



CITY OF KETTERING

## Budget Document

Fiscal year January 1 – December 31, 2020

## **CITY OF KETTERING**

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CITY OF KETTERING

## A WORD OF EXPLANATION

The budget is a financial plan for the upcoming year. It contains the City Manager's recommendations to the Mayor and Council for their review and adoption through the annual appropriation legislation that sets aside money for specific purposes in several different funds. Many of these funds are established by law with the intent to separately account for specific sources of revenue. Consequently, Council is restricted from using many of these funds for other purposes. The bulk of this document spells out these specific purposes, including departmental budgets, earmarked from each fund. The Budget Summary Section is intended to summarize the entire financial situation for the City, irrespective of funds.

A key element of this document is its use as a planning and policy tool in addition to the legal and financial control aspects normally associated with budgets. Each departmental budget contains commentary relating to that department's programs and objectives. Unless stated otherwise, each department is expected to continue to maintain its programs at current levels of service. Pages 9 through 12 provide a description of the financial structure of the city including the definition of the various fund types. Pages 13 through 14 provide a more thorough description of the budget process.

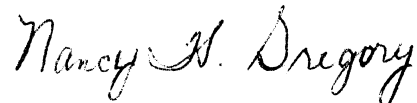
Thank you for taking the time to read this document. We want to make it as understandable as possible whether you are a citizen, Council member, City employee or an interested observer. Please call us at (937) 296-2401 if you have any questions.

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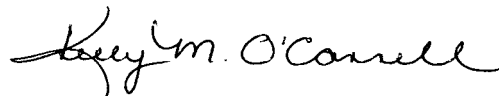
## ACKNOWLEDGMENTS

We would like to extend our gratitude and appreciation to the many conscientious people in every department who have contributed so much time and effort to the preparation of their budget requests and this document. The Finance Department staff, the Administrative Services staff, and the City Manager's Office, in particular, are to be commended for their continuing dedication to producing a budget that meets the highest standards of professionalism and excellence.

Sincerely,

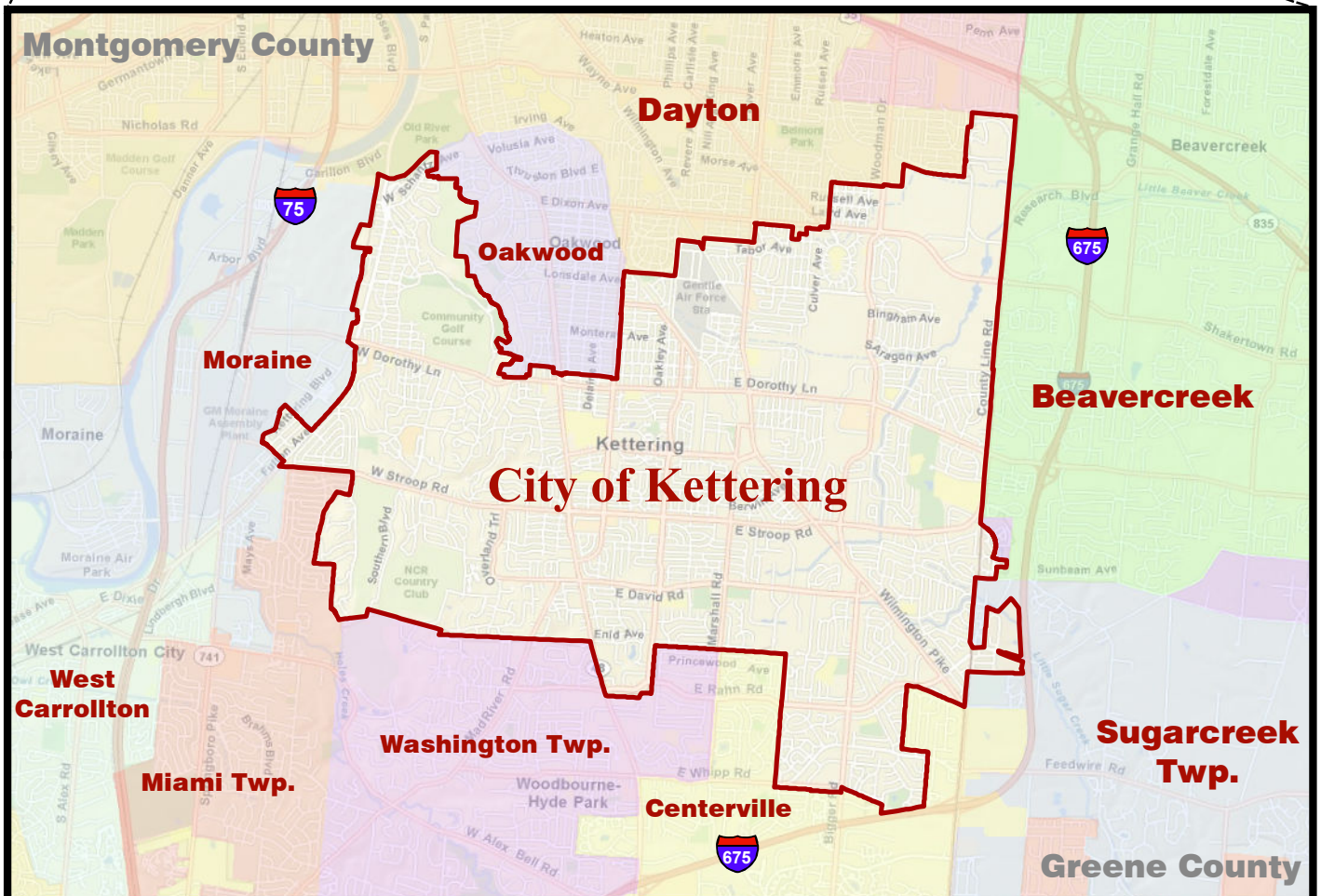


Nancy H. Gregory, CPA  
Director of Finance



Kelly M. O'Connell, CPA  
Budget Manager

# City of Kettering, Ohio





## **CITY OF KETTERING**

### **COMMUNITY PROFILE AND MISCELLANEOUS STATISTICS**

Kettering, Ohio is known across the country as an innovative and well-run city. Kettering has everything you could want in a community – a fine school system, stable and healthy business environment, leisure activities for all ages, and terrific volunteers whose community spirit is contagious.

We are proud of our outstanding City services and the City staff who work so hard to make Kettering a place you can be proud to call “home”. It is only through the involvement of our residents – who help us set community expectations – that we are able to achieve this kind of excellence.



Kettering Government Center

Kettering, Ohio, a community our residents and businesses are proud to call home.

#### **HISTORY:**

The earliest settlers in what is now Kettering were John Patterson (a forefather of NCR’s John Patterson) and his brother James who came to the area in 1798. They settled on land near the Kettering/Beavercreek border near what today is the Kettering Business Park. In 1841, an expanding population generated the creation of Van Buren Township, a name that would stand for more than 100 years.

In November of 1952, voters of Van Buren Township approved the incorporation of the Village of Kettering, named for its most outstanding citizen, the famous philanthropist and inventor of the automobile self-starter, Charles F. Kettering. A special census in 1955 recorded the village population at 38,118, qualifying it for city status.

Kettering was proclaimed a city on June 24, 1955, by the Secretary of the State of Ohio. Voters approved adoption of a Home Rule Charter and Council-Manager form of government, which went into effect January 1, 1956.

#### **CITY GOVERNMENT:**

The City of Kettering operates under a Council-Manager form of government. The Mayor and six Councilmembers are elected on a non-partisan basis for four-year terms. One Councilmember is elected from each of the City’s four districts. The Mayor and the two remaining Councilmembers are elected at-large. The Vice-Mayor is elected biennially by members of Council.

The City Council meets the second and fourth Tuesdays of every month—with some exceptions—at 7:30pm in the Government Center Council Chambers at 3600 Shroyer Road.

**SCHOOLS:**

Kettering is well known for its quality school system. Residents of the district are proud of their schools and have continually supported the district in both volunteer and financial capabilities. The Kettering City School District serves approximately 7,570 students and has 12 school buildings, including one early childhood education center, eight elementary schools that serve kindergartners through fifth graders; two middle schools that serve sixth, seventh, and eighth graders; and a four-year high school.

Long recognized as one of the finest school districts in Montgomery County and indeed, in Southwest Ohio, the Kettering School District maintains a tradition of providing excellent educational programming and services to its students.

**RECREATION:**

The City of Kettering Parks, Recreation and Cultural Arts Department is a Gold Medal Award-winner for the best recreation program in the country and one of a few - if not the only department nationally - to be accredited five times and win three National Gold Medals.

In addition to our recreational programs, Kettering offers more than 21 park sites, totaling more than 400 acres. The parks system provides the perfect setting for a family picnic, a quiet stroll or an afternoon of fishing on a calm, beautiful pond. 12 public tennis courts, 6 pickleball courts, 43 baseball/softball diamonds, 18 football/soccer fields, 2 self-guided fitness trails, a BMX track and a skateboard park are available.

**CLIMATE:**

Kettering is in a moderate climate region. The highest elevation is 1,090 feet above sea level and the lowest elevation is 750 feet. High relative humidity during much of the year causes some discomfort to people with allergies. Temperatures of zero or below will be experienced in about four out of five years. Extreme temperatures are usually of short duration. The last occurrence of freezing temperatures in the spring is mid-April, while the average first occurrence in the autumn is late October. Cold, polar air flowing across the Great Lakes causes much cloudiness during the winter and is accompanied by frequent snow flurries.

**TRANSPORTATION:**

All neighborhoods in Kettering receive public bus transportation service from the Regional Transit Authority. For route information, call 425-8300.

**DATE OF INCORPORATION:** 1955

**LOCATION:** In Montgomery and Greene Counties, Ohio - five miles south of Dayton

**AREA:** 18.74 square miles (18.50 sq. miles in Montgomery County and 0.24 sq. miles in Greene County).  
School District-28 square miles

**POPULATION:** 56,163 (2010 census)

**HOUSING UNITS:** 27,602 (2010 census)

**MILES OF STREETS:** 250

**SISTER CITIES:** Steyr, Austria; Kettering, England



**BUSINESSES AND EMPLOYERS:**

Approximately 1,700

**PRINCIPAL EMPLOYERS:**

|                             | <u>Employees</u> | <u>% of Total City Employment</u> |
|-----------------------------|------------------|-----------------------------------|
| Kettering Medical Center    | 3,570            | 12.61%                            |
| Synchrony Financial         | 2,000            | 7.07%                             |
| Reynolds & Reynolds Company | 1,350            | 4.77%                             |
| Kettering City Schools      | 1,032            | 3.65%                             |
| Mast Global Digital         | 1,000            | 3.53%                             |
| City of Kettering           | 572              | 2.02%                             |
| Meijer Inc.                 | 550              | 1.94%                             |
| Tenneco                     | 522              | 1.84%                             |
| Spectrum                    | 500              | 1.77%                             |
| Total                       | 11,096           | 39.21%                            |

**UNEMPLOYMENT RATE:** 3.9% (August 2019)**MEDIAN HOUSEHOLD INCOME:** \$49,350 (2010 census)**FIRE PROTECTION:**

|   |    |
|---|----|
| Number of stations                                  | 4  |
| Authorized number of firefighters and command staff | 80 |

**POLICE PROTECTION:**

|  |    |
|--|----|
| Number of stations                                     | 1  |
| Authorized number of patrol officers and command staff | 86 |

**RECREATION AND CULTURE:**

|                                   |                   |
|-----------------------------------|-------------------|
| Number of parks                   | 21 with 419 acres |
| Recreation complex square footage | 153,512 sq. ft.   |
| Number of libraries               | 2                 |

**TAXES:**

|                            |                               |
|----------------------------|-------------------------------|
| Property Tax (residential) | \$91.45 per \$1,000 valuation |
| City Income Tax            | 2.25% of income earned        |

**CITY EVENTS:**

The City of Kettering sponsors several annual events that draw thousands of visitors. Below is a listing of several special events.

**Go 4<sup>th</sup>!** July 4th Celebration: Rock 'n' roll concert, children's games, bingo, food, a spectacular fireworks display, all at Delco Park, 1845 E. Dorothy Lane.

**Polen Farm Christmas Day Get-Together:** An afternoon of holiday activities on Christmas Day for folks who might otherwise be alone. Polen Farm, 5099 Bigger Road.

**Art on the Commons:** A juried art show featuring the works of about 120 artists is held each summer at Lincoln Park. Jewelry art, photography, sculpture and crafts are included.

**Let It Snow! Mayor's Christmas Tree-lighting:** Join us at Lincoln Park Civic Commons for the Mayor's annual Christmas tree-lighting. Free carriage rides, refreshments, and carolers are all part of this event.

**Holiday at Home:** Although the City of Kettering is a major sponsor for Holiday at Home, the annual Labor Day weekend celebration is the work of hundreds of volunteers throughout the area.

## 2019 CITY OFFICIALS

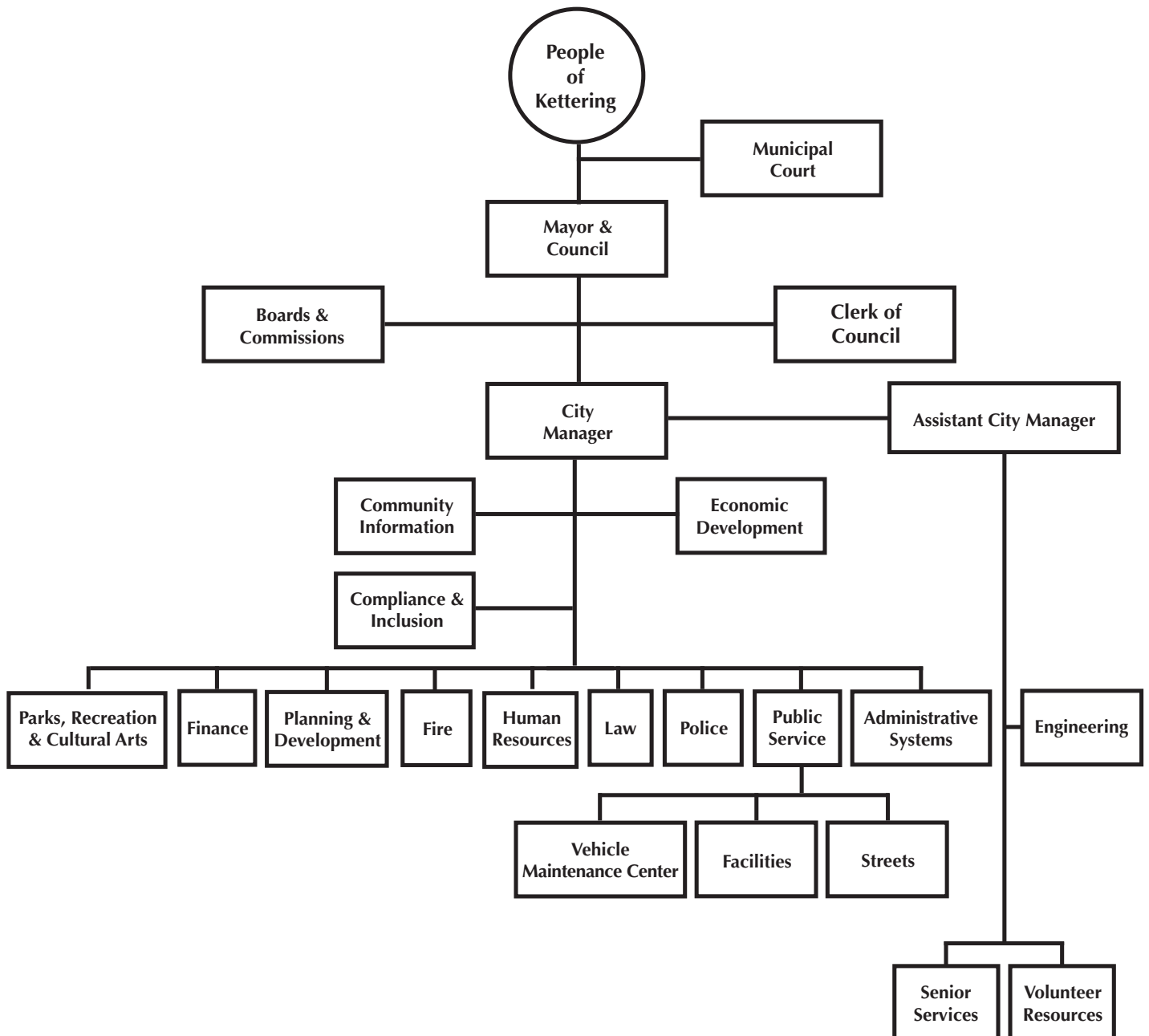
### MAYOR AND COUNCIL

|                     |               |
|---------------------|---------------|
| DONALD E. PATTERSON | Mayor         |
| BILL LAUTAR         | Vice Mayor    |
| BRUCE E. DUKE       | Councilmember |
| JACQUE FISHER       | Councilmember |
| TONY KLEPACZ        | Councilmember |
| ROBERT SCOTT        | Councilmember |
| JOSEPH D. WANAMAKER | Councilmember |

### CITY ADMINISTRATION

|                        |  |
|------------------------|--|
| MARK W. SCHWIETERMAN   | City Manager                                 |
| STEVEN E. BERGSTRESSER | Assistant City Manager and City Engineer     |
| TOM BUTTS              | Fire Chief                                   |
| DAVID J. DURITSCH JR.  | Public Service Director                      |
| NANCY H. GREGORY       | Finance Director                             |
| THEODORE A. HAMER III  | Law Director                                 |
| DREW MILLER            | Administrative Systems Director              |
| SARA E. MILLS KLEIN    | Human Resources Director                     |
| MARY BETH O'DELL       | Parks, Recreation and Cultural Arts Director |
| CHRISTOPHER PROTSMAN   | Police Chief                                 |
| THOMAS R. ROBILLARD    | Planning & Development Director              |

# City of Kettering 2019 Organizational Chart





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Kettering  
Ohio**

For the Fiscal Year Beginning

**January 1, 2019**

*Christopher P. Morrill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Distinguished Budget Presentation to the City of Kettering for its annual budget for the fiscal year beginning January 1, 2019.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

## **FINANCIAL STRUCTURE**

### **REPORTING ENTITY**

The City of Kettering, Ohio, (the “City”) is a home rule municipal corporation under the laws of the State of Ohio and operates under its own Charter. The current Charter, which provides for a Council/Manager form of government, was adopted in 1955 and has subsequently been amended.

The City provides various services including police and fire protection, parks, recreation, street maintenance, planning, zoning, and other general government services. The City does not maintain any utility or other operations that would require the establishment of enterprise funds.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. No separate government units meet the criteria for inclusion as a component unit.

### **BASIS OF PRESENTATION**

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operation of each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. A budget for each fund is presented in this document, except where indicated. The following funds are used by the City:

#### **MAJOR GOVERNMENTAL FUNDS**

**GENERAL FUND:** The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**STREET MAINTENANCE FUND:** This fund accounts for the portion of gasoline tax and motor vehicle license fees restricted for maintenance of streets.

**EMERGENCY MEDICAL SERVICES (EMS) FUND:** This fund accounts for the emergency medical services reimbursement programs which seeks reimbursement for the City’s fees and charges for emergency medical services from the recipient of the services or an agent. The net proceeds and revenues from this program are placed into this fund to be used for the City’s Fire Department equipment or structures.

**PARKS, RECREATION & CULTURAL ARTS FUND:** This fund accounts for moneys received and expended for the Parks, Recreation and Cultural Arts Department programs and activities.

**FRAZE PAVILION FUND:** This fund accounts for moneys received and expended for the Frazee Pavilion amphitheater operations.

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM:** This fund accounts for grants received from the United States Department of Housing and Urban Development (HUD), for the HOME (Housing Opportunities Made Equal) Investment Partnership Act, and the FEMA (Federal Emergency Management Agency) Hazard Mitigation grant. Grants are restricted for various purposes designated by HUD. Budget information presented for the CDBG fund is an estimate of the actual appropriation to be approved at the beginning of the block grant program year.

**DEBT SERVICE FUND:** The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general, special assessment and promissory note long-term debt principle and interest.

**CAPITAL PROJECTS FUND:** The Capital Projects Fund is used to account for the financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

## NON-MAJOR GOVERNMENTAL FUNDS

STATE HIGHWAY FUND  
CEMETARY FUND  
POLICE PENSION FUND  
DESC REUSE FUND  
SPECIAL GRANTS AND PROGRAMS FUND

## INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments on a cost-reimbursement basis. Although internal service funds require no appropriation, we have included four internal service fund budgets because they represent separate organizational units of the City even though all of their costs have been charged back to the governmental fund types.

The audited financial statements of the City also include a pension trust fund, a private purpose trust fund, and agency funds that are not included in this budget document.

While this Budget document presents a budget for each fund, the City's audited Comprehensive Annual Financial Report (CAFR) presents both Fund Financial Statements and Government-Wide Statements. These Government-Wide Statements include a statement of net position and a statement of activities.

Please see Page 12 for a description of the relationship between the City's funds and departments.

## INTERFUND TRANSFERS

During the course of normal operations, the City has numerous transactions among funds, most of which are in the form of transfers used to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The budget document generally reflects such transactions as transfers.

## FUND BALANCE CLASSIFICATIONS

Fund balance is reported as restricted when constraints placed on the use of resources are either: a. externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or b. imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the City Council enacts legislation requiring specific revenues to be used for a specific purpose. The City Council can modify or rescind that legislation at any time through additional legislation.

Fund balance is reported as assigned when a revenue source is not previously restricted or committed but the Finance Director determines, in the Director's professional opinion, that the assigning of revenue is the desire or direction of City Council. This authority is given to the Finance Director through ordinance passed by City Council.

## BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using a current financial resources measurement focus and are reported on the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which, for the City's purposes, is considered to be 30 days after year-end. Revenues considered susceptible to accrual are community development block grants, delinquent property taxes, income taxes and interest on investments. Property taxes levied before year-end are not recognized as revenue until the next calendar year. The fiscal year for which property taxes are levied at year-end in the State of Ohio is the succeeding calendar year.



Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for interest on unmatured general long-term debt, and on special assessment indebtedness collateralized by special assessment levies, which are recognized when due. Inventory and prepaid expenditures (principally prepaid travel) are recorded in the governmental fund types and charged as expenditures when used. A portion of the fund balance is non-spendable in governmental funds for the amount of inventory and prepaid expenditures.

All internal service funds are accounted for on a flow of economic resources measurement focus. The proprietary fund type is accounted for using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable; expenses are recognized in the period incurred, if measurable, regardless of the timing of related cash flows.

### **BASIS OF BUDGET**

The City, being a home rule municipal corporation, has adopted, through ordinance, GAAP (generally accepted accounting principles) as its budgetary basis. Basis of budgeting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the appropriation. All governmental funds are budgeted for using a current financial resources measurement focus and are reported on the modified accrual basis of accounting. This is consistent with the basis of accounting used in the city's audited Fund Financial Statements.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control in the governmental funds. Encumbrances outstanding at year-end are reported as restricted, committed or assigned fund balance for subsequent year expenditures. Unencumbered appropriations lapse at year-end, while encumbered amounts are reappropriated in the following year's budget.

### **BUDGET ADMINISTRATION**

An annual appropriations ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriations ordinance generally controls expenditures at the level of personal services, operating expenditures, and capital outlay on a department level. Exceptions are the state highway fund, cemetery fund, police pension fund, DESC (Defense Electronics Supply Center) reuse fund, special safety grants and programs fund, community development fund, emergency medical fund and the capital projects fund, which are controlled at the fund level.

The following is a description of the process used to amend the budget:

- In situations where the object account does not exceed the subtotal; for example, operating expenses, adjustments can be made with the approval of the Finance Department.
- In situations where transfers need to be made between subtotals but are within the total department budget, adjustments require the approval of the Finance Department and the City Manager.
- If it is necessary to exceed the total allocation for the department, a resolution that provides for a supplemental appropriation must be passed by City Council. The request for this resolution requires the approval of the City Manager.

## **THE RELATIONSHIP BETWEEN FUNDS AND CITY DEPARTMENTS**

The City of Kettering's organizational structure consists of departments performing various activities necessary for operations of the City, while the City's finances are reported in funds. For example, expenditures for the Parks, Recreation and Cultural Arts Department functions are reported in the PRCA Fund, the Frazee Operations Fund, the Capital Improvement Fund, as well as the Cemetery Fund.

The following table portrays the City's departments and the funds they use.

### **USE OF FUNDS BY DEPARTMENT**

| FUND                                |                        |                           |            |     |                |          |               |                  |      |                           |      |                    |         |
|-------------------------------------|------------------------|---------------------------|------------|-----|----------------|----------|---------------|------------------|------|---------------------------|------|--------------------|---------|
|                                     | Internal Service Funds | Special Grants & Programs | DESC ReUse | EMS | Police Pension | Cemetery | State Highway | Capital Projects | CDBG | Fraze Pavilion Operations | PRCA | Street Maintenance | General |
| DEPARTMENT                          |                        |                           |            |     |                |          |               |                  |      |                           |      |                    |         |
| Mayor Council                       |                        |                           |            |     |                |          |               |                  |      |                           |      |                    | X       |
| Municipal Court                     |                        | X                         |            |     |                |          |               |                  |      |                           |      |                    | X       |
| Clerk of Courts                     |                        | X                         |            |     |                |          |               |                  |      |                           |      |                    | X       |
| City Manager                        |                        |                           |            |     |                |          |               |                  | X    |                           |      |                    | X       |
| Law                                 |                        |                           |            |     |                |          |               |                  |      |                           |      |                    | X       |
| Finance                             |                        |                           |            |     |                |          |               |                  |      |                           |      |                    | X       |
| Administrative Support              | X                      |                           |            |     |                |          |               |                  |      |                           |      |                    | X       |
| Human Resources                     |                        |                           |            |     |                |          |               |                  |      |                           |      |                    | X       |
| Planning & Development              |                        |                           |            |     |                |          |               |                  | X    |                           |      |                    | X       |
| Economic Development                |                        |                           | X          |     |                |          |               |                  |      |                           |      |                    | X       |
| Police                              |                        | X                         |            |     | X              |          |               |                  |      |                           |      |                    | X       |
| Fire                                |                        | X                         |            | X   |                |          |               | X                |      |                           |      |                    | X       |
| Engineering                         |                        | X                         |            |     |                |          | X             | X                |      |                           |      |                    | X       |
| Community Information               |                        |                           |            |     |                |          |               |                  |      |                           |      |                    | X       |
| Other Cost Centers                  |                        |                           |            |     |                |          |               |                  |      |                           |      |                    | X       |
| Streets Maintenance                 |                        |                           |            |     |                |          | X             | X                |      |                           |      | X                  |         |
| Parks, Recreation and Cultural Arts |                        | X                         | X          |     |                | X        |               | X                |      | X                         | X    |                    |         |
| Information Services                | X                      |                           |            |     |                |          |               |                  |      |                           |      |                    |         |
| Print Shop                          | X                      |                           |            |     |                |          |               |                  |      |                           |      |                    |         |
| Vehicle Maintenance Center          | X                      |                           |            |     |                |          |               |                  |      |                           |      |                    |         |
| Facilities Maintenance              | X                      |                           | X          |     |                |          |               | X                |      |                           |      |                    |         |

PRCA - Parks Recreation and Cultural Arts

CDBG - Community Development Block Grant Program

EMS - Emergency Medical Services

## **BUDGET PROCESS**

### **FIRST QUARTER (January - March)**

- The City Manager, Assistant City Manager, and Finance Staff meet to review the prior year's financial results as presented in the audited Comprehensive Annual Financial Report.
- Department Directors evaluate the City's capital improvement needs and prepare budget requests based upon these needs. The capital improvement requests include projects related to transportation enhancements, roadway improvements, streetscape, drainage, parks, recreation & cultural arts, and other governmental facilities. For each project, the department director will identify the impact on the health and safety of the community, the environmental and aesthetic effect, the disruption and inconvenience, the effect on inter-jurisdictional relationships, and the impact on the operating budget in the short and long run.
- The Finance Department updates the long-range forecast, incorporating known changes in financial resources and capital improvement requests.

### **SECOND QUARTER (April - June)**

- The City Manager and Assistant City Manager prepare an agenda for the Annual Council Retreat.
- The Mayor and Council hold an annual retreat, including the City Manager and Assistant City Manager to discuss and reassess goals and objectives for the current and following year. The Department Directors may discuss staff progress on strategic plan tactics. Existing tactics may be revised and new tactics may be added. The Finance Department presents the prior year's financial results and an updated long-range forecast. The forecast is used to provide Council with an approximate level of future funding available for the implementation of goals.
- The City Manager, Assistant City Manager, & Finance Staff develop budget year financial targets.
- The City Manager holds a meeting with department directors to outline the results of the Annual Council Retreat, to communicate the major areas of emphasis for the upcoming year, and to discuss budget targets.
- Department directors involve their staff in reviewing city-wide goals & priorities for the upcoming year, formulate a specific departmental direction, and prepare a report to the City Manager.
- The Budget Manager assembles all capital improvement requests previously submitted by department directors. These requests are evaluated with the City Manager, Assistant City Manager and department directors based upon the priorities established in the Strategic Plan. Through this process, a five-year capital improvement program is created.
- Department Directors prepare budget requests for capital equipment needs. The Vehicle Maintenance Manager and Information Systems Director provide assistance in the analysis of the city's vehicle and equipment needs.
- The Accounting Department prepares budget year estimates for internal service fund charge-backs and for telephone, utility and depreciation expenditures.

### **THIRD QUARTER (July - September)**

- Departments assess financial and personnel resources needed to achieve stated objectives and desired service levels.
- The Finance Department provides budget guidance to all staff members with budget responsibilities. The Budget Manager supplies year-to-date financial information and special

supplemental information to the departments to assist with their budget preparation for personnel, operating and equipment expenditures.

- Department Directors prepare current year operating estimates and budget year requests for personnel and operating needs. These budget requests are to be within the budget target guidelines established by the City Manager. The Budget Manager provides assistance to all departments in the creation of budget proposals.
- The Finance Department reviews significant proposed changes with the City Manager and then meets with each department individually to review, in detail, their budget proposals.
- The City Manager, Assistant City Manager, Human Resource Director, Finance Director and Budget Manager evaluate personnel requests and make decisions as to which requests will receive funding in the budget.
- The Budget Manager calculates the employee benefit budget for all personnel based upon approved personnel requests.
- The Budget Manager calculates a current year estimate for city-wide personnel expenditures.
- The Budget Manager calculates a current year estimate for city-wide capital improvement expenditures.
- The Budget Manager reviews departmental current year estimates and determines projects to be carried over to the upcoming budget year.
- The Budget Manager prepares current year and budget year estimates for all special grants and programs.
- Additional budget review meetings are held on an as-needed basis to review the capital improvement programs, personnel, operating, and equipment requests.
- The five-year capital improvement program is presented to the Mayor and Council in a special workshop that is open to the public. City staff presents major improvement projects proposed for the next year. The upcoming year's program is incorporated into the budget proposal.

#### FOURTH QUARTER (October - December)

- The Finance Director prepares revenue projections for the current year and budget year.
- The Budget Manager prepares budget summary schedules incorporating the Finance Director's revenue projections and all expenditure categories.
- The Budget Summary schedules are reviewed with the City Manager, Assistant City Manager and Finance Staff. Revisions may be made in order to meet budget target goals.
- The City Manager writes a Budget Message to City Council providing an overall summary of the proposed budget. Finance Department prepares the budget document that will be submitted to City Council for review.
- Public notice is provided for Council budget workshop meetings.
- Council conducts public workshops to review the City Manager's recommended budget for the upcoming year with copies of the budget document provided to the public and the media. The City Manager staff and Finance Department staff present budget details and provide analysis as requested.
- Council adopts, by resolution, the annual budget.
- The Finance Department conducts a meeting of staff members to critique the budget process and make suggestions for the next year.

December 17, 2019

Honorable Donald E. Patterson and  
Members of Kettering City Council  
3600 Shroyer Road  
Kettering, OH 45429

Dear Mayor and Council Members:

The adoption of the annual budget is the most important policy statement that City Council makes each year. The budget process is a priority-setting process. It requires individual departments to evaluate current services and programs, forecast for the year ahead, and prioritize needs for the upcoming year's budget. The issues, suggestions, challenges and priorities that Council discusses with me throughout the year are reflected in this budget proposal.

As you prepare to adopt the 2020 annual budget, I would like to reflect on some of our recent successes and outline some of the significant issues and forthcoming challenges shaping the City's financial status for your consideration.

2019 was another exciting year for redevelopment and reinvestment in Kettering.

The Miami Valley Research Park continues to be a large economic driver for Kettering. In late 2017, the City of Kettering completed the purchase of more than 300 acres of unimproved land from the Miami Valley Research Foundation for \$1.5 million. As a land-locked community, the opportunity to acquire land for redevelopment is rare and exciting. Land Holding, LLC assumed ownership of the four existing buildings in the business park. The property is located in the northeast quadrant of Kettering and is surrounded by Woodman Drive to the west; Aragon Avenue and State Farm Park to the south; County Line Road to the east and the City of Dayton Corporation line to the north.

In 2018, the City entered in to an agreement with the Kettering Development Corporation (KDC) for assistance with marketing the newly available acreage. KDC, a private non-profit corporation, has entered in to a partnership with a commercial real estate firm to accomplish this. Because of the purchase, Miami Valley Research Park will see a surge of improvements to both existing facilities and available land in the coming years. The City will work with KDC to aggressively market the land remaining for development and work with existing tenants to explore expansion opportunities.

Community Tissue Services (CTS) broke ground in 2018 for a 132,000 square-foot expansion at its Miami Valley Research Park facility. This expansion will more than double the current footprint, allowing for additional processing capabilities, marketing, distribution, and supply chain management. The completed project in 2020 will create more than 200 jobs primarily in the manufacturing and support fields at the company's Center for Tissue Innovation and Research. As one of the largest providers of tissue allografts in the world, distributing over 663,000 tissue allografts in 2018, CTS is on track to distribute 740,000 tissue allografts in 2019. They are the nation's largest nonprofit provider of skin grafts for burn patients. The expansion of this facility will position CTS to be on the leading edge of new graft development and biotechnology and will further the organization's commitment to meeting the growing worldwide demand for quality tissue grafts.

In 2019, we completed the extension of College Drive in the Miami Valley Research Park near CTS. This critical infrastructure project will link existing businesses and make way for additional future development.

Tenneco made significant improvements and major equipment purchases at their facility on Woodman Drive during 2019. Tenneco has increased their employment from 475 people at the end of 2016 to 624 people through the middle of 2019. We anticipate their employment numbers will continue to rise through 2020.

Growth and expansion continue at the Kettering Business Park (KBP). KBP, formerly Gentile Air Force Station, was created in 1996 to offset the loss of more than 2500 jobs at the former base. Today, the Business Park employs more than 3,000 people at Synchrony Financial, PriMed Physicians, Alternate Solutions Health Network, N12 Technologies and the Kettering Municipal Court. In 2017, the City and representatives from KBP businesses worked together to design a new signature entrance for the thriving business park on Wilmington Pike. Those improvements to the landscaping and entrance signage for the Business Park's main entrance were completed in 2019.

Alternate Solutions Health Network, a long-time Kettering based business founded in 1999 is a national leader in post-acute strategic partnerships. They collaborate with health systems to build a post-acute continuum of care focused on technology, efficiency, and performance. Alternate Solutions Health Network is dedicated to transforming the quality of care for both partners and patients. In early 2016, the company purchased a 200,000 square foot facility at 1050 Forrer Boulevard in the Kettering Business Park from the City. After two years and more than \$4 million in investment, Alternate Solutions Health Network continues to thrive and expand in their new headquarters with expected growth in employment of 340 jobs by 2021.

In late 2018, Kettering Health Network began construction on their state of the art command center in the Kettering Business Park. The opening in 2019 allows the facility to handle all scheduling and patient management for the entire health network.

In 2019, the City sold 14 acres of land and a largely vacant and underutilized 200,000 square foot warehouse (Building #2) in KBP to a developer. Building #2 was demolished to bring an Amazon "last mile" package distribution center to KBP. The site now holds a 100,000 square foot distribution center and associated delivery vehicle parking areas. The Amazon facility began processing and delivering packages in July 2019, and will be fully staffed and operational by year-end. Nearly 400 part-time Amazon employees are working in the facility, with six companies providing drivers for the operation.



We are thrilled with the private redevelopment and renovation projects taking place throughout our community. As you know, the City of Kettering is committed to reinvestment as well. Kettering has grown significantly over the past 60 years and the City strategically devotes a great deal of resources to maintain infrastructure and promote both residential and commercial development and redevelopment.

The Capital Improvement Program (CIP) continues to be an area of emphasis for City Council. The proposed 2020 CIP is \$24.6 million, of which \$6.6 million will be funded by outside grants. We will complete more than \$8.9 million in roadway improvements, leveraging the City's investment with nearly \$4.8 million from outside sources. The program includes the resurfacing of both Wilmington Pike, from East Stroop Road to the south corporation line and Far Hills Avenue, from David Road to the north corporation line. Other projects include the replacement of the Ridgeway Road Bridge over West Dorothy Lane, which will include an iconic public art feature made possible by our 1% For the Arts program; completion of the design of Gentile Park; and the start of renovations to the Rosewood Arts Centre.

In 2019, the City of Kettering, in collaboration with Miami Valley Communication Council (MVCC) member communities, completed construction of the GATEway Fiber Network, one of the first multi-jurisdictional fiber networks in the country. The 10-gigabit fiber backbone covers nearly 44 miles and includes the first-tier suburban cities of Centerville, Kettering, Miamisburg, Moraine, Oakwood, Springboro and West Carrollton. The creation of this fiber network allows for greater technology improvements and partnerships among the MVCC member communities, and provides economic development opportunities for new revenue from the sale or lease of fiber optic data capacity.

Upgrading our Public Safety infrastructure continues to be a major point of emphasis in our Capital Improvement Program. In late 2018, the \$29.3 million Fire Station Modernization Plan was completed with the opening of new Fire Station 37, at 1300 West Dorothy Lane. This was the culmination of a strategic planning process started in 2006 to develop a comprehensive modernization strategy for all aspects of the Fire Department. A key component of the plan was the construction of four new fire stations capable of fully accommodating the current and future needs of the Fire Department, as well as a full-time staffing model that will accommodate the demands of a modern 24/7 response model.

In 2019, we completed the design for a major renovation of the Kettering Police Department Headquarters within the Kettering Government Center complex. This significant project will bring the facility up to modern standards, improve and expand the functionality of the existing space, expand the operations of our Public Safety Dispatch Center, and create a new combined entrance for visitors to the Government Center North Building and Police Headquarters. The renovation project is planned for 2020.

The City of Kettering remains committed to acting as a catalyst for reinvestment along Wilmington Pike for both economic purposes and the impact the corridor has on our residents. The Wilmington Pike corridor is the backbone of our community and its vitality is central to the strength of our commercial success. The Wilmington Pike Improvement Committee, a group of business owners and community stakeholders, engaged in a strategic planning process to identify the most important challenges and promising opportunities for this essential corridor. Together with City staff, they created a plan to regenerate investment and spur development. The Demolition Program provides financial assistance to commercial and residential property owners in the Wilmington Pike Demolition Program Designated Area to assist in the demolition of structures and clearance of sites for redevelopment purposes.

A major streetscape improvement project on the Wilmington Pike corridor between Stroop and Marshall Roads was completed in early 2018. The final stage of this project brought new streetlights, abundant street trees, and decorative banners. On the west side of the corridor an eight-foot-wide multi-use path offers a connection to existing regional bikeways and improved pedestrian access to businesses. The City has purchased properties along the corridor and demolished the outdated buildings to make way for new development. In 2019, construction was completed on a new Dayton–Montgomery County Library branch at the corner of Wilmington Pike and Stroop Road. The City constructed a new bikeway connection to join the existing bike paths in the area with the entrance to the library.

Our investment in the Wilmington Pike corridor is paying off. Valvoline purchased a long-vacant lot and constructed a new stand-alone location at the Dorothy and Wilmington intersection. In 2019, Popeye's Chicken and Burger King constructed new restaurants near the Stroop and Wilmington intersection. The City also sold an existing office building and adjacent property at 3809 Wilmington Pike to Robert K. Jones Insurance, who will redevelop the office building for their use. Several businesses including Redline Automotive, Anytime Fitness and Eudora Brewing took advantage of the Façade Improvement Program in recent years.

The City of Kettering is committed to supporting residential development to ensure families looking for affordable homes with modern amenities have options in Kettering. The Prugh Woods, a new residential development of 35 single homes located at the intersection of Dorothy Lane and Prentice Drive, is nearing completion. Prugh Woods Drive is now complete, offering access from Dorothy Lane to the new neighborhood and scenic passage to the Kettering Recreation Complex.

The importance of reinvestment also extends to our residential areas. We are proud of our stable and attractive neighborhoods. A well-kept neighborhood says that residents take pride in their community. With pride comes value, beauty and a great image for our city.

Our residents' efforts to maintain and improve their properties are important and appreciated. As a way to recognize and promote these improvement efforts the City continues to sponsor the Neighborhood Pride Awards Program. The Neighborhood Pride Award recognizes residents and businesses that have made significant improvements to their home or business or have maintained their places impeccably year after year. Winners are selected by the volunteer Neighborhood Pride Award Committee, which is made up of previous winners. All award winners are publicly recognized at a City Council meeting and an attractive sign is placed in their yard to let everyone in our community know they received the award.

The Community Development division will continue to facilitate programs geared toward providing quality housing to Kettering homeowners and education opportunities for foreclosure prevention and homeownership. The City has provided assistance stabilizing households and improving neighborhoods through homebuyer assistance, emergency repairs, and comprehensive updates for over forty years. The City offers low cost loans of 0% or 1% with low or no payments, depending on demonstrated need. The City offers loans so that repaid funds can be recycled in the future to assist more homeowners.

In 2018, we added a full-time Compliance and Inclusion Manager who serves all City departments. The manager works with the Americans with Disabilities Act (ADA) Advisory Committee to address citywide access and inclusion matters. The City fully supports the access and inclusion process for individuals with disabilities participating in programs, events, enrichment opportunities and camps throughout the City.

During the summer of 2019, over 50 participants with identified disabilities attended City day camps, youth sports, art classes, Safety Village, swim lessons; and utilized the swimming pool and fitness rooms with modifications. Training was held for staff to better assist and communicate with all individuals, regardless of ability. In partnership with Ambucs, improvements were made to a play structure at Walther Park, allowing a young child in a wheelchair to participate alongside neighborhood children. Improvements were also made to pathways at Delco Park. All CIP infrastructure and facility projects now incorporate the consideration of ADA early in the planning process.

Another exciting initiative is the Cities of Service program. Mayor Patterson signed a declaration of service in August of 2012 to participate in Cities of Service – a bipartisan coalition of mayors committed to work together in an effort to address a community's most pressing needs with high impact volunteering. Currently there are 180 cities across the nation participating. The City is focusing efforts on neighborhood revitalization. The first neighborhood chosen for this program was Richman Heights, followed by Indianola, Southern Hills North, Berwin Park, Oak Park, Haverstick, and most recently the neighborhood north of East David Road and Irelan Park. Since its inception, hundreds of volunteers from churches, service organizations, schools and universities have assisted residents of these neighborhoods with general outdoor clean up as part of Cities of Service. Other activities include educational seminars on home repair, CDBG Program, Neighborhood Watch, water and energy conservation, and recycling. This is a great example of neighbors and volunteers working together to make sure our community remains a place our residents are proud to call home.

In May 2017, the City of Kettering and Kettering Schools brought together experts and leaders from the Montgomery County Coroner's Office, Kettering Health Network, ADAMHS, South Suburban Drug & Alcohol Coalition, Kettering Police Department and the Kettering Fire Department to produce a community education video on the rapidly escalating drug epidemic. Thankfully, opiate related overdoses have declined, but our first responders remain vigilant, as the crisis is not over yet.

For the past several years, the Partners for Healthy Youth Board, City of Kettering and Kettering City Schools have been working on how to address the growing numbers of families needing assistance. Those efforts culminated in the creation of the Youth and Family Community Resource Coordinator, a position that works with both the City and Schools to gather resources for those in need. The position is jointly funded by the City of Kettering and the Kettering City School District, with additional sponsorship from Dor-Wood Optimist Club. The services have become a critical resource for families in need.

I would like to thank our city staff for their commitment to providing outstanding customer service to our Kettering residents and businesses. Our 97% citizen satisfaction level is reached because our city departments, each award winning and known for excellence throughout the state, are made up of caring, dedicated professionals who love working for our citizens. We will conduct our biennial survey again in 2020.

In recent years, Kettering City Council placed a focus on transparency. We believe it is important that our residents and business stakeholders understand how tax dollars are used to sustain and improve the Kettering community. In an effort to communicate clear, accurate details of how the City budgets for and delivers services to you, the City of Kettering has produced a citywide Annual Report since 2017. The feedback from our residents regarding this report continues to be extremely supportive and we plan to continue this effort into the future.

As we celebrate these successes, we must also prepare for some significant issues and forthcoming challenges. Two principal issues we face as we develop the 2020 budget are the aging infrastructure of the community and maintaining high quality customer service and programming, while at the same time controlling spending when faced with continued reductions of once reliable funds from other state and federal government sources. State budget cuts were first reflected in the 2012 budget with additional cuts incurred in each year beyond. As a result, it is necessary to complete the 2020 budget recognizing past and future revenue reductions, and accordingly we must critically evaluate our programs and services to determine how to continue a high service level approach within resource constraints.

As a governing body, Council has established a number of directives related to the manner in which we allocate general fund dollars. Council reinforced that the budget process should reflect the desires of the citizens and businesses of this community. Council has also directed that, in the City's budget, the current year operating revenues must cover current year operating expenditures and debt service obligations, while the Capital Improvement Program (CIP) may be funded through utilization of the City's reserves. Therefore, the 2020 budget must address Council's understanding for the economic condition of the City's population base, while maintaining quality services and an aggressive CIP, all within budget constraints.

This is not a new approach for the City of Kettering. Council has maintained a conservative approach toward spending, realizing that the City could face threats to service levels without an aggressive and strategic plan for budgeting for the future of the community. This conservative planning served the City well during economic difficulties of the past and will continue to serve the City well into the future.

Due to our conservative approach toward spending, the City is well positioned to allocate the dollars necessary toward programs and services that make Kettering a community our residents and businesses are proud to call home. A culture of fiscal responsibility has long been established in the community, and we have several prestigious awards to support this fact. In 2019, our Finance Department once again received both the Distinguished Budget Presentation Award and the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association. These awards were received for our 2019 Budget document and 2018 Comprehensive Annual Financial Report (CAFR). This marks the thirty-fourth year for the receipt of the Budget Award and the thirty-seventh year for receipt of the CAFR award. In addition, we again received the Award with Distinction for excellence in financial reporting from the Auditor of State of Ohio

Our Finance Department's diligence toward responsible financial stewardship and reporting and our department directors' dedication to utilizing public dollars efficiently are largely responsible for our ability to balance the 2020 budget. As you prepare to adopt the budget, please recognize that City administration has spent months preparing a budget proposal that balances conservative spending with the type of quality service that has long been outlined in the City's Strategic Plan and is expected of us by our residents and businesses.

We pride ourselves on customer service. The customer satisfaction survey conducted in 2017 confirms that our focus on customer service is on point. While we enjoy a 97% overall satisfaction rate, any real or perceived decrease in service threatens that ranking. To date, we have not been forced to make drastic changes in the quality of service to our residents, businesses and patrons.

The State of Ohio has made it clear that local governments must identify ways to operate with less state funding. To date, we have received real cuts from the State without replacement funds. In comparison to the

base year 2010, anticipated cuts in state funding are \$705,500 in 2019 and \$643,500 in 2020. These cuts result from a 50% reduction in the Local Government Fund. State Legislators also eliminated the Ohio estate tax effective 2013. The City previously averaged approximately \$3 million each year in estate tax revenue - which was a major funding source for our capital improvement program.

In 2014, the Ohio Governor signed House Bill 5 (HB5) that required significant municipal income tax changes. The City has been supportive of changes to promote uniformity and simplification. However, HB5 went beyond uniformity, and requires changes that negatively impact tax revenues. For example, HB5 increases Kettering's net operating loss carry-forward period from 3 to 5 years. HB5 also changes the 12-day rule to a 20-day rule, prohibiting a municipality from taxing or requiring withholding on non-resident employees who work 20 days or fewer in the City. As the changes are fully implemented, by fiscal year 2023, Kettering will experience an estimated \$628,000 annual revenue reduction.

In addition to the above state cuts, the impact of Montgomery County's revaluation of properties in 2011 produced a 9% decrease in property valuations in Kettering. As a result, property tax revenues decreased by \$818,200 from 2011 to 2014. The County's revaluation process conducted in 2014 resulted in a further \$264,000 reduction in 2015 property tax revenue. On a positive note, the latest triennial update completed in 2017 resulted in an average increase in Kettering's property values of about 7.7% and produced a \$553,000 increase in 2018 revenues over 2017.

Despite these funding challenges, there is good news. The budget policies of Council and the operating guidelines of administration have been instrumental in maintaining a sufficient general fund balance (\$38.8 million estimated ending balance for 2020) which has facilitated aggressive infrastructure improvements to improve our housing system, roadways, and facilities.

In November 2013, Montgomery County Auditor Karl Keith notified City of Kettering officials that the city was due an additional \$40 million estate tax distribution originating from a 2011 estate tax return. This was the largest estate tax payment ever received in Montgomery County. Consistent with existing policies, the funds were placed in the city's capital improvement fund. Since the estate tax was eliminated in 2013, this receipt helps in replacing lost annual revenue of approximately \$3 million per year. Based upon Council direction, we allocate \$3M per year of the original \$40M fund to our annual capital improvement program. This direction assists in stabilizing our CIP funding and ensures that the estate tax funds are not used for day-to-day operating expenditures.

We can also credit some of our current fiscal solvency to our citizen's vote in 2006 to increase the City's income tax rate from 1.75% to 2.25% effective with the 2007 calendar year. In addition, several years prior to that vote, we took measures to find efficiencies and spending reductions. These measures are continuous processes that are not undertaken only when faced with economic downturns. The following measures are partially responsible for our solid financial condition today.

For the past several years, the City's departments have been challenged to budget with a 0% operating increase from the previous year's budget amount. This demands that department directors carefully evaluate their services, programs and fee structure. To date, we have managed to respond to this target without significant one-time increases in fees that would have to be absorbed by our residents. We evaluate fees on an annual basis and make appropriate changes to ensure our fee structures and rates remain up to date within our region.

The 2020 budget reflects an across the board pay increase of 2.5% for non-organized employees. Pay increases for organized employees are budgeted at either 2.0% or 2.5% depending upon the contracted rate for each bargaining unit. Our employees fully recognize our responsibility to operate in a manner that reflects the economic conditions of our community.

Providing health insurance to our employees continues to be a challenge for us as an employer. On March 23, 2010, the Patient Protection and Affordable Care Act (commonly known as PPACA or National Health Care Reform) was signed into law. Since that time, certain aspects of the law have been gradually implemented. The City of Kettering and its leadership team continue to evaluate National Health Care Reform and its ongoing impact on the City and our employees. This process has been very difficult due to the complexity and the many changes to the law and interpretations of its regulations that have occurred since its adoption. While health insurance is one of the most important benefits we offer to our eligible employees, it is also one of our largest personnel benefit costs. We are proud to offer quality benefits to our employees, but we must manage benefits in a sustainable way. Implementation of National Health Care Reform has required making tough choices while balancing the interests of our employees and our citizens.

In 2020, the City will keep a High Deductible Health Insurance Plan (HDHP) with our existing carrier - United Healthcare. In 2012, the City moved from a fully funded plan to a self-funded plan. This allowed us to take greater control of our health insurance data and more effectively work with employees to reduce health insurance costs. The 2020 budget includes a 5.0% increase in premium costs after a 9.5% decrease in 2019. Employees will continue to pay 17% of health insurance premiums and pay 35% toward deductible.

In an effort to continue reducing claim payments under our self-funded plan, the City utilizes a wellness program to offer employees incentives to earn additional HSA contributions. The Employee Wellness Program has been remarkably successful in not only encouraging employees to adopt healthier habits, but is credited for the significant reduction realized in our premiums for 2019.

Our internal review of services and programs has included identifying collaborations with other government entities as a means toward our goals. Not only is this a cost effective way of doing business, but it is also a recommendation by state officials as they decrease state funding to local governments. To our credit, we have embraced the spirit of cooperation for decades. It has always been our belief that working smarter in collaboration with other entities, where it makes sense, not only benefits the City financially, but holistically. Our community is a better place because of a variety of partnerships throughout the years. Today there is a stronger sense of urgency for partnerships and City Managers across the region seek collaborations that will benefit their communities.

Examples of current and possible future collaborations are:

- Providing building inspection services to the City of Oakwood
- Providing GIS services to Washington Township, West Carrollton & Moraine
- Utilizing Miami Valley Communications Council for negotiations of street lighting, gas & electric rates
- Housing prisoners in the Kettering Municipal Jail for five other jurisdictions
- Participating in a regional law enforcement Special Response Team and regional Crime Suppression Unit
- Kettering, Dayton and Montgomery County implemented a program to share building inspection services to reduce costs and maintain services to our customers



Because income tax accounts for approximately 79% of the City's general fund revenue, we operate an aggressive economic development program focused on job retention and creation. The City of Kettering is a unique mixture of business and residential, with the business climate being a combination of large corporations and locally owned companies. The art of recruiting and maintaining businesses has risen to an extremely competitive level over the last several years. Businesses, no matter their size, turn to the government for aid in expansion, relocation or even to sustain their operations.

The Kettering Incentive Program (KIP), established in 2010, incentivizes companies that move into the city with the expectation they will bring an established amount of jobs and payroll, and make a commitment to longevity in Kettering. The City also works with the Dayton Development Coalition and the State of Ohio to ensure that all applicable incentives are secured through the State for our new and growing companies.

We continue to look for ways to enhance our economic development tools in order to address the needs of businesses. Council approved, through legislation, an annual commitment of \$500,000 for economic development purposes. We continue to place emphasis on the recruitment of companies to Kettering and the retention of our existing companies. The level of services we are able to offer plays a major role in the decision of potential and current Kettering employers.

In looking at two key indicators, unemployment and income tax growth, it is easy to see that the economy in Kettering is healthy. The unemployment rate for our residents is one of the lowest in the region and is consistently below the national, state and Dayton unemployment rates.

Likewise, our income tax base is growing, a sure sign that our residents and those working in our community are earning more. Kettering's well educated and highly skilled workforce is attractive to businesses looking to locate or expand in our community. We are confident that more economic development success for Kettering is just around the corner.

The City of Kettering has much to offer our businesses. Our quality of life is superior, our infrastructure and facilities are conducive to business retention and attraction, and the services provided by City staff are user and business friendly. These are strengths that will carry us into 2020 and beyond.

