

2019 Proposed Budget Highlights



4 Takeaways

- **All budgets are balanced**
- **Decreased General Fund expenditures by ~\$1.1 million from 2018 to 2019**
- **Increased focus on Public Safety and Infrastructure capital and reliability**
- **Future years more difficult without state assistance in local gov't funding**

City of Hamilton
BUTLER COUNTY OHIO



Mission

Provide the best experiences for our residents, businesses, and visitors.



**PAFR
CAFR &
BUDGET
2014 - 2018**

All Funds Budget Highlights

Funds	2017 Actual	2018 Projected	2019 Proposed
General Fund	*49,898,743	**47,750,592	46,059,690
Special Revenue Funds	24,873,540	29,851,815	35,801,214
Capital Projects Funds	11,859,722	9,320,560	7,858,200
Debt Retirement Fund	36,902,734	17,511,874	3,729,000
Enterprise Funds	238,145,780	237,147,737	213,398,030
Internal Service Funds	10,711,907	11,100,481	11,568,905
Trust and Agency Funds	109,574	3,600	91,000
	\$ 372,502,000	\$352,686,659	\$ 318,506,039

* Includes \$3.45mm for contribution to the CIC for Main Street redevelopment

** Includes one time transfer for \$1.5mm financing of McDulin Garage restoration project in 2018

All Funds Budget Highlights

Funds	2019 Proposed	% of Total
General Fund	46,059,690	14.46%
Special Revenue Funds	35,801,214	11.24%
Capital Projects Funds	7,858,200	2.47%
Debt Retirement Fund (GO)	3,729,000	1.17%
Enterprise Funds	213,398,030	67.0%
Internal Service Funds	11,568,905	3.63%
Trust and Agency Funds	91,000	0.03%
	\$ 318,506,039	100.00%

2018 Highlights





**\$144 million
investment***

***Projected**

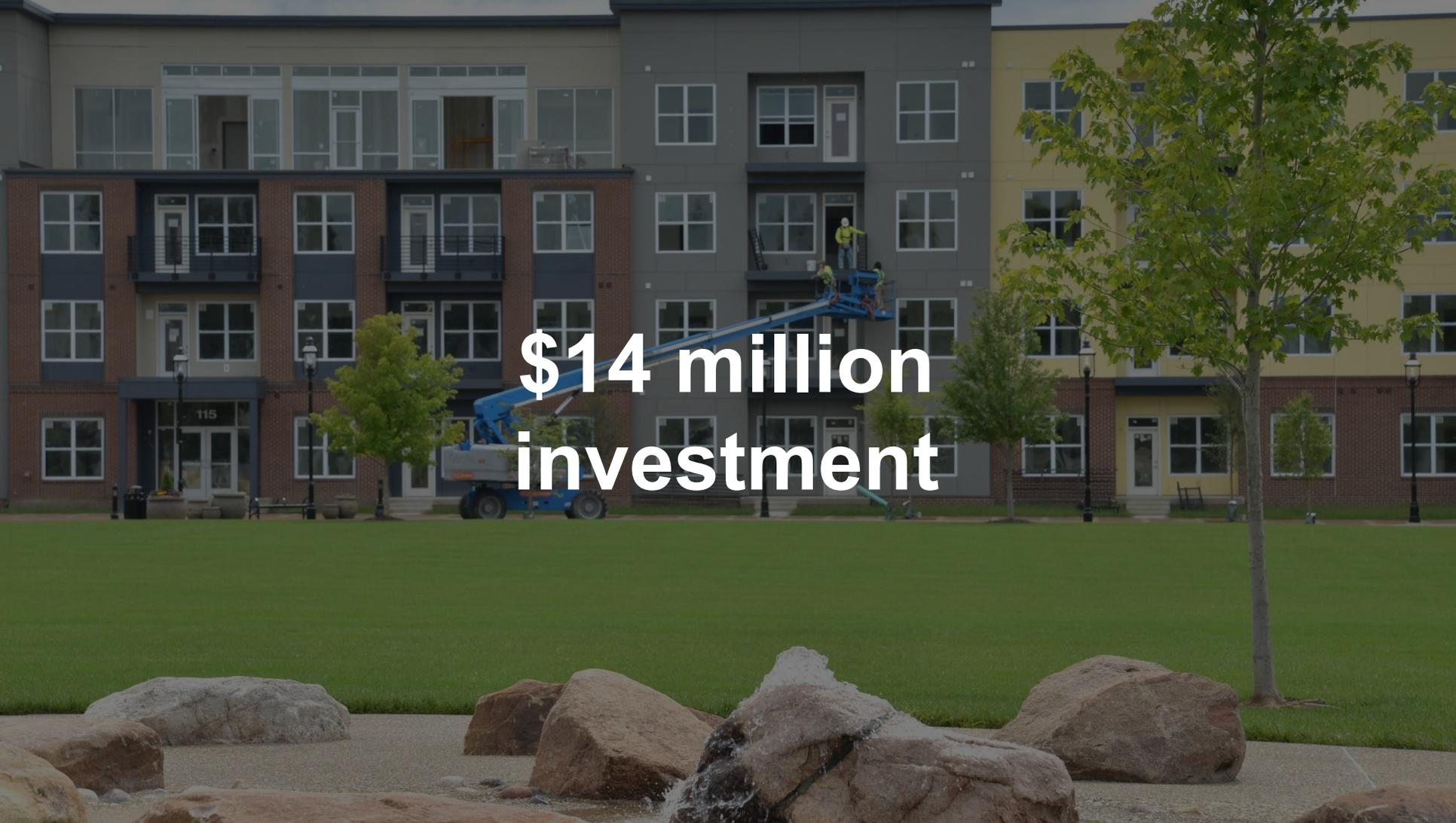
A modern office lobby featuring a wide staircase with a black metal railing on the left. The floor is covered in a grey patterned carpet. In the background, there is a reception desk with a person behind the counter. The wall behind the desk has the logo for "KIRSCH CPA GROUP". The ceiling is a drop ceiling with recessed lighting. The overall atmosphere is professional and contemporary.

**\$2.5 million
investment**

KIRSCH
CPA GROUP



Downtown: \$3 million+
Enterprise Park:
\$10 million

A multi-story apartment building under construction. The building features a mix of grey, dark blue, and brick facades. A blue crane is positioned on the lawn in front of the building, with workers visible on a balcony. The foreground shows a green lawn and a decorative rock garden with a small waterfall. The text "\$14 million investment" is overlaid in the center of the image.

