



2013 Temporary Appropriation & Forecast

Colerain Township

By: James M. Rowan, Administrator



Budget Process

May
2012

Budget development begins at the department head level. Budgets due to administrator by June 1st.

June
7th

Budgets reviewed by Administrator and submitted to Financial Advisory Committee (FAC).

June
13th

Budgets reviewed by FAC prior to public hearing and consideration by the Board of Trustees.

July
10th

Public hearing on proposed budget. Budget approval required by July 15th and filed by July 20th.

Jan
2013

Deadline for adopting Temporary Appropriations.

April
2013

Deadline for adopting Permanent Appropriations.



Budget Development

- Budget development begins at the department head level on a zero based budgeting approach. This approach requires detailed rationale and justification for all budget requests.
- All salary and fringe benefit budgets as well as the majority of revenue estimates are handled by the Township Administrator.



Five-Year Forecasting

The Township Administrator manages the five-year forecast for all operational functions.

- Five-Year capital plans have been obtained by each department and are integrated as part of the budget process where possible.



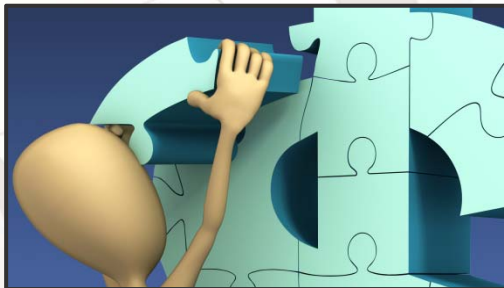


Benchmarking & Shared Services



- **Benchmarking:**

- Initial benchmarking projects have been submitted to the FAC and Board of Trustees. Department Heads will continue to benchmark towards best practices to improve efficiency, reduce costs and generate alternative revenue. Benchmarking will continue to play a role in our road to continuous improvement.



- **Shared Services:**

- Shared service opportunities have allowed us to reduce costs and gain greater efficiency. Shared service agreements are in place with Northwest School District, Hamilton County Sheriff's Department and Springfield Township. Department Heads will continue to seek shared service opportunities.



State Budget Reductions

Reductions in state revenue as part of the 2011 biennial budget has significantly reduced 3 major sources of funding from the General Fund:

-Local Government Fund – (Cut 50% or approximately \$479k/year starting in 2012)

-2010 = \$900k

-2011 = \$845k

-2012 = \$525k

-2013 = \$427k

Estate Tax – (Eliminated in 2013 Average \$1 million/year starting in 2014)

-2010 = \$1.2 million

-2011 = \$905k

-2012 = \$928k

-2013 = \$600k

Tangible Personal Property Tax – (Eliminated in 2013 - \$32k/year)

-2010 = \$33k

-2011 = \$22k

-2012 = \$12k

-2013 = \$1k

Total Forecast Loss in 2014 = \$1.5 million

-Local Government \$479k

-Estate Tax \$1.0 Million (3 Year Average)

-Tangible Personal Property \$32k



State Budget Reductions

Annual Reductions in Real Estate Taxes and Tangible Personal Property Taxes have also impacted Police, Fire and Road Departments:

<u>Real Estate Loss</u>	<u>Tangible Personal Loss</u>	<u>Total</u>
Police \$254k	\$161k	\$415k
Fire \$1.2 million	\$738k	\$1.9 million
Road \$168k	\$58k	\$226k

The above numbers reflect the projections per Hamilton County Auditor in 2013 as compared to 2010 actual receipts. The loss in Real Estate Taxes were a result of lower tax valuations in the last reappraisal as well as increased delinquencies.



Creating Greater Efficiencies

REVENUE ENHANCEMENTS

- Increased Abatement Fees
 - (TBD – Based on Assessment Collections)
- Increased shelter & field rental fees
 - 2013 (\$10k)
- Increased membership & hall rental fees
 - 2013 (\$52k – Expecting \$10k Net)
- Increased video service provider fees
 - 2013 (\$263k)
- Implemented parking/storage fees of vehicles impounded by Police Department
 - 2013 (\$192k – Expecting \$96 Net)
- Northgate Mall Police Station
 - 2013 (\$285k – Expecting \$30k Net)
- Partnership with Cincinnati State to generate revenue for training operated by Fire Department
 - 2013 (\$35k)
- Parking permit program for Parks
 - 2013 (\$73k – Expecting \$51k Net)
- Electric and Gas Aggregation Civic Sponsorship Program
 - 2013 (\$120k)

General = \$383k

Parks = \$83k

Community Center = \$52k

Police = \$477k

Fire = 35k



Creating Greater Efficiencies

COST SAVINGS/REALLOCATION OF RESOURCES

- Reduction of Personnel: (12.5)
 - Full-time zoning inspector
 - 2 part-time zoning inspectors
 - Full-time planner
 - Full-time maintenance worker
 - Full-time mechanic (PW)
 - Full-time activities director
 - Full-time department head
 - Full-time receptionist to part-time
 - Full-time assistant chief
 - Full-time captain - investigations
 - Full-time public education specialist
 - Full-time mechanic (Fire)
 - Part-time division chief
 - Part-time captain - training
- Reduction in Stipends to Boards and Commissions
- Employee pay freeze in 2012
- Career firefighters relinquished a 2.75% wage increase that had already been negotiated
- Employees contributing more to health insurance
- Other Cost Savings
 - Code Enforcement is a shared effort between Parks & Services, Public Works, Fire and Police Department
 - Parks & Services and Public Works have been merged to create greater efficiency with personnel resources
 - Implementation of Reserve Officer Program for Police Department
 - Reducing cost of public access television
 - Eliminating contract with YMCA for Skyline Center
 - Installation of a gasoline tank to reduce gasoline expenses (Estimated completion Dec 2012)
 - Energy conservation measures and lighting changes



Creating Greater Efficiencies

PERSONNEL CHANGES

- Administrative (Reduction \$9k)
 - Shifted IT Director Benefits to Fire
 - Increased Accounting Clerk Hours from 16-28 week
- Zoning (Decrease \$160k)
 - Elimination of Planner Position
 - Elimination of 1 FT Zoning Inspector
 - Elimination of 2 PT Zoning Inspectors
 - Elimination of 1 PT Coordinator
- Parks & Services (Increase \$46k)
 - Add Cashiers/Park Patrol (Permit Program)
 - Add PT Receptionist
 - Adjust Director/Administrative Assistant Salary
- Public Works (Reduction \$225k)
 - Elimination of Director Position
 - Elimination of Administrative Assistant Position
 - Elimination of Mechanic Position
- Fire (Increase \$19k)
 - Shifted IT Director Benefits from General Fund
- Police (Increase \$519k)
 - Loss of 11 Deputies
 - Addition of 2 FT officers at Mall plus Reserve Officers for Mall
 - Addition of 1 PT officer at Impound Lot
 - Salary Adjustment (Chief & Officer Step Increases)