For the benefit of the residents and businesses of Kettering we are strategically planning for the future in order to continue to be the community our residents and businesses are proud to call home. Our goals for 2020 will focus on seven strategic areas as identified through our Strategic Plan:

1. Have active leadership in regional initiatives that improve City services, save the City resources, and boost the City's regional prominence.
2. Engage in economic development ventures that attract and expand investment in the City.
3. Improve and maintain housing options and neighborhood environments.
4. Maintain fiscal responsibility while making strategic capital investments.
5. Provide public Safety via police, fire and other services that excel at customer service and resource allocation.
6. Provide quality City services to both internal and external customers, optimizing levels of service while preserving the unique character of Kettering and meeting standards and budget.
7. Develop and maintain a communication plan that educates our community as well as produces an image of our City.

Diligent financial practices and policies are and will continue to be the norm in Kettering. Apart from the budget and operational priorities as outlined in the Strategic Plan, the City has several long-term budget policies and short-term goals that guide the preparation of the budget.

## **LONG TERM FINANCIAL POLICIES**

### **REVENUE:**

- The City will pursue aggressive economic development growth and maintain a diverse revenue stream to ensure future financial needs are met.
- Fees and charges shall be reviewed annually. Increases shall generally be consistent with inflation.
- Revenue projections for the upcoming budget year shall be prepared independently of expenditure projections to ensure an attainable and conservative forecast of estimated available resources.

### **EXPENDITURES:**

- Departments will be challenged to increase productivity to maintain existing or improved service levels while keeping costs within the range of increased revenues.
- Capital improvements are limited by financial constraints and the City staff's capacity to effectively carry out the workload. Projects that leverage state and federal funds are given a higher priority.

### **DEBT:**

- The City shall not issue long-term debt to pay for current operations.
- Terms of debt shall not exceed the useful life of improvements to be financed.

### **FUND BALANCE:**

- A balanced budget means that the appropriations for any given year shall not exceed the sum of available cash balances, less reserves, plus revenues to be received during the year. The City's goal, however, is not only to achieve a balanced budget, but to maintain an ending General Fund balance of not less than 90 days of operating expenditures and transfers.
- Current year operating expenditures and debt service obligations shall be covered using current year operating revenues. Long-term capital outlay items and some capital improvements may be funded from City reserves.
- The City's excess cash shall be invested in accordance with the Investment Policy adopted by City Council. In general, this policy authorizes investments in obligations of the U.S. Treasury, agencies, and instrumentalities, commercial paper rated A-1 by Standard & Poors Corporation or P-1 by Moody's Commercial Paper Record, corporate bonds rated A or better by Standard & Poors Corporation or Moody's Bond Rating, bankers acceptances issued by banks ranked nationally as being in the top 50 in asset and deposit size, repurchase and reverse repurchase agreements, money market mutual funds whose portfolio consists of authorized investments, and the state treasurer's investment pool. The policy states that no more than 20% of the City's investment portfolio will be placed with any particular issuer, and unless matched to a specific cash flow requirement, the City will not invest in securities maturing more than five years from the date of purchase. It has been the City's practice to invest in securities maturing no more than two years from the date of purchase, and to hold all investments until maturity.

### **SHORT TERM FINANCIAL POLICIES:**

- The City's departments shall keep operating expenditures to not more than a 0% increase over the 2019 budget. Exceptions may be made for special projects, such as technology upgrades.
- The City's Parks, Recreation & Cultural Arts fund shall operate with a \$7.9 million subsidy budget. A subsidy represents funding that must be transferred from the General Fund to cover the excess in expenditures over revenues in these funds. The Frazee Pavilion operations fund expenditures shall be budgeted at \$300,000 greater than revenues.
- The Percent for Public Art Program will be funded through 1% of total Capital Improvement fund distributions. Annual funding for the "1% For The Arts" (sometimes known as "City Sites") program shall be calculated based upon the prior year's actual Capital Improvement Fund expenditures, net of external funding sources, reimbursements from other funds and debt proceeds. All artistic, promotional, preparation, maintenance and administrative expenses for the Percent for Public Art Program will be extracted from this budget. The funding calculation will be performed after prior year financial statements are prepared and audited. Each year's unspent balance shall be carried over to the next year's available amount. All project funding will be approved through City Council.
- In November 2013, the City of Kettering received a \$40 million one-time estate tax distribution. Consistent with past practice, the funds were placed in the Capital Improvement fund. Council has directed the City Finance Director to commit the \$40 million plus any accrued interest of the Capital Improvement Fund balance to be expended for future capital improvement projects. The amount will be expended for future capital improvements at a rate of \$3.0 million per year until the original \$40 million and any accrued interest are exhausted.
- The proceeds of and revenues from the Emergency Medical reimbursement program are placed in a City of Kettering fund to be used for Fire Department equipment or structures to house Fire Department equipment or personnel. Authorized uses of such proceeds include, without limitation, the following: payment of principal and interest, and other costs of debt issued for such equipment or structures; reimbursement of the general fund for loans or advances for such equipment or structures, and payment of costs and expenses of administering and managing the program, including, but not limited to, contract services for program billing and collections.

### **GENERAL FINANCIAL POSITION AND FUND BALANCE DISCUSSION**

The City remains in a healthy financial position with an available ending balance, for all funds, projected at \$41.1 million and \$36.3 million for 2019 and 2020 respectively. Revenue and expenditure estimates for both 2019 and 2020 represent conservative projections consistent with our past budgeting practices.

The estimated 2019 available year-end balance of \$41.1 million for all funds is \$6.2 million less than the actual 2018 ending balance. This planned decrease in fund balance is primarily due to capital improvement spending.

In 2019 significant improvements were made to the City's roadways, parks & recreational facilities, and other city-owned facilities. These improvements were partially funded with \$3 million from 2013's \$40

million estate tax distribution, \$2.8 million in federal and state grants, and with a transfer from the General Fund. Examples of 2019 improvements include \$1.1 million for the East David Road: Ackerman Blvd to Wilmington Pike asphalt resurfacing project, \$1.5 million for Hilton Drive roadway and water main improvements, \$2.6 million for the Schantz Avenue Bridge replacement and artwork, \$173,000 for Delco Park landscaping, \$516,000 for design of the Police Station Improvement project, and \$579,000 in improvements to Kettering Business Park common areas.

Additional 2019 projects include a new sidewalk on West Stroop Road, design for the new Gentile Park, and electrical improvements at the Government Center's parking lot. These are in addition to the City's regular programs such as the curb/drive approach/sidewalk repair, asphalt resurfacing, thoroughfare improvements, and ash tree replacements.

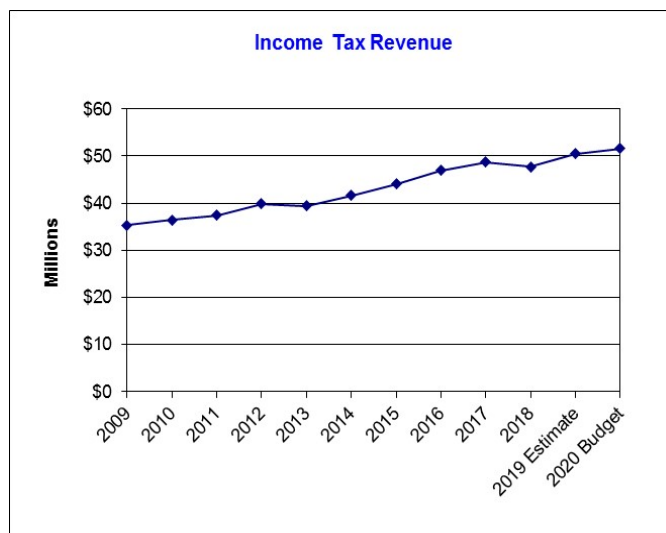
Other 2019 fund balance decreases are expected in the Frazee Operations Fund due to expenditures exceeding revenues for the 2019 season and the encumbrance of artist contracts for the 2020 season in fiscal year 2019, and in the General Fund due to transfers for capital improvements and the commitment of funds for economic development programs.

The budgeted 2020 year-end balance for all funds shows a \$4.8 million decrease from the estimated 2019 ending balance. As with 2019, the 2020 decrease is largely due to capital improvement expenditures requiring the use of \$3.0 million from the 2013 estate tax distribution and a transfer from the General Fund. Other fund balance decreases are planned in the Special Grants & Programs Fund due to the implementation of grants and programs with dollars received in previous years.

The available ending balance for the City's General Fund alone is projected at \$34.8 million and \$30.7 million for 2019 and 2020 respectively. The planned decreases are mainly attributable to capital improvements necessitating General Fund transfers to the CIP Fund of \$4.5 million in 2019 and \$4.8 million in 2020. The transfers to the CIP Fund are in line with the City's practice of using current year revenues to pay for current year operating expenditures, but allowing certain capital improvements to be paid with General Fund reserves. The City's General Fund operating margin is estimated at \$2.6 million in 2019 and \$2.3 million in 2020. This means that the City continues to cover its operating costs with current operating revenues.

## REVENUES

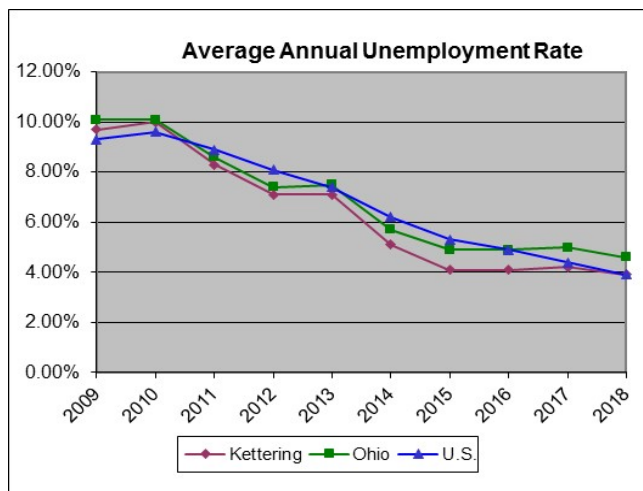
Year 2020 revenues for all funds are projected to be 4.7% more than estimated 2019 revenues, largely due to an increase in anticipated income tax receipts, federal grants expected for 2020 roadway and community development projects, increased gasoline tax, and increased sales from a larger scale Frazee season. Income tax, the City's greatest revenue source, is projected to be 2.1% more than 2019. Additional increases are expected in tax increment, local government fund, and concessions. Decreases are anticipated in licenses and permits, state and local grants, fine, forfeits and costs, investment earnings, rental income, special assessments, sponsorships, County ED/GE



Program, and reimbursements. Property tax, homestead and rollback, vehicle license fees, liquor and beer permits, cigarette license, wireless 911 tax, and permissive tax are expected to be status quo. Further discussion of all revenue categories is shown below.

## MAJOR REVENUE SOURCES

*Income Taxes:* Approved by a vote of Kettering citizens, this is the City's largest revenue source. Earnings tax would better describe this revenue, as it is essentially a 2.25% tax on the payroll of employees working in Kettering or on the earnings of Kettering residents working elsewhere, except that a credit is given up to 2.25% if income tax is paid to another city. This tax is also applied to business profits. Income tax revenue provides a good hedge against inflation compared with most other City revenue, but it is more subject to swings in the local economy. Historically, Kettering's unemployment rate has run well below the averages for the local area, the State of Ohio and the United States. Although the City was impacted by a decline in employment during the recession, the unemployment rate has decreased in recent years. The overall effect was also diminished due to the diversity of the employment base.



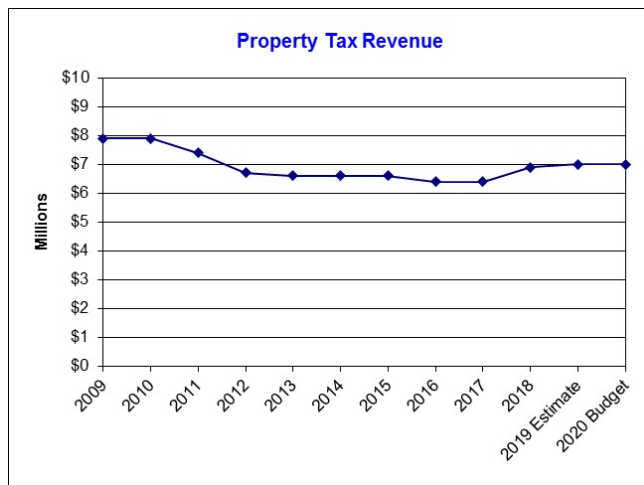
The business base ranges from major employers headquartered in Kettering, to midsize companies specializing in technology or professional services, to smaller family-owned businesses. Kettering's largest employers include Kettering Medical Center (KMC), Synchrony Financial, and Reynolds & Reynolds. KMC employs more than 3,500. After completion of a \$49 million cancer care center in December 2016, KMC completed construction in 2019 of a state of the art command center in the Kettering Business Park that handles all scheduling for the entire health network. Synchrony Financial is a leading provider of financial services to consumers and retailers in 47 countries. The company offers a range of products including credit, promotional financing, loyalty programs, and installment lending and currently employs 2,000. Reynolds & Reynolds, a fortune 1000 company based in Dayton since 1866, is a market leader delivering information technology, software solutions and professional services that support automobile retailing. The company employs 1,350 at its Miami Valley Research Park campus.

Projected 2020 income tax receipts are expected to be 2.1% more than 2019. Future years' income tax revenue projections have been adjusted for inflationary increases, as well as for new employment at various Kettering employers. The projected increase in 2020 is reflective of the current regional economic conditions. (\$1,060,000 increase over 2019)

*Property Taxes:* Property taxes include amounts levied against all real, public utility and, prior to 2010, tangible (used in business) property located in the City. The tax is collected and distributed by the Montgomery County Auditor. Assessed values are established for real property at 35% of true value, for public utility property at 100% of true value and for tangible property at 25% of true value (excluding the first \$10,000 of value). Property market values are required to be updated every three years and re-valued every six years. One mill represents \$1 of taxes paid for each \$1,000 of assessed valuation of property. The

City's property tax revenues come from a voted 3.5 mill levy and an additional non-voted 2.5 mills as provided by state law. The remaining .79 mills is a voted bond levy for repayment of the debt on the Kettering Recreation Complex and other improvements to the City's parks. The levy was passed by a vote of the taxpayers in November 2008.

Property tax revenue projections are based on historical trends, with adjustments in revaluation and update years based on the results. A triennial update completed in 2017 resulted in an average increase in Kettering's property values of about 7.7%. 2019 revenues were slightly higher than 2018. The 2020 estimated revenue is expected to remain status quo. (*No change from 2019*)



#### **OTHER REVENUE SOURCES (ALL FUNDS)**

*Tax Increment:* This revenue source represents payments in lieu of property taxes that the City started receiving in 1993 with the first tax increment project for the repayment of infrastructure costs incurred by the City in the development of the Meijer retail and Hempstead Station business park areas. The portion of tax increment for Meijer ended in 2013. Beginning in 2003, the City began receiving additional tax increment revenue for property located in Governor's Place that will continue for 20 years. Beginning in 2014, the City began receiving tax increment revenue for the former H&H parcel and the Acorn Walk Development. The H&H exemption has ended. The most recent tax exemption for the housing development called Prugh Woods began generating additional revenue in 2019. (*\$79,000 increase over 2019*)

*Licenses and Permits:* This revenue source results from the numerous license and permit fees related to new construction, reconstruction and systems additions and improvements (i.e., heating and air, electrical, plumbing) to residential and business units located in the City. Projections are based on historical information, ongoing knowledge by the City's Planning & Development Department regarding construction and renovation projects, as well as trends in permit requests and adjustments to the City's license and permit fee structures. (*\$112,000 decrease from 2019*)

*Federal Grants:* A primary source of federal grant revenue is the Community Development Block Grant (CDBG) Program. Revenues result from approved funding from the various federal agencies administering the programs. Other sources of federal grant revenue are MAP-21, FAST Act and SAFETEA-LU funding for roadway and transportation programs. In 2020, the City anticipates \$2,128,000 in FAST Act funding for a second phase of traffic signal replacements and resurfacing of Wilmington Pike from East Stroop Road to the south corporation line. The City also expects funding of \$2,000,000 for the Ridgeway Road Bridge replacement and \$960,000 for the Far Hills Avenue resurfacing project. (*\$3,211,000 increase over 2019*)

*State & Local Grants:* The City receives state and local grants for Parks and Recreation programs, Law Enforcement programs and other CIP projects. A primary source of state grants revenue is funding from the Ohio Public Works Commission (OPWC) for various roadway or bridge improvements. In 2020, the City



anticipates receiving \$100,000 in a Natureworks grant for playground equipment, \$450,000 from the Ohio Facilities Construction Commission (OFCC) for the Rosewood Arts facility project, and \$400,000 from OPWC for the Ridgeway Bridge reconstruction. Projections are based on approval of specific grants for which the City has applied. *(\$340,000 decrease from 2019)*

*Homestead & Rollback:* Property Tax Rollback and Homestead Exemptions are forms of property tax relief for which the State of Ohio reimburses local governments and schools. Ohio's landowners receive a reduction or "rollback" of 10% in total real property tax on non-business property and a 2.5% rollback in tax on the value of an owner-occupied home. The Homestead exemption allows eligible homeowners to exempt \$25,000 worth of market value of their home from local property taxes. The State's biennial 2013-2015 budget phased out the rollback so that reductions will not apply to new levies enacted after August 31, 2013. The State budget also applies a means/income test to determine eligibility for the Homestead exemption. *(No change from 2019)*

*Local Government Fund:* This revenue represents Kettering's share of the state sales tax distributed to area communities by Montgomery County. This revenue has declined in the past several years as the state reduced allocations to municipalities. However, the most recent State Biennial Budget includes increases in municipal allocations. Revenue projections are based on historical data and estimates from the State of Ohio Department of Taxation and Montgomery County. *(\$62,000 increase over 2019)*

*Gasoline Tax and Vehicle License Fees:* This is the City's share of gasoline tax and vehicle license fees collected by the State of Ohio. This money is designated to fund street repairs and improvements as well as improvements to state highways within the City's borders. Beginning July 1, 2019, the State of Ohio's motor vehicle fuel excise tax increased by 10.5-cents for gasoline and 19-cents for diesel as part of the new State Transportation Budget. The additional taxes are expected to raise an additional \$865 million in revenue statewide, which will be split 55/45 between the State of Ohio and local jurisdictions. Projections are based on historical data, trends, and information received from the State of Ohio. *(\$726,000 increase over 2019)*

*Liquor Permits and Cigarette Licenses:* This revenue comes from liquor permits applied for in the City and the City's share of taxes on the purchase of cigarettes. Historical data is used to project revenue and is expected to remain stable in future years. *(No change from 2019)*

*Wireless 911 Tax:* This revenue results from monthly surcharge fees, currently \$0.25 per billed line, paid to the State of Ohio by wireless phone users via cellular providers. The funds are remitted to Montgomery County and distributed by a formula to a set number of jurisdictions with the largest public safety dispatching operations including the county. The number of jurisdictions receiving funding decreased from five to four in 2017. The number decreased again to three for 2018, including Kettering. Revenue projections are based on historical data and estimates from Montgomery County. *(No change from 2019)*

*County Shared Revenues:* This revenue is the City's share of the County Motor Vehicle License Tax (Permissive Tax). The tax is applied at a rate of \$5.00 per motor vehicle registered and located within Montgomery County. The City then receives its share of those revenues to be used for paying all or part of the costs in planning, constructing, reconstructing, improving, maintaining and repairing highways, roads and streets designated as necessary or conducive to the orderly and efficient flow of traffic within and through the County. Historical data is used to project future years' revenues. *(No change from 2019)*

*Charges for Services:* Close to 81% of the Charges for Services revenues are generated by recreation services and the Frazee Pavilion performances. Revenue projections are based on information regarding programming and expected activity levels developed by the City's Parks, Recreation & Cultural Arts Department and on revisions to the fee structure. Also included in Charges for Services are fees for emergency medical services performed by the City's Fire Department. A revenue increase is estimated from Frazee Pavilion performances resulting from an increase in budgeted artist fees in 2020. (\$799,000 increase over 2019)

*Fines, Forfeitures and Costs:* General Fund revenues result from the fines and court costs charged for the cases handled by the Kettering Municipal Court. This Court prosecutes traffic offenses, misdemeanors and small claims for the City and three surrounding communities. All other cases are handled by Montgomery County Common Pleas Court. Revenue projections in the General Fund are based on the current fees established by the Court and the projected caseload. The Special Grants and Programs Fund revenue represents a set amount of grant money established by the State of Ohio to be used by the Court for computer system hardware and software purchases. (\$20,000 decrease from 2019)

*Investment Earnings:* This revenue results from the investment of the City's excess cash in accordance with the City's Official Investment Policy. Revenue projections are based on current and projected cash balances available for investment and expected returns. (\$150,000 decrease from 2019)

*Rental Income:* Close to 92% of the rental income is generated by the rental of sports equipment and facilities through the Parks, Recreation & Cultural Arts Department, including the Frazee Pavilion. These revenues are projected using historical data, trends and information from this department. Leases for various City properties and cell tower generate the remaining income. (\$138,000 decrease from 2019)

*Special Assessments:* This revenue is from street improvement and sidewalk assessments paid by the residents of Kettering when certain improvements are made in their neighborhoods. Revenue projections are based on the assessments currently on the books for past projects as well as future projects planned in the City's Capital Improvement Program that are expected to be assessed against property owners. Property owners receive advance notification of special assessments from the City. (\$171,000 decrease from 2019)

*Concessions and Sponsorships:* This revenue is generated from concession sales made at Frazee Pavilion performances, the Kettering Recreation Complex, and at various recreation events throughout the City. Revenue also comes from sponsorship money received from various businesses used to underwrite Frazee performances and recreation activities. Revenue projections are based on historical data and expected activity levels for the recreation complex and for Frazee Pavilion performances determined from information from the Parks, Recreation & Cultural Arts staff. (\$160,000 increase over 2019)

*County ED/GE Grants:* This is a revenue sharing program among a number of communities in Montgomery County. Money from the program is distributed to the communities for economic development projects after applications for funds are filed and a board of local officials for the jurisdictions reviews and approves the projects. For 2019, Kettering received \$500,000 for the Tenneco project, and a \$100,000 grant approved in an earlier year for Accelerant was received. No grants are expected for 2020. (\$600,000 decrease from 2019)

*Reimbursements and Miscellaneous:* This revenue is generated from multiple sources. The General Fund portion includes the reimbursement of hours worked by Planning & Development employees on Community Development Block Grant programs and by Engineering Department inspectors on federally funded roadway

projects. The Kettering School District reimburses the City for a percentage of a School Resource Officer's salary and for a portion of the annual school crossing guards program costs. The County reimburses the City for a percentage of the salaries of the Municipal Court judges and the Clerk of Court. Other reimbursements are related to the sale of immaterial City assets and miscellaneous receipts such as rebates from the City's property, casualty and liability insurance pool as prior loss years are closed or the occasional rebate from the State Bureau of Workers' Compensation. The Street Maintenance Fund portion is reimbursement due from Montgomery County for road repairs the City performs on behalf of the County. The Capital Projects Fund portion relates to reimbursements from outside entities for certain capital improvements made by the City. Projections are based on historical data and trends adjusted for specific information we obtain regarding the various miscellaneous revenue sources. *(\$456,000 decrease from 2019)*

## **OTHER FINANCING SOURCES AND USES**

Other financing sources are generally comprised of proceeds from the issuance of debt, from the sale of properties previously acquired through the Community Development Block Grant's (CDBG) purchase rehabilitation program, and from the sale of other city-owned assets.

The 2019 estimate includes \$6,916,000 in other financing sources and \$6,850,000 in other financing uses to refund the voted PRCA Improvement Bonds, originally issued 5-28-2009, and issue new debt at lower interest rates for the remaining par value of these bonds. The 2019 other financing sources also include \$785,000 from the sale of city-owned properties; \$235,000 in proceeds from the sale of equipment and vehicles through auction; and \$22,000 in sales of city-owned properties through CDBG programs.

Other financing sources for 2020 include \$8.0 million in estimated proceeds from the issuance of general obligation debt for the Kettering Police Station Improvement project. A \$400,000 loan at 0% interest is expected from the Ohio Public Works Commission (OPWC) for the Ridgeway Road Bridge reconstruction project. The City also anticipates \$663,000 from the sale of city-owned properties; \$187,000 from the sale of equipment and vehicles through auction; and \$61,000 in sales of city-owned properties through CDBG programs.

## **OPERATING EXPENDITURES**

Operating costs (all funds) for 2020 are proposed at \$77.7 million compared to an estimated \$79.8 million in 2019. The total 2020 Operating budget (Personal Services, Operating Expenses and Capital Outlay combined) is 0.5% more than the original 2019 operating budget.

Proposed 2020 personal services are 3.0% higher than the original 2019 budget. The 2020 budget reflects an across the board pay increase of 2.5% for non-organized employees. Pay increases for organized employees are budgeted at either 2.00% or 2.50% depending on the contracted rate for each bargaining unit.

Enactment of the Patient Protection Affordable Care Act (PPACA) has resulted in a significant reduction in part-time firefighters in the Fire Department. Since 2016, the City has added 20 additional firefighter and 5 additional captain positions. The new full-time staff reduce dependency on part-time positions and overtime.

The Kettering Police Department added 2 additional School Resource Officers (SRO's) in 2019. The cost of the additional positions is partially reimbursed (70%) by the Kettering School District. For 2020, the City will add 2 additional patrol officers.

Please refer to pages 53 – 55 in the Budget Summary Section for detailed information on changes in positions and full time equivalents.

As previously mentioned, health insurance premiums will increase 5% over the 2019 level with no change to the split of 83% City and 17% employee. This increase follows a 9.5% decrease in 2019 from the 2018 level. The City's contribution into employees' HSA accounts remains at 65% of the deductible amount. Employees do have an opportunity to "earn back" additional HSA funding by participating in the City's wellness program. In addition to the current high deductible health plan, the City offers two additional plans, termed Silver and Bronze, in order to offer employees individual plan options and to ensure compliance with PPACA.

As part of the 2020 budget planning process, departments were asked to keep 2020 operating requests, excluding personnel and capital equipment, to not more than a 0% increase over their 2019 budgets. Departments made significant efforts to balance the requirement to meet this objective with the need to provide the same level of efficient, effective, quality services. Most of the departments were able to meet or even exceed this objective. Some exceptions are made where a new project or initiative is being implemented. For example, the Fire Department plans a \$175,000 replacement for its rugged mobile data terminals (MDT's). The Police Department plans a \$260,000 replacement of MDTs, as well as \$86,000 for bulletproof vests. Even with these special items, the General Fund maintains a positive operating margin. The proposed 2020 capital outlay budget at \$1.9 million is \$519,000 greater than the 2019 budget. Routine purchases will include replacements for patrol vehicles, unmarked sedans, dump trucks, and pickup trucks. One of the larger purchases planned for 2020 is a \$1.1 million aerial ladder truck for the City's Fire Department. Details on specific expenditures can be found within the department narratives on pages 62 – 139.

The City's goal regarding expenditures is that debt and operating costs, with a few exceptions for long-term capital outlays for special projects, should be covered by current revenues. The Citywide current operating revenues are anticipated to exceed expenditures related to operations and debt by \$1.9 million in 2019 and by \$4.4 million in 2020. General Fund operating margin is anticipated to be \$2.6 million in 2019 and \$2.3 million in 2020.

## **CAPITAL IMPROVEMENT PROGRAM**

Capital Improvement Expenditures include expenditures related to the acquisition, expansion or rehabilitation of the City's physical plant and infrastructure. The City's capital improvement process is a hybrid of the budgeting and the planning process. Capital improvement requests are submitted by individual departments and coordinated by the City Manager. Each proposal is evaluated according to its impact on achieving tactics in the strategic plan, as well as its long run and short run cost effectiveness. Some projects are approved because they show a significant savings resulting from the investment, while others are necessary to improve the quality of life in the community. The Capital Improvement Program (CIP) proposed for 2020 is \$24.6 million. When combined with estimated 2019 expenditures of \$15.3 million, the two-year total of \$39.9 million reflects City Council's strong commitment to rebuilding and maintaining the community's neighborhoods, infrastructure, roadway, fire & police stations, and recreational facilities.

The 2020 Capital Improvement Program includes a variety of projects ranging from roadway improvements, a new neighborhood park (Gentile Park), and Rosewood Arts Centre updates, to the usual resurfacing and curb replacement programs.

A major project for 2020 will be the Kettering Police Station Improvement. This project was developed to update the facility's HVAC systems and reconfigure the overall layout and office spaces to meet today's operational needs. The renovated facility will incorporate enhanced security, current technology, improved locker rooms, and additional property storage. The existing shooting range and jail will remain in their current configurations. A new Police Training Center will be created in available space in Building #46 in the Kettering Business Park. This new facility will include classroom space, operational training space, and additional storage. The design phase of the project began in the second half of 2018, with construction scheduled to begin in early 2020. The City will fund the project through the issuance of general obligation debt.

Please refer to pages 127-133 (Capital Improvement Fund — \$23,097,000) for a detailed look at the proposed projects and their related impact on operating costs. Capital improvement expenditures are also budgeted in the State Highway Fund (\$1,335,000), the Special Grants & Programs Fund (\$10,000), and the Community Development Block Grant Fund (\$162,000).

## **DEBT**

In accordance with national accounting standards, we are showing debt transactions on a gross basis. Although we have additional debt capacity under State law, it is our policy that a conservative financial approach dictates not using debt up to this City's legal debt limit. This allows us to keep some capacity in reserve against an uncertain future or a catastrophe. During 2015, the City issued \$17.7 million general obligation debt. \$2.2 million of the bond proceeds were to advance refund the City's Series 2005 Court Facility bonds. \$15.5 million of the bond proceeds partially financed the construction of four new fire stations as part of the City's Fire Station Improvement Plan. Effective 2015, 75% of the EMS billing revenues and contracted billing service expenditures are allocated to the Debt Service Fund to pay \$1,054,000 in annual principal and interest on the \$15.5 million debt issuance.

In late 2019, the City redeemed the voted PRCA Improvement Bonds, issued 5-28-09, and issued new debt for the remaining par balance at lower interest rates, generating an estimated \$635,700 net present value savings to the City's taxpayers.

During 2020, the City plans to finance the proposed Police Station Improvement project, estimated at \$8 million, with general obligation debt. The City also anticipates receiving a \$400,000 0% loan from the Ohio Public Works Commission (OPWC) for the Ridgeway Road Bridge reconstruction project.

We continue to receive excellent bond and note ratings from the national rating services. Our bond rating from Moody's is "Aa1" (this was upgraded from "Aa2" in 2015). Please refer to pages 56-58 for the debt statements and a summary of the City's debt policy and legal debt margin.

## **MODIFICATIONS**

We continue to be living in very uncertain times. The City's revenues are a direct function of the health of the local economy. This document details several aspects of uncertainties regarding the corporate environment of Kettering. While I hope to see no significant adverse change in the corporate structure of the community, it is prudent to be conservative with revenue projections. City staff will closely monitor revenues during 2020 and will be prepared to make recommendations to modify the budget as necessary.

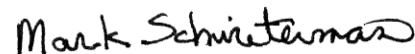
## **BUDGET PROCESS/DOCUMENT**

The City's budget process is perhaps, the most important process we facilitate in a given year. It represents a continuing cycle of reviewing long-range goals and objectives, planning, facilitation, and evaluation. A detailed explanation of our budget process is on pages 13 - 14.

This budget document is the product of hard work, collaboration and cooperation. Kelly O'Connell, the City's Budget Manager, with the advice and support from Nancy Gregory, Finance Director, facilitated this process by reviewing budget requests, meeting with department directors and me, making cuts where appropriate and developing a final document within the guidelines established by the City's Strategic Plan.

I feel that we have an exceptionally strong financial management team. The financial capabilities within our Finance Department will assure maximized cost effectiveness and fiscal accountability in all areas.

Sincerely,



Mark W. Schwieterman  
City Manager

# STRATEGIC PLAN

The Strategic Plan is the first step in the development of the following year's budget. Its importance cannot be over-emphasized as it provides the Mayor and Council's vision and strategic priorities for our City's future. The various action items and tactics necessary to achieve that vision are incorporated into each department's objectives. Financial resources are then allocated in the budget accordingly.

Each year, the Mayor and Council discuss and review the status of the tactics that make up the Strategic Plan. Tactics that have been completed are removed from the plan and new tactics that work toward achieving the seven strategic priorities are added. Listed with each tactic is the City department for which the bulk of responsibility lies. However, many of the strategies and tactics, as with most processes within the City's core services, are addressed within and by multiple departments.

**Mission:** A progressive community where citizens thrive in a safe, inclusive, diversified, enjoyable environment.

**Vision:** A community our residents and businesses are proud to call Home.

## Strategic Priorities:

- 1) Have active leadership in regional initiatives that improve City services, save the city resources, and boost the city's regional prominence.
- 2) Engage in economic development ventures that attract and expand investment in the city.
- 3) Improve and maintain housing options and neighborhood environments.
- 4) Maintain fiscal responsibility while making strategic capital investments.
- 5) Provide public safety via police, fire, and other services that excel at customer service and resource allocation.
- 6) Provide quality city services to both internal and external customers, optimizing levels of service while preserving the unique character of Kettering and meeting standards and budget.
- 7) Develop and maintain a communication plan that educates our community as well as produces an image of our City.

The proposed budget represents funding to support the strategic priorities as outlined in the current strategic plan. Please see the following pages for the complete City of Kettering Strategic Plan.

The status of Tactics may be marked as "Ongoing" (which indicates a process underway with no finite ending period), as "Complete," or not marked (which indicates work yet to significantly begin).

| STRATEGIC PRIORITY:   |  |
|---|--|
| <b>HAVE ACTIVE LEADERSHIP IN REGIONAL INITIATIVES THAT IMPROVE CITY SERVICES, SAVE THE CITY RESOURCES, AND BOOST THE CITY'S REGIONAL PROMINENCE</b> |  |
| ACTION AGENDA   | TACTICS  |
| <ul style="list-style-type: none"> <li>Regional Presence - Identify our present regional presence</li> </ul>  | <ul style="list-style-type: none"> <li>Inventory and create a Master List of organizations in which Kettering is involved and at what level we participate. <b>(Dirs. Team) (Ongoing)</b></li> <li>Identify potential regional collaborations. <b>(Dirs. Team) (Ongoing)</b></li> </ul>  |
| <ul style="list-style-type: none"> <li>Greater leadership in MVRPC</li> </ul>   | <ul style="list-style-type: none"> <li>Work with other surrounding jurisdictions via Miami Valley Regional Planning Commission (MVRPC) to determine the need for expanded transportation services. <b>(PRCA, Asst. City Mgr.) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>Montgomery County — Greater leadership at the County level</li> </ul>  | <ul style="list-style-type: none"> <li>Participate and provide leadership in County Economic Development initiatives. <b>(Ec. Dev.) (Ongoing)</b></li> <li>Participate and provide leadership in the Montgomery County 10-year Homeless Solutions Prevention Plan. <b>(P&amp;D and City Mgr.) (Ongoing)</b></li> <li>Continue to actively participate in regional fair housing initiatives. <b>(P&amp;D) (Ongoing)</b></li> </ul>  |
| <ul style="list-style-type: none"> <li>MVCC - Greater leadership in and influence on MVCC to realize ROI</li> </ul>                                 | <ul style="list-style-type: none"> <li>Influence and assist in developing the training Miami Valley Communications Council (MVCC) provides to meet the City's needs (ex. management training, public records training, succession planning, etc.). <b>(HR and Dirs. Team) (Ongoing)</b></li> <li>Investigate MVCC broadcasting training. <b>(Fire) (Ongoing)</b></li> <li>Participate and provide leadership in utilizing the MVCC regional fiber ring for collaboration, cost reduction and revenue generation opportunities. <b>(Admin Systems, Ec. Dev.) (Ongoing)</b></li> </ul>                             |
| <ul style="list-style-type: none"> <li>First Tier Suburbs</li> </ul>  | <ul style="list-style-type: none"> <li>Utilize the consortium to influence policy at the state level. <b>(Council and City Mgr.) (Ongoing)</b></li> </ul>  |
| <ul style="list-style-type: none"> <li>Dayton Development Coalition (DDC)</li> </ul>  | <ul style="list-style-type: none"> <li>Strengthen our relationship regarding Development Projects. <b>(City Mgr. and Ec. Dev.) (Ongoing)</b></li> <li>Participate and provide leadership in DDC Economic Development initiatives through the DDC's local government representation. <b>(City Mgr.) (Ongoing)</b></li> </ul>  |
| <ul style="list-style-type: none"> <li>School Board - Enhance communication</li> </ul>  | <ul style="list-style-type: none"> <li>Continue the joint meetings between Council and the School Board. <b>(Council and City Mgr.) (Ongoing)</b></li> <li>Provide Police School Resource Officers to schools in Kettering to handle school-specific criminal activity and to provide drug/alcohol abuse training. <b>(Police) (Ongoing)</b></li> <li>Develop Prevention Strategy with School and City Staff to be introduced in spring of 2020. (PRCA, PFHY and All Departments)</li> <li>Provide support and assistance to the Youth and Family Resource Coordinator. <b>(All Depts.) (Ongoing)</b></li> </ul> |



## STRATEGIC PRIORITY:

### HAVE ACTIVE LEADERSHIP IN REGIONAL INITIATIVES THAT IMPROVE CITY SERVICES, SAVE THE CITY RESOURCES, AND BOOST THE CITY'S REGIONAL PROMINENCE (Continued)

|  |  |
|--|--|
| <ul style="list-style-type: none"> <li>Local Jurisdictions — Look for joint opportunities to save resources</li> </ul> | <ul style="list-style-type: none"> <li>Cooperate with other agencies on snow and ice control. <b>(Public Service) (Ongoing)</b></li> <li>Increase participation in the Fire/EMS Region 3 Strike Team and Regional Haz. Mat. <b>(Fire) (Ongoing)</b></li> <li>Continue the Automatic Mutual Aid Response System (AMARS) with Washington Twp., the City of Oakwood, the City of Moraine, and the City of Dayton. <b>(Fire) (Ongoing)</b></li> <li>Continued participation with regional organizations such as the Tactical Crime Suppression Unit (TCSU) to target specific reoccurring criminal activity. <b>(Police) (Ongoing)</b></li> <li>Provide building permitting and inspection services to the City of Oakwood. <b>(Fire and P&amp;D) (Ongoing)</b></li> <li>Partner with the City of Dayton and Montgomery County to share building code inspection services. <b>(P&amp;D) (Ongoing)</b></li> <li>Explore a similar arrangement with other jurisdictions regarding inspections. <b>(P&amp;D) (Ongoing arrangement with West Carrollton)</b></li> <li>Continued participation in the Miami Valley Risk Management Association (MVRMA). <b>(Finance) (Ongoing)</b></li> <li>Continue active participation with the Miami Valley Fire and EMS Alliance. <b>(Fire) (Ongoing)</b></li> </ul> |
|--|--|

## STRATEGIC PRIORITY:

### ENGAGE IN ECONOMIC DEVELOPMENT VENTURES THAT ATTRACT & EXPAND INVESTMENT IN THE CITY

| ACTION AGENDA   | TACTICS   |
|---|---|
| <ul style="list-style-type: none"> <li>Utilize available communication tools to assist with business retention and attraction.</li> </ul> | <ul style="list-style-type: none"> <li>Include business news section within <i>Contact with Kettering</i> quarterly newsletter and distribute to all businesses. <b>(Ec. Dev. and CIM) (Ongoing)</b></li> <li>KMO Membership – Maintain Kettering-Moraine-Oakwood Chamber of Commerce (KMO) membership and appointment on Advisory Board. <b>(Ec. Dev.) (Ongoing)</b></li> </ul>  |
| <ul style="list-style-type: none"> <li>Attraction – Work to recruit new businesses to Kettering.</li> </ul>                               | <ul style="list-style-type: none"> <li>Continue to work with the County Land Bank to identify and remove buildings causing blight in neighborhoods. <b>(P&amp;D) (Ongoing)</b></li> <li>T&amp;C involvement – Work with Town &amp; County Shopping Center (T&amp;C) Management to take advantage of retail opportunities. <b>(P&amp;D and Ec. Dev.) (Ongoing)</b></li> <li>Create and maintain inventory of available development and redevelopment sites throughout the City in order to best match development possibilities to appropriate areas. <b>(P&amp;D) (Ongoing)</b></li> <li>Develop a City marketing packet that can be distributed to businesses. <b>(Ec. Dev. and CIM)</b></li> <li>Work to attract development within the Miami Valley Research Park <b>(Ec. Dev.) (Ongoing)</b></li> </ul> |
| <ul style="list-style-type: none"> <li>Retention – Create/retain relationships with existing businesses in the City.</li> </ul>           | <ul style="list-style-type: none"> <li>Visit existing businesses to discuss current operations and future needs. <b>(Ec. Dev.) (Ongoing)</b></li> <li>Contact smaller companies through KMO Chamber participation and Business First visits. <b>(Ec. Dev.) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>Expansion – Work with existing businesses interested in expanding their operations.</li> </ul>     | <ul style="list-style-type: none"> <li>Utilize existing federal, state and local resources to assist with business expansion. <b>(Ec. Dev. and P&amp;D) (Ongoing)</b></li> <li>Implement the Wilmington Pike Improvement Plan including the Facade and Demolition Programs. <b>(Ec. Dev., P&amp;D and Engr.) (Ongoing)</b></li> </ul>   |

## STRATEGIC PRIORITY:

### IMPROVE AND MAINTAIN HOUSING OPTIONS AND NEIGHBORHOOD ENVIRONMENTS

| ACTION AGENDA  | TACTICS   |
|--|---|
| <ul style="list-style-type: none"> <li>Accommodate a variety of housing types in appropriate locations to meet current and future residential market demands.</li> </ul> | <ul style="list-style-type: none"> <li>Conduct an analysis of current housing stock and future housing needs including identifying housing needs for employees of desired industry clusters. <b>(P&amp;D) (Complete)</b></li> <li>Identify locations for development and redevelopment opportunity and identify the appropriate housing type for those locations. <b>(P&amp;D) (Ongoing)</b></li> <li>Identify in-fill development opportunities and work with private and non-profit builders to construct neighborhood appropriate homes. <b>(P&amp;D) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>Encourage reinvestment in existing housing to ensure long- term marketability of Kettering neighborhoods</li> </ul>               | <ul style="list-style-type: none"> <li>Develop a menu of tools to encourage reinvestment and improvement of existing housing and aggressively market the tools to appropriate owners and investors. <b>(CDBG) (Ongoing)</b></li> <li>Market the City's street improvement program and schedule of improvements to appropriate neighborhoods. <b>(P&amp;D, CDBG, and Engr.) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>Create positive neighborhood environments that encourage a strong sense of community.</li> </ul>                                  | <ul style="list-style-type: none"> <li>Continue to support and attend neighborhood block parties and events. <b>(Police and Fire) (Ongoing)</b></li> <li>The Fire Department will participate in neighborhood watch meetings with Police Departments as appropriate to promote fire and life safety. <b>(Police and Fire) (Ongoing)</b></li> <li>Create two outreach programs in two neighborhood parks to improve the social connection with youth and adults in a positive and constructive program. <b>(PRCA) (Ongoing)</b></li> <li>Complete park and parkway improvements in neighborhoods. <b>(PRCA) (Ongoing)</b></li> <li>Continue to promote the <i>Cities of Service</i> program and address a different neighborhood each year. <b>(Vol. and P&amp;D) (Ongoing)</b></li> </ul> |
| <ul style="list-style-type: none"> <li>Ensure adequate maintenance on all properties throughout Kettering.</li> </ul>  | <ul style="list-style-type: none"> <li>Examine the property maintenance code to ensure it provides adequate tools for City inspectors to use in enforcing the code. <b>(P&amp;D and Law) (Complete)</b></li> <li>Develop and implement a nuisance abatement ordinance. <b>(P&amp;D and Law) (Complete)</b></li> </ul>   |

## STRATEGIC PRIORITY:

### MAINTAIN FISCAL RESPONSIBILITY WHILE MAKING STRATEGIC CAPITAL INVESTMENTS

| ACTION AGENDA   | TACTICS   |
|---|---|
| <ul style="list-style-type: none"> <li>• Provide long-term financial planning aligned with the strategic plan</li> </ul>  | <ul style="list-style-type: none"> <li>• Continue to develop a 5-year Capital Improvement Plan (CIP). <b>(All Depts.) (Ongoing)</b></li> <li>• Continue to provide a Long-Range Financial Forecast. <b>(Finance and City Mgr.) (Ongoing)</b></li> <li>• Update long-term Facilities Plan and use for CIP budgeting. <b>(Public Service and City Mgr.)</b></li> <li>• Update long-term Roadway Plan and use for CIP budgeting. <b>(Engr. and City Mgr.) (Ongoing)</b></li> <li>• Update long-term Parks, Ice Arena, and Frazee Pavilion Master Plans and use for CIP budgeting. <b>(PRCA) (Ongoing)</b></li> <li>• Seek public/private funding options for Rosewood Arts Centre. <b>(PRCA) (Ongoing)</b></li> </ul>  |
| <ul style="list-style-type: none"> <li>• Develop financial documents that meet the highest reporting standards and provide relevant information to all users</li> </ul>               | <ul style="list-style-type: none"> <li>• Prepare Comprehensive Annual Financial Report (CAFR) and Budget in accordance with both GAAP and GFOA standards. <b>(Finance) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>• Provide long-term planning aligned with the strategic plan</li> </ul>  | <ul style="list-style-type: none"> <li>• Ensure CIP plan follows the priorities of the strategic plan and comprehensive plan, Wilmington Pike plan, and various neighborhood plans. <b>(P&amp;D and Engr.) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>• Utilize sources supplementing and leveraging City resources for necessary projects and programs after careful review and analysis</li> </ul> | <ul style="list-style-type: none"> <li>• Apply for roadway project assistance from sources such as OPWC and federal funding to minimize City funding. <b>(Engr.) (Ongoing)</b></li> <li>• Coordinate with City CDBG personnel to evaluate opportunities to complete necessary projects utilizing CDBG assistance. <b>(CDBG, P&amp;D, City Mgr. &amp; Engr.) (Ongoing)</b></li> <li>• Grow alternative revenue sources through increased obligation of sponsorships, grants and the growing of the Kettering Parks Foundation. <b>(PRCA) (Ongoing)</b></li> </ul>  |
| <ul style="list-style-type: none"> <li>• Continually evaluate programs and operations for long-term viability, sustainability and affordability</li> </ul>                            | <ul style="list-style-type: none"> <li>• Annually update fees and charges to keep current, ensure they are in line with costs and the program or activity generates a realistic profit. <b>(PRCA and P&amp;D) (Ongoing)</b></li> <li>• Analyze existing billed services for appropriate cost recovery and unbilled services for decisions to seek cost recovery or discontinue. <b>(All Depts.) (Ongoing)</b></li> <li>• Evaluate programs and operations at departmental levels for potential savings and efficiencies. <b>(All Depts.) (Ongoing)</b></li> <li>• Evaluate and determine staffing models for Fire Department. <b>(Fire) (Ongoing)</b></li> <li>• Eliminate conflicting Fire Codes and revised Codified Ordinances on Fire and Life Safety. <b>(Fire) (Ongoing)</b></li> </ul> |

## STRATEGIC PRIORITY:

### PROVIDE PUBLIC SAFETY VIA POLICE, FIRE AND OTHER SERVICES THAT EXCEL AT CUSTOMER SERVICE AND RESOURCE ALLOCATION

| ACTION AGENDA   | TACTICS  |
|---|--|
| <ul style="list-style-type: none"> <li>• Safety Education, Knowledge and Prevention Safety Perception</li> </ul>                                  | <ul style="list-style-type: none"> <li>• Safety Education — Explore new ways of providing Citywide safety education and outreach to the public. <b>(Police) (Ongoing)</b></li> <li>• Address senior safety issues related to driving and hoarding. <b>(Sr. Service Coord.) (Ongoing)</b></li> <li>• Continue with and advance the Kettering Safe Senior Program (KSSP). <b>(Police) (Ongoing)</b></li> <li>• Safety Education — Explore new ways of providing City-wide safety education and outreach to the public through programs such as CERT, First Aid Training and School Safety programs. <b>(Fire) (Ongoing)</b></li> <li>• Develop and provide emergency family preparedness and fire prevention education programs and services to the citizens of Kettering. <b>(Fire) (Ongoing)</b></li> <li>• Continue the City's Safety Committee. <b>(HR) (Ongoing)</b></li> </ul> |
| <ul style="list-style-type: none"> <li>• Public Works — Ensure Public Safety through quality and responsive public works.</li> </ul>              | <ul style="list-style-type: none"> <li>• Implement Snow and Ice Control Plan to ensure reasonably safe travel within and through Kettering while managing the increasing cost of fuel, anti-icing, and manpower. <b>(Public Service) (Complete)</b></li> <li>• Streamline public service request process to establish and achieve standards for timely response to public safety issues (potholes, channels, etc.). <b>(Public Service) (Ongoing)</b></li> <li>• Continue coordination and repair regarding the annual Bridge Inspection Program. <b>(Engr.) (Ongoing)</b></li> </ul>  |
| <ul style="list-style-type: none"> <li>• Police — Traffic Enforcement</li> </ul>  | <ul style="list-style-type: none"> <li>• Continue emphasis on Operating Vehicles while under the Influence (OVI). <b>(Police) (Ongoing)</b></li> <li>• Increase traffic enforcement efforts in areas identified as high-accident or high-complaint locations. <b>(Police and Engr.) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>• Police — Crime Prevention/ Deterrents</li> </ul>   | <ul style="list-style-type: none"> <li>• Participate with regional organizations such as the Tactical Crime Suppression Unit (TCSU) to target specific reoccurring criminal activity. <b>(Police) (Ongoing)</b></li> <li>• Continue to use bike patrol on night watches to target problem areas. <b>(Police) (Ongoing)</b></li> <li>• Continue to utilize Scanning Analysis Response Assessment forms to identify and address quality of life issues and criminal problems. <b>(Police) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>• Police — Community-Based Problem Solving</li> </ul>  | <ul style="list-style-type: none"> <li>• Continue involvement in the National Night Out/ Spring Fling/ Community Clean-up Day as a way to get information on how the police can help the community. <b>(Police) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>• Fire — Continue to develop &amp; implement plans based on recommendations from Matrix Report.</li> </ul> | <ul style="list-style-type: none"> <li>• Continue to benchmark and evaluate the progress of the Fire Department based on the recommendations of the Matrix Report. <b>(Fire) (Ongoing)</b></li> </ul>  |

## STRATEGIC PRIORITY:

### PROVIDE PUBLIC SAFETY VIA POLICE, FIRE AND OTHER SERVICES THAT EXCEL AT CUSTOMER SERVICE AND RESOURCE ALLOCATION (Continued)

| ACTION AGENDA   | TACTICS  |
|---|--|
| <ul style="list-style-type: none"> <li>• Fire — Alarm Response Goals</li> </ul>                 | <ul style="list-style-type: none"> <li>• Maintain response time goals and minimum response levels that should be met 90% of the time for fire and EMS alarms. <b>(Fire) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>• Fire — Station Master Plan</li> </ul>                  | <ul style="list-style-type: none"> <li>• Construct four new fire stations according to the fire station master plan. <b>(Fire and Public Service) (Complete)</b></li> </ul>  |
| <ul style="list-style-type: none"> <li>• Fire — Part-Time Firefighters</li> </ul>               | <ul style="list-style-type: none"> <li>• Utilize part-time firefighters to offset overtime expenses for full-time staffing. <b>(Fire) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>• Fire — Members Trained for Type of Alarm</li> </ul>    | <ul style="list-style-type: none"> <li>• Ensure the Fire Department is able to provide an adequate number of personnel for hazardous materials and special rescue alarms. <b>(Fire) (Ongoing)</b></li> <li>• Ensure all officers are properly trained to manage all emergency incident scenes. <b>(Fire) (Ongoing)</b></li> <li>• Ensure all officers are trained and educated in personnel and Fire Department function management. <b>(Fire) (Ongoing)</b></li> </ul>  |
| <ul style="list-style-type: none"> <li>• Fire - Code Enforcement</li> </ul>                     | <ul style="list-style-type: none"> <li>• Ensure all commercial facilities are free from fire and life safety hazards. <b>(Fire) (Ongoing)</b></li> <li>• Ensure firefighters responding to alarms in commercial buildings have the most up-to-date information on building construction, hazards, suppression systems, etc. <b>(Fire) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>• Safety Education</li> </ul>                            | <ul style="list-style-type: none"> <li>• Evaluate all City safety education and prevention activities to ensure that a cohesive and cost-effective system is provided. <b>(Fire, Police, and Engr.) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>• Fire — Fire &amp; EMS Apparatus Master Plan</li> </ul> | <ul style="list-style-type: none"> <li>• Ensure all fire and EMS vehicles are replaced at the end of their service life in a cost-effective manner. <b>(Fire) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>• City Disaster Planning &amp; Preparedness</li> </ul>   | <ul style="list-style-type: none"> <li>• Ensure the City Emergency Operations Plan provides the proper guidance to City employees in the event of a disaster. <b>(Fire) (Ongoing)</b></li> <li>• Ensure all key employees are trained to National regulations (NIMS courses). <b>(Fire) (Ongoing)</b></li> <li>• Ensure all key personnel are properly trained and educated on the City Emergency Operations Plan. <b>(Fire)</b></li> <li>• Ensure all key personnel practice their roles in a disaster to provide better service during a disaster. <b>(Fire)</b></li> <li>• Establish and operate the City's Emergency Operations Center. <b>(Fire)</b></li> </ul> |



## STRATEGIC PRIORITY:

**PROVIDE QUALITY CITY SERVICES TO BOTH INTERNAL AND EXTERNAL CUSTOMERS, OPTIMIZING LEVELS OF SERVICE WHILE PRESERVING THE UNIQUE CHARACTER OF KETTERING AND MEETING STANDARDS AND BUDGET**

| ACTION AGENDA   | TACTICS   |
|---|---|
| <ul style="list-style-type: none"> <li>Identify and review all departmental services and/or processes</li> </ul>                                  | <ul style="list-style-type: none"> <li>Identify internal and external customers. <b>(All Depts. Individually)</b></li> <li>Identify why the City performs the processes. <b>(All Depts. Individually)</b></li> <li>Capture full costs to include time value, admin., overhead, etc. <b>(All Depts. Individually)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>Optimize City Services and Processes</li> </ul>  | <ul style="list-style-type: none"> <li>Investigate selected services and processes (high value, high cost, etc.) to streamline and increase performance. <b>(All Depts.)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>Prioritize Peripheral Services and Processes for strategic budgetary planning</li> </ul>                   | <ul style="list-style-type: none"> <li>Determine Tier 1, Tier 2, and Tier 3 expense strategies for meeting operating budget requirements. <b>(Individual Depts.)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>Enhance internal customer service: cross-departmental (City Internal) services and/or processes</li> </ul> | <ul style="list-style-type: none"> <li>Initiate enterprise-wide systems to enhance operations: document performance, manage process, share information, coordinate between depts., transparency to citizens, and communications. <b>(City Mgr., Admin. Systems) (Ongoing)</b></li> <li>Promote philosophy of excellent customer service throughout the departments. <b>(Individual Depts.) (Ongoing)</b></li> <li>Create leadership teams made up of cross-department personnel to development and implement solutions to various City issues. <b>(All Depts.)</b></li> </ul> |
| <ul style="list-style-type: none"> <li>Enhance external customer service: City processes to our citizens</li> </ul>                               | <ul style="list-style-type: none"> <li>Improve the overall approach to measuring customer satisfaction for all core services and programs, including surveys, program evaluations, mystery shopping, lost customer research, consumer advisory panels, and service audits. <b>(All Depts.)</b></li> </ul>   |