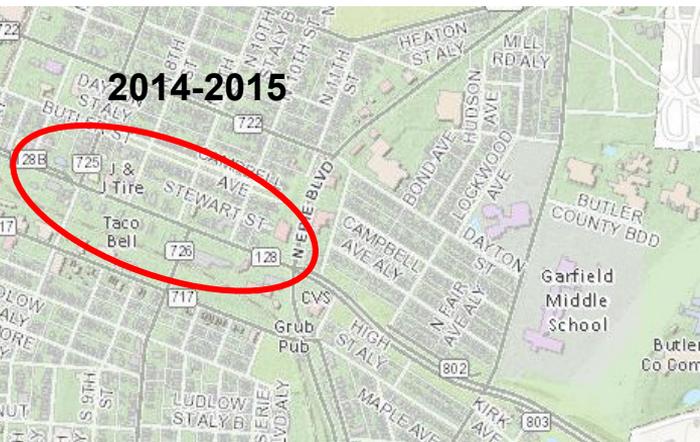
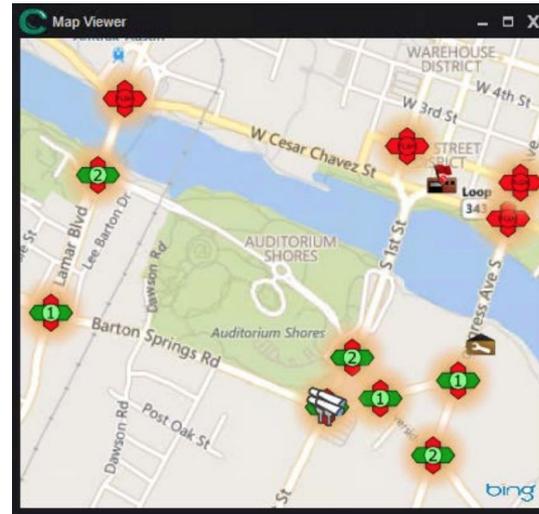
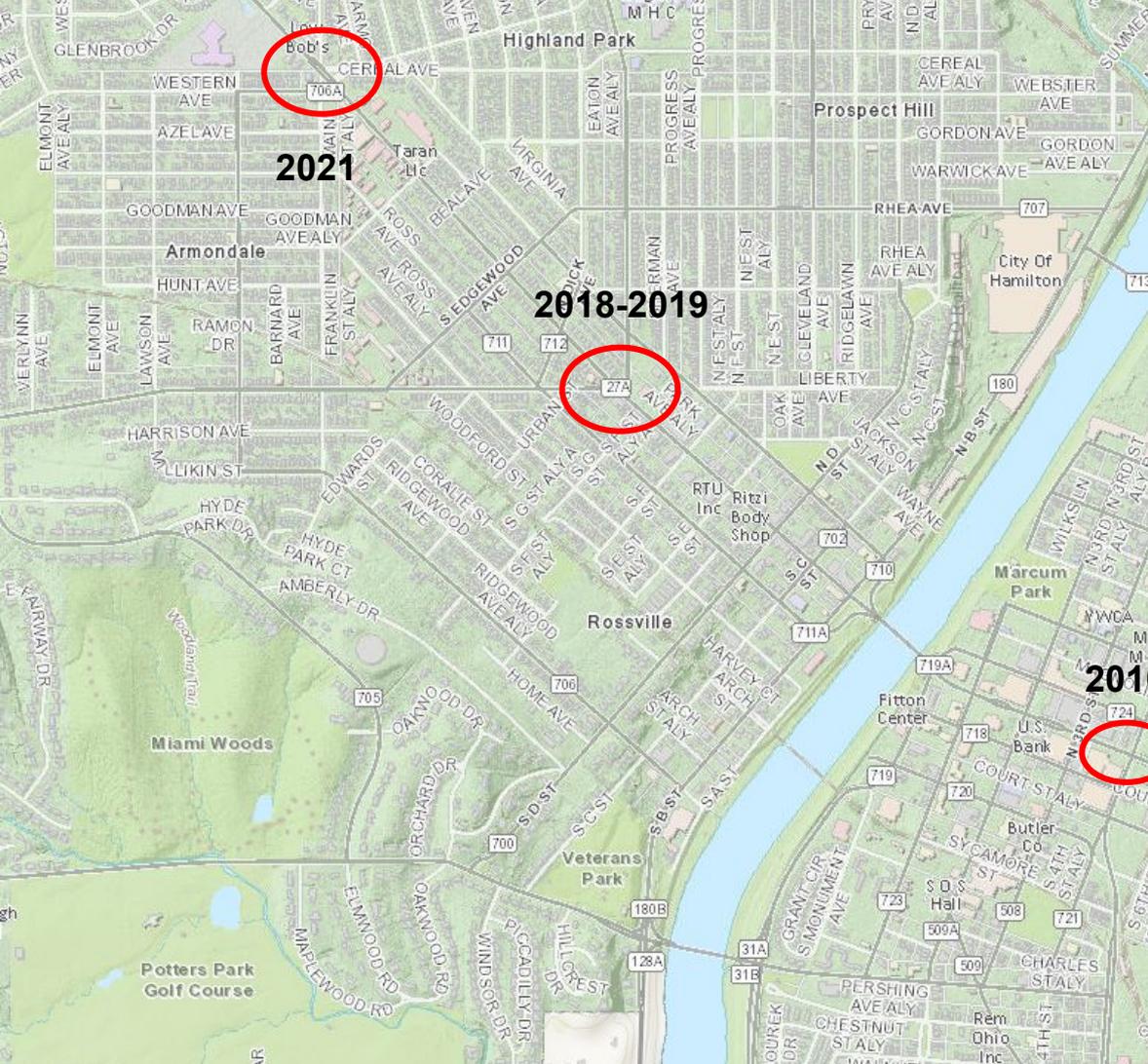
**\$14 million
investment**