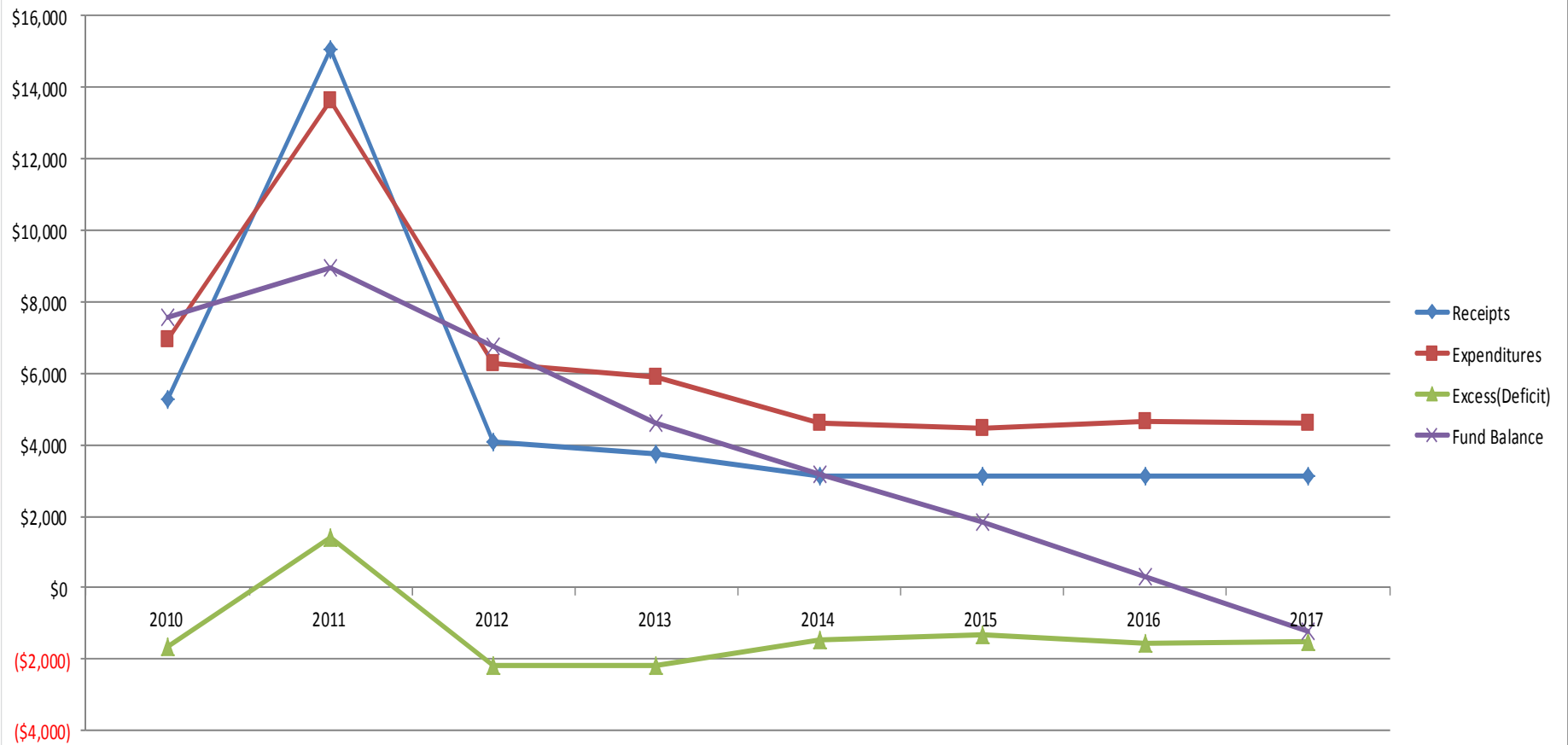
2013 Temporary Appropriations

Changes over 2013 Tax Budget - \$(000's)

Fund Name	2013 Temporary Appropriations	\$ Change vs. Tax Budget		NOTES
			Increase/(Decrease)	
GENERAL	\$ 5,896	\$ 1,612		\$350K - SCIP/ \$100K - ROW Acquisition for Safe Routes; \$200K Moving Ohio Forward, \$1M Gateway (Underground Utilities)
ROAD FUNDS	\$ 1,803	\$ (42)		Reallocation of Funds for Public Services
POLICE DISTRICT	\$ 6,009	\$ 437		\$250K Salaries/Fringes - Mall Services/Impound Lot/Reserve; \$146K 911 Call Center; \$25K Fuel Cost - Sheriff, \$81K Towing Fees - Impound Lot; \$25K reduction Vehicle Repl.
FIRE DISTRICT	\$ 12,524	\$ 159		\$18K -Tax Collection Fees; \$39K - Utilities/Fuel; \$25K Misc Equipment' \$26K Health Ins.; \$5K Prop/Liab Ins.; \$80K Apparatus
ZONING	\$ 240	\$ (14)		Restructuring of Personnel
EMSS	\$ 1,241	\$ 8		Increase in Contracted Service for Collection
TIF (STONE CREEK)	\$ 886	\$ 301		Streetscape 275/Colerain Ave
PWC (BREEZY)	\$ 1,485	\$ 1,485		2013 SCIP - Acre Drive