## STRATEGIC PRIORITY:

### DEVELOP AND MAINTAIN A COMMUNICATION PLAN THAT EDUCATES OUR COMMUNITY AS WELL AS PRODUCES AN IMAGE OF OUR CITY

| ACTION AGENDA  | TACTICS  |
|--|--|
| <ul style="list-style-type: none"> <li>Communicate all aspects of the City with one voice/one image/one look</li> </ul>            | <ul style="list-style-type: none"> <li>Communication Team to meet as necessary to discuss trends, tactics, and upcoming campaigns. <b>(CIM) (Ongoing)</b></li> <li>Transition to promoting “Kettering is Home” as unifying City brand. <b>(CIM) (Complete)</b></li> </ul>  |
| <ul style="list-style-type: none"> <li>Communicate City’s successes</li> </ul>   | <ul style="list-style-type: none"> <li>Utilize entry signs and banners to announce appropriate City successes/awards. <b>(CIM) (Ongoing)</b></li> <li>Leverage digital media and traditional media relationships to communicate successes. <b>(CIM) (Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>Actively participate in Social Media</li> </ul>   | <ul style="list-style-type: none"> <li>Utilize social media as appropriate to promote City events, programs and services. <b>(CIM)(Ongoing)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>Develop a strong sense of Community Pride</li> </ul>  | <ul style="list-style-type: none"> <li>Continue to host the Community Block party, where residents can gather to learn about City programs, services and events. <b>(All Depts.) (Ongoing)</b></li> <li>Continue to promote the Mayor’s Christmas Tree Lighting &amp; Go 4<sup>th</sup>! as premier events in the community. <b>(PRCA) (Ongoing)</b></li> <li>Promote the City’s Entertainment and Community Art Programs as an initiative that sets us apart from other communities. <b>(PRCA) (Ongoing)</b></li> <li>Implement a Citywide campaign to highlight the unique and positive attributes of the Kettering community. <b>(CIM) (Ongoing)</b></li> <li>Continue to support the efforts of the CitiesofService team to promote neighborhood pride. <b>(All Depts.)</b></li> </ul> |
| <ul style="list-style-type: none"> <li>Communicate Important Topical Information</li> </ul>  | <ul style="list-style-type: none"> <li>Update website to provide access to high demand information. <b>(CIM) (Ongoing)</b></li> <li>Improve website to make it even more dynamic and user friendly. <b>(CIM) (Ongoing)</b></li> <li>Use <i>ContactwithKettering</i> to better communicate with residents about topical information. <b>(CIM) (Ongoing)</b></li> </ul>  |
| <ul style="list-style-type: none"> <li>Provide avenues through which residents can communicate with City Administration</li> </ul> | <ul style="list-style-type: none"> <li>Continue to conduct a survey every two years. <b>(CIM) (Ongoing)</b></li> <li>Utilize the City’s website, social media, and customer service systems to gather and respond to citizen inquiries. <b>(All Depts.)(Ongoing)</b></li> <li>Hold community meetings when appropriate to gauge public opinion. <b>(All Depts.)</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>Market the City to non-residents</li> </ul>   | <ul style="list-style-type: none"> <li>Produce updated <i>Resident Guide</i> and distribute broadly, with focus on educating realtors and Wright Patterson Air Force Base (WPAFB). <b>(CIM) (Ongoing)</b></li> <li>Utilize <i>DaytonDailyNews</i> Kettering City Page to communicate benefits of living in Kettering. <b>(CIM) (Ongoing)</b></li> <li>Develop a branding campaign and sub-branding for selected core services and programs. <b>(CIM)</b></li> </ul>  |

**Admin. Systems:** Administrative Systems Department  
**All Depts:** All Departments  
**Asst. City Mgr:** Assistant City Manager  
**CDBG:** Community Development Block Grant Manager  
**CIM:** Community Information  
**City Mgr:** City Manager  
**Council:** Mayor and Council  
**Dirs. Team:** Directors Team  
**Ec. Dev:** Economic Development  
**Engr:** Engineering Department

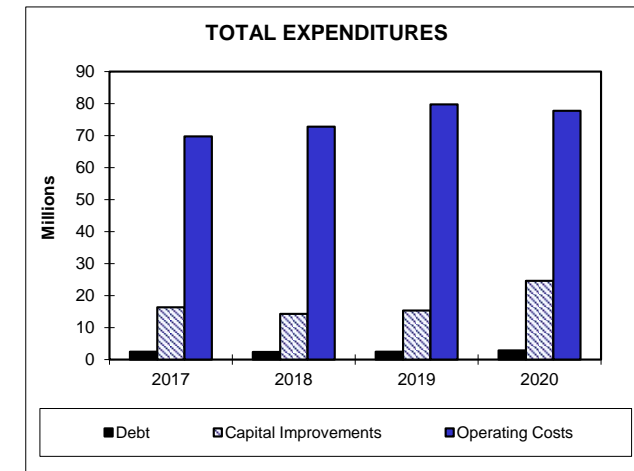
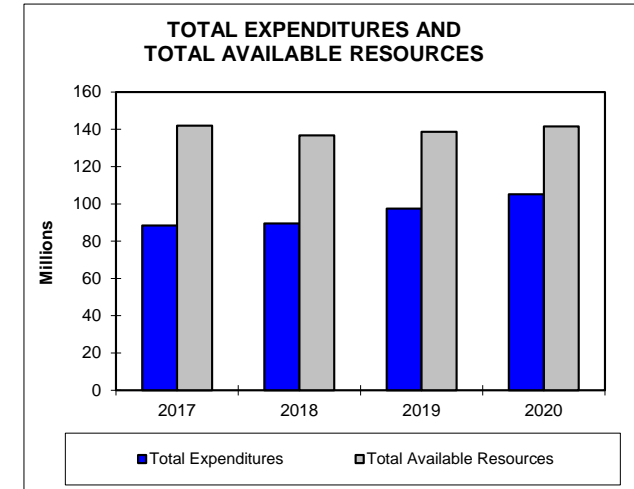
**Fire:** Fire Department  
**HR:** Human Resource Department  
**Individual Depts:** Individual Departments  
**PRCA:** Parks, Recreation & Cultural Arts  
**Police:** Police Department  
**Parks Dept:** Parks Maintenance  
**P&D:** Planning & Development  
**Public Service:** Public Service Department  
**Sr. Service Coord:** Senior Service Coordinator  
**Vol:** Volunteer Resources



# OVERALL BUDGET SUMMARY (All Budgeted Funds)

TABLE I

|   | Actual<br>2017     | Actual<br>2018     | Estimated<br>2019  | Proposed<br>2020 |
|---|--------------------|--------------------|--------------------|------------------|
| Available Resources                           |                    |                    |                    |                  |
| Balance January 1 <sup>a</sup>                | 96,789,229         | 89,993,550         | 81,805,836         | 72,470,538       |
| Nonspendable: Inventory & Loans               | 3,083,752          | 6,283,345          | 5,835,191          | 6,901,390        |
| Restricted for: CDBG Loans                    | 881,678            | 876,470            | 895,379            | 896,000          |
| Committed to: Economic Development            | 4,001,777          | 1,454,842          | 305,000            | 805,000          |
| Committed to: Capital Improvement             | 28,479,330         | 25,842,681         | 23,941,025         | 21,441,025       |
| Assigned to: Capital Improvement              | 0                  | 0                  | 368,000            | 1,376,000        |
| Net Balance                                   | 60,342,692         | 55,536,212         | 50,461,241         | 41,051,123       |
| Revenues                                      | 80,875,776         | 79,471,198         | 87,055,000         | 91,160,000       |
| Other Financing Sources                       | 788,418            | 1,797,781          | 7,958,000          | 9,311,000        |
| Less: Other Financing Uses                    | 0                  | 0                  | 6,850,000          | 0                |
| Total Available Resources                     | 142,006,886        | 136,805,191        | 138,624,241        | 141,522,123      |
| Expenditures                                  |                    |                    |                    |                  |
| Operating Costs                               | 69,704,506         | 72,766,710         | 79,753,960         | 77,717,252       |
| Capital Improvements                          | 16,332,880         | 14,276,797         | 15,325,000         | 24,604,000       |
| Debt Service                                  | 2,422,486          | 2,413,186          | 2,419,338          | 2,879,815        |
| Total Expenditures                            | 88,459,872         | 89,456,693         | 97,498,298         | 105,201,067      |
| <i>Revised Budget (Total Expenditures) b.</i> | <i>103,503,470</i> | <i>101,208,156</i> | <i>107,560,777</i> |                  |
| Net Balance December 31 <sup>c</sup>          | 53,547,014         | 47,348,498         | 41,125,943         | 36,321,056       |



<sup>a</sup>. Net Balance December 31 of previous year plus Inventory & Loans, Restriction for Loans, and Commitments of Previous Year.

<sup>b</sup>. The Revised Budget is the total of the budget adopted by Council at the beginning of the year plus supplemental appropriations plus encumbrances open at the beginning of the year.

<sup>c</sup>. Total available resources less total expenditures.

# ESTIMATED 2020 FUND BALANCE\*

**TABLE II**  
**Page 1 of 2**

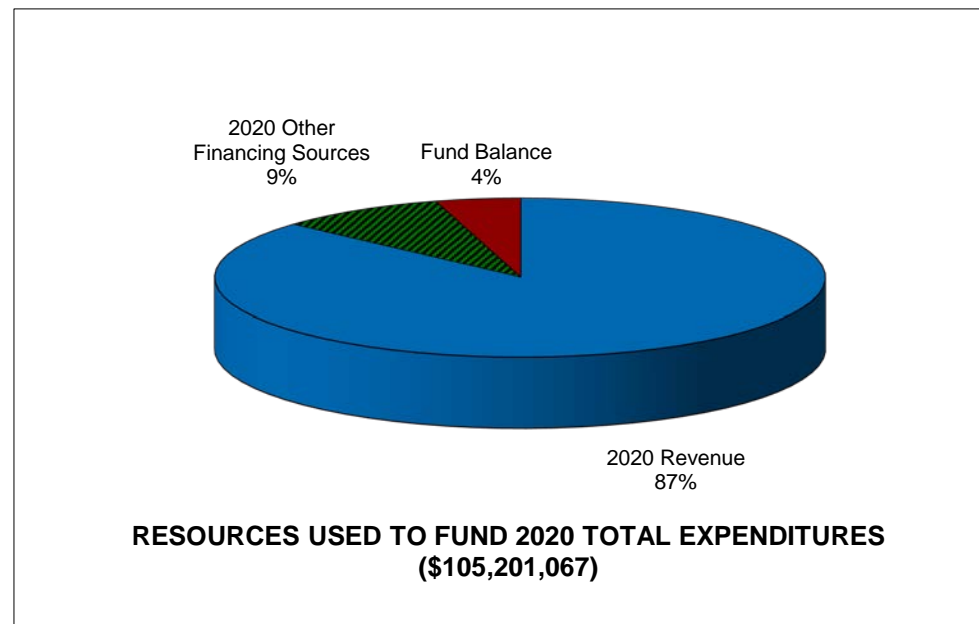
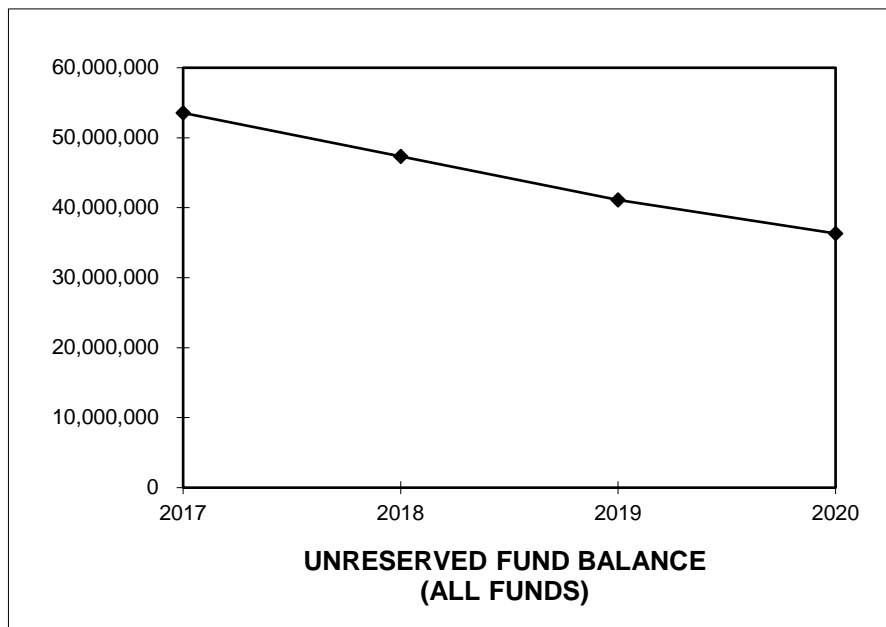
| <u>Code</u> | <u>Fund</u>   | <u>Balance<br/>January 1, 2020</u> | <u>Nonspendable Inventory,<br/>Restrictions,<br/>Commitments,<br/>&amp; Assignments **</u> | <u>Receipts</u> | <u>Other<br/>Financing<br/>Sources/(Uses)</u> | <u>Transfers and<br/>Advances***</u> | <u>Operating<br/>Costs</u> | <u>Capital<br/>Improvements</u> | <u>Debt<br/>Service</u> | <u>Balance<br/>December 31, 2020</u> |
|-------------|---|------------------------------------|--|-----------------|---|--------------------------------------|----------------------------|---------------------------------|-------------------------|--------------------------------------|
| 101         | General   | 42,271,289                         | (8,882,390)  | 65,091,000      | 775,000                                       | (18,112,000)                         | 50,398,380                 | 0                               | 0                       | 30,744,519                           |
|             | Special Revenue:  |                                    |  |                 |   |                                      |                            |                                 |                         |                                      |
| 202         | Street Maintenance                                      | 210,311                            | (200,000)  | 3,890,000       | 75,000  | 2,631,000                            | 6,596,030                  | 0                               | 0                       | 10,281                               |
| 203         | State Highway   | 162,329                            | 0  | 1,222,000       | 0   | 156,000                              | 195,000                    | 1,335,000                       | 0                       | 10,329                               |
| 205         | Cemetery  | 442,660                            | 0  | 15,000          | 0   | 0                                    | 20,000                     | 0                               | 0                       | 437,660                              |
| 213         | Police Pension  | 10,979                             | 0  | 354,000         | 0   | 1,422,000                            | 1,776,300                  | 0                               | 0                       | 10,679                               |
| 220         | EMS Fund  | 364,026                            | 0  | 391,000         | 0   | 0                                    | 324,000                    | 0                               | 0                       | 431,026                              |
| 246         | Parks & Recreation                                      | 10,222                             | 0  | 3,748,000       | 0   | 7,938,000                            | 11,686,100                 | 0                               | 0                       | 10,122                               |
| 247         | Lincoln Park Civic Commons &<br>Amphitheatre Operations | 92,496                             | 0  | 5,585,000       | 0   | 0                                    | 4,885,000                  | 0                               | 0                       | 792,496                              |
| 260         | DESC Reuse Funds  | 10,465                             | 0  | 12,000          | 0   | 192,000                              | 203,500                    | 0                               | 0                       | 10,965                               |
| 271         | Special Grants & Programs                               | 2,813,972                          | 0  | 629,000         | 0   | 0                                    | 912,162                    | 10,000                          | 0                       | 2,520,810                            |
| 283         | Community Dev.Block Grant                               | 987,455                            | (896,000)  | 758,000         | 61,000  | 0                                    | 656,780                    | 162,000                         | 0                       | 91,675                               |
|             | Total Special Revenue                                   | 5,104,915                          | (1,096,000)  | 16,604,000      | 136,000                                       | 12,339,000                           | 27,254,872                 | 1,507,000                       | 0                       | 4,326,043                            |
| 318         | Debt Service  | 1,080,912                          | 0  | 2,127,000       | 0   | 941,000                              | 64,000                     | 0                               | 2,879,815               | 1,205,097                            |
|             | Capital Projects:                                       |                                    |  |                 |   |                                      |                            |                                 |                         |                                      |
| 406         | Capital Improvement                                     | 24,013,422                         | (21,441,025)   | 7,338,000       | 8,400,000                                     | 4,832,000                            | 0                          | 23,097,000                      | 0                       | 45,397                               |
|             | GRAND TOTAL   | 72,470,538                         | (31,419,415)   | 91,160,000      | 9,311,000                                     | 0                                    | 77,717,252                 | 24,604,000                      | 2,879,815               | 36,321,056                           |

\* Fund Balance represents the funds remaining after the application of available revenues and resources to support the expenditures for the fund.

\*\* Please see Fund Balance Classifications discussion on page 10. The 2020 General Fund amount includes prepaid workers compensation insurance, economic development loans, assets held for re-sale, and other economic development commitments and assignments.

\*\*\* During the normal course of operations, the City has numerous transactions among funds, most of which are in the form of transfers used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

## 2020 FUND BALANCE



The reduction in 2017 through 2020 unreserved fund balance is largely due to the planned use of General Fund reserves for a portion of the City's capital improvement program and the use of EMS Fund balance for fire station improvements. Please see pages 25 and 26 of the Budget Message for a detailed fund balance discussion.

2020 revenues will fund 87% of the City's proposed 2020 expenditures, while 4% of the expenditures will require the use of fund balance. Other Financing Sources, specifically the Sale of City Assets, a loan from the Ohio Public Works Commission, and Debt Proceeds from the planned issuance of general obligation debt for the Police Station Improvement project, will cover 9% of 2020 expenditures.

# REVENUES CLASSIFIED BY SOURCE

**TABLE III**  
**Page 1 of 2**

|                      |                                |             |                  |             |                  | *              |                  | *             |                  |             |
|----------------------|--------------------------------|-------------|------------------|-------------|------------------|----------------|------------------|---------------|------------------|-------------|
| Object Code          | Mills 2018                     | Actual 2017 | Percent of Total | Actual 2018 | Percent of Total | Estimated 2019 | Percent of Total | Proposed 2020 | Percent of Total |             |
| Property Taxes:      |                                |             |                  |             |                  |                |                  |               |                  |             |
| 41110                | Real (Non-voted)               | 2.50        | 2,352,488        | 2.9%        | 2,556,282        | 3.2%           | 2,579,000        | 3.0%          | 2,579,000        | 2.8%        |
| 41120                | Real (Voted)                   | <u>4.29</u> | <u>4,036,673</u> | <u>5.0%</u> | <u>4,386,349</u> | <u>5.5%</u>    | <u>4,427,000</u> | <u>5.1%</u>   | <u>4,427,000</u> | <u>4.9%</u> |
| Total Property Taxes |                                | 6.79        | 6,389,161        | 7.9%        | 6,942,631        | 8.7%           | 7,006,000        | 8.0%          | 7,006,000        | 7.7%        |
|                      |                                |             |                  |             |                  |                |                  |               |                  |             |
| 41300                | Tax Increment                  |             | 396,627          | 0.5%        | 326,434          | 0.4%           | 435,000          | 0.5%          | 514,000          | 0.6%        |
| 41500                | City Income Tax                |             | 48,734,275       | 60.3%       | 47,663,176       | 60.0%          | 51,200,000       | 58.8%         | 52,260,000       | 57.3%       |
| 42000                | Licenses and Permits           |             | 605,589          | 0.7%        | 751,369          | 0.9%           | 765,000          | 0.9%          | 653,000          | 0.7%        |
| 43100                | Federal Grants                 |             | 2,956,797        | 3.7%        | 1,275,415        | 1.6%           | 2,661,000        | 3.1%          | 5,872,000        | 6.4%        |
| 43400                | State and Local Grants         |             | 472,165          | 0.6%        | 485,274          | 0.6%           | 1,467,000        | 1.7%          | 1,127,000        | 1.2%        |
| 43500                | Homestead & Rollback           |             | 960,229          | 1.2%        | 1,011,766        | 1.3%           | 1,006,000        | 1.2%          | 1,002,000        | 1.1%        |
| 43510                | Local Government Fund          |             | 612,737          | 0.8%        | 570,018          | 0.7%           | 770,000          | 0.9%          | 832,000          | 0.9%        |
| 43540                | Gasoline Tax                   |             | 1,928,304        | 2.4%        | 1,979,098        | 2.5%           | 2,409,000        | 2.8%          | 3,134,000        | 3.4%        |
| 43550                | Vehicle License Fees           |             | 772,912          | 1.0%        | 768,629          | 1.0%           | 766,000          | 0.9%          | 767,000          | 0.8%        |
| 43560                | Liquor & Beer Permits          |             | 63,060           | 0.1%        | 67,784           | 0.1%           | 60,000           | 0.1%          | 60,000           | 0.1%        |
| 43570                | Cigarette License              |             | 1,300            | 0.0%        | 1,415            | 0.0%           | 2,000            | 0.0%          | 2,000            | 0.0%        |
| 43580                | Wireless 911 Tax               |             | 141,583          | 0.2%        | 151,244          | 0.2%           | 153,000          | 0.2%          | 153,000          | 0.2%        |
| 43850                | County Shared Revenues         |             | 206,371          | 0.3%        | 206,576          | 0.3%           | 207,000          | 0.2%          | 206,000          | 0.2%        |
| 44100                | Charges for Services           |             | 6,543,095        | 8.1%        | 7,140,682        | 9.0%           | 7,308,000        | 8.4%          | 8,107,000        | 8.9%        |
| 45100                | Fines, Forfeits & Costs        |             | 1,771,798        | 2.2%        | 1,662,274        | 2.1%           | 1,538,000        | 1.8%          | 1,518,000        | 1.7%        |
| 46100                | Investment Earnings            |             | 1,022,836        | 1.3%        | 1,539,999        | 1.9%           | 1,708,000        | 2.0%          | 1,558,000        | 1.7%        |
| 44200                | Rental Income                  |             | 984,045          | 1.2%        | 1,077,676        | 1.4%           | 1,149,000        | 1.3%          | 1,011,000        | 1.1%        |
| 46300                | Special Assessments            |             | 1,220,260        | 1.5%        | 1,141,200        | 1.4%           | 1,341,000        | 1.5%          | 1,170,000        | 1.3%        |
| 46900                | Concessions                    |             | 1,111,176        | 1.4%        | 1,005,337        | 1.3%           | 1,073,000        | 1.2%          | 1,266,000        | 1.4%        |
| 46910                | Sponsorships                   |             | 461,158          | 0.6%        | 494,654          | 0.6%           | 480,000          | 0.6%          | 447,000          | 0.5%        |
| 49400                | County ED/GE Program           |             | 257,500          | 0.3%        | 126,590          | 0.2%           | 600,000          | 0.7%          | 0                | 0.0%        |
| 49400                | Reimbursements & Miscellaneous |             | <u>3,262,799</u> | <u>4.0%</u> | <u>3,081,957</u> | <u>3.9%</u>    | <u>2,951,000</u> | <u>3.4%</u>   | <u>2,495,000</u> | <u>2.7%</u> |
| TOTAL RECEIPTS       |                                |             | 80,875,777       | 100.0%      | 79,471,198       | 100.0%         | 87,055,000       | 100.0%        | 91,160,000       | 100.0%      |
| REVISED BUDGET       |                                |             | 81,673,861       |             | 81,564,212       |                | 86,523,554       |               |                  |             |

\* Refer to page 26 (Budget Message) for a detailed listing of the assumptions used to project 2019 and 2020 revenues.

## NOTES ON REVENUES

TABLE III  
Page 2 of 2

### City Income Tax

This represents the City's largest revenue source. Although technically named an income tax, it could also be named an earnings tax since it essentially represents a tax on wages of employees working in Kettering or on the earnings of Kettering residents working elsewhere. The City's income tax rate had remained unchanged at 1.75% since April 1, 1981. However, in May 2006 Kettering citizens approved by a vote an increase in the rate to 2.25%. The increase was effective January 1, 2007. Credit is given up to 2.25% if income tax is paid to another city. This tax is also applied to business profits. Income tax revenue provides a good hedge against inflation, compared with most other city revenue, but is more subject to the swings of the local economy as jobs are added or lost.

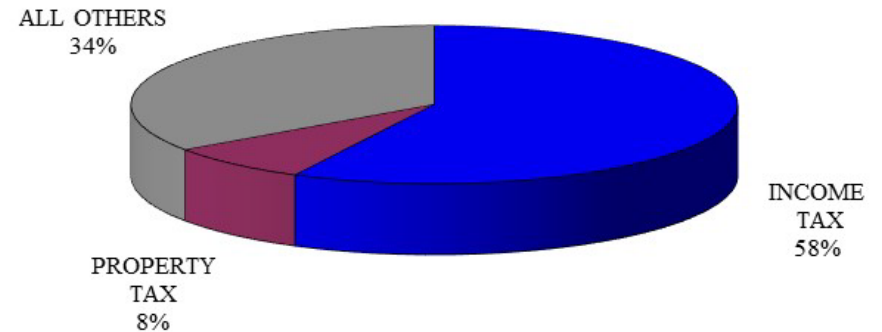
### General Property Taxes

This is the City's second largest source of revenue coming from taxes against real and personal property and is collected and distributed by Montgomery County. One mill represents \$1 of taxes paid for each \$1,000 of assessed valuation of property. For tax purposes, Montgomery County appraises real property and then applies an assessment at 35% of the appraised or "market" value. Most of the City's property tax revenues come from a voted 3.5 mill levy. Non-voted millage is 2.5 mills as provided by state law. Based on 2018 tax rates collected in 2019, the other .79 mills are earmarked to pay off the debt on the City's improvements to sports parks, neighborhood parks and recreation complex. The City's total of 6.79 mills represents 5.5% of the current total property tax rate of 124.49 mills with the remainder going to the Kettering schools, Montgomery County, and Libraries. The 124.49 mills represent the total tax rate, but the actual effective rate for the schools as well as the County will be less due to the property tax rollback provision that will reduce the total effective rate to 107.42 mills for commercial property and 91.45 mills for residential property.

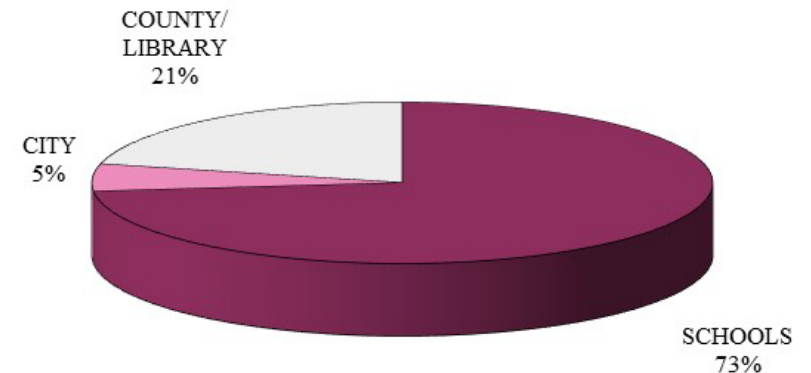
### Other Revenues

No other source of revenue exceeds 10% of the total (in 2020). Additional discussion on revenues can be found in the City Manager's Budget Message.

### 2020 REVENUES

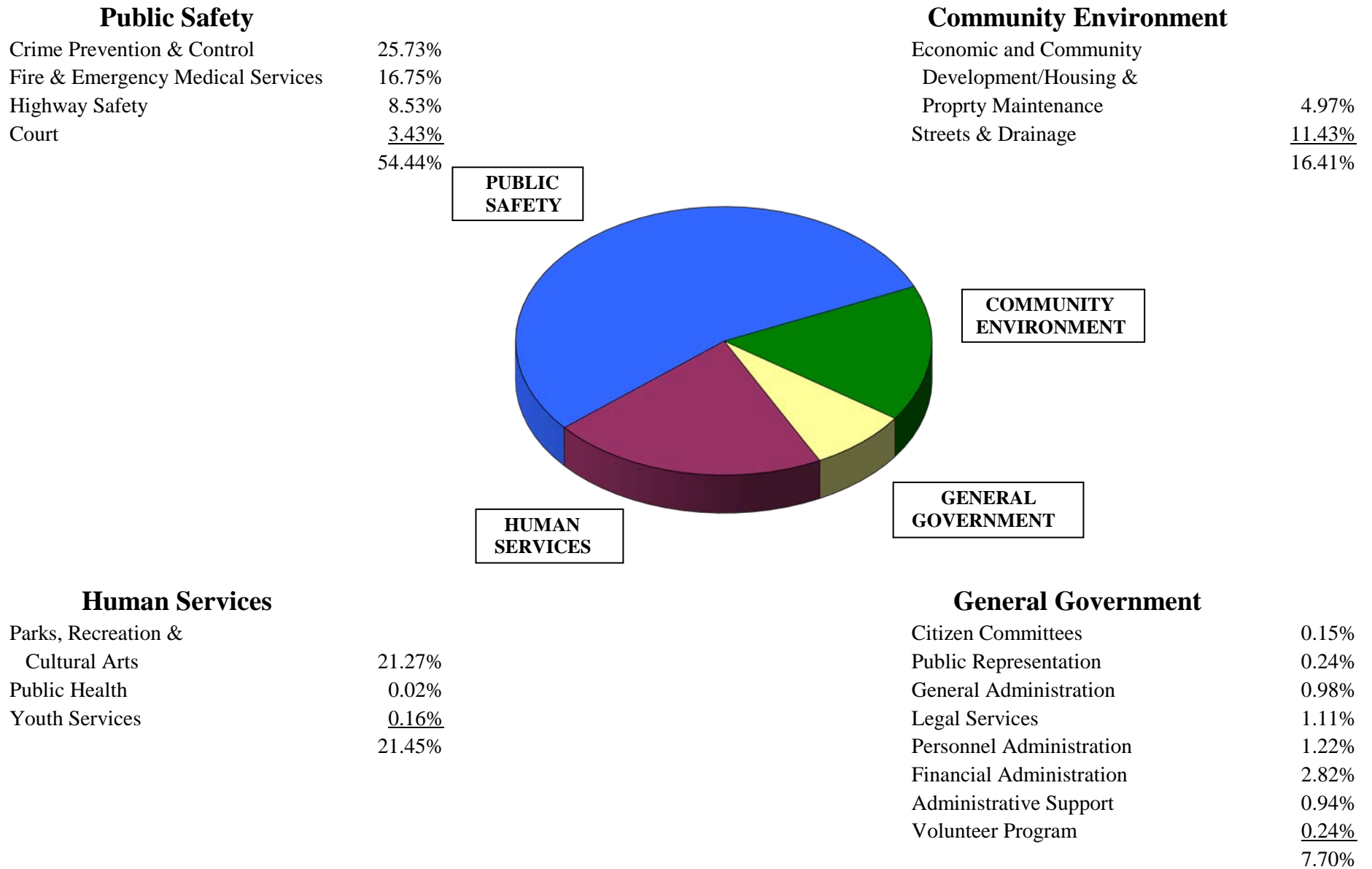


### PROPERTY TAX RATES

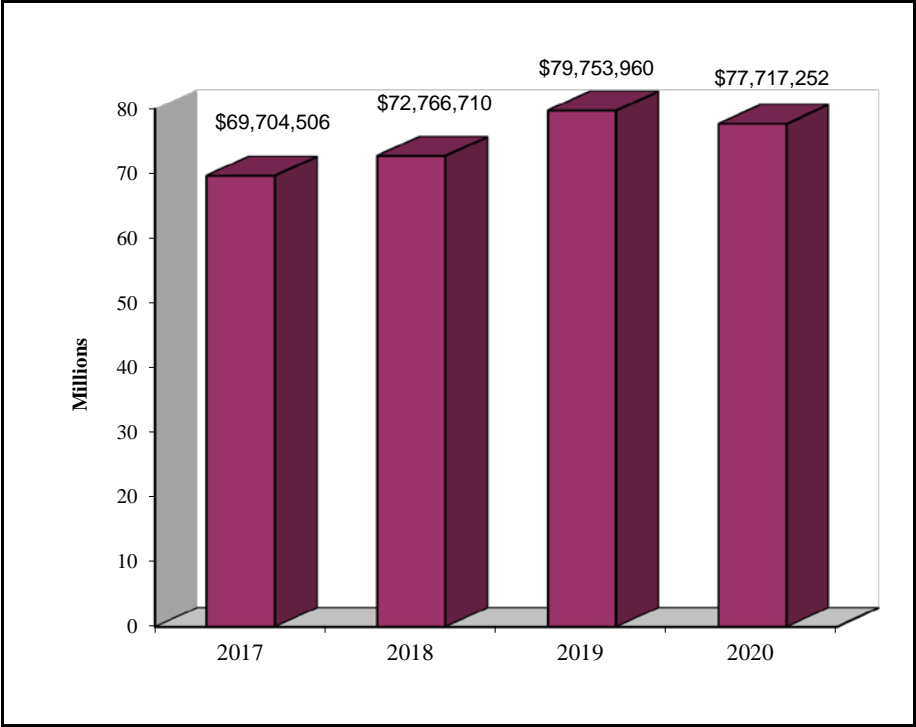


## APPROXIMATE SHARE OF TOTAL 2020 EXPENDITURES

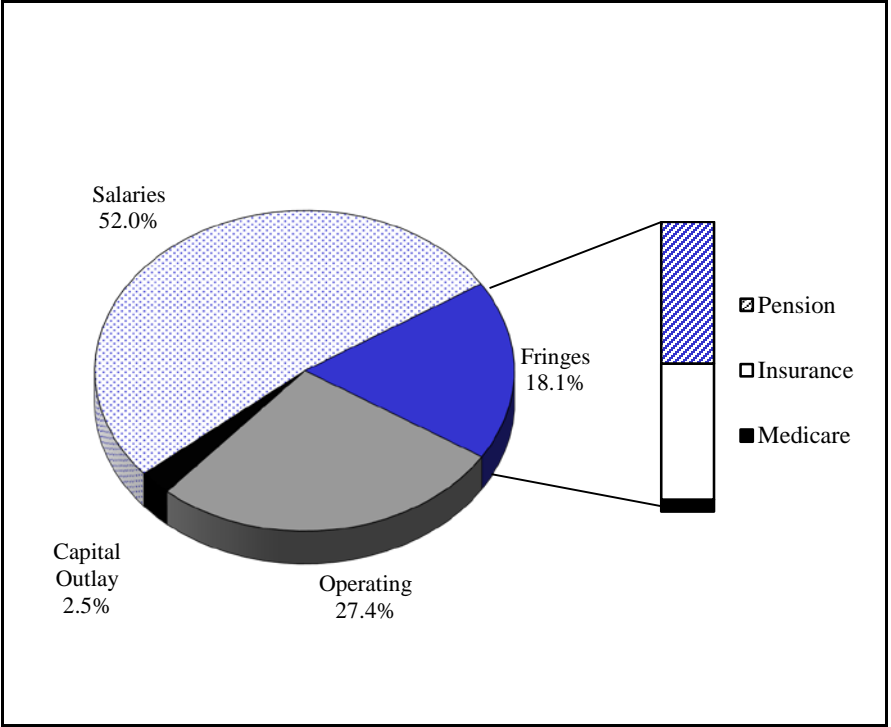
TABLE IV



# PROPOSED 2020 OPERATING COSTS



TOTAL OPERATING COSTS



DISTRIBUTION OF PROPOSED 2020 OPERATING COSTS

# SUMMARY AND COMPARISON OF OPERATING COSTS (All Budgeted Funds)

**TABLE V**  
**Page 2 of 2**

| Cost Center Code            | Operating Cost by Cost Center     | Actual 2017      |                  | Actual 2018      |                  | Estimated 2019   |                  | Proposed 2020    |                  |
|-----------------------------|-----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                             |                                   | Amount           | Percent of Total | Amount           | Percent of Total | Amount           | Percent of Total | Amount           | Percent of Total |
| 0050                        | Mayor and Council                 | 184,878          | 0.3%             | 206,741          | 0.3%             | 226,890          | 0.3%             | 233,730          | 0.3%             |
| 0100                        | Municipal Court                   | 1,593,082        | 2.3%             | 1,586,323        | 2.2%             | 1,560,810        | 2.0%             | 1,706,010        | 2.2%             |
| 0150                        | Clerk of Courts                   | 1,107,380        | 1.6%             | 1,154,532        | 1.6%             | 1,165,040        | 1.5%             | 1,428,360        | 1.8%             |
| 0250                        | Office of the City Manager        | 712,786          | 1.0%             | 736,215          | 1.0%             | 742,250          | 0.9%             | 775,750          | 1.0%             |
| 0300                        | Law Department                    | 1,089,553        | 1.6%             | 1,004,148        | 1.4%             | 1,037,870        | 1.3%             | 1,103,800        | 1.4%             |
| 0350                        | Finance Department                | 2,610,705        | 3.7%             | 2,624,028        | 3.6%             | 2,777,140        | 3.5%             | 2,942,000        | 3.8%             |
| 0400                        | Administrative Support            | 890,082          | 1.3%             | 914,052          | 1.3%             | 1,004,390        | 1.3%             | 976,070          | 1.3%             |
| 0450                        | Human Resource Department         | 1,200,962        | 1.7%             | 1,196,485        | 1.6%             | 1,257,830        | 1.6%             | 1,268,950        | 1.6%             |
| 0500                        | Planning & Development Department | 2,494,611        | 3.6%             | 2,538,892        | 3.5%             | 2,582,880        | 3.2%             | 2,681,000        | 3.4%             |
| 0550                        | Economic Development              | 1,102,622        | 1.6%             | 2,746,089        | 3.8%             | 3,335,750        | 4.2%             | 1,482,700        | 1.9%             |
| 0600                        | Police Department                 | 16,251,520       | 23.3%            | 16,563,477       | 22.8%            | 17,165,230       | 21.5%            | 18,120,022       | 23.3%            |
| 0700                        | Fire Department                   | 14,298,113       | 20.5%            | 14,640,085       | 20.1%            | 15,566,030       | 19.5%            | 16,301,650       | 21.0%            |
| 0800                        | Engineering Department            | 2,381,286        | 3.4%             | 2,541,640        | 3.5%             | 2,563,710        | 3.2%             | 2,653,290        | 3.4%             |
| 0950                        | Street Lighting                   | 461,397          | 0.7%             | 446,926          | 0.6%             | 453,000          | 0.6%             | 468,000          | 0.6%             |
| 2000                        | Street Division                   | 6,716,510        | 9.6%             | 6,621,980        | 9.1%             | 7,875,140        | 9.9%             | 6,776,030        | 8.7%             |
| 2400                        | Parks, Recreation & Cultural Arts | 10,164,230       | 14.6%            | 10,394,423       | 14.3%            | 11,158,440       | 14.0%            | 11,706,100       | 15.1%            |
| 2200                        | Fraze Pavilion Operations         | 4,397,095        | 6.3%             | 4,576,019        | 6.3%             | 6,546,870        | 8.2%             | 4,885,000        | 6.3%             |
|                             | Special Grants and Programs       | 368,973          | 0.5%             | 304,513          | 0.4%             | 666,450          | 0.8%             | 306,000          | 0.4%             |
|                             | CDBG Programs                     | 660,840          | 0.9%             | 603,108          | 0.8%             | 813,520          | 1.0%             | 656,780          | 0.8%             |
| 1700                        | Community Information             | 223,931          | 0.3%             | 244,885          | 0.3%             | 205,550          | 0.3%             | 229,400          | 0.3%             |
|                             | DESC                              | 195,845          | 0.3%             | 197,935          | 0.3%             | 196,800          | 0.2%             | 203,500          | 0.3%             |
|                             | Other Cost Centers                | 544,839          | 0.8%             | 868,408          | 1.2%             | 734,870          | 0.9%             | 749,110          | 1.0%             |
|                             | Debt Service                      | <u>53,267</u>    | <u>0.1%</u>      | <u>55,806</u>    | <u>0.1%</u>      | <u>117,500</u>   | <u>0.1%</u>      | <u>64,000</u>    | <u>0.1%</u>      |
|                             | GRAND TOTAL OPERATING COSTS       | 69,704,506       | 100.0%           | 72,766,710       | 100.0%           | 79,753,960       | 100.0%           | 77,717,252       | 100.0%           |
| <u>Object Code</u>          | <u>Object Code by Cost Center</u> |                  |                  |                  |                  |                  |                  |                  |                  |
| Personnel:                  |                                   |                  |                  |                  |                  |                  |                  |                  |                  |
| 71100-71300                 | Salaries & Wages                  | 36,131,130       | 51.8%            | 37,248,999       | 51.2%            | 39,008,420       | 48.9%            | 40,404,300       | 52.0%            |
|                             | Fringe Benefits:                  |                  |                  |                  |                  |                  |                  |                  |                  |
| 71500                       | Pension Contribution              | 6,166,050        | 8.8%             | 6,348,781        | 8.7%             | 6,685,700        | 8.4%             | 6,902,600        | 8.9%             |
| 71600                       | Employee Insurance                | 6,081,760        | 8.7%             | 6,076,529        | 8.4%             | 5,711,480        | 7.2%             | 6,623,000        | 8.5%             |
| 71700                       | Medicare                          | <u>508,129</u>   | <u>0.7%</u>      | <u>518,130</u>   | <u>0.7%</u>      | <u>548,100</u>   | <u>0.7%</u>      | <u>588,800</u>   | <u>0.8%</u>      |
|                             | Total Personnel                   | 48,887,069       | 70.1%            | 50,192,439       | 69.0%            | 51,953,700       | 65.1%            | 54,518,700       | 70.2%            |
| Operating Expenses:         |                                   |                  |                  |                  |                  |                  |                  |                  |                  |
| 72000-72999                 |                                   | 19,403,466       | 27.8%            | 21,113,001       | 29.0%            | 25,522,090       | 32.0%            | 21,267,552       | 27.4%            |
| Capital Outlay:             |                                   |                  |                  |                  |                  |                  |                  |                  |                  |
| 77000-77999                 |                                   | <u>1,413,972</u> | <u>2.0%</u>      | <u>1,461,270</u> | <u>2.0%</u>      | <u>2,278,170</u> | <u>2.9%</u>      | <u>1,931,000</u> | <u>2.5%</u>      |
| GRAND TOTAL OPERATING COSTS |                                   | 69,704,506       | 100.0%           | 72,766,710       | 100.0%           | 79,753,960       | 100.0%           | 77,717,252       | 100.0%           |
| Revised Budget              |                                   | 75,709,859       |                  | 80,621,068       |                  | 82,418,537       |                  |                  |                  |



TABLE VI

STAFFING LEVEL (FTE) COMPARISON <sup>1</sup>.

| Code  |                                   | Actual<br>2017 |       |       | Actual<br>2018 |       |       | Estimated<br>2019 |       |       | Proposed<br>2020 |       |       |
|-------|-----------------------------------|----------------|-------|-------|----------------|-------|-------|-------------------|-------|-------|------------------|-------|-------|
|       |                                   | Full           | Part  | Total | Full           | Part  | Total | Full              | Part  | Total | Full             | Part  | Total |
|       |                                   | Time           | Time  | 2017  | Time           | Time  | 2018  | Time              | Time  | 2019  | Time             | Time  | 2020  |
| 0050  | Council and Mayor                 | 0.0            | 7.7   | 7.7   | 1.0            | 7.0   | 8.0   | 1.0               | 7.0   | 8.0   | 1.0              | 7.0   | 8.0   |
| 0100  | Municipal Court                   | 12.0           | 1.2   | 13.2  | 12.0           | 1.2   | 13.2  | 12.0              | 1.2   | 13.2  | 12.0             | 1.2   | 13.2  |
| 0150  | Clerk of Court                    | 11.0           | 0.7   | 11.7  | 12.0           | 0.1   | 12.1  | 12.0              | 0.1   | 12.1  | 12.0             | 0.0   | 12.0  |
| 0250  | City Manager's Office             | 4.0            | 0.4   | 4.4   | 4.2            | 0.0   | 4.2   | 4.2               | 0.0   | 4.2   | 4.2              | 0.0   | 4.2   |
| 0300  | Law Department                    | 7.0            | 1.3   | 8.3   | 7.0            | 1.3   | 8.3   | 7.0               | 1.3   | 8.3   | 7.0              | 1.3   | 8.3   |
| 0350  | Finance Department                | 18.8           | 2.3   | 21.1  | 19.0           | 2.2   | 21.2  | 19.0              | 2.2   | 21.2  | 19.0             | 2.2   | 21.2  |
| 0400  | Administrative Support            | 4.0            | 4.6   | 8.6   | 4.0            | 4.6   | 8.6   | 4.0               | 4.6   | 8.6   | 4.0              | 4.6   | 8.6   |
| 0450  | Human Resources Department        | 7.0            | 0.0   | 7.0   | 7.0            | 0.0   | 7.0   | 7.0               | 0.0   | 7.0   | 7.0              | 0.0   | 7.0   |
| 0500  | Planning and Development          | 18.0           | 3.1   | 21.1  | 18.0           | 3.1   | 21.1  | 18.0              | 3.1   | 21.1  | 18.0             | 3.1   | 21.1  |
| 0550  | Economic Development              | 1.0            | 0.1   | 1.1   | 1.0            | 0.1   | 1.1   | 1.1               | 0.0   | 1.1   | 1.1              | 0.0   | 1.1   |
| 0600  | Police Department                 | 110.0          | 6.0   | 116.0 | 110.0          | 6.7   | 116.7 | 112.0             | 6.7   | 118.7 | 114.0            | 6.7   | 120.7 |
| 0700  | Fire Department <sup>2</sup> .    | 78.0           | 0.5   | 78.5  | 78.3           | 0.5   | 78.8  | 84.3              | 0.5   | 84.8  | 84.3             | 0.5   | 84.8  |
| 0800  | Engineering Department            | 15.8           | 4.1   | 19.9  | 15.8           | 4.1   | 19.9  | 15.8              | 4.4   | 20.2  | 15.8             | 3.8   | 19.6  |
| 1000  | Volunteer Program                 | 2.0            | 0.0   | 2.0   | 2.0            | 0.0   | 2.0   | 2.0               | 0.0   | 2.0   | 2.0              | 0.0   | 2.0   |
| 1700  | Community Information             | 1.0            | 0.0   | 1.0   | 1.0            | 0.0   | 1.0   | 1.0               | 0.0   | 1.0   | 1.0              | 0.0   | 1.0   |
| 1770  | Compliance/Inclusion              | 0.0            | 0.0   | 0.0   | 0.8            | 0.0   | 0.8   | 0.8               | 0.0   | 0.8   | 0.8              | 0.0   | 0.8   |
| 2000  | Street Division                   | 43.2           | 3.3   | 46.5  | 43.2           | 3.3   | 46.5  | 43.2              | 3.3   | 46.5  | 43.2             | 2.6   | 45.8  |
| 2200  | Fraze Pavilion Operations Fund    | 3.0            | 20.4  | 23.4  | 3.0            | 21.0  | 24.0  | 3.0               | 21.0  | 24.0  | 5.0              | 19.3  | 24.3  |
| 2400  | Parks, Recreation & Cultural Arts | 37.0           | 96.1  | 133.1 | 37.0           | 96.7  | 133.7 | 39.0              | 94.2  | 133.2 | 39.0             | 96.5  | 135.5 |
| 4300  | Vehicle Maintenance Center        | 8.0            | 0.6   | 8.6   | 8.0            | 0.6   | 8.6   | 8.0               | 0.6   | 8.6   | 8.0              | 0.0   | 8.0   |
| 4400  | Information Systems               | 4.0            | 0.0   | 4.0   | 4.0            | 0.0   | 4.0   | 4.0               | 0.0   | 4.0   | 4.0              | 0.0   | 4.0   |
| 4410  | Facilities Department             | 26.0           | 5.7   | 31.7  | 26.0           | 5.7   | 31.7  | 26.0              | 5.7   | 31.7  | 26.0             | 5.1   | 31.1  |
| TOTAL |                                   | 410.8          | 158.1 | 568.9 | 414.3          | 158.2 | 572.5 | 424.3             | 155.9 | 580.2 | 428.3            | 153.9 | 582.2 |

1. Full-time Equivalent Position (FTE): A part-time position is converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time clerk working 20 hours per week would be equivalent to 0.5 of a full-time position.

2. Fire Department FTE totals exclude part-time firefighters.

Note: Refer to pages 54 and 55 for an analysis of material changes in staffing level.

## **STAFFING LEVEL (FTE) ANALYSIS**

| <b><u>Department</u></b> | <b><u>Explanation</u></b>  |
|--------------------------|--|
| Mayor and Council        | During 2018, the part-time Clerk of Council transitioned to full-time status. This change coincided with the departure of the part-time Administrative Aide.   |
| Municipal Court          | Staffing levels exclude one temporary probation officer funded by a grant from the Ohio Department of Rehabilitation and Corrections. This officer's salary is charged to the Special Grants and Programs Fund. For 2018 through 2020, the full-time Court Administrator position will remain vacant. Effective 2018, a full-time Administrative Secretary is added to staffing levels.  |
| Clerk of Courts          | Effective 2018, the budget includes funding for an Information Technology Deputy Clerk; however, the position has remained vacant through the end of 2019.   |
| City Manager's Office    | Effective 2018, the budget includes funding for a full-time Compliance and Inclusion Manager position. The cost of this position is allocated between the City Manager's Office and a new Compliance cost center on a 25/75 basis to coincide with estimated hours supporting each function. The regular part-time Administrative Aide position became vacant in 2018 and will not be replaced.  |
| Law Department           | No significant increases or decreases in regular staffing from 2017-2020.  |
| Finance Department       | Effective April 1, 2017 the Income Tax Division converted a regular part-time Clerk to full-time status and created a temporary part-time College Intern position. The additional staffing is due to the 2012 implementation of mandatory income tax filing. It is anticipated that increased staffing costs will be more than offset by additional income tax revenues collected as part of the initiative.   |
| Administrative Support   | No significant increases or decreases in regular staffing from 2017-2020.  |
| Human Resources          | No significant increases or decreases in regular staffing from 2017-2020.  |
| Planning and Development | Effective 2018 the part-time CDBG Program Coordinator position (0.5 fte) converted to full-time status. The additional cost of this conversion is reimbursed through CDBG grant revenue.   |
| Economic Devel.          | No significant increases or decreases in regular staffing from 2017-2020.  |
| Police Department        | Effective 2019, funding is provided for two additional School Resource Officers in the Kettering Schools. The cost of the additional officers will be partially reimbursed (70%) by the school district. For 2020, a new full-time Crime Analyst position is created and two additional Patrol Officers will be added to staffing levels based upon the results of a workforce study. A full-time Secretary I position will be deleted.  |
| Fire Department          | Since the enactment of the Patient Protection Affordable Care Act (PPACA), the Fire Department experienced a significant reduction in part-time firefighters. In early 2016, the City added 6 full-time firefighter positions. In 2017, the City added 9 full-time firefighters and 4 captains. For 2019, City Council approved an additional 5 full-time firefighters and 1 captain. The new full-time staff reduce dependency on part-time positions and overtime.   |
| Engineering Division     | Since 2014, the Assistant City Manager holds the position of City Engineer with the roles and responsibilities of directly overseeing the Engineering Department. As a result, an Assistant City Engineer was hired in 2015 to oversee and manage day-to-day operations of the Engineering Department. Effective 2019, additional crossing guard hours (0.3 fte) are funded for pedestrian crossing posts at designated Kettering City School District elementary schools. The cost of the additional hours are partially reimbursed by the Kettering City School District. For 2020, the temporary part-time Aide positions will not be filled. |

*This analysis should be reviewed in conjunction with Table VI (page 53).*

|                                   |   |
|-----------------------------------|---|
| Volunteer Program                 | No significant increases or decreases in regular staffing from 2017-2020.   |
| Community Info.                   | No significant increases or decreases in staffing from 2017-2020.   |
| Compliance                        | Effective 2018, the budget includes funding for a new full-time Compliance and Inclusion Manager position. The cost of this position is allocated between the City Manager's Office and the new Compliance cost center on a 25% / 75% basis to coincide with estimated hours supporting each function.  |
| Street Division                   | The Streets Division and Facilities Division form one Public Service Department. The Public Service Director is charged to the Facilities Division, while the Assistant Director and Secretary are charged to the Streets Division. For 2020, funding for part-time laborers is reduced (0.7 fte) to reflect the actual spending level.   |
| Fraze Pavilion Operations Fund    | <p>The 2020 budget reflects the conversion of a regular part-time Facility Coordinator to full-time status and the addition of a new full-time Concessions Coordinator.</p> <p>The 2018 through 2020 budgets include funding for a regular part-time (0.6 fte) Communication/Marketing Coordinator to assume management of social media presence and assist the General Manager with advertising and marketing. To date, the position has not been filled. Effective 2020, the vacant regular part-time Operations Specialist (0.6 fte) position is no longer funded.</p> <p>Each year's temporary and contractual part-time staffing levels are determined based upon the anticipated number of shows and festivals scheduled for each performance season.</p>   |
| Parks, Recreation & Cultural Arts | <p>New full-time positions for 2019 include a Recreation Superintendent and Recreation Center/Arena Coordinator. The 2019 budget also includes various re-classifications of full-time positions and additional hours for KRC Front Desk Clerks, Aquatic Operation Coordinators, Aquatic Lesson Coordinators, and Rosewood Assistant Facility Coordinators.</p> <p>Part-time and temporary recreation personnel hours fluctuate each year to align with changes in programming and facility coverage needs. For 2020, the PRCA Department continued to refine its personnel budget as part of its 2018 Recreational Program Assessment. The number of temporary Parks Maintenance hours is reduced to reflect actual Groundskeeper staffing usage. Conversely, budgeted Assistant Facility Coordinator hours at Rosewood Arts Centre increased to reflect actual facility coverage worked by existing staff. The 2020 programming calls for increases in lifeguard, swim instructor, concession specialist, and sports program attendant hours.</p> |
| Vehicle Maintenance               | Effective 2020, a previously vacant full-time Parts Inventory Attendant position is not funded. Also for 2020, the regular part-time Clerk position is converted to full-time status. This coincides with the elimination of a regular part-time Clerk position in the Facilities Department.   |
| Information Systems               | No significant increases or decreases in staffing from 2017-2020.   |
| Facilities Department             | The Streets Division and Facilities Division form one Public Service Department. The Public Service Director is charged to the Facilities Division, while the Assistant Director and Secretary are charged to the Streets Division. For 2020, a regular part-time Clerk position is eliminated. This coincides with the conversion of a regular part-time Clerk to full-time status in the Vehicle Maintenance Center.  |

**fte:** Full Time Equivalent

**TABLE VII**  
**PAGE 1 OF 3**

**DEBT STATEMENT**

| Schedule of Bonds and Notes for               |                         |                  |                  |                  |                                     |
|---|-------------------------|------------------|------------------|------------------|-------------------------------------|
| Purpose                                       | The Years 2019 and 2020 |                  |                  |                  | Amount<br>Outstanding<br>12/31/2019 |
|   | Date<br>Issued          | Interest<br>Rate | Maturity<br>Date | Amount<br>Issued |                                     |
| General Obligation Bonds:                     |                         |                  |                  |                  |                                     |
| Court Refunding Bonds, Series 2015            | 2-4-15                  | 1.00%-4.00%      | 12-1-24          | 2,215,000        | 1,255,000                           |
| PRCA Improvement Refunding Bonds, Series 2019 | 12-17-19                | 2.12%-2.66%      | 12-1-28          | 6,825,000        | 6,825,000                           |
| Fire Station Improvement Bonds                | 2-4-15                  | 1.00%-4.00%      | 12-1-34          | 15,500,000       | 12,430,000                          |
| TOTAL   |                         |                  |                  | 24,540,000       | 20,510,000                          |
| Promissory Notes:                             |                         |                  |                  |                  |                                     |
| Ohio Public Works Commission:                 |                         |                  |                  |                  |                                     |
| Spaulding Road                                | 10-1-02                 | 0.00%            | 7-1-22           | 1,520,719        | 228,108                             |
| Bigger Road                                   | 11-1-02                 | 3.00%            | 7-1-23           | 511,071          | 127,887                             |
| County Line Road                              | 12-1-02                 | 0.00%            | 1-1-23           | 686,098          | 120,067                             |
| Ridgeway Road Bridge                          | 6-1-05                  | 1.00%            | 7-1-25           | 380,000          | 122,060                             |
| TOTAL   |                         |                  |                  | 3,097,888        | 598,122                             |
| TOTAL   |                         |                  |                  | 27,637,888       | 21,108,122                          |
| REVISED BUDGET                                |                         |                  |                  | 27,637,888       | 21,108,122                          |

Notes:

1) In December 2019, the City redeemed the voted PRCA Improvement Bonds, issued 5-28-09, and issued new debt for the remaining par balance at lower interest rates, generating an estimated \$635,700 net present value savings to the City's taxpayers.