APA

**\$4.5 million
investment**



Riona



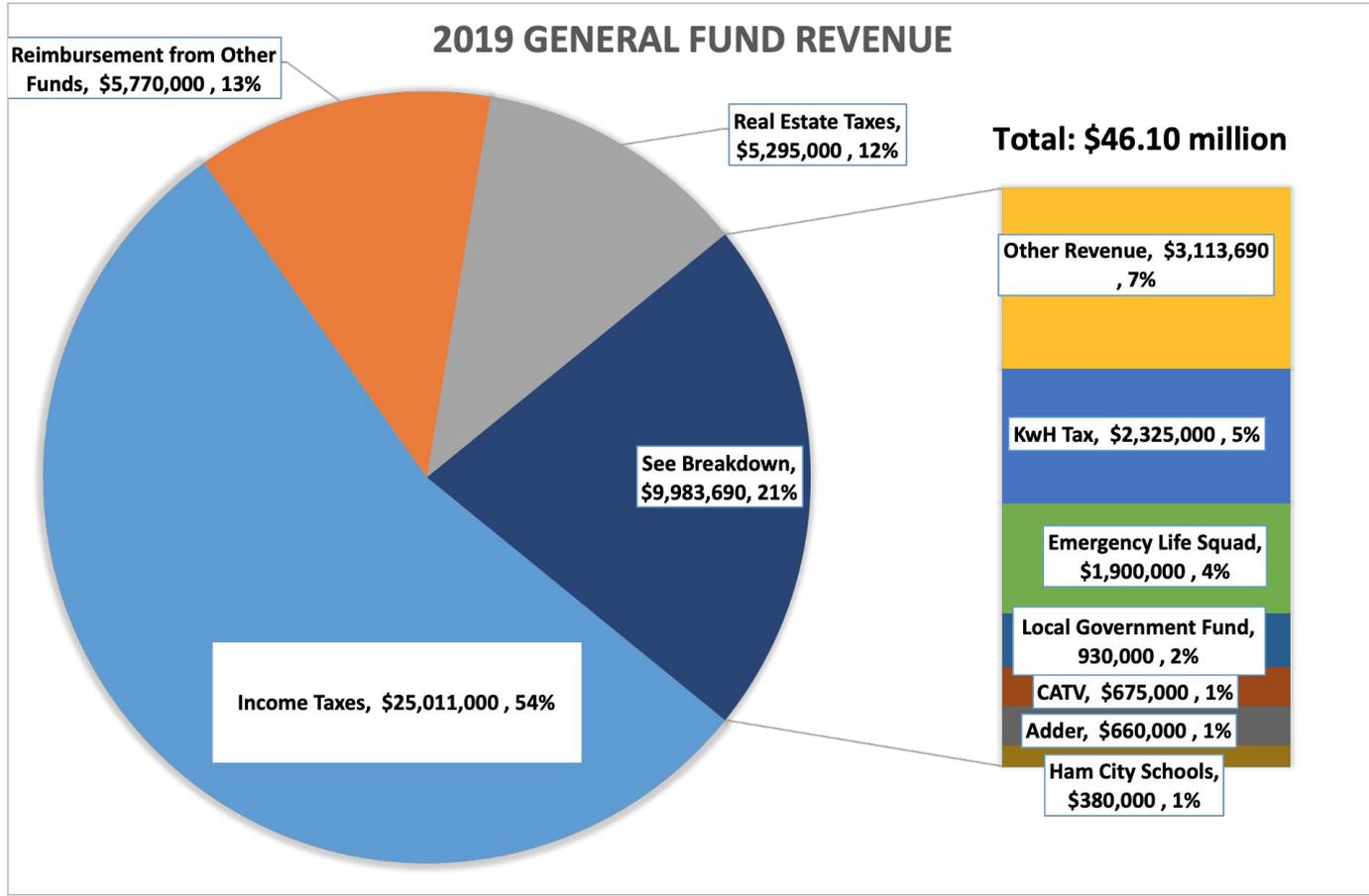


Downtown Parking

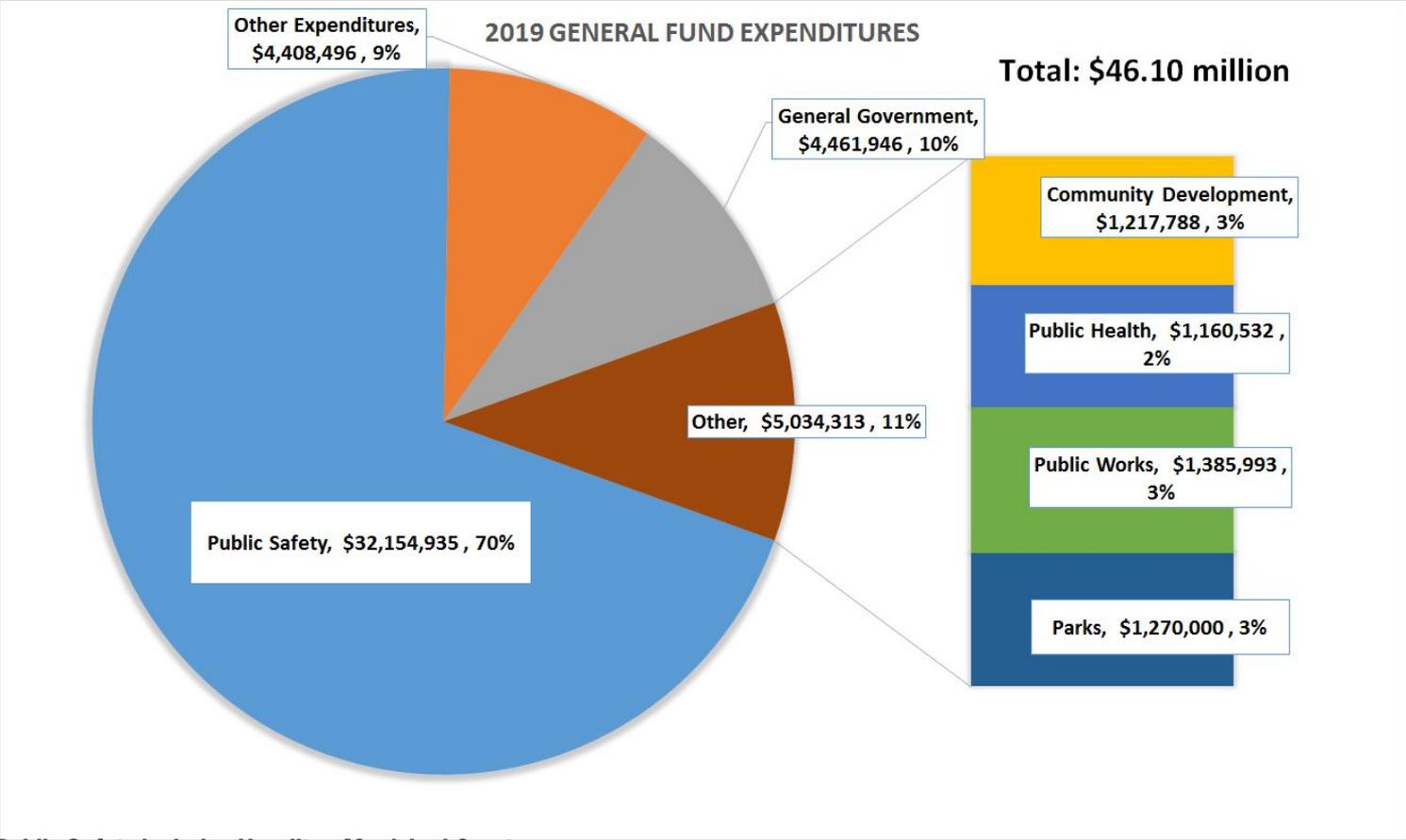


December 14, 2018
Ribbon Cutting

General Fund Highlights



General Fund Highlights



Note: Public Safety includes Hamilton Municipal Court

General Fund Budget Highlights

Funds	2018 Adopted	2019 Proposed	Difference	% Difference
City Council	85,568	77,570	(7,998)	(9.35%)
City Clerk	92,987	91,637	(1,350)	(1.45%)
Municipal Court	1,823,116	1,927,532	104,416	5.73%
City Manager	423,727	415,866	(7,861)	(1.86%)
Building Department	700,976	650,468	(50,508)	(7.21%)
Planning	894,266	567,320	(326,946)	(36.56%)
Law Department*	475,000	736,034	261,034	54.95%
Human Resources*	436,515	0	(436,515)	(100%)
Civil Service*	372,308	538,660	166,352	44.68%

*Restructuring of Law, Human Resources, and Civil Service & Personnel Departments will occur in 2019.

General Fund Budget Highlights

Funds	2018 Adopted	2019 Proposed	Difference	% Difference
Finance	2,482,194	2,561,179	78,985	3.18%
Public Works	1,224,675	1,385,993	161,318	13.17%