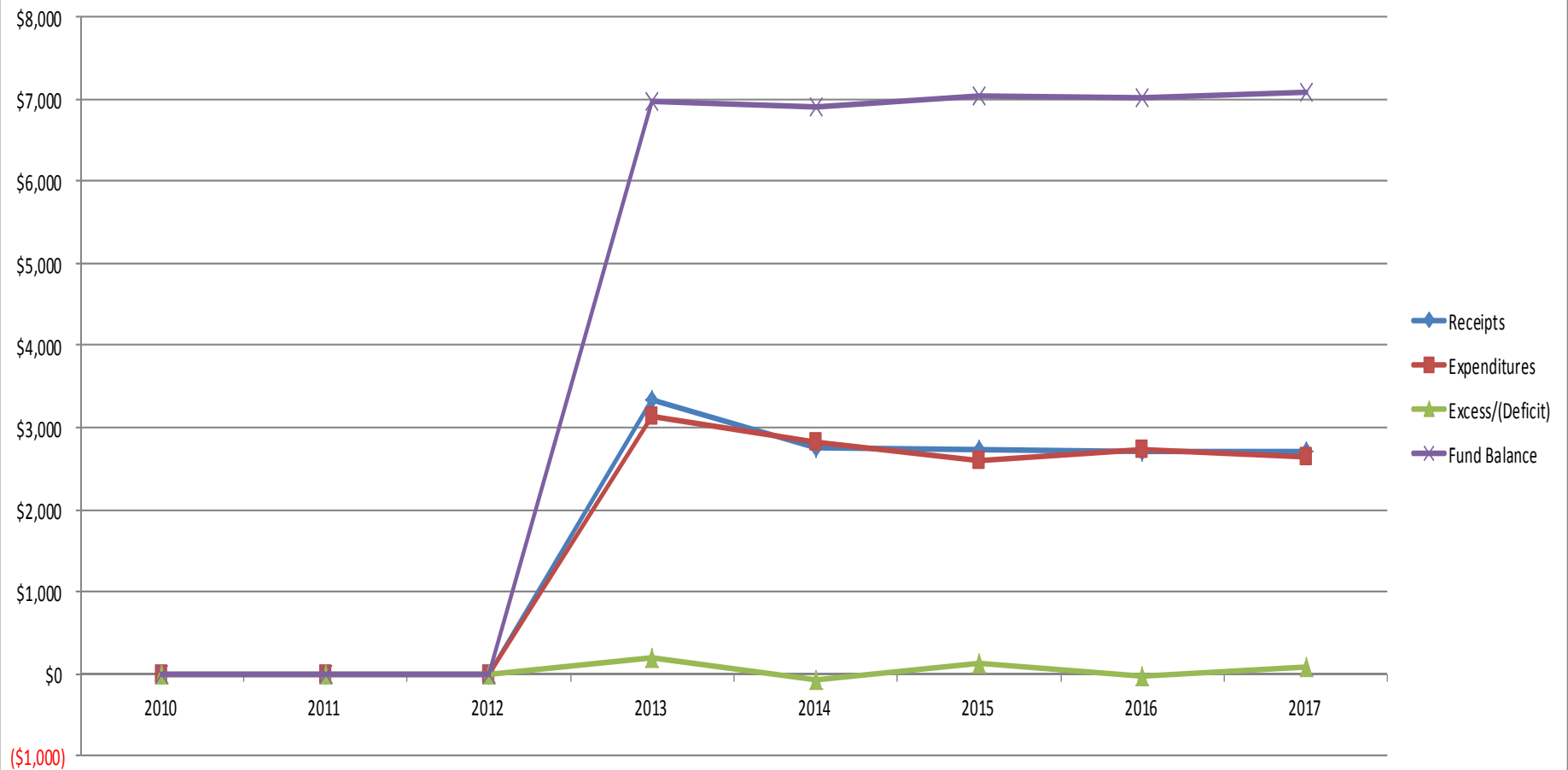
Five-Year Forecast (General Fund) - \$(000's)

	2010	2011	2012	2013	2014	2015	2016	2017
Receipts	\$5,264	\$15,054	\$4,093	\$3,734	\$3,141	\$3,123	\$3,106	\$3,115
Expenditures	\$6,933	\$13,646	\$6,272	\$5,896	\$4,604	\$4,442	\$4,650	\$4,615
Excess(Deficit)	(\$1,669)	\$1,408	(\$2,179)	(\$2,162)	(\$1,463)	(\$1,319)	(\$1,544)	(\$1,500)
Fund Balance	\$7,544	\$8,952	\$6,773	\$4,611	\$3,148	\$1,829	\$285	(\$1,215)



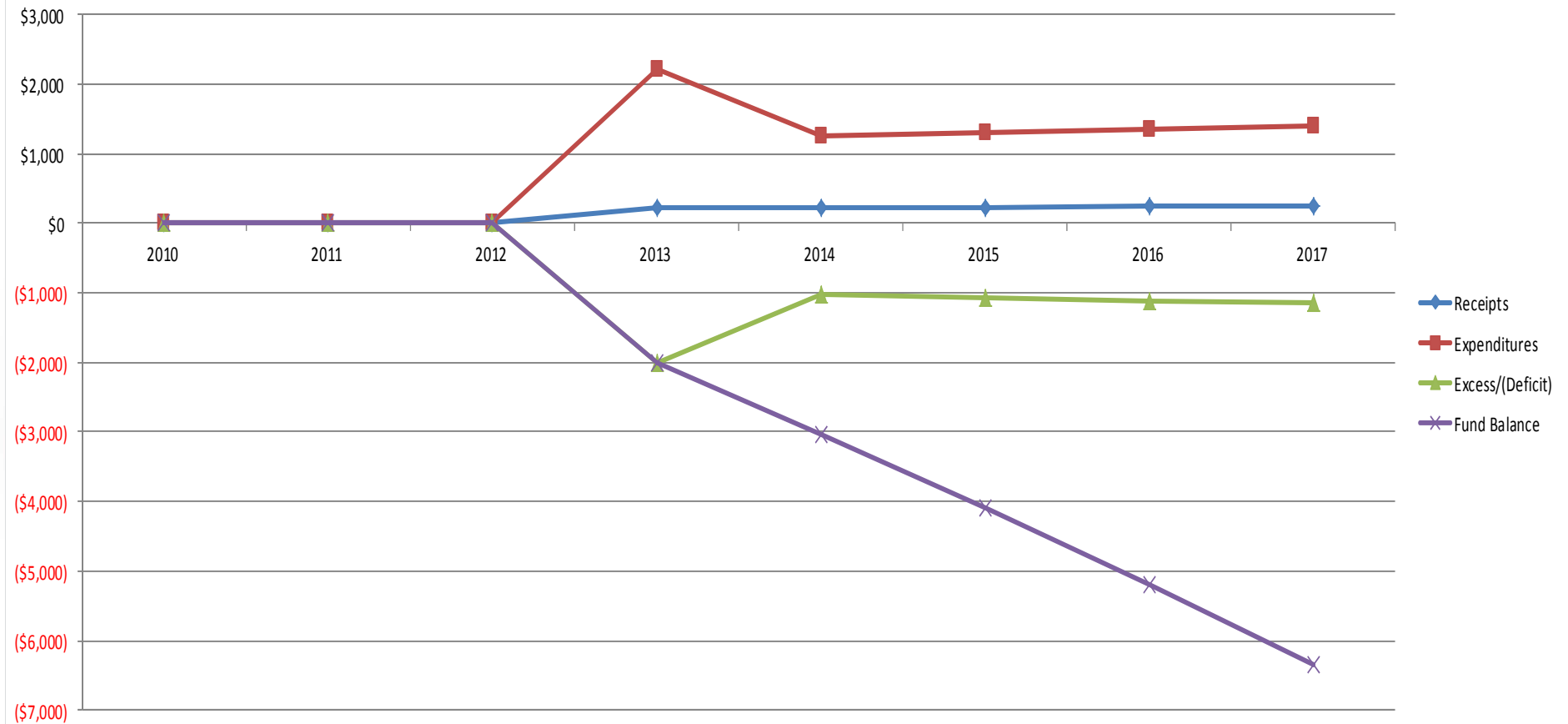
Five-Year Forecast (General Fund – Exc. Parks & Community Center) - \$(000's)