2) The City plans to issue an estimated \$8.0 million general obligation debt in 2020 for the Police Station Improvement Project.

3) The City has been awarded a \$400,000 loan at 0% interest from the Ohio Public Works Commission (OPWC) for the Ridgeway Road Bridge project scheduled for 2020/2021.

DEBT STATEMENT

TABLE VII  
PAGE 2 OF 3

| PURPOSE  | Actual Payments in 2017 |          |           | Actual Payments in 2018 |          |           | Estimated Payments in 2019 |          |           | Payments Due in 2020 |          |           | Payments Due 2021 through Maturity |           |            |
|--|-------------------------|----------|-----------|-------------------------|----------|-----------|----------------------------|----------|-----------|----------------------|----------|-----------|------------------------------------|-----------|------------|
|  | Principal               | Interest | Total     | Principal               | Interest | Total     | Principal                  | Interest | Total     | Principal            | Interest | Total     | Principal                          | Interest  | Total      |
| General Obligation Bonds:                                  |                         |          |           |                         |          |           |                            |          |           |                      |          |           |                                    |           |            |
| Court Refunding Bonds, Series 2015                         | 230,000                 | 46,600   | 276,600   | 230,000                 | 39,700   | 269,700   | 235,000                    | 35,100   | 270,100   | 240,000              | 30,400   | 270,400   | 1,015,000                          | 72,600    | 1,087,600  |
| PRCA Improvement Bonds*                                    | 570,000                 | 357,518  | 927,518   | 595,000                 | 329,018  | 924,018   | 625,000                    | 302,768  | 927,768   | 0                    | 0        | 0         | 0                                  | 0         | 0          |
| PRCA Improvement Refunding Bonds, Series 2019*             | 0                       | 0        | 0         | 0                       | 0        | 0         | 0                          | 0        | 0         | 690,000              | 156,887  | 846,887   | 6,135,000                          | 641,616   | 6,776,616  |
| Fire Station Improvement Bonds                             | 630,000                 | 422,850  | 1,052,850 | 650,000                 | 403,950  | 1,053,950 | 665,000                    | 390,950  | 1,055,950 | 675,000              | 377,650  | 1,052,650 | 11,755,000                         | 3,018,350 | 14,773,350 |
| Police Station Improvement Bonds, Series 2020 (estimate)** |                         |          |           |                         |          |           |                            |          |           | 315,000              | 229,360  | 544,360   | 7,685,000                          | 2,697,142 | 10,382,142 |
| TOTAL  | 1,430,000               | 826,968  | 2,256,968 | 1,475,000               | 772,668  | 2,247,668 | 1,525,000                  | 728,818  | 2,253,818 | 1,920,000            | 794,297  | 2,714,297 | 26,590,000                         | 6,429,708 | 33,019,708 |
| Promissory Notes:  |                         |          |           |                         |          |           |                            |          |           |                      |          |           |                                    |           |            |
| Ohio Public Works Commission:                              |                         |          |           |                         |          |           |                            |          |           |                      |          |           |                                    |           |            |
| Spaulding Road   | 76,036                  | 0        | 76,036    | 76,036                  | 0        | 76,036    | 76,036                     | 0        | 76,036    | 76,036               | 0        | 76,036    | 152,072                            | 0         | 152,072    |
| Bigger Road  | 27,946                  | 6,221    | 34,167    | 28,791                  | 5,375    | 34,166    | 29,662                     | 4,506    | 34,168    | 30,558               | 3,609    | 34,167    | 97,329                             | 5,174     | 102,503    |
| County Line Road   | 34,305                  | 0        | 34,305    | 34,305                  | 0        | 34,305    | 34,305                     | 0        | 34,305    | 34,305               | 0        | 34,305    | 85,762                             | 0         | 85,762     |
| Ridgeway Road Bridge (Series 6-1-05)                       | 19,254                  | 1,756    | 21,010    | 19,448                  | 1,563    | 21,011    | 19,643                     | 1,368    | 21,011    | 19,839               | 1,171    | 21,010    | 102,221                            | 2,832     | 105,053    |
| Ridgeway Road Bridge (estimate)                            |                         |          |           |                         |          |           |                            |          |           |                      |          |           | 400,000                            | 0         | 400,000    |
| TOTAL  | 157,541                 | 7,977    | 165,518   | 158,580                 | 6,938    | 165,518   | 159,646                    | 5,874    | 165,520   | 160,738              | 4,780    | 165,518   | 837,384                            | 8,006     | 845,390    |
| TOTAL  | 1,587,541               | 834,945  | 2,422,486 | 1,633,580               | 779,606  | 2,413,186 | 1,684,646                  | 734,692  | 2,419,338 | 2,080,738            | 799,077  | 2,879,815 | 27,427,384                         | 6,437,714 | 33,865,098 |
| REVISED BUDGET   | 1,587,543               | 834,945  | 2,422,488 | 1,633,580               | 779,607  | 2,413,187 | 1,684,646                  | 734,692  | 2,419,338 |                      |          |           |                                    |           |            |

\* In December 2019, the City redeemed the voted PRCA Improvement Bonds and issued new debt for the remaining par balance at lower interest rates, generating an estimated \$635,700 net present value savings to the City's taxpayers.

\*\* The City plans to issue an estimated \$8.0 million general obligation debt in 2020 for the Police Station Improvement project.

\*\*\* The City has been awarded a \$400,000 loan at 0% interest from the Ohio Public Works Commission (OPWC) for the Ridgeway Road Bridge project scheduled for 2020/2021. The existing Ridgeway Road Bridge note dated 6-1-05 will be retired in 2021.

## DEBT POLICY AND LEGAL DEBT MARGIN

TABLE VII

Page 3 of 3

### DEBT POLICY

The City's policy has been, and continues to be, conservative regarding the issuance of new debt. While the City is not close to its legal debt limit, (see section below), we continue to maintain a "pay-as-you-go" policy, with the exception of large-scale improvement projects. During 2015, the City refunded its Court Facility bonds and issued \$15.5 million in general obligation bonds for the construction of four replacement fire stations. During 2019, the City plans to issue an estimated \$8.0 million general obligation debt for the Police Station Improvement project.

### LEGAL DEBT MARGIN - DECEMBER 31, 2018

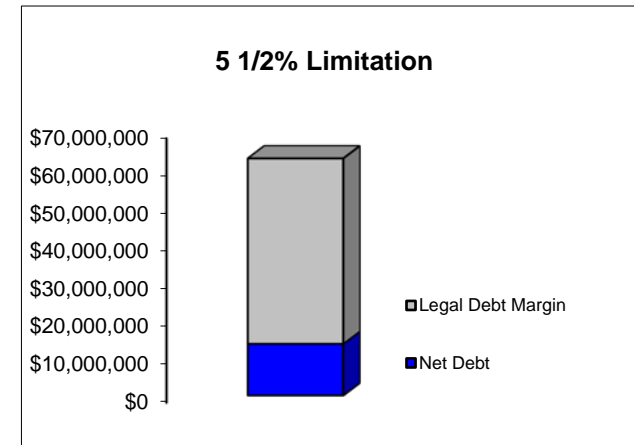
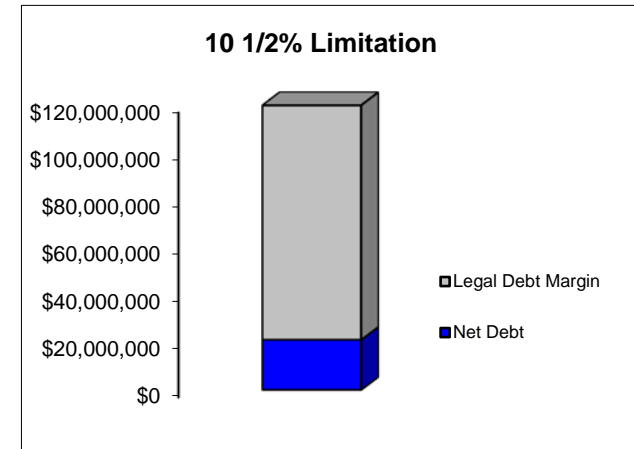
|  | 10-1/2% OF<br>ASSESSED<br>VALUATION (1) | 5-1/2% OF<br>ASSESSED<br>VALUATION (2) |
|--|---|--|
| OVERALL DEBT LIMITATIONS                 | \$119,810,981                           | \$62,758,133                           |
| GROSS INDEBTEDNESS                       | 23,129,514                              | 23,129,514                             |
| Less Debt outside limitations-           |   |  |
| Voted Debt                               |   | 7,574,170                              |
| Special Assessment Debt                  | 0                                       | 0                                      |
| Promissory Notes                         | 757,767                                 | 757,767                                |
| Less Debt Service Available Fund Balance | 1,069,750                               | 1,069,750                              |
| NET DEBT WITHIN LIMITATIONS              | 21,301,997                              | 13,727,827                             |
| LEGAL DEBT MARGIN WITHIN LIMITATIONS     | \$98,508,984                            | \$49,030,306                           |

Source: City of Kettering, Ohio, Department of Finance

(1) Applies to both voted and unvoted debt. The total assessed valuation is \$1,141,056,960.

(2) Applies only to unvoted debt. The total assessed valuation is \$1,141,056,960.

## LEGAL DEBT MARGIN



## SUMMARY OF CAPITAL IMPROVEMENTS

TABLE VIII

| Activity Code                           |   | Actual<br><u>2017</u>    | Actual<br><u>2018</u>    | Estimated<br><u>2019</u> | Total<br>Proposed<br><u>2020</u> | Capital<br>Improvement<br><u>Fund</u> | Special<br>Revenue<br><u>Funds</u> |
|---|---|--------------------------|--------------------------|--------------------------|----------------------------------|---------------------------------------|------------------------------------|
| 5100                                    | Traffic Controls  |                          |                          |                          |                                  |                                       |                                    |
|   | Miscellaneous Traffic Controls                              |                          |                          |                          | 50,000                           | 50,000                                |                                    |
|   | Citywide Traffic Signal System Upgrade Phase 2              |                          |                          |                          | 1,586,000                        | 1,586,000                             |                                    |
|   | Citywide Traffic Signal System Upgrade Phase 3 Right of way |                          |                          |                          | 25,000                           | 25,000                                |                                    |
|   | Total Traffic Controls                                      | <u>2,009,587</u>         | <u>208,377</u>           | <u>76,000</u>            | <u>1,661,000</u>                 | <u>1,661,000</u>                      | <u>0</u>                           |
| 5200                                    | Street Surfacing & Roadway Improvements                     |                          |                          |                          |                                  |                                       |                                    |
|   | Normal Program  |                          |                          |                          | 1,010,000                        | 1,010,000                             |                                    |
|   | ADA Curb Ramp Replacement Program                           |                          |                          |                          | 125,000                          | 125,000                               |                                    |
|   | Curb, Gutter, Sidewalk Repair Program                       |                          |                          |                          | 750,000                          | 750,000                               |                                    |
|   | Thoroughfares, Arterials & Collectors                       |                          |                          |                          | 365,000                          | 365,000                               |                                    |
|   | Ackerman Blvd: Stroop Rd. to Dorothy Lane                   |                          |                          |                          | 650,000                          | 650,000                               |                                    |
|   | County Line Widening project (2019 right of way carryover)  |                          |                          |                          | 66,000                           | 66,000                                |                                    |
|   | Far Hills: David Rd. to Dorothy Lane                        |                          |                          |                          | 1,200,000                        | 0                                     | 1,200,000                          |
|   | Hewitt Ave. Bikeway Right of way                            |                          |                          |                          | 25,000                           | 25,000                                |                                    |
|   | Research Blvd (SR 835) Median Concrete repairs              |                          |                          |                          | 135,000                          | 0                                     | 135,000                            |
|   | Ansel Bridge Design   |                          |                          |                          | 80,000                           | 80,000                                |                                    |
|   | Ridgeway Rd. Bridge Replacement                             |                          |                          |                          | 2,825,000                        | 2,825,000                             |                                    |
|   | Schantz Ave. Bridge Landscaping                             |                          |                          |                          | 141,000                          | 141,000                               |                                    |
|   | Wilmington Pike Resurfacing: E. Stroop to S. Corp line      |                          |                          |                          | 1,566,000                        | 1,566,000                             |                                    |
|   | Total Street Surfacing & Roadway Improvements               | <u>5,727,253</u>         | <u>5,211,473</u>         | <u>9,500,000</u>         | <u>8,938,000</u>                 | <u>7,603,000</u>                      | <u>1,335,000</u>                   |
| 5700                                    | Streetscape Improvements                                    |                          |                          |                          |                                  |                                       |                                    |
|   | Pole and Bus Stop Painting                                  |                          |                          |                          | 20,000                           | 20,000                                |                                    |
|   | Bike program  |                          |                          |                          | 10,000                           | 10,000                                |                                    |
|   | Total Streetscape Improvements                              | <u>1,096,482</u>         | <u>335,365</u>           | <u>613,000</u>           | <u>30,000</u>                    | <u>30,000</u>                         | <u>0</u>                           |
| 5900                                    | Drainage Improvements                                       |                          |                          |                          |                                  |                                       |                                    |
|   | Miscellaneous Drainage                                      |                          |                          |                          | 25,000                           | 25,000                                |                                    |
|   | Total Drainage Improvements                                 | <u>2,465</u>             | <u>22,665</u>            | <u>218,000</u>           | <u>25,000</u>                    | <u>25,000</u>                         | <u>0</u>                           |
| 6100                                    | Parks, Recreation & Cultural Arts                           |                          |                          |                          |                                  |                                       |                                    |
|   | Miscellaneous Improvements                                  |                          |                          |                          | 145,000                          | 145,000                               |                                    |
|   | Parks Aggregate Path repair                                 |                          |                          |                          | 100,000                          | 100,000                               |                                    |
|   | Dog Park Design   |                          |                          |                          | 50,000                           | 50,000                                |                                    |
|   | Gentile Park  |                          |                          |                          | 1,400,000                        | 1,400,000                             |                                    |
|   | Polen Farm improvements                                     |                          |                          |                          | 190,000                          | 190,000                               |                                    |
|   | Playground for All Rquipment replacement                    |                          |                          |                          | 250,000                          | 250,000                               |                                    |
|   | KRC Improvements  |                          |                          |                          | 77,000                           | 77,000                                |                                    |
|   | Water Park and Main Pool Improvements                       |                          |                          |                          | 96,000                           | 96,000                                |                                    |
|   | Parks Maintenance Center Electric Upgrade                   |                          |                          |                          | 95,000                           | 95,000                                |                                    |
|   | Fraze Concessions Electric upgrade                          |                          |                          |                          | 10,000                           | 0                                     | 10,000                             |
|   | City Sites Artwork Projects                                 |                          |                          |                          | 27,000                           | 27,000                                |                                    |
|   | Rosewood Arts Centre improvements                           |                          |                          |                          | 2,000,000                        | 2,000,000                             |                                    |
|   | Total Parks & Recreation                                    | <u>1,540,782</u>         | <u>1,181,356</u>         | <u>2,038,000</u>         | <u>4,440,000</u>                 | <u>4,430,000</u>                      | <u>10,000</u>                      |
| 6500                                    | Tree Planting and Landscaping                               | <u>210,324</u>           | <u>194,758</u>           | <u>206,000</u>           | <u>240,000</u>                   | <u>240,000</u>                        |                                    |
| 6600                                    | Other   |                          |                          |                          |                                  |                                       |                                    |
|   | ADA Improvements  |                          |                          |                          | 25,000                           | 25,000                                |                                    |
|   | Miscellaneous Building Improvements                         |                          |                          |                          | 797,000                          | 797,000                               |                                    |
|   | Public Service Improvements                                 |                          |                          |                          | 30,000                           | 30,000                                |                                    |
|   | Core Fiber Network enhancement                              |                          |                          |                          | 171,000                          | 171,000                               |                                    |
|   | Police Station Improvement                                  |                          |                          |                          | 8,000,000                        | 8,000,000                             |                                    |
| 8000                                    | Community Development Block Grant Projects and Acquisitions |                          |                          |                          | 162,000                          | 0                                     | 162,000                            |
| 6700                                    | Municipal Court Locker Room improvements                    |                          |                          |                          | 85,000                           | 85,000                                |                                    |
|   | Total Other   | <u>5,745,987</u>         | <u>7,122,803</u>         | <u>2,674,000</u>         | <u>9,270,000</u>                 | <u>9,108,000</u>                      | <u>162,000</u>                     |
| <b>GRAND TOTAL CAPITAL IMPROVEMENTS</b> |   | <b><u>16,332,880</u></b> | <b><u>14,276,797</u></b> | <b><u>15,325,000</u></b> | <b><u>24,604,000</u></b>         | <b><u>23,097,000</u></b>              | <b><u>1,507,000</u></b>            |
| Revised Budget                          |   | 25,371,123               | 18,173,901               | 22,722,902               |                                  |                                       |                                    |

TABLE IX

Page 1 of 2

## REVENUES AND EXPENDITURES BY FUND TYPE

|                            | General Fund          |                       |                          |                         | Special Revenue Funds |                       |                          |                         |
|----------------------------|-----------------------|-----------------------|--------------------------|-------------------------|-----------------------|-----------------------|--------------------------|-------------------------|
|                            | Actual<br><u>2017</u> | Actual<br><u>2018</u> | Estimated<br><u>2019</u> | Proposed<br><u>2020</u> | Actual<br><u>2017</u> | Actual<br><u>2018</u> | Estimated<br><u>2019</u> | Proposed<br><u>2020</u> |
| REVENUES:                  |                       |                       |                          |                         |                       |                       |                          |                         |
| Property Taxes             | 5,362,458             | 5,827,058             | 5,881,000                | 5,881,000               | 282,579               | 307,038               | 309,000                  | 309,000                 |
| Payments in lieu of taxes  | 0                     | 0                     | 0                        | 0                       | 0                     | 0                     | 0                        | 0                       |
| Income Tax                 | 48,734,275            | 47,663,176            | 51,200,000               | 52,260,000              | 0                     | 0                     | 0                        | 0                       |
| Licenses and Permits       | 588,229               | 730,259               | 751,000                  | 639,000                 | 17,360                | 21,110                | 14,000                   | 14,000                  |
| Intergovernmental Revenues | 1,742,086             | 1,614,863             | 2,276,000                | 1,734,000               | 3,509,603             | 3,966,540             | 4,700,000                | 5,853,000               |
| Charges for Services       | 57,097                | 60,797                | 48,000                   | 49,000                  | 5,395,785             | 5,965,083             | 6,172,000                | 6,933,000               |
| Fines, Forfeits and Costs  | 1,241,622             | 1,190,764             | 1,114,000                | 1,114,000               | 530,176               | 471,510               | 424,000                  | 404,000                 |
| Investment Earnings        | 602,751               | 910,924               | 1,100,000                | 1,000,000               | 30,371                | 41,929                | 29,000                   | 29,000                  |
| Special Assessments        | 413,710               | 402,881               | 415,000                  | 400,000                 | 0                     | 0                     | 0                        | 0                       |
| Miscellaneous              | 2,293,515             | 2,475,734             | 2,034,000                | 2,014,000               | 2,924,352             | 3,070,847             | 3,121,000                | 3,062,000               |
| TOTAL REVENUES             | 61,035,743            | 60,876,456            | 64,819,000               | 65,091,000              | 12,690,226            | 13,844,057            | 14,769,000               | 16,604,000              |
| EXPENDITURES:              |                       |                       |                          |                         |                       |                       |                          |                         |
| Current:                   |                       |                       |                          |                         |                       |                       |                          |                         |
| General Government         | 12,611,258            | 14,335,158            | 15,400,370               | 14,108,400              | 1,232,088             | 1,173,390             | 1,300,800                | 1,350,250               |
| Public Safety              | 29,152,255            | 29,760,852            | 31,176,430               | 32,589,470              | 1,705,706             | 1,753,215             | 1,888,230                | 2,231,492               |
| Public Works               | 2,594,967             | 2,742,873             | 2,751,610                | 2,792,300               | 6,716,510             | 6,621,980             | 7,875,140                | 6,776,030               |
| Human Services             | 352,892               | 371,596               | 493,690                  | 431,100                 | 14,561,325            | 14,970,442            | 17,705,310               | 16,591,100              |
| Miscellaneous              | 355,266               | 676,885               | 378,430                  | 477,110                 | 368,973               | 304,513               | 666,450                  | 306,000                 |
| Capital Improvements:      |                       |                       |                          |                         | 143,305               | 167,858               | 384,000                  | 1,507,000               |
| Debt Service:              |                       |                       |                          |                         |                       |                       |                          |                         |
| Principal                  |                       |                       |                          |                         |                       |                       |                          |                         |
| Interest                   |                       |                       |                          |                         |                       |                       |                          |                         |
| TOTAL EXPENDITURES         | 45,066,638            | 47,887,364            | 50,200,530               | 50,398,380              | 24,727,907            | 24,991,398            | 29,819,930               | 28,761,872              |
| Revised Budget             | 47,735,208            | 51,326,236            | 51,993,376               |                         | 28,565,787            | 29,662,481            | 30,802,166               |                         |

For Fund Definitions, please see "Financial Structure" on page 9.



**TABLE IX**  
**Page 2 of 2**

**REVENUES AND EXPENDITURES BY FUND TYPE**

|                            | Debt Service Fund     |                       |                          |                         | Capital Projects Fund |                       |                          |                         | Total                 |                       |                          |                         |
|----------------------------|-----------------------|-----------------------|--------------------------|-------------------------|-----------------------|-----------------------|--------------------------|-------------------------|-----------------------|-----------------------|--------------------------|-------------------------|
|                            | Actual<br><u>2017</u> | Actual<br><u>2018</u> | Estimated<br><u>2019</u> | Proposed<br><u>2020</u> | Actual<br><u>2017</u> | Actual<br><u>2018</u> | Estimated<br><u>2019</u> | Proposed<br><u>2020</u> | Actual<br><u>2017</u> | Actual<br><u>2018</u> | Estimated<br><u>2019</u> | Proposed<br><u>2020</u> |
| REVENUES:                  |                       |                       |                          |                         |                       |                       |                          |                         |                       |                       |                          |                         |
| Property Taxes             | 744,124               | 808,535               | 816,000                  | 816,000                 |                       |                       |                          |                         | 6,389,161             | 6,942,631             | 7,006,000                | 7,006,000               |
| Payments in lieu of taxes  |                       |                       |                          |                         | 396,627               | 326,434               | 435,000                  | 514,000                 | 396,627               | 326,434               | 435,000                  | 514,000                 |
| Income Tax                 |                       |                       |                          |                         |                       |                       |                          |                         | 48,734,275            | 47,663,176            | 51,200,000               | 52,260,000              |
| Licenses and Permits       |                       |                       |                          |                         |                       |                       |                          |                         | 605,589               | 751,369               | 765,000                  | 653,000                 |
| Intergovernmental Revenues | 111,934               | 117,927               | 117,000                  | 117,000                 | 3,009,335             | 944,479               | 3,008,000                | 5,451,000               | 8,372,958             | 6,643,809             | 10,101,000               | 13,155,000              |
| Charges for Services       | 1,090,213             | 1,114,802             | 1,088,000                | 1,125,000               |                       |                       |                          |                         | 6,543,095             | 7,140,682             | 7,308,000                | 8,107,000               |
| Fines, Forfeits and Costs  |                       |                       |                          |                         |                       |                       |                          |                         | 1,771,798             | 1,662,274             | 1,538,000                | 1,518,000               |
| Investment Earnings        | 25,739                | 38,802                | 29,000                   | 29,000                  | 363,975               | 548,344               | 550,000                  | 500,000                 | 1,022,836             | 1,539,999             | 1,708,000                | 1,558,000               |
| Special Assessments        | 0                     | 0                     | 0                        | 0                       | 806,550               | 738,319               | 926,000                  | 770,000                 | 1,220,260             | 1,141,200             | 1,341,000                | 1,170,000               |
| Miscellaneous              | 44,044                | 40,000                | 40,000                   | 40,000                  | 557,267               | 73,043                | 458,000                  | 103,000                 | 5,819,178             | 5,659,624             | 5,653,000                | 5,219,000               |
| TOTAL REVENUES             | 2,016,054             | 2,120,066             | 2,090,000                | 2,127,000               | 5,133,754             | 2,630,619             | 5,377,000                | 7,338,000               | 80,875,777            | 79,471,198            | 87,055,000               | 91,160,000              |
| EXPENDITURES:              |                       |                       |                          |                         |                       |                       |                          |                         |                       |                       |                          |                         |
| Current:                   |                       |                       |                          |                         |                       |                       |                          |                         |                       |                       |                          |                         |
| General Government         |                       |                       |                          |                         | 33,375                | 442,453               | 579,000                  | 85,000                  | 13,876,721            | 15,951,001            | 17,280,170               | 15,543,650              |
| Public Safety              |                       |                       |                          |                         | 2,009,587             | 208,377               | 76,000                   | 1,661,000               | 32,867,548            | 31,722,444            | 33,140,660               | 36,481,962              |
| Public Works               |                       |                       |                          |                         | 6,694,195             | 5,423,645             | 10,026,000               | 7,658,000               | 16,005,672            | 14,788,498            | 20,652,750               | 17,226,330              |
| Human Services             |                       |                       |                          |                         | 1,739,806             | 1,354,114             | 2,165,000                | 4,670,000               | 16,654,023            | 16,696,152            | 20,364,000               | 21,692,200              |
| Miscellaneous              | 53,267                | 55,806                | 117,500                  | 64,000                  | 5,712,612             | 6,680,350             | 2,095,000                | 9,023,000               | 6,490,118             | 7,717,554             | 3,257,380                | 9,870,110               |
| Capital Improvements:      |                       |                       |                          |                         |                       |                       |                          |                         | 143,305               | 167,858               | 384,000                  | 1,507,000               |
| Debt Service:              |                       |                       |                          |                         |                       |                       |                          |                         |                       |                       |                          |                         |
| Principal                  | 1,587,541             | 1,633,580             | 1,684,646                | 2,080,738               |                       |                       |                          |                         | 1,587,541             | 1,633,580             | 1,684,646                | 2,080,738               |
| Interest                   | 834,945               | 779,606               | 734,692                  | 799,077                 |                       |                       |                          |                         | 834,945               | 779,606               | 734,692                  | 799,077                 |
| TOTAL EXPENDITURES         | 2,475,753             | 2,468,992             | 2,536,838                | 2,943,815               | 16,189,575            | 14,108,939            | 14,941,000               | 23,097,000              | 88,459,872            | 89,456,693            | 97,498,298               | 105,201,067             |
| Revised Budget             | 2,484,488             | 2,477,187             | 2,483,338                |                         | 24,717,987            | 17,742,251            | 22,281,897               |                         | 103,503,470           | 101,208,156           | 107,560,777              |                         |

For Fund Definitions, please see "Financial Structure" on page 9.

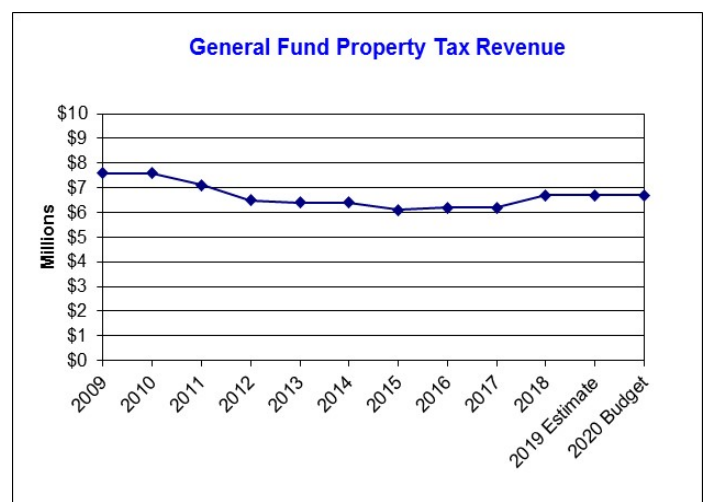
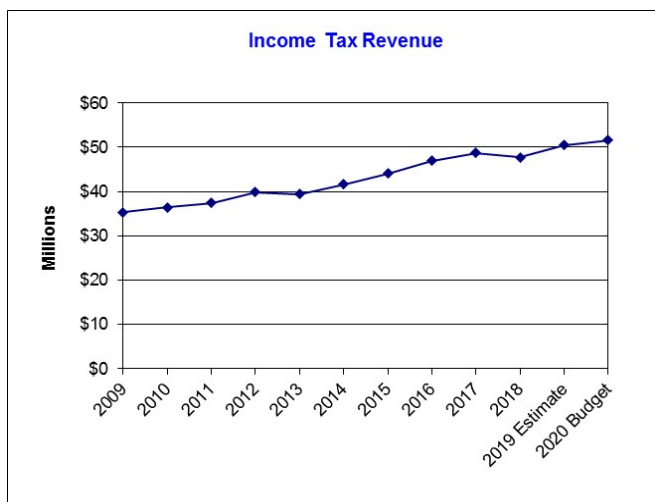


CITY OF KETTERING

# GENERAL FUND RECEIPTS

# FUND 101

|   | <u>Actual</u><br><u>2017</u> | <u>Actual</u><br><u>2018</u> | <u>Estimated</u><br><u>2019</u> | <u>Proposed</u><br><u>2020</u> |
|---|------------------------------|------------------------------|---------------------------------|--------------------------------|
| <b>AVAILABLE FOR EXPENDITURES:</b>        |                              |                              |                                 |                                |
| Balance January 1                         | 46,011,803                   | 46,179,003                   | 44,136,819                      | 42,271,289                     |
| Nonspendable: Inventory, Loans & Prepaids | 2,868,822                    | 6,145,095                    | 5,687,996                       | 6,701,390                      |
| Committed to: Economic Development        | 4,001,777                    | 1,454,842                    | 305,000                         | 805,000                        |
| Assigned to Capital Improvement           | <u>0</u>                     | <u>0</u>                     | <u>368,000</u>                  | <u>1,376,000</u>               |
| Net Balance                               | 39,141,204                   | 38,579,066                   | 38,143,823                      | 34,764,899                     |
| <b>RECEIPTS</b>                           |                              |                              |                                 |                                |
| Property Taxes                            |                              |                              |                                 |                                |
| Real Non-Voted 2.2 Mills                  | 2,069,909                    | 2,249,244                    | 2,270,000                       | 2,270,000                      |
| Real Voted 3.5 Mills                      | <u>3,292,549</u>             | <u>3,577,814</u>             | <u>3,611,000</u>                | <u>3,611,000</u>               |
| Total General Property Tax                | 5,362,458                    | 5,827,058                    | 5,881,000                       | 5,881,000                      |
| City Income Tax                           | 48,734,275                   | 47,663,176                   | 51,200,000                      | 52,260,000                     |
| City Licenses and Permits                 | 588,229                      | 730,259                      | 751,000                         | 639,000                        |
| State Grants                              | 1,700                        | 0                            | 0                               | 0                              |
| Homestead & Rollback                      | 805,789                      | 849,056                      | 844,000                         | 840,000                        |
| Local Government Fund                     | 612,737                      | 570,018                      | 770,000                         | 832,000                        |
| Liquor & Beer Permits                     | 63,060                       | 67,784                       | 60,000                          | 60,000                         |
| Cigarette Tax                             | 1,300                        | 1,415                        | 2,000                           | 2,000                          |
| Charges for Services                      | 57,097                       | 60,797                       | 48,000                          | 49,000                         |
| Court Fines, Forfeits and Costs           | 1,241,622                    | 1,190,764                    | 1,114,000                       | 1,114,000                      |
| Investment Earnings                       | 602,751                      | 910,924                      | 1,100,000                       | 1,000,000                      |
| Special Assessments                       | 413,710                      | 402,881                      | 415,000                         | 400,000                        |
| Reimbursements & Miscellaneous            | <u>2,551,015</u>             | <u>2,602,324</u>             | <u>2,634,000</u>                | <u>2,014,000</u>               |
| TOTAL REVENUE                             | 61,035,743                   | 60,876,456                   | 64,819,000                      | 65,091,000                     |
| <b>OTHER FINANCING SOURCES</b>            |                              |                              |                                 |                                |
| Sale of City Assets                       | 67,477                       | 1,745,701                    | 935,000                         | 775,000                        |
| Transfer in From Other Funds              | <u>0</u>                     | <u>0</u>                     | <u>0</u>                        | <u>0</u>                       |
| TOTAL OTHER FINANCING SOURCES             | 67,477                       | 1,745,701                    | 935,000                         | 775,000                        |
| <b>TOTAL AVAILABLE FOR EXPENDITURES</b>   | 100,244,424                  | 101,201,223                  | 103,897,823                     | 100,630,899                    |



# MAYOR AND COUNCIL

The Mayor is the chief elected official of the City and serves as its principal representative and spokesperson. The Mayor presides over and is an at-large member of the City Council. In addition to the Mayor, the Council consists of two additional at-large members and four members elected from districts. Council elects one member to serve as Vice-Mayor for a two-year term.

The City Council is the chief policy making body of the City — responsible for appointing the City Manager to direct the City's administrative affairs and responsible also for appointing representatives to the City's many boards and commissions.

The Council conducts much of its business as a committee of the whole but also maintains two-person standing committees: Long Range Planning, Intergovernmental/Interagency Relations, Community Relations and Promotion, Finance and Personnel, Public Health and Safety, and Public Service.

The Mayor and City Council maintain an office in the Government Center staffed by the Clerk of Council. The Clerk of Council, in addition to answering citizen inquiries, is responsible for accurately recording and maintaining the official records of actions taken by the Mayor and Council, publishing a calendar and agenda, and undertaking special projects on behalf of the Council. Council meetings, normally held on the second and fourth Tuesday of each month, are televised gavel to gavel on Cable TV.

## Goals

Details of the Council's goals and tactics are described in the Strategic Plan section of this document. The goals of the Strategic Plan are summarized below:

- 1) Have active leadership in regional initiatives that improve City services, save the city resources, and boost the city's regional prominence.
- 2) Engage in economic development ventures that attract and expand investment in the city.
- 3) Improve and maintain housing options and neighborhood environments.
- 4) Maintain fiscal responsibility while making strategic capital investments.
- 5) Provide public safety via police, fire, and other services that excel at customer service and resource allocation.
- 6) Provide quality city services to both internal and external customers, optimizing levels of service while preserving the unique character of Kettering and meeting standards and budget.
- 7) Develop and maintain a communication plan that educates our community as well as produces an image of our City.

## Mayor and Council Expenditures — General Fund (Key 0050)

|                                       | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> | <u>% of Total</u> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 111,222                | 137,446                | 143,990                   | 152,000                  | 65.03%            |
| <b>Operating Expenditures</b>         | 73,656                 | 69,295                 | 82,900                    | 81,730                   | 34.97%            |
| <b>Capital Equipment Expenditures</b> | <u>0</u>               | <u>0</u>               | <u>0</u>                  | <u>0</u>                 | <u>0.00%</u>      |
| <b>Total</b>                          | 184,878                | 206,741                | 226,890                   | 233,730                  | 100.00%           |

The proposed 2020 budget is 2.9% greater than the 2019 budget and 3.0% greater than estimated 2019 expenditures. Effective mid-year 2015, the Clerk of Council position was re-classified from full-time to part-time status. The position returned to full-time status for 2018. Personnel expenditures for all years reflect compensation for the Mayor and Council members per the Charter Amendment effective January 1, 2013 (Ord. 4202-12; passed 8/7/12). Operating expenditures for 2017 and 2018 reflect an under-spending of each year's budget.

## Staffing Levels

|                                   | <u>Actual 2017</u> | <u>Actual 2018</u> | <u>Estimated 2019</u> | <u>Proposed 2020</u> |
|-----------------------------------|--------------------|--------------------|-----------------------|----------------------|
| <b>Mayor &amp; Council</b>        | 7                  | 7                  | 7                     | 7                    |
| <b>Clerk of Council</b>           | 0                  | 1                  | 1                     | 1                    |
| <b>Part-Time Clerk of Council</b> | 0.6                | 0                  | 0                     | 0                    |
| <b>Part-time Clerical/Aide</b>    | <u>0.1</u>         | <u>0</u>           | <u>0</u>              | <u>0</u>             |
| <b>Total</b>                      | 7.7                | 8.0                | 8.0                   | 8.0                  |

# KETTERING MUNICIPAL COURT

The Municipal Court is established by State Statute with two Judges (one of whom serves as presiding judge) and has territorial jurisdiction over Kettering, Centerville, Moraine and Washington Township. Salaries for the Judges are established by State law. A portion (40%) of the salaries of the Judges and Civil Magistrate is reimbursed to the City by Montgomery County.

The Court has a Small Claims Court for suits of less than \$3,000 as well as monetary jurisdiction for claims in civil cases of less than \$15,000.

The Court has jurisdiction over all misdemeanors, both ordinance and statute violations, occurring within its territorial jurisdiction.

It is estimated for 2019 that the Court will distribute to the City's General Fund about \$1,114,000 for Court fines and fees. In addition, approximately \$80,000 will come to Kettering from Centerville and Moraine, and another \$212,000 will be reimbursed from Montgomery County.

## Kettering Municipal Court Expenditures — General Fund (Key 0100)

|                                       | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> | <u>% of Total</u> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 1,035,008              | 1,045,028              | 1,074,790                 | 1,140,000                | 81.53%            |
| <b>Operating Expenditures</b>         | 234,250                | 247,842                | 258,300                   | 258,300                  | 18.47%            |
| <b>Capital Equipment Expenditures</b> | <u>0</u>               | <u>0</u>               | <u>0</u>                  | <u>0</u>                 | <u>0.00%</u>      |
| <b>Total</b>                          | 1,269,258              | 1,292,870              | 1,333,090                 | 1,398,300                | 100.00%           |

The proposed 2020 budget is 2.1% greater than the 2019 budget and 4.9% greater than estimated 2019 expenditures. Effective 2018, personnel expenditures reflect a change in the salaries reimbursement arrangement from Montgomery County. Prior to 2018, the Civil Magistrate was paid directly by Montgomery County and the City of Kettering on a 40/60 basis. Effective 2018, the City pays 100% of the Magistrate salary and Montgomery County reimburses the City 40%. Also effective 2018, the Court Administrator position will remain vacant and an additional Administrative Secretary is included in staffing levels.

## Staffing Levels

|                                      | <u>Actual 2017</u> | <u>Actual 2018</u> | <u>Estimated 2019</u> | <u>Proposed 2020</u> |
|--------------------------------------|--------------------|--------------------|-----------------------|----------------------|
| <b>Judges</b>                        | 2                  | 2                  | 2                     | 2                    |
| <b>Bailiffs</b>                      | 2                  | 2                  | 2                     | 2                    |
| <b>Court Administrator</b>           | 1                  | 0                  | 0                     | 0                    |
| <b>Probation Off./Deputy Bailiff</b> | 2                  | 2                  | 2                     | 2                    |
| <b>Administrative Secretary</b>      | 3                  | 4                  | 4                     | 4                    |
| <b>Court Reporter</b>                | 2                  | 2                  | 2                     | 2                    |
| <b>Substitute Judge</b>              | 0.3                | 0.3                | 0.3                   | 0.3                  |
| <b>Civil Magistrate</b>              | 0.3                | 0.3                | 0.3                   | 0.3                  |
| <b>Part-Time Deputy Bailiff</b>      | 0.3                | 0.3                | 0.3                   | 0.3                  |
| <b>Part-Time Clerical</b>            | <u>0.3</u>         | <u>0.3</u>         | <u>0.3</u>            | <u>0.3</u>           |
| <b>Total</b>                         | 13.2               | 13.2               | 13.2                  | 13.2                 |

Staffing levels exclude one temporary probation officer funded by a grant from the Ohio Department of Rehabilitation and Corrections. This officer's salary is charged to the Special Grants and Programs Fund.

# CLERK OF COURTS

The Clerk of the Kettering Municipal Court is an elected office created by the State Legislature, separate and distinct from the Judges of the Court. The Clerk is the ministerial officer charged with the custody and certification of the records, and with responsibility for monies collected. The Clerk is also empowered to issue writs and process. The salary of the Clerk of Courts is established by State law. A portion (40%) of the salary of the Clerk of Courts is reimbursed to the City by Montgomery County.

## Clerk of Courts Expenditures — General Fund (Key 0150)

|                                       | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Estimated<br/>2019</b> | <b>Proposed<br/>2020</b> | <b>% of Total</b> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 918,081                | 954,306                | 979,880                   | 1,109,000                | 89.00%            |
| <b>Operating Expenditures</b>         | 130,220                | 121,332                | 122,400                   | 137,100                  | 11.00%            |
| <b>Capital Equipment Expenditures</b> | <u>0</u>               | <u>0</u>               | <u>0</u>                  | <u>0</u>                 | <u>0.00%</u>      |
| <b>Total</b>                          | 1,048,301              | 1,075,638              | 1,102,280                 | 1,246,100                | 100.00%           |

The proposed 2020 budget is 6.1% greater than the 2019 budget and 13.0% greater than 2019 estimated expenditures. Effective 2018, the budget includes funding for an Information Technology Deputy Clerk; however, the position has remained vacant through the end of 2019. Operating expenditures for years 2017 through 2019 reflect an under-spending of each year's budget.

## Staffing Levels

|                           | <b>Actual 2017</b> | <b>Actual 2018</b> | <b>Estimated 2019</b> | <b>Proposed 2020</b> |
|---------------------------|--------------------|--------------------|-----------------------|----------------------|
| <b>Clerk of Courts</b>    | 1                  | 1                  | 1                     | 1                    |
| <b>Deputy Clerks</b>      | 10                 | 11                 | 11                    | 11                   |
| <b>Part-Time Clerical</b> | 0.6                | 0                  | 0                     | 0                    |
| <b>Temp. Part-Time</b>    | <u>0.1</u>         | <u>0.1</u>         | <u>0.1</u>            | <u>0</u>             |
| <b>Total</b>              | 11.7               | 12.1               | 12.1                  | 12.0                 |

# CITY MANAGER'S OFFICE

The City Manager is appointed by Council and serves as the chief executive officer of the City. The Manager also holds the position of Public Safety Director. The Manager is responsible for the effective operation of the City government under the policy direction of the Mayor and City Council. It is also the responsibility of the Manager to propose policy measures and initiatives for Council consideration.

The Assistant City Manager is employed by, and reports directly to, the City Manager. Serving as an extension of the City Manager, this person is responsible for coordinating the efforts of various departments through department directors or office managers, when necessary to accomplish tasks assigned by the City Manager. The Assistant City Manager provides supervision over certain City Offices, as assigned by the City Manager. The current Assistant City Manager also serves in the role of City Engineer.

## Key Objectives

1. Improve overall efficiency of City operations.
2. Ensure an organization wide delivery of outstanding customer service, which results in exceptional levels of resident satisfaction.
3. Focus on projects that have been identified as high priorities through the strategic plan update process as well as directives from City Council.

## Programs

### Inclusion

#### **Program Purpose:**

To address citywide access and inclusion matters and to facilitate the update of our ADA Transition Plan.

#### **Program Description:**

In 2018, the City of Kettering added a full-time Compliance and Inclusion Manager who serves all City departments and reports directly to the City Manager. The Compliance and Inclusion Manager works with the Americans with Disabilities Act (ADA) Advisory Committee and the ADA Coordinator on ADA issues to address citywide access and inclusion matters and to facilitate the update of our ADA Transition Plan. The Compliance and Inclusion Manager also supports the access and inclusion process for individuals with disabilities visiting our City, participating in programs, events, enrichment opportunities and camps throughout the City.

### Senior Services

#### **Program Purpose:**

To provide information and referral services to Kettering senior citizens and their families.

#### **Program Description:**

Included in the City Manager's budget is the operation of the Kettering Connection and the position of Senior Services Coordinator, who is primarily responsible for providing resources assistance and information to Kettering's senior citizens. The City of Kettering is a senior friendly community. We have earned that reputation from a commitment to enhancing the quality of life for seniors in our City.

The City's Senior Services Coordinator advises older adults and their families on such topics as the following: Housing; Transportation; Personal Care/In-home Services; Insurance – Medicare/Medicaid; Prescription Drug Assistance Programs; Respite Care/Adult Day Centers; Home Delivered Meals; Adult Protective Services; Utility Assistance Programs; Support Groups; Aging Issues; and Volunteer Programs.

The Senior Services Coordinator assists Kettering senior citizens access community services through information, referral and education. The coordinator identifies gaps in service and works to find solutions through advocacy, coordination with other agencies, and development of new programs. This person works with other City departments to develop goals and strategies in serving the needs of senior citizens.

**Objectives:**

1. Provide information and referral services to community seniors and their families through outreach and networking with City departments. Identify gaps in service and work toward solutions using volunteer efforts and existing community services.
2. Provide advocacy regarding senior issues through participation in community groups including the Greene and Montgomery County Council on Aging, the Area Agency on Aging Executive Board, United Way SilverLink, and administration of the Ohio Benefits Bank (OBB).
3. Act as a resource to address seniors' needs through the Kettering Connection and as a member of the Charles I. Lathrem Center's Advisory Board.

| <b>Measurements:</b>     | <b><u>Actual<br/>2017</u></b> | <b><u>Actual<br/>2018</u></b> | <b><u>Estimated<br/>2019</u></b> | <b><u>Proposed<br/>2020</u></b> |
|--------------------------|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
| Number of seniors served | 2,451                         | 2,115                         | 1,900                            | 1,900                           |

**City Manager's Office Expenditures — General Fund (Key 0250)**

|                                       | <b><u>Actual<br/>2017</u></b> | <b><u>Actual<br/>2018</u></b> | <b><u>Estimated<br/>2019</u></b> | <b><u>Proposed<br/>2020</u></b> | <b><u>% of Total</u></b> |
|---------------------------------------|-------------------------------|-------------------------------|----------------------------------|---------------------------------|--------------------------|
| <b>Personnel Expenditures</b>         | 654,082                       | 677,036                       | 681,050                          | 714,100                         | 92.05%                   |
| <b>Operating Expenditures</b>         | 58,704                        | 59,179                        | 61,200                           | 61,650                          | 7.95%                    |
| <b>Capital Equipment Expenditures</b> | <u>0</u>                      | <u>0</u>                      | <u>0</u>                         | <u>0</u>                        | <u>0.00%</u>             |
| <b>Total</b>                          | 712,786                       | 736,215                       | 742,250                          | 775,750                         | 100.00%                  |

The proposed 2020 budget is 2.4% greater than the 2019 budget and 4.5% greater than estimated 2019 expenditures.

Effective 2018, the budget includes a full-time Compliance and Inclusion Manager position. The cost of this position is allocated between the City Manager's Office and the new Compliance cost center on a 25/75 basis to coincide with estimated hours to support each function. The regular part-time Administrative Aide position become vacant during 2018 and is not funded in future years.

**Staffing Levels**

|   | <b><u>Actual 2017</u></b> | <b><u>Actual 2018</u></b> | <b><u>Estimated 2019</u></b> | <b><u>Proposed 2020</u></b> |
|---|---------------------------|---------------------------|------------------------------|-----------------------------|
| <b>City Manager</b>                       | 1                         | 1                         | 1                            | 1                           |
| <b>Assistant City Manager</b>             | 1                         | 1                         | 1                            | 1                           |
| <b>Senior Services Coordinator</b>        | 1                         | 1                         | 1                            | 1                           |
| <b>Compliance &amp; Inclusion Manager</b> | 0                         | 0.25                      | 0.25                         | 0.25                        |
| <b>Secretary</b>                          | 1                         | 0.95                      | 0.95                         | 0.95                        |
| <b>Administrative Aide</b>                | <u>0.4</u>                | <u>0</u>                  | <u>0</u>                     | <u>0</u>                    |
| <b>Total</b>                              | 4.4                       | 4.2                       | 4.2                          | 4.2                         |



# LAW DEPARTMENT

The Law Department is responsible for the programs of General Legal Services and Criminal Prosecution. The Law Department provides general legal services to the City and the City's elected officials, officers, and employees in matters relating to their official duties and, in addition and as requested, to the Kettering Municipal Court and the Kettering Municipal Court Clerk; prepares or reviews contracts, legislation, and other legal documents and instruments; and prosecutes misdemeanor crimes in the Kettering Municipal Court with a prosecutor assigned to each of the Court's two judges.

## Programs

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### Criminal Prosecution

#### **Program Purpose:**

To prosecute traffic and criminal misdemeanors occurring in the City of Kettering, including cases from Washington Township and other contracting jurisdictions that are filed in the Kettering Municipal Court. This includes all appeals from such cases to all reviewing courts.

#### **Program Description:**

- The Law Department's Prosecutors Office provides legal advice to law enforcement officers of the Kettering Police Department, Centerville Police Department, Kettering Health Network Police Department, and Montgomery County Sheriff Deputies serving Washington Township on issues relating to investigations, arrests, criminal charges, and search and seizure; provides similar advice to inspectors on matters relating to code enforcement; provides continuing legal education programs for police, fire, and inspectors; and provides advice to the Tax Division and prosecutes failure to file and failure to pay municipal income tax cases. The Prosecutors Office conducts arraignments and pre-trials of cases charging violations of City ordinances and State statutes (only misdemeanors); performs legal research and provides courtroom representations in pretrial motions filed in such cases, and participate in negotiations to resolve cases with defense counsel. The Prosecutors Office prepares for and conducts trials in Kettering Municipal Court; performs all research for and preparation of legal motions and pleadings; and in appeals, prepares briefs and makes oral arguments in the Court of Appeals and Supreme Court.

#### **Objectives:**

1. Provide timely and effective prosecution services with limited resources.
2. Stay abreast of trends and changes in criminal law impacting law enforcement and criminal prosecutions.
3. Provide training to law enforcement agencies on such changes.

### General Legal Services

#### **Program Purpose:**

The Law Department provides general legal services to the City's elected officials, officers, and employees in matters relating to their official duties.

#### **Program Description:**

The Law Department serves as general counsel for the City, and provides legal advice and services for the City's elected officials, officers, and employees. The Law Department processes and adjusts claims against the City in conjunction with the City's insurer; represents the City and its officials and employees in civil litigation; arranges for outside attorneys as special counsel for civil litigation and other issues requiring specialized legal services; prepares or reviews contracts and other legal instruments; prepares ordinances and resolutions and maintains the City's Codified Ordinances; responds to public records requests.

#### **Objectives:**

1. Provide timely and effective general legal services with limited resources.
2. Stay abreast of legal trends and changes impacting the City.
3. Advise on and develop strategies to reduce the City's legal risk.

**Measurements:**

|                              | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Estimated<br/>2019</b> | <b>Proposed<br/>2020</b> |
|------------------------------|------------------------|------------------------|---------------------------|--------------------------|
| <b><u>Prosecution</u></b>    |                        |                        |                           |                          |
| Cases Prosecuted:            | 3,611                  | 3,467                  | 3,296                     | 3,350                    |
| Trials/Hearings              | 912                    | 973                    | 1,012                     | 1,040                    |
| <b><u>Legal Services</u></b> |                        |                        |                           |                          |
| Ordinances                   | 20                     | 17                     | 21                        | 19                       |
| Resolutions                  | 190                    | 163                    | 200                       | 195                      |
| Contracts                    | 487                    | 442                    | 481                       | 471                      |
| Public Records Requests      | 224                    | 262                    | 259                       | 260                      |
| Other General Legal          | 169                    | 147                    | 162                       | 170                      |

**Law Department Expenditures — General Fund (Key 0300)**

|                                       | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Estimated<br/>2019</b> | <b>Proposed<br/>2020</b> | <b>% of Total</b> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 838,510                | 857,973                | 862,870                   | 919,900                  | 83.34%            |
| <b>Operating Expenditures</b>         | 251,043                | 146,175                | 175,000                   | 183,900                  | 16.66%            |
| <b>Capital Equipment Expenditures</b> | <u>0</u>               | <u>0</u>               | <u>0</u>                  | <u>0</u>                 | <u>0.00%</u>      |
| <b>Total</b>                          | 1,089,553              | 1,004,148              | 1,037,870                 | 1,103,800                | 100.00%           |

The proposed 2020 budget is 1.5% greater than the 2019 budget and 6.4% greater than estimated 2019 expenditures. 2019 personnel expenditures reflect a partial year vacancy of the full-time Secretary position. No significant changes in personnel or operating expenditures are proposed for 2020.

**Staffing Levels**

|                                | <b><u>Actual 2017</u></b> | <b><u>Actual 2018</u></b> | <b><u>Estimated 2019</u></b> | <b><u>Proposed 2020</u></b> |
|--------------------------------|---------------------------|---------------------------|------------------------------|-----------------------------|
| <b>Law Director</b>            | 1                         | 1                         | 1                            | 1                           |
| <b>Administrative Attorney</b> | 1                         | 1                         | 1                            | 1                           |
| <b>Prosecuting Attorneys</b>   | 2                         | 2                         | 2                            | 2                           |
| <b>Secretary</b>               | 2                         | 2                         | 2                            | 2                           |
| <b>Clerk</b>                   | 1                         | 1                         | 1                            | 1                           |
| <b>Part-time Clerical</b>      | 0.7                       | 0.7                       | 0.7                          | 0.7                         |
| <b>Part-time Paralegal</b>     | <u>0.6</u>                | <u>0.6</u>                | <u>0.6</u>                   | <u>0.6</u>                  |
| <b>Total</b>                   | 8.3                       | 8.3                       | 8.3                          | 8.3                         |

# FINANCE DEPARTMENT

The Finance Department is responsible for the programs of Administration and Budget, Accounting, Taxation and Purchasing. Managing over \$97 million annually in financial transactions requires processing over 8,300 accounts payable checks, 21,350 direct deposits of payroll and 2,100 purchase orders. In addition, the Tax Division collects in excess of \$50.5 million annually in City income tax and maintains active records on over 56,500 taxpayers. In 2019, through careful cash management efforts, over \$1.7 million in investment earnings will be generated.