Police	*16,062,182	*16,735,960	673,778	4.19%
Fire	13,028,949	13,491,443	462,494	3.55%
Health	1,408,290	1,160,532	(247,758)	(17.59%)
Special Appropriations	4,346,000	4,349,496	3,496	0.08%
Transfers	2,810,607	840,000	(1,970,607)	(70.11%)
Other	505,000	530,000	25,000	4.95%
	\$ 47,172,360	\$46,059,690	(\$1,112,670)	(2.36%)

* Includes cost of 5 School Resource Officers (SROs). Approximately \$380,000 (75%) will be reimbursed from Hamilton City Schools (HCS).

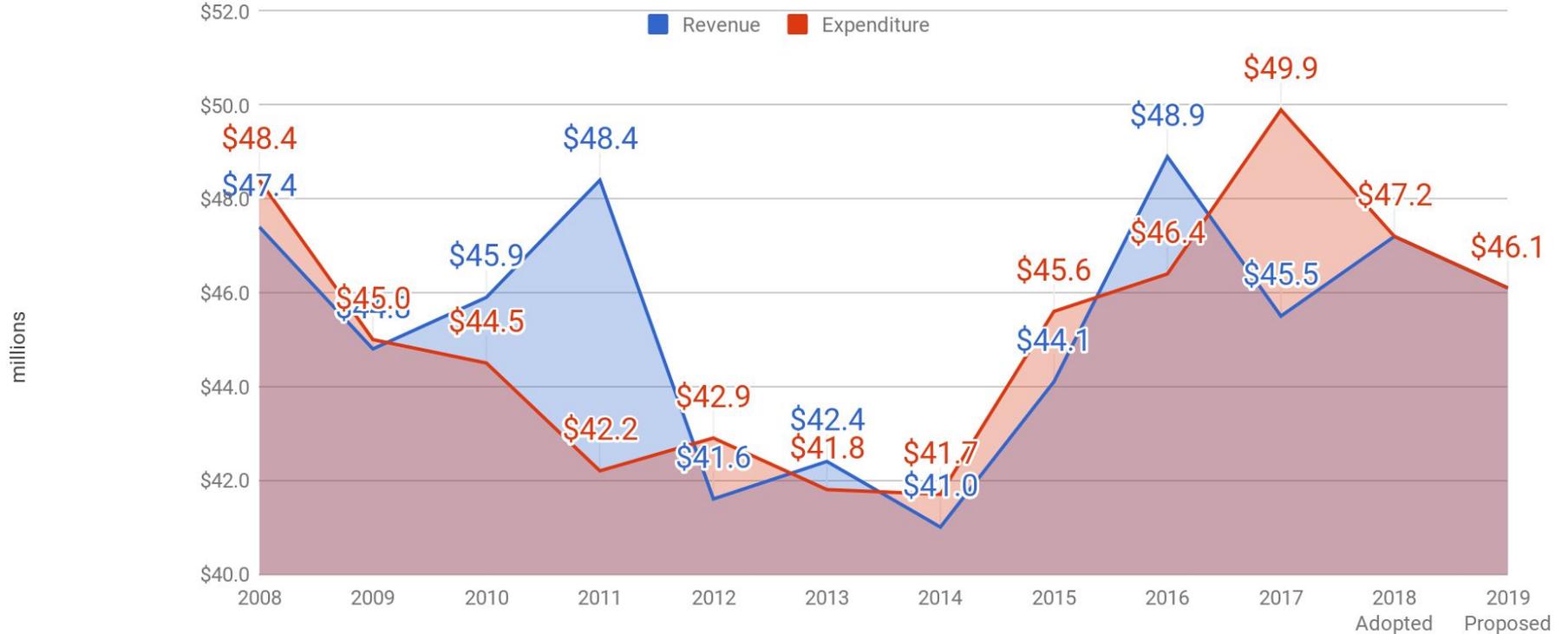
General Fund Highlights

	2018 Projected	2019 Proposed
Beginning Year Fund Balance (01/01)	\$5,651,748	\$5,302,266
Projected/Budgeted Revenues	*\$48,101,110	\$46,059,690
Projected/Budgeted Expenditures	*\$47,750,592	\$46,059,690
Projected Ending Fund Balance (12/31)	\$6,002,266	\$5,302,266
Outstanding Encumbrances	\$700,000	-
Projected Ending Unencumbered Balance (12/31)	\$5,302,266	\$5,302,266
10% of Revenues per City Policy (R2012-6-25)	**\$4,660,111	\$4,605,969

* Includes one time revenue/transfer for \$1.5mm financing of McDulin Garage restoration project in 2018

