

CITY OF HIGHLAND HEIGHTS
ORDINANCE NO. 14 -2017

INTRODUCED BY: Mayor Scott E. Coleman and Council as a Whole

MOTION BY: Council Representative Chuck Brunello, Jr.

SECONDED BY: Council Representative Robert Mastrangelo

**AN ORDINANCE ADOPTING A TAX BUDGET
FOR THE CITY OF HIGHLAND HEIGHTS, FOR THE YEAR 2018
AND DECLARING AN EMERGENCY.**

WHEREAS, Section 5705.28 of the Ohio Revised Code requires that on or before the 15th day of July in each year, the taxing authority of each political subdivision adopt a tax budget for the next succeeding fiscal year; and,

WHEREAS, the proposed alternative tax budget, pursuant to Section 5705.281 of the Ohio Revised Code, for the City of Highland Heights for the year 2018 has been prepared by the Director of Finance in the form prescribed by law; and,

WHEREAS, two (2) copies of the said budget have been placed on file in the office of the Director of Finance for public inspection more than ten (10) days prior to the adoption of this ordinance; and,

WHEREAS, the Council deems it necessary to adopt the said budget and to submit the same to the Cuyahoga County Fiscal Officer, as required by law; now, therefore,


**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HIGHLAND
HEIGHTS, OHIO, THAT:**

Section 1. The tax budget of the City of Highland Heights, Ohio, showing anticipated receipts and expenditures of the City of the year 2018, a copy of which is attached hereto, marked Exhibit "A" and incorporated herein as if fully rewritten, be and the same is hereby approved and adopted, pursuant to Section 5705.281 of the Ohio Revised Code.

Section 2. The Finance Director is authorized and directed to submit the said budget to the office of the Cuyahoga County Auditor on or before July 20, 2017, as required by Section 5705.28 of the Ohio Revised Code.

Section 3. The Council finds and determines that all formal actions of this Council relating to the adoption of this Ordinance have been taken at open meetings of this Council and that deliberations of the Council and of its committees, resulting in such formal action, took place in meetings open to the public, in compliance with all statutory requirements including the requirements of Section 121.22 of the Ohio Revised Code.

Section 4. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the health, safety and welfare of the residents of the City of Highland Heights for the reason that said budget must be submitted to the Cuyahoga County Fiscal Officer on or before July 20, 2017. It shall therefore take effect immediately upon passage by the affirmative vote of net less than five (5) members elected to Council and approval by the Mayor or otherwise at the earliest time allowed by law.

First Reading: 06/13/17 
President of Council

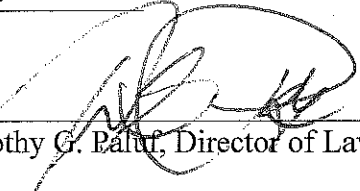
Second Reading: 06/27/17

Third Reading: 07/11/17 07/11/17
Filed with Mayor

PASSED: July 11, 2017 07/11/17
Approved

ATTEST: 
Clerk of Council 
Mayor

EFFECTIVE: 07/12/17

APPROVED AS TO FORM: 
Timothy G. Palut, Director of Law

ALTERNATIVE TAX BUDGET INFORMATION

Exhibit A

Political Subdivision/Taxing Unit : **CITY OF HIGHLAND HEIGHTS**

For the Fiscal Year Commencing: **JANUARY 1, 2018**

Fiscal Officer Signature:  Finance Director

Date: May 22, 2017

COUNTY OF CUYAHOGA

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 5705.04.

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

On October 11, 2002, during the Cuyahoga 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.

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.

NOTE:

The general purpose of column 9 is to demonstrate the need to produce property tax revenues to cover the estimated expenditures for the budget year. RC 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, and the personal property 10,000 exempt monies.

SCHEDULE 2

The general purpose of schedule 2 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. All taxing authorities, except school districts, must submit a list of all tax transfers.

SCHEDULE 3

The general purpose of schedule 3 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 4

The general purpose of schedule 4 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.

SCHEDULE 5

The general purpose of schedule 5 is to properly account for tax anticipation notes. See schedule 5 for more details.

