



DEPARTMENT OF FINANCE
MEMO

TO: Matthew H. Greeson, City Manager

FROM: Molly Roberts, Finance Director

DATE: May 6, 2010

SUBJECT: 2010 Income Tax Collection Update

Please find the summary reports for income tax collections for the month of April, 2010 attached. I am pleased to report that gross income tax collections for the month of April, 2010 were above April, 2009 monthly collections and estimates by \$56,537 or 4.84%. Year to date collections, however, are still below estimates and 2009 collections by \$338,144 or -6.89% as of April 30, 2010. It is important to note that income tax refunds are above 2009 refund levels by \$105,000. Thus, net collections are still trending below 2009 collection rates.

Income tax collections are reported as three different account types: withholding, individual and net profit filers. The breakdown of collections for the month of April, 2010 is indicated below:

- Withholding accounts equate to 82% of collections
- Individual accounts equate to 7% of collections
- Net profit accounts equate to 11% of collections.

Income tax liabilities and collections for the month of April, 2010 are below the prior two year period for withholding accounts. However, individual and net profit accounts reflect modest increases from the prior two year period. We continue to monitor collections closely and work with RITA to identify areas of concern.

**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	1,143,451.36	\$ (136,315.82)	\$ (394,681.49)
Apr	1,169,285.60	1,225,822.86	\$ 56,537.26	\$ (338,144.23)
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>\$ 4,571,488.66</u>	<u>\$ (338,144.23)</u>	

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	\$867,851.63	\$136,606.24	-14.01%	-10.50%
Mar	1,279,767.18	3,740,347.29	1,105,718.84	174,048.34	\$1,143,451.36	\$3,345,665.80	\$987,941.98	\$155,509.38	-10.65%	-10.55%
Apr	1,169,285.60	4,909,632.89	1,010,262.76	159,022.84	\$1,225,822.86	\$4,571,488.66	\$1,059,110.97	\$166,711.89	4.84%	-6.89%
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.