**Excludes one time revenue for \$1.5mm financing of McDulin Garage restoration project in 2018

Revenue Vs Expenditures



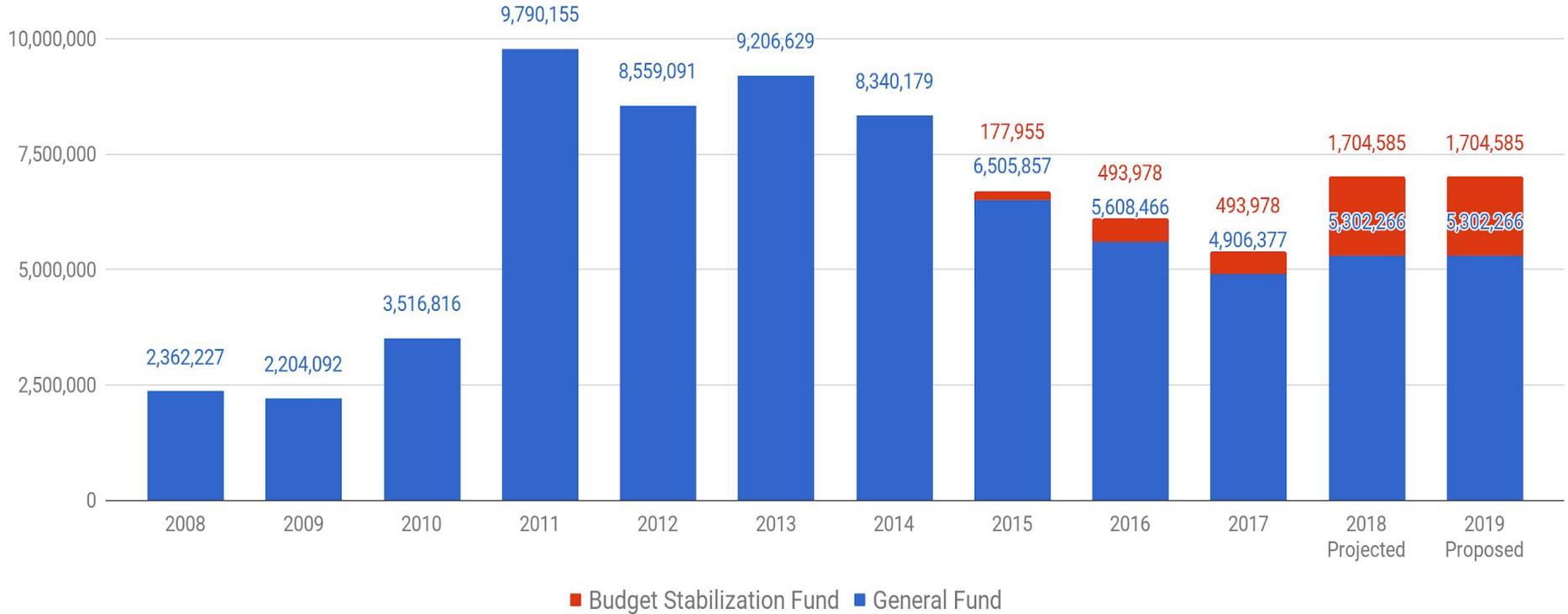
2015 : includes \$1.78mm to Budget Stabilization Fund (one time expense)

2016: includes \$1.5mm to McDulin Parking Garage restoration (one time expense) & \$3.45mm draw on internal note for CIC (one time revenue)

2017: includes \$3.45mm contribution to the CIC for Main Street redevelopment (one time expense)

2018: includes \$1.5mm financing (bond proceeds) for McDulin Restoration project and \$1.21mm transfer to Budget Stabilization Fund

