



*DEPARTMENT OF FINANCE*

**MEMO**

TO: Matthew H. Greeson, City Manager

FROM: Molly Roberts, Finance Director

DATE: March 1, 2010

SUBJECT: 2010 Income Tax Collection Update

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Attached please find the summary reports for income tax collections for the months of January and February, 2010. We continue to experience a decline in revenue collections attributable to the income tax. Income tax collections for January, 2010 were below January, 2009 collections by \$94,659 or -7.32%. The collections for February, 2010 continue to lag behind 2009 collections by \$163,707 or -14.01% for the month of February. Year to date collections have decreased by a total of \$258,366 or -10.50% for both January and February. Refunds have also increased this year which decreases our net income tax collections. Year to date net income tax collections are below year to date 2009 net collections by \$320,198 or -13.55%. Please note that 2010 revenue projections were based on flat income tax revenues for the 2010 budget.

Income tax collections are reported as three different account types: withholding, individual and net profit filers. Income tax liabilities and collections are below the prior two years in each of the account filing types for 2010, as reported by RITA. Additionally, as mentioned above, refunds have increased significantly so far this year. We will continue to monitor collections closely and work with RITA to identify areas of concern.

**City of Worthington Income Tax Collections**

**Yearly Comparison**

<u>Month</u>	<u>Monthly Total 2009</u>	<u>Cumulative Total 2009</u>	<u>86.40% General Fund</u>	<u>13.60% CIP Fund</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 Increase 2010/2009</u>	<u>Cumulative Increase 2010/2009</u>
Jan	\$ 1,292,415.41	\$ 1,292,415.41	\$ 1,116,646.91	\$ 175,768.50	\$1,197,756.49	\$1,197,756.49	\$1,034,861.61	\$162,894.88	-7.32%	-7.32%
Feb	1,168,164.70	2,460,580.11	\$ 1,009,294.30	\$ 158,870.40	\$1,004,457.95	\$2,202,214.44	\$867,851.67	\$136,606.28	-14.01%	-10.50%
Mar	1,279,767.18	3,740,347.29	1,105,718.84	174,048.34						
Apr	1,169,285.60	4,909,632.89	1,010,262.76	159,022.84						
May	1,312,695.84	6,222,328.73	1,134,169.21	178,526.63						
Jun	1,662,181.88	7,884,510.61	1,436,125.14	226,056.74						
Jul	1,815,363.34	9,699,873.95	1,568,473.93	246,889.41						
Aug	1,118,633.50	10,818,507.45	966,499.34	152,134.16						
Sep	1,265,175.93	12,083,683.38	1,093,112.00	172,063.93						
Oct	1,163,932.38	13,247,615.76	1,005,637.58	158,294.80						
Nov	1,165,687.35	14,413,303.11	1,007,153.87	158,533.48						
Dec	1,310,298.02	15,723,601.13	1,132,097.49	178,200.53						
Total	<u>\$ 15,723,601.13</u>		<u>\$ 13,585,191.38</u>	<u>\$ 2,138,409.75</u>						

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

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

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

Month	2010 Estimated	2010 Actual	Variance Favorable/ (Unfavorable)	Cumulative Variance Favorable/ (Unfavorable)
Jan	\$ 1,292,415.41	\$ 1,197,756.49	\$ (94,658.92)	\$ (94,658.92)
Feb	1,168,164.70	1,004,457.95	\$ (163,706.75)	\$ (258,365.67)
Mar	1,279,767.18			
Apr	1,169,285.60			
May	1,312,695.84			
Jun	1,662,181.88			
Jul	1,815,363.34			
Aug	118,633.50			
Sep	1,265,175.93			
Oct	1,163,932.38			
Nov	1,165,687.35			
Dec	1,310,298.02			
Total	<u>\$ 14,723,601.13</u>	<u>\$ 2,202,214.44</u>	<u>\$ (258,365.67)</u>	