS CITY SCHOOL DISTRICT 2018 VALUATION (TAX YEAR 2017)

ACRES	377,526,280
OTHER	176,664,590
UTILITY REAL	282,270
UTILITY PERSONAL	41,163,370
TOTAL	595,635,610

EVALUATING MILLAGE FOR A BOND ISSUE

Original Amount: \$ 7,270,000.00

Principal Outstanding 12/31/18	Rate
2001 Bond	\$ 2,360,000.00 5.600%

TY 2018 Valuation \$ 267,217,210

Year	Payment	Principal	Interest	Balance	Millage
2018	\$ 427,860.00	\$ 405,000.00	\$ 22,860.00	\$ 2,360,000.00	1.60
2019	\$ 509,280.00	\$ 455,000.00	\$ 54,280.00	\$ 1,905,000.00	1.91
2020	\$ 508,815.00	\$ 465,000.00	\$ 43,815.00	\$ 1,440,000.00	1.90
2021	\$ 503,120.00	\$ 470,000.00	\$ 33,120.00	\$ 970,000.00	1.88
2022	\$ 497,310.00	\$ 475,000.00	\$ 22,310.00	\$ 495,000.00	1.86
2023	\$ 506,385.00	\$ 495,000.00	\$ 11,385.00	\$ -	1.90

Debt Service Fund				Milage
Date	Levy	Payments	Balance	
10/31/2018			\$1,045,822.00	
12/31/2018		\$ 468,767.50	\$ 577,054.50	
12/1/2019	\$ 450,000.00	\$ 509,280.00	\$ 517,774.50	1.68
12/1/2020	\$ 450,000.00	\$ 508,815.00	\$ 458,959.50	1.68
12/1/2021	\$ 450,000.00	\$ 503,120.00	\$ 405,839.50	1.68
12/1/2022	\$ 450,000.00	\$ 497,310.00	\$ 358,529.50	1.68
12/1/2023	\$ 147,855.50	\$ 506,385.00	\$ -	0.55
	\$1,800,000.00	\$ 2,487,292.50		

Year	Milage	Revenue		
2018	1.98	\$ 529,090.08		
2019	1.68	\$ 450,000.00	Proposed Decrease of:	0.30 Mills
2020	1.68	\$ 450,000.00		
2021	1.68	\$ 450,000.00		
2022	1.68	\$ 450,000.00		
2023	0.55	\$ 147,855.50		

QUESTIONS?





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THANK YOU!