General Fund Ending Unencumbered Balance

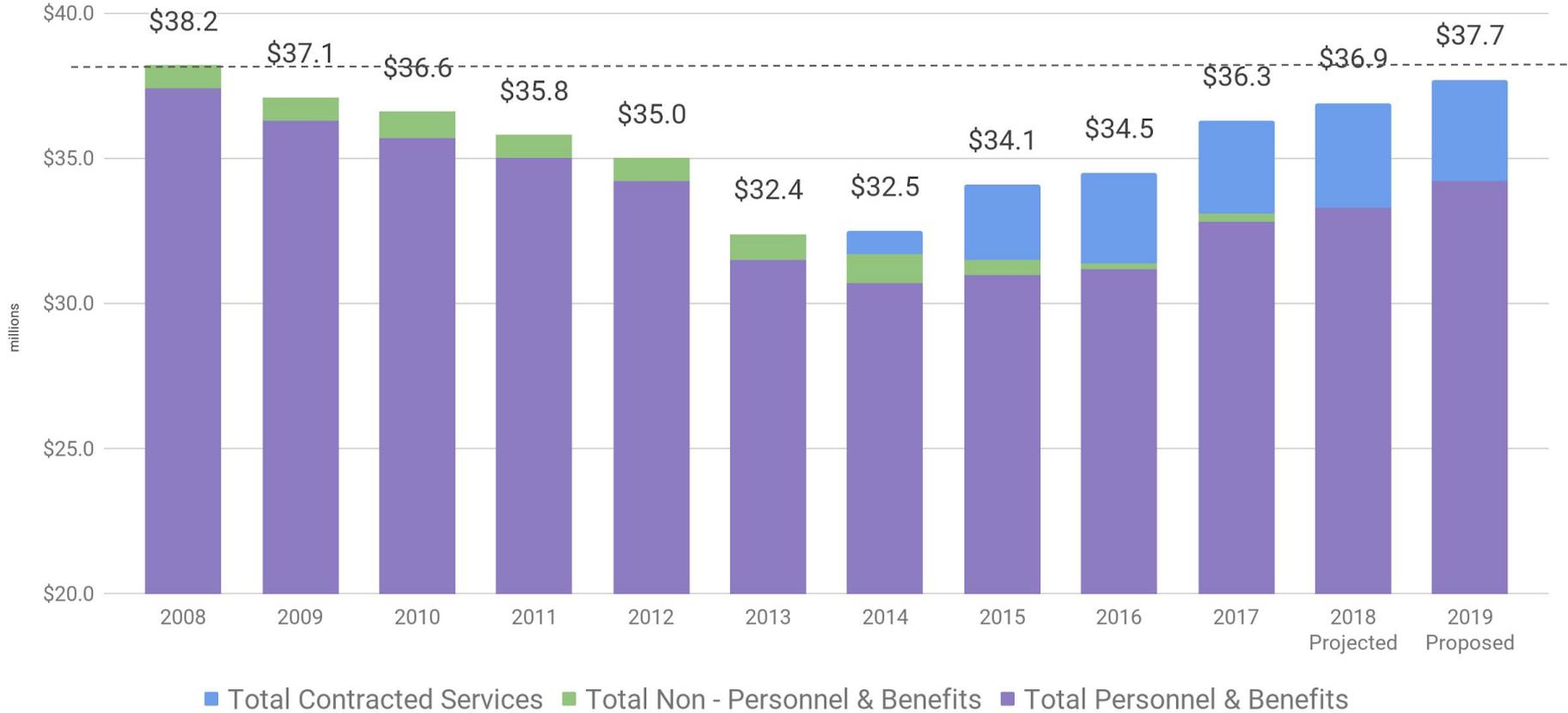


2015 : includes \$1,777,955 transfer to Budget Stabilization Fund

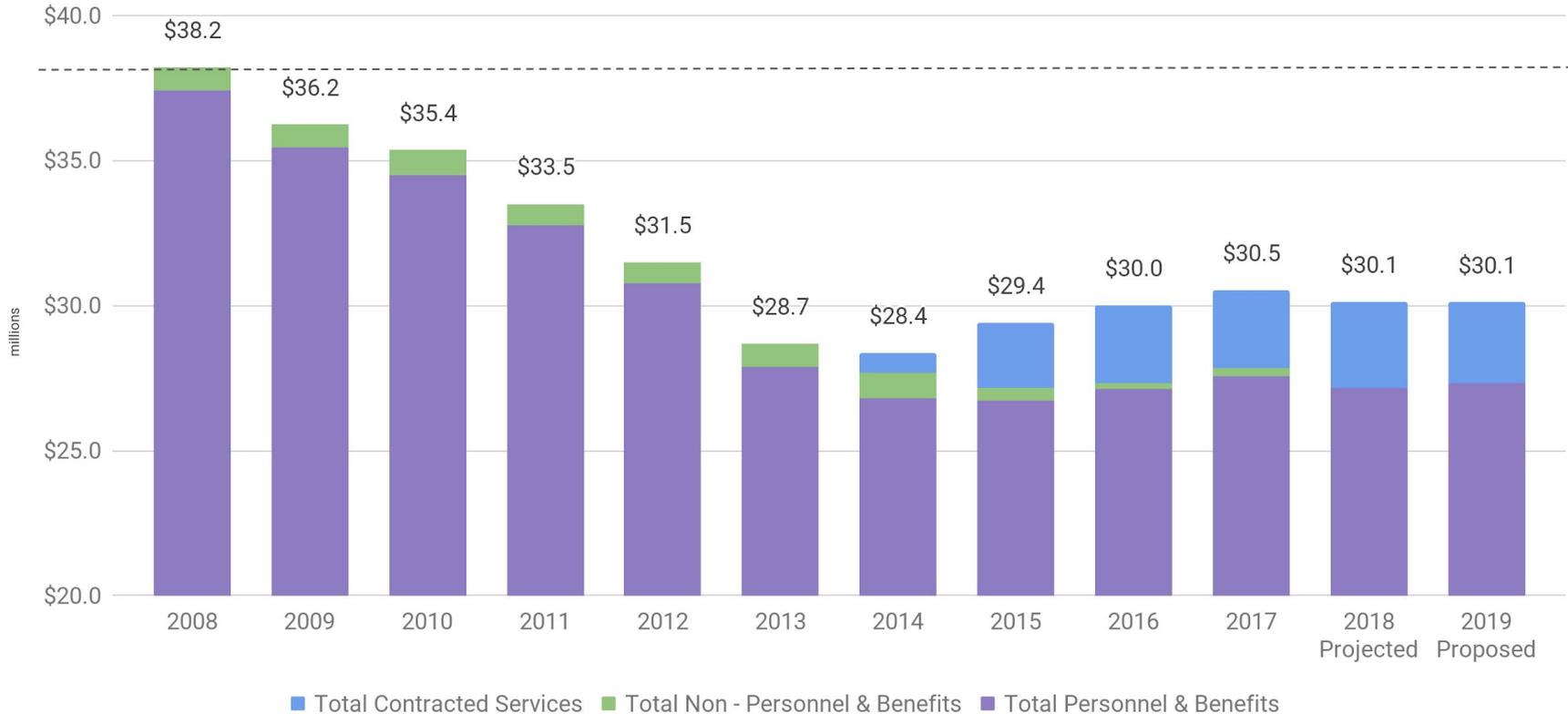
2016: includes \$1,500,000 for McDulin Parking Garage restoration

2018: includes financing \$1,500,000 (bond proceeds) for McDulin Garage restoration project

General Fund: Personnel & Benefits and Total Contracted Services



General Fund: Personnel & Benefits and Total Contracted Services Adjusted for Inflation - Municipal Cost Index (MCI)



Top General Fund Expenses, Breakdown 2013 vs 2019

	Total 2013 Actual	Total 2019 Proposed	Total Change	Change Personnel & Benefits	Change Other	Change Contracted Service
Police	14,133,134	*16,735,960	2,602,826	*1,509,151	(23,325)	1,117,000
Fire	11,465,874	13,491,443	2,025,569	1,475,590	549,979	-
Parks	1,091,803	1,270,000	178,197	(483,072)	(608,731)	1,270,000
Income Tax	1,009,379	609,500	(399,879)	(829,178)	(170,701)	600,000
Total	27,700,190	32,106,903	4,406,713	1,672,491	(252,778)	2,987,000

* Includes cost of 5 School Resource Officers (SROs). Approximately \$380,000 (75%) will be reimbursed from Hamilton City Schools (HCS).



8 cruisers: \$330k

Crime Scene Van: \$28k

HPD training range repairs: \$20k



Refurbish Engine: \$300k

Station Improvements: \$170k

Refurbish Medic (w/ power cot): \$170k

A cyclist in a blue shirt and black shorts is riding away on a paved path that curves through a wooded area. The path is bordered by a white line. In the background, there are trees and a building. A large black circle is overlaid on the center of the image, containing white text.

Hamilton Beltline

Investment 2016 - 2019: \$560k

Grant Funds Leveraged:
\$1.26mm



Hamilton Beltline Project: Site Vicinity Map

- Phase 1
- - - BeltLine Project

\$43.94mm Investment in Infrastructure

Project	2019 Proposed
Champion Mill Sports Complex*	\$13,123,000
Water Distribution - Hydrants/Valves/Meters/Mains	\$7,589,000
Corwin Avenue Sewer Replacement	\$2,600,000
Annual Concrete Repair and Resurfacing	\$2,450,000
Gas Transmission & Distribution - System Upgrades	\$1,470,000

*** 2019 Proposed Sports Complex Funding:**

- Ham Cap & Debt Fund (215) - \$6.5mm
- Sports Complex TIF Fund (356) - \$500K
- SW Fund (279) - \$1.5mm
- Gas Fund (515) - \$150K
- Electric Fund (522) - \$3.5mm
- Water Fund (531) - \$432K
- Wastewater Fund (541) - \$541K