## Programs

### Administration and Budget

#### **Program Purpose:**

Administer and manage all activities of the Finance Department. To assist in the allocation of City resources toward economical and efficient municipal services that effectively meet community needs. To coordinate and/or manage all insurance, property or risk management functions for the City.

#### **Program Description:**

##### ADMINISTRATION

Perform responsible administrative work in planning, organizing, coordinating and directing all activities of the Finance Department.

##### BUDGETING

Prepare the annual City operating budget, capital improvement budget and long-range forecast. Also, maintain and update the systems required to accomplish these tasks. Provide ongoing communication with City departments and staff regarding the utilization of budget dollars.

##### RISK MANAGEMENT

- Determination, procurement and administration of the City insurance program.
- Record, summarize and classify all property inventory, and establish and maintain systems of control.
- Coordinate risk management efforts and maintain records relating to all areas of risk management.

##### TREASURY MANAGEMENT

The management and safeguarding of all City funds by using sound investment practices, obtaining a high yield and securing adequate collateral.

#### **Objectives:**

1. Focus on projects identified as high priorities through the strategic planning process, especially maintaining fiscal responsibility while making strategic capital investments through providing long-term financial planning aligned to the strategic plan.
2. Obtain the Distinguished Budget Presentation Award from the Government Finance Officers Association for the thirty-fifth consecutive year.
3. Develop projects to analyze various City operations in terms of cost effectiveness, efficiency, alternative methods and improvements.
4. Work closely with top management and all employees within the Finance Department to identify and evaluate opportunities for cost savings.
5. Continue to provide feedback to all departments, throughout the budget year, regarding the utilization of budget dollars.
6. Examine revenue sources to determine if there are steps we can take to maximize the amount of revenue received.

### Accounting

#### **Program Purpose:**

To provide general accounting services for the efficient operation of the City. To manage and safeguard all funds of the City and to secure, manage and provide for the timely retiring of all City debt.

**Program Description:****ACCOUNTING**

The recording, summarization and classification of all accounting transactions in an accurate, efficient manner within the guidelines of the Ohio Revised Code and generally accepted accounting principles in the following general categories:

- Financial Reporting
- Accounts Payable and Receivable
- Payroll
- Grant Administration
- Accounting Policies and Procedures
- Auditing

Specific duties include the preparation and issuance of all vouchers and checks, monthly bank reconciliation, clearing house for all receipts, etc.

**DEBT MANAGEMENT**

The securing, recording and timely retiring of all City debt.

**Objectives:**

1. Focus on projects identified as high priorities through the strategic planning process, especially maintaining fiscal responsibility while making strategic capital investments through developing financial documents that meet the highest reporting standards and providing relevant information to all users.
2. Obtain the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the thirty-eighth consecutive year.
3. Monitor developments in current accounting pronouncements by the Governmental Accounting Standards Board and implement procedures to comply with applicable developments.
4. Continue to evaluate internal reporting practices in an effort to disseminate concise, useful, practical information to management.

**Taxation****Program Purpose:**

To record and account for all income tax revenues due the City of Kettering.

**Program Description:**

To provide for the collection and recording of all income tax revenues in accordance with the City's Income Tax Code. Accounting and Administration will monitor, record, and review all other tax revenue sources and distributions due Kettering as follows:

- Property Tax
- Gasoline Tax
- Vehicle Licensing Tax
- Inheritance Tax
- Local Government Fund

**Objectives:**

1. Maintain and enhance our reputation of professionalism and excellence in the community.
  - a. Provide exceptional customer service to all individuals in contact with the Tax Division.
  - b. Maintain working relationships with local tax preparers, providing guidance and assistance with the application of municipal income tax laws.
  - c. Provide taxpayers and preparers thorough and accurate information through all available channels, including the City of Kettering website, city publications and speaking engagements.
2. Maintain a high level of technical competence among the Tax Division staff.
  - a. Ensure that all staff members are well versed in municipal and federal tax laws through ongoing training and discussion.
  - b. Provide all staff members with literature to enhance their knowledge of current income tax law and developments.
  - c. Provide staff members with the technological resources necessary to carry out our objectives efficiently and effectively.

3. Provide quality service while maximizing collection efforts and conserving city resources.
  - a. Maintain a professional demeanor in all taxpayer contacts, whether by phone, in person or through written communication.
  - b. Continue to utilize automated filing and payment functions to reduce costs and minimize staff processing time.
  - c. Continue to streamline the audit and document imaging processes through the utilization of our lockbox service.
  - d. Review internal procedures and policies on an ongoing basis to determine changes that will enable the Tax Division to most effectively meet its objectives.
  - e. Regularly update our Tax Code and Regulations to comply with state laws.
  - f. Continue to develop accurate and well-designed tax forms each year; review forms annually to make updates and improvements as necessary.
  - g. Ensure compliance with “opt-in” requirements put in place by the State of Ohio for seamless transfer of funds received through the centralized collection process.
4. Continue to encourage a teamwork environment within the Tax Division.
  - a. Promote collaboration among Tax Division staff to generate suggestions for improvement and/or changes to processes that will achieve the overall mission of the Tax Division.
  - b. Maintain an open-door policy between all employees and supervisors.
5. Maintain our leadership role in municipal income tax.
  - a. Engage in regular meetings of professional organizations.
  - b. Work together with other local tax agencies to ensure taxpayer compliance and share information.

### **Purchasing**

#### **Program Purpose:**

To procure or assist in the procurement of all goods and services for the City.

#### **Program Description:**

##### **CENTRALIZED PURCHASING**

To provide a procurement service which allows for the performance of the following in an efficient and cost effective manner:

- The purchase of quality goods, services and equipment for all departments/divisions.
- Supervision and administration of the competitive bidding process.
- Assistance in the preparation of purchasing specifications.
- Preparation and enforcement of purchasing policies.

#### **Objectives:**

1. Obtain goods and services in an efficient and cost effective manner, while meeting the objectives of user departments.
2. Communicate with user departments and provide excellence in customer service to both internal and external customers.
3. Provide assistance and training to user departments regarding purchasing policies and procedures.
4. Review and assess purchasing procedures and processes to ensure timely and effective purchasing.
5. Participate in cooperative purchasing opportunities by sponsoring cooperative purchases and participating in state and local purchasing groups.
6. Update existing systems and implement new purchasing technologies and systems.

#### **Measurements:**

|                           | <b><u>Actual</u></b><br><b><u>2017</u></b> | <b><u>Actual</u></b><br><b><u>2018</u></b> | <b><u>Estimated</u></b><br><b><u>2019</u></b> | <b><u>Proposed</u></b><br><b><u>2020</u></b> |
|---------------------------|--|--|---|--|
| <b><u>Accounting</u></b>  |  |  |   |  |
| Checks processed          | 7,929                                      | 8,129                                      | 8,285   | 8,500  |
| Late Penalties Paid       | 0  | 0  | 0   | 0  |
| 1099's issued             | 201  | 212  | 220   | 230  |
| Receipts Processed        | 4,492                                      | 4,226                                      | 4,250   | 4,275  |
| Invoices Processed        | 90   | 108  | 110   | 110  |
| Travel Forms Processed    | 238  | 192  | 210   | 210  |
| Payroll Checks Processed  | 5  | 5  | 5   | 5  |
| Direct Deposits Processed | 21,441                                     | 21,212                                     | 21,350  | 21,350                                       |

**Measurements continued:**

|                                   | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Estimated<br/>2019</b> | <b>Proposed<br/>2020</b> |
|-----------------------------------|------------------------|------------------------|---------------------------|--------------------------|
| <b><u>Taxation</u></b>            |                        |                        |                           |                          |
| New accounts established          | 4,827                  | 5,834                  | 6,000                     | 6,000                    |
| Refunds processed                 | 1,328                  | 1,529                  | 1,430                     | 1,430                    |
| Accounts Maintained - Active      | 50,303                 | 53,429                 | 56,555                    | 59,680                   |
| - Inactive                        | 100,835                | 103,630                | 106,425                   | 109,220                  |
| Accounts on Deferred Payment Plan | 553                    | 535                    | 590                       | 600                      |
| Amount of Delinquent Accounts     | \$2,120,328            | \$2,076,249            | \$2,093,196               | \$2,110,000              |
| % of Accounts Delinquent          | 0.69%                  | 0.74%                  | 0.72%                     | 0.70%                    |
| <b><u>Purchasing</u></b>          |                        |                        |                           |                          |
| Purchase Orders Issued            | 2,156                  | 2,060                  | 2,100                     | 2,100                    |
| Bid Openings                      | 9                      | 7                      | 15                        | 15                       |
| Written Quotes Processed          | 121                    | 98                     | 115                       | 115                      |
| Annual Inventories Completed      | 10                     | 0                      | 10                        | 0                        |

**Finance Department Expenditures — General Fund (Key 0350)**

|                                       | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Estimated<br/>2019</b> | <b>Proposed<br/>2020</b> | <b>% of Total</b> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 2,167,861              | 2,129,979              | 2,189,140                 | 2,316,000                | 78.72%            |
| <b>Operating Expenditures</b>         | 442,844                | 494,049                | 588,000                   | 626,000                  | 21.28%            |
| <b>Capital Equipment Expenditures</b> | <u>0</u>               | <u>0</u>               | <u>0</u>                  | <u>0</u>                 | <u>0.00%</u>      |
| <b>Total</b>                          | 2,610,705              | 2,624,028              | 2,777,140                 | 2,942,000                | 100.00%           |

The proposed 2020 budget is 7.5% greater than the original 2019 budget and 5.9% greater than estimated 2019 expenditures. Personnel expenditures for 2019 reflect a partial year vacancy of a regular part-time Clerk in the Income Tax Division. Operating expenditures for all years include annual audit costs and Montgomery County fees for the collection and processing of property taxes. The County fees increased in 2018 and 2019 due to costs associated with the data collection and reappraisal project for tax year 2020. Included in the 2020 operating expenditures is funding for a two-year renewal of the bank lockbox used for income tax mail processing and imaging.

**Staffing Levels**

|                               | <b><u>Actual 2017</u></b> | <b><u>Actual 2018</u></b> | <b><u>Estimated 2019</u></b> | <b><u>Proposed 2020</u></b> |
|-------------------------------|---------------------------|---------------------------|------------------------------|-----------------------------|
| <b>Finance Director</b>       | 1                         | 1                         | 1                            | 1                           |
| <b>Assistant Finance Dir.</b> | 1                         | 1                         | 1                            | 1                           |
| <b>Budget Manager</b>         | 1                         | 1                         | 1                            | 1                           |
| <b>Purchasing Manager</b>     | 1                         | 1                         | 1                            | 1                           |
| <b>Tax Manager</b>            | 1                         | 1                         | 1                            | 1                           |
| <b>Financial Analyst</b>      | 2                         | 2                         | 2                            | 2                           |
| <b>Finance Technician II</b>  | 7.5                       | 7.5                       | 7.5                          | 7.5                         |
| <b>Finance Technician I</b>   | 3.5                       | 3.5                       | 3.5                          | 3.5                         |
| <b>Secretary</b>              | 1                         | 1                         | 1                            | 1                           |
| <b>Full-time Clerk</b>        | 0.8                       | 1                         | 1                            | 1                           |
| <b>Part-Time Clerical</b>     | <u>1.3</u>                | <u>1.2</u>                | <u>1.2</u>                   | <u>1.2</u>                  |
| <b>Total</b>                  | 21.1                      | 21.2                      | 21.2                         | 21.2                        |

# ADMINISTRATIVE SYSTEMS – ADMINISTRATIVE SUPPORT

Administrative Systems is responsible for numerous programs that provide support services to other City departments and offices. These services are divided into the Administrative Support Division, the Information Systems Division, and City Print Shop.

The Administrative Support Division performs the following functions: Records Management, Graphic Design, Telecommunications, Front Desk Reception, Mailing Services, Geographic Information Systems, and Printing and Copying.

Please see the Internal Service Funds for more information on the Information Systems Division and City Print Shop.

## Programs

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### Records Management

#### **Program Purpose:**

To serve as official Archivist and Secretary for the City Records Commission, to assure that City records are properly stored and disposed of when eligible, and to ensure that City records retention practices conform to Ohio Historical Society guidelines.

#### **Program Description:**

- Work with departmental records clerks to establish records retention schedules and ensure compliance with proper procedures.
- Maintain the Records Center to store inactive records and to provide for proper disposal of eligible records.
- Arrange for scanning, microfilming, and security storage of long-term records.

#### **Objectives:**

1. Help departments maintain and improve methods of record storage and increase retrieval efficiency by utilizing the Alchemy Scanning software.
2. Monitor storage capacity in the records center ensuring that space is available for required record storage.
3. Monitor storage and destruction of records to ensure compliance with Ohio Historical Society guidelines.
4. Scan documents in long-term storage and when necessary send disks or hard copies for microfilming.
5. Work with the City offices to ensure compliance with established retention procedures.
6. Work with departmental records clerks to revise retention schedules in order to take advantage of new retention forms and changes in state laws.
7. Continue to update and improve storage equipment in records center as needed.
8. Maintain files of Certificates of Records Disposal, Schedules of Records Retention, and Minutes of Records Commission.
9. Assist departments with records-related research and retrieval when requested.
10. Draft a Records Emergency Action Plan including identification of vital records and disaster recovery procedures.
11. Draft records retention guidelines for social media records relating to City websites and social media accounts used by various departments.
12. Continue to promote records management practices and City's collection of historical records in positive ways.

### Graphic Design

#### **Program Purpose:**

To provide high-quality documents and graphics, both print and electronic, allowing departments to provide information to the public in an engaging and professional manner that is consistent with the City's branding and style guidelines. To assist departments with creation of internal documents, both printed and electronic, to improve workflow and efficiency.

#### **Program Description:**

- Create/prepare documents using a variety of software applications for in-house and outsourced printing, web, social media and other electronic formats.
- Create/edit original logos, art and digital videos to support City programs.

**Objectives:**

1. Maintain seamless branding of the City of Kettering through professional and consistent document/web design and logo usage.
2. Provide high quality, cost-effective services to all City departments and produce creative and innovative City content using current technology.
3. Maintain electronic files of photography and graphics to support publications.
4. Design printed pieces in accordance with postal regulations to maximize impact while minimizing cost.

**Telecommunications****Program Purpose:**

To acquire and provide useful and cost effective third party communication services.

**Program Description:**

- Manage billing, activations and service contracts related to cell service and voice and data circuits.
- Maintain inventory, manage costs, and perform periodic audits of telecommunication service usage and needs.
- Administer the City's Cellular Device Stipend program.
- Provide subject matter expertise for communication related aspects of the City's Emergency Operations Plan.
- Coordinate City participation in first responder emergency communication programs such as FirstNet, GETS (Government Communication Emergency Telecommunications Services) and WPS (Wireless Priority Services).

**Objectives:**

1. Plan for and implement telecommunications acquisitions, installations, service changes and upgrades.
2. Serve as liaison between the City and external communication vendors.
3. Minimize telecommunication costs by eliminating unused services, modifying service plans to closely align with needs, and identifying cost savings opportunities in technology advancement.

**Front Desk Reception****Program Purpose:**

To greet walk-in visitors to the Government Center, provide helpful information, direct citizens to the appropriate department, and answer the main city telephone line.

**Program Description:**

- Serve as the first point of contact to all walk-in visitors.
- Direct caller via telephone to the appropriate department to answer their questions and respond to concerns.
- Give concise directions to those who are seeking relocated departments.
- Provide maps as needed.

**Objectives:**

1. Provide professional and courteous service by greeting all Government Center visitors and effectively handling all incoming calls. Be aware of all recent events (positive and negative), which would create reasons for any sudden increase in phone contact.
2. Serve as information desk via telephone calls or in person to Government Center visitors.
3. Assist other departments in providing professional and courteous service to their visitors and callers.
4. Help other departments with paperwork, data entry, transcription or other miscellaneous jobs.
5. Monitor voicemail of after-hours callers.

**Mailing Services****Program Purpose:**

To efficiently and cost-effectively provide mail and courier service to all City departments.

**Program Description:**

- Sort daily mail for City departments.
- Supervise volunteer couriers who deliver and collect mail and interoffice correspondence daily.
- Meter all outgoing mail and transport the daily mail to the Kettering Post Office.
- Assemble mail for delivery per standard mail permit requirements and deliver to Business Mail Entry Unit.
- Ship and receive City packages via Fed Ex, UPS, and USPS.
- Obtain and organize appropriate mail supplies for the various carriers.



**Objectives:**

1. Provide efficient and cost-effective mailing services to City departments, minimizing postage costs.
2. Provide guidance to departments for cost-effective mailing practices.
3. Adhere to and provide current postal regulations and standards.
4. Maintain mailing list hygiene to ensure delivery accuracy and reduce costs.

**Geographic Information Systems****Program Purpose:**

A Geographic Information System (GIS) is a repository of map data and related information that uses special software to tie computer maps with associated geographic data enabling its users to seek, access, process, and make decisions in a way that improves operational efficiency and service delivery.

**Program Description:**

- GIS Data Management and Maintenance - Establishing and enforcing accuracy standards, update procedures, and database compatibility for GIS data; coordinating data sharing with local, state, and federal government; creating and developing new GIS data.
- GIS Applications Development and Analysis - Developing custom applications, interactive maps, and specific project map documents for analysis and inquiry of GIS information; performing complex GIS analysis.
- GIS Training and Assistance - Conducting training classes to city-wide GIS users, tutoring and assisting individual GIS user on a specific project, and answering technical questions.
- Cartography and Presentation - Producing informative maps, reports, and digital graphics; assisting with presentation of geographic information.

**Objectives:**

1. Improve and modernize the underlying architecture for GIS data to improve the efficiency of data maintenance, to improve application performance, and to improve the capability to integrate GIS data with other non-GIS data.
2. Concentrate on helping users to make better use of applications and data.
3. Create Internet access to GIS data and applications to improve citizen access to information and services.
4. Identify ways to apply GIS technology across all City departments to improve the efficiency of City operations and to expand the City's ability to deliver services to the public.
5. Manage the integration between GIS software and department record keeping applications, such as permitting and dispatching, that utilize spatial data.

**Measurements:**

|   | <b><u>Actual<br/>2017</u></b> | <b><u>Actual<br/>2018</u></b> | <b><u>Estimated<br/>2019</u></b> | <b><u>Proposed<br/>2020</u></b> |
|---|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
| <b><u>Reception Desk</u></b>                  |                               |                               |                                  |                                 |
| Avg. daily phone calls answered               | 46.0                          | 43.0                          | 43.5                             | 41.0                            |
| Avg. daily walk in patrons assisted           | 44.2                          | 41.6                          | 42.0                             | 40.0                            |
| <b><u>Design and Publishing</u></b>           |                               |                               |                                  |                                 |
| Total Support Requests Completed              | 2,534                         | 2,699                         | 2,000                            | 2,000                           |
| <b><u>Mail and Messenger Service</u></b>      |                               |                               |                                  |                                 |
| Outbound 1 <sup>st</sup> class pieces metered | 83,143                        | 76,872                        | 77,000                           | 73,500                          |
| Bulk mail pieces                              | 346,171                       | 374,676                       | 409,000                          | 375,000                         |

**Administrative Support Expenditures — General Fund (Key 0400)**

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|                                       | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Estimated<br/>2019</b> | <b>Proposed<br/>2020</b> | <b>% of Total</b> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 696,711                | 713,710                | 733,930                   | 773,800                  | 79.28%            |
| <b>Operating Expenditures</b>         | 193,371                | 200,342                | 270,460                   | 202,270                  | 20.72%            |
| <b>Capital Equipment Expenditures</b> | <u>0</u>               | <u>0</u>               | <u>0</u>                  | <u>0</u>                 | <u>0.00%</u>      |
| <b>Total</b>                          | 890,082                | 914,052                | 1,004,390                 | 976,070                  | 100.00%           |

The proposed 2020 budget is 4.0% greater than the original 2019 budget and 2.8% less than estimated 2019 expenditures.

The Administrative Support operating budget includes funding for telecommunication services. The expenditures fluctuate due to encumbrances for several citywide multi-year phone service contracts.

**Staffing Levels**

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|  | <b>Actual 2017</b> | <b>Actual 2018</b> | <b>Estimated 2019</b> | <b>Proposed 2020</b> |
|--|--------------------|--------------------|-----------------------|----------------------|
| <b>Administrative Systems Director</b>     | 1                  | 1                  | 1                     | 1                    |
| <b>City Planner – GIS</b>                  | 1                  | 1                  | 1                     | 1                    |
| <b>Technician – GIS</b>                    | 0.5                | 0.5                | 0.5                   | 0.5                  |
| <b>Corresponding Secretaries</b>           | 2.6                | 2.6                | 2.6                   | 2.6                  |
| <b>Clerk Typist – Records Center</b>       | 0.5                | 0.5                | 0.5                   | 0.5                  |
| <b>Part-Time Clerical - Records Center</b> | 0.2                | 0.2                | 0.2                   | 0.2                  |
| <b>Part-Time Clerical – Print Shop</b>     | 1.6                | 1.6                | 1.6                   | 1.6                  |
| <b>Part-Time PBX Operators</b>             | <u>1.2</u>         | <u>1.2</u>         | <u>1.2</u>            | <u>1.2</u>           |
| <b>Total</b>                               | 8.6                | 8.6                | 8.6                   | 8.6                  |

# HUMAN RESOURCES DEPARTMENT

The Human Resources Department is responsible for the Human Resources administration program. This includes the selection, retention, development, safety, coordination of wages and benefits, communications, and organizational effectiveness for our total work force. The City identifies its work force in terms of its approximately 405 regular, full-time employees; however, a more accurate indicator of our human resources activities is that over 1,200 employees are actually on the payroll at some period during the year. The difference is primarily due to extensive use of part-time and temporary employees, plus normal turnover. The Human Resources Department is required to stay current on all pertinent State and Federal laws, and to serve as staff support for the Civil Service Commission.

## Programs

### Human Resource Administration

#### **Program Purpose:**

To provide for selection of the best possible employees for the organization and provide for optimum utilization of these human resources to the mutual benefit of the employees and the City.

#### **Program Description:**

As a staff agency, this department assists all other departments, divisions and the City Manager through:

- The preparation of organization and job studies and wage surveys, the formulation of recommendations based on such studies and the implementation of changes.
- The development and utilization of Civil Service Rules and Personnel Procedures and legislation for selection of the City's work force in compliance with appropriate Equal Employment Opportunity guidelines.
- The development and implementation of special programs in areas such as safety, communications, employee relations, volunteer incentives, management training, and troubled employee counseling and discipline.
- The coordination of City resources for labor negotiations.
- The administration of employee benefits, i.e., wages, life, dental, vision and health insurance, retirement programs, wellness program and Worker's Compensation.
- The oversight of Title I and Title II of the Americans with Disabilities Act, in coordination with the City Manager's office and the Inclusion Manager.

#### **Objectives:**

1. Focus on projects that are identified as high priorities through the strategic plan update process.
2. Continue development and implementation of procedures and practices for compliance with the Ohio Public Employment Risk Reduction Program.
3. Administer the City's Workers' Compensation Program in a fair and judicious manner providing proper coverage for employees while minimizing the City's financial risk.
4. Seek more contemporary means for Civil Service Administration with consideration to fair and expeditious selection of top qualified employees in both the classified and unclassified service.
5. Provide programs for employee development and education maximizing the use of resources of the Miami Valley Communication Council.
6. Continue to monitor and modify the City's compensation and benefits program negotiating and implementing appropriate levels designed for fairness to employees and taxpayers alike.
7. Monitor, modify, and administer the health insurance program for employees providing contemporary coverage at appropriate cost including compliance with complex governmental mandates.
8. Seek technological innovations appropriate for efficient human resources administration.

**Measurements:**

|   | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> |
|---|------------------------|------------------------|---------------------------|--------------------------|
| Number of position evaluations performed                | 24                     | 29                     | 30                        | 40                       |
| Number of examinations developed<br>and/or administered | 4                      | 2                      | 2                         | 6                        |
| Number of positions filled:                             |                        |                        |                           |                          |
| Regular appointments                                    | 41                     | 40                     | 40                        | 30                       |
| Promotions  | 23                     | 14                     | 12                        | 12                       |
| Total hours of training provided*                       | 12,623                 | 15,486                 | 13,000                    | 13,000                   |
| Safety:   | 12,133                 | 15,486                 | 11,500                    | 11,500                   |
| City-Wide:  | 12,623                 | 15,486                 | 13,000                    | 13,000                   |
| HR Sponsored:   | 1,446                  | 305                    | 1,000                     | 1,000                    |
| Regular full-time turnover rate                         | 5%                     | 4%                     | 3%                        | 3%                       |
| Grievances reaching third step                          | 1                      | 1                      | 2                         | 2                        |
| Average elapsed time in<br>filling vacancies            | 12.8 wks.              | 15 wks.                | 12 wks.                   | 12 wks.                  |

\*Training may cross categories

**Human Resources Expenditures — General fund (Key 0450)**

|                                       | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> | <u>% of Total</u> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 785,426                | 816,261                | 840,050                   | 875,100                  | 68.96%            |
| <b>Operating Expenditures</b>         | 415,536                | 380,224                | 417,780                   | 393,850                  | 31.04%            |
| <b>Capital Equipment Expenditures</b> | <u>0</u>               | <u>0</u>               | <u>0</u>                  | <u>0</u>                 | <u>0.00%</u>      |
| <b>Total</b>                          | 1,200,962              | 1,196,485              | 1,257,830                 | 1,268,950                | 100.00%           |

The proposed 2020 budget is 2.7% less than the 2019 budget and is 0.9% greater than estimated 2019 expenditures.

Operating expenditures for 2017 and 2018 include costs associated with the employee wellness program such as health screenings, lectures, and passes to City fitness facilities. Effective 2019, wellness program costs will remain in the Health Insurance internal service fund and not be charged back to the Human Resources cost center. Actual 2017 operating expenditures include \$68,000 for accessibility consulting services related to Title II of the American Disabilities Act (ADA) requirements. Actual 2018 and estimated 2019 expenditures reflect increased professional legal services. Effective 2019, the operating budget includes \$30,000 for employee leadership training.

**Staffing Levels**

|                                    | <u>Actual 2017</u> | <u>Actual 2018</u> | <u>Estimated 2019</u> | <u>Proposed 2020</u> |
|------------------------------------|--------------------|--------------------|-----------------------|----------------------|
| <b>Human Resources Director</b>    | 1                  | 1                  | 1                     | 1                    |
| <b>Human Resources Managers</b>    | 2                  | 2                  | 2                     | 2                    |
| <b>Human Resources Technicians</b> | 3                  | 3                  | 3                     | 3                    |
| <b>Secretary</b>                   | <u>1</u>           | <u>1</u>           | <u>1</u>              | <u>1</u>             |
| <b>Total</b>                       | 7.0                | 7.0                | 7.0                   | 7.0                  |

# PLANNING & DEVELOPMENT DEPARTMENT

The Planning and Development Department is responsible for the programs of Development Regulations, Building Permitting and Inspections, Community Development, and Property Maintenance. The department is responsible for both short and long range planning, monitoring trends and developing community and neighborhood improvement initiatives. The department is also responsible for day-to-day activities centered on enforcement of the Zoning, Building, and Property Maintenance Codes. The emphasis is to help residents, businesses and builders design, build and maintain quality projects in keeping with the tradition of excellence that exists in Kettering. In 2019, approximately 4,200 construction and mechanical permits will be reviewed and approximately 8,600 structural and mechanical inspections will be performed, resulting in a total construction value of about \$50 million in investments. An ongoing priority is to keep properties in good repair, which will help individual property owners and the quality of the neighborhoods in general. For 2020, the department will focus on projects that have been identified as high priorities through the strategic plan update process, particularly the improving and maintaining of housing options and neighborhood environments.

## Programs

### Development Regulations

#### **Program Purpose:**

To facilitate orderly and quality development in order to achieve an attractive environment for all residents and business owners.

#### **Program Description:**

- Administration and enforcement of the City's Zoning Code, including processing applications for subdivision, zoning permits, zoning changes, street and alley vacations.
- Evaluate development proposals and suggest revisions where appropriate in order to carry out City development policies, plans and programs.
- Inspect properties for Zoning Code compliance.
- Act as the facilitator for the review of development proposals by all City departments and outside agencies.
- Prepare area-planning studies to assist in the development of policies and programs and to carry out the City's goals and objectives outlined in the Comprehensive Plan.
- Serve as the professional staff for City's Board of Zoning Appeals and Planning Commission.

#### **Objectives:**

1. Focus on projects that have been identified as high priorities through the strategic plan update process.
2. Continue to implement the Wilmington Pike Redevelopment Plan.
3. Implement redevelopment strategies for the key redevelopment areas identified in the comprehensive plan.
4. Facilitate new construction and remodeling for business expansion and home construction.
5. Begin the process of updating the Kettering Comprehensive Plan.

### Building Code Enforcement

#### **Program Purpose:**

To ensure minimum safe building construction in compliance with uniform standards and requirements.

#### **Program Description:**

- Pre-plan conference with applicants to clarify the code requirements and applicability to the project.
- Plan examination and field inspections of all new structures, additions, alterations to existing buildings, and certificates of occupancy for compliance with the Ohio Basic Building Code, the Ohio Residential Code for One, Two and Three Family Dwellings and other applicable codes.
- Coordination of all permit related activities with other City departments and other governmental agencies.
- Issuance of building, mechanical, electrical, plumbing, and fire permits.
- Ensure violations are corrected through voluntary compliance or initiate other procedures as necessary.
- Investigate complaints involving building code requirements and resolve those issues.
- Coordinate inspection activities with property maintenance related to dangerous structures.
- Coordinate activities with adjoining jurisdictions to enhance cooperation, efficiency and effectiveness.

**Objectives:**

1. Issue 95% of all completed applications for permits within 10 days of receipt.
2. Respond on-site to all inspection requests within one business day.
3. Issue 95% of mechanical and zoning permits within one day of application.
4. Issue 95% of all plumbing, electrical, gas, and mechanical permits over-the-counter or within 3 days.
5. Continue efforts to streamline the permitting process.
6. Continue to work with Montgomery County and Dayton Building Departments to provide coordination, efficiency and effectiveness in building inspections.
7. Develop and implement community education for building safety.

**Community Development Program****Program Purpose:**

Plan and carry out actions that address the housing and economic development needs of Kettering, especially for the low and moderate-income residents with the use of Community Development Block Grant, HOME, and other appropriate grant monies.

**Program Description:**

- Develop, monitor and administer grant activities.
- Identify and apply for appropriate grant dollars.
- Establish and monitor programs that provide financial assistance to low and moderate income property owners in order to maintain and enhance the existing housing stock.
- Provide down payment and/or closing cost assistance for low and moderate-income households to promote home ownership opportunities in Kettering.
- Coordinate and monitor the City's efforts in the area of fair housing by working with the City of Kettering Board of Community Relations and the Miami Valley Fair Housing Center.
- Provide financial assistance to businesses that are planning to locate in the City, expand their existing business and/or rehabilitate their present facility.
- Work with Montgomery County Land Bank to facilitate development opportunities in Kettering.

**Objectives:**

1. Continue to implement a five-year Community Development Block Grant program that identifies projects and programs to benefit the residents of Kettering.
2. Develop and implement neighborhood improvement programs especially in the identified low and moderate-income areas of the City
3. Market and implement the HOME funded rehab loan program, down payment assistance, and new construction/rental rehab projects as needed.
4. Seek additional funding sources for housing and community redevelopment programs.

**Property Maintenance****Program Purpose:**

To enforce the residential and commercial property maintenance code to enhance and preserve properties in good repair with structurally sound and sanitary conditions that do not impose a threat to the general health, safety, and welfare of the community.

**Program Description:**

- On-going inspection of residential and commercial properties for compliance with the Property Maintenance and Zoning Code. Inspections are the result of citizen complaints and proactive identification by a code enforcement inspector.
- Coordinate the implementation of new property maintenance initiatives.
- Coordinate with other divisions and departments to improve and enhance all areas of the City.

**Objectives:**

1. Continue to improve the Property Maintenance Program to assure continued preservation of our neighborhoods.
2. Continue efforts to work with businesses and residents to maintain and enhance properties.
3. Systematically inspect all neighborhoods annually.
4. Pursue adoption of updates to the property maintenance code.
5. Continue to work with the Cities of Service Team on neighborhood improvement initiatives.
6. Prepare a draft nuisance ordinance for presentation to City Council.
7. Work with other departments on implementation of a new nuisance ordinance.

**Measurements:**

|   | <b><u>Actual<br/>2017</u></b> | <b><u>Actual<br/>2018</u></b> | <b><u>Estimated<br/>2019</u></b> | <b><u>Proposed<br/>2020</u></b> |
|---|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
| <b><u>Building Code Enforcement</u></b>             |                               |                               |                                  |                                 |
| Building Permits                                    | 405                           | 415                           | 420                              | 420                             |
| 450 Building Inspections                            | 2,115                         | 2,400                         | 2,300                            | 2,300                           |
| Electrical Permits                                  | 782                           | 795                           | 800                              | 800                             |
| Electrical Inspections                              | 1,899                         | 2,038                         | 2,000                            | 2,000                           |
| Plumbing Permits                                    | 2,336                         | 1,610                         | 1,600                            | 1,600                           |
| Plumbing Inspections                                | 3,127                         | 2,359                         | 2,500                            | 2,500                           |
| Heating Permits                                     | 803                           | 923                           | 900                              | 900                             |
| Heating Inspections                                 | 1,623                         | 2,023                         | 2,000                            | 2,000                           |
| Zoning Permits                                      | 420                           | 433                           | 450                              | 450                             |
| Zoning Inspections                                  | 495                           | 523                           | 600                              | 600                             |
| <b><u>Community Development Program</u></b>         |                               |                               |                                  |                                 |
| CDBG Funds Secured                                  | \$494,462                     | \$543,626                     | \$557,907                        | \$557,907                       |
| CDBG Program Income                                 | \$248,438                     | \$23,419                      | \$25,000                         | \$25,000                        |
| Rehab Loan Applications Processed                   | 36                            | 33                            | 35                               | 40                              |
| Rehab Loan Dollar Amount                            | \$84,751                      | \$79,760                      | \$90,000                         | \$90,000                        |
| Housing Counseling                                  |                               |                               |                                  |                                 |
| Course/Participation                                | 51                            | 185                           | 150                              | 150                             |
| Down payment/Closing Cost                           |                               |                               |                                  |                                 |
| Assistance Processed                                | 22                            | 6                             | 5                                | 0                               |
| Down payment/Closing Cost Assistance                |                               |                               |                                  |                                 |
| Dollar Amount                                       | \$74,878                      | \$39,594                      | \$21,000                         | \$0                             |
| Fair Housing Contacts                               | 202                           | 158                           | 200                              | 200                             |
| Business Loans Processed                            | 0                             | 0                             | 0                                | 0                               |
| Business Loan Dollar Amount                         | \$0                           | \$0                           | \$0                              | \$0                             |
| Amount Spent to Acquire Real Property               | \$71,187                      | \$66,032                      | \$50,000                         | \$50,000                        |
| Senior Resource Program                             | \$17,663                      | \$30,862                      | \$26,000                         | \$26,000                        |
| <b><u>Development Regulations</u></b>               |                               |                               |                                  |                                 |
| BZA Cases   | 7                             | 1                             | 3                                | 4                               |
| Planning Commission Cases                           |                               |                               |                                  |                                 |
| Major Subdivisions                                  | 1                             | 0                             | 1                                | 1                               |
| Minor Subdivisions                                  | 5                             | 9                             | 8                                | 5                               |
| Vacations   | 3                             | 2                             | 2                                | 3                               |
| Zoning Code Amendments                              | 1                             | 2                             | 1                                | 1                               |
| Rezoning  | 5                             | 4                             | 5                                | 5                               |
| Economic Development Overlays                       | 1                             | 0                             | 0                                | 0                               |
| Conditional Use                                     | 7                             | 3                             | 5                                | 5                               |
| <b><u>Property Maintenance Code Enforcement</u></b> |                               |                               |                                  |                                 |
| Code Enforcement Cases                              | 3,620                         | 3,566                         | 3,000                            | 3,000                           |
| Total Inspections                                   | 9,375                         | 12,875                        | 12,500                           | 12,500                          |

## Planning & Development Department Expenditures — General Fund (Key 0500)

|                                       | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> | <u>% of Total</u> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 2,085,483              | 2,130,425              | 2,177,880                 | 2,295,600                | 85.62%            |
| <b>Operating Expenditures</b>         | 409,128                | 408,467                | 405,000                   | 385,400                  | 14.38%            |
| <b>Capital Equipment Expenditures</b> | <u>0</u>               | <u>0</u>               | <u>0</u>                  | <u>0</u>                 | <u>0.00%</u>      |
| <b>Total</b>                          | 2,494,611              | 2,538,892              | 2,582,880                 | 2,681,000                | 100.00%           |

The proposed 2020 budget is 1.1% greater than the 2019 budget and 3.8% greater than estimated 2019 expenditures.

Actual 2018 operating expenditures include \$55,200 related to the transfer of city-owned property at 3729 Wilmington Pike to the Montgomery County Land Reutilization Corporation (MVLRC). The reduction in 2020 operating expenditures is attributable to a decrease in the depreciation chargeback for the department's software application.

### Staffing Levels

|   | <u>Actual 2017</u> | <u>Actual 2018</u> | <u>Estimated 2019</u> | <u>Proposed 2020</u> |
|---|--------------------|--------------------|-----------------------|----------------------|
| <b>Planning &amp; Development Director</b>      | 1                  | 1                  | 1                     | 1                    |
| <b>Planning &amp; Development Architect</b>     | 2                  | 2                  | 2                     | 2                    |
| <b>City Planner</b>                             | 2                  | 2                  | 2                     | 2                    |
| <b>Neighborhood Services Manager</b>            | 1                  | 1                  | 1                     | 1                    |
| <b>Inspector</b>                                | 3                  | 3                  | 3                     | 3                    |
| <b>Property Maintenance Inspector</b>           | 3                  | 3                  | 3                     | 3                    |
| <b>CDBG Program Administrator</b>               | 1                  | 1                  | 1                     | 1                    |
| <b>CDBG Housing Specialist</b>                  | 1                  | 1                  | 1                     | 1                    |
| <b>CDBG Program Coordinator</b>                 | 1                  | 1                  | 1                     | 1                    |
| <b>Secretary</b>                                | 2                  | 2                  | 2                     | 2                    |
| <b>Clerk Typist</b>                             | 1.0                | 1.0                | 1.0                   | 1.0                  |
| <b>Planning &amp; Development Aide</b>          | 2.1                | 2.1                | 2.1                   | 2.1                  |
| <b>Seasonal Property Maintenance Inspectors</b> | 0.9                | 0.9                | 0.9                   | 0.9                  |
| <b>Temporary Plumbing Inspector</b>             | <u>0.1</u>         | <u>0.1</u>         | <u>0.1</u>            | <u>0.1</u>           |
| <b>Total</b>                                    | 21.1               | 21.1               | 21.1                  | 21.1                 |

## ECONOMIC DEVELOPMENT

Economic Development is responsible for assisting the City Manager in supporting citywide economic development activities. This office is a key component in the City's strategic emphasis on economic development.

### Programs

#### Economic Development

##### **Program Purpose:**

To promote a continued strong local economy by taking actions that will retain and promote the expansion of existing business and industry, attract new development compatible with the community, and stimulate private sector investment especially in the areas of physical plant and equipment to create new permanent jobs. These efforts will be integrated with and supportive of the improvement in the regional economic base from the programs designed to help it.



**Program Description:**

The City will develop and maintain a strategy for economic development by:

- Attention to existing business and industry — methods of regular communication and exchange of ideas will be used to ensure that the City understands the needs and plans of existing businesses.
- Target City services to support positive action by businesses and industry — strategize City services and manage code requirements to promote business retention and growth.
- Pursue potential development of redevelopment sites — The City will continue to identify and prioritize areas of high potential for development or redevelopment, will work with the involved property owners and developers to create concepts and actions that will promote development of those properties.
- Maintain and increase an active role in regional economic development efforts — Kettering must ensure that its retention and job creation programs are not operated in a vacuum. Proactive efforts with existing regional planning and development organizations are an important part of Kettering's economic development program.

**Objectives:**

1. Focus on projects that have been identified as high priorities through the strategic plan update process.
2. Establish an ongoing relationship with Kettering businesses and serve as a liaison between businesses and City government in order to increase communication and facilitate economic growth.
3. Promote economic development opportunities by working with private developers and lenders to identify potential projects that would benefit from City, county, or state assistance.
4. Facilitate site searches for businesses to relocate/locate or expand within the City.
5. Produce updates on Economic Development projects, opportunities and services for city publications.
6. Enhance the working relationship and expand existing channels of communications with area counties and cities to promote economic growth in Kettering and the region.
7. Continue to participate and play a supportive role in the Kettering-Moraine-Oakwood Chamber of Commerce as well as regional economic development initiatives with I-70/75 Development Association, the Dayton Development Coalition, and the National Association of Industrial & Office Properties (NAIOP).

**Economic Development Expenditures — General Fund (Key 0550)**

|                                       | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> | <u>% of Total</u> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 151,458                | 154,629                | 154,040                   | 160,100                  | 10.80%            |
| <b>Operating Expenditures</b>         | 951,164                | 2,591,460              | 3,181,710                 | 1,322,600                | 89.20%            |
| <b>Capital Equipment Expenditures</b> | <u>0</u>               | <u>0</u>               | <u>0</u>                  | <u>0</u>                 | <u>0.00%</u>      |
| <b>Total</b>                          | 1,102,622              | 2,746,089              | 3,335,750                 | 1,482,700                | 100.00%           |

The proposed 2020 budget is 32.9% less than the original 2019 budget and 55.6% less than estimated 2019 expenditures.

Operating expenditures in the Economic Development Department fluctuate widely based upon specific incentives for local businesses. Incentives may take the form of tax sharing agreements, forgivable loans, infrastructure grants, or Montgomery County ED/GE grants. Actual 2017 through 2019 expenditures include costs associated with the City's Wilmington Pike Improvement Plan. Effective 2018, operating budgets include funding for Miami Valley Research Park operations.

**Staffing Levels**

|                                     | <u>Actual 2017</u> | <u>Actual 2018</u> | <u>Estimated 2019</u> | <u>Proposed 2020</u> |
|-------------------------------------|--------------------|--------------------|-----------------------|----------------------|
| <b>Economic Development Manager</b> | 1                  | 1                  | 1                     | 1                    |
| <b>Secretary</b>                    | <u>0.1</u>         | <u>0.1</u>         | <u>0.1</u>            | <u>0.1</u>           |
| <b>Total</b>                        | 1.1                | 1.1                | 1.1                   | 1.1                  |

# POLICE DEPARTMENT

The Police Department is responsible for the programs of Police Patrol, Criminal Investigations, Crime Prevention/Community Relations, and Community Service (Animal Control). The Police Department has three primary objectives: 1) Build strong relationships with the community, 2) Address drug issues, and 3) Address traffic issues. To achieve these issues we continue to place a strong emphasis on Crime Prevention/Community Relations, both formally through the Community Relations Section and informally through day-to-day personal contact between officers/civilian personnel and the public. Drug issues are dealt with through a combined effort between Patrol and Criminal Investigations. We also focus police patrol activities on high traffic and crash areas, through self-initiated and directed patrol, and respond to community traffic and safety concerns.

## **Programs**

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### **Police Patrol**

#### **Program Purpose:**

To operate with the underlying objective of keeping our city safe and crime-free. Patrol activity includes the following activities: self-initiated and directed patrol, traffic enforcement, monitoring suspicious activity, investigating crimes, responding to emergency calls, community outreach, and more.

#### **Program Description:**

The Police Patrol Section is responsible for enforcement of criminal and traffic laws, preliminary investigation of criminal complaints, and crime deterrence. The Patrol Section maintains a high visibility presence through the use of marked vehicles, traffic control and field contacts with the goal of reducing criminal activity through Police presence.

#### **Objectives:**

1. Assign available manpower and equipment to best address the needs of the community.
2. Continue to aggressively prevent property crimes through proactive patrol and consistent business checks.
3. Use Accurant crime mapping tools to identify crime trends and hotspots, to effectively direct patrol activity.
4. Utilize patrol tactics, K9 units, and the Bike Patrol Program in a pro-active manner in apartment complexes, parks, business districts, and high crime areas in a further effort to engage the community, regulate traffic, and reduce thefts, burglaries, drug activity, and other crimes.

### **Criminal Investigation**

#### **Program Purpose:**

To provide in-depth investigation of as many criminal complaints as practical, identify the perpetrators thereof and cause criminal prosecution to ensue.

#### **Program Description:**

The Investigation Section is responsible for gathering information and identifying persons responsible for crime and identifying and targeting known repeat offenders and high crime locations.

#### **Objectives:**

1. Track cases assigned to detectives and ensure they are worked and completed in a timely manner.
2. Be responsive to any active SARA (Scanning, Analysis, Response, Assessment) initiatives.
3. Utilize Accurant crime mapping tools to identify crime trends and hotspots.
4. Aggressively pursue complaints to obtain criminal prosecutions.

### **Crime Prevention/Community Relations**

#### **Program Purpose:**

To maintain a strong and productive partnership with our community. This is accomplished through educational programs in our schools as well as various community outreach programs designed to serve the needs of residents and businesses.

#### **Program Description:**

The Crime Prevention/Community Relations Section is responsible for education of the public and school age students. The Community Relations School Resource Officers are committed to the schools to create a safe learning environment for students, teachers, and administrators. This Community Relations section also provides, compiles statistics of crimes for reports, alarms and registrations, and coordinates. It is the link between the public and the Police Department.

**Objectives:**

1. Ensure a safe learning environment in the schools by working with the schools and our community.
2. Ensure community outreach through various outlets: social media (Facebook and Twitter), web-based apps (Nextdoor, Neighbors), Citizens Police Academy, Coffee with a Cop, RAD and radKIDS classes, and more.
3. Continue our positive relationship with all media outlets.
4. Make effective use of our alarm program (new software in 2020) to help prevent crime.

**Animal Control****Program Purpose:**

To protect the public health and safety, and promote the welfare of animals.

**Program Description:**

The Community Service Officer (CSO) is responsible for addressing issues related to domestic animals through public education and enforcement of City animal control ordinances.

**Objectives:**

1. Work with the community to resolve animal issues in the City.
2. Promote education for responsible pet ownership by speaking in the schools and at special events.
3. Work with county agencies and veterinarians to promote licensing and spay/neuter programs.

**Measurements:**

|                             | <b><u>Actual</u></b><br><b><u>2017</u></b> | <b><u>Actual</u></b><br><b><u>2018</u></b> | <b><u>Estimated</u></b><br><b><u>2019</u></b> | <b><u>Proposed</u></b><br><b><u>2020</u></b> |
|-----------------------------|--|--|---|--|
| <b><u>Police Patrol</u></b> |  |  |   |  |
| Response times (minutes)    |  |  |   |  |
| Emergency (Code 3)          | 3:18                                       | 3:06                                       | 3:10  | 3:10   |
| Non-emergency (Code 2)      | 4:50                                       | 4:51                                       | 4:50  | 4:50   |
| Routine                     | 6:32                                       | 6:21                                       | 6:20  | 6:20   |
| Number of Criminal Arrests  | 4,414                                      | 3,605                                      | 4,000   | 4,000  |
| Number of Calls for Service | 64,826                                     | 60,348                                     | 60,000  | 60,000                                       |

**Criminal Investigation**

|                         |       |       |       |       |
|-------------------------|-------|-------|-------|-------|
| Part I Crimes Reported  | 925   | 848   | 900   | 900   |
| Part II Crimes Reported | 3,904 | 3,986 | 3,900 | 3,900 |

Part I Crimes: Homicide, Rape, Robbery, Aggravated Assault, Burglary, Larceny, Motor Vehicle Theft, and Arson.

Part II Crimes: Vandalism, Weapons, Sex-Morals, and Narcotics.

**Community Relations**

|                                    |     |           |           |     |
|------------------------------------|-----|-----------|-----------|-----|
| Annual Community Outreach Programs | 226 | 200+      | 200       | 200 |
| False Alarms                       | 637 | 600 est.* | 600 est.* | 550 |

**Animal Control**

|                     |       |       |       |       |
|---------------------|-------|-------|-------|-------|
| Miles Driven        | 9,152 | 7,087 | 9,000 | 9,000 |
| Complaints Received | 4,202 | 3,827 | 4,000 | 4,000 |
| Warnings            | 605   | 831   | 900   | 925   |
| Citations           | 92    | 108   | 110   | 110   |
| Dog Bites           | 23    | 17    | 35    | 25    |
| Cat Bites           | 2     | 0     | 0     | 0     |

\*The software to track alarm status is scheduled for replacement in 2020.

## Police Department Expenditures — General Fund (Key 0600)

|                                       | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> | <u>% of Total</u> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 12,555,561             | 12,823,950             | 13,029,540                | 13,687,400               | 84.35%            |
| <b>Operating Expenditures</b>         | 1,801,464              | 1,863,569              | 2,103,890                 | 2,395,130                | 14.76%            |
| <b>Capital Equipment Expenditures</b> | <u>209,905</u>         | <u>149,370</u>         | <u>173,570</u>            | <u>145,000</u>           | <u>0.89%</u>      |
| <b>Total</b>                          | 14,566,930             | 14,836,889             | 15,307,000                | 16,227,530               | 100.00%           |

The proposed 2020 budget is 4.7% greater than the 2019 budget and 6.0% greater than estimated 2019 expenditures.

Starting 2019, funding is provided for two additional School Resource Officers in the Kettering Schools. The cost of the additional officers will be partially reimbursed (70%) by the school district. For 2020, two additional Patrol Officers will be added to staffing levels based upon the results of a workforce study.

The estimated 2019 operating expenditures include \$25,000 as part of the planned Emergency Operations Center to be located at Fire Headquarters/Station #36, \$54,000 for replacement taser equipment, and \$45,000 for a multi-year warranty on the in-car camera system. The proposed 2020 operating budget includes depreciation of a new computer aided dispatch and records management system, the replacement of mobile data terminals, and bulletproof vests.

Capital equipment expenditures for 2020 include the replacement of (3) marked cruisers and (1) unmarked sedan.

## Staffing Levels - Police

|   | <u>Actual 2017</u> | <u>Actual 2018</u> | <u>Estimated 2019</u> | <u>Proposed 2020</u> |
|---|--------------------|--------------------|-----------------------|----------------------|
| <b>Chief</b>                              | 1                  | 1                  | 1                     | 1                    |
| <b>Captains</b>                           | 2                  | 2                  | 2                     | 2                    |
| <b>Lieutenants</b>                        | 6                  | 6                  | 6                     | 6                    |
| <b>Sergeants</b>                          | 10                 | 10                 | 10                    | 10                   |
| <b>Patrol Officers</b>                    | 63                 | 63                 | 65                    | 67                   |
| <b>Jailers</b>                            | 5                  | 5                  | 5                     | 5                    |
| <b>Court Officers</b>                     | 2                  | 2                  | 2                     | 2                    |
| <b>Crime Analyst</b>                      | 0                  | 0                  | 0                     | 1                    |
| <b>Secretaries</b>                        | 3                  | 3                  | 3                     | 2                    |
| <b>Training &amp; Support Specialist</b>  | 0.6                | 0.6                | 0.6                   | 0.6                  |
| <b>Clerical</b>                           | 4                  | 4                  | 4                     | 4                    |
| <b>Community Service Specialist</b>       | 1                  | 1                  | 1                     | 1                    |
| <b>Part-Time Court Security Off.</b>      | 3.8                | 4.5                | 4.5                   | 4.5                  |
| <b>Part-Time Clerical</b>                 | <u>0.3</u>         | <u>0.3</u>         | <u>0.3</u>            | <u>0.3</u>           |
| <b>Sub-total</b>                          | 101.7              | 102.4              | 104.4                 | 106.4                |
| <b>Public Safety Civilian Dispatchers</b> | <u>14.3</u>        | <u>14.3</u>        | <u>14.3</u>           | <u>14.3</u>          |
| <b>Total Police and Dispatch</b>          | 116.0              | 116.7              | 118.7                 | 120.7                |

Staffing levels shown above exclude the full-time Director of Tactical Crime Suppression Unit position. This position is employed to benefit multiple jurisdictions through the coordination of the Miami Valley Communications Council (MVCC). The costs associated with this position are fully reimbursed by the MVCC.

## MISCELLANEOUS FACTS

The Kettering Police Department is the only one of its size in the country to pass the rigorous standards necessary to achieve triple accreditation from the Commission on Accreditation for Law Enforcement Agencies, the American Correctional Association, and the Commission on Accreditation for Law Enforcement Agencies for Communications.

# **FIRE DEPARTMENT**

The Kettering Fire Department is responsible for the provision of emergency preparedness, citizen safety and injury prevention education/services, enforcement of fire codes, Homeland Protection planning, records management for hazardous materials according to SARA Title III, investigation of the cause and origin of fires, records repository for fire related incidents and response/mitigation of emergencies related to fire, medical, rescue, and environmental or hazardous materials.

## **Mission Statement**

It is the mission of the Kettering Fire Department to meet community needs by delivering an effective system of services; thereby minimizing the impact of fire, hazardous conditions, illness and injury with a caring and efficient response.

## **Vision Statement**

It is the vision of the Kettering Fire Department to serve the public with the following core values: Integrity, Professionalism, Compassion, Unity and Honor.

## **Overview and Objectives**

The Kettering Fire Department Organization includes the following primary activity areas:

### **Office of The Chief**

It is the responsibility of the Office of the Chief to:

- Develop and implement the capital improvements plan.
- Coordinate and provide fiscal management oversight.
- Coordinate and provide oversight of fire fighter safety program.
- Develop and implement unified regional fire service programs.
- Provide Coordination of Department risk management and quality improvement programs.
- Coordinate long range and strategic planning.

The Community Emergency Preparedness and Homeland Protection Programs are also the responsibility of the Office of the Chief.

The Office of Chief is responsible to plan, develop and publish the City of Kettering Homeland Protection and emergency operations plans including community risk analysis, emergency/disaster operations structures, and response, recovery, mitigation and prevention procedures. The Office of Chief is responsible for the coordination of grants and programs related to the development of City of Kettering initiatives related to Homeland Protection.

### **Objectives:**

1. Maintain a comprehensive and current Disaster Plan.
2. Equip and maintain an Emergency Operations Center (EOC).
3. Conduct regular tests of the Disaster Warning System.
4. Coordinate disaster planning with appropriate local and regional disaster resource groups and agencies, including disaster exercises and grants.
5. Develop and maintain preparedness and response plans related to the evolving mission as defined by the National Response Plan through the Federal Department of Homeland Protection.
6. Maintain records of training and activities related to Homeland Protection including National Incident Management System (NIMS) compliance.
7. Continue implementation of vehicle replacement guidelines.
8. Coordinate with Public Works and Parks, Recreation and Cultural Arts Departments effective and safe confined space procedures and operations.