	2010	2011	2012	2013	2014	2015	2016	2017
Receipts	\$0	\$0	\$0	\$3,348	\$2,753	\$2,732	\$2,710	\$2,714
Expenditures	\$0	\$0	\$0	\$3,145	\$2,821	\$2,598	\$2,742	\$2,638
Excess/(Deficit)	\$0	\$0	\$0	\$203	(\$68)	\$134	(\$32)	\$76
Fund Balance	\$0	\$0	\$0	\$6,976	\$6,908	\$7,041	\$7,010	\$7,086



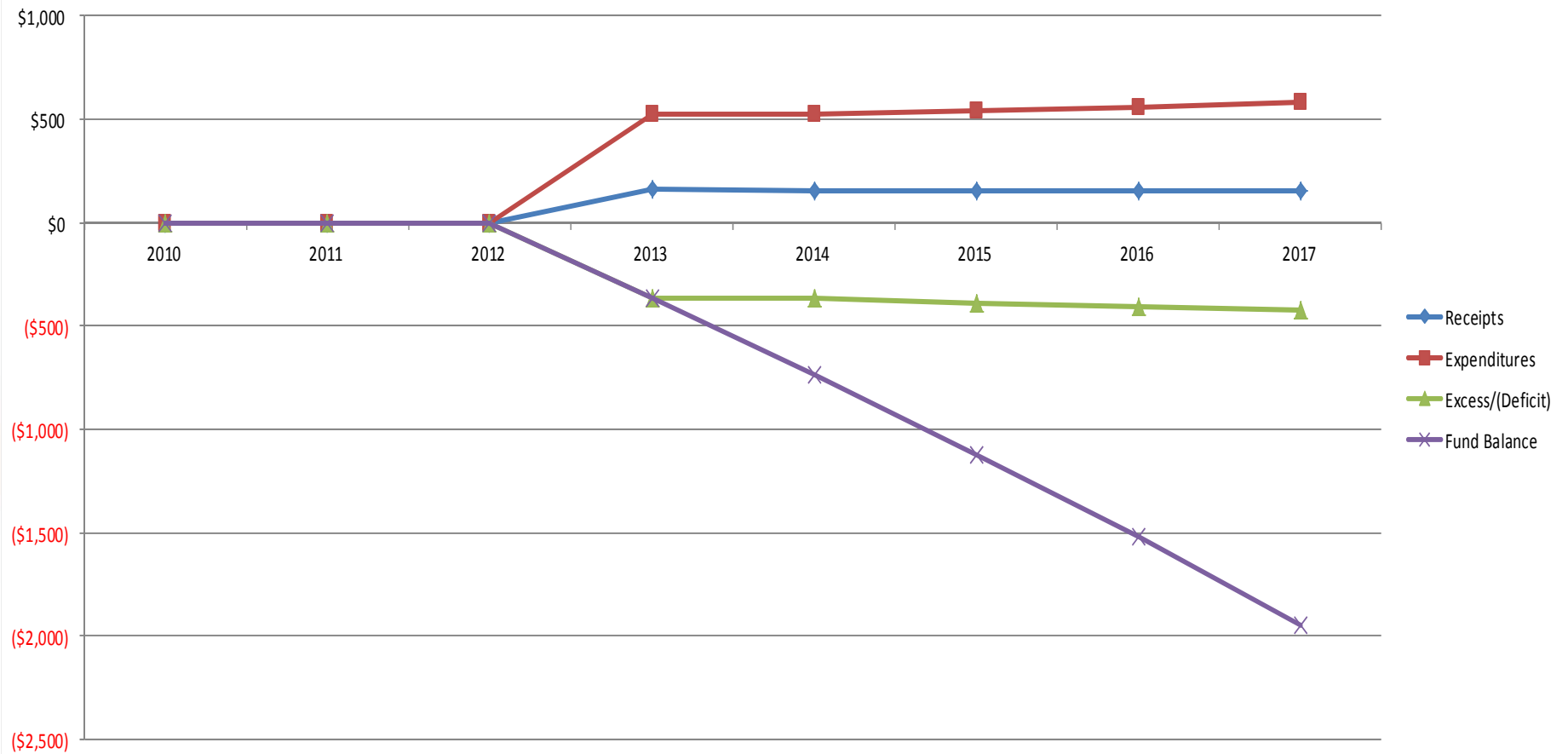
Five-Year Forecast (Parks & Services) - \$(000's)

	2010	2011	2012	2013	2014	2015	2016	2017
Receipts	\$0	\$0	\$0	\$227	\$234	\$236	\$239	\$243
Expenditures	\$0	\$0	\$0	\$2,226	\$1,261	\$1,303	\$1,349	\$1,397
Excess/(Deficit)	\$0	\$0	\$0	(\$1,999)	(\$1,027)	(\$1,067)	(\$1,110)	(\$1,154)
Fund Balance	\$0	\$0	\$0	(\$1,998)	(\$3,026)	(\$4,093)	(\$5,202)	(\$6,356)



Five-Year Forecast (Community Center) - \$(000's)