\$43.94mm Investment in Infrastructure

Project	2019 Proposed
Wastewater - Collection Upgrades	\$1,899,000
Electric - Transmission & Distribution Upgrades	\$1,781,200
Greenup - Improvements (City Share)	\$1,709,000
Main/Millville/Eaton Intersection (ODOT Grant portion)	\$1,200,000
Beltline Trail - Phase 1 Construction (\$560K Grant)	\$922,000
One Renaissance Center - New Roof	\$500,000



DEPARTMENT OF INFRASTRUCTURE

HAMILTON, OHIO

Reliable | Local | Yours

ELECTRIC

2018: \$122.91
2019: \$123.19
Duke Retail: \$95
Duke Cust. Choice: \$85
*800 kWh/Month

TRASH & RECYCLING

2018: \$16.85
2019: \$17.15
Competitors: \$12

WATER

2018: \$26.73
2019: \$28.10
Competitors: \$32
*7 Ccf/Month

STORMWATER

2018: \$3.60
2019: \$4.30
Competitors: \$5
*1 ERU

SEWER

2018: \$40.62
2019: \$41.62
Competitors: \$36
*7 Ccf/Month

TOTAL MONTHLY BILL

2018: \$254.45
2019: \$260.04
Competitors: \$258
Customer Choice: \$242

Annual Vs
Competitors

\$24

Annual Vs Customer
Choice

\$216

NATURAL GAS

2018: \$43.74
2019: \$45.68
Duke Retail: \$78
Duke Cust. Choice: \$72
*63 Ccf/Month

2018 Additional Revenue and Savings Review

Action	Revenue/Savings
Bond Refinancing (Electric, Water and Wastewater)	\$4,128,825 (NPV)
Sold Renewable Energy Credits for Meldahl and Greenup Hydroelectric	\$1,534,825
Extended MuniGas Contract Period from 5 Years to 15 Years to Secure \$0.30 Discount Per Dekatherm	\$1,400,000
Meldahl Hydroelectric: Filed Revenue Requirement for Reactive Supply and Voltage Control	\$1,010,000
Efficiency Smart Elimination	\$800,000
Divest 7MW AFEC Allocation	\$500,000
Lime Reclamation (Recalcinated Lime)	\$350,000
Market Power Sales	\$245,000
Peak Shaving Economic Development Deals	\$30,000
Hamilton Hydroelectric Registered as Renewable Energy Generating Facilities	\$28,000
Invoice Cloud	\$26,000
	Total \$10,052,650

Electric System

- Existing Rate Plan
 - Period: 2015 - 2018
 - Excluded funding for capital and partial O&M due to Greenup proceeds
 - Did not include rising costs of transmission and capacity payments
- Recommend Rate Plan
 - Implement 5-Year Rate Plan February 1, 2019
 - Period: 2019-2023
 - 2% annual increase
 - \$0.29/month increase (residential)
 - Last year, the recommendation was 6% annual increases, through savings/new revenue, this has been reduced to 2%
 - Funding \$6MM annual capital by 2023
 - Continue to aggressively address legacy issues



Fleet

- 2019 Budget Equivalent to 2018
- Maintain More Than 700 Pieces of Equipment
- Procure Vehicle Titles, Licenses, New Equipment
- Manage Insurance Claims
- Operate CNG Fueling Station



Natural Gas

- Implement Step 2 of 2 Year Rate Plan December 1, 2018
 - \$1.94 per month increase (residential)
- Extended MuniGas Contract Period from 5 Years to 15 Years
 - Secured \$0.30 Discount Per Dekatherm
- Entering Second Year Fixed Price Contract with Constellation Energy
- Cost of Service Study In-Process



Storm Water

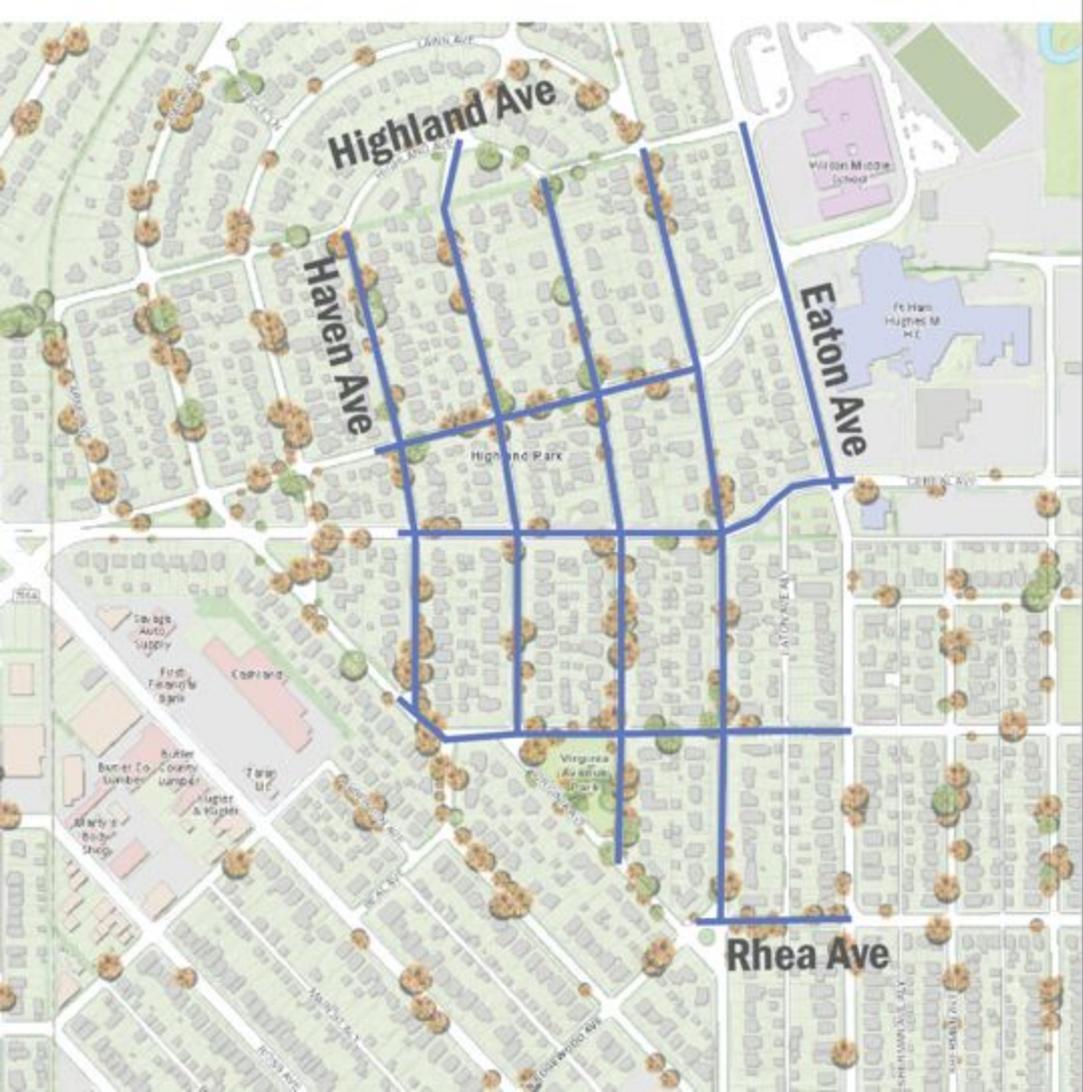
- Existing Rate Plan
 - Established 2001
 - Rate Has Remained Unchanged
 - Capital
 - \$250k Emergency Repairs
 - \$300k Concrete Repair and Resurfacing Program
- Initiatives in Process
 - Storm Water Master Plan
 - Complete March 29, 2019
 - Cost of Service Study
 - Complete May 31, 2019
- Recommended Rate Plan (Proactive)
 - Implement 2-year Rate Plan January 1, 2019
 - Current rate: \$3.60/ERU
 - Increase \$0.70/month increase per ERU
 - 2019: \$4.30/ERU
 - 2020: \$5.00/ERU
 - Increase Supports:
 - Debt for South Hamilton Crossing (\$3.8MM)
 - Debt for Tabor Lane and Main/Lawn (\$7.5MM)
 - \$1MM in additional capital projects



