

Amberley Village 2006 vs. 2012

There has been discussion and questions within the AHAC about expenses in 2006 and how returning to that level of spending could solve our financial issues. Staff has looked at 2006 expenses, chosen 13 categories to highlight and compared expenses of 2006 vs. 2012 and tried to identify what has changed since then and how it affects the Village Budget.

2006 was prior to the Great Recession. 6 years ago the Village earned \$259,125 in interest compared to \$32,317 last year. In 2006, the housing market was still vibrant, consumer debt was at an all-time high, consumer spending was strong and unemployment was 5.6% compared to 9% currently. The weekly average gas price at the beginning of 2006 was \$2.28 per gallon, rose to an average of \$2.90 from May to September then peaked at \$3.02 in August.

1. Police Wages (line item 100-1010-1110)

Total wages for the police department have increased from \$1.3 million in 2006 to a 2012 Budget amount of \$1.5 representing an annual increase of 2.6%. The increase from 2006 to 2012 is in part due to adding officers in 2006 and 2007, bringing the number of sworn personnel up to eighteen. Also, there were raises granted to employees as follows:

<u>Year</u>	<u>Increase</u>
2006	5%
2007	3.5%
2008	4%
2009	1%
2010	1.8%
2011	0%
2012	0%

The Chief is currently reconfiguring the department structure and responding to planned vacancies in order to decrease the expenses in the police department. The department currently has four Lieutenant positions and one Sergeant. With the restructure, the department will eventually have one Lieutenant and three Sergeants. This will result in a savings in lower salaries as well as a reduction in one supervisor position. He has also implemented a new schedule that will keep more officers on the streets. In addition, with the use of the part-time dispatchers, the department will see a significant reduction in overtime as well as putting officers on the road and off the desk.

2. Police Overtime (line item 100-1010-1111)

Adjustments in police scheduling have resulted in reduced overtime savings of approximately \$33,000. Further adjustments to the police department work schedule and mayor's court schedule should produce additional savings.

Mayors Court is currently once a month in order to allow defendants to have the right to a speedy trial. This requires the department to have every officer that has written a ticket to appear in

court, regardless of the plea. With the changes, Mayors Court will be held twice a month and only needed personnel will be assigned. This will show a savings in personnel cost of approximately \$200 a month.

Council recently passed an ordinance to increase court costs from \$20 to \$50. Of these cost \$39 goes to the State and \$10 goes to the computer fund. Any fines that are assessed to the defendant come directly to the Village to help off-set costs.

3. Police Health/Dental/Life Insurance (line item 100-1010-1122)

The increase in health/dental/life insurance costs from 2006 to 2012 reflects an increase of \$197,000. Officers were added in 2006 and 2007 and overall, health care costs have been increasing despite several adjustments to the plans including switching to high deductibles along with contributions from employees. Employees began paying 10% of the premium in 2011 and will pay 15% in 2012. In 2011, the Village no longer allowed employee spouses to be covered under its primary health plan, if other insurance is available. Additionally, some personnel have changed from single to married or even family plans.

4. Police Gasoline (line item 100-1010-4421)

The cost of fuel has increased from \$20,672 in 2006 to \$45,000 in 2012. Fuel consumption has increased approximately 15% since 2006, along with the average gallon of fuel increasing 68% in cost.

5. Fire Wages (line item 100-1020-1110)

Wages for fire personnel increased from \$121,295 in 2006 to a budget in 2012 of \$145,284. The Maintenance Department added two fire fighters in the spring of 2006 and two more in the spring of 2007 along with an additional police officer in 2006, 2007 and 2008. In addition to an increase in residential fire alarm runs, the State has increased their mandated training requirements.

6. Fire Pension (line item 100-1020-1124)

In 2006, this line item did not exist in the fire budget. Fire Pension was established in 2008 but prior to this new account, it was charged to Police Pension. The police pension account has experienced a decrease in pension costs of 43% from 2008 (\$357,741) to 2012 (\$249,503) for combined police and fire pensions, not an additional cost.

7. Maintenance Refuse Contract (line item 100-1050-3312)

Total costs have increased 25% or \$43,547 for waste collection from 2006 to 2012. Rumpke is under contract for three years with slight increases each year (4%, 4% and 3%) for both trash and recycle services plus the cost of collection through GCWW (5%). Some funds are recovered from the recycle grants from HC Solid Waste District. In 2011, residents began paying quarterly for waste collection to cover the cost of Rumpke's services to the Village. Residents have been notified of a price increase for 2012.

8. Service Wages (line item 1110)

Wages for the Service Department were \$460,131 in 2006 and peaked in 2008 at \$524,129. Wages for 2012 are budgeted at \$436,435, less than the level in 2006. Here are some comments about staffing and events through the years:

2006- May 25th storm: Utilized some police department personnel, 5 months without 1 full time position due to time between retirement and replacement hire

2007- 8 full time and 3 part time, winter storms 5th and 6th, 12th and 13th

2008- 8 full time and 2 part time, wind storm 9/14/08, began Amberley Green maint./ dead and downed tree clean-up both contract and in-house, No separate account in 2008 (began new acct in 2009) utilized some PD personnel

2009- 8 full time and 2 part time, new labor account for AG became available to charge against as work began to level off in this effort (charged \$26,657.00 to the AG account).

2010¹- 8 full time and 1 part time, \$23,961 increase from '09 to 2010 with one less part time

2011- 7.75 full time and 0 part time, full time retirement in September, no seasonal help

2012 Budgeted- 7 full time and 0 part time

9. Service Professional Services (line item 3340)

In 2008, there were approximately \$5,000 additional spent for road related projects than the two years prior. Additionally \$19,500 was spent in professional services on master planning for the gateways. In 2009, fewer dollars were spent on zoning, utility and North Site related issues but additional funds were dedicated to road, storm, general engineering and issues related to Amberley Green. In 2011, professional service costs decreased due to a variety of factors including: deferred road program, fewer large zoning related projects requiring engineering evaluations, cessation of methane monitoring at the North Site and fewer general engineering issues were referred to the Village Engineer for evaluation.

10. Service Insurance and Bonding (line item 3360)

Bonding and insurance peaked in 2006 at a cost of \$115,634 compared to \$32,997 paid in 2012. This was attributable to more competitive pricing from our risk manager.

11. Service Maintenance of Facilities (line item 3351)

The Village spent \$437,680 in 2007 to remove the buried debris from the North Site. Returning to a composting operation from a transfer station has yielded cost savings of \$3,000-\$4,000 in hauling charges. Other items included in this line item include debris hauling, fence repair and fuel pump maintenance.

¹ \$19,442 more charged to AG in 2009 than in 2010. The AG account is not factored into the 6000 consolidated wage totals, but the total prior to 2009 included these wages

12. Operating Supplies (line item 4420)

Salt is 75% of this line item and in 2008/2009, there was a huge increase in the price of salt when it hit a high of \$130/ton. It is currently in the mid-sixties per ton and was in the high \$30 per ton in 2006.

13. Contingency (line item 100-7095-0000)

The contingent fund is generally utilized for paying any unbudgeted or unanticipated expenses (unemployment, ice cream social expenses, etc.). While \$250,000 was budgeted this year to repay an expected inheritance tax refund, \$250,000 is always budgeted for items that haven't been planned. An average of \$36,000 has been spent each year since 2006.