## **Training and Education**

The Training Director is responsible for ensuring all members of the Kettering Fire Department are competently trained and prepared to respond to a variety of emergency situations. The Training Division coordinates over 300 classes annually covering 50 separate topics in emergency response, mitigation, and management. This Office is responsible for providing Continuing Education for all emergency responders, ensuring annual Core Competency Requirements are met, and enhancing the abilities of KFD Personnel through a comprehensive and progressive training program.

- Develop, implement, and coordinate all fire, rescue, and emergency medical training program/curriculum as identified through operational needs, professional standards and professional development.
- Provide evaluation tools to facilitate and enhance the quality improvement program for emergency service operations for events relating to Fire Suppression, Technical Rescue, Emergency Medical Services, and Hazardous Materials.
- Coordinate and provide new employee training, orientation, and field mentor programs to ensure all new members meet the standards set forth by the Kettering Fire Department.
- Coordinate Officer Development programs to enhance the capabilities of the Command Staff.
- Maintain Records and provide statistical reports pertaining to member certifications, training, and professional development.

### **Objectives:**

1. Improve the capabilities and efficiency of all operational members through annual training requirements and core competency check-off program.
2. Continue to implement and improve the new employee training and orientation process to ensure high quality of personnel functioning in emergency operations.
3. Develop Training Programs to meet operational needs through quality assurance and field performance evaluations.
4. Develop a Training Facility enhancement plan to allow the department to improve onsite training capabilities.
5. Develop additional career and officer development opportunities for all operational members.
6. Revise and implement special rescue procedures, training, and operations.
7. Develop and implement an IMS training curriculum for officers and firefighters.

## **Administration and Finance**

Administration and Finance is responsible for budget preparation and management, the monitoring and coordination of purchasing, and capital improvement projects. This Office is also responsible for the development and implementation of budget management programs designed to improve fiscal accountability of the department to the citizens of Kettering. The Office of Administration and Finance is responsible to coordinate issues and projects between the Human Resources, Law, Facilities and other city departments.

- Provide department-wide financial services in the areas of budget management, payroll, and inter-divisional fiscal coordination.
- Coordinate and facilitate development of annual Fire Departmental budget package presentations.
- Provide oversight of departmental expenditures through analysis and statistical reporting.
- Provide department-wide human resource services coordination.
- Support, implement, and maintain computer based information service programs.
- Develop and implement quartermaster program.
- Research grant opportunities and submit grant applications to support department activities related to emergency preparedness, emergency response, safety education, risk management, training, and department administration.
- Provide department-wide facilities management coordination.

### **Objectives:**

1. Improve the communications and records management systems to make the department more responsive to the needs of the internal and external customer and to increase operational efficiency.
2. Continue to implement an integrated, computer-based records management systems.
3. Continue to support and expand the Quartermaster Program to provide personnel with safe work clothing.

## **Risk Management**

Risk Management develops and provides family emergency preparedness, injury prevention, and fire prevention education programs for target youth/senior populations and citizens of Kettering. It provides enforcement of fire and building codes in Kettering and assists with plans review processes in coordination with the City Building Officials. The fire marshal oversees company business inspections, pre-fire planning/documentation, and provides investigation of fires along with the prosecution of arson through the criminal justice system.

- Develop and provide emergency family preparedness and fire prevention educational programs and services to the citizens of Kettering.
- Provide technical support to educational institutions for curriculum development of emergency family preparedness and fire prevention programs.
- Provide enforcement of the fire and building codes.
- Provide and assist with plans reviews to facilitate safe and code-compliant building construction within the Kettering fire service district.
- Support the Office of Chief with planning and implementation of Homeland Protection “Preparedness” programs.
- Provide oversight of the fire company building inspection and pre-fire planning programs.
- Pursue the investigation of fires, prosecution of arson, and maintenance of Fire Department records.

### **Objectives:**

1. Evaluate fire stations’ environmental conditions to provide personnel with modern, efficient, and safe facilities that promote professionalism and morale.
2. Improve the safety of personnel operating at an emergency scene through the implementation of a computer/radio-based personnel-tracking system.
3. Provide risk assessment analysis of the City of Kettering related to issues of Homeland Protection and the National Response Plan.
4. Improve the skills, knowledge, and abilities of the Fire Department’s personnel through new or expanded training and education programs instituted in-house or in partnership with other agencies.
5. Increase service to the community through expanding safety and injury prevention programs.
6. Provide for the health, safety, and welfare of Fire Department personnel through implementation of the infection control plan and the provision of essential training, equipment, and support.
7. Finalize implementation and timely maintenance of digital record keeping for all department fire pre-plans.

## **Emergency Services**

The Kettering Fire Department provides Emergency services utilizing apparatus and trained personnel (strength authorized at 80) responding to over 8,900 incidents. Emergency services are provided for incidents related to hazardous materials, trapped people, fire, and emergency medical situations.

- Provide safe and appropriate response to fire, EMS, rescue and environmental emergencies.
- Develop and prepare standards of response for weapons of mass destruction and for other potential Homeland Security Risk identified in the City of Kettering.
- Provide consistent and effective process of incident management for all emergency response operations.
- Maintain focus on quality improvement for emergency response personnel through ongoing review of incident management activities, computer aided communication records, and compliance with Fire Department performance standards.
- Establish programs which provide roles and involvement of fire fighters in decisions regarding safety, training, professional standards, and health issues.
- Provide a high level of service for the internal fire fighter customer and the external citizen customer through performance based emergency communications center operations and by optimizing emergency radio communications to enhance fire fighter safety on the emergency incident.

**Objectives:**

1. Improve the health and safety of Fire Department personnel by providing:
  - a. A Wellness/Fitness Program.
  - b. Effective and safe tools, equipment, and protective clothing.
  - c. On-going analysis and review of operating practices of the computer aided dispatch system and the EMS field data collection/reporting program.
  - d. Continued research and implementation of accreditation programs related to the administration, management, practices, and training of the department.
  - e. Enhanced training and education through expanded programs using effective training props, tabletop scenarios, and computer/distance learning.
2. Improve inventory control through final implementation of a computer-based equipment tracking system.
3. Increase the Fire Department's rescue capabilities through implementation of the rescue strike team program and increasing the number of qualified rescue technicians in the department.
4. Continue efforts to interface Computer Aided Dispatch (CAD) system with the department's Management Information System.
5. Assist with training of all primary and backup public safety dispatchers through a nationally recognized EMD training program.
6. Training of all appropriate City staff and all Fire Department members in the National Incident Management System (NIMS).

**Fire Department Overview Strategies**

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1. Benchmark Kettering Fire Department programs, services, and training utilizing accreditation processes and the firefighter professional qualifications recommendations.
2. Expand and explore partnerships with other fire, governmental, private, and health care agencies to enhance emergency service and risk reduction programs allowing reduced duplication and lowering operating expense of the Kettering Fire Department.
3. Promulgate a professional fire service model utilizing national standards related to safety, wellness, training, education, personal protective clothing, apparatus, and facilities.
4. Establish professional development models for members of the Kettering Fire Department through participation in accreditation as an organization meeting professional qualification criteria.
5. Enhance the Fire Department administrative team through the development of parallel "high performance" leadership teams involving all Kettering Fire Department officers.
6. Improve fiscal accountability and enhance revenue potential using activity based costing concepts, effective marketing analysis, long range planning, and expanded use of computer based records management system.
7. Intensify family emergency preparedness programs and services, public fire prevention education, and neighborhood support through fire company inspections/pre-emergency planning, curriculum development, and targeted marketing of children with special needs and senior safety programs and services.
8. Partnership with other governmental agencies in the areas of emergency radio services and information technology to enhance Fire Department personnel and citizen safety, to provide a more responsive and accountable information/reporting service to citizens, and to provide quality statistical information for effective stewardship of citizen dollars.
9. Enhance Fire Department performance and member safety using effective utilization of integrated communications/computer technologies.
10. Improve the Fire Department performance, communication processes and internal customer service through implementation of comprehensive fire department study recommendations.



**Measurements:**

|   | <b>Actual<br/><u>2017</u></b> | <b>Actual<br/><u>2018</u></b> | <b>Estimated<br/><u>2019</u></b> | <b>Proposed<br/><u>2020</u></b> |
|---|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
| <b><u>Fire Suppression Bureau</u></b>                                 |                               |                               |                                  |                                 |
| <b>Fire Alarms</b>  | <b>1,816</b>                  | <b>1,874</b>                  | <b>1,722</b>                     | <b>1,765</b>                    |
| Fire—Residential Structure  | 94                            | 89                            | 80                               | 85                              |
| Fire—Commercial/Other Structures                                      | 21                            | 13                            | 10                               | 12                              |
| Fire—Vehicles   | 19                            | 23                            | 14                               | 16                              |
| Fire—Outside, incl. brush, rubbish                                    | 100                           | 61                            | 110                              | 110                             |
| False Alarms  | 412                           | 398                           | 404                              | 410                             |
| Hazardous Materials Responses   | 121                           | 112                           | 132                              | 128                             |
| Mutual Aid Given  | 93                            | 68                            | 64                               | 64                              |
| Other Responses (incl. public service<br>and non-emergency responses) | 956                           | 1110                          | 908                              | 940                             |
| <b><u>Emergency Medical Services</u></b>                              |                               |                               |                                  |                                 |
| <b>Medic Alarms</b>   | <b>7,109</b>                  | <b>7,096</b>                  | <b>7,080</b>                     | <b>7,067</b>                    |
| EMS—Illness   | 3,532                         | 3,634                         | 3,492                            | 3,350                           |
| EMS—Injury  | 1,488                         | 1,477                         | 1,612                            | 1,747                           |
| EMS—Cardiac   | 717                           | 707                           | 730                              | 753                             |
| EMS—Full Arrest   | 162                           | 154                           | 174                              | 194                             |
| EMS—Stroke  | 220                           | 193                           | 198                              | 203                             |
| EMS—Vehicle Accident  | 239                           | 241                           | 186                              | 161                             |
| EMS—Assault/Violence  | 71                            | 49                            | 34                               | 30                              |
| EMS—Overdose  | 210                           | 162                           | 144                              | 126                             |
| EMS—Mental  | 151                           | 153                           | 154                              | 155                             |
| EMS—Maternity   | 34                            | 47                            | 14                               | 22                              |
| EMS—Non-Emergency   | 5                             | 24                            | 14                               | 14                              |
| EMS—Mutual Aid Given  | 280                           | 255                           | 328                              | 312                             |
| <b><u>Fire Prevention Bureau</u></b>                                  |                               |                               |                                  |                                 |
| Plans Reviewed  | 148                           | 221                           | 294                              | 275                             |
| Construction Inspections  | 199                           | 240                           | 246                              | 250                             |
| Fire Safety Inspections   | 115                           | 183                           | 182                              | 182                             |
| <b><u>Public Education/Community Relations</u></b>                    |                               |                               |                                  |                                 |
| Fire safety talks/block parties/safety trailer visits, etc.           | 154                           | 187                           | 176                              | 180                             |
| CPR Classes   | 54                            | 46                            | 74                               | 60                              |

## Fire Department Expenditures — General Fund (Key 0700)

|                                       | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> | <u>% of Total</u> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 11,817,186             | 12,121,418             | 12,609,980                | 13,070,600               | 81.81%            |
| <b>Operating Expenditures</b>         | 2,448,746              | 2,181,788              | 2,001,820                 | 2,056,050                | 12.87%            |
| <b>Capital Equipment Expenditures</b> | <u>14,426</u>          | <u>317,708</u>         | <u>934,230</u>            | <u>851,000</u>           | <u>5.33%</u>      |
| <b>Total</b>                          | 14,280,358             | 14,620,914             | 15,546,030                | 15,977,650               | 100.00%           |

The proposed 2020 budget is 5.9% greater than the 2019 budget and 2.8% greater than estimated 2019 expenditures.

Since the enactment of the Patient Protection Affordable Care Act (PPACA), the Fire Department experienced a significant reduction in part-time firefighters. In early 2016, the City added 6 full-time firefighter positions. In 2017, the City added 9 full-time firefighters and 4 captains. For 2019, City Council approved an additional 5 full-time firefighters and 1 captain. The new full-time staff reduce dependency on part-time positions and overtime.

Actual 2017 operating expenditures include a \$700,000 charge to close a pension plan for the City's former volunteer firefighters. Actual 2018 expenditures include \$610,400 for the replacement self-contained breathing apparatus (SCBA) equipment. Estimated 2019 operating expenditures include \$25,000 as part of the planned Emergency Operations Center to be located at Fire Headquarters/Station #36. The proposed 2020 operating budget includes funding for the replacement of the department's rugged mobile data terminals (MDT's).

Capital equipment expenditures in 2019 include a replacement rescue engine for Station #34 and a replacement medic with power cot. Equipment proposed for 2020 includes a replacement battalion chief staff vehicle (\$53,000) and an aerial ladder truck (\$798,000 in the General Fund and \$300,000 in the EMS Fund).

## Staffing Levels

|  | <u>Actual 2017</u> | <u>Actual 2018</u> | <u>Estimated 2019</u> | <u>Proposed 2020</u> |
|--|--------------------|--------------------|-----------------------|----------------------|
| <b>Chief</b>                             | 1                  | 1                  | 1                     | 1                    |
| <b>Assistant Fire Chiefs</b>             | 2                  | 2                  | 2                     | 2                    |
| <b>Battalion Chiefs</b>                  | 5                  | 5                  | 5                     | 5                    |
| <b>Captains</b>                          | 14                 | 14                 | 15                    | 15                   |
| <b>Civilian Fire Marshal</b>             | 1                  | 1                  | 1                     | 1                    |
| <b>Firefighters</b>                      | 52                 | 52                 | 57                    | 57                   |
| <b>Fire Service Specialist</b>           | 1                  | 1                  | 1                     | 1                    |
| <b>Fire Inspector</b>                    | 0                  | 0.3                | 0.3                   | 0.3                  |
| <b>Secretary</b>                         | 2                  | 2                  | 2                     | 2                    |
| <b>Part-Time Hydrant Inspection Crew</b> | <u>0.5</u>         | <u>0.5</u>         | <u>0.5</u>            | <u>0.5</u>           |
| <b>Sub-total</b>                         | 78.5               | 78.8               | 84.8                  | 84.8                 |
| <b>Part-time Firefighters</b>            | 13                 | 5                  | 3                     | 3                    |

Staffing levels shown above exclude a contractual Fire Prevention Inspector position scheduled to work on a part-time basis (0.6 fte).

# Engineering Department

The Engineering Department is comprised of the Transportation Engineering Division and the Engineering Division. The Transportation Engineering Division is responsible for the programs of Transportation Operations, Traffic Signals, and Transportation Safety and Education. This includes maintaining traffic signals for the City's 246 miles of streets and related traffic service requests. In addition, the division provides for transportation planning and design for capital improvement projects, as well as a review of traffic-related components of proposed development projects. The division also coordinates public transportation programs operated by the Regional Transit Authority.

The Engineering Division is responsible for the programs of Sidewalk Design and Construction, ADA Curb Ramp Construction, Sidewalk Repair, Street Lighting, Street Design and Construction, Street Surfacing, Storm Drainage Design and Construction, and Water and Sanitary Sewer. The Water and Sanitary Sewer program is one of coordinating projects with Montgomery and/or Greene County, which are responsible for the water and sanitary sewer systems used by Kettering residents. The Engineering Division manages the implementation of the Capital Improvement Program as it relates to streets, drainage, sidewalks, and bridges. Also, Engineering reviews land development plans and provides engineering, inspection, surveying and drafting support to other City departments, as well as processing requests for permits and information on house numbers, flood insurance, lot and plat data, and other service requests for citizens.

## Programs

### Transportation Operations

#### **Program Purpose:**

Provides for the planning, design, operation and administration of transportation engineering functions.

#### **Program Description:**

Examples of Transportation Engineering Division services include:

- Analysis of accident reports, traffic volumes, speeds, field investigations and special studies to develop solutions to safety hazards.
- The data gathering of traffic speeds, a City-wide traffic-counting program and speed and delay studies.
- The study and resolution of visibility, parking, right-of-way control problems and other accident potentials with traffic engineering techniques.
- The planning and design of intersection and street geometrics.
- Monitoring of public transportation operations.
- Maintaining the traffic control file including recommending legislation on traffic signing.

#### **Objectives:**

1. Continue accident analysis, hazard elimination, plan reviews, parking revisions and traffic studies.
2. Monitor public transportation operations and regional transportation issues.
3. Implement traffic responsive signal operations using features of the new traffic system software (Centrac).
4. Continue involvement in Intelligent Transportation System improvements for the region.

### Traffic Signals

#### **Program Purpose:**

The development of a responsive signal system, which provides for the efficient and safe movement of traffic.

#### **Program Description:**

This program provides the development, design, inspection and maintenance of a responsive, reliable and flexible signal system on the City's arterial streets. This program features the use of the computerized signal control system, Kettering Area Responsive Traffic System, "KARTS", to increase capacity and reduce stops on the major streets. As a result of accident analysis, the intersection timing and phasing are adjusted, where possible, to reduce accidents.

Program examples include:

- Design, contracting and inspection of new and modernized signal installations (see yearly Capital Improvement Programs).
- Continuing development of control strategies for KARTS.
- Investigation of congestion and signal control problems.
- Control equipment replacement, structural inspection and vehicle detector repairs.

**Objectives:**

1. Maintain a quality traffic signal system and continue to seek improved computerized signal timing and progression of traffic.
2. Design, contract and inspect the signal projects programmed as part of the Capital Improvement Program.
3. Continue cooperation between communities to improve and maintain the cross boundary progression of the signal systems.

**Transportation Safety & Education****Program Purpose:**

To educate and protect Kettering citizens, pre-school through adults, from possible harm by traffic accidents.

**Program Description:**

This unique program coordinates safety education with citizens of Kettering, the Kettering Board of Education, private school officials and the City. The program involves extensive training and supervision of the school safety patrol. A Safe Routes to School program involves classroom presentations and Safe Route maps. Bicycle related activities involve work with civic and governmental groups to encourage bicycle safety and expanded bicycle usage. Sidewalk improvements and bicycle route planning and design are part of this program. Kettering Safety Village is an in-depth pedestrian safety program for pre-kindergarten children including an innovative safety program for parents.

The philosophy of the elementary school program is to assist in teaching schoolchildren to handle traffic situations in the absence of adult or school safety patrol supervision (after school hours). This must be a coordinated effort involving the schools, City and parents.

**Objectives:**

1. Continue coordinating safety programs with all schools in the City including in-school safety classes (when grants can be found), safety patrol supervision and the Safety Village program. Seek alternative sources of funding.
2. Continue to coordinate and improve Safety Village, a nationally recognized program.
3. Continue to work with the Board of Education to implement quality safety programs at all schools to the greatest extent possible with the funding available.
4. Continue to seek additional alternative sources of funding for safety programs to include State grants, service group contributions, business contributions of materials and/or funds, and non-profit organization contributions of materials, volunteer time, or funds.

**Sidewalk Design & Construction****Program Purpose:**

To facilitate safe pedestrian movement and improve neighborhood aesthetics.

**Program Description:**

- Construction of new sidewalk is initiated by the City when pedestrian safety and convenience indicate a need or as part of roadway construction. Residents or neighborhood civic associations may request or petition for sidewalks. When property on thoroughfares is improved or developed, the City encourages installation of sidewalks. In new subdivisions, sidewalks may be required as part of the proposed development.
- Part of the cost of improvements may be assessed.
- Design efforts under this program are closely coordinated with other City agencies, especially Transportation Engineering and the Planning and Development Department.
- Ramps are installed at all intersections on new construction to conform to federal statutes.

**Objectives:**

Continue to survey, design, prepare plans and install sidewalks at approved locations.

**ADA Curb Ramp Construction****Program Purpose:**

Make pedestrian transportation infrastructure in the public right-of-way accessible to people with disabilities by constructing compliant curb ramps at street crossings.

**Program Description:**

Kettering has approximately 3,500 pedestrian sidewalk curb ramps with varying levels of compliance to the Americans with Disabilities Act (ADA). It is projected that compliant curb ramps will be constructed at a substantial number of these crossings by 2037. Curb ramp replacement is precipitated primarily by roadway repair projects (Sidewalk Design

& Construction; Sidewalk, Curb & Drive Approach Repair; Street Design & Construction; Street Surfacing), but also from citizen complaints and awareness of needs from city staff. ADA compliant curb ramps are constructed as part of roadway repair projects, as well as through an annual CIP program to address curb ramps outside of roadway projects. The curb ramp replacement locations are selected by the criteria above, as well as in preparation for applications for federal funds.

**Objectives:**

1. Increase accessibility of pedestrian transportation infrastructure by constructing compliant curb ramps as part of roadway projects, as well as a stand-alone program.
2. Maintain documentation of curb ramp construction to fulfill requirements of Transition Plan.
3. Coordinate with other departments as necessary for curb ramp construction at Kettering facilities.

**Sidewalk, Curb & Drive Approach Repair**

**Program Purpose:**

To maintain sidewalks in a safe and serviceable condition.

**Program Description:**

- Maintenance of sidewalks is the responsibility of abutting property owners. Efforts are made to encourage voluntary maintenance and repair. A program is underway to systematically review all sidewalks in the City and cause repairs of all substandard sidewalks.
- Sidewalk ramps are (re)constructed as necessary to conform to federal statutes.

**Objectives:**

1. Continue to inspect sidewalks, research ownerships, develop homeowner cost and prepare assessments for repair program.
4. Prepare sidewalk repair construction bid proposal by June.
5. Provide engineering design, survey and construction drawings for these projects.

**Street Lighting**

**Program Purpose:**

Improve vehicular and pedestrian safety and community security.

**Program Description:**

- Most of the City's street lighting system is owned and maintained by Miami Valley Lighting (MVLt), a DPL, Inc. subsidiary. The City contracts with MVLt and pays for this system on a per light basis.
- The City owns lights and/or poles in many different areas of new large developments, contracting with private companies and paying for maintenance on a per light basis.
- Abutting property owners pay for lights by assessment. The City pays at least the legally required amount of 2% plus an intersection cost and pays additional costs for brighter lighting on thoroughfares.
- Fixed rates of assessments are now being charged to all new lighting districts.
- Thoroughfares: The City lights thoroughfares when they are improved. Existing improved thoroughfares are lit in order of need.
- Residential Streets: Streetlights are installed upon petitioning from residents.

**Objectives:**

1. Coordinate with MVLt the design and installation of lights in locations designated by City Council.
2. Enhance the lighting of at least one additional thoroughfare per year.
3. All MVLt street lights were recently converted to LED. City-owned streetlights will be converted to LED as opportunities arise.

**Street Design & Construction**

**Program Purpose:**

To facilitate safe vehicular movement and improve neighborhood aesthetics.

**Program Description:**

- The capacity and safety of thoroughfares are improved by reconstructing substandard roadways to modern design criteria and by spot improvements that modify existing roadway geometry. Residential streets not meeting current standards are reconstructed to improve safety, rideability and neighborhood aesthetics. Roadways are designed to take advantage of special neighborhood characteristics whenever possible. New streets proposed as part of land development are reviewed for conformance to subdivision standards.

- Part of the cost of improvement on residential streets may be assessed or paid for with other non-City funds. Thoroughfare improvement funds are obtained from all levels of government (Federal, State, etc.) and also may be assessed. The City may participate with developers in constructing thoroughfares in subdivisions.
- Design efforts under this program are closely coordinated with other City agencies, especially Transportation Engineering and the Planning and Development Departments.

**Objectives:**

1. Provide engineering design, survey and construction drawings for these projects.
2. Represent the City's interest in all roadway design and construction by other agencies.
3. Submit outside funding applications.

**Street Surfacing**

**Program Purpose:**

To maintain roadway pavements in a safe, serviceable condition.

**Program Description:**

**CONCRETE PAVEMENTS**

Distressed pavements showing excessive cracking, elevation difference, spalling or other severe deficiencies are replaced or overlaid with asphalt. On thoroughfares, special joints are installed to prevent the pavement from "blowing-up" during the hot summer months and adversely affecting traffic flow.

**ASPHALT PAVEMENTS**

On residential streets, pavements requiring extensive repair that other maintenance methods cannot effectively correct are reconstructed from the subgrade up with "full depth" asphalt pavement. When the pavement surface of these streets begins to deteriorate or changes in traffic conditions require strengthening of the pavement, an asphalt overlay is used. Seal treatments are also used to prolong the life of sound pavement structures. They prevent water from penetrating to the underlying base material and reduce the deleterious effects of weather. Sidewalk ramps are (re)constructed as necessary to conform to federal statutes.

**Objectives:**

1. Utilize the pavement management system to aid in selecting streets for various street maintenance programs.
2. Develop conceptual plans and cost estimates for Capital Improvement Projects involving street resurfacing.

**Storm Drainage Design and Construction**

**Program Purpose:**

To minimize the flooding of pavements, and residential, business and industrial properties by storm water runoff.

**Program Description:**

- Major improvements to the storm drainage system will be concentrated in areas where improvements would prevent severe erosion or structural damage, encourage expansion of the economic base or eliminate problems that are seriously detrimental to the stability or aesthetics of a neighborhood. Areas experiencing minor erosion or infrequent ponding in areas where no damage results will be given lower priority for improvement. All drainage system designs should attempt to use a natural approach to drainage and impoundment or detention basins should be used wherever possible in order to reduce the costs of system expansion and improve the area's ability to recharge the water table.
- Where staff assignments permit, technical assistance will be provided to property owners experiencing drainage problems that are not the responsibility of the City to solve.
- Bridges/culverts are reconstructed to improve roadway geometry and replace unsound and hydraulically inadequate structures. New bridges/culverts are constructed where needed to provide for efficient utilization of roadway systems. The services of a consulting engineer are obtained each year to inspect the bridges/culverts for deterioration and to recommend corrective maintenance.

**Objectives:**

1. Mitigate drainage trouble spots as stand-alone projects or coordinated with planned CIP projects.
2. Obtain consultant-engineering services for the annual bridge inspection program.

**Water and Sanitary Sewer**

**Program Purpose:**

Monitor Montgomery and Greene County Water and Sewer Departments to determine effects of their actions on the City of Kettering and assure that adequate improvements are provided.

**Program Description:**

The water and sanitary sewer systems are owned and operated by Montgomery and Greene County respectively. The City's Engineering Division is responsible for developing an in-house capability to ensure that the sewer and water systems are being repaired, maintained and developed to provide for both short and long-term needs.

In addition to regular working contacts with the counties to solve day-to-day problems, periodic meetings will be held with the purpose of monitoring coordination of maintenance and improvements to the systems and to ensure continued progress in updating the systems. Specific proposals designated to solve neighborhood sanitary sewer and fire protection problems should be prepared and monitored for completion.

**Objectives:**

1. Continue to coordinate the county water system's operational problems and sanitary sewer projects with the respective County Sanitary Departments.
2. Work with Montgomery and Greene Counties to address water pressure and flow concerns.

**Measurements:**

|   | <b><u>Actual<br/>2017</u></b> | <b><u>Actual<br/>2018</u></b> | <b><u>Estimated<br/>2019</u></b> | <b><u>Proposed<br/>2020</u></b> |
|---|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
| <b><u>Transportation Operations</u></b> |                               |                               |                                  |                                 |
| Accident Statistics                     |                               |                               |                                  |                                 |
| Red Light Violations                    | 55                            | 54                            | 52                               | 51                              |
| Non-Stop (at sign)                      | 15                            | 9                             | 8                                | 7                               |
| Right-of-Way after Stop (at sign)       | 56                            | 61                            | 60                               | 59                              |
| Assured Clear Distance                  | 271                           | 245                           | 244                              | 242                             |
| Total Accidents                         | 860                           | 822                           | 820                              | 815                             |

**Traffic Signals**

|   |         |        |         |         |
|---|---------|--------|---------|---------|
| Number of vehicle & pedestrian indications maintained | 3,088   | 3,088  | 3,088   | 3,088   |
| New signal indications installed                      | 2       | 0      | 0       | 1       |
| Maintenance & emergency calls                         | 370     | 357    | 354     | 350     |
| Vehicle Thoroughfare Volume Trends                    | 113,696 | 99,699 | 100,000 | 101,000 |

**Transportation Safety & Education**

|                       |   |    |   |   |
|-----------------------|---|----|---|---|
| Pedestrian Injuries   | 5 | 7  | 6 | 5 |
| Pedestrian Fatalities | 0 | 0  | 0 | 0 |
| Bicycle Injuries      | 3 | 10 | 9 | 8 |
| Bicycle Fatalities    | 0 | 0  | 0 | 0 |
| Motorcycle Injuries   | 9 | 6  | 5 | 4 |
| Motorcycle Fatalities | 0 | 0  | 0 | 0 |

**Sidewalk Design and Construction**

|                                    |       |       |       |       |
|------------------------------------|-------|-------|-------|-------|
| Miles of Walk Total                | 244.5 | 244.6 | 245.0 | 245.3 |
| Existing Thoroughfare Walk (miles) | 63.3  | 63.3  | 63.7  | 64.0  |
| Existing Residential Walk (miles)  | 181.2 | 181.3 | 181.3 | 181.3 |
| Projects in Plan Development       | 1     | 1     | 1     | 1     |
| Projects under Construction        | 1     | 0     | 1     | 1     |

**ADA Curb Ramp Construction**

|                                  |     |     |     |     |
|----------------------------------|-----|-----|-----|-----|
| Number of Curb Ramps Constructed | 138 | 163 | 167 | 140 |
|----------------------------------|-----|-----|-----|-----|

**Sidewalk, Curb & Drive Approach Repair**

|                                     |        |        |        |        |
|-------------------------------------|--------|--------|--------|--------|
| Sidewalk repair total (square feet) | 25,837 | 44,035 | 10,120 | 12,400 |
| Drive Approach (square feet)        | 17,654 | 40,126 | 6,900  | 20,000 |
| Curb (linear feet)                  | 10,030 | 16,212 | 3,000  | 6,200  |

**Street Lighting**

|                       |      |      |      |      |
|-----------------------|------|------|------|------|
| Miles of Thoroughfare |      |      |      |      |
| Lighting in Place     | 26.1 | 26.1 | 26.5 | 26.5 |
| Miles of Residential  |      |      |      |      |
| Lighting in Place     | 89.7 | 89.7 | 89.7 | 89.7 |

Measurements continued:

|  | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> |
|--|------------------------|------------------------|---------------------------|--------------------------|
| <b><u>Street Design &amp; Construction</u></b>       |                        |                        |                           |                          |
| Total Miles of Thoroughfares                         | 44.0                   | 44.0                   | 44.4                      | 44.4                     |
| Mileage Improved to Standard                         | 43.5                   | 43.5                   | 43.9                      | 43.9                     |
| Mileage — Below Standard                             | 0.5                    | 0.5                    | 0.5                       | 0.5                      |
| Total Miles of Residential Streets                   | 202.39                 | 202.39                 | 202.39                    | 202.39                   |
| Projects under Study                                 | 3                      | 3                      | 1                         | 1                        |
| Projects in Plan Development                         | 2                      | 2                      | 3                         | 4                        |
| Projects under Construction                          | 0                      | 1                      | 2                         | 3                        |
| <b><u>Street Surfacing</u></b>                       |                        |                        |                           |                          |
| Local Streets - Square yards (Concrete)              | 887                    | 1,062                  | 162                       | 500                      |
| Thoroughfares - Square Yards (Concrete)              | 0                      | 0                      | 0                         | 0                        |
| Asphalt Resurfacing (miles)                          | 11.2                   | 14.0                   | 10.0                      | 10.7                     |
| <b><u>Storm Drainage Design and Construction</u></b> |                        |                        |                           |                          |
| Storm system improvement:                            |                        |                        |                           |                          |
| Storm sewer or open channel - Linear Feet            | 0                      | 0                      | 830                       | 0                        |
| Projects in Plan Development                         | 0                      | 1                      | 0                         | 1                        |
| <b><u>Water and Sanitary Sewer</u></b>               |                        |                        |                           |                          |
| County/City Meetings                                 | 4                      | 4                      | 4                         | 4                        |
| Water System Construction Projects Scheduled         | 2                      | 1                      | 4                         | 0                        |
| Sewer System Construction Projects Scheduled         | 0                      | 0                      | 1                         | 1                        |

**Engineering Department Expenditures — General Fund Key (0800)**

|                                       | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> | <u>% of Total</u> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 1,972,851              | 1,977,376              | 2,024,030                 | 2,158,700                | 81.82%            |
| <b>Operating Expenditures</b>         | 405,074                | 439,136                | 496,080                   | 479,590                  | 18.18%            |
| <b>Capital Equipment Expenditures</b> | <u>0</u>               | <u>117,672</u>         | <u>33,600</u>             | <u>0</u>                 | <u>0.00%</u>      |
| <b>Total</b>                          | 2,377,925              | 2,534,184              | 2,553,710                 | 2,638,290                | 100.00%           |

The proposed 2020 budget is 1.2% greater than the 2019 budget and 3.3% greater than estimated 2019 expenditures. Estimated 2019 expenditures include \$15,000 for the City's share of a countywide aerial photo project. The 2018 capital equipment expenditures include the replacement of a utility truck with aerial bucket. The 2019 capital equipment expenditures include the replacement of an inspector truck.

**Staffing Levels**

|                                | <u>Actual 2017</u> | <u>Actual 2018</u> | <u>Estimated 2019</u> | <u>Proposed 2020</u> |
|--------------------------------|--------------------|--------------------|-----------------------|----------------------|
| City Engineer                  | 0                  | 0                  | 0                     | 0                    |
| Assistant City Engineer        | 1                  | 1                  | 1                     | 1                    |
| Civil Engineer                 | 3                  | 3                  | 3                     | 3                    |
| Design Engineer                | 1                  | 1                  | 1                     | 1                    |
| Engineering Surveyor           | 0                  | 4                  | 1                     | 1                    |
| Engineering Technicians        | 5                  | 4                  | 4                     | 4                    |
| Traffic Engineering Technician | 1                  | 1                  | 1                     | 1                    |
| Traffic Signal Foreman         | 1                  | 1                  | 1                     | 1                    |
| Traffic Signal Technician      | 1                  | 1                  | 1                     | 1                    |
| Senior Safety Supervisor       | 1                  | 1                  | 1                     | 1                    |
| Safety Supervisors             | 3.5                | 3.5                | 3.8                   | 3.8                  |
| Secretary                      | 1.8                | 1.8                | 1.8                   | 1.8                  |
| Temporary Engineering Aides    | <u>0.6</u>         | <u>0.6</u>         | <u>0.6</u>            | <u>0</u>             |
| <b>Total</b>                   | 19.9               | 19.9               | 20.2                  | 19.6                 |



## Community Information — General Fund (Key 1700)

The goal of the Community Information Office is to enhance the image and reputation of the City of Kettering through strategic communications with the City's stakeholders: employees, residents, corporate citizens, visitors, investors, influencers and the media. The Community Information Office is responsible for overall reputation management and communication with the public regarding City services, amenities, progress and plans. The components of the strategic reputation management plan include communications & public affairs, brand management, multi-media production, digital & social media and internal relations. The Office will focus on the following key initiatives:

### Communications & Public Affairs

- Focus on timely, accurate and appealing communication of critical city information through the production of Contact with Kettering, The Starter E-newsletter, community presentations and key stakeholder partnerships.

### Brand Management

- Improve the perception of the City of Kettering through compelling and consistent visual representation.

### Multi-Media Production

- Maximize viewership and effectiveness of city television productions through interesting content and strategic digital distribution.

### Digital & Social Media

- Ensure quality content, consistency and excellent customer service through website and social media.

## Community Information Expenditures — General Fund (Key 1700)

|                                       | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> | <u>% of Total</u> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 143,768                | 147,396                | 112,690                   | 117,000                  | 51.00%            |
| <b>Operating Expenditures</b>         | 80,163                 | 97,489                 | 92,860                    | 112,400                  | 49.00%            |
| <b>Capital Equipment Expenditures</b> | <u>0</u>               | <u>0</u>               | <u>0</u>                  | <u>0</u>                 | <u>0.00%</u>      |
| <b>Total</b>                          | 223,931                | 244,885                | 205,550                   | 229,400                  | 100.00%           |

The proposed 2020 budget is 12.5% less than the 2019 budget and is 11.6% greater than estimated 2019 expenditures. The Community Information Manager position was vacant for part of 2019. No significant changes in operating expenditures are proposed for 2020.

## Staffing Levels

|                                      | <u>Actual 2017</u> | <u>Actual 2018</u> | <u>Estimated 2019</u> | <u>Proposed 2020</u> |
|--------------------------------------|--------------------|--------------------|-----------------------|----------------------|
| <b>Community Information Manager</b> | 1                  | 1                  | 1                     | 1                    |
| <b>Temporary Part-Time Personnel</b> | <u>0</u>           | <u>0</u>           | <u>0</u>              | <u>0</u>             |
| <b>Total</b>                         | 1.0                | 1.0                | 1.0                   | 1.0                  |

## Other Cost Centers Expenditures — General Fund

|   | <u>Actual</u><br><u>2017</u> | <u>Actual</u><br><u>2018</u> | <u>Estimated</u><br><u>2019</u> | <u>Proposed</u><br><u>2020</u> |
|---|------------------------------|------------------------------|---------------------------------|--------------------------------|
| <b>SUB-TOTAL OPERATING COSTS</b>        | <b>44,052,902</b>            | <b>46,572,030</b>            | <b>49,012,660</b>               | <b>49,181,270</b>              |
| <b>OTHER COST CENTERS</b>               |                              |                              |                                 |                                |
| Juvenile Court                          | 7,500                        | 0                            | 0                               | 0                              |
| Communications                          | 60,612                       | 64,812                       | 68,300                          | 70,300                         |
| Street Lighting                         | 461,397                      | 446,926                      | 453,000                         | 468,000                        |
| Volunteer Program                       | 180,520                      | 211,995                      | 227,870                         | 244,400                        |
| Youth Services                          | 150,305                      | 147,022                      | 246,400                         | 164,700                        |
| Health Department                       | 22,067                       | 12,579                       | 19,420                          | 22,000                         |
| ED/GE Program Contribution              | 0                            | 0                            | 0                               | 0                              |
| Board of Community Relations            | 1,627                        | 1,881                        | 1,880                           | 2,180                          |
| Volunteer Celebration Committee         | 4,314                        | 3,354                        | 3,900                           | 7,000                          |
| Sister City Committee                   | 4,536                        | 3,389                        | 4,800                           | 6,280                          |
| Compliance Program                      | 0                            | 82,756                       | 107,950                         | 110,900                        |
| Public Defender Program                 | 42,335                       | 31,209                       | 32,000                          | 55,000                         |
| Nuisance Abatement                      | 0                            | 0                            | 0                               | 5,000                          |
| Innovations                             | 1,399                        | 0                            | 0                               | 24,000                         |
| Election Fees                           | 32,209                       | 13,091                       | 5,000                           | 20,000                         |
| Contributions                           | 35,252                       | 285,330                      | 6,000                           | 6,000                          |
| Leadership Kettering                    | <u>9,663</u>                 | <u>10,990</u>                | <u>11,350</u>                   | <u>11,350</u>                  |
| Total Other Cost Centers                | 1,013,736                    | 1,315,334                    | 1,187,870                       | 1,217,110                      |
| <b>GRAND TOTAL OPERATING COSTS</b>      | <b>45,066,638</b>            | <b>47,887,364</b>            | <b>50,200,530</b>               | <b>50,398,380</b>              |
| <b>TRANSFERS TO OTHER FUNDS*</b>        |                              |                              |                                 |                                |
| Street Maintenance Fund                 | 3,269,000                    | 3,984,000                    | 3,650,000                       | 2,631,000                      |
| State Highway Fund                      | 0                            | 0                            | 0                               | 156,000                        |
| Police Pension Fund                     | 1,326,000                    | 1,334,000                    | 1,391,000                       | 1,422,000                      |
| Parks & Recreation Fund                 | 6,538,000                    | 6,667,000                    | 7,358,000                       | 7,938,000                      |
| Fraze Pavilion Operations Fund          | 0                            | 0                            | 0                               | 0                              |
| DESC Reuse Funds                        | 123,000                      | 139,000                      | 115,000                         | 192,000                        |
| Special Grants and Programs             | 172                          | 11,480                       | 26,000                          | 0                              |
| Debt Service                            | 400,000                      | 394,000                      | 392,000                         | 941,000                        |
| Capital Improvement Fund                | <u>4,213,210</u>             | <u>4,247,497</u>             | <u>4,487,000</u>                | <u>4,832,000</u>               |
| Total Transfers to Other Budgeted Funds | 15,869,382                   | 16,776,977                   | 17,419,000                      | 18,112,000                     |
| <b>GRAND TOTAL GENERAL FUND</b>         | <b>60,936,020</b>            | <b>64,664,341</b>            | <b>67,619,530</b>               | <b>68,510,380</b>              |

\*During the course of normal operations, the City has numerous transactions among funds, most of which are in the form of transfers used to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

# STREET MAINTENANCE FUND

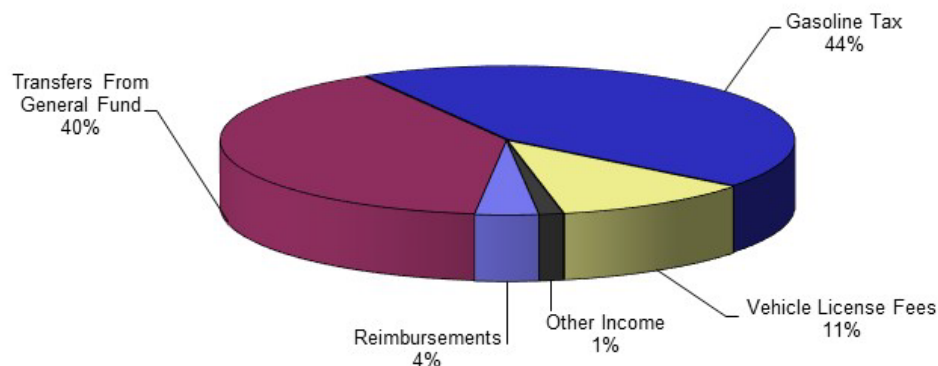
# FUND 202

Ohio State Law requires that this separate fund be established to account for 92.5% of the revenues coming back from the State to the City for motor vehicle fuel excise tax (gasoline tax) and vehicle license fees. The intent of this State law was that money derived from those sources would be used to maintain the streets in each community. Beginning July 2019, the State of Ohio's gas tax increased 10.5 cents for gasoline and 19 cents for diesel as part of the new State Transportation budget. Even with the increase, this source of revenue is short of the necessary resources to accomplish the annual maintenance on our streets. For example, in 2019 we anticipate receiving revenues of \$3,218,000, but an additional \$3,650,000 transfer from the general fund will be necessary to provide sufficient resources to meet the community's needs.

## Street Maintenance Fund Resources — Fund 202

|                                    | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> |
|------------------------------------|------------------------|------------------------|---------------------------|--------------------------|
| <b>AVAILABLE FOR EXPENDITURE:</b>  |                        |                        |                           |                          |
| Balance January 1                  | 1,053,397              | 641,129                | 982,451                   | 210,311                  |
| Nonspendable: Inventory & Prepaids | <u>214,930</u>         | <u>138,250</u>         | <u>147,195</u>            | <u>200,000</u>           |
| NET BALANCE                        | 838,467                | 502,879                | 835,256                   | 10,311                   |
| <b>RECEIPTS:</b>                   |                        |                        |                           |                          |
| Federal and State grants           | 0                      | 0                      | 0                         | 0                        |
| Gasoline Tax                       | 1,783,681              | 1,830,665              | 2,229,000                 | 2,900,000                |
| Vehicle License Fees               | 745,709                | 741,940                | 739,000                   | 740,000                  |
| Other Income                       | 17,360                 | 21,110                 | 14,000                    | 14,000                   |
| Reimbursements                     | <u>216,988</u>         | <u>248,141</u>         | <u>236,000</u>            | <u>236,000</u>           |
| TOTAL REVENUE                      | 2,763,738              | 2,841,856              | 3,218,000                 | 3,890,000                |
| Sale of City Assets                | 142,584                | 12,835                 | 85,000                    | 75,000                   |
| Transfer from General Fund         | 3,269,000              | 3,984,000              | 3,650,000                 | 2,631,000                |
| <b>TOTAL AVAILABLE</b>             | 7,013,789              | 7,341,570              | 7,788,256                 | 6,606,311                |

## STREET MAINTENANCE FUND 2020 RECEIPTS



*Proposed 2020 Streets Maintenance operations will require a \$2,631,000 transfer from the General Fund.*

The Public Service Department is responsible for maintaining much of the existing infrastructure within the City of Kettering, including the public streets, city-owned buildings, and City vehicles and equipment. The department's purpose is to maintain all city assets in a safe, clean, attractive and professional manner so as to add value to the community. By providing year-round service, the Public Service Department maintains and improves over 258 miles of public streets, approximately 60 buildings and structures, and approximately 400 vehicles and equipment. The entire staff of the department continually researches and evaluates new opportunities for improved efficiency through the application of new technology and employee training.

The Street Division is responsible for snow removal and ice control, street cleaning, street maintenance, storm drainage maintenance, leaf pickup, yard debris and compost centers, street signage and pavement marking, emergency traffic control response, and special event assistance.

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**Programs**

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**Snow Removal & Ice Control****Program Purpose:**

To facilitate traffic movement through and within the City of Kettering's public roadway network in a safe and efficient manner.

**Program Description:**

The Street Division has established a snow route priority map based on traffic volumes and roadway classification for snow and ice operations. The snow route map may be found on the City's website.

**Objectives:**

1. Continue evaluation of all snow routes for improved response and material application;
2. Continue employee training in salt delivery technology, materials, and customer service;
3. Research new technologies for increasing effectiveness controlling snow and ice accumulation;
4. Encourage increased teamwork with other City departments during heavy snow operations to maximize allocation of available resources.

**Street Cleaning****Program Purpose:**

To maintain the City public streets in a clean and safe condition through the periodic removal of dirt and debris.

**Program Description:**

The Street Division sweeps curbed roadways at least twice per year to keep the streets clear of debris and prevent sediment from entering the storm sewer system. In addition, the Division provides daily patrols of roadways to remove debris, trash and other items that could block catch basins and inlets.

**Objectives:**

1. Evaluate the need for more efficient equipment on street cleaning operations;
2. Continue employee training on street cleaning operations.

**Street Maintenance****Program Purpose:**

To maintain all City public streets in a safe and attractive manner through routine and emergency patching, sealing, striping, and berm maintenance.

**Program Description:**

To review every City street and alley according to condition and prioritize based on the needed repair. The Street Division will use its ranking system to coordinate repair work with projects scheduled by the Engineering Department. During and after the winter, spot patching crews will be utilized to maintain safe road conditions by repairing roadway damage caused by changing weather conditions.

**Objectives:**

1. Continue to refine annual street maintenance programs to improve efficiency and effectiveness;
2. Evaluate new asphalt technology, equipment, and materials;
3. Continue coordination and communication of street maintenance activities with the City's Engineering Department.

### **Storm Drainage Maintenance**

**Program Purpose:**

To maintain all of the City's public storm water drainage pathways including open channels, roadside ditches, piped storm sewer systems, catch basins, curb inlets, and manholes.

**Program Description:**

The Streets Division inspects, cleans, and makes all necessary repairs to the City's storm water system once per year and as needed. This system includes all manholes, catch basins, ditch lines, and storm water channels. Areas designated as "trouble spots", where debris collects after large rainstorms, are inspected and cleaned after every major event.

**Objectives:**

1. Continue employee training in confined space entry and trench shoring;
2. Increase evaluations and solutions for known locations when adequate drainage is problematic;
3. Continue implementation of storm water maintenance policies for consistent service delivery.

### **Leaf Pickup**

**Program Purpose:**

To collect leaves throughout the City, thereby significantly decreasing the potential for storm water drainage blockages, traffic hazards, and unlawful burning of leaves.

**Program Description:**

The Street Division picks up leaves on City streets beginning in October and continuing into December. The process starts in District 1 and finishes in District 11.

**Objectives:**

1. Maximize allocation of resources including both equipment and manpower in the most cost effective manner;
2. Complete leaf pickup throughout the City as soon as practical including the effective use of overtime.

### **Signing & Pavement Marking**

**Program Purpose:**

To improve motorist and pedestrian safety on public streets by providing signage uniformity and clarity.

**Program Description:**

The Streets Division evaluates the need for sign replacement on an annual basis. The division fabricates and installs signs, repaints crosswalks, and assists the Engineering Department with the annual contracting of pavement markings.

**Objectives:**

1. Continue research and evaluation of new street paint and sign technologies to improve lifespan and legibility.
2. Continue employee training on proper uniform sign application and pavement markings.
3. Continue coordination and communication with the Engineering Department.

|  |
|--|
| <b>MISCELLANEOUS FACTS</b>   |
| The Street Division operates a Yard Debris Drop-Off Center. The center is located on Woodman Center Drive off Dorothy Lane behind the Kettering Towne Center. For a recorded message on these programs, call (937) 296-3255. |

| <b>Measurements:</b>                         | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Estimated<br/>2019</b> | <b>Proposed<br/>2020</b> |
|--|------------------------|------------------------|---------------------------|--------------------------|
| <b><u>Snow Removal and Ice Control</u></b>   |                        |                        |                           |                          |
| Number of Snow/Ice Events                    | 21                     | 21                     | 22                        | 22                       |
| Tons of Salt Used                            | 5,171                  | 4,625                  | 5,000                     | 5,000                    |
| Liquid De-icer Used (gallons) <sup>1</sup> . | 25,436                 | 62,835                 | 65,000                    | 65,000                   |
| <b><u>Street Cleaning</u></b>                |                        |                        |                           |                          |
| Number of cycles (1,700 miles per cycle)     | 2                      | 2                      | 2                         | 2                        |
| <b><u>Street Maintenance</u></b>             |                        |                        |                           |                          |
| Asphalt Maintenance Man-hours                | 6,850                  | 9,352                  | 8,000                     | 8,000                    |
| <b><u>Storm Drainage Maintenance</u></b>     |                        |                        |                           |                          |
| Channel Maintenance Man-hours                | 4,343                  | 3,192                  | 4,500                     | 4,500                    |
| Sewer Maintenance Man-hours                  | 8,629                  | 7,818                  | 8,500                     | 8,500                    |
| <b><u>Leaf Pickup</u></b>                    |                        |                        |                           |                          |
| Man-hours                                    | 9,030                  | 8,992                  | 9,000                     | 9,000                    |
| Truckloads picked up                         | 1,166                  | 1,730                  | 1,200                     | 1,200                    |
| <b><u>Composting/Yard Debris</u></b>         |                        |                        |                           |                          |
| Man-hours                                    | 4,128                  | 3,473                  | 4,000                     | 4,000                    |

<sup>1</sup> Liquid de-icer includes calcium chloride, brine and Beet Heet beginning 2018.

### **Street Division Expenditures — Street Maintenance Fund (Key 2000)**

|                                | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Estimated<br/>2019</b> | <b>Proposed<br/>2020</b> |
|--------------------------------|------------------------|------------------------|---------------------------|--------------------------|
| Personnel Expenditures         | 3,891,517              | 4,111,826              | 4,394,510                 | 4,421,800                |
| Operating Expenditures         | 1,533,665              | 1,672,301              | 2,631,210                 | 1,829,230                |
| Capital Equipment Expenditures | <u>1,162,408</u>       | <u>713,242</u>         | <u>699,420</u>            | <u>345,000</u>           |
| <b>TOTAL EXPENDITURES</b>      | 6,587,590              | 6,497,369              | 7,725,140                 | 6,596,030                |

The proposed 2020 budget is 2.3% less than the 2019 budget and 14.6% less than estimated 2019 expenditures.

Annual expenditures in the Streets Division may fluctuate based upon the severity of Midwestern winters. Large snowfall events affect expenditures such as overtime, vehicle maintenance, fuel, salt and calcium chloride. In addition, the spring's thaw and re-freeze events may necessitate additional asphalt to repair roadways.

The City experienced an 80% increase in the price per ton of road salt for the 2018/2019 winter. This price remained the same for the 2019/2020 season. As part of a cooperative purchasing program, the price is in line with that of other communities and schools in southwest Ohio. Estimated 2019 expenditures include an encumbrance for the purchase of 4,800 tons of road salt.

2020 capital equipment purchases will include replacements for (1) dump truck, (1) one-ton flatbed pick-up truck, (1) portable gas monitoring device, as well as a new asphalt tack coat trailer.

### **Staffing Levels**

|  | <b>Actual 2017</b> | <b>Actual 2018</b> | <b>Estimated 2019</b> | <b>Proposed 2020</b> |
|--|--------------------|--------------------|-----------------------|----------------------|
| <b>Public Service Director</b>           | 0                  | 0                  | 0                     | 0                    |
| <b>Assistant Public Service Director</b> | 1                  | 1                  | 1                     | 1                    |
| <b>Street Maintenance Manager</b>        | 1                  | 1                  | 1                     | 1                    |
| <b>Street Maintenance Supervisor</b>     | 3                  | 3                  | 3                     | 3                    |
| <b>Street Service Workers</b>            | 35                 | 35                 | 35                    | 35                   |
| <b>Traffic Control</b>                   | 2                  | 2                  | 2                     | 2                    |
| <b>Secretary</b>                         | 1.2                | 1.2                | 1.2                   | 1.2                  |
| <b>Part-Time Clerical</b>                | 0                  | 0                  | 0                     | 0                    |
| <b>Part-time Maintenance Aide</b>        | 0.6                | 0.6                | 0.6                   | 0.6                  |
| <b>Temporary Laborers</b>                | <u>2.7</u>         | <u>2.7</u>         | <u>2.7</u>            | <u>2.0</u>           |
| <b>Total</b>                             | 46.5               | 46.5               | 46.5                  | 45.8                 |

**STATE HIGHWAY FUND****FUND 203**

The state law provides that 7.5% of motor vehicle fuel excise tax (gasoline tax) and vehicle license fees be earmarked for the State highways within the borders of the municipality. Beginning July 2019, the State of Ohio's gas tax increased 10.5 cents for gasoline and 19 cents for diesel as part of the new State Transportation budget. Kettering has two state highways - Far Hills Avenue (State Route 48), and a portion of Woodman Drive & Research Boulevard (State Route 835) within its borders. Because the City can only spend State Highway dollars on these two roadways, it is common to find a balance accumulating in this fund that cannot be spent for other purposes.

The proposed 2020 expenditures include construction costs for a resurfacing of Far Hills Avenue from David Road to the north corp. line. The project will be bid and managed by the Ohio Department of Transportation under its Urban Paving Program. Federal funds at the 80% level will provide \$960,000 of the estimated \$1.2 million cost. Also for 2020, the City plans \$135,000 in concrete repairs to the medians along Research Boulevard.