Water

- Implement Step 5 of 5-year rate plan January 1, 2019
 - \$1.37/month increase (residential)
- Perform Cost of Service Study in 2019
- \$350,000 Savings Lime Reclamation (Recalcinated Lime)





Highland Park

Water Main
Replacement



2.4 Miles
of Water Main

Wastewater

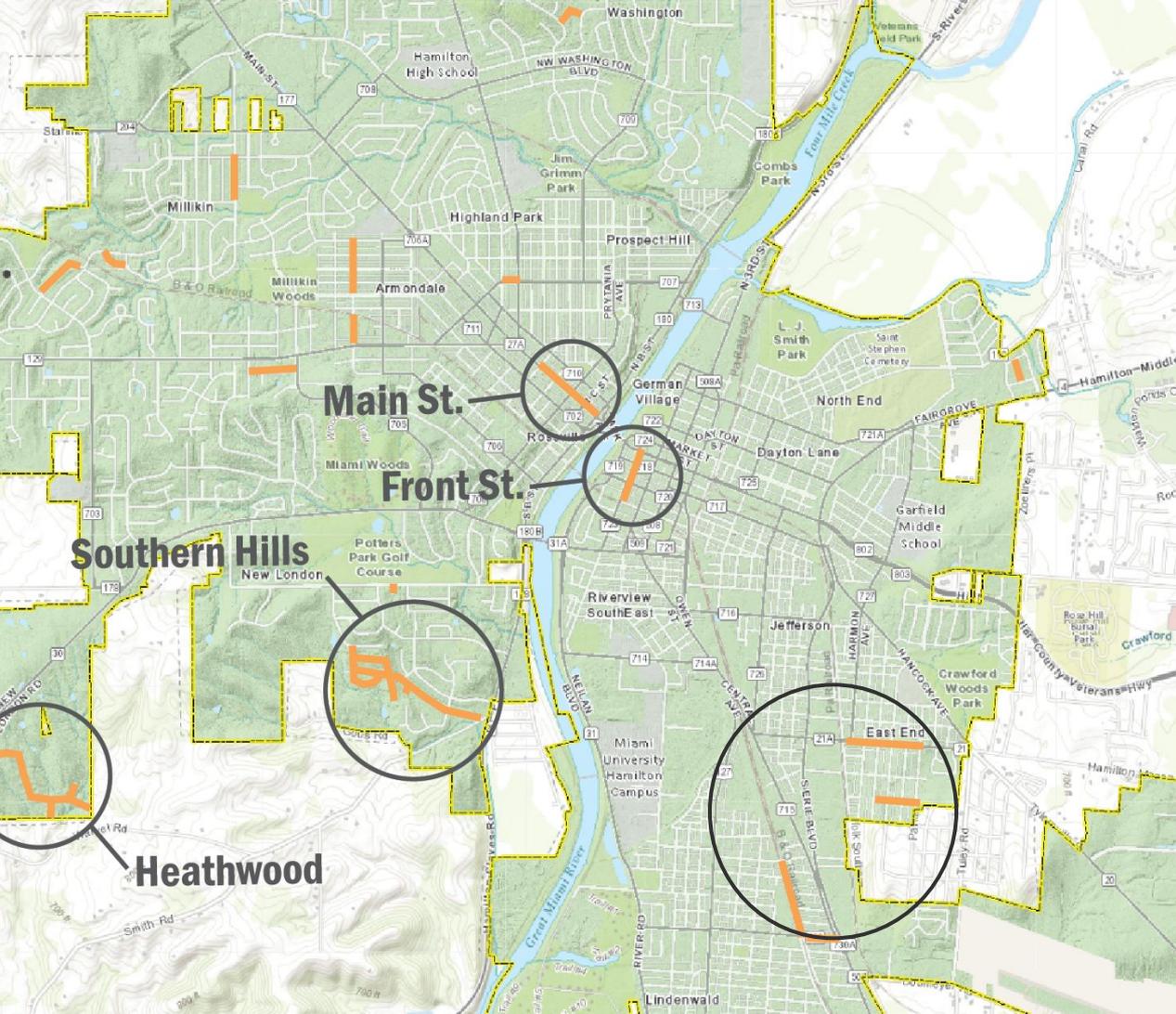
- Implement Step 4 of 5-year rate plan Jul. 1, 2019
 - \$1.00/month increase (resident)
- Compliant with 2007 EPA Consent Decree
 - Required Sanitary Sewer Overflow Remedial Measures
 - \$33.6MM Invested 2008-2017



Transportation, Traffic, and Street Maintenance

- Main, Millville, Eaton Realignment will be completed August 2019
- 2.35 Miles of Concrete Repair and Resurfacing
- 6.3 Miles of Resurfacing (Public Works)
- Parking Enforcement Officer
- \$100,000 Available for Salt
 - Average \$230K





**6.3** Miles
of Streets
Street Resurfacing

**2.4** Miles
of Streets
**Concrete Repair &
Resurfacing Program**

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QUESTIONS?