



DEPARTMENT OF FINANCE

MEMO

TO: Matthew H. Greeson, City Manager

FROM: Molly Roberts, Finance Director

DATE: June 2, 2011

SUBJECT: Income Tax Collection Update for May, 2011

Please find the summary reports for income tax collections for the month of May, 2011 attached. May, 2011 income tax collections are above May, 2010 collections by \$766,462 or 53.63% and above 2010 year to date collections by \$2,159,139 or 35.98%. Year to date collections are above estimates by \$1,253,020 or 28.66%. According to information provided by the Regional Income Tax Agency, approximately \$1,644,769 or 20.16% of the year to date collections is attributed to the income tax rate increase. Year to date income tax revenues have increased by \$514,370 or 8.5% without the income tax rate increase.

Income tax collections are reported as three different account types: withholding, individual and net profit filers. Collections were above the prior year reporting for all account types for May, 2011. The breakdown of collections for the month of May, 2011 is indicated below:

- Withholding accounts equate to 60.08% of collections
- Individual accounts equate to 20.66% of collections
- Net profit accounts equate to 19.26% of collections.

**City of Worthington Income Tax Collections
Estimated vs Actual**

| <u>Month</u> | <u>2011 Estimated</u> | <u>2011 Actual</u> | <u>Monthly Variance Favorable/ (Unfavorable)</u> | <u>Cumulative Variance Favorable/ (Unfavorable)</u> | <u>Cumulative Percentage Increase/Decrease of Estimates</u> |
|--------------|---------------------------|------------------------|--|---|---|
| Jan | \$ 1,378,618.00 | \$ 1,443,162.23 | \$ 64,544.23 | \$ 64,544.23 | 4.68% |
| Feb | 1,156,131.00 | 1,716,180.90 | \$ 560,049.90 | \$ 624,594.13 | 24.64% |
| Mar | 1,316,112.00 | 1,283,468.04 | \$ (32,643.96) | \$ 591,950.17 | 15.37% |
| Apr | 1,410,922.00 | 1,521,353.71 | \$ 110,431.71 | \$ 702,381.88 | 18.09% |
| May | 1,645,122.00 | 2,195,760.50 | \$ 550,638.50 | \$ 1,253,020.38 | 28.66% |
| Jun | 1,800,024.00 | - | | | |
| Jul | 1,563,508.00 | - | | | |
| Aug | 1,616,305.00 | - | | | |
| Sep | 1,726,134.00 | - | | | |
| Oct | 1,555,683.00 | - | | | |
| Nov | 1,701,898.00 | - | | | |
| Dec | 1,761,617.00 | - | | | |
| Total | <u>\$ 18,632,074.00</u> | <u>\$ 8,159,925.38</u> | <u>\$ 1,253,020.38</u> | | |

City of Worthington Income Tax Collections

Yearly Comparison

| <u>Month</u> | <u>Monthly Total 2010</u> | <u>Cumulative Total 2010</u> | <u>86.40% General Fund</u> | <u>13.60% CIP Fund</u> | <u>Monthly Total 2011</u> | <u>Cumulative Total 2011</u> | <u>86.40% General Fund</u> | <u>13.60% CIP Fund</u> | <u>Monthly Increase 2011/2010</u> | <u>Cumulative Increase 2011/2010</u> |
|--------------|---------------------------|------------------------------|----------------------------|------------------------|---------------------------|------------------------------|----------------------------|------------------------|-----------------------------------|--------------------------------------|
| Jan | \$ 1,197,756.49 | \$ 1,197,756.49 | \$ 1,034,861.61 | \$ 162,894.88 | \$1,443,162.23 | \$1,443,162.23 | \$1,246,892.17 | \$196,270.06 | 20.49% | 20.49% |
| Feb | 1,004,457.95 | 2,202,214.44 | \$ 867,851.63 | \$ 136,606.24 | \$1,716,180.90 | \$3,159,343.13 | \$1,482,780.30 | \$233,400.60 | 70.86% | 43.46% |
| Mar | 1,143,451.36 | 3,345,665.80 | 987,941.98 | 155,509.38 | \$1,283,468.04 | \$4,442,811.17 | \$1,108,916.39 | \$174,551.65 | 12.25% | 32.79% |
| Apr | 1,225,822.86 | 4,571,488.66 | 1,059,110.97 | 166,711.89 | \$1,521,353.71 | \$5,964,164.88 | \$1,314,449.61 | \$206,904.10 | 24.11% | 30.46% |
| May | 1,429,298.09 | 6,000,786.75 | 1,234,913.55 | 194,384.54 | \$2,195,760.50 | \$8,159,925.38 | \$1,897,137.07 | \$298,623.43 | 53.63% | 35.98% |
| Jun | 1,563,878.22 | 7,564,664.97 | 1,340,971.05 | 222,906.93 | | | | | | |
| Jul | 1,358,391.32 | 8,923,056.29 | 1,173,650.10 | 184,741.30 | | | | | | |
| Aug | 1,404,261.14 | 10,327,317.43 | 1,213,281.62 | 190,979.60 | | | | | | |
| Sep | 1,499,682.22 | 11,826,999.65 | 1,295,725.44 | 203,956.86 | | | | | | |
| Oct | 1,351,592.21 | 13,178,591.86 | 1,167,775.67 | 183,816.62 | | | | | | |
| Nov | 1,478,918.84 | 14,657,510.70 | 1,277,785.88 | 201,132.96 | | | | | | |
| Dec | 1,532,855.90 | 16,190,366.60 | 1,324,387.50 | 208,468.40 | | | | | | |
| Total | \$ 16,190,366.60 | | \$ 13,978,256.99 | \$ 2,212,109.61 | \$8,159,925.38 | \$8,159,925.38 | \$7,050,175.53 | \$1,109,749.85 | | |

Income Tax Rate increased to 2.0% on January 1, 2004.

Income Tax Rate increased to 2.5% on July 1, 2010.

Additional 6.4% is being set aside in a Reserve Account in the General Fund until a balance of \$1.5 million is obtained.