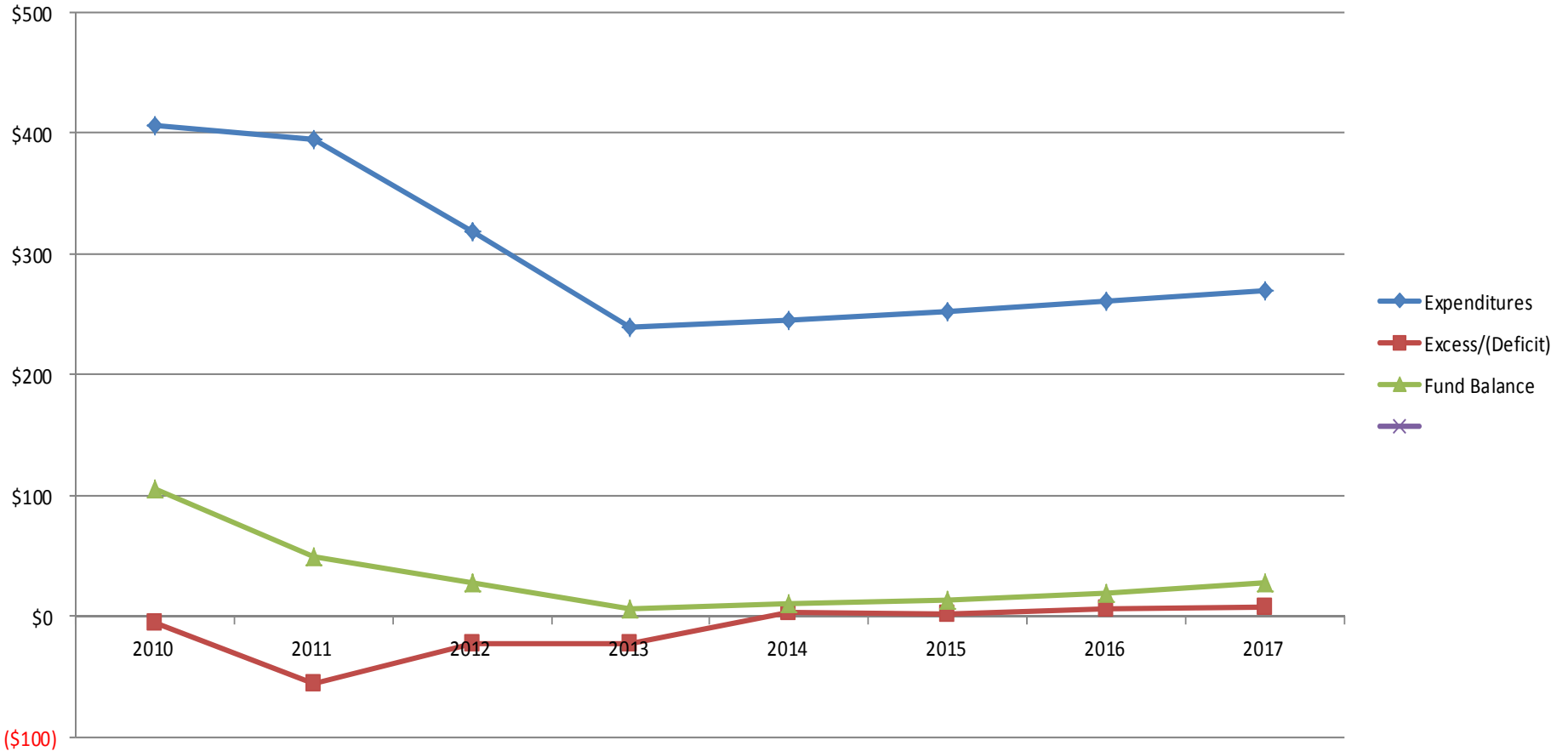
	2010	2011	2012	2013	2014	2015	2016	2017
Receipts	\$0	\$0	\$0	\$159	\$155	\$155	\$157	\$158
Expenditures	\$0	\$0	\$0	\$525	\$522	\$541	\$560	\$581
Excess/(Deficit)	\$0	\$0	\$0	(\$366)	(\$367)	(\$386)	(\$403)	(\$423)
Fund Balance	\$0	\$0	\$0	(\$366)	(\$734)	(\$1,119)	(\$1,522)	(\$1,945)



Five-Year Forecast (Zoning Fund) - \$(000's)