ALTERNATIVE TAX BUDGET INFORMATION

Exhibit A

(Levies Inside & Outside 10 Mill Limitation, Inclusive Of Debt Levies)
(List All Levies Of The Taxing Authority)

City of Highland Heights

SCHEDULE 1

| I | II | III | IV | V | VI | VII | VIII | IX |
|------------------------------|---------------------|----------------------------------|-----------|-----------------------------|-----------------------|------------------------------|-------------------------|--|
| Fund | Purpose | Authorized By Voters On MM/DD/YY | Levy Type | Number Of Years Levy To Run | Tax Year Begins/ Ends | Collection Year Begins/ Ends | Maximum Rate Authorized | \$ AMOUNT Requested Of Budget Commission |
| General Fund | Charter Current exp | 00/00/66 | Charter | Continuous | 2017 | Continuous | 2.2 | \$912,981.55 |
| Debt Service | Charter Current exp | 00/00/66 | Charter | Continuous | 2017 | Continuous | 0.2 | \$82,998.32 |
| Fire Pension | Charter Current exp | 00/00/66 | Charter | Continuous | 2017 | Continuous | 0.3 | \$124,497.48 |
| Police Pension | Charter Current exp | 00/00/66 | Charter | Continuous | 2017 | Continuous | 0.3 | \$124,497.48 |
| Total Inside Millage | | | | | | | | |
| Park & Recreation | Charter Current exp | 00/00/66 | Charter | Continuous | 2017 | Continuous | 1.0 | \$414,991.62 |
| Total Outside Millage | | | | | | | | |
| | | | | | | | 1.0 | \$414,991.62 |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| Totals | | | | | | | 4.00 | \$1,659,966.46 |

ALTERNATIVE TAX BUDGET INFORMATION

Exhibit A

(List All Funds Individually)

City of Highland Heights

SCHEDULE 2

| | I | II | III A | III B | IV | V | VI | VII |
|---------------------------------------|---|----------------------------|---------------------|--|---|--|---|-----|
| Fund BY Type | 1/1/18 Estimated Unencumbered Fund Balance | General Property Tax | Local Government | Other Estimated Receipts Excluding Property Taxes and Local Gov't Rev | Total Resources Available For Expenditures | Total Estimated Expenditures & Encumbrances | 12/31/18 Ending Estimated Unencumbered Balance | |
| General Fund (101) | \$7,579,084 | \$912,982 | \$30,000 | \$12,057,018 | \$20,579,084 | \$15,000,000 | \$5,579,084 | |
| Contingent Reserve (102) | \$228,122 | | | \$0 | \$228,122 | \$0 | \$228,122 | |
| Total General Funds | \$7,807,206 | \$912,982 | \$30,000 | \$12,057,018 | \$20,807,206 | \$15,000,000 | \$5,807,206 | |
| Street Construction & Maint. (201) | \$460,684 | | | \$435,000 | \$895,684 | \$600,000 | \$295,684 | |
| Park and Recreation (202) | \$377,085 | \$414,992 | | \$145,008 | \$937,085 | \$750,000 | \$187,085 | |
| Grants Fund (203) | \$8 | | | \$0 | \$8 | \$8 | \$0 | |
| Street Lighting (204) | \$22,206 | | | \$250,000 | \$272,206 | \$250,000 | \$22,206 | |
| FEMA Fire Assistance (205) | \$186 | | | \$0 | \$186 | \$180 | \$6 | |
| Law Enforcement Trust (206) | \$155 | | | \$0 | \$155 | \$150 | \$5 | |
| Drug Law Enforcement (207) | \$948 | | | \$2,000 | \$2,948 | \$2,900 | \$48 | |
| Enforcement and Education (208) | \$1,093 | | | \$0 | \$1,093 | \$1,000 | \$93 | |
| US Dept of Justice (209) | \$1,788 | | | \$0 | \$1,788 | \$1,700 | \$88 | |
| Juvenile Diversion (210) | \$12,788 | | | \$2,000 | \$14,788 | \$14,000 | \$788 | |
| NOPEC POC Grant (211) | \$2,000 | | | \$0 | \$2,000 | \$2,000 | \$0 | |
| Police Pension (502) | \$166,962 | \$124,497 | | \$288,503 | \$579,962 | \$500,000 | \$79,962 | |
| Firemen Pension (503) | \$166,948 | \$124,497 | | \$288,503 | \$579,948 | \$500,000 | \$79,948 | |
| Street Trees (504) | \$11,278 | | | \$3,000 | \$14,278 | \$14,000 | \$278 | |
| Total Special Revenue Funds | \$1,224,129 | \$663,987 | | \$1,414,013 | \$3,302,129 | \$2,635,938 | \$666,191 | |
| General Bond Retirement (301) | \$851,359 | \$82,998 | | \$4,417,002 | \$5,351,359 | \$5,097,395 | \$253,964 | |
| Special Assessment (302) | \$475,137 | | | \$700,000 | \$1,175,137 | \$736,967 | \$438,170 | |
| Total Debt Service Funds | \$1,326,496 | \$82,998 | | \$5,117,002 | \$6,526,496 | \$5,834,362 | \$692,135 | |
| Capital Improvement (401) | \$455,587 | | | \$2,000,000 | \$2,455,587 | \$2,100,000 | \$355,587 | |
| Aberdeen Business Park | \$0 | | | \$0 | \$0 | \$0 | \$0 | |
| Alpha Drive | \$0 | | | \$0 | \$0 | \$0 | \$0 | |
| Issue II (406) | \$0 | | | \$0 | \$0 | \$0 | \$0 | |
| Park and Recreation Improvement (407) | \$20,212 | | | \$5,000 | \$25,212 | \$25,000 | \$212 | |
| Total Capital Funds | \$475,799 | | | \$2,005,000 | \$2,480,799 | \$2,125,000 | \$355,799 | |
| Misc. Trust/Agency | \$164,852 | | | \$100,000 | \$264,852 | \$250,000 | \$14,852 | |
| Total Trust/Agency Funds | \$164,852 | | | \$100,000 | \$264,852 | \$250,000 | \$14,852 | |
| GRAND TOTAL ALL FUNDS (MEMO ONLY) | \$10,998,482 | \$1,659,966 | \$30,000 | \$20,693,034 | \$33,381,482 | \$25,845,300 | \$7,536,183 | |