**State Highway Fund Resources and Expenditures (Keys 2050-2070)**

|                                       | <b><u>Actual<br/>2017</u></b> | <b><u>Actual<br/>2018</u></b> | <b><u>Estimated<br/>2019</u></b> | <b><u>Proposed<br/>2020</u></b> |
|---------------------------------------|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
| <b>AVAILABLE FOR EXPENDITURES:</b>    |                               |                               |                                  |                                 |
| Balance January 1                     | 12,639                        | 67,630                        | 113,329                          | 162,329                         |
| <b>RECEIPTS:</b>                      |                               |                               |                                  |                                 |
| Federal Grants                        | 13,067                        | 0                             | 0                                | 960,000                         |
| State Grants                          | 0                             | 0                             | 0                                | 0                               |
| Gasoline Tax                          | 144,623                       | 148,433                       | 180,000                          | 234,000                         |
| Vehicle License Fees                  | 27,203                        | 26,689                        | 27,000                           | 27,000                          |
| Investment Earnings                   | 2,379                         | 2,644                         | 1,000                            | 1,000                           |
| Refunds and Reimbursements            | <u>0</u>                      | <u>0</u>                      | <u>1,000</u>                     | <u>0</u>                        |
| TOTAL REVENUE                         | 187,272                       | 177,766                       | 209,000                          | 1,222,000                       |
| Transfer from General Fund            | 0                             | 0                             | 0                                | 156,000                         |
| <b>TOTAL AVAILABLE</b>                | 199,911                       | 245,396                       | 322,329                          | 1,540,329                       |
| <b>OPERATING COSTS:</b>               |                               |                               |                                  |                                 |
| Transportation Engineering            | 3,361                         | 7,456                         | 10,000                           | 15,000                          |
| Street Department                     | <u>128,920</u>                | <u>124,611</u>                | <u>150,000</u>                   | <u>180,000</u>                  |
| TOTAL OPERATING COSTS                 | 132,281                       | 132,067                       | 160,000                          | 195,000                         |
| <b>CAPITAL IMPROVEMENTS:</b>          |                               |                               |                                  |                                 |
| Street Surfacing and Traffic Controls | <u>0</u>                      | <u>0</u>                      | <u>0</u>                         | <u>1,335,000</u>                |
| TOTAL CAPITAL IMPROVEMENTS            | 0                             | 0                             | 0                                | 1,335,000                       |
| <b>GRAND TOTAL</b>                    | 132,281                       | 132,067                       | 160,000                          | 1,530,000                       |

**CEMETERY FUND****FUND 205**

This fund was created when the private trustees of the Beavertown Cemetery turned over ownership, their cash balance, and the responsibility to maintain the cemetery to the City of Kettering.

**Cemetery Fund Resources and Expenditures (Key 2100)**

|                                    | <b><u>Actual</u></b><br><b><u>2017</u></b> | <b><u>Actual</u></b><br><b><u>2018</u></b> | <b><u>Estimated</u></b><br><b><u>2019</u></b> | <b><u>Proposed</u></b><br><b><u>2020</u></b> |
|------------------------------------|--|--|---|--|
| <b>AVAILABLE FOR EXPENDITURES:</b> |  |  |   |  |
| Balance January 1                  | 422,931                                    | 431,263                                    | 442,660                                       | 442,660                                      |
| <b>RECEIPTS:</b>                   |  |  |   |  |
| Interment/Foundations              | 5,798                                      | 10,346                                     | 7,000   | 7,000  |
| Investment Earnings                | 4,304                                      | 7,789                                      | 5,000   | 5,000  |
| Lot Sales                          | <u>3,080</u>                               | <u>3,900</u>                               | <u>3,000</u>                                  | <u>3,000</u>                                 |
| TOTAL REVENUE                      | 13,182                                     | 22,035                                     | 15,000  | 15,000                                       |
| <b>TOTAL AVAILABLE</b>             | 436,113                                    | 453,298                                    | 457,660                                       | 457,660                                      |
| <b>OPERATING COSTS:</b>            |  |  |   |  |
| Cemetery Fund                      | <u>4,850</u>                               | <u>10,638</u>                              | <u>15,000</u>                                 | <u>20,000</u>                                |
| <b>TOTAL EXPENDITURES</b>          | 4,850                                      | 10,638                                     | 15,000  | 20,000                                       |

**MISCELLANEOUS FACTS****TRANSPORTATION:**

All neighborhoods in Kettering receive public transportation service from the Regional Transit Authority. For route information, call (937) 425-8300.

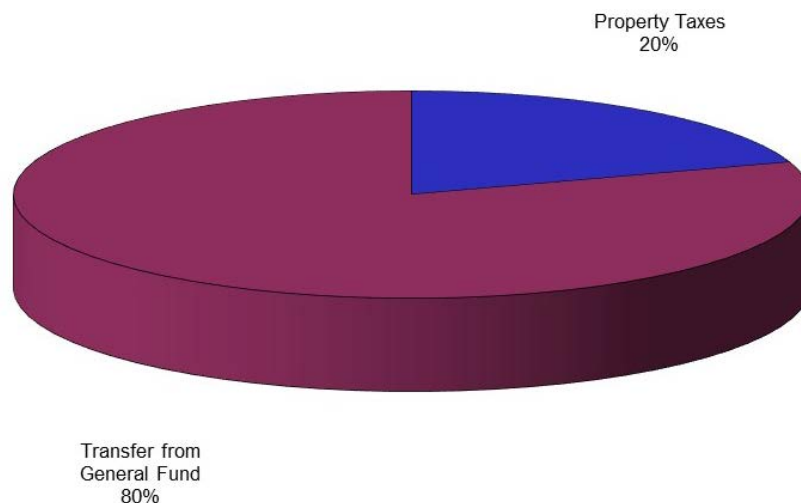


**POLICE PENSION FUND****FUND 213**

State law provides that .3 mills of the non-voted property tax be set aside for paying the employer's share of the contribution towards the state pension fund for sworn police officers. In Kettering's case, this revenue source only pays for approximately one-fifth of the cost of the City's contribution. Therefore, the City must subsidize the fund with a transfer from the General Fund for \$1,391,000 in 2019.

**Police Pension Fund Resources and Expenditures (Key 2150)**

|   | <b><u>Actual<br/>2017</u></b> | <b><u>Actual<br/>2018</u></b> | <b><u>Estimated<br/>2019</u></b> | <b><u>Proposed<br/>2020</u></b> |
|---|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
| <b>AVAILABLE FOR EXPENDITURES:</b>          |                               |                               |                                  |                                 |
| Balance January 1                           | 10,649                        | 10,044                        | 10,209                           | 10,979                          |
| <b>RECEIPTS:</b>                            |                               |                               |                                  |                                 |
| General Property Taxes                      | 282,579                       | 307,038                       | 309,000                          | 309,000                         |
| Homestead & Rollback                        | 42,506                        | 44,783                        | 45,000                           | 45,000                          |
| Refunds & Reimbursements                    | 0                             | 2,392                         | 0                                | 0                               |
| Transfer from General Fund                  | <u>1,326,000</u>              | <u>1,334,000</u>              | <u>1,391,000</u>                 | <u>1,422,000</u>                |
| <b>TOTAL AVAILABLE</b>                      | 1,661,734                     | 1,698,257                     | 1,755,209                        | 1,786,979                       |
| <b>POLICE (2100):</b>                       |                               |                               |                                  |                                 |
| Current Liability -<br>Pension Contribution | <u>1,651,690</u>              | <u>1,688,048</u>              | <u>1,744,230</u>                 | <u>1,776,300</u>                |
| <b>GRAND TOTAL</b>                          | 1,651,690                     | 1,688,048                     | 1,744,230                        | 1,776,300                       |

**POLICE PENSION FUND 2020 RECEIPTS**

*Proposed 2020 Police pension expenditures will require a \$1,422,000 transfer from the General Fund.*

**EMERGENCY MEDICAL SERVICES****FUND 220**

The Fire Department has established an emergency medical services reimbursement program that shall, at all times, be incidental to the provision of emergency medical services. The purpose of the program is to seek reimbursement for the City's fees and charges for emergency medical services from the recipient of the services or an agent thereof. The net proceeds and revenues from this program are placed into this fund to be used for the City of Kettering Fire Department equipment or structures.

**EMS Fund Resources and Expenditures (Keys 2280, 8200)**

|  | <b><u>Actual</u></b><br><b><u>2017</u></b> | <b><u>Actual</u></b><br><b><u>2018</u></b> | <b><u>Estimated</u></b><br><b><u>2019</u></b> | <b><u>Proposed</u></b><br><b><u>2020</u></b> |
|--|--|--|---|--|
| <b>AVAILABLE FOR EXPENDITURES:</b>       |  |  |   |  |
| Balance January 1                        | 968,827                                    | 33,023                                     | 40,026  | 364,026                                      |
| <b>RECEIPTS:</b>                         |  |  |   |  |
| Charges for Services                     | 363,404                                    | 371,601                                    | 362,000                                       | 375,000                                      |
| Investment Earnings                      | 7,303                                      | 14,573                                     | 16,000  | 16,000                                       |
| Reimbursements                           | <u>1,244</u>                               | <u>0</u>                                   | <u>0</u>                                      | <u>0</u>                                     |
| Total Revenue                            | 371,951                                    | 386,174                                    | 378,000                                       | 391,000                                      |
| <b>TOTAL AVAILABLE</b>                   | 1,340,778                                  | 419,197                                    | 418,026                                       | 755,026                                      |
| <b>OPERATING COSTS:</b>                  |  |  |   |  |
| EMS (2220):                              |  |  |   |  |
| Operating Expenditures                   | 17,755                                     | 19,171                                     | 20,000  | 24,000                                       |
| Capital Equipment                        | <u>0</u>                                   | <u>0</u>                                   | <u>0</u>                                      | <u>300,000</u>                               |
| <b>TOTAL OPERATING COSTS</b>             | 17,755                                     | 19,171                                     | 20,000  | 324,000                                      |
| <b>TRANSFER TO OTHER BUDGETED FUNDS:</b> |  |  |   |  |
| Capital Improvement Fund                 | <u>1,290,000</u>                           | <u>360,000</u>                             | <u>34,000</u>                                 | <u>0</u>                                     |
| <b>GRAND TOTAL</b>                       | 1,307,755                                  | 379,171                                    | 54,000  | 324,000                                      |

During 2012 through 2019, the City incurred \$29.3 million in capital improvement expenditures as part of a multi-year fire station improvement project. In all, the City completed four new fire stations. Funding for the fire station improvements came from the EMS Fund balance and from the issuance of general obligation debt – to be re-paid using EMS Fund revenues. Starting in 2015, 75% of the EMS billing revenues and contracted billing service expenditures are allocated to the Debt Service Fund to pay principal and interest on the \$15.5 million debt issuance for the fire station improvements.

Effective 2014, the costs related to the fire station improvements are recorded in the Capital Improvement Fund. As such, there are planned transfers from the EMS Fund to the CIP Fund.

In 2020, the EMS Fund will supplement the cost of a replacement aerial ladder truck (\$300,000 from the EMS Fund and \$798,000 from the General Fund).

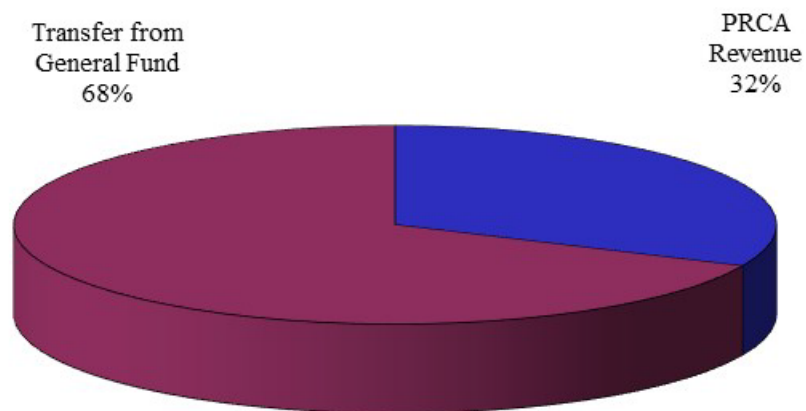
## PARKS, RECREATION & CULTURAL ARTS - FUND 246

This fund was established by the City to track revenues generated and expenditures incurred by Parks, Recreation and Cultural Arts programs and activities. Revenues are an integral part of funding most recreational programs. Therefore, it is important to look at the difference between cost and revenues. Often, the cost of expanding existing programs or of implementing new programs is offset by the receipt of additional revenues.

### **Parks, Recreation and Cultural Arts Fund Resources - Fund 246**

|                                    | <b>Actual<br/><u>2017</u></b> | <b>Actual<br/><u>2018</u></b> | <b>Estimated<br/><u>2019</u></b> | <b>Proposed<br/><u>2020</u></b> |
|------------------------------------|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
| <b>AVAILABLE FOR EXPENDITURES:</b> |                               |                               |                                  |                                 |
| Balance January 1                  | 169,090                       | 151,471                       | 231,662                          | 10,222                          |
| <b>RECEIPTS:</b>                   |                               |                               |                                  |                                 |
| Federal and State Grants           | 23,507                        | 27,120                        | 31,000                           | 35,000                          |
| Charges for Services               | 2,709,345                     | 2,718,422                     | 2,653,000                        | 2,791,000                       |
| Rentals                            | 638,063                       | 750,389                       | 698,000                          | 729,000                         |
| Concessions                        | 107,531                       | 92,734                        | 93,000                           | 101,000                         |
| Other Receipts                     | <u>109,412</u>                | <u>170,543</u>                | <u>89,000</u>                    | <u>92,000</u>                   |
| <b>TOTAL REVENUE</b>               | <b>3,587,858</b>              | <b>3,759,208</b>              | <b>3,564,000</b>                 | <b>3,748,000</b>                |
| Sale of City Assets                | 15,903                        | 37,768                        | 0                                | 0                               |
| Transfer from General Fund         | <u>6,538,000</u>              | <u>6,667,000</u>              | <u>7,358,000</u>                 | <u>7,938,000</u>                |
| <b>TOTAL AVAILABLE</b>             | <b>10,310,851</b>             | <b>10,615,447</b>             | <b>11,153,662</b>                | <b>11,696,222</b>               |

### **PARKS, RECREATION AND CULTURAL ARTS FUND 2020 RECEIPTS**



*Proposed 2020 Parks, Recreation & Cultural Arts operations will require a \$7,938,000 transfer from the General Fund.*

## PARKS, RECREATION & CULTURAL ARTS FUND 246

The Parks, Recreation, and Cultural Arts Department (PRCA) is responsible for recreation facilities and programs, cultural arts facilities and programs, parks maintenance, and youth outreach within the community. It is accredited by the Commission for Accreditation of Parks and Recreation Agencies (CAPRA).

From environmental education programs to a nationally recognized arts centre to our exceptional fitness programs and facilities, we have something for all ages, abilities and interests. We are here to provide quality parks, recreation and cultural arts that make Kettering home. We envision an exceptional and engaging parks, recreation and cultural arts department that improves the quality of life for everyone in our community. We make the experience successful for each customer through providing quality service focused on community.

### Programs

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#### Facilities/Programs

##### **Program Purpose:**

To provide parks, recreation, and cultural arts spaces, places, and programs that make Kettering a premiere community to call home.

##### **Program Description:**

The Parks, Recreation, and Cultural Arts Department provides about 4,700 annual recreation and cultural events and programs for all ages and abilities.

- **Kettering Recreation Complex** is a 161,600-square-foot facility that offers drop-in and organized activities, as well as special events throughout the year. Various parts of the facility are available to patrons for private rentals. The wide range of facilities includes: a year-round pool, spa area including a whirlpool, sauna and steam room, summer water park; seasonal ice arena; state-of-the-art fitness center and three group exercise studios (multipurpose/traditional, indoor cycling and TRX); dual full-court gymnasium featuring basketball and volleyball; and a suspended, running/walking track (1/12<sup>th</sup> of a mile). There is also a child-care area, meeting spaces, and a summer/winter concessions operation.
- **Kettering Ice Arena** is located within the Kettering Recreation Complex and is host to youth and adults involved in figure skating, ice hockey, ice skating lessons, curling lessons and leisure skating. The ice surface is 85 feet by 200 feet and oval shaped to meet national standards. The ice is in place for 7 months a year, from September through early May. The heated seating area can accommodate 700 spectators. The Kettering Ice Arena is home ice for Dayton Stealth Youth Hockey, Alter Varsity Hockey, Beavercreek Varsity Hockey and University of Dayton Hockey. Adult hockey leagues include Huff n Puff, Wonderleague, Amstutz as well as an all-female league- The Dayton Fangs. The KIA also is home to South Dayton Figure Skating Club and Ice Force Synchronized Skating Teams. The Learn-to-Skate program received the Excellence on Ice award from the Professional Skaters Association for the past 15 years for being a progressive training facility. New in 2018 and continuing in 2019, the Ice Arena will hold Learn-to-Curl programs for new curlers of all ages.
- **Kettering Fitness and Wellness Center** is a public fitness center that is located adjacent to the James S. Trent Arena (a 3,600-seat capacity, multi-sport arena) and Kettering Fairmont High School. This fitness center features a wide selection of strength and cardiovascular fitness equipment, personal viewing screens on all cardiovascular machines, locker rooms and 1/8<sup>th</sup> mile indoor walking/running track. Limited amounts of group exercise classes (Boot Camp, Yoga and Core Crunch) are taught in the Trent Arena at various times during the week. A group exercise and cycling room offers 16-20 classes/week.
- **Charles I. Lathrem Senior Center** is a multi-purpose senior center featuring a program center that can accommodate up to 360 people, a commercial kitchen, lounge/library, billiards room, and large lobby. When not scheduled for senior programs or by the Recreation Division programs, the facility is available for outside rentals.

- **Polen Farm** is a beautiful, historic rental facility that hosts weddings, graduation parties, and picnics, as well as family reunions and social gatherings. The meticulously maintained grounds also serve as a picturesque gathering place for family strolls or photographs when rentals are not occurring.
- **Rosewood Arts Centre** is a community arts and education facility. Included are a gallery space, a theatre, a dance studio, a darkroom, a pottery studio, a jewelry studio, a glass studio, drawing and painting classrooms, private studios, and general meeting spaces. Rosewood hosts office space for the Montgomery County Health Department and dance studio space for the Richens/Timm Academy of Irish Dance. Rosewood works closely with local nonprofit organizations to provide general operating and logistical support for the Kettering Children's Choir and the Kettering Civic Band. In addition, the Kettering Arts Council is a City Council appointed committee dedicated to creating accessibility to the arts for residents, with Rosewood as its main focus. Rosewood is responsible for signature PRCA events including Art on the Commons, Kettering Children's Theatre performances and community outreach programs including "Kaleidoscope: Art and Nature on Wheels."
- **Fraze Pavilion for the Performing Arts** is a 4,300 seat outdoor amphitheater that presents between 50-60 concerts during a summer season that begins Memorial Day and continues through early September. Emphasis is placed on presenting events that reflect the diverse musical and cultural tastes in the Miami Valley while maintaining affordable ticket prices. A variety of free events is conducted each year and through the presentation of free signature festivals. For financial and specific objectives for the Fraze Pavilion, see Fund 247.
- **Civic Commons** is a park located adjacent to the Government Center and is used for performing arts activities and signature festivals throughout the summer and winter. Events include Art on the Commons, Spass Nacht, Blues Fest, Swamp Romp, The Festival of the Vine, and the Montgomery County Youth and Teen Talent Show. The park also hosts the annual Taste of Kettering, presented by the Kettering-Moraine-Oakwood Chamber of Commerce.
- **Pondview Park and the Habitat Environmental Education Center** provides environmental programs for City of Kettering schoolchildren.
- **Splash Pad** at Kennedy Park is a 3,000 square foot facility with various spray features.
- **Rob Dyrdek/DC Shoe Foundation Skate Plaza** is a first-of-its kind street-style skate facility with approximately 40,000 square feet and is designed for street skateboarding by incorporating urban terrain elements such as benches, rails, and ledges.
- The **BMX** track at Delco Park hosts local and national BMX races.
- The **Senior Transportation Program** enables Kettering residents to get to and from medical appointments, grocery shopping, department/CIL programs, etc. The program uses volunteer drivers and dispatchers to transport older residents to necessary appointments for a minimal price per trip. A grant from STEP (Senior Transportation Expansion Program), funded through the Montgomery County Human Services Levy, provides a small reimbursement per ride to enable the City to offer rides to an increased number of older adults.
- **Adaptive Recreation** The focus has changed from providing adaptive programs to a focus on inclusive programming and supporting modifications to be able to provide a quality experience for all users. The City has hired a Compliance and Inclusion Manager to help navigate this new direction for the City. PRCA will continue to offer Camp Discovery but beyond that, all adaptive recreation efforts will be inclusion-based through the modification process.
- **Youth Development Programs** The City of Kettering has adopted a Positive Behavior Intervention & Support system (PBIS), along with the Kettering City Schools, through Partners for Healthy Youth. This "We Are Kettering" initiative invites local businesses and agencies to help infuse the positive behavior approach through our Kettering Community. PBIS changes the message to focus on positive reinforcement. A new position with the Schools, Youth & Family Resource Coordinator was hired in 2018 and will continue to help to guide future youth development initiatives.
- The **Partners for Healthy Youth**. The first focus for PFHY is to promote the PBIS school model through a community initiative "We Are Kettering Champions". This program will infuse the same concepts from the schools: Be Safe, Be Responsible, Be Respectful, through community education with our PRCA staff and other community churches and local businesses. The second focus for PFHY is to create a community

prevention initiative to encourage the use of current prevention strategies into existing school, city and key stakeholder activities and programs. PFHY will continue to support the city/school Youth and Family Resource Coordinator work with the schools and city.

- **Adult Athletic Leagues** encompass a variety of recreational and competitive athletic leagues offered for adults each season. Men's, women's and co-ed leagues are offered for softball, volleyball, and basketball. Additional individual adult sport opportunities are being sought to complement community offerings.
- **Youth Sports** of all sorts are offered to every member of the family. Programs include disc golf, soccer, basketball, volleyball, martial arts, camps and more. The youth sports program area can be broken down into two main themes, sport leagues and youth development programs. Soccer and basketball comprise the youth sports leagues but other recreational activities are provided. Sports camps, sport-specific skill development programs, and martial arts programs comprise our youth development program area. All of our youth sport opportunities are focused on recreation, participation and skill development. They are offered year-round and will vary over time to mesh with local and regional sports culture trends
- We have **Summer Camps** for every kid! Each camper is unique, with their own diverse interests, skills and potential and our camps are created with that in mind, designed specifically to keep children active, engaged, learning, exploring and connected to their friends and the community during the summer months.
- **CitySites** percent for art program recognizes artistic excellence, accessibility to the arts for all people, and the positive impact creativity has on the community and quality of life in the City of Kettering. CitySites has a collection of 27 permanent artworks throughout the parks and facilities of Kettering. It is overseen by Rosewood Arts Centre staff and an eleven-member advisory committee, Art in Public Places.

### **Parks Maintenance**

#### **Program Purpose:**

To improve the quality of life and beauty of the community by maintaining the parks, medians, tree lawns, roadsides, and City facility grounds in a safe, clean, and aesthetically pleasing manner.

#### **Program Description:**

- **Maintenance and Operations** - The Parks maintenance division maintains and operates 21 neighborhood and community-sized parks and play fields, a nature center, 32 tennis courts, 41 baseball/softball diamonds, 20 football/soccer fields, 1 self-guided fitness trail, 26 miles of median areas, a plaza-style skate park, two environmental center facilities, and a splash pad. Responsibilities include turf care; tree and plant care; athletic field maintenance and scheduling; general park maintenance, and capital projects relating to parks and park facilities.
- **Environmental Education** - It is the mission to provide comprehensive education to foster stewardship, promote sustainability and appreciation of the natural world.

### **PRCA Strategic Priorities**

The department utilizes the balanced scorecard method to determine organizational priorities. These are aligned through strategic themes, objectives and measures. The themes, objectives and measures are then prioritized and aligned around short-term, mid-term and long-term goals to create the department's strategic priority plan. Revised throughout 2019, the department's approach for the next 3-5 years is captured in the following strategic priorities.

#### **Strategic Theme: Internal Customer/Team Focused**

Objective: Empower and engage employees

Measure: Create buy-in by providing avenues for input.

Measure: Analyze division, department and city information structure and resources.

Objective: Employ a high quality workforce

Measure: Enhance recruitment and retention of staff.

Measure: Develop departmental, divisional and individual staff training systems.

Objective: Strengthen organizational culture

Measure: Create and communicate expectations, priorities and goals.

**Strategic Theme: Operational Excellence**

Objective: Optimize the use of technology

Measure: Analyze, create and implement a strategic technology plan.

Objective: Maximize Strategic Communication

Measure: Analyze, create and implement a strategic marketing system.

Objective: Use data to make informed decisions

Measure: Ensure mechanisms exist to measure current targets, forecast long-term planning and encourage informed risk-taking to create, innovate, modify or delete.

Objective: Implement relevant operational guidelines

Measure: Audit policies and procedures by evaluating the existing documents and prioritize the appropriate changes.

**Strategic Theme: Successful Experience for the Community**

Objective: Understand the user

Measure: Understand the community, users, non-users and the underserved.

Measure: Develop tactics to reach the underserved and non-user.

Measure: Develop tactics to retain users.

Objective: Align services to expectations

Measure: Provide avenues for user input.

Measure: Assess and utilize user input to provide quality services.

Measure: Assess and establish standards and metrics for quality service.

**Strategic Theme: Fiscal Responsibility**

Objective: Effective resource management

Measure: Define, develop and establish systems, training and expectations for effective budget management

Measure: Develop a process to strategically manage department assets.

Measure: Identify the unfunded need of the Department.

Objective: Ensure fiscal sustainability

Measure: Identify, seek and strategically manage new and alternative revenue sources.

Measure: Systemize projections and develop a strategy for subsidy fluctuations and goals.

**Measurements:**

**Actual  
2017**

**Actual  
2018**

**Estimated  
2019**

**Proposed  
2020**

**Rosewood Arts Centre**

|                                       |              |             |              |              |
|---------------------------------------|--------------|-------------|--------------|--------------|
| Class Enrollment/Attendance           | 2,993/15,827 | 2449\14,496 | 3,000\15,000 | 3,000\15,000 |
| Drop-In Studio and Gallery Attendance | 4,443        | 4,520       | 4,500        | 4,500        |
| Special Events Attendance             | 17,250       | 15,544      | 16,000       | 16,000       |
| Facility Rental Attendance            | 27,755       | 17,128      | 17,000       | 17,000       |
| Total Attendance                      | 77,203       | 65,275      | 70,000       | 70,000       |

| <b>Measurements continued:</b>                   | <b>Actual<br/><u>2017</u></b> | <b>Actual<br/><u>2018</u></b> | <b>Estimated<br/><u>2019</u></b> | <b>Proposed<br/><u>2020</u></b> |
|--|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
| <b><u>Recreation Classes/Programs</u></b>        |                               |                               |                                  |                                 |
| Aquatics Class Enrollment                        | 1,524                         | 1,943                         | 1,700                            | 1,700                           |
| Arena Class Enrollment                           | 797                           | 1,063                         | 1,000                            | 1,000                           |
| Sports Activities Enrollment                     | 3,877                         | 4,000                         | 3,500                            | 3,500                           |
| Adult & Martial Arts Program Enrollment          | 1,580                         | 1,500                         | 800                              | 800                             |
| Senior Adult Leisure Attendance                  | 54,000*                       | 54,000                        | 54,000                           | 54,000                          |
| Fitness/Wellness Class Enrollment (both centers) | 5,200*                        | 3,360                         | 3,872                            | 3,900                           |
| Number of Adult Sports League Players            | 6500*                         | 6,500                         | 6,000                            | 6,000                           |
| Special Populations/ Camp Enrollment             | 172                           | 117                           | 85                               | 100                             |
| Special Event Attendance                         | 45,000*                       | 45,000                        | 45,000                           | 45,000                          |
| Pre School/Youth/Adult Program/Camp Enrollment   | 3,800*                        | 2,300                         | 2,500                            | 2,500                           |
| Tot Lot Enrollment                               | 48                            | 40                            | 0                                | 0                               |
| Total Overall Program/Class Enrollment           | 122,498                       | 119,547                       | 118,457                          | 118,500                         |

\*Changes in reporting and measuring attendance occurred in 2017, these numbers are estimates.

|   |         |         |         |         |
|---|---------|---------|---------|---------|
| <b><u>Recreation Drop-Ins and Pass Visits</u></b> |         |         |         |         |
| Swimming  | 102,459 | 74,481  | 75,000  | 75,000  |
| Skating   | 12,745  | 13,809  | 12,000  | 12,000  |
| Nursery   | 3,025   | 2,539   | 3,375   | 3,500   |
| Gymnasium   | 11,028  | 7,199   | 8,000   | 8,000   |
| Walking/Running Track (KRC)                       | 27,155  | 10,000  | 12,000  | 12,000  |
| Walking/Running Track (KFWC)                      | 10,026  | 5,583   | 8,000   | 8,000   |
| Fitness Room/Aerobics (KRC)                       | 138,267 | 121,174 | 125,000 | 125,000 |
| Fitness Room/Aerobics (KFWC)                      | 93,775  | 93,702  | 95,000  | 95,000  |
| Combination (New 9/17)                            | 10,646  | 35,196  | 35,000  | 35,000  |
| Total Attendance                                  | 409,126 | 363,683 | 373,375 | 373,500 |

|   |         |         |         |         |
|---|---------|---------|---------|---------|
| <b><u>Recreation Rentals Attendance</u></b> |         |         |         |         |
| Polen Farm                                  | 20,172  | 21,000  | 21,000  | 21,000  |
| Aquatics                                    | 32,173  | 31,076  | 32,000  | 32,000  |
| Arena                                       | 62,983  | 63,000  | 63,000  | 63,000  |
| KRC/Senior Center                           | 56,298  | 46,386  | 40,000  | 40,000  |
| Gymnasium                                   | 2,000   | 4,878   | 4,000   | 4,000   |
| Total Attendance                            | 173,626 | 166,340 | 160,000 | 160,000 |

## **Parks, Recreation & Cultural Arts Expenditures — PRCA Fund (Keys 2400-2455)**

|                                       | <b>Actual<br/><u>2017</u></b> | <b>Actual<br/><u>2018</u></b> | <b>Estimated<br/><u>2019</u></b> | <b>Proposed<br/><u>2020</u></b> |
|---------------------------------------|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
| <b>OPERATING COSTS:</b>               |                               |                               |                                  |                                 |
| <b>Personnel Expenditures</b>         | 5,857,961                     | 6,164,092                     | 6,440,840                        | 7,095,300                       |
| <b>Operating Expenditures</b>         | 4,274,186                     | 4,077,730                     | 4,310,250                        | 4,300,800                       |
| <b>Capital Equipment Expenditures</b> | <u>27,233</u>                 | <u>141,963</u>                | <u>392,350</u>                   | <u>290,000</u>                  |
| <b>Total</b>                          | 10,159,380                    | 10,383,785                    | 11,143,440                       | 11,686,100                      |

In early 2018, the Parks, Recreation and Cultural Arts (PRCA) Department underwent an assessment of its recreational programs to review how well they are aligned with community needs. The assessment results are intended to help staff focus on core program areas and enhance quality in those programs. One result of the assessment was the creation of a Department Playbook. The purpose of the Department Playbook is to create consistent standards to guide the Parks, Recreation and Cultural Arts Department operations. This manual outlines the approach to product and service delivery; product and facility staffing priorities; managing policies and procedures; pricing and budget processes; internal support and process improvement projects.



The main strength to Department success is creating and developing a strong financial strategy to support all of the resources necessary to provide exceptional customer service. The Parks Recreation and Cultural Arts Department budget is the financial tool that allows the department to implement its philosophy of *Quality Service Focused on Community*. Success is measured by the degree of value the product and service provides to the public while maintaining a reasonable level of subsidy for each operational unit within the department.

Each year, the PRCA budget is revised to reflect changes in resources needed to provide quality programming and facilities. The proposed 2020 budget reflects a 0.6% increase in operational subsidy over the 2019 budget and a 4.7% increase over the estimated 2019 level. The increased subsidy funding in 2019 and beyond will be used to support changes in staffing levels and to increase purchases of capital equipment and vehicles that have fallen behind on their replacement schedules.

Estimated 2019 personnel expenditures include two new full-time positions: a Recreation Superintendent and Recreation Center/Arena Coordinator. The 2019 expenditures also include various re-classifications of full-time positions and additional hours for KRC Front Desk Clerks, Aquatic Operation Coordinators, Aquatic Lesson Coordinators, and Rosewood Assistant Facility Coordinators.

Part-time and temporary recreation personnel hours fluctuate each year to align with changes in programming and facility coverage needs. For 2020, the PRCA Department continues to refine its personnel budget as part of its 2018 Recreational Program Assessment. The number of temporary Parks Maintenance hours is reduced to reflect actual Groundskeeper staffing usage. Conversely, budgeted Assistant Facility Coordinator hours at Rosewood Arts Centre increased to reflect actual facility coverage worked by existing staff. The 2020 programming calls for increases in lifeguard, swim instructor, concession specialist, and sports program attendant hours.

The 2019 capital purchases include replacements of (2) F-550 Dump trucks and (2) F-350 crew cab pickup trucks. Proposed 2020 capital purchases include replacements of fitness equipment, (2) additional F-351 crew cab pick-ups, and (2) Z-Master mowers.

The PRCA staff shall continuously monitor revenues and make expenditure adjustments as needed to mitigate the need for additional general fund subsidy dollars.

## Staffing Levels

|  | <u>Actual 2017</u> | <u>Actual 2018</u> | <u>Estimated 2019</u> | <u>Proposed 2020</u> |
|--|--------------------|--------------------|-----------------------|----------------------|
| Director                                       | 1                  | 1                  | 1                     | 1                    |
| Parks Superintendent                           | 1                  | 1                  | 1                     | 1                    |
| Recreation Superintendent                      | 0                  | 0                  | 1                     | 1                    |
| Administration&Special Projects Superintendent | 0                  | 0                  | 1                     | 1                    |
| Division Manager of Recreation Facilities      | 1                  | 1                  | 0                     | 0                    |
| Division Manager of Recreation                 | 1                  | 1                  | 0                     | 0                    |
| Division Manager of Cultural Arts              | 1                  | 1                  | 1                     | 1                    |
| Division Manager of Business Services          | 1                  | 1                  | 0                     | 0                    |
| Parks Managers                                 | 2                  | 2                  | 2                     | 2                    |
| KRC Facility Manager                           | 0                  | 0                  | 1                     | 1                    |
| PRCA Division Manager - Recreation             | 0                  | 0                  | 1                     | 1                    |
| Program Manager                                | 1                  | 1                  | 0                     | 0                    |
| Arena/Aquatics Manager                         | 1                  | 1                  | 1                     | 1                    |
| Supervisors Parks & Recreation                 | 6                  | 6                  | 7                     | 7                    |
| Communications&Marketing Supervisor            | 1                  | 1                  | 1                     | 1                    |
| Recreation & Cultural Arts Coordinators        | 6                  | 6                  | 7                     | 7                    |
| Parks Service Workers                          | 12                 | 12                 | 12                    | 12                   |
| Secretary                                      | 1                  | 1                  | 1                     | 1                    |
| Clerical/Aide                                  | 3.4                | 3.4                | 2.7                   | 2.7                  |
| Part-time Technician I                         | 0                  | 0                  | 0.7                   | 0.7                  |
| Part-time & Temp. Rec./Arts Personnel*         | 71.8               | 72.4               | 69.9                  | 73.3                 |
| Part-time & Temp. Parks Personnel*             | <u>21.9</u>        | <u>21.9</u>        | <u>21.9</u>           | <u>20.8</u>          |
| Total  | 133.1              | 133.7              | 133.2                 | 135.5                |

\*Total employed to be controlled by budget dollar authorization.

# FRAZE PAVILION OPERATIONS

# FUND 247

This fund exists to record the revenues and expenses of the Frazee Pavilion operations. The Frazee Pavilion is a 4,300-seat outdoor amphitheater featuring the best in local, regional, and national entertainment from Memorial Day through mid-September. Programming goals include presenting genres of music for everyone from country to jazz, blues to popular; as well as offering affordable tickets for these performances. Currently completing the 28th year of operation, Frazee Pavilion has presented some of the most recognizable names in the concert industry: Willie Nelson, BB King, Bonnie Raitt, Michael Buble, Huey Lewis, Reba, Harry Connick Jr, Crosby Stills & Nash, Santana, George Jones, Ringo Starr, Roger Daltrey, Lady Antebellum, Jim Gaffigan, ZZ Top, Earth Wind & Fire, Journey, Moody Blues, and Bob Dylan. The largest attended events of the 2019 season were the 9th annual Kickin Chicken Wing Fest and the August 2019 Bacon Fest - both presented in conjunction with the Miami Valley Restaurant Association. 2019 shows that played to sold out audiences included Little Big Town, Weird Al, JoJo Siwa, Jake Owen, Get the Led Out, and The Menus. The 2019 season showcased first time Frazee performers: Kings of Chaos, Diana Ross, Charlie Wilson, Frankie Valli, JoJo Siwa and Morrissey

The construction cost of Frazee Pavilion was \$2.4 million and was financed entirely with donations. The expenditures and measurements shown below include all programming and operation costs, including all free activities. Estimated 2019 expenditures include \$1.0 million to book acts in advance of the 2020 season. The 2020 budget is reduced by a corresponding amount.

## Objectives:

1. Maintain a programming mix reflective of Kettering and regional tastes.
2. Showcase local musicians or bands as opening acts as allowed by artists.
3. Continue to provide quality cultural festivals at the Frazee/Civic Commons such as Spass Nacht, Taco Fiesta, Festival of the Vine, Bacon Fest and the Kickin Chicken Wing Fest.

## Measurements:

|   | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> |
|---|------------------------|------------------------|---------------------------|--------------------------|
| <b><u>Frazee Pavilion/Civic Commons</u></b> |                        |                        |                           |                          |
| <b><u>Paid Concerts:</u></b>                |                        |                        |                           |                          |
| Number of Ticketed Performances             | 34                     | 27                     | 30                        | 30                       |
| Number of Rental Performances               | 5                      | 4                      | 6                         | 4                        |
| Number of Tickets Sold                      | 77,393                 | 74,358                 | 80,340                    | 80,000                   |
| Ticket Sales                                | \$2,828,166            | \$3,222,465            | \$3,925,030               | \$3,760,000              |
| <b><u>Free Events:</u></b>                  |                        |                        |                           |                          |
| Number of Festivals (Events in Park)        | 13                     | 12                     | 10                        | 10                       |
| Festival (Events in Park) Attendance        | 103,018                | 53,851                 | 75,000                    | 75,000                   |
| Number of Free Concerts                     | 2                      | 1                      | 1                         | 1                        |
| Free Concert Attendance                     | 800                    | 400                    | 500                       | 500                      |
| Total Concert/Festival Attendance           | 205,232                | 138,065                | 167,298                   | 165,000                  |



*The City of Kettering's Frazee Pavilion for the Performing Arts*

## Fraze Pavilion Operations Fund Resources and Expenditures (Keys 2200-2210)

|                                    | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> |
|------------------------------------|------------------------|------------------------|---------------------------|--------------------------|
| <b>AVAILABLE FOR EXPENDITURES:</b> |                        |                        |                           |                          |
| Balance January 1                  | 2,161,550              | 1,734,842              | 1,650,366                 | 92,496                   |
| <b>RECEIPTS:</b>                   |                        |                        |                           |                          |
| Charges for Services               | 2,317,238              | 2,864,714              | 3,150,000                 | 3,760,000                |
| Rentals                            | 152,604                | 155,597                | 350,000                   | 200,000                  |
| Concessions                        | 1,003,645              | 912,476                | 980,000                   | 1,165,000                |
| Sponsorships                       | 447,418                | 474,648                | 462,000                   | 425,000                  |
| Miscellaneous                      | <u>48,623</u>          | <u>83,631</u>          | <u>47,000</u>             | <u>35,000</u>            |
| TOTAL REVENUE                      | 3,969,528              | 4,491,066              | 4,989,000                 | 5,585,000                |
| Sale of City Assets                | 859                    | 477                    | 0                         | 0                        |
| Transfer from General Fund         | 0                      | 0                      | 0                         | 0                        |
| <b>TOTAL AVAILABLE</b>             | 6,131,937              | 6,226,385              | 6,639,366                 | 5,677,496                |

### OPERATING COSTS:

|                                |           |               |           |           |
|--------------------------------|-----------|---------------|-----------|-----------|
| Personnel Expenditures         | 1,160,184 | 1,098,749     | 1,171,790 | 1,330,500 |
| Operating Expenditures         | 3,236,911 | 3,455,955     | 5,375,080 | 3,554,500 |
| Capital Equipment Expenditures | <u>0</u>  | <u>21,315</u> | <u>0</u>  | <u>0</u>  |
| <b>TOTAL OPERATING COSTS</b>   | 4,397,095 | 4,576,019     | 6,546,870 | 4,885,000 |

Expenditures shown above include programming and operational costs for performances and festivals at the City's Fraze Pavilion, including free activities. No general fund dollars have been transferred to the Fraze Pavilion operations fund since 2006. However, the annual budgeted subsidy has remained \$300,000 since 2010. While this level of subsidy may not be needed each year, conservative budgeting practices are used to ensure appropriate funding levels are available since the outdoor facility is subject to unpredictable weather conditions and other external factors.

The estimated 2019 operating expenditures include \$1.2 million in encumbrances applicable to the 2020 season as the City may book and advertise 2020 performances in the fall of 2019. Accordingly, the proposed 2020 operating budget has been reduced by \$1.0 million.

### Staffing Levels

|   | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> |
|---|------------------------|------------------------|---------------------------|--------------------------|
| General Manager                                 | 1                      | 1                      | 1                         | 1                        |
| Operations Manager                              | 1                      | 1                      | 1                         | 1                        |
| Supervisor                                      | 1                      | 1                      | 1                         | 1                        |
| Facility Coordinator                            | 0                      | 0                      | 0                         | 2                        |
| Part-time Operations Specialist                 | 0                      | 0.6                    | 0.6                       | 0                        |
| Part-time Communication / Marketing Coordinator | 0                      | 0.6                    | 0.6                       | 0.6                      |
| Part-time Facility Coordinator                  | 0                      | 0.7                    | 0.7                       | 0                        |
| Temporary/Contractual Part-time*                | <u>20.4</u>            | <u>19.1</u>            | <u>19.1</u>               | <u>18.7</u>              |
| <b>Total</b>                                    | 23.4                   | 24.0                   | 24.0                      | 24.3                     |

\*Total employed to be controlled by budget dollar authorization.

## DESC REUSE FUNDS

## FUNDS 260-262

On May 21, 1993, the Base Realignment and Closure Commission recommended the realignment of the Defense Electronics Supply Center (DESC) and the closure of Gentile Air Force Station (AFS). DESC was directed to relocate to Columbus, Ohio, and the AFS was scheduled for closure in December 1996. The DESC Reuse Committee was formed in October 1993, consisting of representatives from Kettering, Dayton, Montgomery County, the State of Ohio, public utilities and the private sector. The DESC Reuse Office, established by the City in March 1994, was formed to coordinate the reuse effort. Approximately one year later, the base reuse plan was completed and proposed a mixed-use office and light industrial park.

The DESC Reuse Funds were created to record the revenues and expenditures associated with the development, construction and marketing of the Kettering Business Park. A significant portion of the cost of the conversion was funded by federal and state grants. During 2005, the existing Defense Finance and Accounting Service (DFAS) facility was recommended for closure by the Base Realignment and Closure (BRAC) Commission 2005 process. This recommendation resulted in the loss of 425 jobs. In 2005/2006, the City relocated the Kettering Municipal Court and Fire Headquarters to the Kettering Business Park. In 2007 and 2008, the City worked in conjunction with the Kettering Development Corporation to demolish Building #47 – a 240,000 square foot warehouse facility that stood vacant since the 1995 BRAC decision. The demolition of Building #47 created approximately 15 to 16 acres of available land at the Kettering Business Park. In April of 2013, Building #45 (1050 Forrer Boulevard), previously leased to the Federal Government, was returned to the City of Kettering. In 2015, Building #45 was sold to a private corporation. In late 2004, the last remaining parcel of land was transferred to the City.

In 2017, at the direction of City Council, a Steering Committee of representatives from various Business Park employers was established to help provide vision to a Master Plan for improvements to the Business Park. The Master Plan sets out a vision of how the Business Park may transform itself into an engaging and sustainable economic development destination within the local, regional and national market place. The plan identifies strategies and tactics meant to achieve the stated vision.

The plan strategies include recommended public infrastructure improvements such as an improved front door gateway entrance and corresponding streetscaping and landscaping upgrades, increased pedestrian connectivity, the addition of public gathering and outdoor collaboration spaces, adoption of a wayfinding program and business park branding. The plan also provides a concept for a mixed-use development to include office, retail and commercial uses.

Improvements completed in 2018 include new entrance signage and landscaping along Forrer Blvd at Wilmington Pike and a new entrance sign for the Kettering Municipal Court. Improvements completed in 2019 include new hardscaping, landscaping, and wayfinding signage within and near the roundabout intersection of Forrer Blvd, Composite Drive, and Madison Street. In 2019, the City sold approximately 14 acres of land in the Kettering Business Park, including Building #2, a largely vacant and underutilized 200,000 square foot warehouse left over from the Gentile Air Force Station, to a developer for the purpose of bringing in an Amazon “last mile” package distribution center. Building #2 was demolished to make way for the 100,000 square foot distribution center and associated delivery vehicle parking areas. Finally, construction of a neighborhood park south of the Business Park is anticipated to begin in 2020. Please see the Capital Improvement Fund for further costs and details of projects scheduled for the improvements at the former DESC property.

### DESC Reuse Funds Resources and Expenditures

|                                     | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> |
|-------------------------------------|------------------------|------------------------|---------------------------|--------------------------|
| <b>AVAILABLE FOR EXPENDITURES:</b>  |                        |                        |                           |                          |
| Balance January 1                   | 31,835                 | 31,312                 | 48,265                    | 10,465                   |
| <b>RECEIPTS:</b>                    |                        |                        |                           |                          |
| Rental of Land & Buildings          | 55,867                 | 53,863                 | 34,000                    | 12,000                   |
| Reimbursements                      | <u>14,091</u>          | <u>22,025</u>          | <u>10,000</u>             | <u>0</u>                 |
| <b>TOTAL REVENUE</b>                | 69,958                 | 75,888                 | 44,000                    | 12,000                   |
| Sale of City Assets                 | 2,364                  | 0                      | 0                         | 0                        |
| Transfer from/(To) the General Fund | 123,000                | 139,000                | 115,000                   | 192,000                  |
| <b>TOTAL AVAILABLE</b>              | 227,157                | 246,200                | 207,265                   | 214,465                  |
| <b>OPERATING COSTS:</b>             |                        |                        |                           |                          |
| DESC Leasing Activities             | <u>195,845</u>         | <u>197,935</u>         | <u>196,800</u>            | <u>203,500</u>           |
| <b>TOTAL OPERATING COSTS</b>        | 195,845                | 197,935                | 196,800                   | 203,500                  |

## **SPECIAL GRANTS AND PROGRAMS FUND**

The Special Grants and Programs Fund is established to handle the transactions of multiple grants and programs. This fund allows for strict accounting controls but eliminates the need to continually create new funds. The following is an overview of the various programs included in this fund.

The Frazee Contributions Fund tracks contributions and fan club memberships received for capital improvements to the Frazee Pavilion Amphitheater and facility. During 2017 - 2019 projects included upgrades to restroom sinks, concrete repairs in the concessions area, and network cabling. For 2020, electric upgrades are planned for the concessions building.

The Court computerization/automation program is established per state law. The program, began in 1993, allows court costs to be earmarked to improve Court-related paperwork through new technology. During 2001, a Municipal Probation Services fund was established by Court Order and contains all probation fees collected by the Clerk of Courts and paid to the City Treasury. These fees are disbursed at the request of the Municipal Court, and are generally used to pay for probation officers' salaries and benefits. This fund is also used to account for fees and expenditures associated with the driving school program implemented by the Court in 2002. Special Project funds are established by court order to track additional court filing fees and may be disbursed upon order of the Court.

The Law Enforcement Trust Fund accounts for the receipt and expenditure of monies received from forfeited assets and drug funds. The Law Enforcement Trust Fund term actually describes a collection of sub-funds including the US Treasury Equitable Sharing Fund, Law Enforcement Trust Fund, Drug Enforcement Fund, Federal Furtherance of Justice Fund, Drug Education Fund and the DUI Enforcement Fund. Monies are received into these funds through the County Prosecutor's office, County Clerk of Courts and the Federal Courts. Although it is difficult to project how much money the City will actually receive each year, we have developed estimates for budget purposes. Expenditures are limited to law enforcement purposes and require the advance approval of the Police Chief and City Manager. Other sub-funds include various grants for equipment or personnel expenditures.

The Other Special Grants and Programs category includes a variety of grants or programs, some of which are renewed each year and others that are for a short term only. Some of the on-going grants and programs include the Ohio Department of Public Safety OVI Grants, the Kettering Memorial Fund and the Christmas Day Dinner Fund. Grants from the Ohio Department of Public Safety reimburse the City of Kettering for overtime expenditures related to Operating a Vehicle under the Influence (OVI) enforcement. The Kettering Memorial Fund is used to account for donations to Kettering Firefighters/Paramedics. The Christmas Day Dinner Fund is used to account for donations to the Kettering Volunteers Annual Christmas Party. Since 2015, the Kettering Municipal Court has been awarded multiple Justice Reinvestment Grants (JRIG) from the Ohio Department of Rehabilitation and Correction. These funds are used to pay for a probation officer's salary, benefits and program expenses.

The Wireless 911 Government Assistance Fund is used to track county disbursements of the surcharges collected by wireless service providers and resellers for the implementation of wireless enhanced 9-1-1. The surcharge is imposed on each wireless telephone number of wireless subscribers within Ohio. The 2015 and 2016 expenditures include the implementation of next generation 911 emergency services and purchase of dispatch consoles. The proposed 2020 budget includes funding to set up wireless enhanced 911 capability in the planned emergency operations center located at Fire Headquarters/Station #36.

Also included in the Other Special Grants and Programs category are grants and programs for one-time purchases or special non-recurring programs. An example is the acceptance of a \$7,500 grant from the Ohio Arts Council in support of "ArtLocal"- a public art program focused on creating new, collaborative artworks in Kettering neighborhoods. The City of Kettering provides matching funds of \$7,500 through the 1% for the Arts fund. Another example is the acceptance of a \$34,437 Safety Intervention Grant from the Ohio Bureau of Workers' Compensation. Funding is used to purchase a power cot and load system for one of the Fire Department's medics. The City's required contribution is \$11,479.

## Special Grants and Programs Fund Resources and Expenditures

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|  | <b>Actual<br/><u>2017</u></b> | <b>Actual<br/><u>2018</u></b> | <b>Estimated<br/><u>2019</u></b> | <b>Proposed<br/><u>2020</u></b> |
|--|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
| <b>AVAILABLE FOR EXPENDITURES:</b>         |                               |                               |                                  |                                 |
| Balance January 1                          | 2,441,033                     | 2,664,272                     | 2,769,902                        | 2,813,972                       |
| <b>RECEIPTS:</b>                           |                               |                               |                                  |                                 |
| Fraze Contributions                        | 96,900                        | 44,400                        | 60,000                           | 50,000                          |
| Regional Transit Authority Grant           | 0                             | 0                             | 0                                | 0                               |
| Wireless 911 Tax                           | 141,583                       | 151,244                       | 153,000                          | 153,000                         |
| Court Computerization and Special Programs | 530,176                       | 471,510                       | 456,000                          | 404,000                         |
| Law Enforcement Funds                      | 70,188                        | 62,047                        | 99,000                           | 17,000                          |
| Other                                      | <u>172,796</u>                | <u>102,349</u>                | <u>392,000</u>                   | <u>5,000</u>                    |
| <b>TOTAL REVENUE</b>                       | 1,011,643                     | 831,550                       | 1,168,000                        | 629,000                         |
| Transfer from General Fund                 | 172                           | 11,480                        | 26,000                           | 0                               |
| Other Financing Sources                    | <u>0</u>                      | <u>0</u>                      | <u>0</u>                         | <u>0</u>                        |
| <b>TOTAL AVAILABLE</b>                     | 3,452,848                     | 3,507,302                     | 3,963,902                        | 3,442,972                       |
| <b>OPERATING COSTS:</b>                    |                               |                               |                                  |                                 |
| Court Computerization and Special Programs | 375,403                       | 372,347                       | 290,480                          | 489,970                         |
| Police Law Enforcement Funds               | 32,900                        | 38,540                        | 114,000                          | 116,192                         |
| Other                                      | <u>368,973</u>                | <u>304,513</u>                | <u>666,450</u>                   | <u>306,000</u>                  |
| <b>TOTAL OPERATING COSTS</b>               | 777,276                       | 715,400                       | 1,070,930                        | 912,162                         |
| <b>CAPITAL IMPROVEMENTS:</b>               |                               |                               |                                  |                                 |
| Fraze Capital Improvements                 | <u>11,300</u>                 | <u>22,000</u>                 | <u>79,000</u>                    | <u>10,000</u>                   |
| <b>TOTAL CAPITAL IMPROVEMENTS</b>          | 11,300                        | 22,000                        | 79,000                           | 10,000                          |
| <b>GRAND TOTAL</b>                         | 788,576                       | 737,400                       | 1,149,930                        | 922,162                         |

# COMMUNITY DEVELOPMENT BLOCK GRANT FUND

This fund is used to record revenues and expenditures from the federally funded programs known as the Community Development Block Grant Program, HOME Investment Partnership Program, Neighborhood Stabilization Program Funds, and CHIP (Community Housing Improvement Program) funds from the State of Ohio Development Services Agency. These programs are designed to assist the City in addressing community needs. They provide low interest loans to income-eligible homeowners to make repairs to their home, down payment and closing cost assistance to first-time homebuyers, low interest loans to businesses to retain or create jobs and financing to assist in the purchase, rehabilitation and sale of homes to income-eligible families. Please refer to the General Fund - Planning & Development section of this document for program data relating to this fund.