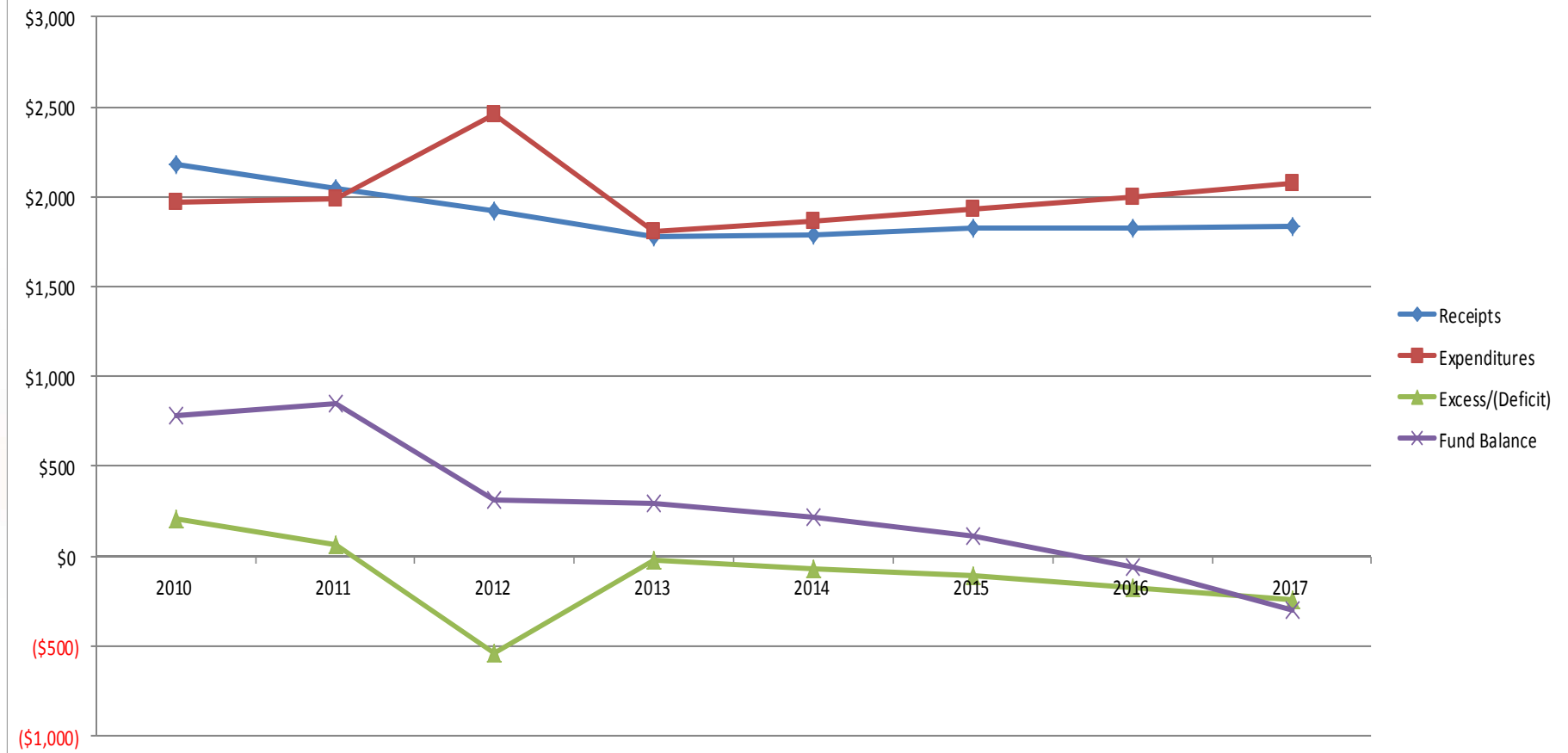
Reduction of Planner/Inspectors

	2010	2011	2012	2013	2014	2015	2016	2017
Receipts	\$402	\$340	\$296	\$218	\$249	\$255	\$267	\$278
Expenditures	\$407	\$395	\$319	\$240	\$245	\$253	\$261	\$270
Excess/(Deficit)	(\$5)	(\$55)	(\$23)	(\$22)	\$4	\$2	\$6	\$8
Fund Balance	\$105	\$50	\$28	\$6	\$11	\$13	\$19	\$28



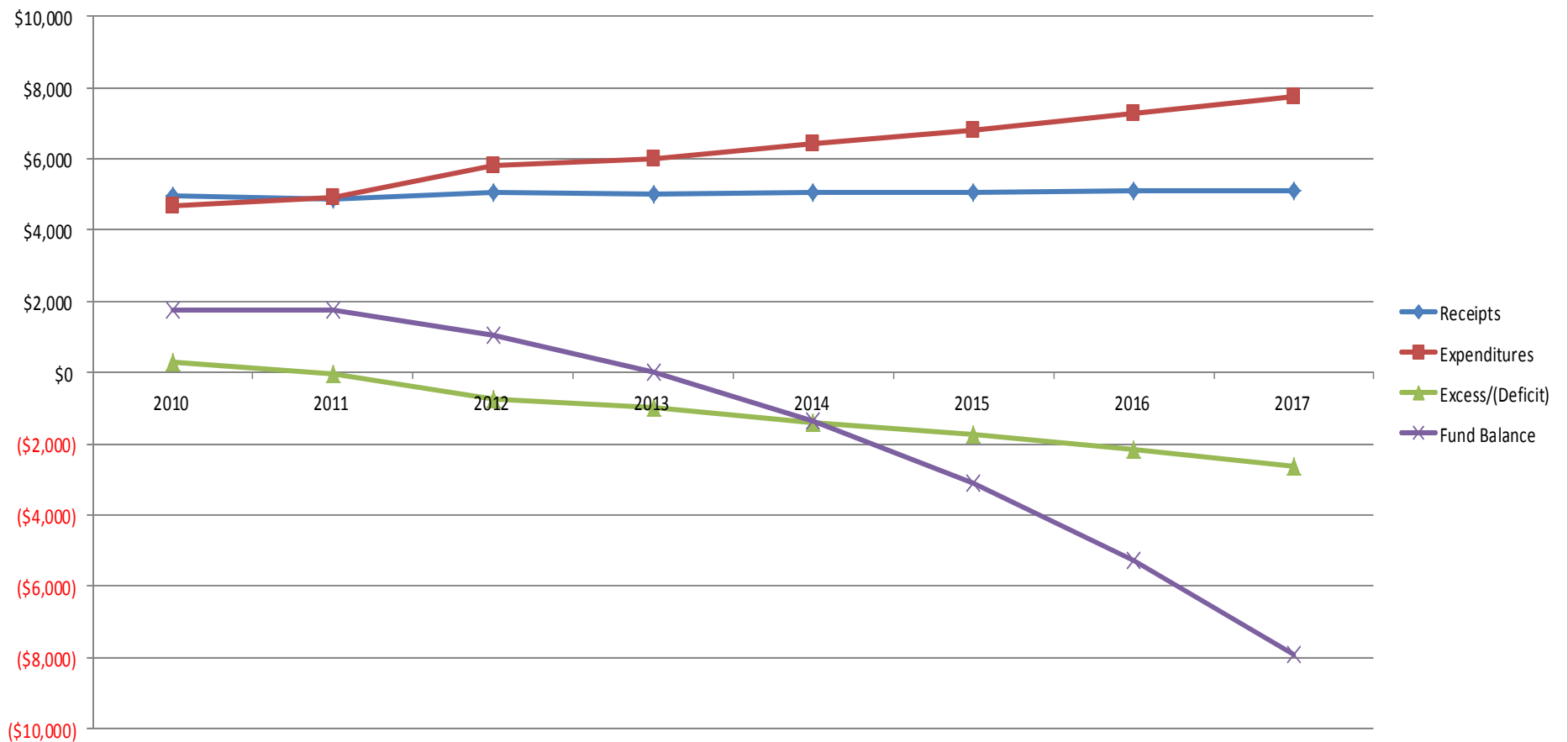
Five-Year Forecast (Consolidated Road Funds) - \$(000's)

	2010	2011	2012	2013	2014	2015	2016	2017
Receipts	\$2,179	\$2,046	\$1,925	\$1,782	\$1,791	\$1,825	\$1,829	\$1,835
Expenditures	\$1,969	\$1,985	\$2,461	\$1,803	\$1,863	\$1,929	\$2,000	\$2,074
Excess/(Deficit)	\$210	\$61	(\$536)	(\$21)	(\$72)	(\$104)	(\$171)	(\$239)
Fund Balance	\$786	\$848	\$312	\$291	\$220	\$115	(\$56)	(\$296)