ALTERNATIVE TAX BUDGET INFORMATION

Exhibit A

(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)

City of Highland Heights

SCHEDULE 3

| Purpose Of Bonds Or Notes | II Date Of Issue | III Final Maturity Date | IV 2017 Principal Amount Outstanding At The Beginning Of The Calendar Year | V Amount Required To Meet Calendar Year Principal & Interest 2016 | VI Amount Receivable From Other Sources to Meet Debt Payments |
|--|---------------------|----------------------------|---|--|--|
| Inside 10 Mill Limit: General Obligation Debt | | | | | |
| Various Purpose Improvement Notes (1) | 2017 | 2018 | \$4,000,000 | \$4,080,000 | \$3,500,000 |
| Various Purpose Improvement Bonds | 1999 | 2019 | \$27,171 | \$14,657 | |
| Various Purpose Improvement Bonds | 2011 | 2021 | \$1,440,000 | \$349,638 | |
| SUB-TOTAL | | | \$5,467,171 | \$4,444,295 | |
| OPWC Loans | 1998, 2008,2017 | 2018, 2028,2037 | \$1,095,825 | \$73,100 | |
| Totals | | | \$6,562,996 | \$4,517,395 | \$3,500,000 |

ALTERNATIVE TAX BUDGET INFORMATION

Exhibit A

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

City of Highland Heights

SCHEDULE 4

| | I | II | III | IV | V | VI | VII |
|---------------------------|---|---------------------|---------------------------|---|---|---|-----|
| Purpose Of Notes Or Bonds | Authorized By Voters On MM/DD/YY | Date Of Issue | Final Maturity Date | Principal Amount Outstanding At The Beginning Of The Calendar Year | Amount Required To Meet Calendar Year Principal & Interest Payments | Amount Receivable From Other Sources To Meet Debt Payments | |
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ALTERNATIVE TAX BUDGET INFORMATION

Exhibit A

(Schools Only)

SCHEDULE 5

Tax anticipation notes are issued in anticipation of the collection of the proceeds of a property tax levy. The amount of money required to cover debt service must be deposited into a bond retirement fund, from collections and distribution of the tax levy, in the amounts and at the times required to pay those debt charges as provided in the legislation authorizing the tax anticipation notes. (ORC Section 133.24)

The appropriation to the fund which normally receives the tax levy proceeds is limited to the balance available after deducting the amounts to be applied to debt service.

After the issuance of general obligation securities or of securities to which section 133.24 of the ORC applies, the taxing authority of the subdivision shall include in its annual tax budget, and levy a property tax in a sufficient amount, with any other monies available for the purpose, to pay the debt charges on the securities payable from property tax. (ORC Section 133.25)

| | Name Of Tax Anticipation Note Issue | Name Of Tax Anticipation Note Issue |
|--|---|---|
| Amount Required To Meet Budget Year Principal & Interest Payments: | | |
| Principal Due | | |
| Principal Due Date | | |
| Interest Due | | |
| Interest Due Date | | |
| Interest Due | | |
| Interest Due Date | | |
| Total | | |
| Name Of The Special Debt Service Fund | | |

| | | |
|--|--|--|
| Amount Of Debt Service To Be Apportioned To The Following Settlements: | | |
| February Real | | |
| August Real | | |
| June Tangible | | |
| October Tangible | | |
| Total | | |
| Name Of Fund To Be Charged | | |