## Community Development Block Grant Fund Resources and Expenditures\*

|  | <u>Actual</u><br><u>2017</u> | <u>Actual</u><br><u>2018</u> | <u>Estimated</u><br><u>2019</u> | <u>Proposed</u><br><u>2020</u> |
|--|------------------------------|------------------------------|---------------------------------|--------------------------------|
| <b>AVAILABLE FOR EXPENDITURES:</b>                 |                              |                              |                                 |                                |
| Balance January 1*                                 | 1,133,828                    | 1,097,640                    | 1,253,975                       | 987,455                        |
| Restricted: Loans Receivable                       | <u>881,678</u>               | <u>876,470</u>               | <u>895,379</u>                  | <u>896,000</u>                 |
| NET BALANCE  | 252,150                      | 221,170                      | 358,596                         | 91,455                         |
| <b>RECEIPTS:</b>                                   |                              |                              |                                 |                                |
| Federal Grants                                     | 372,290                      | 884,039                      | 827,000                         | 757,000                        |
| Investment Earnings                                | 1,429                        | 5,568                        | 1,000                           | 1,000                          |
| Sale of City Assets                                | 366,647                      | 1,000                        | 22,000                          | 61,000                         |
| Reimbursements & Misc.                             | <u>16,291</u>                | <u>14,694</u>                | <u>2,000</u>                    | <u>0</u>                       |
| TOTAL RECEIPTS                                     | 756,657                      | 905,301                      | 852,000                         | 819,000                        |
| Transfer from General Fund                         | <u>0</u>                     | <u>0</u>                     | <u>0</u>                        | <u>0</u>                       |
| <b>TOTAL AVAILABLE</b>                             | 1,008,807                    | 1,126,471                    | 1,210,596                       | 910,455                        |
| <b>OPERATING COSTS:</b>                            |                              |                              |                                 |                                |
| Community Housing Improvement Program              | 30,370                       | (11,653)                     | 14,900                          | 5,000                          |
| Neighborhood Stabilization Program II              | 14,356                       | 848                          | 25,000                          | 17,000                         |
| General Administration                             | 354,106                      | 102,087                      | 115,780                         | 114,630                        |
| Home Owner Counseling                              | 25,000                       | 27,000                       | 26,000                          | 25,000                         |
| Fair Housing                                       | 34,000                       | 39,000                       | 32,000                          | 34,000                         |
| HOME Funds   | 189,621                      | 102,566                      | 70,030                          | 0                              |
| Housing Rehabilitation                             | (4,278)                      | 285,397                      | 386,530                         | 378,150                        |
| Business Loan Program                              | 0                            | 0                            | 105,000                         | 55,000                         |
| Brigid's Path                                      | 0                            | 27,000                       | 0                               | 0                              |
| Senior Resource Program                            | 17,665                       | 30,863                       | 28,280                          | 28,000                         |
| Maplecrest Water/Sewer                             | <u>0</u>                     | <u>0</u>                     | <u>10,000</u>                   | <u>0</u>                       |
| TOTAL OPERATING COSTS                              | 660,840                      | 603,108                      | 813,520                         | 656,780                        |
| <b>PROGRAMS AND CAPITAL IMPROVEMENTS:</b>          |                              |                              |                                 |                                |
| Emergency Repair & Handicapped Needs Grants        | 39,414                       | 35,428                       | 30,000                          | 30,000                         |
| Lead Based Paint Removal                           | 4,315                        | 34,863                       | 11,000                          | 11,000                         |
| Neighborhood Stabilization Program                 | 505                          | (505)                        | 0                               | 0                              |
| Neighborhood Stabilization Program II              | 450                          | 0                            | 180,000                         | 50,000                         |
| Clearance and Demolition                           | 195                          | 0                            | 23,000                          | 20,000                         |
| Disposition  | 14,658                       | 290                          | 1,000                           | 1,000                          |
| Environmental Remediation of Former Cheerhart Site | 0                            | 9,750                        | 0                               | 0                              |
| Fire Safety & Code Enforcement                     | 1,280                        | 0                            | 0                               | 0                              |
| Acquisitions                                       | <u>71,188</u>                | <u>66,032</u>                | <u>60,000</u>                   | <u>50,000</u>                  |
| TOTAL CAPITAL IMPROVEMENTS                         | 132,005                      | 145,858                      | 305,000                         | 162,000                        |
| <b>GRAND TOTAL</b>                                 | 792,845                      | 748,966                      | 1,118,520                       | 818,780                        |

\* Activity in this Fund has been stated on the General Accepted Accounting Principles (GAAP) basis consistent with other budgeted funds. The beginning Fund balance includes the amount of loans outstanding and accordingly is restricted.



CITY OF KETTERING



**DEBT SERVICE FUNDS****FUNDS 315 - 318**

|                                      | <b><u>Actual</u></b><br><b><u>2017</u></b> | <b><u>Actual</u></b><br><b><u>2018</u></b> | <b><u>Estimated</u></b><br><b><u>2019</u></b> | <b><u>Proposed</u></b><br><b><u>2020</u></b> |
|--------------------------------------|--|--|---|--|
| <b>AVAILABLE FOR EXPENDITURES:</b>   |  |  |   |  |
| Balance January 1                    | 1,084,375                                  | 1,024,676                                  | 1,069,750                                     | 1,080,912                                    |
| <b>RECEIPTS:</b>                     |  |  |   |  |
| General Property Tax                 | 744,124                                    | 808,535                                    | 816,000                                       | 816,000                                      |
| Homestead & Rollback                 | 111,934                                    | 117,927                                    | 117,000                                       | 117,000                                      |
| Charges for Services                 | 1,090,213                                  | 1,114,802                                  | 1,088,000                                     | 1,125,000                                    |
| Investment Earnings                  | 25,739                                     | 38,802                                     | 29,000  | 29,000                                       |
| Reimbursements & Miscellaneous       | <u>44,044</u>                              | <u>40,000</u>                              | <u>40,000</u>                                 | <u>40,000</u>                                |
| <b>TOTAL REVENUE</b>                 | <b>2,016,054</b>                           | <b>2,120,066</b>                           | <b>2,090,000</b>                              | <b>2,127,000</b>                             |
| Transfer from General Fund           | 400,000                                    | 394,000                                    | 392,000                                       | 941,000                                      |
| Proceeds of General Obligation Bonds | 0  | 0  | 6,825,000                                     | 0  |
| Premium on Bond Issuances            | 0  | 0  | 91,000  | 0  |
| Payment to Refunded Bond Agent       | 0  | 0  | (6,850,000)                                   | 0  |
| <b>TOTAL AVAILABLE</b>               | <b>3,500,429</b>                           | <b>3,538,742</b>                           | <b>3,617,750</b>                              | <b>4,148,912</b>                             |
| <b>DEBT SERVICE:</b>                 |  |  |   |  |
| Contractual Services                 | 53,267                                     | 55,806                                     | 117,500                                       | 64,000                                       |
| Bond Principal                       | 1,430,000                                  | 1,475,000                                  | 1,525,000                                     | 1,920,000                                    |
| Note Principal                       | 157,541                                    | 158,580                                    | 159,646                                       | 160,738                                      |
| Bond Interest                        | 826,968                                    | 772,668                                    | 728,818                                       | 794,297                                      |
| Note Interest                        | <u>7,977</u>                               | <u>6,938</u>                               | <u>5,874</u>                                  | <u>4,780</u>                                 |
| <b>GRAND TOTAL</b>                   | <b>2,475,753</b>                           | <b>2,468,992</b>                           | <b>2,536,838</b>                              | <b>2,943,815</b>                             |

During 2015, the City issued \$17.7 million general obligation debt. \$2.2 million of the bond proceeds were to advance refund the City's Series 2005 Court Facility bonds. \$15.5 million of the bond proceeds partially financed the construction of four new fire stations as part of the City's Fire Station Improvement Plan. Effective 2015, 75% of the EMS billing revenues and contracted billing service expenditures are allocated to the Debt Service Fund to pay \$1,054,000 in annual principal and interest on the \$15.5 million debt issuance.

During 2019, the City redeemed the voted PRCA Improvement Bonds (Series 2009) and issued new debt for the remaining par value at lower interest rates, generating an estimated \$635,700 net present value savings for the city's taxpayers.

In 2020, the City plans to issue an estimated \$8 million in general obligation debt for the Police Station Improvement project. (Please see the Capital Improvement Fund page 131 for details.) The proposed 2020 debt service expenditures include estimated principal and interest on this debt issuance.



CITY OF KETTERING

**2020 CAPITAL IMPROVEMENT PROGRAM HIGHLIGHTS**

The Capital Improvement Program includes expenditures related to the acquisition, expansion or rehabilitation of the City's physical infrastructure and facilities. Each proposal is evaluated according to its impact on achieving tactics in the strategic plan, as well as its long run and short run cost effectiveness. The City places emphasis on those projects for which federal or state funding is available.

The Capital Improvement Fund's estimated 2019 expenditures of \$14.9 million and proposed 2020 expenditures of \$23.1 million show Council's commitment to rebuilding and maintaining the community's infrastructure and neighborhoods.

Capital improvements from 2019 include \$1.1 million for the East David Road: Ackerman Blvd to Wilmington Pike asphalt resurfacing project, \$1.5 million for Hilton Drive roadway and water main improvements, \$2.6 million for the Schantz Avenue Bridge replacement and artwork, \$173,000 for Delco Park landscaping, \$516,000 for design of the Police Station Improvement project, and \$579,000 in improvements to Kettering Business Park common areas.

A highlight for 2019 is \$2.6 million for the Schantz Avenue Bridge replacement. This project involves the complete removal and replacement of the existing bridge that carries Schantz Avenue over South Dixie Highway. Federal funding as part of the Municipal Bridge Program has been awarded by ODOT for 95% of construction costs up to \$1,297,920. The project will incorporate a large-scale one-of-a-kind public art installation as part of the City Sites program utilizing the 1% For the Arts Fund. Please see the 1% For the Arts discussion in the Parks, Recreation and Cultural Arts project descriptions below.

Also during 2019, the City Sites Committee selected an artist for the design of permanent artwork on the Ridgeway Road Bridge, scheduled for replacement in 2021. As with the Schantz Avenue Bridge, the art component will utilize the 1% For the Arts Fund.

Other 2019 projects include a new sidewalk on West Stroop Road, design for the new Gentile Park, and electrical improvements at the Government Center's parking lot. These are in addition to the City's regular programs such as the curb/drive approach/sidewalk repair, asphalt resurfacing, thoroughfare improvements, and ash tree replacements.

The following highlights provide detailed information on the City's proposed 2020 capital improvement program.

**Traffic Controls (\$1,661,000)****Annual Program (\$50,000)**

Funding is provided in 2020 for traffic control maintenance items, the annual pavement marking program and miscellaneous traffic control needs.

**Citywide Traffic Signal Replacements – Phase 2 (\$1,586,000)**

The estimated 2019 expenditures include \$13,000 for right of way acquisitions. Construction on this project, estimated at \$1.6 million, is planned for 2020. The project will replace six traffic signals with new mast arm traffic signals at various intersections on the east side of the City. This is a federally funded project at a 75% level.

**Citywide Traffic Signal Replacements – Right of Way for Phase 3 (\$25,000)**

The proposed 2020 budget includes \$25,000 for right of way costs. Construction on this project, estimated at \$1.8 million, is planned for 2022. The project will replace six traffic signals with new mast arm traffic signals at various intersections in the City. This is a federally funded project at a 79% level.

**Impact on operating budget: Traffic Controls**

The impact on the City's operating budget for 2020 Traffic Control Projects is minimal. Making ongoing investments and upgrades to the City's traffic control hardware will allow the City to increase safety, stay current with new technology, and reduce the amount of man-hours necessary for traffic signal hardware maintenance.

### **Street Surfacing and Roadway Improvements (\$7,603,000)**

This program consists of concrete and asphalt maintenance on various thoroughfares and residential streets throughout the City of Kettering as determined and recommended by the pavement management system and the 5-year capital improvement program as approved by City Council and used in the Engineering Department.

#### **Annual Program (\$1,010,000) and Thoroughfare Maintenance (\$365,000)**

The City's annual asphalt resurfacing program, proposed at \$1.0 million in 2020, consists of general asphalt resurfacing, concrete repair, and other miscellaneous roadway improvements. This program focuses primarily on the resurfacing of residential streets and secondary thoroughfare & collector streets that are not slated for more significant improvements within the next 15-20 years.

The 2020 Thoroughfare Arterial & Collector program, proposed at \$365,000, includes the resurfacing of Forrer Boulevard from Wilmington Pike to Smithville Road and of Swigart Road from East Rahn Road to the corporate limit. Also included is the resurfacing of Schantz Avenue to coordinate with the new bridge currently under construction.

#### **Ackerman Boulevard: Stroop Road to Dorothy Lane (\$650,000)**

This 2020 project, scheduled to follow the County's water main replacement, involves mill and overlay with curb/sidewalk/drive approach repairs as necessary.

#### **Impact on operating budget: Annual Program and Thoroughfare Maintenance**

This program has a significant positive effect on the City's operating budget, specifically with regard to the Public Service Department's asphalt resurfacing budget. Person-hours and materials for maintenance of the asphalt roadways resurfaced under this program are greatly reduced for at least the first 10 years after resurfacing.

#### **Curb, Gutter, Sidewalk and Drive Approach Repair Program (CGS&D) (\$750,000)**

This is a program that preserves the City's improved roadway infrastructure, repairs sidewalks & drive approaches, and enhances the appearance of the City's neighborhoods. The 2020 program includes \$90,000 for rebuilding curbs and drive approaches on Berna Lane and Algood Place; \$380,000 for CGS&D repair on Beaver Creek Lane and Mohican Avenue; \$250,000 for Phase 1 CGS&D repair in the Indianola neighborhood; and \$30,000 for miscellaneous citywide repairs. The cost for replacement of concrete is assessed to property owners.

#### **County Line Road Widening: Dorothy Lane to Vale Project - Right of Way Carryover (\$66,000)**

This joint project with the City of Beavercreek involves the widening of County Line Road from East Dorothy Lane to Vale Drive. The project will include the addition of a second southbound through-lane to both northbound and southbound County Line Road in order for the roadway to effectively handle increased traffic volumes going to and coming from the Research Park area, particularly during the PM peak hour. Also included in the project is the resurfacing of the entire roadway. The 2020 budget provides \$46,000 for right-of-way and \$20,000 contingent design expenditures. Construction estimated at \$3.7 million is planned for 2021. Federal funding has been awarded at a 60% level.

#### **Impact on operating budget: County Line Road**

In the short- to medium-term, there will be minimal impact on the operating budget, as the expanded roadway will require minimal maintenance other than snow and ice removal during winter. This is the expectation for at least the first 10 years of the roadway's life before significant infrastructure maintenance activities (resurfacing) may be necessary.

#### **Wilmington Pike Resurfacing: East Stroop to South Corp. Line: (\$1,566,000)**

This resurfacing project will also add a new 5' sidewalk along the west side of Wilmington Pike, from Woodman Drive to just south of Bigger Road. Federal funding has been awarded at the 60% level up to \$939,000.

#### **Impact on operating budget: Wilmington Pike**

This project has a positive effect on the City's operating budget, specifically with regard to the Public Service Department's asphalt resurfacing budget. Person-hours and materials for maintenance of the asphalt roadways resurfaced under this program are greatly reduced for at least the first 10 years after resurfacing, allowing budget dollars to be spent on other roadways that are in need of repairs.

#### Ridgeway Road Bridge Replacement (\$2,800,000)

This project involves removal and replacement of the existing bridge that carries Ridgeway Road over Dorothy Lane. The replacement bridge will be capable of carrying vehicles, bicyclists and pedestrians. It will include a public art component installed as part of the City Sites program. Federal funding as part of the Municipal Bridge Program has been awarded by ODOT for 95% of construction costs up to \$2 million. State funding through the Ohio Public Works Commission has been awarded in the form of a \$400,000 grant and a \$400,000 loan at 0% interest. The schedule calls for the project to be bid and encumbered during 2020 and construction to take place during 2021.

#### Impact on operating budget: Ridgeway Road Bridge Replacement:

In the short- to medium-term, there will be minimal impact on the operating budget, as the reconstructed bridge will require minimal maintenance other than snow and ice removal during winter. This is the expectation for at least the first 10 years of the bridge's life before significant infrastructure maintenance activities may be necessary. These activities could include maintenance of the public art installation or concrete repairs to the bridge.

#### ADA Curb Ramp Replacement Program (\$125,000)

This program will target Americans with Disabilities Act (ADA) curb ramps that are in need of replacement throughout the City, primarily on thoroughfares that are due for resurfacing in 3 to 5 years in the future from the current year program and that are eligible for federal funding through Miami Valley Regional Planning Commission (MVRPC). Newer MVRPC policy dictates that resurfacing projects funded by MVRPC with federal dollars must have curb ramps brought into compliance with current ADA Public Right of Way Accessibility Guidelines (PROWAG) prior to the submission of a funding application for the resurfacing project. This program will allow the City to "get ahead" of this requirement by upgrading curb ramps on streets that are eligible for federal funding ahead of when an application to MVRPC might be made.

In future years, this program will shift focus to upgrading curb ramps in neighborhoods that are due for asphalt resurfacing a year or two prior to when the resurfacing is scheduled. This will allow us to stretch our resurfacing budget allocation, as we currently use resurfacing budget to upgrade curb ramps as part of the resurfacing project. Upgrading curb ramps can cost upwards of \$100,000 out of the resurfacing project budget, depending on the streets that are included in a given year's project.

A funding level of \$125,000 per year will allow the replacement of 40-50 ramps annually. There are approximately 800 ramps throughout the City. This program will allow us to systematically program their replacement on an as-needed basis.

#### Impact on operating budget: ADA Curb Ramp Replacement Program

The impact on the City's operating budget for this program is minimal. Making ongoing investments and upgrades to the City's ADA curb ramp infrastructure will allow the City to increase safety and stay current with the Federal Public Right of Way Accessibility Guidelines, and open opportunities for federal funding of thoroughfare resurfacing projects.

#### Other Roadway Projects (\$271,000)

Other smaller scale improvement and engineering/design costs for future roadway improvements are also included in the 2020 Capital Improvement Plan.

#### Streetscape Improvements (\$30,000)

The proposed 2020 Streetscape budget includes \$20,000 for the painting of poles and bus stops, and \$10,000 for the City's bike program.

#### Drainage (\$25,000)

##### Miscellaneous Drainage (\$25,000)

Miscellaneous Drainage is not a single project but rather a series of small projects where intervention will be cost-effective in the long run. Items in this section include, but are not limited to, the replacement of small culverts on the City roadways, and the purchase and installation of erosion control materials where it proves to be cost-effective. These are generally done in conjunction with corresponding street improvements but may be done on an individual basis if it proves cost-effective.

Impact on operating budget: Drainage Projects

Capital repairs to the drainage infrastructure, in the long run, reduce the need to continually assess and repair temporary damage done by heavy rainfall. We are currently estimating that our annual drainage capital improvement funding reduces the operating costs by \$4,000 per year.

**Parks, Recreation & Cultural Arts (PRCA) Improvements (\$4,430,000)**

Annual Program (\$245,000)

The 2020 budget includes funding for annual projects such as the repair of water park amenities, irrigation improvements, fencing replacements, concrete repairs, and the color coating of tennis and basketball courts.

Impact on operating budget: The miscellaneous annual projects included in the PRCA capital improvement plan involve upgrading or replacing existing structures and result in an immaterial impact on the operating budget.

Indian Riffle Park Playground Equipment (\$250,000)

The proposed 2020 budget includes \$250,000 for new playground equipment for Indian Riffle Park's Playground for All. The City has applied for a \$100,000 Natureworks grant from the Ohio Department of Natural Resources.

Gentile Park TIF Project (\$1,400,000)

The 2020 budget includes a carryover of \$1.4 million for the construction of a new park in the undeveloped southern portion of the Kettering Business Park. The intent is that Gentile Park will be an additional neighborhood park that serves surrounding neighborhoods. Proposed features include an inclusive play area, walking paths, a shelter, an outdoor fitness gym, open green space, bike path connectivity, naturalized areas, a small parking lot, and historical elements. The federal government previously used this area of the Business Park as open space when DESC was open. Now that the City owns this land, plans are being made to develop a portion of the site as residential property, and a portion of the remaining land will be developed into a City park. A Natureworks grant from the Ohio Department of Natural Resources will provide \$140,000 for this project. It is anticipated that the remaining cost will be partially offset by tax increment financing revenues.

Impact on operating budget: Gentile Park

The project's design phase will continue through summer of 2020 with construction planned for 2020/2021. Operating costs will vary depending upon the features chosen for this park. Maintenance needs may include mowing, snow removal, equipment maintenance, and trash pickup.

1% for the Arts Projects (\$27,000)

Public Art projects, as part of the City Sites program, utilize the 1% For the Arts fund. Currently, two large-scale public art projects are underway. The first is an art project installation in conjunction with the Schantz Avenue Bridge Replacement project scheduled in 2019. The second is an art project installation in conjunction with the Ridgeway Road Bridge Replacement project scheduled in 2020. Artist selections for both projects have been finalized. The 2020 budget includes \$19,000 for various costs related to these bridge projects such as plaques, photography, and an interactive component. An additional \$8,000 is earmarked for the 2020/2021 ArtLocal program.

Impact on operating budget: Schantz Avenue Bridge Art

Maintenance of the artwork will not affect the General Fund operating budget as the 1% For Public Art Fund includes a funding allocation for artwork maintenance.

Kettering Recreation Center/Senior Center Program (\$173,000)

The proposed 2020 budget includes \$173,000 for multiple improvements at the Kettering Recreation Center and Senior Center. The largest in terms of dollar amount will be the \$50,000 Water Park and main pool-painting project. Other KRC improvements include lining the cooling tower pipes, tinting the track and fitness center windows, replacing the audio systems within the main pool and water park, and refinishing flooring among others.

#### **Rosewood Art Centre Improvements (\$2,000,000)**

The 2020 budget includes \$2 million funding as part of a multi-year improvement plan to Rosewood Arts Centre. Plans for 2020 include upgrades to both the interior and exterior of the building. Roofing, plumbing, electrical, structural, and safety upgrades are also planned. The City of Kettering was awarded \$450,000 in Ohio Facilities Construction Commission funding through the Cultural Facilities Grants program to support the project.

In addition to the above projects, the proposed 2020 PRCA budget includes \$335,000 for miscellaneous projects such as a dog park design, pavers and fencing replacement at Polen Farm, and electric service upgrades at the Parks Maintenance Center.

#### **Tree Planting and Landscaping (\$240,000)**

##### **Annual program (\$90,000)**

This program continues the planting of new and replacement trees throughout the City. Trees are also planted in conjunction with street improvements where possible.

##### **Ash Tree Program (\$150,000)**

The proposed 2020 budget includes funding for the removal of ash trees within the City. This is part of a multi-year effort to combat the arrival of the Emerald Ash Borer (EAB). The EAB is an invasive, wood-boring beetle that infests and destroys ash trees.

##### **Impact on operating budget:**

The planting and replacement of trees throughout the City does not have a material impact on the City's operating budget.

#### **Other CIP (\$1,108,000) and Police Station Improvements (\$8,000,000)**

The Other CIP category contains miscellaneous projects for various City properties to be completed in order to meet code requirements, resolve safety problems, or improve operating efficiency. The 2020 budget includes \$15,000 for roofing modifications at the Government Center's north building, \$30,000 for leaf farm aeration system, \$25,000 for miscellaneous ADA projects, and \$85,000 for locker room improvements at the Municipal Court building among other miscellaneous projects.

##### **Core Fiber Network Enhancement (\$171,000)**

The proposed 2020 budget includes \$171,000 for Phase 1 of a multi-year program to install additional fiber optic cabling to support City data connectivity. The existing fiber loop connecting the Government Center, Municipal court, Recreation Complex and Fire Headquarters is the core of the City's data network. Eventually overhead cables will be replaced with underground conduit in order to improve streetscape aesthetics and protect fiber from damage due to weather or traffic accidents.

##### **Police Station Improvements (\$8,000,000)**

The Kettering Police Department Renovation project was developed to update the facility's HVAC systems and reconfigure the overall layout and office spaces to meet today's operational needs. The renovated facility will incorporate enhanced security, current technology, improved locker rooms, and additional property storage. The existing shooting range and jail will remain in their current configurations.

A new Police Training Center will be created in current available space in Building #46 in the Kettering Business Park. This new facility will include classroom space, operational training space, and additional storage.

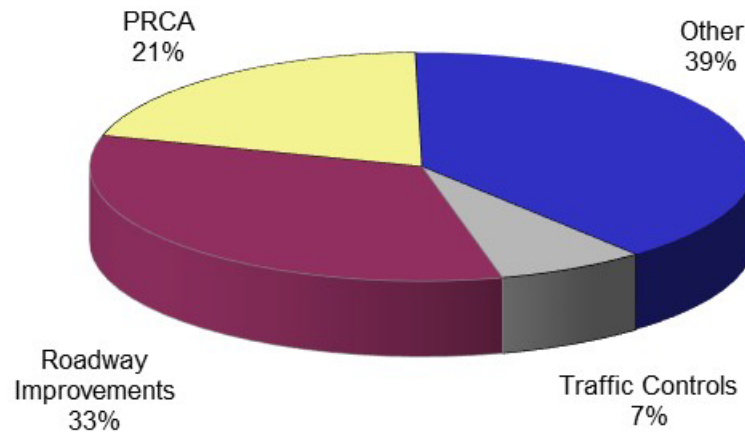
The design phase of the project began in the second half of 2018, with construction scheduled early 2020. The City plans to fund the renovation project through the issuance of general obligation debt.

##### **Impact on operating budget: Police Station Improvements**

The project is still in the planning phase and the exact operating impact is not yet available. The City anticipates savings from building maintenance and utilities at a minimum. Debt service expenditures are planned for 2020 and beyond, the level of which will be determined by the amount of debt issued and interest rates at the time of issuance.

## 2020 CAPITAL PROJECTS FUND EXPENDITURES

*The Proposed 2020 budget includes \$23.1 million in planned projects. Roadway improvements, comprising 33% of the total, include \$4,155,000 in federal dollars and \$1,090,000 in state dollars.*



### Capital Projects Fund Resources and Expenditures

|   | <b><u>Actual<br/>2017</u></b> | <b><u>Actual<br/>2018</u></b> | <b><u>Estimated<br/>2019</u></b> | <b><u>Proposed<br/>2020</u></b> |
|---|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
| <b>AVAILABLE FOR EXPENDITURES</b>                     |                               |                               |                                  |                                 |
| Balance January 1                                     | 41,287,272                    | 35,927,245                    | 29,056,422                       | 24,013,422                      |
| Committed to: Capital Improvements                    | <u>28,479,330</u>             | <u>25,842,681</u>             | <u>23,941,025</u>                | <u>21,441,025</u>               |
| Net Balance   | 12,807,942                    | 10,084,564                    | 5,115,397                        | 2,572,397                       |
| <b>RECEIPTS</b>                                       |                               |                               |                                  |                                 |
| Tax Increment Revenue                                 | 396,627                       | 326,434                       | 435,000                          | 514,000                         |
| Federal Grants  | 2,530,467                     | 382,098                       | 1,819,000                        | 4,155,000                       |
| State & Local Grants                                  | 272,497                       | 355,805                       | 982,000                          | 1,090,000                       |
| County Shared Revenue                                 | 206,371                       | 206,576                       | 207,000                          | 206,000                         |
| Investment Earnings                                   | 363,975                       | 548,344                       | 550,000                          | 500,000                         |
| Special Assessments                                   | 806,550                       | 738,319                       | 926,000                          | 770,000                         |
| Reimbursements & Miscellaneous                        | <u>557,267</u>                | <u>73,043</u>                 | <u>458,000</u>                   | <u>103,000</u>                  |
| Total Revenue   | 5,133,754                     | 2,630,619                     | 5,377,000                        | 7,338,000                       |
| Transfer from General Fund                            | 4,213,210                     | 4,247,497                     | 4,487,000                        | 4,832,000                       |
| Transfer from EMS Fund                                | 1,290,000                     | 360,000                       | 34,000                           | 0                               |
| Proceeds of Promissory Notes/General Obligation Bonds | 0                             | 0                             | 0                                | 8,400,000                       |
| Sale of City Assets                                   | <u>192,584</u>                | <u>0</u>                      | <u>0</u>                         | <u>0</u>                        |
| Total Other Financing Sources                         | 5,695,794                     | 4,607,497                     | 4,521,000                        | 13,232,000                      |
| <b>TOTAL AVAILABLE</b>                                | 52,116,820                    | 43,165,361                    | 38,954,422                       | 44,583,422                      |



**EXPENDITURES:**

|   |                           | <b><u>Actual<br/>2017</u></b> | <b><u>Actual<br/>2018</u></b> | <b><u>Estimated<br/>2019</u></b> | <b><u>Proposed<br/>2020</u></b> |
|---|---------------------------|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
|   | <b><u>2020 Detail</u></b> |                               |                               |                                  |                                 |
| Traffic Controls  |                           | 2,009,587                     | 208,377                       | 76,000                           | 1,661,000                       |
| Miscellaneous Traffic Controls                              | 50,000                    |                               |                               |                                  |                                 |
| Citywide Traffic Signal System Upgrade Phase 2              | 1,586,000 *               |                               |                               |                                  |                                 |
| Citywide Traffic Signal System Upgrade Phase 3 Right of way | 25,000                    |                               |                               |                                  |                                 |
| Street Surfacing & Roadway Improvements                     |                           | 5,595,248                     | 5,065,615                     | 9,195,000                        | 7,603,000                       |
| Normal Program  | 1,010,000                 |                               |                               |                                  |                                 |
| ADA Curb Ramp Replacement Program                           | 125,000                   |                               |                               |                                  |                                 |
| Curb, Gutter, Sidewalk Repair Program                       | 750,000                   |                               |                               |                                  |                                 |
| Thoroughfares, Arterials & Collectors                       | 365,000                   |                               |                               |                                  |                                 |
| Ackerman Blvd: Stroop to Dorothy                            | 650,000                   |                               |                               |                                  |                                 |
| County Line Widening project (\$10,000 carryover)           | 66,000 *                  |                               |                               |                                  |                                 |
| Hewitt Ave. Bikeway Right of way                            | 25,000                    |                               |                               |                                  |                                 |
| Ansel Bridge Design   | 80,000                    |                               |                               |                                  |                                 |
| Ridgeway Rd. Bridge Replacement                             | 2,825,000                 |                               |                               |                                  |                                 |
| Schantz Ave. Bridge Landscaping                             | 141,000                   |                               |                               |                                  |                                 |
| Wilmington Pike Resurfacing: E. Stroop to S. Corp line      | 1,566,000                 |                               |                               |                                  |                                 |
| Streetscape Improvements                                    |                           | 1,096,482                     | 335,365                       | 613,000                          | 30,000                          |
| Pole and Bus Stop Painting                                  | 20,000                    |                               |                               |                                  |                                 |
| Bike program  | 10,000                    |                               |                               |                                  |                                 |
| Drainage  |                           | 2,465                         | 22,665                        | 218,000                          | 25,000                          |
| Miscellaneous Drainage                                      | 25,000                    |                               |                               |                                  |                                 |
| Parks & Recreation  |                           | 1,529,482                     | 1,159,356                     | 1,959,000                        | 4,430,000                       |
| Miscellaneous Improvements                                  | 145,000                   |                               |                               |                                  |                                 |
| Parks Aggregate Path repair                                 | 100,000                   |                               |                               |                                  |                                 |
| Dog Park Design   | 50,000                    |                               |                               |                                  |                                 |
| Gentile Park (\$1,310,000 carryover)                        | 1,400,000 *               |                               |                               |                                  |                                 |
| Polen Farm improvements                                     | 190,000                   |                               |                               |                                  |                                 |
| Playground for All Equipment replacement                    | 250,000                   |                               |                               |                                  |                                 |
| KRC Improvements  | 77,000                    |                               |                               |                                  |                                 |
| Water Park and Main Pool Improvements                       | 96,000                    |                               |                               |                                  |                                 |
| Parks Maintenance Center Electric Upgrade                   | 95,000 *                  |                               |                               |                                  |                                 |
| City Sites Artwork Projects                                 | 27,000                    |                               |                               |                                  |                                 |
| Rosewood Arts Centre improvements                           | 2,000,000                 |                               |                               |                                  |                                 |
| Tree Planting & Landscaping                                 |                           | 210,324                       | 194,758                       | 206,000                          | 240,000                         |
| Landscaping and Tree programs                               | 90,000                    |                               |                               |                                  |                                 |
| Ash Tree Removal and re-planting                            | 150,000                   |                               |                               |                                  |                                 |
| Other   |                           | 5,745,987                     | 7,122,803                     | 2,674,000                        | 9,108,000                       |
| ADA Improvements  | 25,000                    |                               |                               |                                  |                                 |
| Miscellaneous Building Improvements                         | 797,000                   |                               |                               |                                  |                                 |
| Public Service Improvements                                 | 30,000                    |                               |                               |                                  |                                 |
| Core Fiber Network enhancement                              | 171,000                   |                               |                               |                                  |                                 |
| Police Station Improvements                                 | 8,000,000                 |                               |                               |                                  |                                 |
| Municipal Court Locker Room improvements                    | 85,000                    |                               |                               |                                  |                                 |
| <b>TOTAL CAPITAL IMPROVEMENTS</b>                           |                           | <b>16,189,575</b>             | <b>14,108,939</b>             | <b>14,941,000</b>                | <b>23,097,000</b>               |

\*Denotes all or part of funding is carried over from 2019. These projects total \$1,415,000



CITY OF KETTERING

## INTERNAL SERVICE FUNDS

The Internal Service Fund is used to account for the financing of goods or services provided by one department to other departments or agencies of the City, or to other governments on a cost-reimbursement basis. Although internal service funds require no appropriation, we have presented four internal service fund budgets because they represent separate organizational units of the City. All of their costs have been charged back to the governmental fund types. For example, each department budget listed in pages 61 - 133 includes funding for anticipated charges related to the following internal service funds.

## ADMINISTRATIVE SYSTEMS - INFORMATION SYSTEMS FUND 740

As part of the Administrative Systems Department, the Information Systems Division coordinates technology activities throughout the life cycle of the various citywide and departmental specific systems to include installation and maintenance services. This budget includes the cost of outside contracts as well as depreciation on major information systems and equipment. Costs in this fund are distributed back to the departmental budgets.

### Programs

#### Information Systems

##### **Program Purpose:**

To provide Information System support services to City staff and maximize the return on investment for the City's technology systems by increasing productivity.

##### **Program Description:**

- Serve as network administrator and provide technical support for citywide voice and data networks and for application and file servers.
- Provide data protection and database administration for shared City information systems.
- Provide central budget review for all information systems purchases and serve as City focal point for information systems issues.
- Coordinate information system hardware, software, and communications installation and maintenance.
- Lead the City's information systems technology planning.
- Facilitate the development of departmental information system disaster recovery plans for critical systems.

##### **Objectives:**

1. Provide responsive technical expertise in support of the City's objectives.
2. Research and implement methods of increasing efficiency, reducing expenses or providing additional services with the use of technology.
3. Enhance city internet capacity and reliability.
4. Enhance disaster recovery and backup capabilities.
5. Implement equipment replacement and upgrade programs.

| Measurements:                    | Actual<br><u>2017</u> | Actual<br><u>2018</u> | Estimated<br><u>2019</u> | Proposed<br><u>2020</u> |
|----------------------------------|-----------------------|-----------------------|--------------------------|-------------------------|
| <b><u>IS Support</u></b>         |                       |                       |                          |                         |
| Technology Devices Supported     | 1,490                 | 1,540                 | 1,520                    | 1,550                   |
| Total Support Requests Completed | 1,838                 | 1,391                 | 1,100                    | 1,250                   |

## Information Systems Expenditures — Internal Service Fund (Key 4400)

|                                | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Estimated<br/>2019</u> | <u>Proposed<br/>2020</u> | <u>% of Total</u> |
|--------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| Personnel Expenditures         | 465,491                | 491,514                | 434,850                   | 462,700                  | 48.95%            |
| Operating Expenditures         | 434,014                | 428,496                | 440,600                   | 482,460                  | 51.05%            |
| Capital Equipment Expenditures | <u>0</u>               | <u>0</u>               | <u>0</u>                  | <u>0</u>                 | <u>0.00%</u>      |
| Total                          | 899,505                | 920,010                | 875,450                   | 945,160                  | 100.00%           |

The proposed 2020 budget is 3.6% less than the 2019 budget and 8.0% greater than estimated 2019 expenditures. Each year's operating budget includes \$102,000 to fund a 5-year replacement cycle for PC's and laptops throughout city departments. The responsibility of this replacement program has been transferred from individual departments to the IS Department, thus streamlining the purchase of equipment and keeping PC's up-to-date and in good working order. Proposed 2020 operating expenditures include additional depreciation related to a new computer aided dispatch and records management system for the Police and Fire departments.

### Staffing Levels

|                                 | <u>Actual 2017</u> | <u>Actual 2018</u> | <u>Estimated 2019</u> | <u>Proposed 2020</u> |
|---------------------------------|--------------------|--------------------|-----------------------|----------------------|
| Information Systems Manager     | 1                  | 1                  | 1                     | 1                    |
| Information Systems Technicians | 2                  | 2                  | 2                     | 2                    |
| Desktop Support Technician      | <u>1</u>           | <u>1</u>           | <u>1</u>              | <u>1</u>             |
| Total                           | 4.0                | 4.0                | 4.0                   | 4.0                  |

## PUBLIC SERVICE - VEHICLE MAINTENANCE CENTER FUND 741

As part of the Public Service Department, the Vehicle Maintenance Center is responsible for management and maintenance of the City's fleet, which includes more than 275 vehicles and 125 other pieces of equipment. Maintenance requests cover a broad range of equipment sizes and types, including heavy construction equipment and select fire apparatus. Costs in this fund are distributed back to the departmental budgets.

### Programs

#### Fleet Management

#### **Program Purpose:**

To maintain the City's fleet of vehicles, trucks, equipment and motorized tools in excellent working condition; to assist other City departments in the proper selection of vehicles and/or equipment to meet their needs; and to dispose unnecessary equipment in a cost effective manner.

#### **Program Description:**

The Vehicle Maintenance Center services equipment on a regularly scheduled basis through the preventive maintenance program. Cars and trucks are scheduled for general maintenance and visual inspection of external wear items every 2,500 miles or 6 months, whichever comes first. Off-the-road equipment is scheduled for general maintenance and visual inspection of external wear items every 150 hours. Accident damage and component failure occurring between normal service periods is repaired in the most expedient and cost-effective manner.

#### **Objectives:**

1. Maintain a high quality automotive and equipment fleet through repair and replacement at lowest possible cost.
2. Support the City's internal departments with vehicle and equipment repairs.
3. Maintain and manage the City's fuel supplies in accordance with applicable rules and regulations.
4. Inspect, evaluate and ensure all Environmental Protection Agency and Occupational Safety and Health Act regulations are being followed in all operations.
5. Investigate all technological advancements and study these advancements for possible City fleet applications.

**Measurements:**

|                                | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Estimated<br/>2019</b> | <b>Proposed<br/>2020</b> |
|--------------------------------|------------------------|------------------------|---------------------------|--------------------------|
| <b><u>Fleet Management</u></b> |                        |                        |                           |                          |
| Number service/repair requests | 1,031                  | 1,130                  | 1,098                     | 1,150                    |
| Number of vehicles/equipment   | 395                    | 341                    | 340                       | 360                      |

**Vehicle Maintenance Center Expenditures — Internal Service Fund (Key 4300)**

|                                       | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Estimated<br/>2019</b> | <b>Proposed<br/>2020</b> | <b>% of Total</b> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 846,877                | 811,275                | 783,130                   | 877,800                  | 76.46%            |
| <b>Operating Expenditures</b>         | 239,950                | 238,770                | 263,140                   | 270,280                  | 23.54%            |
| <b>Capital Equipment Expenditures</b> | 0                      | 0                      | 0                         | 0                        | 0.00%             |
| <b>Total</b>                          | 1,086,827              | 1,050,045              | 1,046,270                 | 1,148,080                | 100.00%           |

The proposed 2020 personnel and operating expenditures are 0.5% greater than the 2019 combined personnel and operating budget. Effective 2020, a previously vacant full-time Parts Inventory Attendant position is not funded. Also for 2020, the regular part-time Clerk position is converted to full-time status. This coincides with the elimination of a regular part-time Clerk position in the Facilities Department.

**Staffing Levels**

|   | <b>Actual 2017</b> | <b>Actual 2018</b> | <b>Estimated 2019</b> | <b>Proposed 2020</b> |
|---|--------------------|--------------------|-----------------------|----------------------|
| <b>Equipment Maintenance Manager</b>    | 1                  | 1                  | 1                     | 1                    |
| <b>Equipment Maintenance Supervisor</b> | 1                  | 1                  | 1                     | 1                    |
| <b>Equipment Mechanics</b>              | 4                  | 4                  | 4                     | 4                    |
| <b>Parts/Inventory Attendant</b>        | 2                  | 2                  | 2                     | 1                    |
| <b>Clerical</b>                         | 0.6                | 0.6                | 0.6                   | 1                    |
| <b>Total</b>                            | 8.6                | 8.6                | 8.6                   | 8.0                  |

|  |
|--|
| <b>ADMINISTRATIVE SYSTEMS - PRINTING/REPRODUCTION</b><br><b>FUND 744</b> |
|--|

As part of the Administration Support Division of the Administrative Systems Department, the Print Shop is responsible for providing high quality, cost effective, short run printing services to all City departments and for maintaining various copiers and printing machinery to maximize the City's investment in this equipment. Costs in this fund are distributed back to the departmental budgets.

**Programs****Printing and Copying****Program Purpose:**

To provide high quality, cost effective printing and copying services for City departments.

**Program Description:**

The Print Shop provides printing services to City departments. Minutes, reports, and forms are produced for use in department operations. Letters, flyers, and brochures are printed to convey information on current events to the public.

The Print Shop operates three digital print production copiers to provide high quality images, print on demand services, and inexpensive color and B/W printing. Additionally, the Print Shop operates specialty printers for use with ID cards, labels and unusual paper sizes.

**Objectives:**

1. Evaluate office copiers, recommending replacement as needed.
2. Provide a high quality, cost-effective in-house printing.
3. Keep current on changes in printing technology that could affect the City.

| <b>Measurements:</b>                      | <b>Actual<br/><u>2017</u></b> | <b>Actual<br/><u>2018</u></b> | <b>Estimated<br/><u>2019</u></b> | <b>Proposed<br/><u>2020</u></b> |
|---|-------------------------------|-------------------------------|----------------------------------|---------------------------------|
| <b><u>Printing and Copying Volume</u></b> |                               |                               |                                  |                                 |
| Black and White                           | 382,085                       | 473,739                       | 420,000                          | 400,000                         |
| Color                                     | 292,059                       | 347,857                       | 345,000                          | 330,000                         |
| <b><u>Cost per Print</u></b>              |                               |                               |                                  |                                 |
| Black and White                           | \$0.01                        | \$0.01                        | \$0.01                           | \$0.01                          |
| Color                                     | \$0.064                       | \$0.064                       | \$0.064                          | \$0.064                         |

### **Print Shop Expenditures — Internal Service Fund (Key 4350)**

|                                       | <b>Actual<br/><u>2017</u></b> | <b>Actual<br/><u>2018</u></b> | <b>Estimated<br/><u>2019</u></b> | <b>Proposed<br/><u>2020</u></b> | <b><u>% of Total</u></b> |
|---------------------------------------|-------------------------------|-------------------------------|----------------------------------|---------------------------------|--------------------------|
| <b>Personnel Expenditures</b>         | 0                             | 0                             | 0                                | 0                               | 0.00%                    |
| <b>Operating Expenditures</b>         | 41,126                        | 44,639                        | 52,550                           | 62,660                          | 100.00%                  |
| <b>Capital Equipment Expenditures</b> | 0                             | 0                             | 0                                | 0                               | 0.00%                    |
| <b>Total</b>                          | 41,126                        | 44,639                        | 52,550                           | 62,660                          | 100.00%                  |

The proposed 2020 budget is equal to the 2019 budget.

Note: The City's Print Shop personnel and facility related expenditures are recorded in the General Fund's Administrative Support cost center.

## **PUBLIC SERVICE – FACILITIES DIVISION FUND 747**

As part of the Public Service Department, the Facilities Division is responsible for the construction, maintenance, repair, improvement, and custodial care of all City-owned buildings and structures. Services provided include preventative maintenance, energy conservation and retrofits, seasonal changeover, and general labor services. Costs in this fund are distributed back to the departmental budgets.

### **Programs**

#### **Facility Maintenance**

##### **Program Purpose:**

To construct, improve, and maintain all City-owned facilities in an attractive, safe, functional and secure manner.

##### **Program Description:**

- Eliminate any conditions that create hazards or could cause injury.
- Secure City Property and minimize opportunities for vandalism.
- Capitalize on energy conservation opportunities concurrent with advances in technology.
- Provide facility improvements consistent with employee and department needs.
- Maintain the City's critical services including back-up power and emergency warning systems.

##### **Objectives:**

1. Perform preventive maintenance to improve operational efficiency, reduce outages, decrease major repair costs, and enhance the quality and safety of city-owned facilities.
2. Repair city-owned facilities to restore operations and safeguard safety, health, property and environment.
3. Plan and complete facility-related projects as approved for the calendar year.
4. Improve skill base of department employees through various educational opportunities.
5. Coordinate with other departments to achieve City goals.

### Custodial Care

**Program Purpose:**

To maintain health, safety and cleanliness of the City's facilities.

**Program Description:**

- Provide high quality custodial services to the majority of City-owned facilities.

**Objectives:**

1. Improve cleanliness and efficiency through investigation of new products and equipment.

**Measurements:**

|                                    | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Estimated<br/>2019</b> | <b>Proposed<br/>2020</b> |
|------------------------------------|------------------------|------------------------|---------------------------|--------------------------|
| <b><u>Building Maintenance</u></b> |                        |                        |                           |                          |
| Number of buildings serviced       | 58                     | 57                     | 56                        | 56                       |
| Building(s) space footage*         | 894,500                | 910,500                | 713,900                   | 703,200                  |

\*In 2017, the City added a new 18,000 square foot Fire Station #34 on Woodman Drive.

\*In 2017, the City sold former Fire Stations #31, and #36 for a total of 6,400 square feet.

\*In 2018, the City added a new 16,000 square foot Fire Station #37 on Dorothy Lane.

\*In 2019, the City sold the 196,600 square foot Building #2 in the Kettering Business Park.

\*In 2020, the City will sell former Fire Stations #34 and #35 for a total of 10,700 square feet.

### **Facilities Division Expenditures — Internal Service Fund (Key 4410)**

|                                       | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Estimated<br/>2019</b> | <b>Proposed<br/>2020</b> | <b>% of Total</b> |
|---------------------------------------|------------------------|------------------------|---------------------------|--------------------------|-------------------|
| <b>Personnel Expenditures</b>         | 2,802,523              | 2,921,890              | 2,510,980                 | 2,706,700                | 82.40%            |
| <b>Operating Expenditures</b>         | 525,412                | 492,985                | 564,580                   | 533,260                  | 16.23%            |
| <b>Capital Equipment Expenditures</b> | 0                      | 0                      | 0                         | 45,000                   | 1.37%             |
| <b>Total</b>                          | 3,327,935              | 3,414,875              | 3,075,560                 | 3,284,960                | 100.00%           |

Proposed 2020 personnel and operating expenditures are 2.1% greater than the 2019 combined personnel and operating budget. The Streets Division and Facilities Division form one Public Service Department. The Public Service Director is charged to the Facilities Division, while the Assistant Director and Secretary are charged to the Streets Division. For 2020, a regular part-time Clerk position is eliminated. This coincides with the conversion of a regular part-time Clerk to full-time status in the Vehicle Maintenance Center.

The proposed 2020 capital equipment budget includes funding for a replacement 3/4 ton pickup truck.

### **Staffing Levels**

|  | <b>Actual 2017</b> | <b>Actual 2018</b> | <b>Estimated 2019</b> | <b>Proposed 2020</b> |
|--|--------------------|--------------------|-----------------------|----------------------|
| <b>Public Service Director</b>           | 1                  | 1                  | 1                     | 1                    |
| <b>Assistant Public Service Director</b> | 0                  | 0                  | 0                     | 0                    |
| <b>Facilities Maintenance Manager</b>    | 1                  | 1                  | 1                     | 1                    |
| <b>Facilities Maintenance Supervisor</b> | 1                  | 1                  | 1                     | 1                    |
| <b>Lead Facilities Attendant</b>         | 1                  | 1                  | 0                     | 0                    |
| <b>Facilities Mechanics</b>              | 4                  | 4                  | 4                     | 4                    |
| <b>Facilities Service Workers</b>        | 7                  | 7                  | 7                     | 7                    |
| <b>Facilities Attendants</b>             | 12                 | 12                 | 12                    | 12                   |
| <b>Secretary</b>                         | 0                  | 0                  | 0                     | 0                    |
| <b>Part-time Clerical</b>                | 1.2                | 1.2                | 1.2                   | 0.6                  |
| <b>Part-Time/Temp.Maint. Aides</b>       | 4.5                | 4.5                | 4.5                   | 4.5                  |
| <b>Total</b>                             | 31.7               | 31.7               | 31.7                  | 31.1                 |



CITY OF KETTERING



## GLOSSARY

**Accrual Basis:** A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

**ADA:** The Federal Americans with Disabilities Act.

**AFBCA:** Air Force Base Conversion Agency.

**Appropriation:** Legal authorization by the City Council to make expenditures and to incur obligations for specific purposes.

**Assessed Valuation:** The valuation set upon real estate and certain personal property by the Assessor as a basis for levying property taxes.

**Balanced Budget:** The appropriations for any given year shall not exceed the sum of available cash balances, less reserves, plus revenues to be received during the year.

**Bond:** A written promise to pay a specific sum of money, called the face value of principal amount, at a specified date or dates in the future, called the maturity dates, together with periodic interest at a specified rate.

**Budget:** The financial plan for the operation of a program or organization that includes an estimate of proposed expenditures for a given period and the proposed means of financing those expenditures.

**Budget Message:** A general outline of the proposed budget that includes comments regarding the government's financial status at the time of the message, and recommendations regarding the financial policy for the coming period.

**Budgetary Basis:** This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash or modified accrual.

**Budgetary Control:** The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

**CABO:** Council of American Building Officials.

**CAFR:** Combined Annual Financial Report.

**Capital Improvements:** Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant and infrastructure.

**Capital Outlay:** Capital assets valued at \$10,000 or more with a useful economic lifetime of more than one year.

**CERT:** Certified Emergency Response Team. The CERT concept is promoted by the Federal Emergency Management Agency whereby emergency service personnel train members of the local community in basic response skills. This allows CERT members to provide assistance in the event of a disastrous event.

**CIP:** Capital Improvement Program.

**City Sites:** A program established by the City to develop a public art program in Kettering through the installation and maintenance of public works of art. The program is funded by 1% of the previous year's capital expenditures.

**Contingency:** A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

**Contractual Services:** Services other than employee services such as contractual arrangements and consultant services that may be required by the municipality.

**Debt Service Fund:** A fund established to account for the accumulation of resources for and the payment of general long-term debt, principal and interest.

**Dayton Foundation:** A philanthropic community foundation serving needs in the Dayton area.

**Department:** The basic organizational unit of government that is functionally unique in its delivery of services.

**Depreciation:** Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

**DESC:** Defense Electronics Supply Center, formerly at Gentile Air Station, was at one time that City's third largest employer. The base was approved for closure by Congress based on the recommendation of the Base Realignment and Closures Commission in 1993. The site has been converted into the Kettering Business Park. Future plans exist for a mixed residential area and parkland as well.

Distinguished Budget Presentation Awards Program: A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

EDA: Economic Development Agency.

ED/GE: A revenue sharing program with participation from a number of communities in Montgomery County. Money from the program is distributed to the communities for economic development projects after an application for funds is filed and a board of local officials review and approves the projects.

Encumbrance: The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

Expenditures: The cost of goods received or services rendered for the government unit. For the City of Kettering, expenditures are charged against an appropriation when incurred, not when paid.

Full-Time Equivalent Position (FTE): A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be the equivalent to 0.5 of a full-time position.

Fiscal Policy: The City of Kettering's policy with respect to taxes, spending and debt management as they relate to government services, programs and capital investments.

Fiscal Year: A twelve-month period to which an annual operating budget applies. For Kettering it is the same as the calendar year.

Fringe Benefits: Benefits paid by the City of Kettering for retirement, group medical and life insurance. It also includes cost for worker's compensation and unemployment.

Fund: The fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equity or balances and changes therein which are segregated for the purpose of carrying out specific activities or obtaining certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance: Funds remaining after the application of available revenues and resources to support expenditures for the fund.

GAAP: Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

General Fund: A fund used to account for all financial resources except those required to be accounted for in another fund.

General Obligation Bonds: Bonds for the payment of which the full faith and credit of the issuing government are pledged.

GIS — Geographical Information Systems: A computer system or database that links information to a spatial reference.

Goal: Broad statements of desired results for the City, department, and/or activity relating to the quality of services to be provided to the citizens of Kettering.

Governmental Funds: Funds used to account for tax-supported activities.

Governor's Place: The former Hills & Dales shopping center that was purchased by the city and developed into a business/office complex. The new name honors the late Ohio Governor James M. Cox, whose former home is located near the site.

Grants: A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

H.U.D.: The United States Department of Housing and Urban Development.

Infrastructure: The physical assets of a government that are typically stationary in nature (e.g., streets, bridges, sewer systems).

Internal Service Fund: A fund used to account for the financing of goods and services provided by one department or agency to other departments or agencies of a government on a cost/reimbursement basis.

KARTS: The Kettering Area Responsive Traffic System is the computerized traffic system used to operate all traffic signals and intersections in the City.

Kettering Business Park: Office and light industrial park located at the former Gentile Air Station.

Level of Service: Generally used to define the existing or current services, programs and facilities provided by the government for its citizens. Level of service of any given activity may be increased, decreased or remain the same depending upon the needs, alternatives and available resources.

Major Fund: A governmental fund that meets specific criteria per the Governmental Accounting Standards Board Statement No. 34 to be reported in a separate column in the City's fund financial statements.

MAP-21 Funds: The Moving Ahead for Progress in the 21<sup>st</sup> Century Act was signed into law by President Obama on July 6, 2012 to fund surface transportation programs.

Modified Accrual Basis of Accounting: A basis of accounting where revenues are recognized in the accounting period in which they become measurable and available and where expenditures are recognized in the accounting period in which the fund liability is incurred.

MVCC: Miami Valley Communications Council.

ODOD: Ohio Department of Development.

OPWC: Ohio Public Works Commission

Objectives: Specific achievements that an organization seeks to accomplish within a given time frame that are directed to a particular goal. For the City of Kettering, key departmental objectives are included in the department's budget request.

Operating Expenses: The cost for personnel, materials and equipment required for a department to function.

Performance Measure: Data collected to determine how effective or efficient a program is in achieving its objectives.

Personal Services: Expenditures for salaries, wages and fringe benefits of a government's employees.

PRCA: Parks, Recreation and Cultural Arts.

Program: Particular and primary part of a function of governments. A program encompasses associated activities directed toward the attainment of established program objectives.

Reserve: An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resources: Total amounts available for appropriation including estimated revenues, fund transfers and beginning balances.

Revenue: Income received by the City of Kettering to support the government's program of services to the citizens. Income includes such items as property tax, income tax, user charges, grants and fines.

Revised Budget: Total of the budget adopted by Council at the beginning of the year plus supplemental appropriations passed during the year plus encumbrances open at the beginning of the year.

SAFETEA-LU: The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users was signed into law by President George W. Bush on August 10, 2005 to fund surface transportation programs.

SARA Title III (The Super Fund Amendments and Reauthorization Act): The United States Environmental Protection Agency's Emergency Planning and Community Right-to-Know Act.

Special Assessment: A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Special Revenue Funds: Funds used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Supplemental Appropriation: An additional appropriation made by the governing body after the budget year has started.

Taxes: Compulsory charges levied by government for the purpose of financing services performed for the common benefit. This does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Additionally, it does not include charges for services rendered, only for those paying such charges.

Transfers In/Out: Amounts transferred from one fund to another to assist in financing the services for the recipient fund.



CITY OF KETTERING