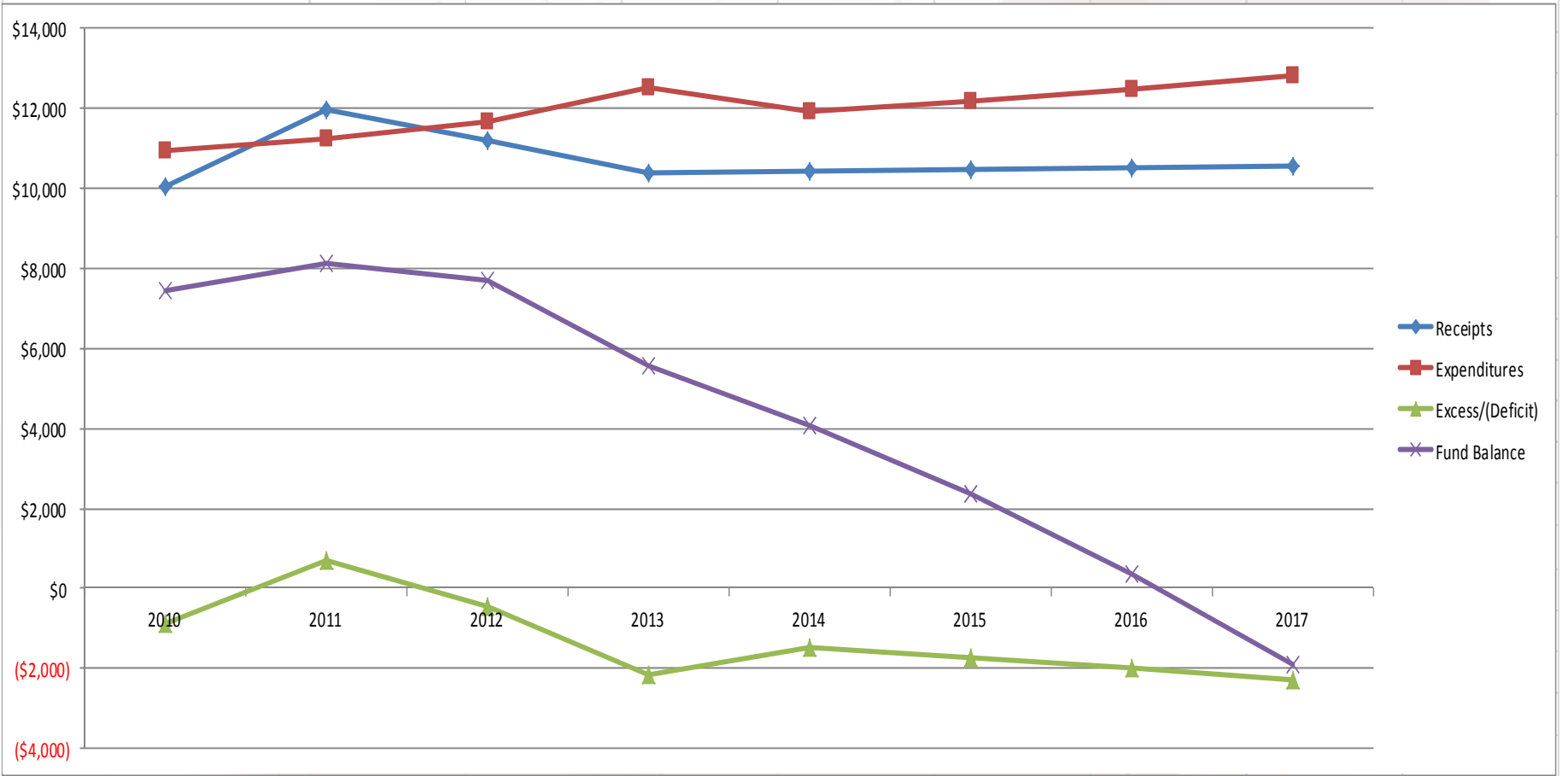
Five-Year Forecast (Police Fund) - \$(000's)

	2010	2011	2012	2013	2014	2015	2016	2017
Receipts	\$4,981	\$4,889	\$5,070	\$5,017	\$5,049	\$5,068	\$5,090	\$5,115
Expenditures	\$4,682	\$4,917	\$5,792	\$6,009	\$6,437	\$6,820	\$7,271	\$7,754
Excess/(Deficit)	\$299	(\$28)	(\$722)	(\$992)	(\$1,388)	(\$1,752)	(\$2,181)	(\$2,639)
Fund Balance	\$1,777	\$1,749	\$1,027	\$35	(\$1,352)	(\$3,104)	(\$5,285)	(\$7,924)



