

MEMORANDUM

To: Mayor Gregory P. Kurtz
Members of Council

From: Finance Director Vernon Blaze

Date: July 17, 2020

Re: Finance Department Updates

Tax Incentive Review Council

Any municipality that utilizes Tax Increment Financing (TIF) is required to annually appear before a county-level Tax Incentive Review Council (TIRC) to justify the continued need for each individual TIF district or parcel. This is accomplished by providing data showing that either cumulative total expenditures in each TIF district or parcel exceed cumulative total revenue, or that cumulative total expenditures plus outstanding advances to a particular TIF district or parcel exceed cumulative total revenue.

Independence's 2020 TIRC meeting was yesterday, Thursday, July 16, 2020. Finance Director Blaze, Finance Assistant Osysko and Economic Development Director Hyser represented Independence at it.

After a review of each of the 18 TIF districts/parcels presented yesterday, the TIRC voted unanimously to recommend that each TIF district/parcel be renewed for an additional year.

Municipal Income Tax Revenue (MITR)

Municipal Income Tax Revenue (MITR) for July has been received. July MITR dating back to 2016 is as follows:

<u>July</u>	<u>MITR</u>
2016	\$2,446,971
2017	\$2,583,502
2018	\$2,627,877
2019	\$2,693,406
2020	\$2,652,852

With the due date for tax payments being July 15 this year instead of the traditional April 15 date, we are hoping that MITR is still fairly strong over the next month or two as taxpayers paid any 2019 taxes due by July 15. The City will receive those payments over the next few months.

On a year-to-date basis, MITR for the first seven months of the year dating back to 2016 is as follows:

<u>1st Seven Months</u>	<u>YTD MITR</u>	<u>+ - Previous (\$\$'s)</u>	<u>+ - Previous (%)</u>
2016	\$18,485,366		
2017	\$18,483,387	\$(1,979)	- 0.01%
2018	\$20,624,498	\$ 2,141,111	11.58%
2019	\$20,368,957	\$(255,541)	- 1.24%
2020	\$19,842,383	\$(526,574)	- 2.59%