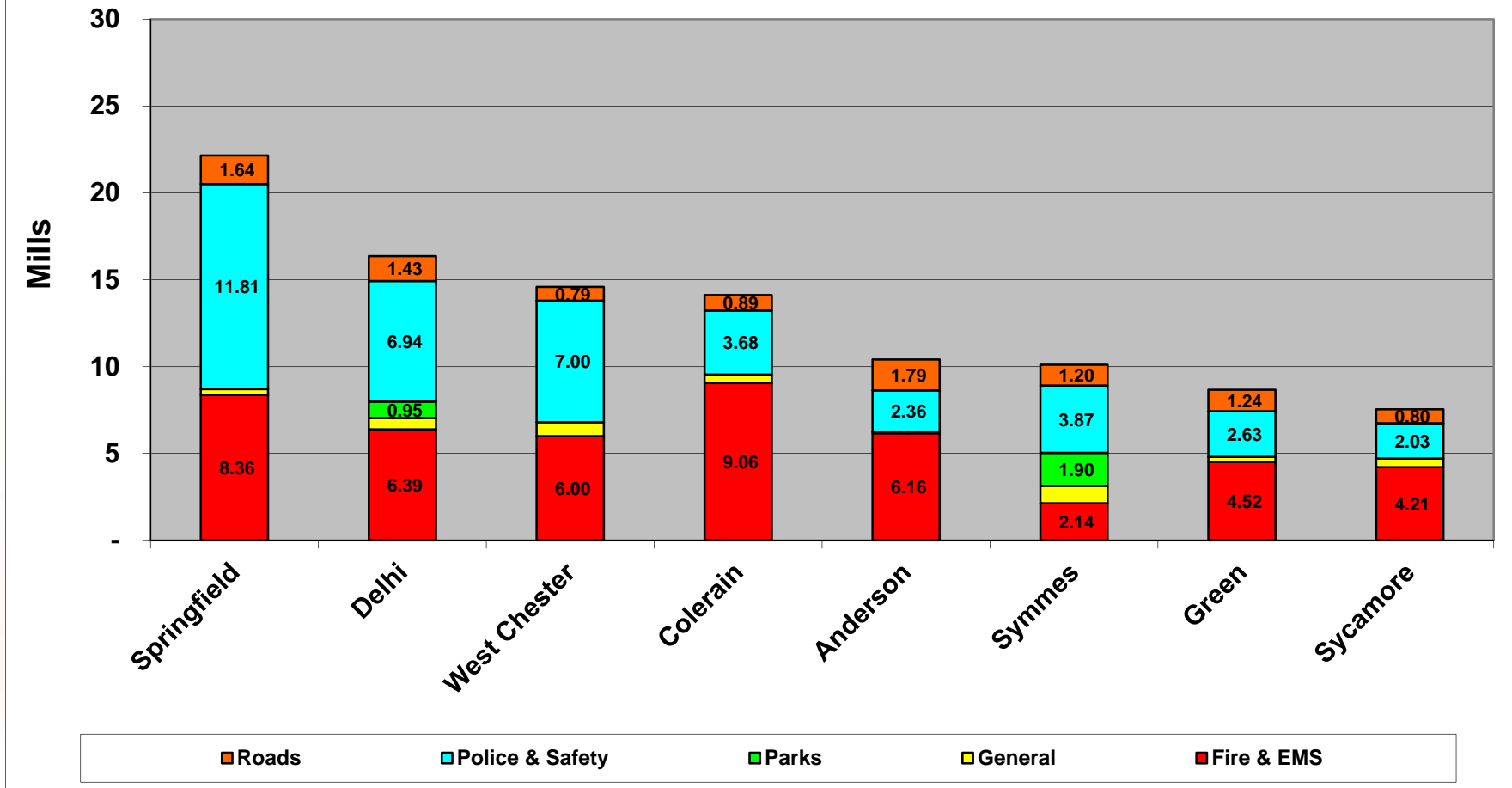
Five-Year Forecast (Fire Fund) - \$(000'S)

	2010	2011	2012	2013	2014	2015	2016	2017
Receipts	\$10,058	\$11,959	\$11,194	\$10,385	\$10,435	\$10,468	\$10,503	\$10,544
Expenditures	\$10,938	\$11,261	\$11,656	\$12,524	\$11,903	\$12,192	\$12,498	\$12,822
Excess/(Deficit)	(\$880)	\$698	(\$462)	(\$2,139)	(\$1,468)	(\$1,724)	(\$1,995)	(\$2,278)
Fund Balance	\$7,448	\$8,146	\$7,684	\$5,544	\$4,076	\$2,352	\$358	(\$1,921)



Tax Burden Comparison

Regional Twp. Tax Burden Comparison (as of Nov 2012)
Based on "Inside" + Effective Millage



It should be noted that Anderson and Green have lower millage due to TIF proceeds. Further, 1 mill in West Chester generates \$750k more than 1 mill in Colerain. Anderson Township has a separate Park District to fund their parks.

Annual Debt Amortization* - \$(000's)

TOTAL COLERAIN TWP.										
ASSESSED VALUATION (\$Mil.):	\$1,093.2									
Debt Service by Year - \$(000's)										
Bond Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Works Bldg.	\$ 211.3	\$ 213.4	\$ 215.3	\$ 216.6	\$ 212.3	\$ 212.7	\$ 212.1	\$ 216.2	\$ 213.2	\$ -
Fire Station 109	245.1	241.7	242.4	242.6	242.2	241.2	239.9	238.2	244.4	-
Heritage Park	305.0	305.8	304.0	306.7	303.5	304.7	306.8	308.2	306.8	-
Administration Bldg.	109.4	107.4	105.4	107.9	-	-	-	-	-	-
Clippard Park	213.4	218.4	-	-	-	-	-	-	-	-
Streetscape	180.9	178.1	180.3	181.7	177.6	178.1	178.4	178.4	176.8	-
TOTAL DEBT SERVICE	\$ 1,265.1	\$ 1,264.8	\$ 1,047.4	\$ 1,055.5	\$ 935.6	\$ 936.7	\$ 937.2	\$ 941.0	\$ 941.2	\$ -
PRINCIPAL BALANCE	\$ 7,820.0	\$ 6,855.0	\$ 5,870.0	\$ 5,060.0	\$ 4,205.0	\$ 3,430.0	\$ 2,615.0	\$ 1,775.0	\$ 905.0	\$ -
Principal Balance as a % of Assessed Valuation:	0.72%	0.63%	0.54%	0.46%	0.38%	0.31%	0.24%	0.16%	0.08%	0.00%

*Excludes debt associated with TIF



Financial Sustainability – Next Steps

July-
Nov
2012

Continual discussion on how to fund public infrastructure needs (SCIP/Road Resurfacing). \$1.6 - \$2.5 million needed annually to maintain roads.

July-
Nov
2012

Public Safety levy consideration for Police Department. Funds depleted in 2013.

Dec
2012

Temporary Appropriations presented to FAC

Dec
2012

Board of Trustees to adopt Temporary Appropriations for 2013

Feb
2013

Deadline for filing levy resolutions for May election.

April
2013

Deadline for adopting Permanent Appropriations.

Next Steps

- How do we sustain our parks and community center with the \$1.5 million cuts from the State?
 - Parks annual budget deficit (\$1.1 million)
 - Community Center annual budget deficit (\$400k)
- How do we address our public infrastructure system (Roads)?
 - Public Works annual budget deficit (\$70k - \$240k)
 - No funding budgeted for road resurfacing beyond 2013
- How do we sustain our Public Safety services?
 - Police – Year 6 of a 5 year levy; Cuts from Sheriff and State of Ohio
 - Fire – Year 2 of a 5 year levy; Lower revenues from taxes; Spending reserves
- How do we provide for overall financial sustainability considering the above?
 - Additional cuts?
 - Future levies?
- Timeline/Commitments
 - Discussion/Presentation to the Financial Advisory Committee – November 29, 2012
 - Adoption of Temporary Appropriations – December 11, 2012
 - Community Feedback – December & January
 - Town Hall Meeting/State of Township – January 29, 2013
 - Discuss potential cuts and/or potential tax levy
 - Filing Deadline for May Ballot – February 2013
 - Adoption of Permanent Appropriations – March 2013
- Comments/Feedback
 - jrowan@coleraintwp.org or 513-923-5005